



*Newfoundland Power Inc.*

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HAND DELIVERED

September 18, 2013

Board of Commissioners  
of Public Utilities  
P.O. Box 21040  
120 Torbay Road  
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon  
Director of Corporate Services  
and Board Secretary

Ladies and Gentlemen:

**Re: An Application by Newfoundland and Labrador Hydro pursuant to Subsection 41 (3) of the Act for approval of a capital expenditure to supplement the Allowance for Unforeseen Items for the construction and purchase of certain improvements and additions to its property (the "Application")**

This is in response to the Board's letter dated September 13, 2013 indicating that any comments regarding the Application should be submitted to the Board by Thursday, September 19<sup>th</sup>.

As noted in paragraph 4 of the Application, the Capital Budget Application Guidelines (the "Guidelines") require that, upon application for approval of a supplementary allowance, the utility must show that the usage to date of the account has been consistent with the Guidelines.

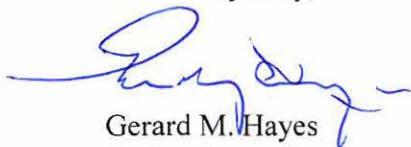
In Newfoundland Power's view, the Application does not contain sufficient information in relation to the expenditures outlined in paragraph 3 to enable us to assess whether Hydro's usage of the Allowance for Unforeseen items to date in 2013 has been consistent with the Guidelines. The Application does not indicate: (i) whether it was impractical to make application to the Board for approval of a supplemental capital expenditure, or (ii) that a delay was not possible in the circumstances. Consequently, Newfoundland Power is unable to make submissions at this time regarding the proper disposition of the Application.

A copy of this letter, together with enclosures, has been forwarded directly to the parties listed below. An electronic copy in pdf format will follow.

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If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours very truly,



Gerard M. Hayes  
Senior Counsel

c. Geoffrey Young  
Newfoundland & Labrador Hydro

Thomas Johnson  
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