

NEWFOUNDLAND AND LABRADOR BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

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2013-09-27

Mr. Geoffrey Young Senior Legal Counsel Newfoundland and Labrador Hydro P.O. Box 12400 St. John's, NL. A1B 4K7

Dear Mr. Young:

Re: Newfoundland and Labrador Hydro – Application for Allowance for Unforeseen Items (Top up of Account) - Black Tickle Diesel Plant and Restoration of Terminal Station

On September 13, 2013 following receipt of the above referenced application the Board requested the parties' comments. Newfoundland Power (NP) replied on September 18, 2013 advising that it did not have sufficient information to provide the proper disposition of the Application stating:

"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."

On September 19, 2013 the Island Industrial Customer Group (IICGroup) represented by Mr. Paul Coxworthy, concurred with NP stating that "the Application is not supported by sufficient information to permit a reasonable assessment of whether Hydro's depletion of the Allowance for Unforeseen Items to date in 2013 has been in compliance with the Capital Budget Guidelines." The IICGroup further stated that "the Application should not be granted until such time as Hydro has made a supplementary filing addressing the issues raised by Newfoundland Power's September 18, 203 correspondence..."

The Board has reviewed the submissions of NP and the IICGroup and accepts the comments are reasonable in this circumstance. Hydro is to provide the parties with the information requested from Newfoundland Power by October 3, 2013. To permit the parties the opportunity to provide their comments in a reasonable timeframe, the Board will extend the deadline to submit comments to October 10, 2013.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jgylnn@pub.nl.ca or by telephone, 709-726-6781.

Yours truly,

Cheryl Blundon Board Secretary

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