

1      **Q. Please confirm that the approval of revenue recognition and deferred recovery for**  
2      **2006 in Order No. P.U. 40(2005) was made on a final basis and not on an interim**  
3      **basis. If confirmed, please explain why approval on a final basis was appropriate**  
4      **given Newfoundland Power's 2006 costs were not tested to determine the**  
5      **appropriate revenue requirement for 2006.**

6  
7      A. It is confirmed.

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9      Please refer to the response to Request for Information SIR-NLH-NP-003.