O'DEA, EARLE

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August 29, 2011

Via email & mail

Ms. G. Cheryl Blundon
Director of Corporate Services and Board Secretary
Board of Commissioners of Public Utilities
120 Torbay Road
P.O. Box 21040
St. John's, NL A1A 5B2

Ladies & Gentlemen:

Re: Newfoundland and Labrador Hydro's 2012 Capital Budget Application Process and Schedule

Further to the Board's letter of August 25, 2011, it was requested that the participants advise if there is consent to any of the HTGS projects in the Application, particularly those Multi-Year projects listed in Section E. We were advised that these projects will then be included in Phase I.

The Consumer Advocate's review of the 2012 Capital Budget Application is continuing. We would at this stage not anticipate that we will be opposing the Multi-Year HTGS projects listed in Section E to the Application.

However, at this stage it would be premature to indicate that we are positively consenting to these projects. That said, the Consumer Advocate would consent to HTGS projects listed in Section E being made part of Phase I of the Capital Budget Application process.

I trust that the above comments are found to be in order. Should you have any questions please do not hesitate to contact me.

Yours very truly,

O'DEA EARLE

THOMAS JOHNSON

TJ/cel

cc: Newfoundland Power Inc.

Attention: Mr. Gerard Hayes

Newfoundland and Labrador Hydro

Attention: Mr. Geoffrey Young

Industrial Customers

Attention: Mr. Paul Coxworthy/Mr. Dean Porter