

September 12, 2014

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

ATTENTION: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Application pursuant to section 41(3) of the Public Utilities Act for the Approval of a Capital Project to Supply and Install 100 MW (Nominal) of Combustion Turbine Generation

This is further to the letter and written submission the Board received from Mr. Danny Dumaesque dated September 10, 2014 on this matter. Hydro wishes to state its disagreement with the erroneous premises and assumptions that appear to be inherent in many of the points raised and contained in that submission. Hydro believes that the record in this matter demonstrates that a reasonable and prudent course was taken in determining the need for the combustion turbine, that the procurement methods used were reasonable and proper, and that the facility will provide least cost electrical service for Hydro's customers.

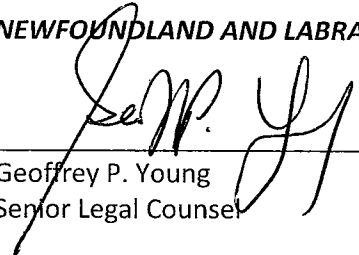
We note that while the document is titled a submission, the document is not a submission made in response to a request of the Board; rather, the main purpose of the document is to request a hearing in the matter. We understand that, to date, there has been no other indication from other Intervenor's that a hearing is requested and that there has been no request from the Board as to the parties' views on that matter.

In Hydro's view the record is full and a significant amount of material has been provided, including a 506 page engineering report and responses to 132 Requests for Information. Should the Board determine that the issues raised in this matter require a hearing, or other means, to provide further information or explanation, Hydro will of course participate fully in such processes to assist the Board in completing its consideration of Hydro's Application.

Should you have any questions in this matter, please do not hesitate to contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Geoffrey P. Young
Senior Legal Counsel

GPY/cp

cc: Gerard Hayes – Newfoundland Power
Paul Coxworthy – Stewart McKelvey Stirling Scales
Fred Winsor – Sierra Club Canada

Thomas Johnson – Consumer Advocate
Thomas O'Reilly, QC – Cox & Palmer
Danny Dumaresque