

1 **Volume 1, Section 3 – Finance**

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3 **Q. Please explain whether (and if so, how) NP is compensated for the transfer and use**  
4 **by other Fortis owned utilities of know-how, processes and practices developed at**  
5 **NP. If NP is not compensated, why not?**

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7 A. Newfoundland Power observes that regulated utility operating standards, processes and  
8 practices flow quite freely among Canadian utilities. Industry organizations such as the  
9 Canadian Electricity Association (which includes industry suppliers as well as utilities)  
10 encourage the free flow of know-how, processes and practices among its members.

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12 Other than skilled or professional labour provided by employees, Newfoundland Power  
13 has not transferred *know-how, processes or practices* developed at Newfoundland Power  
14 to other Fortis-owned utilities on any basis different than it transfers such information to  
15 non-affiliated utilities.

16  
17 Newfoundland Power exchanges information regarding operating processes and practices  
18 with other utilities including affiliates but the character of such exchanges does not  
19 materially vary whether the utility is an affiliate or not.