

February 13, 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: Newfoundland and Labrador Hydro - 2013 General Rate Application
Request from the Town of Happy Valley-Goose Bay, dated January 10, 2014

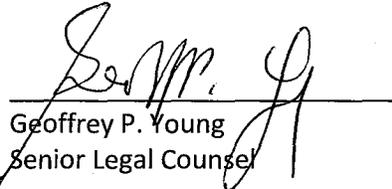
This is further to the Board's letter of February 3, 2014 requesting comments on a letter dated January 10, 2014 from Mayor Snook of the Town of Happy Valley-Goose Bay. The Mayor requested that Hydro's General Rate Application (GRA) be deferred until an independent review of the provincial electrical system, as announced by the Premier, was completed.

In Hydro's view, there is no reason to delay or defer Hydro's GRA pending the outcome of the Province's independent review. It is not at all unusual for the Board and the utilities it regulates to be involved simultaneously with a number of regulatory or investigative processes. Hydro believes that the GRA, the Board's present inquiry, and the Province's independent review can all be carried out in the coming months through in an efficient and productive manner through the usual regulatory process management practices.

Please do not hesitate to contact the undersigned if you have any questions about the foregoing.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO


Geoffrey P. Young
Senior Legal Counsel

GPY/jc

cc: Gerard Hayes – Newfoundland Power
Paul Coxworthy – Stewart McKelvey Stirling Scales
Thomas J. O'Reilly, Q.C. – Cox & Palmer
Stephanie Kearns – Olthuis, Kleer, Townshend LLP

Thomas Johnson – Consumer Advocate
Yvonne Jones, MP Labrador
Ed Hearn, Q.C. – Miller & Hearn