

1 **Q. In reference to the evidence of Earl Ludlow, page 65, line 4, please specify the**
2 **revenue generated for providing services to Fortis in reference to the Aliant pole**
3 **purchase by Fortis, the charges to Fortis and the revenue to be generated from those**
4 **charges since the time of the purchase, year over year, to current and forecast years.**

5
6 A. Newfoundland Power provides engineering and technical services to Fortis Inc. ("Fortis")
7 with respect to the non-joint use poles now owned by Fortis, including the administration
8 of contracts for pole installation and vegetation management.
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10 Table 1 below shows the charges from Newfoundland Power to Fortis related to the
11 Aliant poles purchased by Fortis for the year 2001 and to the end of September 2002.
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Table 1 Inter-Corporate Charges to Fortis Inc. Non-Joint Use Pole Services (\$000s)		
Category	2001	Year to Date September 2002
Staff Charges	80	80
Pole Installation and Removal	1,828	461
Total	1,908	541

13
14 Staff charges include employee labour and vehicle costs. Pole installation and removal
15 charges include a monthly administration fee, miscellaneous expenses and contractor
16 charges. In compliance with Order No. P.U. 7 (1996 - 97), Newfoundland Power charges
17 Fortis for the services of its engineers and technicians at market rates. The administration
18 fee, as well as the difference between the market rates for services provided by
19 Newfoundland Power to Fortis and the cost to Newfoundland Power of providing these
20 services, is recorded as Other Revenue.
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22 Table 2, on page 2, shows the Other Revenue received by Newfoundland Power, or
23 forecast to be received, related to the non-joint use poles now owned by Fortis for the
24 years 2001 to forecast 2004.
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Table 2 Other Revenue Non-Joint Use Pole Services to Fortis Inc. 2001-2004F (\$000s)	
Year	Other Revenue
2001	35
2002F	54
2003F	55
2004F	55

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