

Media Releases 1999

55 Kenmount Road
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January 15, 1999

PUB Ruling Confirms Newfoundland Power's Evidence Strong and Credible

Newfoundland Power says today's ruling by the Public Utilities Board (PUB) confirms the utility's credibility and efficiency in providing customers with safe, reliable electrical service.

"Our evidence to the PUB was strong, credible and conclusive," says Bob Pike, Manager, Corporate Communications. "The PUB's ruling confirms our operating costs are reasonable, our capital program for 1999 is sound, and electrical rates in this province are at the mid-range of rates paid by consumers across Canada."

Today, while the PUB ordered an electrical rate increase of approximately one per cent, effective February 1, 1999, it also recognizes that electrical rates for 1999 are less than those of 1997.

As noted in a media release issued by the PUB earlier today, "...when both the spring and fall adjustments (in 1998) are taken together, they reflect a rate decrease over 1997 rates of approximately one per cent."

However, Pike comments that Newfoundland Power is disappointed and disagrees with the PUB's decision that half of the earnings in 1992 and 1993 in question were disallowed.

"The company's actions at that time to reduce capital expenditures in light of the economic downturn clearly benefited consumers, and were approved by the PUB."

Pike highlights some of Newfoundland Power successes in recent years: the utility's operating costs have been reduced by \$3 million in three years; customer satisfaction level has increased from 70 per cent to 85 per cent; total compensation for the management group has decreased by about 15 per cent since 1996; and the size of the company's workforce has decreased by approximately 300 since 1991.

"As we move forward, Newfoundland Power will continue to control costs, enhance reliability of the electrical system, and improve customer service," adds Pike.

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Newfoundland Power's President and Chief Executive Officer Appointed Chair of Canadian Electricity Association

For immediate release:

January 22, 1999

(*St. John's, NF*): Mr. Philip Hughes, President and Chief Executive Officer of Newfoundland Power, has recently been appointed Chair of the Canadian Electricity Association (CEA).

"These are challenging and exciting times for the electricity industry in Canada," says Hughes, past Vice-Chair of the Association. "I look forward to assuming my new responsibilities as Chair of the CEA."

Hughes explains that major challenges now experienced in the Canadian electricity industry include competition, restructuring of the North American electricity market, and rapid technological developments that change the economics of electricity generation.

"The CEA leads the development of proactive industry responses to evolving changes in the electricity business," says Hughes. "The mission of the CEA is to contribute to the regional, national, and international success of its member companies."

Founded in 1891, CEA is the national forum and voice of the evolving electricity industry in Canada. The Association's members produce 95 per cent of Canada's electricity, manage assets of more than \$150 billion and employ 85,000 Canadians.

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January 25, 1999

Newfoundland Power will Invest \$37 Million in Capital Projects in 1999

In its recent ruling, the Public Utilities Board approved Newfoundland Power's proposed capital budget for 1999 of approximately \$37 million.

"Newfoundland Power's capital projects in 1999 will further improve the reliability of the electrical system and, thus, the quality of service provided to our customers," says Bob Pike, Manager, Corporate Communications.

"In 1998, Newfoundland Power installed state-of-the-art technology in our Call Centre and System Control Centre to more efficiently and effectively respond to customers' requests for information," says Pike. "In 1999, we will further build on the capability of this technology to ensure a superior level of service is provided to our customers."

Pike says ongoing investment in the company's electrical system is essential given the impact of the province's harsh weather on the company's more than 10,000 kilometers of poles and wires. A portion of the capital work planned this year involves insulator and conductor replacement programs designed to maintain the reliability and safety of the electrical system.

Newfoundland Power provides electrical service to more than 172,000 customers throughout Newfoundland.

Media Advisory



55 Kenmount Road
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Newfoundland Power Appoints New Vice President

For immediate release:

February 17, 1999

(*St. John's, NF*): The Board of Directors of Newfoundland Power announced today the appointment of Ms. Nora Duke as Vice President, Customer and Corporate Services.

"Ms. Duke brings considerable knowledge and expertise to her new role as a member of the executive of Newfoundland Power," says Dr. Linda Inkpen, Chair, Board of Directors. "In addition to her former responsibilities for human resources, her corporate responsibilities are now expanded to include customer service."

Ms. Duke is an active member of the business community and currently serves on the Board of Directors of the Newfoundland and Labrador Employers' Council.

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Media Release



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Newfoundland Power Releases 1998 Financial Results

For immediate release:

February 18, 1999

(*St. John's, NF*): Newfoundland Power Inc. released its financial results today for the year ended December 31, 1998.

In 1998, earnings applicable to common shares were \$21.6 million, a decline of \$3.3 million from \$24.9 million in 1997. "This decrease is a direct result of a July 1998 Public Utilities Board (PUB) decision which reduced Newfoundland Power's allowed rate of return on common equity from 11 per cent to 9.25 per cent, and the resulting 2.1 per cent decrease in electrical rates," says Philip Hughes, President and Chief Executive Officer, Newfoundland Power.

Earnings per common share were \$2.09 in 1998 compared to \$2.42 in 1997. Revenues for the year were \$335.8 million, \$7.9 million lower than 1997 revenue. Revenue from energy sales was directly impacted by the 2.1 per cent reduction in electrical rates.

The impact of the decline in rates during 1998 has been partially offset by a significant reduction in operating expenses achieved during the year. Despite higher than normal regulatory costs, Newfoundland Power reduced operating expenses by \$4.1 million to \$244.2 million in 1998. Operating costs per customer decreased to \$259 in 1998 from \$290 in 1997.

Reductions in operating expenses have been somewhat offset by a \$0.9 million increase in purchased power costs and an increase of \$1.3 million in depreciation expense over the 1997 level. Depreciation expense has increased as a result of capital programs undertaken throughout the year to improve customer service and reliability. Newfoundland Power invested more than \$45 million in capital programs in 1998.

Customer satisfaction with the company's overall service was rated at 86 per cent in December 1998 – a 23 per cent improvement over 1996's customer satisfaction rating.

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On January 15, 1999, the PUB issued a general rate order which provided for an overall increase in rates of approximately 1.16 per cent, effective February 1, 1999. Despite this increase, electrical rates charged to customers currently reflect an approximate decrease of 1.0 per cent from 1997 rates.

"Newfoundland Power will continue to focus on improvements in customer service, power quality and reliability of supply throughout 1999 to benefit customers," says Hughes. "Increased productivity and superior safety standards will also be key elements of our 1999 operations."

	Year Ended December 31, 1998	
	1998	1997
Energy Sales	4,440 GWh	4,438 GWh
Revenues	\$335,751,000	\$343,677,000
Earnings Applicable to Common Shares	\$21,571,000	\$24,931,000
Earnings per Common Share	\$2.09	\$2.42
Net Capital Expenditures	\$45,391,000	\$30,907,000

Newfoundland Power is a wholly-owned subsidiary of Fortis Inc., St. John's, Newfoundland. Its preferred shares are traded on the Montreal Exchange.

Newfoundland Power is dedicated to providing 172,000 customers with safe, reliable electrical supply in a cost-efficient manner.

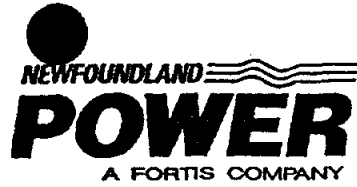
For more information on Newfoundland Power's programs, services and community partnerships, please visit www.newfoundlandpower.com.

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CONA Student Awarded Newfoundland Power Environmental Engineering Scholarship

For immediate release:

April 1, 1999

(*St. John's, NF*): Kelly O'Brien was the recipient of a \$1,000 Environmental Engineering Technology Scholarship sponsored by Newfoundland Power at last night's College of the North Atlantic graduation ceremony in Baie Verte.

The scholarship, which goes to the second or third year Environmental Engineering student with the best overall standings, is presented on an annual basis by Newfoundland Power.

"Newfoundland Power is proud to offer this scholarship to deserving students, such as Kelly," says Bob Pike, Manager, Corporate Communications, Newfoundland Power.

"This particular scholarship reflects our company's ongoing commitment to the environment and support for education in our province."

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Media Release



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Improved Reliability and Customer Satisfaction Highlight Newfoundland Power's First Quarter Results

For immediate release:

May 4, 1999

(*St. John's, NF*): Newfoundland Power Inc. released its first quarter results for 1999 today.

"Efficiency improvements at the company's hydro plants and careful attention to operating expenses have resulted in an improvement in first quarter earnings compared to the same period in 1998," says Philip G. Hughes, President and Chief Executive Officer, Newfoundland Power. "The company also improved its reliability and customer satisfaction rating."

Earnings per common share for the quarter increased to \$0.85 compared to \$0.83 in 1998.

Energy sales for the first quarter of 1999 were 1491.1 GWh, an 8.6 GWh increase over the same quarter of 1998. This increase is attributed to higher energy usage by residential and small sized commercial customers. Revenue for the first quarter of 1999 was \$108.8 million, an increase of \$1.4 million over 1998.

Increased efficiencies and production at the company's hydro plants have lessened the impact of higher energy sales on purchased power costs. For the first quarter of 1999, purchased power costs were \$63.9 million, an increase of \$0.4 million compared to 1998.

The company has successfully held other operating expenses consistent with 1998 levels. Operating costs per customer have decreased from \$285 in 1996 to \$262 in 1999.

As a result of the continuing investment in the company's electrical system aimed at improving reliability, depreciation expense and finance charges were higher than for the same quarter last year.

Newfoundland Power continues to demonstrate its commitment to customers through improved reliability and service. "Customers experienced a 27 per cent reduction in power interruptions in the first quarter of 1999 compared to 1998," says Hughes. "The company also achieved a 1998 customer satisfaction rating of 86 per cent, a 23 per cent improvement over the 1996 satisfaction rating."

Financial Summary Year-to-Date

	Three months ended March 31	
	1999	1998
Energy Sales	1491 GWh	1483 GWh
Revenue	\$108,792,000	\$107,433,000
Earnings Applicable to Common Shares	\$ 8,726,000	\$ 8,600,000
Earnings Per Common Share	\$ 0.85	\$ 0.83

Newfoundland Power is a wholly-owned subsidiary of Fortis Inc., St. John's, Newfoundland. Its preferred shares are traded on the Montreal Exchange.

With a customer base of approximately 215,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electrical supply while relentlessly pursuing employee and community safety.

For more information on Newfoundland Power's programs, services and community partnerships, please visit www.newfoundlandpower.com.

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2nd Annual EnviroFest Brings Community Groups Together to Celebrate the Environment

For immediate release:

May 26, 1999

(*St. John's, NF*): In celebration of national Environment Week, Newfoundland Power will host its second annual EnviroFest on Wednesday, June 2, 1999 from 12 noon to 5 p.m. at the Winter Games Complex, Clarenville.

"Last year more than 100 community groups and 2,500 community members from across the province took part in EnviroFest'98," says Lillian Moulard, Regional Analyst, Newfoundland Power.

"We're hoping that EnviroFest'99 will build on this success and bring even more people together to promote environmental awareness."

Newfoundland Power employees launched the Newfoundland Power Environmental Commitment Program in November 1997 to demonstrate their long-term commitment to protecting and enhancing the environment. Since that time, employees have helped initiate, organize and complete more than 50 environmental projects.

"EnviroFest is a major component of the Newfoundland Power Environmental Commitment Program," explains Moulard. "Due to the success of last year's EnviroFest and the encouragement of environment groups throughout the province, Newfoundland Power has made EnviroFest an annual event."

EnviroFest'99 will feature local environment groups, schools and government agencies and will provide community members with the opportunity to learn about the environment through interactive displays, activities and demonstrations.

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Newfoundland Power Partners with Sea Cadets for Fourth Roadside Cleanup

For immediate release:

May 31, 1999

(Gander, NF): Newfoundland Power employees, retirees and family members partnered with the 288 Ardent Sea Cadets to collect 168 bags of garbage along Gander Bay Road during their fourth roadside cleanup effort on Saturday, May 29, 1999.

The roadside cleanups, which are part of Newfoundland Power's employee-driven Environmental Commitment Program, have resulted in more than 500 bags of garbage being collected over the past year and a half.

"Our employees adopted 5.2 kilometres of Gander Bay Road in November 1997 in an effort to demonstrate our commitment to protecting and enhancing our environment," says Jack Sturge, Customer Service Specialist, Newfoundland Power. "Since then we've held regular cleanups each spring and fall."

In addition to the cleanups providing an environmental benefit, Sturge says the cleanups have resulted in community benefits.

"Not only do the cleanup efforts assist with beautifying our community by reducing litter but they also provide opportunities for partnering with other members of our community, such as the Sea Cadets and the local police who assist with safety patrols along the cleanup route."

Forty-five people took part in Saturday's cleanup.

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PUB Approval Granted

For immediate release:

July 6, 1999

(*St. John's, NF*): The Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) has approved a request by Newfoundland Power for \$3.1 million in additional capital expenditures for 1999 in an order dated June 30, 1999.

"The addition to the capital budget provides our company with the means to continue work on a number of reliability, safety and environment initiatives," says Bob Pike, Manager, Corporate Communications, Newfoundland Power. "These priority initiatives include rebuilding problem feeders, replacing distribution transformers, and replacing and realigning a section of the Petty Harbour penstock."

The supplement to the company's capital budget was also required due to costs associated with extensive storm damage experienced in February and April 1999.

"Newfoundland Power is dedicated to providing customers with safe, reliable electrical service in a cost-effective manner," explains Pike. "A major element in meeting this commitment is being able to invest the capital required to keep the electrical system in reliable working order throughout the province."

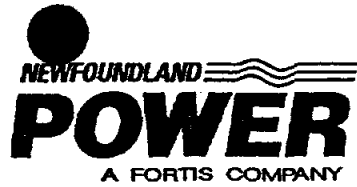
Newfoundland Power invested \$45.6 million in capital programs to enhance service to customers through improved reliability and power quality in 1998. The company's forecast for capital spending in 1999 is approximately \$40 million.

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Newfoundland Power's Board of Directors Meet in Grand Falls-Windsor

For immediate release:

July 13, 1999

(St. John's, NF): In an effort to better understand issues affecting customers in central Newfoundland, Newfoundland Power will host Board of Directors' meetings and customer visits in Grand Falls-Windsor today and tomorrow.

"These meetings play a fundamental role in our company's strategic planning and development," explains Philip Hughes, President and Chief Executive Officer, Newfoundland Power.

While in Grand Falls-Windsor, members of Newfoundland Power's board of directors will participate in visits to several commercial customers. "These visits allow the company and its directors to gain an appreciation for customer service needs, reliability of supply issues and general economic conditions in the area," says Hughes.

Newfoundland Styro Inc., Robinson Blackmore Printing & Publishing and Superior Glove Works are the customers scheduled for visits during the meetings.

"Customer visits are a part of Newfoundland Power's on-going commitment to support the development of Newfoundland-based businesses," says Dr. Linda Inkpen, Chair, Board of Directors, Newfoundland Power.

Frank Howard, President of Riverview Chev Olds in Grand Falls-Windsor, is a member of Newfoundland Power's Board of Directors.

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Newfoundland Power Resumes Payment of Dividends

For immediate release:

July 16, 1999

(*St. John's, Newfoundland*): Newfoundland Power Inc. will resume dividend payments following a suspension of regular quarterly dividends on its common shares in September 1998.

An unexpectedly low return on equity ordered by the Newfoundland and Labrador Board of Commissioners of Public Utilities in its July 31, 1998 Cost of Capital Order left Newfoundland Power with "a regulated return on equity measuring below industry norms" according to the Canadian Bond Rating Service.

"Our company's long-term financial position is central to our role as an essential service provider in Newfoundland," says Philip G. Hughes, President and Chief Executive Officer, Newfoundland Power. "The suspension of common dividends was a reflection of our commitment to customers and the future strength of our organization."

As forecast, Newfoundland Power will resume dividends on its common shares in the third quarter of 1999. A dividend of \$0.46 per common share will be paid to the company's sole common shareholder Fortis Inc. on September 1, 1999.

Newfoundland Power's 10,320,270 common shares are owned by Fortis Inc. St. John's, Newfoundland. Its preferred shares are traded on the Montreal Exchange. With a customer base of 214,000, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of supply while relentlessly pursuing employee and community safety.

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Media Release



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Increased Earnings, Customer Satisfaction Highlight Newfoundland Power's Second Quarter

For immediate release:

July 26, 1999

(*St. John's, NF*): Newfoundland Power Inc. released its second quarter results for 1999 today.

"Again this quarter, Newfoundland Power has been successful in increasing earnings through efficiency improvements, careful attention to operating expenses and a continued commitment to customers," says Philip G. Hughes, President and Chief Executive Officer, Newfoundland Power.

Earnings per common share for the year-to-date increased to \$1.56 compared to \$1.50 in 1998.

Energy sales year-to-date for 1999 are 2,606 GWh, a 1.3 per cent increase over the same period of 1998. Revenue for the year-to-date is \$193.7 million, an increase of \$4.4 million over 1998. This increase is attributed to an increase in the number of customers combined with a one per cent increase in electricity rates effective February 1, 1999.

Increased efficiencies and production at the company's hydro plants have lessened the impact of higher energy sales on purchased power costs. Year-to-date 1999, purchased power costs are \$106.3 million, an increase of \$1.0 million compared to 1998.

The company has successfully held other operating expenses consistent with 1998 levels. Operating costs per customer have decreased from \$285 in 1996 to \$257 in 1999.

A significant and positive highlight of the second quarter is the increase in customer satisfaction with the company's services. "Customer satisfaction has increased over the last quarter from 86 per cent to 88 per cent," says Hughes. "Since 1996, the company's customer satisfaction rating has improved by 26 per cent."

Financial Summary Year-to-Date

	Six months ended June 30	
	1999	1998
Energy Sales	2,606 GWh	2,573 GWh
Revenue	\$193,718,000	\$189,357,000
Earnings Applicable to Common Shares	\$ 16,047,000	\$ 15,483,000
Earnings Per Common Share	\$ 1.56	\$ 1.50

Newfoundland Power is a wholly-owned subsidiary of Fortis Inc., St. John's, Newfoundland. Its preferred shares are traded on the Montreal Exchange.

With a customer base of approximately 214,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electrical supply while relentlessly pursuing employee and community safety.

For more information on Newfoundland Power's programs, services and community partnerships, please visit www.newfoundlandpower.com.

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Media Release



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Southside Road Steam Plant to be Demolished

For immediate release:

July 29, 1999

(*St. John's, NF*): Newfoundland Power's Southside Road Steam Plant is scheduled for demolition beginning in early August. The plant, which was first commissioned to supply electricity in 1956, has been dormant for approximately ten years.

"The plant is no longer viable," says Bob Pike, Manager, Corporate Communications, Newfoundland Power. "The company is now proceeding with the demolition project mainly in the interest of public safety."

A contractor has been hired to carry out the four month demolition work which will involve the erection of a plywood security fence around the site, the removal of all substation equipment, and demolition of the building and smokestack. The site will then be backfilled and graded. Preliminary site work, such as the de-energization of electrical transformers and the removal of two boilers, has already been carried out.

"Over the years, local residents have expressed a desire to see this plant removed," says Pike. "It is our intention to carry out this demolition project with minimal impact on local residents and visitors to the Fort Amherst area."

The demolition project should be completed by the end of November. The company does not have any future plans for the site.

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August 6, 1999

Major Electrical Upgrade Scheduled for Lark and York Harbour Areas

Newfoundland Power customers in the Lark and York Harbour areas will experience improved service reliability following a major electrical system upgrade project that is taking place this month.

Over 100 poles, distribution line insulators and some transmission line insulators will be replaced during the upgrade. Crews from Stephenville and Grand Falls-Windsor will provide assistance to Corner Brook workers to efficiently complete the extensive preventive maintenance program.

Throughout the three week project, there will be a number of planned outages, including a 10 minute outage around 7:00 p.m. every evening from Monday to Friday, starting August 9. The most significant outage will be a four and one-half hour outage planned for Sunday, August 15 in Lark Harbour from 6:00 a.m. to 10:30 a.m.

"This upgrade is part of a preventive maintenance program for the Lark and York Harbour areas which totals approximately \$400,000," says Verbon Hewlin, Manager, Western Region. "Residents in these areas experience a higher than usual number of power outages due to high winds and severe weather," explains Hewlin.

"This upgrade will help improve service and reliability for these customers."

Media Release



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Newfoundland Power to Participate in National Electronic Billing Pilot with Royal Bank

For immediate release:

August 20, 1999

(*St. John's, NF*): Newfoundland Power announced today it will participate with the Royal Bank in a national electronic bill presentment pilot being developed by *e-route inc.*

"Participation in this pilot project is a natural extension of our focus on customer service," says Karl Smith, vice president, finance and chief financial officer, Newfoundland Power. "The project provides an opportunity for Newfoundland Power to learn more about electronic commerce technology and how the company can offer customers more choice and convenience in terms of electronic billing and payment options."

This fall, approximately 50 Newfoundland Power employees will take part in the pilot which will allow participants to receive and pay their bills over the Internet. Based on the outcome of the pilot, Newfoundland Power will determine the timing of making this option available to customers.

"Newfoundland Power is proud to be one of the first utilities in Canada to take part in such a project," says Smith. "In addition to the anticipated benefits for customers, electronic billing has great potential for companies like Newfoundland Power to achieve cost savings in bill processing."

When made available to the public in the spring of 2000, the *e-route* project will be one of the biggest electronic billing initiatives in North America.

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MEDIA RELEASE

Province's Utilities Complete Year 2000 Programs

For immediate release:

September 8, 1999

(*St. John's, NF*): Newfoundland Power, Newfoundland & Labrador Hydro (Hydro) and NewTel Communications announced today they have completed their Year 2000 programs.

The joint announcement was made as utilities and service companies throughout North America put their contingency plans to the test in a national year 2000 drill on September 8 and 9.

"A team of 40 Newfoundland Power employees have been dedicated to Year 2000 issues since 1997," says Philip Hughes, president and chief executive officer, Newfoundland Power. "More than 280 company sites and 1,200 electronic items have been tested for Year 2000 compliance. Contingency plans are now in place for critical operations such as the customer service system, the generation system and the financial system," says Hughes.

"The work that Newfoundland Power has done as a distribution utility has received high praise from government and other industries and I have every confidence that our systems will perform as they should at the turn of the clock at midnight on January 1, 2000," says Hughes.

"The Hydro Group has been working towards becoming Y2K ready for the last four years with a group of employees committed to this task," says Hydro president and chief executive officer Bill Wells. "We have tested the critical date sensitive equipment at all our major hydro generating plants such as Bay D'Espoir. Additionally we have tested the Holyrood Generating Plant online and will be advancing the internal clocks there ahead on December 1 to January 1."

"Transmission lines, terminal stations, gas turbines and several isolated diesel plants have also passed extensive testing," says Wells. "We are confident that our systems will operate normally into the Year 2000. Our contingency plans have also been finalized to deploy our staff throughout our system. On the evening of December 31, the Energy Control Centre, all generating stations, major terminal stations and facilities will have extra staff to address any problems that may arise."

NewTel Communications also reports completion of a comprehensive Year 2000 program that began in 1996. "We have undertaken a complete inventory and assessment of all our assets, analyzed the areas requiring change and implemented those changes," says Frank Fagan, president, NewTel. "We have developed a complete response, recovery and restoration program in case of any unforeseen events and we will continue to maintain and monitor our program throughout the remainder of 1999. We have had a dedicated team of some 50 people work on this project and we have taken proactive steps to ensure the continuity of the telecommunications system into the new millennium."

Newfoundland Power, Hydro and NewTel Communications have worked closely together on Year 2000 issues to ensure the possibility of service disruption on January 1, 2000 is minimized. Each company will now concentrate on testing their individual contingency plans to ensure nothing has been overlooked.

"We will continue to test our networks, equipment and all of our procedures to ensure that we are ready for the millennium," says Fagan. "September 8 is an important date as we activate our provincial Emergency Operations Centre for 24 hours to test and verify all our procedures, as the '9th day of the 9th month of 1999' rolls over. Our Centre is integrated with those of all other major provincial telephone companies across Canada. The trial run is being carried out to ensure all our emergency procedures and communications vehicles are in place and working."

Newfoundland Power and Hydro have opted out of the North American Year 2000 Readiness Drill scheduled for September 8 and 9, concentrating instead on testing their own contingency plans. Newfoundland Power and Newfoundland Hydro will be cooperating on a complete rehearsal of their contingency plans in early October.

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September 16, 1999

No Injuries Reported in Freak Vehicle Accident

An unmanned Newfoundland Power line truck was involved in a freak accident on Leslie Street in St. John's this morning. Extensive damage to a number of vehicles and two homes resulted.

"Thankfully there were no injuries to the general public or our line crew," says Bob Pike, Manager, Corporate Communications.

At the time of the accident, the crew had just finished performing line work in the area when the unmanned truck unexpectedly rolled down a steep incline.

"Newfoundland Power is extremely committed to employee and public safety," says Pike. "Today's accident was very unusual and unfortunate."

The accident is currently under investigation by the Royal Newfoundland Constabulary and the Occupational Health and Safety Branch of the Department of Environment and Labour.

"Newfoundland Power has a very stringent vehicle inspection and maintenance program," says Pike. "This accident will be thoroughly reviewed."

Media Release



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Newfoundland Power Demonstrates Strong Support for Local Businesses

For immediate release:

September 22, 1999

(*St. John's, NF*): Last year, Newfoundland Power directed about 70 per cent – or approximately \$34 million – of its capital and operating spending within the local Newfoundland economy.

“Newfoundland Power supports local businesses in many ways,” says Philip G. Hughes, President and Chief Executive Officer. “This includes the purchase of goods and services, working with business people to explain our competitive bid processes, and familiarizing suppliers with our business requirements.”

In addition to purchase price and labor rates, the company considers local content and closely examines elements such as product specifications, availability, service history, experience and willingness to share risk when considering tenders and request for proposals.

“We try to keep the vast majority of our business local,” says Hughes. “We have confidence in our local business people and their products. However, there are instances when we must look outside Newfoundland for specific components that are closely aligned to operation of an electrical utility.”

Safety, reliability or technology related items are most often the goods that are sought nationally or internationally if they can't be provided within the province. These can range from large pieces of generating equipment to certain types of technology.

“As an electrical utility we must meet the high standards of our industry,” explains Hughes. “Sometimes this means that goods or services for particular items are only available from a limited number of suppliers in the country or world.”

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Media Release



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Businessman Continues to Ignore Supreme Court Ruling

For immediate release:

September 22, 1999

(*St. John's, NF*): A businessman from the Glovertown area has ignored orders from both the Newfoundland & Labrador Board of Commissioners of Public Utilities (PUB) and the Supreme Court of Newfoundland to pay Newfoundland Power the \$28,000 he owes the company.

"Mr. Burry, the owner of Glovertown Cable, believes that he should not have to pay for service we've provided him," says Earl Ludlow, Vice President, Operations. "In other words, he feels that other customers should pay for the costs associated with his business."

"This is unfair to our customers and unacceptable. We believe all cable operators should be treated equally."

Burry appeared before the PUB at Newfoundland Power's 2001 Capital Budget application earlier today to once again present his argument regarding pole rental fees for cable operators.

Burry has refused to follow a current pole rental agreement approved by the PUB and developed with the input of all other cable companies in Newfoundland.

"We have tried our best to work with Mr. Burry towards a compromise or solution regarding paying his pole rentals," explains Ludlow. "Despite our best efforts, we have not been able to come to a solution."

Newfoundland Power has been forced to instruct its lawyers to proceed to collect the judgment awarded by the Supreme Court against Glovertown Cable.

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Newfoundland Power Welcomes Customer Feedback

For immediate release:

September 22, 1999

(*St. John's, NF*): Newfoundland Power encourages customer feedback on its services and policies, says Philip G. Hughes, President and Chief Executive Officer.

"Newfoundland Power regularly seeks customer feedback through quarterly surveys, ongoing customer visits and encouraging customers to contact the company with suggestions on how to improve," says Hughes. "In particular, feedback that identifies better ways of doing things helps us improve the way we serve our customers."

Hughes stresses, however, that the impact on all customers must be considered when reviewing policies or services in order to ensure customers are treated fairly.

Earlier today, Hughes responded to a St. John's businessman who challenged two of the utility's policies during the company's 2001 capital budget application to the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB).

Owen Crossan of Regency Management Ltd. questioned Newfoundland Power on the sale of streetlights and charging apartment owners basic customer service charges for electrical services to un-rented apartments when the electric service remains connected.

"The methodology we follow for the sale of streetlights is set forth by the PUB," explains Hughes. "The selling price is based on the current replacement cost of the plant less an appropriate allowance for depreciation. Basic customer charges are associated with providing electrical service to a customer. If a service exists, the basic customer charge must also exist."

For Newfoundland Power to avoid collecting basic customer charges would mean that all customers would be required to subsidize costs for the benefit of an individual customer. This practice would be unfair to other customers and is therefore not carried out.

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Independent Assessment Confirms Integrity of Newfoundland Power Vehicle

For immediate release:

September 23, 1999

(*St. John's, NF*): Newfoundland Power confirmed today that there was no mechanical failure on the line truck involved in last week's freak vehicle accident on Leslie Street in St. John's.

"An independent assessment of the vehicle involved in the accident indicates that this vehicle was indeed up to standard," says Bob Pike, Manager, Corporate Communications. "This assessment reconfirms the integrity of our entire fleet of vehicles, our vehicle inspection program and our preventative maintenance program."

The accident, which occurred when the truck unexpectedly rolled down a steep incline, did not result in any injury.

"Our internal investigation has revealed that there was a deviation from our strict standard safety procedures," says Pike.

Pike stated that Newfoundland Power has initiated internal preventative measures to ensure this type of accident does not reoccur.

"We have initiated installation of an interlocking device which would ensure the safety brake is applied when trucks are at a work site," says Pike. "We reviewed this accident with all our vehicle operators and have re-enforced our work site safety procedures. The safety of the public and its employees is top priority at Newfoundland Power."

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Newfoundland Power Donates Playground to Town of Petty Harbour-Maddox Cove

For immediate release:

September 27, 1999

(*St. John's, NF*): Newfoundland Power has donated playground equipment to the community of Petty Harbour-Maddox Cove in celebration of 100 years of partnership with the town .

"Providing this playground is a way in which Newfoundland Power is able to demonstrate the partnerships and involvement we have developed with Petty Harbour and its residents over the past century," says Bob Pike, Manager, Corporate Communications. "What better way to say thank you to this community than by providing its young people with a safe place to play."

The Petty Harbour Hydro Generating Plant was constructed in 1899 and was the first hydro generating station in Newfoundland. Since that time, Newfoundland Power has had an ongoing presence in the community through generation, employee residents and community involvement.

The playground was officially opened on Sunday, September 26, 1999 by members of the Town Council and Recreation Committee of Petty Harbour-Maddox Cove, John Evans, Vice-President, Engineering and Energy Supply, Newfoundland Power and MHA Loyola Sullivan.

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MEDIA RELEASE

Electric Utilities Complete Successful Year 2000 Drill

For immediate release:

October 13, 1999

(*St. John's, NF*): On October 8, 1999, Newfoundland & Labrador Hydro (Hydro) and Newfoundland Power conducted a very successful test of its *Provision of Electricity and Communications with Customers* Year 2000 contingency plans.

"The drill was a complete success," says Don Barrett of Hydro and Bob Pike of Newfoundland Power. "It was a great opportunity for our employees to test their skills and to prepare ourselves in the event of any Year 2000 difficulty. We were very pleased our systems performed as we planned, and this co-operative approach was vital to reducing the possibility of interruptions to our customers."

The drill consisted of various scenarios to test the utilities' ability to manually maintain and operate the provincial electrical system and to provide information to customers in the event of system and communication failures during the transition into the new millennium.

Both utilities have undergone extensive reviews of their systems to ensure their equipment is Year 2000 ready. However, contingency plans were also put in place for all critical functions to address any problems that might arise which could impact both companies' operations on December 31.

-30-

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Media Release



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Newfoundland Power Declares Dividends on Series A, B, D and G First Preference Shares

For immediate release:

October 20, 1999

(*St. John's, NF*): Today Newfoundland Power Inc. declared regular quarterly dividends on its Series A, B, D and G First Preference Shares as follows:

1. a dividend of \$0.1375 per share on the issued and outstanding 5 1/2% Cumulative Redeemable First Preference Share Series A of the Company for the quarter ending January 31, 2000, was declared payable February 1, 2000 to the Series A First Preference Shareholders of Record at the close of business January 14, 2000;
2. a dividend of \$0.13125 per share on the issued and outstanding 5 1/4% Cumulative Redeemable First Preference Share Series B of the Company for the quarter ending January 31, 2000, was declared payable February 1, 2000 to the Series B First Preference Shareholders of Record at the close of business January 14, 2000;
3. a dividend of \$0.18125 per share on the issued and outstanding 7 1/4% Cumulative Redeemable First Preference Share Series D of the Company for the quarter ending February 29, 2000, was declared payable March 1, 2000 to the Series D First Preference Shareholders of Record at the close of business February 11, 2000; and
4. a dividend of \$0.19 per share on the issued and outstanding 7.60% Cumulative Redeemable First Preference Share Series G of the Company for the quarter ending December 31, 1999, was declared payable January 1, 2000 to the Series G First Preference Shareholders of Record at the close of business December 10, 1999.

The Series A, B and D First Preference Shares of Newfoundland Power Inc. are traded on the Montreal Exchange.

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November 4, 1999

Newfoundland Power Issues Third Quarter Results

Newfoundland Power Inc. released its 1999 third quarter results today.

"Newfoundland Power continues to be successful in improving its earnings through efficiency improvements at company hydro plants, careful attention to operating expenses, and a commitment to reliable and quality customer services," says Philip G. Hughes, President and Chief Executive Officer.

Earnings per share for the third quarter were \$0.24 compared to \$0.22 for the same period last year. On a year-to-date basis, earnings per share are \$1.80 compared to \$1.72 for the same period in 1998.

Year-to-date energy sales are 3,371 gigawatt hours (GWh), a 1.2 per cent increase over the same period in 1998. This growth in sales is attributed to a 0.8 per cent increase in the number of customers, combined with an improved economic climate.

Year-to-date revenues for 1999 are \$255.9 million. This represents a 1.8 per cent increase in revenues over the same period last year. Higher revenues are the result of an average 1.0 per cent increase in electricity rates effective February 1, 1999 and increased energy sales.

"Efficiency gains achieved at Newfoundland Power's hydro plants, as well as production from the new Rose Blanche generating plant, have assisted in purchased power costs increasing at a lower rate than the increase in energy sales year-to-date 1999 over the same period last year," explains Hughes. In addition, the company has successfully held other operating expenses consistent with 1998 levels. Operating costs per customer have decreased from \$285 in 1996 to \$256 in 1999.

Depreciation expense and finance charges year-to-date are higher than the same period last year as a result of continued investment in the company's electrical system to improve reliability of supply to customers.

The company achieved a 91 per cent customer satisfaction rating in the third quarter of 1999 – an all-time high and an improvement of 30 per cent over the 1996 satisfaction rating.

"Newfoundland Power will continue its efforts to increase productivity, reduce operating costs and make prudent capital investments that support customer service and operational efficiencies over the long-term," says Hughes.

Media Release



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Newfoundland Power Becomes First Canadian Company to Launch Electronic Billing Through *e-route*

For immediate release:

November 12, 1999

(*St. John's, NF*): Newfoundland Power will become the first Canadian company to transmit electric bills via the Internet through *e-route inc.*'s Bill Presentment and Payment Pilot Program.

On Monday, November 15, 1999, the company will begin to transmit electric bills electronically to employee volunteers who have signed up to be pilot project participants. The volunteers will use the system for the next six months and provide feedback to the *e-route* project team.

"Newfoundland Power's goal in this pilot project is to learn as much about electronic billing as possible," says Keith Wellon, Manager, Customer Service. "This will allow us to determine the benefits of electronic billing for both our company and customers."

The Electronic Bill Presentment and Payment Pilot Project is operated by *e-route inc.*, a technology company jointly owned by six financial institutions: Caisse Populaire Desjardins, Canada Trust, CIBC, National Bank of Canada, Royal Bank Financial Group and TD Bank Financial Group. Newfoundland Power is one of only four utilities in Canada that has been asked to participate in the national pilot that introduces electronic billing and payment to the Canadian marketplace.

"In an effort to meet our customers' desires for convenience and continuous improvements in customer service, Newfoundland Power must explore new ways of doing business," says Wellon. "This pilot program marries two of our customers' interests – increased payment convenience and expanded use of the Internet."

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Media Release



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Newfoundland Power Files 2000 Capital Budget

For immediate release:

November 19, 1999

(*St. John's, NF*): Newfoundland Power filed its 2000 capital budget with the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) today.

"Our proposed capital budget for 2000 is approximately \$42 million," says Bob Pike, Manager, Corporate Communications. "Of this amount, about 85 per cent, or \$35.7 million, is directly related to safety, reliability, customer service initiatives and the replacement of aging and deteriorated equipment."

Newfoundland Power is committed to investing capital in a manner that provides the greatest increase in reliability and the greatest reduction in operating and maintenance costs over the long-term, adds Pike.

In the hearing, PUB will set electrical rates for 2000 based on the automatic adjustment formula it established in 1998.

The automatic adjustment formula, which was put in place by the PUB to reflect changes in long-term interest rates, resulted in a 2.1 per cent reduction in rates to customers in 1998 due to low interest rates.

An increase in 1999 long-term interest rates may result in an adjustment of approximately 0.7 per cent based on the automatic formula for 2000. This is equal to an increase of approximately \$0.68 on an average monthly residential bill.

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Newfoundland Power Supports National Emissions Reduction Program

For immediate release:

December 9, 1999

(*St. John's, NF*): Newfoundland Power announced today its support for the Energy Council of Canada's *Action By Canadians* program launched earlier this afternoon in Ottawa.

Action By Canadians is a national-level public education and action program designed to engage Canadians in reducing their individual greenhouse gas emissions. Its goal is to demonstrate to individual Canadians that measurable reductions in national greenhouse gas emissions can occur through their own actions.

"Climate change is a global issue," says Philip Hughes, President and Chief Executive Officer, Newfoundland Power and Vice-Chair, Energy Council of Canada. "Newfoundland Power is committed to protecting the environment and we actively encourage our employees to become part of the solution."

Newfoundland Power's *Environmental Commitment Program* focuses on demonstrating responsible stewardship by way of example. In addition to a corporate environment program that strives to achieve continual environmental improvements in its operations, employees across the province work with community partners and schools to promote environmental awareness.

Throughout 2000, Newfoundland Power will conduct education sessions with employees on reducing greenhouse gas emissions and will promote community involvement in these activities.

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Newfoundland Power Closely Monitoring International Y2K Issues

For immediate release:

December 31, 1999

(*St. John's, NF*): Newfoundland Power has worked diligently over the past two years to ensure electrical service to customers is not disrupted by the Y2K phenomenon. Throughout the day, the company will be closely monitoring events in other countries as they make the transition to the new millennium."

"Newfoundland Power has completed a comprehensive plan to ensure all systems are ready for the Year 2000," says Bob Pike, Manager, Corporate Communications, Newfoundland Power.

"Some companies in New Zealand and Australia, who were the first to welcome the Year 2000, have experienced some problems," explains Pike. "Newfoundland Power is currently gathering information from these countries to assess whether a similar situation will occur here in Newfoundland."

A team of 40 Newfoundland Power employees has worked since 1997 to inventory, test and deem compliant more than 1,200 items in 280 locations. On October 8, 1999, in a joint exercise with Newfoundland & Labrador Hydro, Newfoundland Power conducted a successful test of its *Provision of Electricity and Communications with Customers Year 2000* contingency plans.

Although confident that its systems will operate normally, Newfoundland Power has contingency plans in place for critical operations. This evening, more than 300 employees will be stationed at company facilities across the province to address any problems that may arise.

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Newfoundland Power Ready to Ring In the Next Century

For immediate release:

December 31, 1999

(*St. John's, NF*): Newfoundland Power has worked diligently over the past two years to ensure electrical service to customers is not disrupted by the Y2K phenomenon.

"We are ready to witness the dawn of a new century," says Bob Pike, Manager, Corporate Communications, Newfoundland Power. "Like our counterparts in New Zealand and Australia who were the first to welcome the Year 2000, we anticipate a trouble-free transition to the next century."

A team of 40 Newfoundland Power employees has worked since 1997 to inventory, test and deem compliant more than 1,200 items in 280 locations. On October 8, 1999, in a joint exercise with Newfoundland & Labrador Hydro, Newfoundland Power conducted a successful test of its *Provision of Electricity and Communications with Customers Year 2000* contingency plans.

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