

1 **Q. Further to the reply to PUB-NP-35, please confirm that the disclosure of the existence of**
2 **more third party attachments than are currently billed and the prospects of achieving**
3 **higher rates for third party attachments through negotiation, as referred to in the response,**
4 **could have been brought about in the absence of a sale of poles to Bell Aliant.**

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6 A. Newfoundland Power confirms that the disclosure of the existence of more third party
7 attachments than are currently billed and the prospects of achieving higher rates for third
8 party attachments through negotiation, as referred to in the response to Request for
9 Information PUB-NP-35, might possibly have been achieved in the absence of a sale of
10 poles to Bell Aliant. However, it is not possible to say exactly how these matters would
11 have been reflected in a renegotiated Joint Use regime.

12
13 In any renegotiation of joint use arrangements that did not contemplate the repurchase by
14 Bell Aliant of Support Structures, there would have been a broad range of issues under
15 discussion.¹ In the circumstances, it is difficult to be certain as to the outcome of such
16 renegotiation; however, there is no basis upon which to conclude that any resulting
17 agreement would have been as beneficial to Newfoundland Power's customers as the
18 proposed sale of Support Structures to Bell Aliant.

19
20 The potential benefits of increases in the number of third party attachments resulting
21 from the pole count survey or increases in third party attachment rates resulting from
22 negotiations are not certain at this time. For that reason, they have not been included in
23 the *pro forma* revenue requirement analyses in Exhibit 8, or in the response to Request
24 for Information PUB-NP-81.

25
26 Should such potential additional benefits be achieved, they will improve the benefits to
27 Newfoundland Power and its customers associated with the new joint use regime.
28 However, even in the absence of such benefits, the evidence shows that, compared to
29 renewal of the Joint Use Facilities Partnership Agreement in 2011, the sale of 40% of the
30 Joint Use Support Structures to Bell Aliant and the 2011 Joint Use Agreement will yield
31 benefits to Newfoundland Power and its customers.²

¹ For examples of issues for discussion, please see response to Request for Information CA-NP-13.

² See Prefiled Evidence, Page 11 line 14 to Page 12, line 10; Exhibit 8; Response to Request for Information PUB-NP-81.