

NEWFOUNDLAND AND LABRADOR HYDRO

Cost Analysis for Labrador City

<u>Line</u>	Wabush Cost 2000 (1)	Ratio (2)	Lab City Cost 2000 (3)	Basis
1 Energy sales	\$1,090.3		\$2,905.0	2002 revenues less 2000-2002 growth of 2%
2 Pole attachments	29.0		?	No data yet for Lab City
3 Building rental income	13.4		?	No data yet for Lab City
4 Total revenue	<u>1,132.7</u>		<u>2,905.0</u>	
5 Power purchases	259.8	3.470	901.5	Ratio of sales (2000) - #1
6 Depreciation	96.4	1.768	170.4	Ratio of distribution plant w/o depreciation - #3
7 Interest - oper. assets	98.9	2.593	256.4	Ratio of distribution plant w/depreciation - #4
8 Debt guarantee fee	12.7	2.593	32.9	Ratio of distribution plant w/depreciation - #4
9 Net oper. expenses	<u>352.8</u>	2.958	<u>1,043.5</u>	Combined sales/customer/plant ratio - #5
10 Total expenses	820.6		2,404.8	
11 Surplus	\$312.1		\$500.2	