Rate Stabilization Plan Conceptual Operation of Retail Plan¹

	December 31 st Rate Stabilization Plan Balance
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 $\begin{array}{l} \div \quad 3 \quad = \quad \begin{array}{l} \text{Additional Revenue} \\ \text{to be Recovered in} \\ \text{July 1}^{\text{st}} \text{ Rate} \\ \text{Adjustment} \quad 5 \end{array}$

- ¹ This conceptual rendering does not include adjustments for Hydro rural rate recoveries resulting from Newfoundland Power rate increases.
- ² Thermal Production Variation = (Actual Fuel Price Test Year Price Forecast) x Holyrood Production.
- ³ Hydraulic Production Variation = (Actual Hydraulic Production Test Year Hydraulic Production) x Test Year Price Forecast.
- ⁴ Load Forecast Variation = (Actual Sales Test Year Sales Forecast) x (Energy Rate Test Year Holyrood Production Cost)
- ⁵ One third of December 31st balance is basis for subsequent July 1st rate adjustment.