July 12, 2001

	1992 Bad Debts	1992 Revenue	1992 %	1993 Bad Debts	1993 Revenue	1993 %	1994 Bad Debts	1994 Revenue	1994 %
Total Hydro Revenue		$285,931,000			$286,635,000			$280,602,000	
Island	$68,000		0.0238%	$49,000		0.0171%	$48,000		0.0171%
Happy Valley	28,000		0.0098%	134,000		0.0467%	(1,000)		-0.0004%
St. Anthony	60,000		0.0210%	13,000		0.0045%	5,000		0.0018%
Wabush/Labrador City	1,000		0.0003%	5,000		0.0017%	2,000		0.0007%
T O T A L	$157,000		0.0549%	$201,000		0.0701%	$54,000		0.0192%

See "Notes To NP-21" for pertinent information

July 12, 2001

	1995 Bad Debts	1995 Revenue	1995 %	1996 Bad Debts	1996 Revenue	1996 %	1997 Bad Debts	1997 Revenue	1997 %
Total Hydro Revenue		$286,135,000			$287,761,000			$292,658,000	
Island	$59,000		0.0206%	$80,000		0.0278%	$111,000		0.0379%
Happy Valley	56,000		0.0196%	119,000		0.0414%	156,000		0.0533%
St. Anthony	15,000		0.0052%	10,000		0.0035%	14,000		0.0048%
Wabush/Labrador City	5,000		0.0017%	3,000		0.0010%	2,000		0.0007%
T O T A L	$135,000		0.0741%	$212,000		0.0737%	$283,000		0.0967%

See "Notes To NP-21" for

July 12, 2001

	1998 Bad Debts	1998 Revenue	%	1999 Bad Debts	1999 Revenue	%	2000 Bad Debts	2000 Revenue
Total Hydro Revenue		$304,196,000			$316,900,000			$303,192,000
Island	$142,000		0.0467%	$71,000		0.0224%	$80,000	
Happy Valley	163,000		0.0536%	360,000		0.1136%	313,000	
St. Anthony	5,000		0.0016%	48,000		0.0151%	11,000	
Wabush/Labrador City	1,000		0.0003%	3,000		0.0009%	8,000	
T O T A L	$311,000		0.1022%	$482,000		0.1521%	$412,000	

See "Notes To NP-21" for

F O R E C A S T 2001 AND 2002

July 12, 2001

		2001			2002		
	%	Bad Debts	Revenue	%	Bad Debts	Revenue	%
Total Hydro Revenue			$323,058,000			$351,060,000	
Island	0.0264%	$86,000		0.0266%	$57,000		0.0162%
Happy Valley	0.1032%	338,000		0.1046%	225,000		0.0641%
St. Anthony	0.0036%	18,000		0.0056%	12,000		0.0034%
Wabush/Labrador City	0.0026%	9,000		0.0028%	6,000		0.0017%
T O T A L	0.1359%	$450,000		0.1393%	$300,000		0.0855%

See "Notes To NP-21" for

Q. Provide the reports on the annual reviews of Hydro conducted by the Board's financial consultants for each year for the period 1992 to 2000.

A. Enclosed are copies of the annual reviews of Hydro conducted by the Board's financial consultants for the years 1992 to 1999. The report for the year 2000 is still in progress.

Q. Provide copies of Hydro's corporate operating budget document for each of the years 1992 to 2001.

A. Enclosed are copies of Hydro's corporate budget document for each of the years 1992 to 2001.

Q. Provide the generation reliability indicators Derating Adjusted Forced Outage Rate (DAFOR) and Utilization Forced Outage Probability Percentage (UFOPP) for each generating plant and the Canadian Electricity Association (CEA) composite indices for the period 1992 to 2000.

A. The following tables provide DAFOR information for hydroelectric and thermal-electric generating plants, and UFOP information for combustion turbine plants.

Plant DAFOR (%) 1992 - 2000

Plant	1992	1993	1994	1995	1996	1997	1998	1999	2000
Bay D'Espoir	0.69	0.48	0.81	0.72	0.81	0.88	1.38	0.68	1.37
Upper Salmon	0.78	0.49	0.85	0.95	0.37	0.10	1.23	1.15	1.23
Hinds Lake	0.87	3.56	3.65	0.74	0.54	0.23	0.54	0.56	0.54
Cat Arm	0.85	0.72	2.35	0.16	0.11	0.24	0.71	0.06	0.70
Paradise River	-	-	1.33	5.44	0.00	4.85	1.87	2.48	1.86
CEA - Hydraulic	2.97	2.94	2.36	2.51	2.64	2.48	2.06	2.34	N/A
Holyrood	27.27	27.66	16.43	19.39	15.11	8.75	4.77	10.11	3.08*
CEA – Fossil (Oil)	11.67	11.39	21.02	19.33	14.75	22.52	6.49	10.44	N/A

Note: *Starting with 1994, CEA data for Fossil units based upon oil-fired units only. The asterisk (*) mark indicates DAFOR calculated using NLH in-house data, as CEA publications for the specified data item is currently not available.*

Plant UFOP (%) 1992 - 2000

Plant	1992	1993	1994	1995	1996	1997	1998	1999	2000
Holyrood GT	32.27	0.00	7.54	45.07	8.19	2.79	7.46	1.46	0.00
Hardwoods GT	6.30	17.55	27.93	50.31	10.75	14.28	3.92	11.95	20.03
Stephenville GT	1.33	14.71	35.31	9.11	0.02	5.38	10.64	6.20	11.58
Happy Valley GT	N/A	54.14	15.38	32.63	31.51	5.78	31.32	7.54	11.08
CEA – Combustion Turbine	10.94	10.23	13.75	15.55	7.91	11.23	7.44	7.84	N/A

Note: *CEA data for Combustion Turbine units based upon units with operating factors 0-10%. UFOP data for 2000 based upon NLH in-house data, as CEA publications for 2000 are currently unavailable.*

Q. (a) Compare the Bulk Electricity System (BES) reliability indices (SAIFI, SAIDI and SARI) for the Island Interconnected System in total and by delivery point to the CEA composite indices on an annual basis for the period 1992 to 2000.

(b) Provide the reliability indices indicated in (a) above for the area previously designated as the St. Anthony/Roddickton system with comparison to BES and CAE composite indices for the period 1992 to 2000.

(c) Provide reliability indices indicated in (a) above for each of Hydro's Industrial customers with comparison to BES and CEA composite indices for the period 1992 to 2000.

A. (a) See attached table.

(b) See attached table.

(c) See attached table.

System Average Interruption Frequency Index (SAIFI) 1992-2000

(Sustained Interruptions per year)

Delivery Point	1992	1993	1994	1995	1996	1997	1998	1999	2000
Bottom Brook (Wheelers)	0	1	0	0	0	1	1	0	1
Bear Cove	2	12	5	5	21	3	6	5	11
Barachoix	2	1	1	5	4	0	7	6	9
Bay D'Espoir (St. Albans)	0	0	1	0	0	0	0	0	1
Bay L'Argent	1	1	5	6	1	3	11	2	3
Buchans	3	1	0	0	0	0	0	0	0
Coney Arm	2	1	1	0	5	0	1	0	1
Come By Chance T1	0	0	0	3	1	2	5	0	0
Come By Chance T2	0	0	0	3	1	1	7	0	0
Cow Head	1	3	5	6	18	0	3	5	1
Conne River	2	1	1	5	4	0	7	6	9
Daniels Harbour	6	3	9	5	24	9	2	4	1
Deer Lake Plant	0	1	1	2	0	0	0	0	0
Deer Lake TL-225	0	1	1	1	0	0	0	0	0
Deer Lake Power	0	0	0	0	0	1	0	0	0
Doyles (Codroy)	4	7	3	0	1	2	8	0	6
English Harbour West	2	1	1	5	4	0	7	6	9
Grandy Brook (Burgeo)	2	1	0	0	0	2	6	0	1
Grand Bay (Port Aux Basques)	23	5	4	2	1	2	8	4	7
Grand Falls F.C. T1	1	2	0	0	0	1	0	0	0
Grand Falls F.C. T2	0	1	0	0	0	4	0	0	0
Glenburnie	4	11	3	2	7	15	9	3	5
Hope Brook T1	3	1	1	2	0	2	2	0	2
Hope Brook T2	3	1	1	2	0	2	2	0	2
Hawkes Bay	2	11	4	5	19	1	2	4	1
Hampden	2	1	1	0	5	0	1	0	1
Howley	0	1	1	0	0	0	1	0	0
Holyrood 38L	6	1	3	3	1	1	5	0	0
Holyrood 39L	7	1	3	4	1	1	4	0	0
Happy Valley Bus 12	-	-	-	-	-	7	1	15	13
Hardwoods	3	2	3	4	1	2	4	0	0
Indian River 363L	0	1	1	0	0	0	1	0	1
Jacksons Arm	2	1	1	0	5	0	1	0	1
Long Harbour	0	4	1	3	1	2	4	0	0
Linton Lake	1	1	6	8	1	3	11	1	1
Main Brook	-	-	-	-	12	4	18	16	27
Massey Drive Bus 4 (DLP)	0	1	0	0	0	0	0	0	0
Massey Drive Bus 2 and 3 (NP)	0	1	0	0	0	0	0	0	0
Monkstown	3	1	5	9	1	3	4	2	3
Oxen Pond	8	2	2	3	1	1	7	0	0
Parsons Pond	4	4	7	4	21	0	2	5	1
Plum Point	2	11	5	9	19	5	4	4	11
Rocky Harbour	4	11	3	2	7	14	9	3	4
Roddickton	-	-	-	-	12	5	18	16	27
St. Anthony	-	-	-	-	36	8	19	15	25
South Brook	2	5	1	0	0	0	0	1	0
Salt Pond	4	2	3	5	1	3	13	3	0
Springdale	0	1	1	0	0	1	0	0	0
Sunnyside - 100L	1	0	0	3	1	2	5	0	0
Sunnyside - 109L	3	0	0	3	1	2	5	0	0
Sunnyside - Rural	4	0	0	3	1	2	5	0	0
Stony Brook (Grand Falls)	0	1	0	0	0	0	0	1	0
Stephenville (ACI)	2	2	2	0	0	1	1	0	1
Stephenville	3	2	1	0	0	0	1	0	3
Western Avalon 64L	0	2	1	4	1	3	5	0	2
Western Avalon 86L	0	1	1	3	1	1	4	0	0
Wiltondale	4	11	3	2	7	15	9	3	4
Total NLH	**2.46**	**2.65**	**1.96**	**2.52**	**4.51**	**2.45**	**4.57**	**2.32**	**3.48**
Total CEA			**1.05**			**1.03**	**1.38**	**1.121**	**N/A**

Note: CEA reports only 5-year averages for the period up to the end of 1996. Annual statistics are provided for 1997 onwards.

System Average Interruption Duration Index (SAIDI) 1992-2000

(Minutes per year)

Delivery Point	**1992**	**1993**	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**
Bottom Brook (Wheelers)	0	23	0	0	0	0	1	0	5
Bear Cove	3	520	144	7066	582	207	414	52	48
Barachoix	2467	4	9	3957	1316	0	3686	135	788
Bay D'Espoir (St. Albans)	0	0	9	0	0	0	0	0	13
Bay L'Argent	195	40	259	135	7	240	67	171	239
Buchans	9	44	0	0	0	0	0	0	0
Coney Arm	0	16	2	0	5	0	115	0	1
Come By Chance T1	0	0	0	82	4	1	21	0	0
Come By Chance T2	0	0	0	82	4	1	25	0	0
Cow Head	13	86	59	1246	324	0	34	637	8
Conne River	138	4	9	431	185	0	181	135	929
Daniels Harbour	80	62	193	6749	554	133	11	540	32
Deer Lake Plant	0	56	37	0	0	0	0	0	0
Deer Lake TL-225	0	56	37	2	0	0	0	0	0
Deer Lake Power	0	0	0	0	0	6	0	0	0
Doyles (Codroy)	288	768	526	0	360	220	210.5	0	1065
English Harbour West	773	4	9	3957	374	0	3686	233	736
Grandy Brook (Burgeo)	5	33	0	0	0	14	69	0	72
Grand Bay (Port Aux Basques)	1240	759	525	10	53	59	229.5	306	252
Grand Falls F.C. T1	0	244	0	0	0	334	0	0	0
Grand Falls F.C. T2	0	16	0	0	0	256	0	0	0
Glenburnie	68	47	8	67	27	261	20	92	265
Hope Brook T1	6	33	1	13	0	6	2	0	73
Hope Brook T2	6	33	1	4	0	6	2	0	73
Hawkes Bay	3	81	16	325	292	93	11	315	32
Hampden	113	16	2	0	5	0	115	0	1
Howley	0	16	2	0	0	0	115	0	0
Holyrood 38L	330	64	1539	116	9	9	185	0	0
Holyrood 39L	0	64	1057	111	9	9	127	0	0
Happy Valley Bus 12	-	-	-	-	-	146	246	771	338
Hardwoods	341	77	1232	78	17	29	154	0	0
Indian River 363L	0	16	2	0	0	0	2	0	4
Jacksons Arm	113	16	2	0	5	0	115	0	1
Long Harbour	0	1084	27	96	11	16	1862	0	0
Linton Lake	54	0	259	85	7	171	67	170	64
Main Brook	-	-	-	-	209	244	98	83	137
Massey Drive Bus 4 (DLP)	0	23	0	0	0	0	0	0	0
Massey Drive Bus 2 and 3 (NP)	0	23	0	0	0	0	0	0	0
Monkstown	178	60	259	340	7	392	54	171	186
Oxen Pond	320	56	974	82	15	35	225	0	0
Parsons Pond	140	124	183	7373	346	0	11	750	93
Plum Point	3	500	181	6960	586	135	122	106	48
Rocky Harbour	79	159	8	129	27	227	20	92	104
Roddickton	-	-	-	-	209	220	100	87	137
St. Anthony	-	-	-	-	228	227	102	82	123
South Brook	942	1185	4	0	0	0	0	79	0
Salt Pond	57	1	6	84	7	170	70	6	0
Springdale	0	16	4	0	0	165	0	0	0
Sunnyside - 100L	0	0	0	0	7	8	52	0	0
Sunnyside - 109L	0	0	0	0	7	8	54	0	0
Sunnyside - Rural	110	0	0	70	7	169	15	0	0
Stony Brook (Grand Falls)	0	16	0	0	0	0	0	0	0
Stephenville (ACI)	6	36	44	0	0	80	1	0	2
Stephenville	31	36	10	0	0	0	1	0	51
Western Avalon 64L	0	64	0	95	9	9	75	0	0
Western Avalon 86L	0	52	0	88	9	9	135	0	0
Wiltondale	68	47	8	67	27	261	20	92	275
Total NLH	**155.98**	**128.46**	**147.67**	**770.54**	**111.04**	**81.71**	**230.86**	**91.16**	**110.63**
Total CEA	**66.13**					**61.25**	**373.23**	**81.33**	**N/A**

Note: CEA reports only 5-year averages for the period up to the end of 1996. Annual statistics are provided for 1997 onwards.

System Average Restoration Index (SARI) 1992-2000

(Minutes per Interruption per year)

Delivery Point	1992	1993	1994	1995	1996	1997	1998	1999	2000
Bottom Brook (Wheelers)	0.00	23.00	0.00	0.00	0.00	0.00	1.00	0.00	5.00
Bear Cove	1.50	43.33	28.80	1413.20	27.71	69.00	69.00	10.40	4.36
Barachoix	1233.50	4.00	9.00	791.40	329.00	0.00	526.57	22.50	87.56
Bay D'Espoir (St. Albans)	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	13.00
Bay L'Argent	195.00	40.00	51.80	22.50	7.00	80.00	6.09	85.50	79.67
Buchans	3.00	44.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coney Arm	0.00	16.00	2.00	0.00	1.00	0.00	115.00	0.00	1.00
Come By Chance T1	0.00	0.00	0.00	27.33	4.00	0.50	4.20	0.00	0.00
Come By Chance T2	0.00	0.00	0.00	27.33	4.00	1.00	3.57	0.00	0.00
Cow Head	13.00	28.67	11.80	207.67	18.00	0.00	11.33	127.40	8.00
Conne River	69.00	4.00	9.00	86.20	46.25	0.00	25.86	22.50	103.22
Daniels Harbour	13.33	20.67	21.44	1349.80	23.08	14.78	5.50	135.00	32.00
Deer Lake Plant	0.00	56.00	37.00	0.00	0.00	0.00	0.00	0.00	0.00
Deer Lake TL-225	0.00	56.00	37.00	2.00	0.00	0.00	0.00	0.00	0.00
Deer Lake Power	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00
Doyles (Codroy)	72.00	109.71	175.33	0.00	360.00	110.00	26.31	0.00	177.50
English Harbour West	386.50	4.00	9.00	791.40	93.50	0.00	526.57	38.83	81.78
Grandy Brook (Burgeo)	2.50	33.00	0.00	0.00	0.00	7.00	11.50	0.00	72.00
Grand Bay (Port Aux Basques)	53.91	151.80	131.25	5.00	53.00	29.50	28.69	76.50	36.00
Grand Falls F.C. T1	0.00	122.00	0.00	0.00	0.00	334.00	0.00	0.00	0.00
Grand Falls F.C. T2	0.00	16.00	0.00	0.00	0.00	64.00	0.00	0.00	0.00
Glenburnie	17.00	4.27	2.67	33.50	3.86	17.40	2.22	30.67	53.00
Hope Brook T1	2.00	33.00	1.00	6.50	0.00	3.00	1.00	0.00	36.50
Hope Brook T2	2.00	33.00	1.00	2.00	0.00	3.00	1.00	0.00	36.50
Hawkes Bay	1.50	7.36	4.00	65.00	15.37	93.00	5.50	78.75	32.00
Hampden	56.50	16.00	2.00	0.00	1.00	0.00	115.00	0.00	1.00
Howley	0.00	16.00	2.00	0.00	0.00	0.00	115.00	0.00	0.00
Holyrood 38L	55.00	64.00	513.00	38.67	9.00	9.00	37.00	0.00	0.00
Holyrood 39L	0.00	64.00	352.33	27.75	9.00	9.00	31.75	0.00	0.00
Happy Valley Bus 12	-	-	-	-	-	20.86	246.00	51.40	26.00
Hardwoods	113.67	38.50	410.67	19.50	17.00	14.50	38.50	0.00	0.00
Indian River 363L	0.00	16.00	2.00	0.00	0.00	0.00	2.00	0.00	4.00
Jacksons Arm	56.50	16.00	2.00	0.00	1.00	0.00	115.00	0.00	1.00
Long Harbour	0.00	271.00	27.00	32.00	11.00	8.00	465.50	0.00	0.00
Linton Lake	54.00	0.00	43.17	10.63	7.00	57.00	6.09	170.00	64.00
Main Brook	-	-	-	-	17.42	61.00	5.44	5.19	5.07
Massey Drive Bus 4 (DLP)	0.00	23.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Massey Drive Bus 2 and 3 (NP)	0.00	23.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Monkstown	59.33	60.00	51.80	37.78	7.00	130.67	13.50	85.50	62.00
Oxen Pond	40.00	28.00	487.00	27.33	15.00	35.00	32.14	0.00	0.00
Parsons Pond	35.00	31.00	26.14	1843.25	16.48	0.00	5.50	150.00	93.00
Plum Point	1.50	45.45	36.20	773.33	30.84	27.00	30.50	26.50	4.36
Rocky Harbour	19.75	14.45	2.67	64.50	3.86	16.21	2.22	30.67	26.00
Roddickton	-	-	-	-	17.42	44.00	5.56	5.44	5.07
St. Anthony	-	-	-	-	6.33	28.38	5.37	5.47	4.92
South Brook	471.00	237.00	4.00	0.00	0.00	0.00	0.00	79.00	0.00
Salt Pond	14.25	0.50	2.00	16.80	7.00	56.67	5.38	2.00	0.00
Springdale	0.00	16.00	4.00	0.00	0.00	165.00	0.00	0.00	0.00
Sunnyside - 100L	0.00	0.00	0.00	0.00	7.00	4.00	10.40	0.00	0.00
Sunnyside - 109L	0.00	0.00	0.00	0.00	7.00	4.00	10.80	0.00	0.00
Sunnyside - Rural	27.50	0.00	0.00	23.33	7.00	84.50	3.00	0.00	0.00
Stony Brook (Grand Falls)	0.00	16.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stephenville (ACI)	3.00	18.00	22.00	0.00	0.00	80.00	1.00	0.00	2.00
Stephenville	10.33	18.00	10.00	0.00	0.00	0.00	1.00	0.00	17.00
Western Avalon 64L	0.00	32.00	0.00	23.75	9.00	3.00	15.00	0.00	0.00
Western Avalon 86L	0.00	52.00	0.00	29.33	9.00	9.00	33.75	0.00	0.00
Wiltondale	17.00	4.27	2.67	33.50	3.86	17.40	2.22	30.67	68.75
Total NLH	**63.37**	**48.41**	**75.28**	**305.86**	**24.63**	**33.40**	**50.50**	**39.27**	**31.77**
Total CEA			**63.04**			**59.47**	**270.46**	**72.55**	**N/A**

Note: CEA reports only 5-year averages for the period up to the end of 1996. Annual statistics are provided for 1997 onwards.

Comparison of St. Anthony/Roddickton/Main Brook Systems to Total NLH System and CEA

System Average Interruption Frequency Index (SAIFI) 1992-2000

(Sustained Interruptions per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
St. Anthony	-	-	-	-	20.00	5.67	18.33	15.67	26.33
Total NLH	**2.46**	**2.65**	**1.96**	**2.52**	**4.51**	**2.45**	**4.57**	**2.32**	**3.48**
Total CEA			**1.05**			**1.03**	**1.38**	**1.12**	**N/A**

System Average Interruption Duration Index (SAIDI) 1992-2000

(Minutes per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
St. Anthony	-	-	-	-	215.33	230.33	100.00	84.00	132.33
Total NLH	**155.98**	**128.46**	**147.67**	**770.54**	**111.04**	**81.71**	**230.86**	**91.16**	**110.63**
Total CEA			**66.13**			**61.25**	**373.23**	**81.33**	**N/A**

System Average Restoration Index (SARI) 1992-2000

(Minutes per Interruption per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
St. Anthony	-	-	-	-	10.77	40.65	5.45	5.36	5.03
Total NLH	**63.37**	**48.41**	**75.28**	**305.86**	**24.63**	**33.40**	**50.50**	**39.27**	**31.77**
Total CEA			**63.04**			**59.47**	**270.46**	**72.55**	**N/A**

Note: CEA reports only 5-year averages for the period up to the end of 1996. Annual statistics are provided for 1997 onwards.

Comparison of Industrial Delivery Points to Total NLH System and CEA

System Average Interruption Frequency Index (SAIFI) 1992-2000

(Sustained Interruptions per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
ACI - Gran	0.50	1.50	0.00	0.00	0.00	2.50	0.00	0.00	0.00
ACI - Steph	2.00	2.00	2.00	0.00	0.00	1.00	1.00	0.00	1.00
Corner Bro	0.00	0.50	0.00	0.00	0.00	0.50	0.00	0.00	0.00
North Atlan	0.00	0.00	0.00	3.00	1.00	1.50	6.00	0.00	0.00
Total NLH	**2.46**	**2.65**	**1.96**	**2.52**	**4.51**	**2.45**	**4.57**	**2.32**	**3.48**
Total CEA			**1.05**			**1.03**	**1.38**	**1.12**	**N/A**

System Average Interruption Duration Index (SAIDI) 1992-2000

(Minutes per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
ACI - Gran	0.00	130.00	0.00	0.00	0.00	295.00	0.00	0.00	0.00
ACI - Steph	6.00	36.00	44.00	0.00	0.00	80.00	1.00	0.00	2.00
Corner Bro	0.00	11.50	0.00	0.00	0.00	3.00	0.00	0.00	0.00
North Atlan	0.00	0.00	0.00	82.00	4.00	1.00	23.00	0.00	0.00
Total NLH	**155.98**	**128.46**	**147.67**	**770.54**	**111.04**	**81.71**	**230.86**	**91.16**	**110.63**
Total CEA			**66.13**			**61.25**	**373.23**	**81.33**	**N/A**

System Average Restoration Index (SARI) 1992-2000

(Minutes per Interruption per year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
ACI - Gran	0.00	86.67	0.00	0.00	0.00	118.00	0.00	0.00	0.00
ACI - Steph	3.00	18.00	22.00	0.00	0.00	80.00	1.00	0.00	2.00
Corner Bro	0.00	23.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00
North Atlan	0.00	0.00	0.00	27.33	4.00	0.67	3.83	0.00	0.00
Total NLH	**63.37**	**48.41**	**75.28**	**305.86**	**24.63**	**33.40**	**50.50**	**39.27**	**31.77**
Total CEA			**63.04**			**59.47**	**270.46**	**72.55**	**N/A**

Note: CEA reports only 5-year averages for the period up to the end of 1996. Annual statistics are provided for 1997 onwards.

Q. (a) Provide copies of any internal or external reports dated or created from 1999 through 2001 on the Hydro customer service system (WEW, page 19, lines 17-20).

(b) Provide reports on the information gathered on all customer surveys conducted from 1997 to 2001 (WEW, page 19, line 30).

A. (a) The customer service system is used for billing, customer account tracking and work orders for new services and other customer requests. Any reports generated would be only operational in nature and used for tracking purposes. Other than these reports generated by the system, there are no reports about the customer service system.

(b) Find attached the customer surveys for the years 1999 and 2000. There are no surveys for 1997 or 1998.

Q. Provide the average absenteeism days per employee for each year from 1992 to 2000 and forecast for 2001 and 2002 (JCR, Schedule I).

A. Average total sick leave for permanent, term, and part-time Newfoundland Hydro employees for the period 1992 to 2000 is as follows:

Year	Percentage of normal hours	Days per employee*
1992	2.70%	7.02 days
1993	3.79%	9.85 days
1994	3.62%	9.41 days
1995	4.05%	10.53 days
1996	3.73%	9.70 days
1997	3.73%	9.70 days
1998	4.51%	11.73 days
1999	5.09%	13.23 days
2000	4.68%	12.17 days

* # days/employee = 260 normal days/year X % sick leave

2001 projection	4.50%
2002 projection	4.25%

Q. Provide the Quality of Service and Reliability Study of Hydro performed by Quetta Inc. and Associates dated March 17, 1999.

A. A copy of the Quality of Service and Reliability Study of Hydro performed by Quetta Inc. and Associates is attached.

Q. Provide an explanation of the environmental fee and provide details of the cost for 2000, 2001 and 2002 (JCR, Schedule I).

A. The Environmental Fee is a fee paid to the Eastern Canada Response Corporation (ECRC) for marine oil spill clean-up response services. The fee is paid for ECRC to be on stand-by to clean-up spills of No. 6 fuel delivered to Holyrood. An agreement was signed between Hydro and ECRC on December 9, 1995 as a result of changes to the Canada Shipping Act requiring such response arrangements to be in place. The fee is established by the Canadian Minister of Fisheries and Oceans on a dollar per tonne of fuel received (cargo fee) plus a $450 annual renewal fee. The cargo fees are paid quarterly in advance based on the previous years' shipments. Adjustments are made to the payments in the following year to reflect any over or under payments based on actual shipments in the previous year.

In 1998 there was a reduction in the cargo fee retroactive to 1995 which was not applied until 1999. This resulted in Hydro having an outstanding credit with ECRC for payments from 1995 to 1999. The credit at the end of 1999 was applied against 2000 charges with the remainder refunded to Hydro in June 2000.

The actual fuel deliveries in 2000 were less than the amount charged for in 2000 resulting in a credit against 2001 charges and reduced 2001 payments. The payments for 2002 reflect the higher fuel deliveries in 2001 and a charge for estimated underpayments in 2001.

The following table outlines these charges.

	Current Year Charges[1] ($)	Previous Year Adjustments[2] ($)	Total Payments ($)	Account Balance ($)
1999 Year End				(57,193)
2000	35,685	(4,082)	(25,590)[3]	0
2001	27,278	(8,408)	18,870	0
2002	64,759	37,479	102,238	0

Notes

1. Charges are based on previous year's shipments (i.e. 2000 charges based on 1999 shipments).
2. Adjustments are based on the difference between the previous year's payments and the amount determined based on the previous year's actual shipments.
3. The credit balance for 2000 was refunded to Hydro in June 2000.

Q. In its report to the Minister on July 29, 1996, the Board recommended that preferential rates be phased out and that the phase-out period should be five years.

(a) Provide Hydro's schedule for the phase-out of preferential rates.

(b) Provide Hydro's schedule for the implementation of full cost recovery rates to rural government customers.

A. (a) As indicated in Mr. Osmond's evidence Hydro will submit at its next Rate Application, for review and approval by the Board, a rate plan outlining alterations in rates over a maximum of five years, covering the phase out of preferential rates from Isolated Rural customers.

(b) As indicated in Mr. Osmond's evidence it is Hydro's recommendation that Government agencies and departments receive an overall initial 20% increase in rates, including the general rate increase, effective January 1, 2002. Hydro will submit in its next Rate Application, for review and approval by the Board, a rate plan outlining alterations in rates over a maximum of five years in order to reach 100% cost recovery.

Q. (a) Provide the monthly purchases from each Non-utility Generator (NUG) for the years 1998 to 2001 (RJH, page 5, lines 28-31).

(b) Were the NUGs producing during each annual system peak from 1998 to 2000?

A. (a) The following are the monthly energy purchases from the Star lake Hydro partnership for Star Lake and from Algonquin Power for the Rattle Brook Project for the period January 1998 to June 2001.

Star Lake Hydro Partnership
Energy Sales
(kWh)

	1998	1999	2000	2001
January		11,592,252	12,635,737	12,433,261
February		11,404,903	11,689,997	11,332,563
March		12,360,824	12,616,349	12,468,582
April		12,188,746	12,164,469	11,888,819
May		12,480,458	11,877,157	12,285,958
June	69,471	12,141,486	11,957,019	10,565,264
July		10,335,903	8,249,340	
August		10,643,252	12,681,346	
September	2,801,455	11,749,699	12,330,061	
October	165,522	10,267,170	12,159,737	
November	11,591,380	12,193,231	12,180,770	
December	11,999,119	11,430,764	12,508,429	
Total	26,626,947	138,788,688	143,050,411	70,974,447

Note: June 1998 was production during commissioning

Algonquin Power (Rattle Brook) Partnership

Energy Sales

(kWh)

	1998	1999	2000	2001
January		1,351,185	901,895	390,093
February		1,354,381	597,129	158,015
March		1,091,132	1,498,709	292,009
April		2,139,027	2,199,296	907,138
May		2,761,145	2,685,400	2,798,968
June		751,915	1,812,470	1,721,146
July		239,583	1,059,572	
August		1,094,805	1,056,151	
September		1,202,689	585,585	
October	112,056	2,260,109	2,032,822	
November	1,262,173	1,955,962	2,245,444	
December	1,240,587	1,174,443	1,151,954	
Total	2,614,816	17,376,376	17,826,427	6,267,369

A. (b) Both Star Lake and Rattle Brook were producing at the time of the peak on the NLH system for each of 1998, 1999, and 2000.

Q. Provide the terms of the power purchase agreement with CF(L)Co (HGB, page 14, lines 28-30).

A. Attached is a copy of the contract between Hydro and CF(L)Co signed on March 9, 1998.

Q. Provide the cost per barrel of No. 6 fuel purchases for the period January 1, 2001 to June 30, 2001 (DWO, page 2, lines 6-8).

A. The table below provides the cost per barrel of No. 6 fuel purchases for the period January 1, 2001 to June 30, 2001.

Date Received	$(CDN)/bbl
Jan-03-2001	32.61
Jan-26-2001	33.48
Feb-24-2001	30.24
Mar-23-2001	31.72
May-01-2001	28.28
May-13-2001	28.79

Q. Provide the calculation used to derive the $25,490,000 RSP transfer for 2002 (JCR, Schedule I, line 12).

A. The details of the RSP transfer of $25,490,000 in 2002 are as follows:

Month	**No. 6 Fuel Oil Consumption In Barrels**	**2002 COS Fuel Cost**	**2002 Forecast Fuel Cost**	**2002 Price Variance**	**No. 6 Fuel Oil RSP Variation**
January	499,676	$24.33	$28.57	$4.24	$2,118,626.24
February	451,325	21.70	28.46	6.76	3,050,957.00
March	374,720	21.70	28.46	6.76	2,533,107.20
April	322,315	20.77	28.41	7.64	2,462,486.60
May	249,779	20.77	28.41	7.64	1,908,311.56
June	161,086	20.44	28.40	7.96	1,282,244.56
July	0	20.44	28.40	7.96	0.00
August	0	20.44	28.40	7.96	0.00
September	236,247	20.28	28.39	8.11	1,915,963.17
October	328,818	20.18	28.39	8.21	2,699,595.78
November	402,938	20.07	28.38	8.31	3,348,414.78
December	499,463	20.03	28.38	8.35	4,170,516.05
	3,526,367	21.20	28.43	7.23	25,490,222.94

Q. (a) Provide the in-service date for each Hydroelectric plant (RJH, Schedule I).

(b) Provide the annual actual energy production for each Hydroelectric plant for each year after the in-service date (RJH, Schedule I).

(c) Provide the derivation of the 2002 forecast of 4,271.67 GWh hydroelectric generation (RJH, Schedule V).

A. (a) The in-service dates for Hydro's hydroelectric plants are as follows:

Plant/Unit	In-Service Date
Bay d'Espoir	
Unit 1	May, 1967
Unit 2	June, 1967
Unit 3	October, 1967
Unit 4	September, 1968
Unit 5	February 1970
Unit 6	April, 1970
Unit 7	December, 1977
Hinds Lake	December, 1980
Upper Salmon	January, 1983
Cat Arm	August, 1985
Paradise River	March, 1989
Roddickton Mini Hydro	December, 1980
Snooks Arm	1957
Venam's Bight	1957

(b) The following table provides the net generation from each of Hydro's hydroelectric plants taken from available records.

	BAY D'ESPOIR	HINDS LAKE	UPPER SALMON	CAT ARM	PARADISE RIVER	SNOOKS ARM	VENAM'S BIGHT	RODDICKTON MINI HYDRO
1969	1,302.2							
1970	1,281.9							
1971	1,323.9							
1972	1,614.4							
1973	2,047.7							
1974	2,320.9							
1975	2,319.4							
1976	2,657.4							
1977	2,917.1							
1978	2,803.9					3.5	2.6	
1979	2,354.9					3.4	2.6	
1980	2,367.4	35.5				4.3	2.9	
1981	2,966.9	419.7				2.7	1.7	1.3
1982	2,813.8	319.8				4.3	2.8	1.2
1983	2,935.1	395.4	581.7			4.4	2.8	1.2
1984	3,074.8	366.7	644.9			3.3	2.6	0.8
1985	2,258.7	290.6	511.8	387.7		2.4	1.9	0.8
1986	2,391.1	263.8	502.8	740.4		3.1	2.2	0.8
1987	1,864.5	232.9	380.6	584.8		2.7	1.6	1.1
1988	2,472.2	525.3	382.1	773.9		3.3	2.9	1.4
1989	2,310.2	271.5	512.9	668.1	24.0	3.0	1.6	1.1
1990	2,229.9	316.5	497.4	674.3	38.1	3.4	1.4	1.2
1991	2,635.1	368.4	562.3	699.8	31.8	4.0	2.9	0.7
1992	2,613.0	308.1	558.6	704.5	30.6	3.9	2.8	1.0
1993	2,814.7	354.2	551.7	666.9	45.1	3.6	2.9	0.9
1994	3,282.3	459.0	658.4	602.9	34.4	4.0	2.6	1.1
1995	2,587.7	402.6	552.1	808.5	35.5	3.6	2.6	1.2
1996	2,785.9	352.3	597.7	793.2	36.9	4.4	2.9	1.4
1997	2,845.8	407.5	599.1	734.9	34.8	3.9	2.8	0.8
1998	2,609.2	408.7	553.9	650.4	32.0	4.0	2.9	1.3
1999	3,088.2	345.7	649.1	674.9	38.0	3.0	2.6	1.1
2000	3,115.0	388.0	636.9	836.8	36.4	1.7	1.2	0.7

The Snook's Arm and Venam's Bight plants were purchased by Hydro in 1968 from the original owners who had built the plants to supply a mine in Tilt Cove in 1957. Reliable records of these individual plants are available only since 1978.

(c) The 2002 forecast of 4,271.67 GWh from Hydro's hydroelectric generation is based on annual average production from each plant as follows:

Bay d'Espoir	2,598.0	GWh
Upper Salmon	552.0	GWh
Cat Arm	735.0	GWh
Hinds Lake	340.0	GWh
Paradise River	39.37	GWh
Small hydros	7.30	GWh
Total	3,271.67	GWh

Each of the larger plants, Bay d'Espoir, Upper Salmon, Hinds Lake, Cat Arm and Paradise River annual average production is based on a historic average water to energy conversion factor for the plant which is applied to the average water available for use at the generating stations. The average water available for use is determined from average historic watershed inflow records with a reduction for water releases due to spill and for fisheries flow requirements. The following table provides the data for each of these larger plants.

Plant	Conversion Factor GWh/Mm^3	Average Historic Inflows Mm^3	Fisheries Releases Requirements Mm^3	Average Spill Mm^3	Useful Water Mm^3	Average Energy GWh
Bay d'Espoir	0.4330	6080.18	31.83	48.05	6000.31	2598
Upper Salmon	0.1296	4400.76	93.43	51.22	4256.11	552
Cat Arm	0.8972	840.84	0.00	21.97	818.88	735
Hinds Lake	0.5370	649.93	14.54	1.86	633.53	340
Paradise Rvr	0.0920	534.85	0.00	106.91	427.94	39.37

Average Historic Inflows are the averages for all available years of record for each plant.

Fisheries Release Requirements are as per agreement requirements with the Department of Fisheries and Oceans and are based on historic average releases.

The average spill is based on historic average spills except for Paradise River where 20% of inflows are assumed to be spilled as it is a run-of-river plant.

The production from the small hydro plants at Snook's Arm and Venam's Bight is based on the average of historic annual production. The Roddickton plant is assumed to be 1.0 GWh annual average production.

Q. Provide the calculation of GWh of system energy storage (RJH, Schedule III) at year-end for 2000. Provide the variance from the Minimum Energy Storage Target for year-end 2000 in GWh and percentage.

A. The GWh energy storage for the year-end 2000 was 2077 GWh, or 253 GWh greater than the minimum energy in storage target of 1824 GWh. This is roughly 14% greater than the minimum storage target level.

The calculation of energy storage is done on a daily basis by multiplying the live storage for each reservoir by the energy that can be generated (on an average basis) from that water. The 2077 GWh storage amount was calculated as follows:

Reservoir	Live Storage as of Dec 31/00 (MCM)	Conversion Factor (GWh/MCM)	Energy in Storage (GWh)
Victoria Lake	973.20	0.5626	548
Meelpaeg lake	1388.30	0.5626	781
Great Burnt Lake	108.62	0.5626	61
Long Pond	633.86	0.4330	274
Cat Arm	351.73	0.8972	316
Hinds Lake	180.75	0.5370	97
Total			**2077**

Q. Provide the annual production efficiency (in kWh per barrel) for the Holyrood generating facility for each year for the period 1992 to 2000.

A. The annual net production efficiencies for the Holyrood thermal generating station for 1992 to 2000 are as follows:

YEAR	kWh/bbl
1992	597.3
1993	606.5
1994	579.3
1995	622.3
1996	611.0
1997	629.5
1998	618.8
1999	577.1
2000	609.6

Q. Provide details of the approach used in determining the Wabush T.S. expenses estimates from TWINCo. for 2001 (RJH, page 16, lines 10-12).

A. The Wabush T.S. expenses are a share of the expenses for the Third and Fourth Expansions to the Wabush Terminal Station. Hydro's pays is 53.6% of the expenses based on Hydro having access to 67 MW of the 125 MW capacity of the Third and Fourth Expansion. The expenses are for two types of charges as follows:

1. Administration Charge – This expense is a fixed annual amount billed in 12 monthly payments. The Administration charge is for routine maintenance and operation of the equipment associated with the third and fourth expansions. This expense is $228,000 for 2001.

2. Extraordinary Charges – These expenses are for expenses which are outside routine items and are billed as they are incurred. An estimate of these expenses is provided by CF(L)Co who on TWINCo's behalf is responsible for the maintenance and repair of the Wabush T.S. In 2001 there are a number of items in this category estimated to cost in total $164,000.

Q. Provide the actuarial study that formed the basis for the employee future benefits balance and the annual expense presented by Hydro.

A. A copy of the actuarial study is enclosed.

Q. Provide the 1986 Depreciation Study and the 1998 Depreciation Study completed by Hydro’s financial consultants (JCR, page 1, line 21).

A. Enclosed are copies of the 1986 and 1998 Depreciation Studies completed by Hydro’s financial consultants.

Q. Provide details of the $2,731,000 decrease in depreciation expense from 2000 to 2001 (JCR, Schedule 1, Line 3).

A. The $2,731,000 decrease in depreciation expense from 2000 to 2001 is primarily related to Units 1 and 2 at the Holyrood Thermal Plant being fully depreciated.

Q. (a) What provision for salvage upon disposal of fixed assets has been made in Hydro's 2002 capital budget and estimate of depreciation for 2002 (JCR, page 10, lines 19-22)?

(b) Provide the net salvage costs forecast for 2002 under each of option 1 and option 2 (JCR, pages 10 and 11).

(c) Provide a comparison of Hydro's proposed accounting treatment of salvage costs with Hydro's previous accounting treatment of salvage costs (JCR, pages 10 and 11).

(d) Provide details of any amounts that have been set aside as part of depreciation expense or otherwise in the 2002 revenue requirement to establish or accumulate in the depreciation reserve account (JCR, page 11, lines 20-22).

A. (a) Page 10, lines 19 - 22 of JC Roberts' evidence discusses the proposed treatment of the net salvage value for an asset with an original acquisition cost in excess of $500,000 and an estimated net salvage value in excess of 10% of the original acquisition cost, which is expected to be replaced after retirement by an asset of the same nature at the same site.

There are no asset replacements meeting these criteria in Hydro's 2002 Capital Budget.

(b) There are no retirements in Hydro’s 2002 Capital Budget which meet the criteria for option 1 or option 2, therefore there are no anticipated net salvage costs in 2002 under either option.

(c) The proposed options for the accounting treatment of salvage costs do not have any dollar impact in 2002 as there are no planned asset retirements or acquisitions which meet any of the criteria.

Previously, net salvage costs have been immaterial and have been recognized in Hydro’s income statement at the time incurred.

The proposed accounting treatment of significant salvage costs is to amortize them over a longer period, either the life of the current asset, the life of the replacement asset, or a separate 5 or 10 year period, depending on the specifics of the situation.

(d) There have been no amounts set aside in 2002 to establish, or accumulate in, a depreciation reserve account.

Q. Provide copies of the reports on the Conditions Surveys:

(a) Completed in 1999 of Holyrood Thermal Units 1 and 2 and the Hardwoods and Stephenville Gas Turbines (JCR, page 12, line 9);

(b) Completed on the Transmission lines on the Avalon (JCR, page 12, line 28).

(c) Were the results of the Conditions Surveys reviewed by external or independent experts (JCR, page 12, lines 9 and 28)? If so, who? Provide any written reports by the external or independent experts.

(d) What service life will be utilized on transmission lines receiving major upgrades as part of the 2002 capital program (JCR, page 13, line 1)?

A. (a) A copy of the Condition Survey completed in 1999 is attached.

(b) See attached report entitled “Residual Life Assessment of Upgraded Transmission Lines on the Avalon Peninsula”.

(c) The results of the Condition Surveys were not reviewed by external or independent experts.

(d) Transmission lines receiving major upgrades, as part of the 2002 capital program will have a service life of 50 years once the upgrades are completed.

Q. Provide copies of any reports provided by Hydro to the Board reporting annual rates of depreciation applied to classes of property of Hydro as required by Section 68 of the *Public Utilities Act*?

A. Attached are copies of the depreciation rates as provided to the Board with the year-end financial statements and associated schedules for 1999 and 2000.

Q. Provide the detailed calculation of the $16,018,000 in fuel inventory for 2002 (JCR, Schedule II, Page 1 of 3).

A. As outlined in the evidence the fuel inventory is based on a thirteen-month average and the details are as follows:

Gas turbine fuel	$ 830,254
No. 6 fuel oil	13,257,589
Diesel fuel	1,758,440
Additives, ignition fuel and lubricants	154,129
Total	$16,018,412

Q. Reconcile the deferred realized foreign exchange loss of $85,200,000 in rate base for 2002 (JCR, Schedule II, Page 1 of 3) with the unamortized foreign exchange loss of $84,121,000 for 2002 on the projected balance sheet (JCR, Schedule XI).

A. Details on the deferred realized foreign exchange loss are as follows:

Unamortized foreign exchange loss at December 31, 2001	$96,278,000
Less: Foreign exchange loss provision at December 31, 2001	10,000,000
Balance January 1, 2002	86,278,000
Less: Amortization for 2002 based on a 40-year period	2,157,000
Balance December 31, 2002	84,121,000
Average of account balance for 2002	$85,200,000

Q. Provide details of the $21,095,000 of supplies inventory for 2002 (JCR, Schedule II, Page 1 of 3).

A. Details of the $21,095,000 of supplies inventory for 2002 are attached.

Q. Provide details of the "Other" component in the Revenue Lag summary (JCR, Schedule IV).

A. The details of other is as follows:

Pole attachment fees	$ 468,000
Joint use revenue for VHF radio system and microwave facilities	444,000
Miscellaneous	160,000
	1,072,000

Q. Provide details of the "Customer Costs" component in the Operating Expenses Lag summary (JCR, Schedule V).

A. The "Customer Costs" component in the Operating Expense Lag summary consists of the following:

Provision for uncollectible accounts	$300,000
Collection fees	25,000
	$325,000

Q. Provide supporting documentation for lag days for (JCR, Schedule V):

(a) salaries and benefits;
(b) system equipment maintenance;
(c) power purchases;
(d) travel; and
(e) professional services.

A. (a) See attached “Salaries and Benefits”.
(b) See attached “System Equipment Maintenance”.
(c) See attached “Power Purchases”.
(d) As outlined in evidence of K.C. McShane, page 7, lines 18-21, travel was assigned a lag of 45 days in lieu of detailed analysis.
(e) See attached “Professional Services”.

Q. Provide details on how the elimination of the Roddickton wood chip facility has been treated in the determination of depreciation expense and rate base (DWR, page 4, lines 21-22).

A. The Roddickton wood chip facility was written off to Hydro’s net income in 1999 and therefore does not impact depreciation nor rate base.

Q. Provide details, in tabular form, of the calculations of the debt/equity ratios for Hydro for the years 1992 to 2000 and forecast for 2001 and 2002 (JCR, Schedule VIII).

A. Attached are the calculations of Hydro's debt/equity ratios.

Q. Provide any documentation to support the assertion that the movement toward a debt/equity ratio of 60/40 would result in a change in the requirement for Hydro to pay a debt guarantee fee to the Provincial Government (DGH, page 4, line 27-30).

A. A Provincial guarantee on financings allows the Utility to access funds from the capital markets at attractive rates in virtually all market conditions. Given the Utility's obligation to provide reliable electrical service to its customers, this feature is important. If the regulated utility business had an investment grade rating, the Utility itself could raise funds on attractive terms. In Canada, there are many regulated businesses with an investment grade rating that operate successfully and access capital without government assistance. In this circumstance, the Province and the Utility could consider the removal of the guarantee and related fee, with little or no impact to the consumer.