

**Newfoundland and Labrador Hydro
Rate Stabilization Plan
Calculation of Retail RSP Adjustment**

Schedule 1

RSP Adjustment for July 1, 2002

Forecast Retail Balance - December 31, 2001 \$ 61,260,794

**One Fourth
Recovery**

\$61,260,794 / 4	\$ 15,315,199	A
GWh of energy sales forecast for 2001 for NP	4,399.4	B
Projected July 1, 2002 RSP adjustment (A/B)	3.48	mills/kWh

**One Third Plus
Excess Recovery**

\$50,000,000/3 +(\$61,260,794 - \$50,000,000)	\$ 27,927,461	A
GWh of energy sales forecast for 2001 for NP	4,399.4	B
Projected July 1, 2002 RSP adjustment (A/B)	6.35	mills/kWh