1 Q. Provide the calculation used to derive the 5.9% RSP adjustment forecast for
2   2002 (DWO, page 2, line 31).
3
4 A. The calculation used to derive the 5.9% RSP adjustment forecast for 2002 is
5   as follows:
6
7   • Newfoundland Power:
8
9   o revenue based on projected rates for 2002:
10   4,454,800 MWh x 48.00 mills/kWh = $213,830,400
11
12   o Existing July 1, 2001 RSP adjustment   1.77 mills/kWh
13   o Projected July 1, 2002 RSP adjustment   <u>4.64</u> mills/kWh
14   o Difference   <u>2.87</u> mills/kWh
15
16   o RSP revenue based on projected rates
17   4,454,800 MWh x 2.87 mills/kWh = $12,785,276
18
19   o RSP percentage increase July 1, 2002 =
20           $12,785,276 ÷ $213,830,400 = 5.9%