

1 **Q. RE: Forecast RSP Schedules For 2002 and 2003**

2 A) Please provide the forecast RSP schedules for forecast 2002 and
3 2003 incorporating the changes that result in the No.6 fuel prices that
4 were provided in Mr. Henderson’s supplementary evidence that was
5 filed on Wednesday, December 12, 2001 under each of the scenarios
6 below:

7 a) Assuming the “cost of service” price per barrel was rebased at \$22
8 per barrel.

9 b) Assuming the “cost of service” price per barrel was rebased at \$24
10 per barrel.

11 c) Assuming the “cost of service” price per barrel was rebased at \$26
12 per barrel.

13

14 B) Also provide the forecast RSP mill rate adjustments for the retail and
15 industrial customers for each of the scenarios indicated above.

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17 A. Please see attached schedules showing the forecast mill rates. We have
18 provided summary estimates only, based on the following simplifying
19 assumptions:

20 a. The \$26 per barrel fuel used was the \$25.91 average fuel cost
21 provided in Mr. Henderson’s supplementary evidence that was
22 filed on Wednesday, December 12, 2001.

23 b. The difference between fuel at \$20 and fuel at \$26 per barrel
24 totals approximately \$18 million, due to the weighted average
25 impact of beginning inventory.

26 c. Results for fuel at \$22 and \$24 per barrel were calculated by
27 incrementing one-third of the difference between the fuel cost
28 to be included in the revenue requirement (\$18 million), as

1 noted in b. above. The increments were prorated monthly
2 based on the existing fuel forecast resulting from Mr.
3 Henderson's supplementary evidence that was filed on
4 Wednesday, December 12, 2001.

5 d. Due to the assumptions used herein, detailed RSP schedules
6 are not available. We have applied the coarse assumptions
7 noted above to provide estimated balances and rates for 2002
8 and 2003, as shown in the attached schedules.

	Proposed (PUB-78.0)			Fuel rebased to \$22/bbl			Fuel rebased to \$24/bbl			Fuel rebased to \$26/bbl		
	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)
Retail (RSP Rate Effective July 1)	47.84	1.77	5.01	48.32	1.77	4.52	49.33	1.77	4.52	50.35	1.77	4.52
Industrial	23.27	5.14	5.14	23.71	5.14	5.14	24.66	5.14	5.14	25.60	5.14	5.14

	Proposed (PUB-78.0)			Fuel rebased to \$22/bbl			Fuel rebased to \$24/bbl			Fuel rebased to \$26/bbl		
	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)	Energy Base Rate (mills/kWh)	RSP Rate (Jan-Jun) (mills/kWh)	RSP Rate (Jul-Dec) (mills/kWh)
Retail (RSP Rate Effective July 1)	47.84	5.01	5.83	48.32	4.52	4.48	49.33	4.52	4.13	50.35	4.52	3.78
Industrial	23.27	5.58	5.58	23.71	4.62	4.62	24.66	4.40	4.40	25.60	4.29	4.29

Please note that the Energy Base Rates for each of the scenarios above do not incorporate any changes to revenues, or any related impacts associated with interest and return on rate base. Specifically, rate base inventory has not been adjusted, diesel fuel prices have not been updated, non-firm rates have not been revised for the revised fuel rates, and rural revenues have not been adjusted.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN BALANCES - 2002
Fuel at \$22/bbl

Month	Retail				Total To Date Balance	Industrial				Total To Date Balance
	Year To Date Balance	Current Month	Interest	Adjustment		Year To Date Balance	Current Month	Interest	Adjustment	
Balance Forward					60,356,209					23,213,614
Jan	167,117	167,117	352,329	(925,002)	59,950,653	42,862	42,862	135,509	(650,411)	22,741,574
Feb	929,426	762,309	349,962	(856,857)	60,206,067	241,110	198,248	132,754	(596,805)	22,475,771
Mar	1,699,400	769,974	351,453	(838,803)	60,488,691	446,054	204,944	131,202	(659,462)	22,152,455
Apr	2,383,757	684,357	353,103	(671,361)	60,854,790	642,029	195,975	129,315	(638,696)	21,839,048
May	2,996,053	612,296	355,240	(577,374)	61,244,952	821,518	179,489	127,485	(644,042)	21,501,981
Jun	3,406,483	410,430	357,517	(487,635)	61,525,264	947,148	125,630	125,518	(623,276)	21,129,852
Jul	3,779,579	373,096	359,154	(1,181,528)	61,075,986	1,072,680	125,532	123,346	(651,289)	20,727,440
Aug	4,208,397	428,818	356,531	(1,153,504)	60,707,831	1,212,442	139,762	120,996	(654,630)	20,333,568
Sep	4,760,798	552,401	354,382	(1,171,132)	60,443,482	1,403,500	191,058	118,697	(575,269)	20,068,055
Oct	5,850,273	1,089,475	352,839	(1,491,600)	60,394,196	1,746,848	343,348	117,147	(615,669)	19,912,881
Nov	7,356,386	1,506,113	352,551	(1,730,256)	60,522,604	2,225,318	478,470	116,241	(634,122)	19,873,471
Dec	9,148,225	1,791,839	353,301	(2,418,200)	60,249,544	2,799,720	574,402	116,011	(644,556)	19,919,328

RSP Recovery Rate:

		<u>Mills/kWh</u>	<u>Effective Date</u>
Industrial			
September Balance (\$ 000)	20,068		
One-third	6,689		
Sales (GWh)	<u>1448</u>		
Rate:	<u>4.62</u>	4.62	1-Jan-03
Retail			
December Balance (\$ 000)	60,250		
One-third	20,083		
Sales (GWh)	<u>4485</u>		
Rate:	<u>4.48</u>	4.48	1-Jul-03

NEWFOUNDLAND AND LABRADOR HYDRO
 RATE STABILIZATION PLAN BALANCES - 2002
 Fuel at \$24/bbl

Month	Retail				Total To Date Balance	Industrial				Total To Date Balance
	Year To Date Balance	Current Month	Interest	Adjustment		Year To Date Balance	Current Month	Interest	Adjustment	
Balance Forward					60,356,209					23,213,614
Jan	(475,920)	(475,920)	352,329	(925,002)	59,307,616	(122,065)	(122,065)	135,509	(650,411)	22,576,647
Feb	(265,286)	210,634	346,208	(856,857)	59,007,602	(68,820)	53,245	131,791	(596,805)	22,164,878
Mar	(52,536)	212,750	344,457	(838,803)	58,726,005	(13,790)	55,030	129,387	(659,462)	21,689,833
Apr	256,266	308,802	342,813	(671,361)	58,706,260	69,021	82,811	126,614	(638,696)	21,260,562
May	581,204	324,938	342,698	(577,374)	58,796,521	159,366	90,345	124,109	(644,042)	20,830,974
Jun	809,847	228,643	343,225	(487,635)	58,880,754	225,172	65,806	121,601	(623,276)	20,395,104
Jul	1,019,539	209,692	343,716	(1,181,528)	58,252,634	289,355	64,183	119,056	(651,289)	19,927,054
Aug	1,284,155	264,616	340,050	(1,153,504)	57,703,796	369,966	80,611	116,324	(654,630)	19,469,359
Sep	1,626,105	341,950	336,846	(1,171,132)	57,211,460	479,382	109,416	113,652	(575,269)	19,117,159
Oct	2,350,764	724,659	333,972	(1,491,600)	56,778,491	701,921	222,539	111,596	(615,669)	18,835,625
Nov	3,363,615	1,012,851	331,444	(1,730,256)	56,392,530	1,017,499	315,578	109,953	(634,122)	18,627,034
Dec	4,598,419	1,234,804	329,191	(2,418,200)	55,538,326	1,407,299	389,800	108,735	(644,556)	18,481,013

RSP Recovery Rate:

		<u>Mills/kWh</u>	<u>Effective Date</u>
Industrial			
September Balance (\$ 000)	19,117		
One-third	6,372		
Sales (GWh)	<u>1448</u>		
Rate:	<u>4.40</u>	4.40	1-Jan-03
Retail			
December Balance (\$ 000)	55,538		
One-third	18,513		
Sales (GWh)	<u>4485</u>		
Rate:	<u>4.13</u>	4.13	1-Jul-03

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN BALANCES - 2002
Fuel at \$26/bbl

Month	Retail				Total To Date Balance	Industrial				Total To Date Balance
	Year To Date Balance	Current Month	Interest	Adjustment		Year To Date Balance	Current Month	Interest	Adjustment	
Balance Forward					60,356,209					23,213,614
Jan			352,329	(925,002)	59,783,536			135,509	(650,411)	22,698,712
Feb			348,986	(856,857)	59,275,666			132,504	(596,805)	22,234,410
Mar			346,022	(838,803)	58,782,884			129,793	(659,462)	21,704,742
Apr			343,145	(671,361)	58,454,669			126,701	(638,696)	21,192,747
May			341,229	(577,374)	58,218,524			123,713	(644,042)	20,672,417
Jun			339,851	(487,635)	58,070,739			120,675	(623,276)	20,169,816
Jul			338,988	(1,181,528)	57,228,199			117,741	(651,289)	19,636,268
Aug			334,070	(1,153,504)	56,408,765			114,627	(654,630)	19,096,264
Sep			329,286	(1,171,132)	55,566,919			111,474	(575,269)	18,632,470
Oct			324,372	(1,491,600)	54,399,691			108,767	(615,669)	18,125,568
Nov			317,558	(1,730,256)	52,986,993			105,808	(634,122)	17,597,254
Dec			309,312	(2,418,200)	50,878,105			102,724	(644,556)	17,055,422

RSP Recovery Rate:

		<u>Mills/kWh</u>	<u>Effective Date</u>
Industrial			
September Balance (\$ 000)	18,632		
One-third	6,211		
Sales (GWh)	<u>1448</u>		
Rate:	<u>4.29</u>	4.29	1-Jan-03
Retail			
December Balance (\$ 000)	50,878		
One-third	16,959		
Sales (GWh)	<u>4485</u>		
Rate:	<u>3.78</u>	3.78	1-Jul-03