August 12, 2003

Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
P. O. Box 21040
120 Torbay Road
St. John's, NL A1A 5B2

Attention: G. Cheryl Blundon, Director of Corporate Services and Board Secretary

Dear Ms. Blundon:

Re: Newfoundland and Labrador Hydro's 2003 General Rate Application

Enclosed are the original and ten (10) copies of the following:

1. An Amended Application dated August 12, 2003;

2. Revisions to pages 4, 8, 22, 24, 25, 26 27, 28 and 29 to the Pre-filed Evidence: Corporate Overview;

3. Revisions to pages i and ii, Schedules I to V and Exhibit DWR-1 to the Pre-filed Evidence: Rural Operations to reflect that Fred H. Martin, Vice-President, Transmission and Rural Operations, will at the hearing adopt the Pre-filed Evidence: Transmission and Rural Operations;

4. Revisions to pages 6, 7, 10, 11, 14, 15 and Schedules II, III, IV, V, VII, VIII, IX, X and XII of the Pre-filed Evidence: Finance and Corporate Services;

5. A revised Exhibit RDG-1 to the Pre-filed Evidence: Cost of Service; and

6. A complete revision to the Pre-filed Evidence: Rates and Customer Services.

. . . cont'd /2

The principal purpose of the revisions is to reflect (1) the July 2003 direction by the Government with respect to the continuation of preferential rates for Rural Customers; (2) a reduction in the requested return on equity to 9.75% as a result of the recent decision of the Board in Order No. P. U. 19 (2003), which, among other things, approved a return on equity for Newfoundland Power of 9.75%; and (3) Board Order No. P. U. 23 (2003), which approved revised rates for Newfoundland Power's customers, which flow through to a number of Hydro's Rural Customers. The combined effect of these three results in a 13.7% increase in the base rate currently paid by Newfoundland Power instead of the 14% increase indicated in the original Application dated May 21, 2003 and an increase in the base rates for Industrial Customers of 13.5% instead of the 14.1% included in Hydro's original Application.

Changes in the Application and the Pre-filed Evidence from that which was filed on May 21, 2003 are indicated by shading, while the symbols < > indicate a deletion from the Pre-filed Evidence.

Yours very truly,

Newfoundland & Labrador Hydro

_____

Maureen P. Greene, Q.C.
Vice-President & General Counsel

MPG:bal

Attachments (11)

cc: Mr. Peter Alteen
Counsel to Newfoundland Power Inc.
55 Kenmount Road
P.O. Box 8910
St. John's, NL
A1B 3P6

Ms. Janet M. Henley Andrews, Q.C.
Stewart McKelvey Stirling Scales
Cabot Place, 100 New Gower St.
P.O. Box 5038
St. John's, NL
A1C 5V3

Mr. Joseph S. Hutchings, Q.C.
Poole Althouse
P.O. Box 812, 49-51 Park Street
Corner Brook, NL
A2H 6H7

Mr. Dennis Browne, Q.C.
Consumer Advocate
c/o Browne Fitzgerald Morgan & Avis
P.O. Box 23135
Terrace on the Square, Level II
St. John's, NL
A1B 4J9

Mr. Edward M. Hearn, Q.C.
Miller & Hearn
450 Avalon Drive
P.O. Box 129
Labrador City, NL
A2V 2K3

Mr. Mark Kennedy
IT/Law Atlantic
1st Floor,
357 Duckworth St.
P.O. Box 23126
St. John's, NL
A1B 4J9

IN THE MATTER OF the *Public Utilities Act*, (R.S.N. 1990, Chapter P-47 (the "Act"), and

IN THE MATTER OF a General Rate Application (the "Application") by Newfoundland and Labrador Hydro for approvals of, under Section 70 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, Rural Customers and Industrial Customers; and under Section 71 of the Act, changes in the Rules and Regulations applicable to the supply of electricity to Rural Customers.

TO: The Board of Commissioners of Public Utilities (the "Board")

THE AMENDED APPLICATION of Newfoundland and Labrador Hydro ("Newfoundland Hydro")

STATES that: -

1. Newfoundland Hydro is a corporation continued and existing under the Hydro Corporation Act, is a public utility within the meaning of the Act and is subject to the provisions of the *Electrical Power Control Act, 1994* ("EPCA, 1994").

2. The last general rate application by Newfoundland Hydro to the Board was filed on May 31, 2001. By Order No. P.U. 7 (2002-03) the Board gave direction on a number of matters as more particularly set out in that Order, including that Newfoundland Hydro file its next general rate application no later than December 31, 2003.

3. On August 16, 2002, Newfoundland Hydro filed a revised total 2002 Revenue Requirement, Rate Base, Return on Rate Base, Schedule of Rates and 2002 Cost of Service Study, all in accordance with Order No. P.U. 7 (2002-2003).

4. By Order No. P.U. 21 (2002-2003), the Board approved the rates currently charged by Newfoundland Hydro to its customers, which became effective September 1, 2002; fixed the forecast 2002 test year Rate Base at $1,359,570,000; allowed a Return on Rate Base, based on the 2002 test year of 7.081% and approved the Rules and Regulations, currently in effect, for Rural Customers.

5. By Order No. P.U. 10 (2003) the Board approved changes to the Rules and Regulations for Rural Customers.

6. The Applicant proposes:

   (1) that the rate charged Newfoundland Power be increased, no later than January 1, 2004 to 54.45 mills per kWh;

   (2) that the rate charged Newfoundland Power as of January 1, 2004, for firming up secondary energy purchased from Corner Brook Pulp and Paper Limited and re-sold to Newfoundland Power as firm energy be decreased to 6.41 mills per kWh;

(3) that the rates charged to Industrial Customers for firm service be increased, no later than January 1, 2004, to a demand charge of $6.49 per kW per month, an energy charge of 27.55 mills per kWh and the relevant annual specifically assigned charges;

(4) that the rates charged to Industrial Customers for non-firm service be, as of January 1, 2004, $1.50 per kW per month and a variable energy charge based on the calculation on Page 3 of the Rates Schedules attached to this Application;

(5) that the rate for wheeling energy for Abitibi-Consolidated Company of Canada be decreased to 4.49 mills per kWh as of January 1, 2004;

(6) that the existing policy be continued of allowing the Applicant, as Newfoundland Power changes its rates, to automatically adjust the rates which it charges its Island Interconnected Rural Customers, its customers served from the L'Anse au Loup System, and its non-Government Isolated Domestic Rural Customers for the first 700 kWh per month of consumption, so that such rates are the same as the rates charged by Newfoundland Power to its customers;

(7) that the existing policy be continued of allowing the Applicant to change the rates charged for consumption over 700 kWh per month of electricity sold to non-Government Isolated Domestic Rural Customers (the "lifeline block"), by the average rate of change (i.e. increase or decrease) granted to Newfoundland Power from time to time;

(8) < >

(9) that the policy, outlined in Order No. P.U. 7 (2002-2003) of charging rates based on full cost recovery for Government departments < >, excluding hospitals and schools in Isolated Rural Systems, be continued;

(10) < >

(11) that the lifeline block be phased out for Isolated General Service Customers and that a demand energy rate structure be implemented for these customers as directed by Order No. P.U. 7 (2002-2003) and as outlined in the Rates and Customer Services Evidence filed with this Application;

(12) that the rates for Labrador Interconnected Customers be based on a uniform Rate Structure as approved in Order No. P.U. 7 (2002-2003) and phased in over a five-year period as outlined in the Rates and Customer Service Evidence filed with this Application;

(13) that the following financial targets be approved by the Board as appropriate for Hydro:

Return on Equity (ROE)	- 9.75%
Debt to Capital Structure	- 80%
Return on Rate Base	- 8.15%

(14) that the estimated 2004 average Rate Base be $1,485,468,000;

(15) that the just and reasonable Rate of Return on the estimated average Rate Base for 2004 be 8.15% ;

(16) certain minor amendments to the Rules and Regulations which govern the provision of service to Rural Customers be made to eliminate the statement preparation fee; to reduce the fee applicable for customer name changes from $14 to $8; and to extend the application of the reconnection fee to circumstances where customers request reconnection of service following a request for a landlord to disconnect;

7. The Applicant requests that the Board make an Order as follows:

(1) fixing and determining the 2004 Rate Base of the Applicant at $1,485,468,000;

(2) determining a just and reasonable rate of return for 2004 on average Rate Base of 8.15%;

(3) Approving, pursuant to Section 70 of the Act, the rate of 54.45 mills per kWh to be charged Newfoundland Power as set out in the Rates Schedules 2004 p. 1 of 32 attached to this Application;

(4) Approving, pursuant to Section 70 of the Act, the firming up charge of 6.41 mills per kWh for secondary energy supplied by Corner Brook Pulp and Paper Limited to the Applicant and delivered as firm power and energy to Newfoundland Power as set out in the Rates Schedules 2004 p. 1 of 32 attached to this Application;

(5) Approving, pursuant to Section 70 of the Act, the rate of $6.49 per kW per month demand charge and an energy charge of 27.55 mills per kWh to be charged Island Industrial Customers for firm power and energy, plus the annual specifically assigned charge as follows;

Abitibi-Consolidated Company of Canada -Grand Falls	$ 2,043
Abitibi-Consolidated Company of Canada –Stephenville	110,666
Corner Brook Pulp and Paper Limited	177,184
North Atlantic Refining Limited	183,497

as set out in the Rates Schedules 2004 p. 2 of 32 attached to this Application;

(6) Approving, pursuant to Section 70 of the Act, the rate for non-firm service to Industrial Customers as set out in the Rates Schedules 2004, p. 3 attached to this Application;

(7) Approving, pursuant to Section 70 of the Act, the rate of 4.49 mills per kWh as a wheeling fee to be charged Abitibi-Consolidated Company of Canada as set out in the Rates Schedules 2004, p. 4 of 32 attached to this Application;

(8) Approving, pursuant to Section 70 of the Act, the rates for 2004 to 2008 for Rural Customers set out in the Rates Schedules attached to this Application;

(9) Approving, pursuant to Section 70 of the Act, changes to the Rules and Regulations applicable to providing service to Rural Customers outlined in paragraph 6 (16) hereof;

(10) Granting such alternative, additional or further relief as the Board shall consider fit and proper in the circumstances.

8. Communications with respect to this Application should be forwarded to Counsel for the Applicant, Maureen P. Greene, Q.C., Vice-President and General Counsel, Newfoundland and Labrador Hydro, P.O. Box 12400, St. John's, Newfoundland, A1B 4K7, phone 737-1465, fax 737-1782.

DATED at St. John's, Newfoundland this day of August 2003.

NEWFOUNDLAND AND LABRADOR HYDRO

_____

William E. Wells
President and Chief Executive Officer
Newfoundland & Labrador Hydro
Hydro Place, Columbus Drive
P.O. Box 12400
St. John's, Newfoundland
A1B 4K7

IN THE MATTER OF the *Public Utilities Act,* (R.S.N. 1990, Chapter P-47 (the "Act")*; and*

IN THE MATTER OF a General Rate Application (the "Application") by Newfoundland and Labrador Hydro for approvals of under Section 70 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, Rural Customers and Industrial Customers; and Under Section 71 of the Act, changes in the Rules and Regulations applicable to the supply of electricity to Rural Customers.

AFFIDAVIT

I, William E. Wells of St. John's in the Province of Newfoundland, make oath and say as follows:

1. I am President and Chief Executive Officer of Newfoundland and Labrador Hydro, the Applicant named in the attached Amended Application.

2. To the best of my knowledge, information and belief, all matters, facts and things set out in the attached Amended Application are true.

SWORN at St. John's in the Province of Newfoundland and Labrador this day of August 2003, before me:)

_____ Barrister (NL)

_____ William E. Wells

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY

Availability:

Newfoundland Power

Rate:

Base Rate* .....@ 5.445 ¢ per kWh

Firming-up Charge:

To be applied to secondary energy supplied by Corner Brook Pulp and Paper Limited.

Firming-Up Charge* .....@ 0.641 ¢ per kWh

***Subject to RSP Adjustment:**

RSP Adjustment refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied.

General:

This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL -FIRM

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Rate:

Demand Charge:

The rate for Firm Power, as defined and set out in the Industrial Service Agreements, shall be

$6.49 per month per kilowatt of billing demand.

Firm Energy Charge:

Base Rate* .....@ 2.755 ¢ per kWh

***Subject to RSP Adjustment:**

RSP Adjustment refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

Specifically Assigned Charges:

The table below contains the additional specifically assigned charges for customer plant in service that is specifically assigned to the Customer.

	Annual Amount
Abitibi-Consolidated (Grand Falls)	$ 2,043
Abitibi-Consolidated (Stephenville)	$ 110,666
Corner Brook Pulp and Paper Limited	$ 177,184
North Atlantic Refining Limited	$ 183,497

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL – NON-FIRM

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Rate:

Non-Firm Demand Charge:

The rate for Non-Firm Power, as defined and set out in the Industrial Service Agreements, shall be $1.50 per month per kilowatt of billing demand.

Non-Firm Energy Charge (¢ per kWh):

Non-Firm Energy is deemed to be supplied from thermal sources. The following formula shall apply to calculate the Non-Firm Energy rate:

$$\{(A \div B) \times (1 + C)\} \times 100$$

A = the monthly average cost of fuel per barrel for the energy source in the current month or, in the month the source was last used

B = the conversion factor for the source used (kWh/bbl)

C = the administrative and variable operating and maintenance charge (10%)

The energy sources and associated conversion factors are:

1. Holyrood, using No. 6 fuel with a conversion factor of 624 kWh/bbl
2. Gas turbines using No. 2 fuel with a conversion factor of 475 kWh/bbl
3. Diesels using No. 2 fuel with a conversion factor of 556 kWh/bbl.

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL - WHEELING

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy and whose Industrial Service Agreement so provides.

Rate:

Energy Charge:

All kWh (Net of losses)* .....@ 0.449 ¢ per kWh

* For the purpose of this Rate, losses shall be 3.21%, the average system losses on the Island Interconnected Grid for the last five years ending in 2002.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro) is established for Hydro's Utility (Newfoundland Power) and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- customer load (Utility and Island Industrial); and
- rural rates.

The formulae used to calculate the Plan's activity are outlined below. Positive values denote amounts owing from customers to Hydro whereas negative values denote amounts owing from Hydro to customers.

Section A: Components

1. Hydraulic Production Variations

Actual monthly production is compared with the Test Year Cost of Service Study in accordance with the following formula:

$$\{(A - B) \div C\} \times D$$

Where:

A = Test Year Cost of Service Net Hydraulic Production (kWh)
B = Actual Net Hydraulic Production (kWh)
C = Test Year Cost of Service Holyrood Net Conversion Factor (kWh /bbl.)
D = Monthly Test Year Cost of Service No. 6 Fuel Cost ($/bbl.)

2. Load Variation

2.1 Fuel Component

To determine the fuel variation, actual monthly Utility Firm and Industrial Firm sales are compared with the Test Year Cost of Service Study in accordance with the following formula:

$$\{(E - F) \times (D \div C)\}$$

Where:

E = Actual Sales (kWh)
F = Test Year Cost of Service Sales (kWh)
C = Test Year Cost of Service Holyrood Net Conversion Factor (kWh /bbl.)
D = Test Year Monthly Cost of Service No. 6 Fuel Cost ($/bbl.)

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (continued)

2.1 Revenue Component

To determine the revenue variation, actual monthly sales for Utility Firm and Firmed-Up Secondary energy and Island Industrial Firm energy are compared with the Test Year Cost of Service Study in accordance with the following formula:

$$(F - E) \times G$$

Where:

E = Actual Sales (kWh)
F = Test Year Cost of Service Sales (kWh)
G = Energy rate or Firming-Up charge ($/kWh)

3. Fuel Cost Variations

This is based on the consumption of No. 6 Fuel at the Holyrood Generation Station:

$$(H - D) \times I$$

Where:

D = Monthly Test Year Cost of Service No. 6 Fuel Cost ($/bbl.)
H = Monthly Actual Average No. 6 Fuel Cost ($/bbl.)
I = Monthly Actual Quantity of No. 6 Fuel consumed for firm sales (bbl.)

4. Rural Rate Alteration

This component is calculated for Hydro's rural customers whose rates are directly or indirectly impacted by Newfoundland Power's rate changes, with the following formula:

$$(J - K) \times L$$

Where:

J = Cost of Service rate [1]
K = Existing rate
L = Actual Units (kWh, bills, billing demand)

[1] Hydro's schedule of rates for its rural customers impacted by Newfoundland Power's rate changes as a result of the pass-through of Hydro's rate changes associated with the Test Year Cost of Service Study.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (continued)

Section B: Monthly Customer Allocation

1. **Hydraulic, Load and Fuel Activity**
   Each month, the revenue component of the load variation will be assigned to the customer class for which the load variation occurred.

   Each month, the year-to-date totals for hydraulic variation, fuel price variation and the fuel component of the load variation will be allocated among the Island Interconnected customer groups of (1) Newfoundland Power; (2) Island Industrial Firm; and (3) Rural Island Interconnected. The allocation will be based on percentages derived from 12 months-to-date kWh for: Utility Firm and Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

   The year-to-date portion of hydraulic variation, fuel price variation and the fuel component of the load variation which is initially allocated to Rural Island Interconnected will be re-allocated between Newfoundland Power and Rural Labrador Interconnected customers in the same proportion which the Rural Deficit was shared in the approved Test Year Cost of Service Study.

   The current month's activity for Newfoundland Power, Island Industrials and Rural Labrador Interconnected customers will be calculated by subtracting year-to-date activity for the prior month from year-to-date activity for the current month. The current month's activity allocated to Rural Labrador Interconnected customers will be removed from the Plan and written off to Hydro's net income (loss).

2. **Rural Rate Alteration Activity**
   Each month, the rural rate alteration will be allocated between Newfoundland Power and Rural Labrador Interconnected customers in the same proportion which the Rural Deficit was shared in the approved Test Year Cost of Service Study. The portion allocated to Rural Labrador Interconnected will be removed from the Plan and written off to Hydro's net income (loss).

Section C: Plan Balances

A separate plan balance for Newfoundland Power and for Island Industrial customers will be established annually, to be recovered over a two-year period, the "adjustment period". Monthly activity for 2002 after September 1, 2002 will be included with the 2003 annual plan balance, pursuant to the Public Utilities Board Order No. P.U. 7 (2002-2003). Financing charges on the plan balance will be calculated monthly using Hydro's annual weighted average cost of capital.

Section D: Adjustment

1. **Newfoundland Power**
   For each plan balance, commencing with the December 31, 2003 balance, the adjustment rate for each year of the adjustment period is determined as follows:

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (continued)

$$A = (B - C + D) \div E \div F$$

where

A = adjustment rate ($ per kWh) for the 12-month period commencing the following July 1.
B = Balance December 31
C = projected recovery / repayment to the following June 30 (if any), estimated using the most recent energy sales (kWh) for the period January to June.
D = projected financing charges to the following June 30
E = number of years remaining in the adjustment period
F = energy sales (kWh) (firm and firmed-up secondary) to Newfoundland Power for the most recent 12 months ended December 31

Recovery or repayment and financing will be applied to the balance each month. At the end of the two-year adjustment period, any remaining balance will be added to the plan then in effect.

2. Island Industrial Customers

For each plan balance, commencing with the December 31, 2003 balance, the adjustment rate for each year of the adjustment period is determined as follows:

$$G = H \div I \div J$$

where

G = adjustment rate ($ per kWh) for the 12-month period commencing the following January 1.
H = Balance December 31
I = number of years remaining in the adjustment period
J = firm energy sales (kWh) to Industrial Customers for the most recent 12 months ended December 31

Recovery or repayment and financing will be applied to the balance each month. At the end of the two-year adjustment period, any remaining balance will be added to the plan then in effect.

Section E: Plan Balance August 31, 2002:

Newfoundland Power and Island Industrial customer balances accumulated in the Plan as at August 31, 2002 will be recovered over a 5-year collection period, with adjustment rates established each December 31, commencing December 31, 2002. Financing charges on the plan balances will be calculated monthly using Hydro's annual weighted average cost of capital.

1. Newfoundland Power

The December balance for the first year will be determined as follows:

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (continued)

$$K = L - M + N$$

where

K = Balance December 31
L = Balance, August 31, 2002
M = actual recoveries to December 31, 2002 at $0.00177 / kWh
N = financing charges to December 31, 2002

The adjustment rate for each year of the five-year adjustment period will be determined in the same manner as described in Section D for Newfoundland Power.

Recovery and financing will be applied to the balance each month. At the end of the five-year recovery period, any remaining balance will be added to the plan then in effect.

2. Island Industrial Customers

The December balance for the first year will be determined as follows:

$$O = P - Q + R$$

where

O = Balance December 31
P = Balance, August 31, 2002
Q = actual recoveries to December 31, 2002 at $0.00280 / kWh
R = financing charges to December 31, 2002

The adjustment rate for each year of the five-year adjustment period will be determined in the same manner as described in Section D for Island Industrial customers.

Recovery and financing will be applied to the balance each month. At the end of the five-year recovery period, any remaining balance will be added to the plan then in effect.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For Service throughout the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $19.45 per month

Energy Charge:
First 700 kilowatt-hours per month..... @11.740 ¢ per kWh
All kWh over 700 kilowatt-hours per month..... @20.000 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $19.45
Three Phase..... $33.81

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For Service throughout the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $25.96 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $8.10 per kW

Energy Charge:
First 150 kilowatt-hours per kW of billing demand..... @11.840 ¢ per kWh
All excess kilowatt-hours..... @23.360 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $25.96
Three Phase..... $57.27

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$29.83 per month

Energy Charge:
All kilowatt-hours .....@ 60.112 ¢ per kWh

Minimum Monthly Charge $29.83

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$34.11 per month

Energy Charge:
All kilowatt-hours .....@ 52.68 ¢ per kWh

Minimum Monthly Charge $34.11

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: .....$57.84 per month

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $28.01 per kW

Energy Charge:
All kilowatt-hours ..... @ 35.83 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$57.42
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	46.51
150W (14,400 lumens)	57.42

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1 HV

GENERAL SERVICE 0 - 10 kW

Availability:

For Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$7.00 per month

Energy Charge:
All kilowatt-hours .....@ 3.25 ¢ per kWh

Minimum Monthly Charge $7.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1HV

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $9.10 per month

Energy Charge:
All kilowatt-hours ..... @ 4.032 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2HV

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 3.00 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3HV

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.95 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4HV

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.50 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 3.1 HV

ELECTRIC HEATING GENERAL SERVICE

Availability:

Throughout the Happy Valley/Goose Bay and North West River interconnected service areas of Hydro, for electric space heating, or for electric space heating combined with air conditioning of the electrically heated area, or for water heating purposes, in non-domestic establishments which, in the past, did not qualify for the all-electric General Service Rate.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.50 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1HV

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$ 12.10
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	10.07
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 5.1HV

SECONDARY ENERGY

Availability:

For Service to Customers on the Labrador Interconnected grid engaged in fuel switching who purchase a minimum of 1 MW load and a maximum of 24 MW, who provide their own transformer and, who are delivered power at primary voltages. Hydro shall supply Secondary Energy to the Customer at such times and to the extent that Hydro has Churchill Falls electricity available in excess of the amount it requires for its own use, and to meet its commitments and sales opportunities, present and future, for firm energy. Moreover, Hydro may interrupt or reduce the supply of Secondary Energy at its sole discretion for any cause whatsoever. The energy delivered shall be used solely for the operation of the equipment engaged in fuel switching.

Energy Charge:

The energy charge shall be calculated monthly based on:

EITHER:

A. The Customer's cost of fuel (cents per litre) most recently delivered to the Customer including fuel additives, if any, in accordance with the following formula:

$$\text{Secondary Energy Rate} = \text{Constant Factor} \times \text{Fuel Cost/Litre} \times 90\%$$

$$\text{Constant Factor} = \frac{3413\ \text{BTU/kWh} \times A \times B}{C \times D}$$

Where:

A = Customer's Electric Boiler Efficiency

B = Transformer and Losses Adjustment Factor

C = BTU/Litre of the Customer's fuel

D = Customer's Oil-fired Boiler Efficiency

OR:

B. The price equivalent to that negotiated for the sale of energy to non-regulated customers, as adjusted for losses.

WHICHEVER IS GREATER.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 5.1HV (continued)

SECONDARY ENERGY

Prior to the commencement of service, the Customer will provide to Hydro the rate component values for insertion in the pricing formula for Secondary Energy. If subsequent changes to any of these rate components are required, the Customer will provide them to Hydro as soon as practicable. Hydro may require that these rate component values be verified.

Communications

The Customer and Hydro shall each designate a position within their respective staffs to be responsible for communications as to changes in the cost of the fuel delivered to the Customer. Hydro will contact the Customer's designate on or before the second working day of each month at which time the Customer's designate will inform Hydro of the fuel cost. If this information is unavailable to Hydro for any reason, Hydro will use the previous month's fuel cost and make the adjustment to the correct cost in the following month's billing.

Power Factor

If the Customer's power factor is lower than 90%, the Customer shall upon written notice by Hydro provide, at the Customer's expense, power factor corrective equipment to ensure that a power factor of not less than 90% is maintained.

General:

Insofar as they are not inconsistent with the forgoing, the conditions of service provided in the Rules and Regulations shall apply to Customers in this rate class.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1W

DOMESTIC

Availability:

For Service throughout the Labrador City and Wabush Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$4.45 per month

Energy Charge:
All kilowatt-hours .....@ 1.601 ¢ per kWh

Minimum Monthly Charge $4.45

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1W

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: .....$9.10 per month

Energy Charge:
All kilowatt-hours .....@ 2.832 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2W

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.056 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3W

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.882 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4W

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.731 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City and Wabush Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR[1]	
250W (9,400 lumens)	$ 5.80
HIGH PRESSURE SODIUM [2]	
100W (8,600 lumens)	7.11
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Fixtures previously owned by the Town of Wabush as of September 1, 1985, and transferred to Hydro in 1987.

[2] Only High Pressure Sodium fixtures are available for all new installations and replacements installed after September 1, 2002.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.11W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro existing as of September 1, 2002.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM [1]	
150 W (8,600 Lumens)	$ 4.15

[1] All new fixtures added will be at the rates set out in Rate 4.1W.

Special poles used exclusively for lighting service

Wood ..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.12W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by the customer.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM	
100W (8,600 lumens)	$ 3.12

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $19.45 per month

Energy Charge:
First 700 kilowatt-hours per month..... @13.92 ¢ per kWh
All kWh over 700 kilowatt-hours per month..... @18.00 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $19.45
Three Phase..... $33.81

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $25.96 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $10.38 per kW

Energy Charge:
First 150 kilowatt-hours per kW of billing demand..... @13.61 ¢ per kWh
All excess kilowatt-hours..... @20.10 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $25.96
Three Phase..... $57.27

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$29.83 per month

Energy Charge:
All kilowatt-hours .....@ 60.112 ¢ per kWh

Minimum Monthly Charge $29.83

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$34.11 per month

Energy Charge:
All kilowatt-hours .....@ 52.68 ¢ per kWh

Minimum Monthly Charge $34.11

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: .....$57.84 per month

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $28.01 per kW

Energy Charge:
All kilowatt-hours ..... @ 35.83 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$57.42
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	46.51
150W (14,400 lumens)	57.42

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1HV

DOMESTIC

Availability:

For Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$7.00 per month

Energy Charge:
All kilowatt-hours .....@ 3.25 ¢ per kWh

Minimum Monthly Charge $7.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1HV

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $9.10 per month

Energy Charge:
All kilowatt-hours ..... @ 5.050 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2HV

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.684 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3HV

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.402 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4HV

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.144 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1HV

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$ 12.10
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	10.07
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1W

DOMESTIC

Availability:

For Service throughout the Labrador City and Wabush Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$5.50 per month

Energy Charge:
All kilowatt-hours .....@ 1.921 ¢ per kWh

Minimum Monthly Charge $5.50

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1W

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: .....$9.10 per month

Energy Charge:
All kilowatt-hours .....@ 3.582 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2W

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3W

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4W

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City and Wabush Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR[1]	
250W (9,400 lumens)	$ 7.30
HIGH PRESSURE SODIUM [2]	
100W (8,600 lumens)	7.54
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Fixtures previously owned by the Town of Wabush as of September 1, 1985, and transferred to Hydro in 1987.

[2] Only High Pressure Sodium fixtures are available for all new installations and replacements installed after September 1, 2002.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.11W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro existing as of September 1, 2002.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	$ 5.65

[1] Any new fixtures added will be at the rates set out in Rate 4.1W.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.12W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by the customer.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM	
100W (8,600 lumens)	$ 3.59

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $19.45 per month

Energy Charge:
All kilowatt-hours ..... @16.05 ¢ per kWh

Minimum Monthly Charge: Single Phase $19.45
Three Phase $33.81

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $25.96 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $12.70 per kW

Energy Charge:
All kilowatt-hours ..... @16.110 ¢ per kWh

Minimum Monthly Charge: Single Phase $25.96
Three Phase $57.27

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$29.83 per month

Energy Charge:
All kilowatt-hours .....@ 60.112 ¢ per kWh

Minimum Monthly Charge $29.83

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$34.11 per month

Energy Charge:
All kilowatt-hours .....@ 52.68 ¢ per kWh

Minimum Monthly Charge $34.11

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: .....$57.84 per month

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $28.01 per kW

Energy Charge:
All kilowatt-hours ..... @ 35.83 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$57.42
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	46.51
150W (14,400 lumens)	57.42

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE No. 1.1HV

DOMESTIC

Availability:

For Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$7.00 per month

Energy Charge:
All kilowatt-hours .....@ 3.25 ¢ per kWh

Minimum Monthly Charge $7.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1HV

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: .....$10.10 per month

Energy Charge:
All kilowatt-hours .....@ 5.610 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $10.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2HV

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3HV

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4HV

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1HV

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$ 12.10
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	10.07
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1W

DOMESTIC

Availability:

For Service throughout the Labrador City and Wabush Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$6.25 per month

Energy Charge:
All kilowatt-hours .....@ 2.322 ¢ per kWh

Minimum Monthly Charge $6.25

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1W

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: .....$9.10 per month

Energy Charge:
All kilowatt-hours .....@ 4.466 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2W

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3W

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4W

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City and Wabush Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR[1]	
250W (9,400 lumens)	$ 9.00
HIGH PRESSURE SODIUM [2]	
100W (8,600 lumens)	8.27
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Fixtures previously owned by the Town of Wabush as of September 1, 1985, and transferred to Hydro in 1987.

[2] Only High Pressure Sodium fixtures are available for all new installations and replacements installed after September 1, 2002.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.11W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro existing as of September 1, 2002.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	$ 7.15

[1] Any new fixtures added will be at the rates set out in Rate 4.1W.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.12W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by the customer.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM	
100W (8,600 lumens)	$ 4.06

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $19.45 per month

Energy Charge:
All kilowatt-hours ..... @16.050 ¢ per kWh

Minimum Monthly Charge: Single Phase $19.45
Three Phase $33.81

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $25.96 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $12.70 per kW

Energy Charge:
All kilowatt-hours ..... @16.110 ¢ per kWh

Minimum Monthly Charge: Single Phase $25.96
Three Phase $57.27

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$29.83 per month

Energy Charge:
All kilowatt-hours .....@ 60.112 ¢ per kWh

Minimum Monthly Charge $29.83

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$34.11 per month

Energy Charge:
All kilowatt-hours .....@ 52.68 ¢ per kWh

Minimum Monthly Charge $34.11

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: .....$57.84 per month

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $28.01 per kW

Energy Charge:
All kilowatt-hours ..... @ 35.83 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$57.42
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	46.51
150W (14,400 lumens)	57.42

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1HV

DOMESTIC

Availability:

For Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$7.00 per month

Energy Charge:
All kilowatt-hours .....@ 3.25 ¢ per kWh

Minimum Monthly Charge $7.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1HV

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $10.10 per month

Energy Charge:
All kilowatt-hours ..... @ 5.610 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $10.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2HV

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3HV

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4HV

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1HV

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Happy Valley-Goose Bay Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$ 12.10
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	10.07
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1W

DOMESTIC

Availability:

For Service throughout the Labrador City and Wabush Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: .....$7.15 per month

Energy Charge:
All kilowatt-hours .....@ 2.788 ¢ per kWh

Minimum Monthly Charge $7.15

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1W

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: .....$9.10 per month

Energy Charge:
All kilowatt-hours .....@ 5.504 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $9.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2W

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3W

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4W

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Labrador City and Wabush Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 cents per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City and Wabush Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR[1]	
250W (9,400 lumens)	$ 11.36
HIGH PRESSURE SODIUM [2]	
100W (8,600 lumens)	9.00
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Fixtures previously owned by the Town of Wabush as of September 1, 1985, and transferred to Hydro in 1987.

[2] Only High Pressure Sodium fixtures are available for all new installations and replacements installed after September 1, 2002.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.11W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro existing as of September 1, 2002.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	$ 9.00

[1] Any new fixtures added will be at the rates set out in Rate 4.1W.

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.12W

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador City service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by the customer.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM	
100W (8,600 lumens)	$ 4.53

Special poles used exclusively for lighting service

Wood .....$ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $19.45 per month

Energy Charge:
All kilowatt-hours ..... @16.050 ¢ per kWh

Minimum Monthly Charge: Single Phase $19.45
Three Phase $33.81

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $25.96 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $12.70 per kW

Energy Charge:
All kilowatt-hours ..... @16.110 ¢ per kWh

Minimum Monthly Charge: Single Phase $25.96
Three Phase $57.27

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$29.83 per month

Energy Charge:
All kilowatt-hours .....@ 60.112 ¢ per kWh

Minimum Monthly Charge $29.83

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$34.11 per month

Energy Charge:
All kilowatt-hours .....@ 52.68 ¢ per kWh

Minimum Monthly Charge $34.11

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: .....$57.84 per month

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $28.01 per kW

Energy Charge:
All kilowatt-hours ..... @ 35.83 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$57.42
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	46.51
150W (14,400 lumens)	57.42

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 19.04

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1L

DOMESTIC

Availability:

For Service throughout the Labrador Interconnected service area of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge: ..... $8.00 per month

Energy Charge:
All kilowatt-hours ..... @ 3.255 ¢ per kWh

Minimum Monthly Charge $8.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations**.**
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1L

GENERAL SERVICE 0 - 10 kW

Availability:

For Service (excluding Domestic Service) throughout the Labrador Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: ..... $10.10 per month

Energy Charge:
All kilowatt-hours ..... @ 5.610 ¢ per kWh

Minimum Monthly Charge: Single Phase..... $10.10
Three Phase..... $20.00

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.2L

GENERAL SERVICE 10 - 100 kW (110 kVA)

Availability:

For Service (excluding Domestic Service) throughout the Labrador Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater but less than 100 kilowatts (110 kilovolt-amperes).

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $2.00 per kW

Energy Charge:
All kilowatt-hours .....@ 2.386 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kW of maximum demand occurring in the 12 months ending with the current month, but not less than $20.00 for a three phase service**.**

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3L

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service (excluding Domestic Service) throughout the Labrador Interconnected service area of Hydro, where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate:

Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.85 per kVA

Energy Charge:
All kilowatt-hours .....@ 2.039 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations**. This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4L

GENERAL SERVICE 1000 kVA AND OVER

Availability:

For Service (excluding Domestic Service) throughout the Labrador Interconnected service area of Hydro, where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate:

Billing Demand Charge:
The maximum demand registered on the meter in the current month .....@ $1.70 per kVA

Energy Charge:
All kilowatt-hours .....@ 1.802 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 6.8 ¢ per kWh, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

An amount equal to $1.05 per kVA of maximum demand occurring in the 12 months ending with the current month.

Discount:

A discount of 1.5% of the amount of the current month's bill, up to a maximum of $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1L

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$ 12.10
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	10.07
150W (14,400 lumens)	12.10
250W (23,200 lumens)	15.95
400W (45,000 lumens)	20.10

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... $ 3.00

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.12L

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service throughout the Labrador Interconnected service area of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by the customer.

Monthly Rate:

	SENTINEL / STANDARD
HIGH PRESSURE SODIUM	
100W (8,600 lumens)	$ 5.02

Special poles used exclusively for lighting service

Wood .....$ 3.00

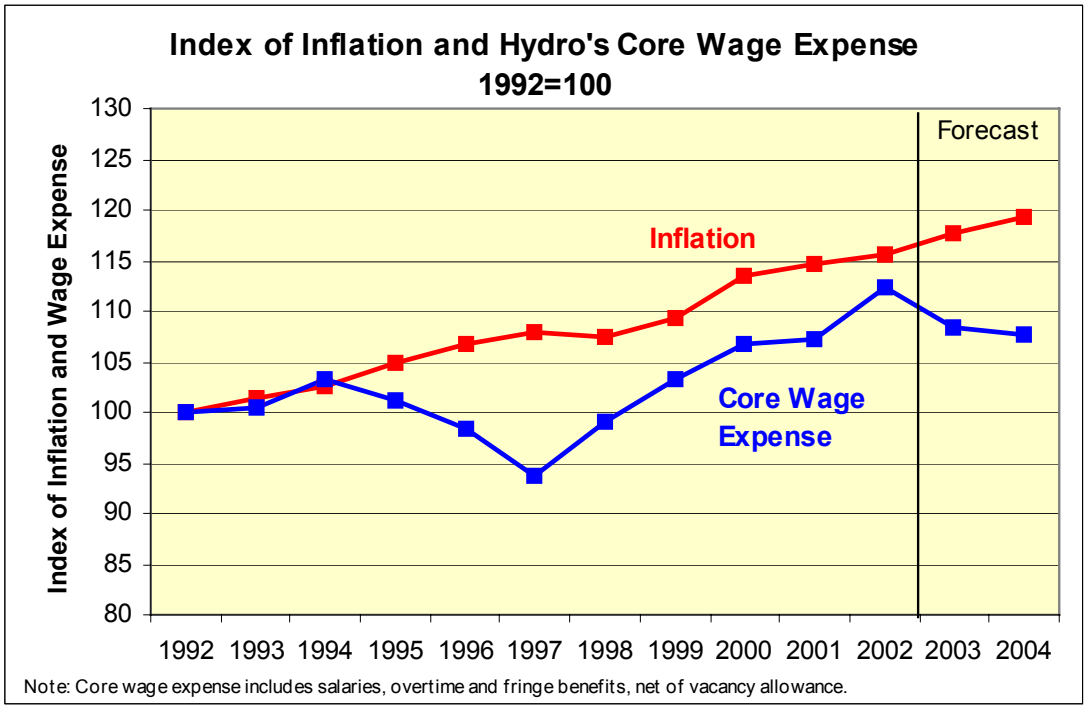
General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

The financial results for 2003, assuming no change in electrical rates, indicates that the rate of return on rate base and rate of return on equity will be 6.2% and a negative (3.8%) respectively, with a projected debt to capital structure of 86%. These 2003 levels of return are insufficient to maintain the financial integrity of the company. Hydro's rates require adjustment so that the revenue requirement collected in rates allows Hydro the opportunity to recover all costs associated with providing service and a reasonable return.

Hydro has filed a revised Application dated August 12, 2003 to reflect the directive to the Board by the Government with respect to the continuation of preferential rates for Rural Customers; the Board's approval of a 9.75% Return on Equity for Newfoundland Power, (Order No. P.U. 19 (2003)) and the changes in rates for Newfoundland Power's customers as approved by the Board by Order No. P.U.23 (2003).

Chart 1



Hydro has been able to reduce its workforce since 1992 as a result of changes in organizational structure and business processes, technological improvements and efficiency enhancements. In total, 211 permanent positions have been eliminated, representing approximately a 21% reduction of Hydro's permanent complement as outlined in Chart 2. For the period 2000 to 2002, the reduction in permanent complement is approximately 10%.

While Hydro did not record its labour requirements on a full-time equivalent basis until 2003, it has determined on an actual basis its total staffing levels at year-end since 1992 as illustrated in Chart 2. Staffing levels at year-end (including temporaries) have decreased from a high of 1238 positions in 1993 to 995 in 2002, a decrease of 243 or 19%.

5. FINANCIAL OBJECTIVES AND TARGETS

5.1 General

The Electrical Power Control Act, 1994 states that rates should be set to enable Hydro to earn a just and reasonable return permitting it to achieve and maintain a sound credit rating in the world financial markets. While the Board regulates Hydro on the basis of a return on rate base, the determination of an appropriate return on equity is a critical component for rate-setting purposes.

5.2 Return on Equity

The Board in Order P.U. 7 stated at page 16: "In January 1996 the EPCA was proclaimed…the rates were to be set so as to allow Hydro a just and reasonable return comparable to other utilities". In this Application, Hydro is requesting a return on equity of 9.75%. While the determination of an appropriate return on equity is the subject matter of expert evidence, it cannot be reduced to a mathematical formula. Having considered relevant factors, including the recommendation of Hydro's financial expert, Ms. McShane, who concluded that Hydro faces no less business risk than the typical investor-owned electric utility in Canada, including Newfoundland Power, the other regulated utility in this jurisdiction for which the Board recently approved a 9.75% return on equity, and to expedite this issue, Hydro is prepared to accept the same rate of return on equity of 9.75% for this Application.

During its 2001 GRA, Hydro proposed a 3% return on equity to "assist in offsetting the rate impacts resulting from increased fuel costs." The proposal was: "intended to apply for a limited time only". (W. E. Wells' evidence – page 15, 2001 GRA) and to address what was thought to be a temporary issue of adjusting base rates to reflect higher fuel costs. The issue of high fuel prices, however, remains. Hydro cannot compromise its financial integrity by continuing at a return on equity that was recognized by all parties in the 2001 GRA to be clearly inadequate.

Schedule II was forwarded to the Department of Mines and Energy outlining the issues relating to Hydro's financial objectives and the implications with respect to the payment of dividends. No response has been received from the Government up to the time of filing this Application.

5.4 Summary

Hydro believes that the following targets for 2004 are essential for it to achieve and maintain a sound financial position:

- Return on equity of 9.75%;
- A target of 80% debt to capital structure; and
- Return on rate base of 8.15%.

6. RURAL DEFICIT

The Board in P.U. 7 directed Hydro to develop an evidentiary record of the issue of the rural deficit. The record was to document appropriate consultation with Government, address the magnitude of the rural subsidy and comparative practices elsewhere, as well as future funding options.

Hydro owns and operates 24 isolated diesel generating plants serving 4,400 customers throughout the Province. Hydro also serves approximately 21,800 Rural Customers on the Island Interconnected System in 181 communities.

The cost of providing service to these Rural Customers exceeds the revenues collected which results in the "rural deficit". Until 1989 the rural deficit was funded directly by government; subsequently, as a result of a change in government policy, the rural deficit is now funded by a cross-subsidy from other ratepayers; i.e., Newfoundland Power and Labrador Interconnected Rural Customers.

The rural deficit in 2004 is forecast to be $41.6 million, with $22.2 million attributable to Isolated Rural Customers and $19.4 million attributable to Island Interconnected Customers. The average subsidy in 2004 is forecast to be $4,700 for each Isolated Rural Customer and $800 for each Island Interconnected Customer.

In providing service to its Interconnected and Isolated Rural Customers, Hydro has worked diligently to maintain a reliable service, while minimizing costs to the extent possible. With the current policies for rural rates, efforts can only assist in minimizing costs; Hydro cannot eliminate the rural deficit.

The initiatives that Hydro has taken to reduce costs in providing the service include:

- The interconnection of isolated systems to the main grid - since 1992 the communities of Westport, Southeast Bight, Petite Forte, Mud Lake and Lapoile have been interconnected;
- In 1995 Hydro contracted with Hydro Québec for the purchase of secondary energy on the system from L'Anse au Loup to Red Bay;
- In 1996 Hydro reduced the number of diesel communities by interconnecting the communities on the Great Northern Peninsula ("GNP");
- Reduction in the number of operating and support personnel and the multi-skilling of plant operators, classified as Diesel System Representatives ("DSRs") who perform limited line maintenance and plant maintenance as well as perform the functions of plant operator, and part-time meter readers;
- Adopting industry-recognized practices for the maintenance of isolated systems; and,
- Targeting small, high cost diesel systems for electricity conservation initiatives.

< >

Full cost recovery, as directed by the Board in P.U. 7 from federal and provincial government departments, resulted in an estimated reduction in costs in the rural deficit of approximately $1 million. However, in the absence of a significant change in the policies for establishing rural rates, it is unlikely that there will be further opportunities for significant reduction in the rural deficit.

The Island Isolated System has virtually no load growth while the load growth on the Labrador Isolated System continues to increase substantially, currently at an annual average rate of 7.2%, since 1998. At the present time, for each isolated

system, Hydro has not been able to determine a more cost-effective means of supplying the service to date other than by diesel generation.

Hydro has, at various times prior to its 2001 GRA, and in conjunction with that Application, discussed the issue of the rural subsidy with government at the departmental level, the Department of Mines and Energy, and at the Cabinet Committee level.

Following P.U. 7, in July of 2002 Hydro briefed the Minister of Mines and Energy and his officials with respect to the Board's decision and in particular the references to the rural deficit. Subsequently, a briefing was provided to the Policy and Priority Committee of the Provincial Cabinet.

In addition the correspondence, Schedule II attached, has been directed to the Minister and officials of the Department of Mines and Energy. This includes the direction of the Board arising from P.U. 7, as well as a summary of the facts and issues related to isolated systems and the quantum of the deficit, and the other related items as defined by the Board. The issues were reviewed with the Minister of Mines and Energy who, with his officials and representatives of Hydro's Board of Directors, was provided with a briefing on February 28, 2003.

In July 2003, the Government gave direction that the preferential rates paid by Rural Customers are to continue and the rural deficit is to continue to be funded by Newfoundland Power and Labrador Interconnected Rural customers.

7. CONCLUSION

Hydro recognizes the ever-increasing public demand for reliability in the supply of electricity and is committed to providing reliable power at the lowest possible cost. Focused capital and maintenance programs, enhanced energy management systems, new business processes and customer services are all directed to that objective.

Hydro's performance must be assessed against the backdrop of its obligation to service a declining rural population in an already sparsely populated, large service territory, a fact, which will provide upward pressures on Hydro's cost of providing service. As well, the Province as a whole has a small population base from which to collect the total costs of all the services provided, and in this respect does not experience more favourable economies of scale.

Further, the lack of interconnections to adjacent systems, for supply and support, and the heavy dependence on No. 6 fuel for thermal generation, all combine to create higher unit costs than would otherwise be the case. Notwithstanding these facts, the current industrial and residential rates compare favourably with those in the other Atlantic Provinces.

Hydro's proposed increase in its revenue requirement for the 2004 test year over 2002 is approximately $55 million, which results in an increase in base rates, of 13.7% for Newfoundland Power and 13.5% for Industrial Customers. Of the $55 million, approximately $33 million results from new sources of supply to meet increased load requirements and increased costs for No. 6 fuel, both of which are essential to ensure a reliable supply of electricity to Hydro's customers. Increases in depreciation and financing charges, excluding those applicable to Granite Canal, amount to $18 million. The balance is related to Hydro's controllable costs. The details with respect to the components of Hydro's

controllable costs are outlined in the evidence filed with this Application, including the results of Hydro's initiatives to keep the costs as low as reasonably possible. It is Hydro's position that the costs proposed for 2004 are the minimum required to provide reliable service to customers.

The incorporation of these costs into Hydro's proposed rates for 2004 for its industrial and utility customers results in rates that are still comparable to the jurisdictions in Atlantic Canada, reflecting the fact that over the past decade Hydro's industrial and utility customers have benefited from lower cost electrical services.

There remains one other factor that will substantially impact rates in 2004, the outstanding amounts to December 31, 2003 for No. 6 fuel in the RSPs. Recovery of the forecast balance of the RSP adds 16% to rates paid by Industrial Customers and 10% to rates paid by Newfoundland Power, as of January 1, 2004 and July 1, 2004, respectively.

Should current forecast prices for No. 6 fuel reflect future costs, the outstanding balances in the RSP for Hydro customers should not be a significant factor impacting rates after 2004, and the rate impact resulting from the current outstanding balance will eventually be removed.

Other rate impacts as a result of this GRA that are of particular note arise from Hydro's last GRA and the decisions of the Board in P.U. 7. Hydro committed and was directed by the Board to submit in this GRA, for the review and approval by the Board, a rate plan outlining a phasing in of new rates through rate adjustments over a maximum of five years, in order to complete the implementation of a more equitable rate structure on the Labrador Interconnected System. < > Hydro, in proposing rates in this Application for these customers, has followed the direction of the Board to ensure that customers in each class are not

Fred H. Martin, P. Eng.
Vice-President, Transmission and Rural Operations
Newfoundland and Labrador Hydro

At the hearing into Newfoundland and Labrador Hydro's 2003 General Rate Application, the Transmission and Rural Operations Evidence will be adopted by Fred H. Martin, P. Eng., Vice-President, Transmission and Rural Operations for Newfoundland and Labrador Hydro.

A witness profile for Fred Martin is as follows:

- Mr. Martin graduated from the Technical University of Nova Scotia, Dalhousie University in 1971 (B. Eng. – Electrical), and is a member of the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador.

- Mr. Martin joined Hydro in 1971 as Plant Engineer at the Bay D'Espoir Generating Station. He has held several supervisory and managerial positions throughout his career including that of Manager, Telecontrol from 1988 to 1996 and Director, Engineering-Transmission and Rural Operations, from 1996 to 2003.

- On August 1, 2003, Mr. Martin became Vice-President of Transmission and Rural Operations, the position he currently holds.

- Mr. Martin is responsible for Hydro's transmission, distribution and isolated rural systems and the organizational structure in place to manage these assets for the delivery of service to Hydro's customers.

- Mr. Martin is currently a member of the Canadian Electricity Association ("CEA") Transmission Council.

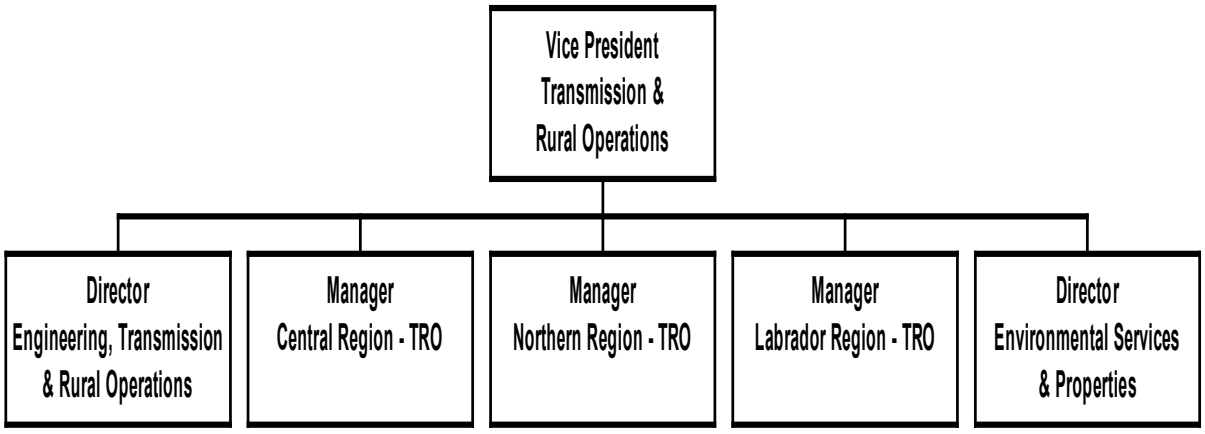
- Mr. Martin testified before the Board of Commissioners of Public Utilities on Hydro's 2004 Capital Budget Application.

TRANSMISSION AND RURAL OPERATIONS

LIST OF SCHEDULES

Schedule I
F. H. Martin
1st Revision – Aug. 12, 2003

Newfoundland and Labrador Hydro
Transmission & Rural Operations Organizational Chart



Schedule II
F. H. Martin
1st Revision – Aug. 12, 2003

Schedule III
F. H. Martin
1st Revision – Aug. 12, 2003

Schedule IV
F. H. Martin
1st Revision – Aug. 12, 2003

NEWFOUNDLAND AND LABRADOR HYDRO
INSTALLED GENERATING CAPACITY
ISOLATED RURAL SYSTEMS
kW

Plant Location	Installed Capacity		
	2000	2002	Variance
Labrador			
Black Tickle	850	1,005	155
Cartwright	1,670	2,170	500
Charlottetown	936	2,250	1,314
Davis Inlet	1,222	1,222	0
Hopedale	1,533	1,533	0
L'Anse Au Loup	3,900	3,900	0
Makkovik	1,705	1,705	0
Mary's Harbour	1,550	1,550	0
Nain	2,600	2,595	(5)
Norman Bay	90	90	0
Paradise River	190	190	0
Port Hope Simpson	1,210	1,210	0
Postville	675	677	2
Rigolet	1,167	1,237	70
St. Lewis	1,236	1,236	0
Williams Harbour	362	362	0
SUBTOTAL	20,896	22,932	2,036
Island			
Francois	611	611	0
Grey River	522	522	0
Harbour Deep[1]	613	N/A	(613)
Little Bay Islands	1,250	1,700	450
McCallum	522	482	(40)
Petites	155	155	0
Ramea	2,775	2,775	0
Rencontre East	675	625	(50)
St. Brendan's	735	712	(23)
SUBTOTAL	7,858	7,582	(276)
TOTAL	**28,754**	**30,514**	**1,760**

[1] The residents of Harbour Deep relocated in 2002 and the diesel plant taken out of service.

Schedule V
F. H. Martin
1st Revision – Aug. 12, 2003

NEWFOUNDLAND AND LABRADOR HYDRO
NET OPERATING EXPENSES
TRO DIVISION

($ thousands)

Line No.	Description	2002 Test Year Final Revenue Requirement	2002 Actuals	Increase (Decrease)	2003 Estimate	Increase (Decrease)	2004 Forecast	Increase (Decrease)
1	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
2								
3	**Expense Group**							
4	Salaries & Fringe Benefits							
5	Permanent Salaries	19,603	18,743	(860)	20,997	2,254	21,316	319
6	Capitalized Expenses	(2,861)	(4,576)	(1,715)	(3,780)	796	(3,199)	581
7	Hourly Wages	1,952	2,821	869	0	(2,821)	0	0
8	Overtime	1,144	1,987	843	1,382	(605)	1,221	(161)
9	Labrador Travel Benefit	101	99	(2)	94	(5)	94	0
10	Fringe Benefits	2,683	2,827	144	2,941	114	2,985	44
11	Vacancy Adjustment	(655)	0	655	(431)	(431)	(1,068)	(637)
12	**Sub-Total**	21,967	21,901	(66)	21,203	(698)	21,349	146
13								
14	System Equipment Maintenance							
15	Maintenance Materials	6,506	7,043	537	5,530	(1,513)	5,950	420
16	Tools & Operating Supplies	296	282	(14)	304	22	324	20
17	Lubricants & Chemicals	207	86	(121)	176	90	175	(1)
18	**Sub-Total**	7,009	7,411	402	6,010	(1,401)	6,449	439
19								
20	Other Expenses							
21	Office Supplies & Expenses	607	559	(48)	597	38	597	0
22	Professional Services	335	241	(94)	443	202	375	(68)
23	Equipment Rentals	163	191	28	152	(39)	152	0
24	Travel	1,335	1,670	335	1,403	(267)	1,370	(33)
25	Miscellaneous	94	240	146	55	(185)	55	0
26	Property Rentals	429	629	200	593	(36)	561	(32)
27	Transportation	1,595	1,663	68	1,630	(33)	1,730	100
28	**Subtotal**	4,558	5,193	635	4,873	(320)	4,840	(33)
29								
30	**Total Operating Expenses**	33,534	34,505	971	32,086	(2,419)	32,638	552
31								
32	**Allocations**							
33	Recoveries	(136)	(67)	69	(37)	30	(37)	0
34	***Net Operating Expenses***	33,398	34,438	1,040	32,049	(2,389)	32,601	552

Exhibit FHM-1
F. H. Martin
1st Revision - Aug. 12, 2003

A Report of Joint Co-ordination Between

Newfoundland and Labrador Hydro and Newfoundland Power

Newfoundland & Labrador Hydro
December 2002

The increase in interest expense is primarily due to the full year's impact of the 2003 long-term debt issue and forecast increase in short-term interest rates.

The forecast return on equity for 2004 is $19.4 million based on the requested return on equity for 2004 of 9.75%.

The total increase in revenue requirement for 2004 is $54.8 million over the 2002 test year final revenue requirement.

Achieving the forecast 2004 revenue requirement requires an average increase in base electrical rates for Newfoundland Power and Industrial Customers of 13.7% and 13.5% respectively, as outlined in the Rates and Customer Services Evidence.

3. FINANCIAL OBJECTIVES AND TARGETS

3.1 Overview

This section of the evidence reviews the elements of a sound financial position for Hydro, including a consideration of the financial and business risks that are faced by Hydro.

The appropriate financial targets for Hydro are addressed, along with a discussion of Hydro's plans to reach these targets. These targets include achieving and maintaining a percentage of debt to capital of 80%, a return on equity of 9.75% and a return on rate base for 2004 of 8.15%.

The Electrical Power Control Act, 1994 states that rates should be set to allow Hydro to earn a just and reasonable return as construed under the Public Utilities Act so that it is able to achieve and maintain a sound credit rating in the financial markets of the world.

The actual financial results for 2002 and forecast results for 2003, assuming no change in electrical rates, are set out in Table 1 below.

Table 1

Financial Results		
	2002 Actual	**2003 Forecast**
Return on Rate Base	7.25%	6.17%
Return on Equity	4.0%	(3.8%)
Debt to Capital	85%	86%

Hydro does not consider these 2003 levels of return to be just and reasonable. These results, if continued, are inadequate to maintain the financial integrity of Hydro. Hydro is requesting an increase in its revenue requirement for 2004, as

only through the presence of the provincial guarantee that Hydro is able to operate with 80% debt to capital, and maintain its overall cost of capital at a level comparable to that of an independently financed commercial utility. The presence of the guarantee effectively results in Hydro's credit rating being the same as that of the Province. Hydro's goal is to ensure that its financial position is such that it does not impinge on the credit rating of the Province.

Ms. McShane's evidence concludes that an 80% debt to capital target should be viewed as the upper end of a reasonable range associated with being self-supporting. Hydro's ability to withstand an event of business risk must be preserved by maintaining the percentage of debt to capital at a level that provides adequate financial flexibility. As the actual percentage of debt to capital for 2002 of 85% and the 2004 forecast of 86% are both above the high end of the range of reasonableness, it is considered prudent to commence moving toward a capital structure of 80% debt over the next five years. Based on current estimates and assuming the electricity rates proposed in this Application, significant progress toward this goal will entail some modification of the current dividend policy as outlined in Table 2 below:

Table 2

Capital Structure Impacts

	75% Payout	50% Payout	25% Payout
Net Income for the Period 2004 to 2008 ($millions)	103	108	114
Dividends for the Period 2004 to 2008 ($millions)	77	54	29
Debt to Capital in 2008	85%	83%	81%

Notes:
(1) Debt to capital at December 31, 2002 is 85%.
(2) Net income and resulting dividends are based on the assumption that rates are set annually to recover each year's costs as outlined in the Financial Projection.
(3) Return on Equity is 9.75%.
(4) The above figures for 2008 are based on preliminary analysis

Hydro has initiated discussions with the Province on modifications to the dividend policy, designed to facilitate progress toward our stated goal of 80% debt to capital.

3.5 Return on Equity

The appropriate rate of return on equity for Hydro should be governed by the same principles as would apply to any equity investor. Hydro's shareholder is entitled to a return on its investment commensurate with the attendant risk. Risk is defined by the financial and business risk faced by Hydro. In the case of business risk, Hydro's financial expert has concluded that, on balance, Hydro's business risk is no less than the typical investor-owned electric utility in Canada. With respect to financial risk, Hydro's financial expert concludes that, "a target capital structure for Hydro of 80% debt represents the upper end of reasonableness, even with a debt guarantee". Based on this risk profile, Ms. McShane classifies Hydro as "an average risk Canadian utility", and determines Hydro's appropriate return on equity on that basis, using three alternate tests relied upon by regulators to determine a just and reasonable return. Ms. McShane concludes that a fair return for an average risk Canadian utility is in the range of 11.25-12.0%, or approximately 11.5%, considering all three alternate tests.

The determination of an appropriate return on equity is not an exact science, but is an exercise of judgment. Having considered this and all the relevant factors, including the recommendation of Hydro's financial expert who concludes that Hydro has no less business risks than the typical investor-owned electric utility in Canada including Newfoundland Power, the other regulated utility in this jurisdiction that recently received approval for a 9.75% return on equity, Hydro, to expedite the disposition of this issue, is prepared to accept the same rate of return on equity of 9.75% for this Application.

4.3 Return on Rate Base

The Board has directed that Hydro not earn any return on equity on Isolated Rural and Island Interconnected Systems assets. Consequently, Hydro's return on rate base is calculated by applying its weighted average cost of debt to those rural assets, and its weighted average cost of capital to the remainder of its rate base. The requested return on rate base for 2004 is $121.1 million and the calculation is shown on Schedule IV attached.

4.4 Weighted Average Cost of Capital

Hydro's rate of return on rate base is based on its weighted average cost of capital as outlined on Schedule V attached.

Hydro's weighted average cost of capital is projected to be 8.32% in 2004, compared to a rate of 7.157% in the 2002 test year final COS. The primary reason for the increase of 1.16 % is that Hydro is requesting a reasonable rate of return on equity during this proceeding.

A number of factors have influenced the capital structure since the last rate hearing. Debt levels have risen due to the growing balance in the RSP and the ongoing financing of Granite Canal. As well, the balance of equity has declined due to the payment of dividends in 2002 and the projected net loss on regulated operations during 2003. The cumulative impact of these factors has resulted in a forecast average debt to capital of 86% for 2004 versus 81% in the 2002 test year final COS. This deterioration in the percentage of debt to capital since the 2001 GRA partially offsets the impact that an increase in return on equity would otherwise have on the weighted average cost of capital.

4.5 Employee Future Benefits

The latest actuarial valuation of Hydro's Employee Future Benefits was completed effective December 31, 2002 and it resulted in an actuarial loss of

$6.6 million. In accordance with generally accepted accounting principles the excess of cumulative net actuarial gains and losses over 10% of the accrued benefit obligation will be amortized over a 12-year period, which is the expected average remaining service life of the employee group.

This loss was primarily caused by higher than previously forecast increases in health care costs as well as retiree usage of health benefits being higher than forecast. These increases in health care costs and usage have also resulted in an increased projection of the current service costs of providing future benefits. Both the increase in the valuation of the accrued benefit obligation and current service costs have caused an increase in the interest expense component as well. Schedule VI attached shows a summary of the impact of the actuarial valuation.

4.6 Cost of Debt

The calculation of the cost of debt is contained on Schedule VII attached and is consistent with the methodology approved by the Board in P.U. 7 during the 2001 GRA. The forecast for 2004 is 8.29% versus 8.17% in the 2002 test year final COS.

4.7 Semi-Annual Long-Term Bond Interest

In P.U. 7 the Board directed Hydro to submit, prior to its next application, an analysis of the issue, raised by Mr. Drazen on behalf of Labrador City, that the calculation of cash working capital should recognize the timing differences between the payment of semi-annual long-term bond interest and the receipt of funds for their payment. This was filed April 8, 2003 and is attached as Exhibit JCR-1. This analysis concludes that while there may be a theoretical validity to an approach which considers all financial terms, including depreciation, that approach adds a degree of complexity which is unwarranted for the purpose of estimating a reasonable cash working capital allowance, particularly given that

Schedule II
1st Revision - August 12, 2003
J. C. Roberts

NEWFOUNDLAND AND LABRADOR HYDRO

REVENUE REQUIREMENT

($thousands)

Line No.	Description	2002 Final Test Year Revenue Requirement	2002 Actuals	Increase (Decrease)	2003 Estimate	Increase (Decrease)	As Filed 2004 Forecast	As Filed Increase (Decrease)	Revised 2004 Forecast	Revised Increase (Decrease)
1	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
2										
3	**Depreciation**	31,390	31,302	(88)	32,786	1,484	33,932	1,146	33,932	0
4	**Fuel**									
5	No. 6 Fuel	81,237	112,534	31,297	126,029	13,495	84,410	(41,619)	84,410	0
6	Additives and Indirects	178	398	220	211	(187)	240	29	240	0
7	Environmental fee	124	88	(36)	50	(38)	56	6	56	0
8	Ignition Fuel	123	116	(7)	117	1	113	(4)	113	0
9	Gas Turbine Fuel	446	153	(293)	368	215	351	(17)	351	0
10	Diesel Fuel	6,508	6,766	258	7,542	776	7,378	(164)	7,378	0
11	Rate Stabilization Plan	0	(46,807)	(46,807)	(43,158)	3,649	0	43,158	0	0
12	**Total Fuel**	88,616	73,248	(15,368)	91,159	17,911	92,548	1,389	92,548	0
13	**Power Purchased**	15,100	15,881	781	25,288	9,407	33,315	8,027	33,315	0
14	**Other Costs**									
15	Salaries and Fringe Benefits	61,926	64,559	2,633	63,605	(954)	63,237	(368)	63,237	0
16	System Equipment Maintenance	16,763	17,179	416	17,024	(155)	17,419	395	17,419	0
17	Insurance	977	1,198	221	1,614	416	2,019	405	2,019	0
18	Transportation	1,923	1,979	56	1,955	(24)	2,044	89	2,044	0
19	Office Supplies Expenses	1,864	1,856	(8)	1,972	116	1,913	(59)	1,913	0
20	Building Rentals and Maintenance	626	900	274	898	(2)	894	(4)	894	0
21	Professional Services	4,943	5,318	375	4,641	(677)	4,503	(138)	4,503	0
22	Travel Expenses	2,375	2,315	(60)	2,248	(67)	2,139	(109)	2,139	0
23	Equipment Rentals	1,558	1,372	(186)	1,526	154	1,636	110	1,636	0
24	Miscellaneous Expenses	4,398	4,674	276	4,367	(307)	4,485	118	4,485	0
25	Productivity Allowance	(2,000)	0	2,000	0	0	0	0	0	0
26	Loss on Disposal of Fixed Assets	890	2,769	1,879	628	(2,141)	541	(87)	541	0
27	Sub-Total	96,243	104,119	7,876	100,478	(3,641)	100,830	352	100,830	0
28	Allocations									
29	Hydro Capitalized Expense	(5,722)	(8,116)	(2,394)	(6,405)	1,711	(5,464)	941	(5,464)	0
30	CF(L)Co	(1,910)	(2,006)	(96)	(1,807)	199	(1,777)	30	(1,777)	0
31	Non-Regulated Customer	(2,914)	(2,914)	0	(2,914)	0	(2,655)	259	(2,642)	13
31	Sub-Total	(10,546)	(13,036)	(2,490)	(11,126)	1,910	(9,896)	1,230	(9,883)	13
33	**Total Other Costs**	85,697	91,083	5,386	89,352	(1,731)	90,934	1,582	90,947	13
34	**Interest**	88,298	88,547	249	95,767	7,220	101,411	5,644	101,715	304
35	**Margin/Return on Equity**	7,959	9,742	1,783	(7,806)	(17,548)	21,179	28,985	19,384	(1,795)
36	***Revenue Requirement***	317,060	309,803	(7,257)	326,546	16,743	373,319	46,773	371,841	(1,478)

Newfoundland and Labrador Hydro
Rate Base
($thousands)

	2002 Test Year Final	2002 Actual	2003 Forecast	As Filed 2004 Forecast	Revised 2004 Forecast
Capital Assets	1,765,804	1,757,726	1,924,780	1,947,670	1,947,670
Less:Contributions in Aid of Construction	87,272	87,569	86,668	86,397	86,397
Accumulated Depreciation	439,076	433,572	465,334	497,452	497,452
Muskrat Falls Assets	2,010	2,010	2,010	2,010	2,010
Assets not in Service	117	155	79	74	74
Net Capital Assets	1,237,329	1,234,420	1,370,689	1,361,737	1,361,737
Net Capital Assets Previous Year	1,234,447	1,224,068	1,234,420	1,370,689	1,370,689
Average Capital Assets	1,235,888	1,229,244	1,302,555	1,366,213	1,366,213
Cash Working Capital Allowance	2,942	3,579	3,625	3,075	3,057
Fuel Inventory	13,942	17,715	16,292	14,907	14,907
Supplies Inventory	21,095	19,966	19,387	19,387	19,387
Deferred Realized Foreign Exchange Loss plus PUB Costs	85,703	85,703	83,043	81,886	81,886
Average Rate Base	1,359,570	1,356,207	1,424,902	1,485,468	1,485,450
Return – Schedule II	96,257	98,289	87,961	122,590	121,099
Rate of Return on Rate Base	7.08%	7.25%	6.17%	8.25%	8.15%

NEWFOUNDLAND AND LABRADOR HYDRO

RATE BASE

6. Cash Working Capital Allowance

   This amount represents an allowance to cover the amount of capital which investors provide in order to bridge the gap between the time expenditures are made to provide service and the time payment is received for the service. For each year, 2002 to 2004, the working capital requirement as a percentage of operating maintenance expenses and power purchases, was 3.34%, 3.10% and 2.42%, respectively.

7. Fuel Inventory

   This amount is based on a thirteen-month average.

8. Supplies Inventory

   This amount is based on a thirteen-month average.

9. Deferred Realized Foreign Exchange Loss and the Board Costs

   This amount is the average of the opening and closing balances of the account for each year-end.

Schedule IV
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Return on Rate Base
($thousands)
As filed

Component Base	2004	Weighted Average Cost of Debt	Weighted Average Cost of Capital	Return on Rate Base
Rural Interconnected and Isolated Assets	213,761	7.134%		15,250
Other Rate Base Assets	1,271,707		8.440%	107,332
Average Rate Base	1,485,468			122,582 [1]

Revised

Component Base	2004	Weighted Average Cost of Debt	Weighted Average Cost of Capital	Return on Rate Base
Rural Interconnected and Isolated Assets	213,758	7.138%		15,258
Other Rate Base Assets	1,271,692		8.322%	105,830
Average Rate Base	1,485,450			121,088 [1]

[1] This amount is different than the interest plus margin per Schedule II due to limitations of rate rounding.

Schedule V
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Weighted Average Cost of Capital
($thousands)

As Filed

	2003	2004	Average	Percent	Cost	Weighted Average
Promissory Notes	166,075	153,327				
Long-Term Debt (Schedule VII)	1,420,809	1,417,529				
Less: Sinking Funds	110,981	129,123				
CF(L)Co Share Purchase Debt	28,550	24,104				
Unamortized Debt Discount and Issue Expenses	(5,896)	(6,447)				
Total Debt	1,453,249	1,424,076	1,438,662	86.13	8.283%	7.134%
Employee Future Benefits	27,464	29,941	28,703	1.72	0.000%	0.000%
Retained Earnings	200,419	205,713	203,066	12.15	10.750%	1.306%
	1,681,132	1,659,730	1,670,431	100.00		8.440%

Revised

	2003	2004	Average	Percent	Cost	Weighted Average
Promissory Notes	166,075	153,364				
Long-Term Debt (Schedule XI)	1,420,809	1,417,529				
Less: Sinking Funds	110,981	129,123				
CF(L)Co Share Purchase Debt	28,550	24,074				
Unamortized Debt Discount and Issue Expenses	(5,896)	(6,447)				
Total Debt	1,453,249	1,424,143	1,438,696	86.14	8.287%	7.138%
Employee Future Benefits	27,464	29,941	28,703	1.72	0.000%	0.000%
Retained Earnings	200,419	205,265	202,842	12.14	9.750%	1.184%
	1,681,132	1,659,349	1,670,241	100.00		8.322%

Schedule VII
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Cost of Debt
($thousands)

	As Filed 2004	Revised 2004
Interest	112,259	112,289
Amortization of Foreign Exchange Loss	2,157	2,157
Amortization of Debt Discount and Issue Expense	550	550
Debt Guarantee Fee	14,453	14,453
	129,419	129,449
Less: Interest on Sinking Fund Assets	8,117	8,117
CF(L)Co Share Purchase Debt	2,136	2,106
Net Interest	119,166	119,226

As Filed

$$\text{Cost of Debt} = \frac{\text{Net Interest}}{\text{Total Debt}} = \frac{119,166}{1,438,662} = 8.283\%$$

Revised

$$\text{Cost of Debt} = \frac{\text{Net Interest}}{\text{Total Debt}} = \frac{119,226}{1,438,696} = 8.287\%$$

Schedule VIII
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Projected Balance Sheet
(Excluding CF(L)Co., LCDC and Contributed Capital - Muskrat Falls)

As at December 31 (thousands of dollars)

	2003	As Filed 2004	Revised 2004
ASSETS			
Capital assets			
Capital assets in service	1,836,023	1,859,189	1,859,189
Less accumulated depreciation	465,334	497,452	497,452
	1,370,689	1,361,737	1,361,737
Construction in progress	55,403	69,299	69,299
	1,426,092	1,431,036	1,431,036
Current assets			
Accounts receivable	42,452	48,137	47,974
Fuels and supplies at average cost	35,817	31,621	31,621
Prepaid expenses	2,056	1,958	1,958
	80,325	81,716	81,553
Rate stabilization plans	161,109	131,502	131,330
Unamortized debt premium and financing expense	(5,896)	(6,446)	(6,446)
Unamortized foreign exchange loss	81,964	79,807	79,807
Unamortized PUB costs	1,200	800	800
	1,744,794	1,718,415	1,718,080
LIABILITIES AND SHAREHOLDER'S EQUITY			
Long-term debt	1,265,437	1,247,909	1,247,939
Current liabilities			
Accounts payable and accrued liabilities	41,603	35,429	35,473
Accrued interest	27,955	29,705	29,705
Long-term debt due within one year	15,841	16,393	16,393
Promissory notes	166,075	153,327	153,364
	251,474	234,852	234,935
Employee future benefits	27,464	29,941	29,941
Shareholder's equity			
Retained earnings	200,419	205,713	205,265
	1,744,794	1,718,415	1,718,080

Schedule IX
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Projected Statement of Retained Earnings
(Excluding CF(L)Co., LCDC and Contributed Capital - Muskrat Falls)

Year ended December 31 (thousands of dollars)

		As Filed	Revised
	2003	**2004**	**2004**
Retained earnings, beginning of year	213,789	200,419	200,419
Margin/return on equity	(7,806)	21,179	19,384
	205,983	221,598	219,803
Dividends	(5,564)	(15,885)	(14,538)
Retained earnings, end of year	200,419	205,713	205,265
Average retained earnings	207,104	203,066	202,842
Return on equity	(3.8)%	10.4%	9.6%

Schedule X
1st Revision - August 12, 2003
J. C. Roberts

Newfoundland and Labrador Hydro
Projected Statement of Cash Flows
(Excluding CF(L)Co., LCDC and Contributed Capital - Muskrat Falls)

Year ended December 31 (thousands of dollars)

	2003	As Filed 2004	Revised 2004
Cash provided by (used in)			
Operating activities			
Net income	(7,806)	21,179	19,384
Adjusted for items not involving a cash flow			
Depreciation	32,786	33,932	33,932
Amortization of deferred charges	3,520	3,107	3,107
Rate stabilization plan	(36,344)	29,607	29,779
Other	703	708	708
	(7,141)	88,533	86,910
Change in working capital balances	(9,156)	(3,340)	(3,131)
	(16,297)	85,193	83,779
Financing activities			
Long-term debt issued	125,000	0	0
Long-term debt retired	(7,360)	1,166	1,196
Dividends	(5,564)	(15,885)	(14,538)
	112,076	(14,719)	(13,342)
Investing activities			
Net additions to capital assets	(71,279)	(39,584)	(39,584)
Increase in sinking funds	(16,292)	(18,142)	(18,142)
Reduction (additions) to deferred charges	7,632	0	0
	(79,939)	(57,726)	(57,726)
Net decrease in promissory notes	15,840	12,748	12,711
Promissory notes, beginning of year	(181,915)	(166,075)	(166,075)
Promissory notes, end of year	(166,075)	(153,327)	(153,364)

Schedule XII
1st Revision - August 12, 2003
J.C. Roberts

Newfoundland and Labrador Hydro
Rate Stabilization Plans
($millions)

	2002 Actual	2003 Forecast	As Filed 2004 Forecast	Revised 2004 Forecast
Old RSP				
Retail	76.3	70.1	59.6	59.5
Industrial	28.0	24.0	19.8	19.8
Total Balance	104.3	94.1	79.4	79.3
New RSP				
Retail	15.8	50.2	42.5	42.5
Industrial	4.7	16.8	9.6	9.5
Total Balance	20.5	67.0	52.1	52.0
Combined RSP Balances				
Retail	92.1	120.3	102.1	102.0
Industrial	32.7	40.8	29.4	29.3
Total Combined RSP	124.8	161.1	131.5	131.3
Average Fuel Price per Barrel	$ 30.60	$ 34.80	$ 29.42	$ 29.42

NEWFOUNDLAND AND LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
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NEWFOUNDLAND AND LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
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NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Island Interconnected ($)	4 Island Isolated ($)	5 Labrador Isolated ($)	6 L'Anse au Loup ($)	7 Labrador Interconnected ($)	8 Basis of Proration
	Revenue Requirement							
	Expenses							
1	Operating, Maintenance and Admin.	93,048,681	72,460,822	5,166,240	10,011,783	1,115,316	4,294,520	Detailed Analysis
2	Fuels - No. 6 Fuel	84,819,538	84,819,538	-	-	-	-	Detailed Analysis
3	Fuels - Diesel	7,377,404	54,612	1,390,213	5,848,510	68,661	15,408	Detailed Analysis
4	Fuels - Gas Turbine	350,959	265,277	-	-	-	85,682	
5	Power Purchases -CF(L)Co	2,433,927	-	-	-	-	2,433,927	Detailed Analysis
6	Power Purchases - Other	30,880,947	29,928,330	-	34,275	812,107	106,235	Detailed Analysis
7	Depreciation	33,931,301	27,884,999	891,817	2,163,918	401,179	2,589,389	Detailed Analysis
	Expense Credits:							
8	Sundry	(456,000)	(355,106)	(25,318)	(49,064)	(5,466)	(21,046)	Total O&M Expenses
9	Building Rental Income	(14,028)	(7,200)	-	-	-	(6,828)	Detailed Analysis
10	Tax Refunds	-	-	-	-	-	-	Total O&M Expenses
11	Suppliers' Discounts	(22,800)	(17,755)	(1,266)	(2,453)	(273)	(1,052)	Total O&M Expenses
12	Pole Attachments	(1,256,348)	(883,099)	(26,512)	(87,859)	(55,402)	(203,476)	Detailed Analysis
13	Secondary Energy Revenues	-	-	-	-	-	-	Island Interconnected
14	Wheeling Revenues	(70,493)	(70,493)	-	-	-	-	Island Interconnected
15	Application Fees	(44,112)	(19,452)	(660)	(4,452)	(840)	(18,708)	Detailed Analysis
16	Meter Test Revenues	(90,000)	(53,193)	(2,147)	(6,604)	(2,698)	(25,357)	Weighted Customers
17	**Total Expense Credits**	**(1,953,781)**	**(1,406,298)**	**(55,903)**	**(150,432)**	**(64,679)**	**(276,467)**	
18	**Subtotal Expenses**	**250,888,976**	**214,007,279**	**7,392,367**	**17,908,054**	**2,332,583**	**9,248,693**	
19	Disposal Gain/Loss	541,189	515,443	-	8,248	-	17,498	Detailed Analysis
20	**Subtotal Rev Reqt Excl Return**	**251,430,165**	**214,522,722**	**7,392,367**	**17,916,302**	**2,332,583**	**9,266,191**	
21	Return on Debt	106,037,664	98,967,734	907,304	2,186,368	412,844	3,563,415	Rate Base
22	Return on Equity	15,052,375	14,461,511	-	-	-	590,864	Rate Base
23	**Total Revenue Requirement**	**372,520,204**	**327,951,968**	**8,299,670**	**20,102,669**	**2,745,427**	**13,420,470**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Return on Rate Base

Line No	1	2 Total $	3 Island Interconnected $	4 Island Isolated $	5 Labrador Isolated $	6 L'Anse au Loup $	7 Labrador Interconnected $	8 Basis of Proration
	Rate Base:							
1	Average Net Book Value	1,366,212,659	1,276,638,287	11,652,916	26,534,805	5,314,268	46,072,383	Schedule 2.3
2	Cash Working Capital	3,057,000	2,856,571	26,074	59,374	11,891	103,090	Prorated on Average Net Book Value - L. 1
3	Fuel Inventory - No. 6 Fuel	11,872,074	11,872,074	-	-	-	-	Specifically Assigned - Holyrood
4	Fuel Inventory - Diesel	2,150,830	48,247	131,042	1,913,083	20,307	38,151	Detailed Fuel Analysis
5	Fuel Inventory - Gas Turbine	884,126	796,938	-	-	-	87,188	Detailed Fuel Analysis
6	Inventory/Supplies	19,387,000	17,679,828	201,676	530,500	118,425	856,571	Prorated on Total Plant in Service, Schedule 2.2
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	81,886,000	76,517,226	698,435	1,590,403	318,519	2,761,417	Prorated on Average Net Book Value - L. 1
8	Total Rate Base	**1,485,449,689**	**1,386,409,170**	**12,710,143**	**30,628,165**	**5,783,409**	**49,918,801**	
9	Less: Rural Portion	(213,758,301)	(164,636,583)	(12,710,143)	(30,628,165)	(5,783,409)	-	Schedule 2.6, L. 9
10	Rate Base Available for Equity Return	**1,271,691,388**	**1,221,772,587**	**-**	**-**	**-**	**49,918,801**	
	Corporate Targets:							
11	Capital Structure: Percent of Debt	86.14% (1)						
12	Return	8.287%						
13	Weighted Average Return: Debt	**7.138%**						
14	Capital Structure: Percent of Equity	12.14% (1)						
15	Return	9.750%						
16	Weighted Average Return: Equity	**1.184%**						
17	Weighted Average Cost of Capital	**8.322%**						
	Return on Rate Base by System (%):							
18	Return on Rate Base - Debt Component	-	7.138%	7.138%	7.138%	7.138%	7.138%	
19	Return on Rate Base - Equity Component	-	1.184%	-	-	-	1.184%	
	Return on Rate Base ($):							
20	Return on Debt	106,037,664	98,967,734	907,304	2,186,368	412,844	3,563,415	Schedule 2.6, L.11
21	Return on Equity	15,052,375	14,461,511	-	-	-	590,864	Schedule 2.6, L.12
22	Return on Rate Base ($)	**121,090,040**	**113,429,246**	**907,304**	**2,186,368**	**412,844**	**4,154,278**	Schedule 2.6, L.13
	Return on Total Rate Base (%):							
23	Return on Rate Base - Debt Component	7.138%	7.138%	7.138%	7.138%	7.138%	7.138%	L. 20 divided by L.8
24	Return on Rate Base - Equity Component	1.013%	1.043%	-	-	-	1.184%	L. 21 divided by L.8
25	Return on Rate Base (%)	**8.152%**	**8.182%**	**7.138%**	**7.138%**	**7.138%**	**8.322%**	L. 22 divided by L.8

(1) Debt and equity weightings reflect a 1.72% component for Employee Future Benefits at 0% cost.

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credits ($)	5 Deficit ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation ($)	7 Revenue to Cost Coverage (Col.2/3)
	Total System						
1	Newfoundland Power	258,169,230	221,395,182	(18,482)	36,781,375	258,158,074	1.17
2	Island Industrial	52,068,672	52,049,661	23,033	-	52,072,693	1.00
3	Labrador Industrial	2,641,753	2,641,753	-	-	2,641,753	1.00
4	CFB - Goose Bay Secondary	3,014,118	129,969	2,884,149	-	3,014,118	23.19
5	Rural Labrador Interconnected	12,705,760	10,648,748	(2,757,246)	4,813,084	12,704,586	1.19
	Rural Deficit Areas						
6	Island Interconnected	35,031,559	54,507,125	(4,550)	(19,471,016)	35,031,559	0.64
7	Island Isolated	1,496,581	8,299,670	-	(6,803,089)	1,496,581	0.18
8	Labrador Isolated	5,904,667	20,102,669	-	(14,198,002)	5,904,667	0.29
9	L'Anse au Loup	1,496,173	2,745,427	-	(1,249,254)	1,496,173	0.54
10	Revenue Credit Applied to Deficit (4.4%)	-	-	(126,903)	126,903	-	-
11	**Subtotal**	**43,928,980**	**85,654,892**	**(131,453)**	**(41,594,459)**	**43,928,980**	**0.51**
12	**Total**	**372,528,513**	**372,520,204**	**-**	**-**	**372,520,204**	**1.00**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credit ($)	5 Deficit Allocation ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) ($)	7 Revenue to Cost Coverage (Col.2/3)
	Island Interconnected						
1	Newfoundland Power	258,169,230	221,395,182	(18,482)			
2	NLP RSP Activity	-					
3	**Subtotal Newfoundland Power**	**258,169,230**	**221,395,182**	**(18,482)**	**36,781,375**	**258,158,074**	**1.17**
4	Industrial - Firm	52,018,920	52,027,285	(4,343)		52,022,941	
5	Industrial - Non-Firm	49,752	22,376	27,376		49,752	
6	Industrial RSP Activity	-				-	
7	**Subtotal Industrial**	**52,068,672**	**52,049,661**	**23,033**	**-**	**52,072,693**	**1.00**
	Rural						
8	1.1 Domestic	10,585,819	17,762,333	(1,483)	(7,175,032)	10,585,819	0.60
9	1.12 Domestic All Electric	10,043,906	18,543,304	(1,548)	(8,497,850)	10,043,906	0.54
10	1.3 Special	10,915	34,939	(3)	(24,021)	10,915	0.31
11	2.1 General Service 0-10 kW	2,488,947	3,076,177	(257)	(586,973)	2,488,947	0.81
12	2.2 General Service 10-100 kW	6,368,104	8,456,540	(706)	(2,087,730)	6,368,104	0.75
13	2.3 General Service 110-1,000 kVa	3,008,667	3,907,849	(326)	(898,855)	3,008,667	0.77
14	2.4 General Service Over 1,000 kVa	1,669,364	1,839,683	(154)	(170,166)	1,669,364	0.91
15	4.1 Street and Area Lighting	855,837	886,299	(74)	(30,388)	855,837	0.97
16	**Subtotal Rural**	**35,031,559**	**54,507,125**	**(4,550)**	**(19,471,016)**	**35,031,559**	**0.64**
17	**Total Island Interconnected**	**345,269,461**	**327,951,968**	**-**	**17,310,359**	**345,262,326**	**1.05**

Note1:
Calculation of Island Industrial Non-Firm Revenue Credit

Island Industrial Non-Firm Revenues, Ln 5, Col 2	49,752
Island Industrial Non-Firm Allocated Cost of Service, Ln 5, Col 3	(22,376)
Credit to be allocated to Island Interconnected Firm Customers	27,376

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credit ($)	5 Deficit ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) ($)	7 Revenue to Cost Coverage (Col.2/3)
	Island Isolated						
1	1.2 Domestic Diesel	744,272	5,870,791		(5,126,519)	744,272	0.13
2	1.2G Government Domestic Diesel	0	0		0	0	0.00
3	1.23 Churches, Schools & Com Halls	0	0		0	0	0.00
4	2.1 General Service 0-10 kW	173,583	683,356		(509,773)	173,583	0.25
5	2.2 GS 10-100 kW	302,489	768,941		(466,452)	302,489	0.39
6	2.3 GS 110-1,000 kVa	237,195	854,023		(616,828)	237,195	0.28
7	2.4 General Service Over 1,000 kVa	0	0		0	0	0.00
8	2.5 GS Diesel	0	0		0	0	0.00
9	2.5G Gov't General Service Diesel	0	0		0	0	0.00
10	4.1 Street and Area Lighting	39,042	122,559		(83,517)	39,042	0.32
11	4.1G Gov't Street and Area Lighting	0	0		0	0	0.00
12	**Total**	**1,496,581**	**8,299,670**		**(6,803,089)**	**1,496,581**	**0.18**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credit ($)	5 Deficit ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) ($)	7 Revenue to Cost Coverage (Col.2/3)
	Labrador Isolated						
1	1.2 Domestic Diesel	2,631,585	11,890,666		(9,259,081)	2,631,585	0.22
2	1.2G Government Domestic Diesel	0	0		0	0	0.00
3	1.23 Churches, Schools & Com Halls	0	0		0	0	0.00
4	2.1 General Service 0-10 kW	1,020,147	2,162,483		(1,142,336)	1,020,147	0.47
5	2.2 GS 10-100 kW	1,794,802	4,221,092		(2,426,290)	1,794,802	0.43
6	2.3 GS 110-1,000 kVa	178,453	761,034		(582,581)	178,453	0.23
7	2.4 General Service Over 1,000 kVa	180,032	845,137		(665,105)	180,032	0.21
8	2.5 GS Diesel	0	0		0	0	0.00
9	2.5G Gov't General Service Diesel	0	0		0	0	0.00
10	4.1 Street and Area Lighting	99,648	222,256		(122,608)	99,648	0.45
11	4.1G Gov't Street and Area Lighting	0	0		0	0	0.00
12	**Total**	**5,904,667**	**20,102,669**		**(14,198,002)**	**5,904,667**	**0.29**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credit ($)	5 Deficit ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) ($)	7 Revenue to Cost Coverage (Col.2/3)
	L'Anse au Loup						
1	1.1 Domestic	813,220	1,724,763		(911,543)	813,220	0.47
2	1.12 Domestic All Electric	30,014	69,814		(39,800)	30,014	0.43
3	2.1 General Service 0-10 kW	138,240	201,706		(63,466)	138,240	0.69
4	2.2 General Service 10-100 kW	399,690	592,551		(192,861)	399,690	0.67
5	2.3 General Service 110-1,000 kVa	79,322	119,689		(40,367)	79,322	0.66
6	4.1 Street and Area Lighting	35,687	36,904		(1,217)	35,687	0.97
7	**Total L'Anse Au Loup**	**1,496,173**	**2,745,427**		**(1,249,254)**	**1,496,173**	**0.54**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues ($)	3 Cost of Service Before Deficit and Revenue Credit Allocation ($)	4 Revenue Credit ($)	5 Deficit Allocation ($)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) ($)	7 Revenue to Cost Coverage (Col.2/3)
	Labrador Interconnected						
1	Industrial IOCC Firm	2,635,349	2,635,349		-	2,635,349	1.00
2	Industrial IOCC Non-Firm	6,404	6,404		-	6,404	1.00
3	**Subtotal Industrial**	**2,641,753**	**2,641,753**		**-**	**2,641,753**	**1.00**
4	**CFB - Goose Bay Secondary**	3,014,118	129,969	2,884,149	-	3,014,118	23.19
	Rural						
5	1.1 Domestic	226,846	341,564	(88,440)	154,382	407,506	0.66
6	1.1A Domestic All Electric	6,181,493	6,564,127	(1,699,629)	2,966,893	7,831,392	0.94
7	2.1 General Service 0-10 kW	180,931	171,313	(44,358)	77,431	204,387	1.06
8	2.2 General Service 10-100 kW	1,812,581	1,110,046	(287,421)	501,725	1,324,350	1.63
9	2.3 General Service 110-1,000 kVa	2,406,094	1,412,693	(365,784)	638,517	1,685,426	1.70
10	2.4 General Service Over 1,000 kVa	1,710,447	877,398	(227,182)	396,572	1,046,788	1.95
11	4.1 Street and Area Lighting	187,368	171,606	(44,433)	77,564	204,737	1.09
12	**Subtotal Rural**	**12,705,760**	**10,648,748**	**(2,757,246)**	**4,813,084**	**12,704,586**	**1.19**
13	**Total Labrador Interconnected**	**18,361,631**	**13,420,470**	**126,903**	**4,813,084**	**18,360,457**	**1.37**

Note1:
Calculation of CFB - Goose Bay Secondary Revenue Credit

CFB - Goose Bay Secondary Revenues, Ln 4, Col 2		3,014,118
CFB - Goose Bay Secondary Allocated Cost of Service, Ln 4, Col 3		(129,969)
CFB - Goose Bay Secondary Allocated Deficit, Ln 4, Col 5		-
Revenue Credit		2,884,149
Revenue Credit Applied to Deficit	**4.4%**	126,903
Revenue Credit Applied to Firm Regulated Labrador Interconnected Customers		2,757,246
		2,884,149

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Rural Deficit Allocation

	1	2	3	4	5	6
			Before Deficit and Revenue Credit Allocation			
Line No.	Rate Class	Allocated Revenue Reqt ($)	Demand ($)	Energy ($)	Customer ($)	Source
	CLASSIFICATION TO DEMAND, ENERGY, CUSTOMERS:					
1	Newfoundland Power	221,395,182	88,514,377	130,628,947	2,251,858	Schedule 1.3.1, p. 1
2	Rural Labrador Interconnected	10,648,748	7,132,176	833,896	2,682,676	Schedule 1.3.1, p. 3
3	**Total**	**232,043,930**	**95,646,553**	**131,462,843**	**4,934,534**	
4	Deficit Classified	41,594,459	17,144,886	23,565,046	884,528	Prorated on Line 3
	UNIT COSTS OF DEFICIT:		CP kW	MWH	Customers *	
	Island Interconnected:					
5	Newfoundland Power		1,067,783	4,902,167	6,156	
6	**Subtotal Island Interconnected**		**1,067,783**	**4,902,167**	**6,156**	
	Labrador Interconnected:					
7	Rural Labrador Interconnected		125,804	575,167	9,268	
8	**Subtotal Labrador Interconnected**		**125,804**	**575,167**	**9,268**	
9	**Total**		**1,193,586**	**5,477,334**	**15,424**	
10	Deficit Unit Costs		$14.36 $/KW	$4.30 $/MWH	$57.35 $/Customer	Line 4 / Line 9

* Specifically assigned costs are converted to equivalent unweighted customers by dividing the assigned cost by the allocated customer cost per unweighted customer.

Rural Customer Costs per Rural Customer:

Island Interconnected:	$365.78
Labrador Interconnected:	$289.46

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Rural Deficit Allocation

Line No.	1	2	3	4	5	6
			Deficit Allocation			
	Rate Class	Allocated Revenue Reqt ($)	Demand ($)	Energy ($)	Customer ($)	Source
	ALLOCATION OF DEFICIT:					
11	Island Interconnected	36,781,375	15,337,818	21,090,516	353,041	Line 6 x Line 10
12	Labrador Interconnected	4,813,084	1,807,068	2,474,530	531,486	Line 8 x Line 10
13	**Allocated Totals**	**41,594,459**	**17,144,886**	**23,565,046**	**884,528**	
	CUSTOMER DEFICIT ALLOCATION:					
	Island Interconnected:					
14	Newfoundland Power	36,781,375				
15	Sub-Total Island Interconnected	36,781,375				
	Labrador Interconnected:					
16	Rural Labrador Interconnected	4,813,084				
17	Subtotal Labrador Interconnected	4,813,084				
18	**Total**	**41,594,459**				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Unit Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9	10	11
	Rate Class	Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation				
Line		Demand			Non-Demand		Demand			Non-Demand	
No.		Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)	Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)
	Island Interconnected										
1	Newfoundland Power	-	0.01867	0.02755	0.04622	187,654.80	-	0.02177	0.03213	0.05389	218,815.07
2	Industrial - Firm	6.50	-	0.02755	-	9,863.10	6.49	-	0.02755	-	9,862.27
3	Industrial - Non-Firm	-	-	0.02797	-	-	-	-	0.06219	-	-
	Rural							-	-		
4	1.1 Domestic	-	0.09668	0.03087	0.12755	28.77	-	-	-	-	-
5	1.12 Domestic All Electric	-	0.11231	0.03083	0.14313	28.73	-	-	-	-	-
6	1.3 Special	-	0.12503	0.03066	0.15570	28.57	-	-	-	-	-
7	2.1 General Service 0-10 kW	-	0.08358	0.03102	0.11461	31.93	-	-	-	-	-
8	2.2 General Service 10-100 kW	25.58	-	0.03101	-	50.23	-	-	-	-	-
9	2.3 General Service 110-1,000 kVa	19.80	-	0.03082	-	51.72	-	-	-	-	-
10	2.4 General Service Over 1,000 kVa	15.51	-	0.03076	-	51.88	-	-	-	-	-
11	4.1 Street and Area Lighting	-	0.11408	0.03113	0.14520	43.62	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Unit Demand, Energy & Customer Amounts

Line No.	1 Rate Class	2	3	4	5	6	7	8	9	10	11
		Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation				
		Demand			Non-Demand		Demand			Non-Demand	
		Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)	Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)
	Isolated Systems:										
1	1.2 Domestic Diesel	-	0.23524	0.36366	0.59891	29.72					
2	2.1 General Service 0-10 kW	-	0.16544	0.35650	0.52194	33.81					
3	2.2 GS 10-100 kW	53.39	-	0.34758	-	56.95					
4	2.3 GS 110-1,000 kVa	12.11	-	0.38536	-	60.93					
5	2.4 General Service Over 1,000 kVa	4.12	-	0.33187	-	55.88					
6	**Subtotal Metered Demand Classes**	28.01	-	0.35315	-	57.27					
7	4.1 Street and Area Lighting	-	0.27778	0.37008	0.64785	56.09					
	Island Isolated										
8	1.2 Domestic Diesel	-	0.36877	0.46490	0.83367	32.02	-	-	-	-	-
9	2.1 General Service 0-10 kW	-	0.26720	0.46638	0.73358	37.66	-	-	-	-	-
10	2.2 GS 10-100 kW	114.87	-	0.46902	-	71.68	-	-	-	-	-
11	2.3 GS 110-1,000 kVa	39.51	-	0.46717	-	74.16	-	-	-	-	-
12	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-
13	4.1 Street and Area Lighting	-	0.40851	0.46721	0.87572	49.84	-	-	-	-	-
	Labrador Isolated										
14	1.2 Domestic Diesel	-	0.19335	0.33190	0.52525	28.83	-	-	-	-	-
15	2.1 General Service 0-10 kW	-	0.14467	0.33408	0.47874	32.61	-	-	-	-	-
16	2.2 GS 10-100 kW	47.74	-	0.33345	-	54.35	-	-	-	-	-
17	2.3 GS 110-1,000 kVa	4.40	-	0.33237	-	55.96	-	-	-	-	-
18	2.4 General Service Over 1,000 kVa	4.12	-	0.33187	-	55.88	-	-	-	-	-
19	4.1 Street and Area Lighting	-	0.22807	0.33314	0.56121	59.22	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Unit Demand, Energy & Customer Amounts

Line No.	1 Rate Class	2	3	4	5	6	7	8	9	10	11
		Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation				
		Demand			Non-Demand		Demand			Non-Demand	
		Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)	Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)
	L'Anse au Loup										
1	1.1 Domestic	-	0.10495	0.05987	0.16482	33.11	-	-	-	-	-
2	1.12 Domestic All Electric	-	0.12226	0.05982	0.18208	33.08	-	-	-	-	-
3	2.1 General Service 0-10 kW	-	0.07382	0.06022	0.13404	35.53	-	-	-	-	-
4	2.2 General Service 10-100 kW	20.75	-	0.06017	-	49.03	-	-	-	-	-
5	2.3 General Service 110-1,000 kVa	8.23	-	0.06031	-	50.26	-	-	-	-	-
6	4.1 Street and Area Lighting	-	0.10869	0.06060	0.16929	47.96	-	-	-	-	-
	Labrador Interconnected										
7	Industrial - IOCC Firm	3.01	-	0.00160	-	0.00	3.01	-	0.00160	-	0.00
8	Industrial - IOCC Non-Firm	-	-	0.00160	0.00160	0.00	-	-	0.00160	0.00160	0.00
9	CFB - Goose Bay Secondary	-	-	0.00167	0.00167	77.47	-	-	0.00167	0.00167	77.47
	Rural							-	-		
10	1.1 Domestic	-	0.01645	0.00173	0.01818	22.02	-	0.01962	0.00206	0.02169	26.27
11	1.1A Domestic All Electric	-	0.01639	0.00174	0.01813	22.16	-	0.01955	0.00208	0.02163	26.44
12	**Subtotal Domestic**	-	0.01639	0.00174	0.01813	22.15	-	0.01955	0.00208	0.02163	26.42
								-	-		
13	2.1 General Service 0-10 kW	-	0.01215	0.00174	0.01389	24.28	-	0.01449	0.00208	0.01657	28.97
14	2.2 General Service 10-100 kW	3.63	-	0.00176	-	37.72	4.33	-	0.00210	-	45.00
15	2.3 General Service 110-1,000 kVa	4.50	-	0.00176	-	38.84	5.37	-	0.00210	-	46.34
16	2.4 General Service Over 1,000 kVa	6.13	-	0.00172	-	37.61	7.31	-	0.00205	-	44.87
17	4.1 Street and Area Lighting	-	0.01707	0.00175	0.01882	43.19	0.00	0.02036	0.00209	0.02245	51.52

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9
Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total ($)	Demand ($)	Energy ($)	Customer ($)	Total ($)	Demand ($)	Energy ($)	Customer ($)
	Island Interconnected								
1	Newfoundland Power	221,395,182	88,514,377	130,628,947	2,251,858	258,158,074	103,212,278	152,320,015	2,625,781
2	Industrial - Firm	52,027,285	13,874,084	37,679,772	473,429	52,022,941	13,872,926	37,676,626	473,389
3	Industrial - Non-Firm	22,376	-	22,376	-	49,752	-	49,752	-
	Rural								
4	1.1 Domestic	17,762,333	10,235,033	3,268,317	4,258,983	-	-	-	-
5	1.12 Domestic All Electric	18,543,304	12,705,681	3,487,680	2,349,944	-	-	-	-
6	1.3 Special	34,939	27,507	6,746	686	-	-	-	-
7	2.1 General Service 0-10 kW	3,076,177	1,706,452	633,376	736,349	-	-	-	-
8	2.2 General Service 10-100 kW	8,456,540	5,889,544	2,039,000	527,996	-	-	-	-
9	2.3 General Service 110-1,000 kVa	3,907,849	2,785,012	1,076,291	46,545	-	-	-	-
10	2.4 General Service Over 1,000 kVa	1,839,683	1,086,201	749,747	3,735	-	-	-	-
11	4.1 Street and Area Lighting	886,299	342,228	93,383	450,688	-	-	-	-
12	**Subtotal Rural**	**54,507,125**	**34,777,660**	**11,354,540**	**8,374,926**				
13	**Total Island Interconnected**	**327,951,968**	**137,166,121**	**179,685,635**	**11,100,212**				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9
Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total ($)	Demand ($)	Energy ($)	Customer ($)	Total ($)	Demand ($)	Energy ($)	Customer ($)
	Isolated Systems:								
1	1.2 Domestic Diesel	17,761,457	6,560,492	10,141,835	1,059,130				
2	2.1 General Service 0-10 kW	2,845,839	836,440	1,802,485	206,914				
3	2.2 GS 10-100 kW	4,990,033	1,569,843	3,338,183	82,008				
4	2.3 GS 110-1,000 kVa	1,615,058	356,133	1,250,882	8,043				
5	2.4 General Service Over 1,000 kVa	845,137	47,968	796,498	671				
6	**Subtotal Metered Demand Classes**	7,450,228	1,973,944	5,385,563	90,721				
7	4.1 Street and Area Lighting	344,816	114,945	153,138	76,733				
8	**Total Isolated Systems**	**28,402,339**	**9,485,821**	**17,483,020**	**1,433,498**				
	Island Isolated								
9	1.2 Domestic Diesel	5,870,791	2,456,009	3,096,250	318,532	-	-	-	-
10	2.1 General Service 0-10 kW	683,356	228,991	399,686	54,679	-	-	-	-
11	2.2 GS 10-100 kW	768,941	283,967	469,493	15,482	-	-	-	-
12	2.3 GS 110-1,000 kVa	854,023	255,248	596,105	2,670	-	-	-	-
13	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-
14	4.1 Street and Area Lighting	122,559	46,570	53,262	22,727	-	-	-	-
15	**Total Island Isolated**	**8,299,670**	**3,270,784**	**4,614,796**	**414,090**				
	Labrador Isolated								
16	1.2 Domestic Diesel	11,890,666	4,104,483	7,045,585	740,598	-	-	-	-
17	2.1 General Service 0-10 kW	2,162,483	607,449	1,402,799	152,235	-	-	-	-
18	2.2 GS 10-100 kW	4,221,092	1,285,877	2,868,690	66,526	-	-	-	-
19	2.3 GS 110-1,000 kVa	761,034	100,885	654,777	5,373	-	-	-	-
20	2.4 General Service Over 1,000 kVa	845,137	47,968	796,498	671	-	-	-	-
21	4.1 Street and Area Lighting	222,256	68,375	99,876	54,006	-	-	-	-
22	**Total Labrador Isolated**	**20,102,669**	**6,215,037**	**12,868,224**	**1,019,408**				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9
Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total ($)	Demand ($)	Energy ($)	Customer ($)	Total ($)	Demand ($)	Energy ($)	Customer ($)
	L'Anse au Loup								
1	1.1 Domestic	1,724,763	910,577	519,393	294,793	-	-	-	-
2	1.12 Domestic All Electric	69,814	41,812	20,459	7,543	-	-	-	-
3	2.1 General Service 0-10 kW	201,706	78,916	64,374	58,415	-	-	-	-
4	2.2 General Service 10-100 kW	592,551	322,257	233,230	37,065	-	-	-	-
5	2.3 General Service 110-1,000 kVa	119,689	69,027	49,456	1,206	-	-	-	-
6	4.1 Street and Area Lighting	36,904	12,608	7,030	17,267	-	-	-	-
7	**Total L'Anse au Loup**	**2,745,427**	**1,435,196**	**893,942**	**416,289**				
	Labrador Interconnected								
8	Industrial - IOCC Firm	2,635,349	2,238,788	396,561	-	2,635,349	2,238,788	396,561	-
9	Industrial - IOCC Non-Firm	6,404	-	6,404	-	6,404	-	6,404	-
10	CFB - Goose Bay Secondary	129,969	-	129,039	930	129,969	-	129,039	930
	Rural								
11	1.1 Domestic	341,564	138,830	14,596	188,137	407,506	165,633	17,414	224,459
12	1.1A Domestic All Electric	6,564,127	4,216,797	447,830	1,899,501	7,831,392	5,030,888	534,287	2,266,217
13	**Subtotal Domestic**	**6,905,691**	**4,355,627**	**462,426**	**2,087,638**	**8,238,898**	**5,196,521**	**551,701**	**2,490,676**
14	2.1 General Service 0-10 kW	171,313	48,140	6,901	116,273	204,387	57,434	8,233	138,720
15	2.2 General Service 10-100 kW	1,110,046	734,086	100,216	275,743	1,324,350	875,809	119,564	328,978
16	2.3 General Service 110-1,000 kVa	1,412,693	1,205,633	150,294	56,765	1,685,426	1,438,392	179,310	67,724
17	2.4 General Service Over 1,000 kVa	877,398	763,239	111,451	2,708	1,046,788	910,590	132,968	3,230
18	4.1 Street and Area Lighting	171,606	25,450	2,608	143,549	204,737	30,363	3,111	171,262
19	**Subtotal Rural**	**10,648,748**	**7,132,176**	**833,896**	**2,682,676**	**12,704,586**	**8,509,108**	**994,887**	**3,200,591**
20	**Total Labrador Incterconnected**	**13,420,470**	**9,370,964**	**1,365,900**	**2,683,606**	**15,476,308**	**10,747,896**	**1,526,891**	**3,200,591**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Demands, Sales, & Number of Bills

	1	2	3	4	5
		Units			
Line No.	Rate Class	Billing Demands (kW)	Sales (MWh)	Customers	Bills (Total No)
	Island Interconnected				
1	Newfoundland Power	-	4,741,400	1	12
2	Industrial - Firm	2,136,000	1,367,800	4	48
3	Industrial - Non-Firm	5,600	800	-	-
	Rural				
4	1.1 Domestic	-	105,865	12,337	148,044
5	1.12 Domestic All Electric	-	113,135	6,817	81,804
6	1.3 Special	-	220	2	24
7	2.1 General Service 0-10 kW	-	20,416	1,922	23,064
8	2.2 General Service 10-100 kW	230,279	65,748	876	10,512
9	2.3 General Service 110-1,000 kVa	140,665	34,917	75	900
10	2.4 General Service Over 1,000 kVa	70,054	24,374	6	72
11	4.1 Street and Area Lighting	-	3,000	861	10,332
12	**Subtotal Rural**	**440,997**	**367,675**	**22,896**	**274,752**
13	**Total Island Interconnected**	**2,582,597**	**6,477,675**	**22,901**	**274,812**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Demands, Sales, & Number of Bills

Line No.	1 Rate Class	2 Units: Billing Demands (kW)	3 Units: Sales (MWh)	4 Units: Customers	5 Units: Bills (Total No)
	Isolated Systems:				
1	1.2 Domestic Diesel	-	27,888	2,970	35,640
2	2.1 General Service 0-10 kW	-	5,056	510	6,120
3	2.2 GS 10-100 kW	29,405	9,604	120	1,440
4	2.3 GS 110-1,000 kVa	29,403	3,246	11	132
5	2.4 General Service Over 1,000 kVa	11,657	2,400	1	12
6	**Subtotal Metered Demand Classes**	70,464	15,250	132	1,584
7	4.1 Street and Area Lighting	-	414	114	1,368
8	**Total Isolated Systems**	**70,464**	**48,608**	**3,726**	**44,712**
	Island Isolated				
9	1.2 Domestic Diesel	-	6,660	829	9,948
10	2.1 General Service 0-10 kW	-	857	121	1,452
11	2.2 GS 10-100 kW	2,472	1,001	18	216
12	2.3 GS 110-1,000 kVa	6,460	1,276	3	36
13	2.4 General Service Over 1,000 kVa	-	-	-	-
14	4.1 Street and Area Lighting	-	114	38	456
15	**Total Island Isolated**	**8,932**	**9,908**	**1,009**	**12,108**
	Labrador Isolated				
16	1.2 Domestic Diesel	-	21,228	2,141	25,692
17	2.1 General Service 0-10 kW	-	4,199	389	4,668
18	2.2 GS 10-100 kW	26,933	8,603	102	1,224
19	2.3 GS 110-1,000 kVa	22,943	1,970	8	96
20	2.4 General Service Over 1,000 kVa	11,657	2,400	1	12
21	4.1 Street and Area Lighting	-	300	76	912
22	**Total Labrador Isolated**	**61,532**	**38,700**	**2,717**	**32,604**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Demands, Sales, & Number of Bills

Line No.	1 Rate Class	2 Units: Billing Demands (kW)	3 Units: Sales (MWh)	4 Units: Customers	5 Units: Bills (Total No)
	L'Anse au Loup				
1	1.1 Domestic	-	8,676	742	8,904
2	1.12 Domestic All Electric	-	342	19	228
3	2.1 General Service 0-10 kW	-	1,069	137	1,644
4	2.2 General Service 10-100 kW	15,529	3,876	63	756
5	2.3 General Service 110-1,000 kVa	8,392	820	2	24
6	4.1 Street and Area Lighting	-	116	30	360
7	**Total L'Anse au Loup**	**23,921**	**14,899**	**993**	**11,916**
	Labrador Interconnected				
8	Industrial - IOCC Firm	744,000	247,700	1	12
9	Industrial - IOCC Non-Firm	-	4,000		
10	CFB - Goose Bay Secondary	-	77,200	1	12
	Rural				
11	1.1 Domestic	-	8,441	712	8,544
12	1.1A Domestic All Electric	-	257,334	7,143	85,716
13	**Subtotal Domestic**	-	**265,775**	**7,855**	**94,260**
14	2.1 General Service 0-10 kW	-	3,963	399	4,788
15	2.2 General Service 10-100 kW	202,265	56,906	609	7,311
16	2.3 General Service 110-1,000 kVa	267,913	85,210	122	1,461
17	2.4 General Service Over 1,000 kVa	124,484	64,946	6	72
18	4.1 Street and Area Lighting	-	1,491	277	3,324
19	**Subtotal Rural**	**594,662**	**478,291**	**9,268**	**111,216**
20	**Total Labrador Incterconnected**	**1,338,662**	**807,191**	**9,270**	**111,240**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Calculation of Firming Up Charge

Line No.	Description	1 Total	2 Gas Turbine	3 Transmission & Terminals
1	Operating & Maintenance	4,450,957	540,014	3,910,943
2	O&M Overhead	4,315,884	384,308	3,931,575
3	Depreciation	6,219,254	184,896	6,034,358
4	Return (Note 1)	15,576,406	182,265	15,394,141
5	**Total**	**30,562,501**	**1,291,484**	**29,271,017**
6	Capacity (kW)		118,000	1,591,800
7	Cost ($/kW)	$29.33	$10.94	$18.39
8	Rate ($/kWh)	$0.00641		

Note 1 Gas Turbine Return

Gas Turbine NBV - Sch.2.3A L.10	1,919,319
NBV Including Alloc General, Telecontrol & Feasibility Study	2,030,867
Percent of Total Prod Demand NBV - Schedule 2.3A, L.40, C.3	0.50%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Calculation of Transmission Wheeling Charge

Line No.	Description	1	2
1	Island Interconnected Transmission Revenue Requirement		29,228,905
2	Transmission Energy Output (MWh)		6,516,300
3	Rate ($/kWh)		$0.00449

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Revenue Requirement

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
								Distribution										
Line		Total	Production	Production and Transmission	Transmission	Rural Prod & Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Specifically Assigned
No.	Description	Amount	Demand	Energy	Demand	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer
		($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
	Expenses																	
1	Operating & Maintenance	72,460,822	24,091,441	21,764,487	7,842,518	4,469,632	1,115,931	4,932,535	1,189,706	243,269	430,607	659,951	729,001	420,440	202,490	83,408	2,179,052	803,617
2	Fuels-No. 6 Fuel	84,819,538	-	84,819,538	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	54,612	-	-	-	54,612	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	265,277	265,277	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	29,928,330	12,420,675	17,080,954	-	426,701	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	27,884,999	6,964,159	6,863,254	6,034,358	2,491,138	480,948	2,172,567	509,423	110,063	194,822	279,602	310,035	151,250	90,235	39,565	343,784	849,797
	Expense Credits																	
8	Sundry	(355,106)	(118,064)	(106,660)	(38,434)	(21,904)	(5,469)	(24,173)	(5,830)	(1,192)	(2,110)	(3,234)	(3,573)	(2,060)	(992)	(409)	(10,679)	(3,938)
9	Building Rental Income	(7,200)	(2,524)	(2,266)	(701)	(399)	(107)	(484)	(117)	(24)	(42)	(65)	(72)	(41)	(20)	(8)	(255)	(74)
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(17,755)	(5,903)	(5,333)	(1,922)	(1,095)	(273)	(1,209)	(292)	(60)	(106)	(162)	(179)	(103)	(50)	(20)	(534)	(197)
12	Pole Attachments	(883,099)	-	-	-	-	-	(510,739)	(174,546)	-	-	(90,401)	(107,413)	-	-	-	-	-
13	Secondary Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	(70,493)	-	-	(70,493)	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(19,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19,452)	-
16	Meter Test Revenues	(53,193)	-	-	-	-	-	-	-	-	-	-	-	-	(53,193)	-	-	-
17	**Total Expense Credits**	**(1,406,298)**	**(126,491)**	**(114,259)**	**(111,549)**	**(23,399)**	**(5,849)**	**(536,604)**	**(180,785)**	**(1,276)**	**(2,258)**	**(93,862)**	**(111,236)**	**(2,205)**	**(54,255)**	**(437)**	**(30,920)**	**(4,210)**
18	**Subtotal Expenses**	**214,007,279**	**43,615,060**	**130,413,975**	**13,765,327**	**7,418,684**	**1,591,029**	**6,568,497**	**1,518,344**	**352,057**	**623,170**	**845,692**	**927,800**	**569,485**	**238,470**	**122,536**	**2,491,916**	**1,649,204**
19	Disposal Gain / Loss	515,443	164,740	214,902	69,437	32,751	4,076	13,145	3,175	759	1,344	1,700	1,902	919	558	291	947	4,796
20	**Subtotal Revenue Requirement Ex. Return**	**214,522,722**	**43,779,800**	**130,628,877**	**13,834,764**	**7,451,435**	**1,595,105**	**6,581,642**	**1,521,519**	**352,817**	**624,515**	**847,391**	**929,702**	**570,404**	**239,028**	**122,826**	**2,492,862**	**1,654,000**
21	Return on Debt	98,967,734	31,410,859	41,684,778	13,204,629	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	915,014
22	Return on Equity	14,461,511	5,208,359	6,911,918	2,189,512	-	-	-	-	-	-	-	-	-	-	-	-	151,722
23	**Total Revenue Reqmt**	**327,951,968**	**80,399,018**	**179,225,574**	**29,228,905**	**13,691,504**	**2,374,291**	**9,096,398**	**2,128,929**	**497,715**	**880,996**	**1,172,743**	**1,293,642**	**746,941**	**345,723**	**178,204**	**2,674,617**	**2,720,736**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment	21 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	790,576	512,161	Carryforward from Sch.2.4 L.30
2	Fuels-No. 6 Fuel	-	-	Production - Demand, Energy ratios Sch.4.1 L.10
3	Fuels-Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L.12
4	Fuels-Gas Turbine	-	-	Production - Demand, Energy ratios Sch.4.1 L.11
5	Power Purchases -CF(L)Co	-	-	
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.7
7	Depreciation	-	-	Carryforward from Sch.2.5 L.40
	Expense Credits			
8	Sundry	(3,874)	(2,510)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.35
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
11	Suppliers' Discounts	(194)	(125)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	**Total Expense Credits**	**(4,068)**	**(2,635)**	
18	**Subtotal Expenses**	**786,508**	**509,525**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.40
20	**Subtotal Revenue Requirement Ex. Return**	**786,508**	**509,525**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	**Total Revenue Reqmt**	**786,508**	**509,525**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	187,010,803	78,734,647	108,276,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	169,883,402	71,523,727	98,359,674	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	79,352,443	33,408,693	45,943,749	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	264,379,817	111,308,284	153,071,533	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	21,857,009	9,202,163	12,654,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	119,502,667	50,312,603	69,190,064	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Hydraulic	2,113,835	355,841	489,353	-	1,268,641	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**844,099,976**	**354,845,958**	**487,985,376**	**-**	**1,268,641**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
9	Holyrood	184,940,225	106,747,498	78,192,727	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	22,497,317	22,497,317	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	7,011,062	-	-	-	7,011,062	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**1,058,548,579**	**484,090,773**	**566,178,104**	**-**	**8,279,703**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
14	Lines	239,086,914	-	-	153,486,699	80,469,312	-	168,000	-	-	-	-	-	-	-	-	-	4,962,902
15	Lines - Hydraulic	50,148,749	21,113,455	29,035,295	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	92,576,769	-	-	59,329,866	19,900,837	-	-	-	-	-	-	-	-	-	-	-	13,346,066
17	Term Stns - Hydraulic	28,035,122	11,803,251	16,231,871	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	9,970,272	5,754,841	4,215,431	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	1,183,617	382,749	-	-	800,868	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	9,695,739	-	-	-	-	9,695,739	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**141,461,519**	**17,940,841**	**20,447,302**	**59,329,866**	**20,701,705**	**9,695,739**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,346,066**
22	**Subtotal Transmission**	**430,697,182**	**39,054,295**	**49,482,597**	**212,816,566**	**101,171,017**	**9,695,739**	**168,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,308,968**
	Distribution																	
23	Substations	8,197,609	-	-	-	1,197,785	6,999,824	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	718,717	-	-	-	-	-	541,877	69,033	-	-	62,852	44,956	-	-	-	-	-
25	Poles	57,740,138	-	-	-	-	-	33,393,893	11,412,454	-	-	5,910,742	7,023,048	-	-	-	-	-
26	Primary Conductor & Eqpt	12,925,089	-	-	-	-	-	11,464,554	1,460,535	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	8,198,057	-	-	-	-	-	8,198,057	-	-	-	-	-	-	-	-	-	-
28	Transformers	7,330,650	-	-	-	-	-	-	-	2,646,365	4,684,286	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	2,067,885	-	-	-	-	-	-	-	-	-	1,205,577	862,308	-	-	-	-	-
30	Services	4,573,685	-	-	-	-	-	-	-	-	-	-	-	4,573,685	-	-	-	-
31	Meters	2,245,103	-	-	-	-	-	-	-	-	-	-	-	-	2,245,103	-	-	-
32	Street Lighting	907,339	-	-	-	-	-	-	-	-	-	-	-	-	-	907,339	-	-
33	**Subtotal Distribution**	**104,904,271**	**-**	**-**	**-**	**1,197,785**	**6,999,824**	**53,598,381**	**12,942,022**	**2,646,365**	**4,684,286**	**7,179,171**	**7,930,312**	**4,573,685**	**2,245,103**	**907,339**	**-**	**-**
34	**Subtl Prod, Trans, & Dist**	**1,594,150,032**	**523,145,068**	**615,660,701**	**212,816,566**	**110,648,505**	**16,695,563**	**53,766,381**	**12,942,022**	**2,646,365**	**4,684,286**	**7,179,171**	**7,930,312**	**4,573,685**	**2,245,103**	**907,339**	**-**	**18,308,968**
35	General	148,474,674	52,042,275	46,719,053	14,460,831	8,235,921	2,208,443	9,990,085	2,409,877	492,768	872,240	1,336,802	1,476,668	851,646	408,783	168,952	5,266,047	1,534,284
36	Telecontrol - Custmr & Spec	269,144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	170,900	98,244
37	Feasibility Studies	217,135	122,500	-	94,635	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	290,900	95,463	112,346	38,835	20,191	3,047	9,811	2,362	483	855	1,310	1,447	835	410	166	-	3,341
39	Software - General	1,393,732	457,375	538,259	186,061	96,738	14,597	47,007	11,315	2,314	4,095	6,277	6,933	3,999	1,963	793	-	16,007
40	**Total Plant**	**1,744,795,617**	**575,862,681**	**663,030,358**	**227,596,928**	**119,001,354**	**18,921,650**	**63,813,284**	**15,365,575**	**3,141,929**	**5,561,476**	**8,523,559**	**9,415,361**	**5,430,164**	**2,656,258**	**1,077,249**	**5,436,947**	**19,960,843**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	19 Basis of Functional Classification
	Production	
	Hydraulic	
1	Bay D'Espoir	Production - Demand, Energy ratios Sch.4.1 L.1
2	Upper Salmon	Production - Demand, Energy ratios Sch.4.1 L.1
3	Hinds Lake	Production - Demand, Energy ratios Sch.4.1 L.1
4	Cat Arm	Production - Demand, Energy ratios Sch.4.1 L.1
5	Paradise River	Production - Demand, Energy ratios Sch.4.1 L.1
6	Granite Canal	Production - Demand, Energy ratios Sch.4.1 L.1
7	Other Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.1, 2
8	**Subtotal Hydraulic**	
9	Holyrood	Production - Demand, Energy ratios Sch.4.1 L.3
10	Gas Turbines	Production - Demand, Energy ratios Sch.4.1 L.4
11	Roddickton	Production - Demand, Energy ratios Sch.4.1 L.3
12	Diesel	Production - Demand, Energy ratios Sch.4.1 L.5
13	**Subtotal Production**	
	Transmission	
14	Lines	Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
15	Lines - Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.17
16	Terminal Stations	Production - Demand, Energy subtotals, L. 13; Transmission - Demand; Spec Assigned - Custmr
17	Term Stns - Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.20
18	Term Stns - Holyrood	Production - Demand, Energy ratios Sch.4.1 L.21
19	Term Stns - Gas Tur/Dsl	Production - Demand, Energy ratios Sch.4.1 L.22, 23
20	Term Stns - Distribution	Distribution - Substations Demand
21	**Subtotal Term Stns**	
22	**Subtotal Transmission**	
	Distribution	
23	Substations	Production - Demand; Dist Substns - Demand
24	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
25	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
26	Primary Conductor & Eqpt	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
27	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
28	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
29	Secondary Conductor&Eqpt	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
30	Services	Services Customer
31	Meters	Meters - Customer
32	Street Lighting	Street Lighting - Customer
33	**Subtotal Distribution**	
34	**Subttl Prod, Trans, & Dist**	
35	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.15, 16
36	Telecontrol - Custmr & Spec	Specifically Assigned - Customer
37	Feasibility Studies	Production, Transmission - Demand
38	Feasibility Studies - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.34
39	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.34
40	**Total Plant**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Substations Demand ($)	8 Primary Lines Demand ($)	9 Primary Lines Customer ($)	10 Line Transformers Demand ($)	11 Line Transformers Customer ($)	12 Secondary Lines Demand ($)	13 Secondary Lines Customer ($)	14 Services Customer ($)	15 Meters Customer ($)	16 Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
							Distribution											
	Production																	
	Hydraulic																	
1	Bay D'Espoir	148,596,879	62,561,748	86,035,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	163,610,642	68,882,791	94,727,850	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	73,413,524	30,908,310	42,505,214	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	258,833,029	108,972,994	149,860,035	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	21,116,576	8,890,428	12,226,148	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	119,280,253	50,218,963	69,061,290	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Small Hydraulic	772,769	262,036	360,352	-	150,381	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**785,623,672**	**330,697,271**	**454,776,020**	**-**	**150,381**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
9	Holyrood	36,604,946	21,128,375	15,476,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	1,919,319	1,919,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	850,555	-	-	-	850,555	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**824,998,492**	**353,744,965**	**470,252,591**	**-**	**1,000,936**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
14	Lines	188,923,696	-	-	126,526,242	58,766,296	-	62,117	-	-	-	-	-	-	-	-	-	3,569,042
15	Lines - Hydraulic	48,319,129	20,343,154	27,975,975	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	63,088,890	-	-	39,085,656	16,432,568	-	-	-	-	-	-	-	-	-	-	-	7,570,665
17	Term Stns - Hydraulic	20,554,593	8,653,824	11,900,768	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	4,489,558	2,591,373	1,898,185	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	964,060	279,981	-	-	684,079	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	6,022,272	-	-	-	-	6,022,272	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**95,119,371**	**11,525,178**	**13,798,953**	**39,085,656**	**17,116,647**	**6,022,272**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,570,665**
22	**Subtotal Transmission**	**332,362,196**	**31,868,332**	**41,774,928**	**165,611,899**	**75,882,942**	**6,022,272**	**62,117**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,139,707**
	Distribution																	
23	Substations	3,821,489	-	-	-	683,695	3,137,794	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	425,169	-	-	-	-	-	320,556	40,837	-	-	37,181	26,594	-	-	-	-	-
25	Poles	30,559,357	-	-	-	-	-	17,673,943	6,040,118	-	-	3,128,300	3,716,996	-	-	-	-	-
26	Primary Conductor & Eqpt	6,783,411	-	-	-	-	-	6,016,885	766,525	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	4,268,692	-	-	-	-	-	4,268,692	-	-	-	-	-	-	-	-	-	-
28	Transformers	4,633,615	-	-	-	-	-	-	-	1,672,735	2,960,880	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	823,828	-	-	-	-	-	-	-	-	-	480,292	343,536	-	-	-	-	-
30	Services	1,917,810	-	-	-	-	-	-	-	-	-	-	-	1,917,810	-	-	-	-
31	Meters	1,209,266	-	-	-	-	-	-	-	-	-	-	-	-	1,209,266	-	-	-
32	Street Lighting	648,558	-	-	-	-	-	-	-	-	-	-	-	-	-	648,558	-	-
33	**Subtotal Distribution**	**55,091,196**	**-**	**-**	**-**	**683,695**	**3,137,794**	**28,280,077**	**6,847,481**	**1,672,735**	**2,960,880**	**3,645,773**	**4,087,126**	**1,917,810**	**1,209,266**	**648,558**	**-**	**-**
34	**Subtl Prod, Trans, & Dist**	**1,212,451,884**	**385,613,297**	**512,027,519**	**165,611,899**	**77,567,573**	**9,160,066**	**28,342,193**	**6,847,481**	**1,672,735**	**2,960,880**	**3,645,773**	**4,087,126**	**1,917,810**	**1,209,266**	**648,558**	**-**	**11,139,707**
35	General	62,067,665	21,755,512	19,530,216	6,045,139	3,442,906	923,207	4,176,209	1,007,414	205,994	364,627	558,830	617,300	356,018	170,886	70,628	2,201,394	641,385
36	Telecontrol - Custmr & Spec	224,773	-	-	-	-	-	-	-	-	-	-	-	-	-	-	143,841	80,933
37	Feasibility Studies	217,135	122,500	-	94,635	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	247,265	78,641	104,422	33,775	15,819	1,868	5,780	1,396	341	604	744	834	391	247	132	-	2,272
39	Software - General	1,429,565	454,665	603,716	195,268	91,458	10,800	33,417	8,074	1,972	3,491	4,299	4,819	2,261	1,426	765	-	13,134
40	**Total Net Book Value**	**1,276,638,287**	**408,024,614**	**532,265,873**	**171,980,715**	**81,117,756**	**10,095,941**	**32,557,600**	**7,864,365**	**1,881,043**	**3,329,602**	**4,209,646**	**4,710,079**	**2,276,481**	**1,381,824**	**720,083**	**2,345,235**	**11,877,430**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
1	Hydraulic	6,435,405	2,705,340	3,720,393	-	9,672	-	-	-	-	-	-	-	-	-	-	-	-
2	Holyrood / Thermal	15,330,091	8,848,529	6,481,563	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Gas Turbine	487,340	487,340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Diesel	348,284	-	-	-	348,284	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	2,730,714	1,248,798	1,460,557	-	21,359	-	-	-	-	-	-	-	-	-	-	-	-
7	**Subtotal Production**	**25,331,834**	**13,290,007**	**11,662,512**	**-**	**379,315**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
8	Transmission Lines	3,640,022	265,712	365,408	1,931,625	1,012,704	-	2,114	-	-	-	-	-	-	-	-	-	62,458
9	Terminal Stations	3,127,365	396,628	452,039	1,311,637	457,664	214,349	-	-	-	-	-	-	-	-	-	-	295,049
10	Other	1,351,249	122,527	155,244	667,681	317,409	30,419	527	-	-	-	-	-	-	-	-	-	57,442
11	**Subtotal Transmission**	**8,118,636**	**784,867**	**972,692**	**3,910,943**	**1,787,777**	**244,768**	**2,641**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**414,948**
	Distribution																	
12	Other	5,169,859	-	-	-	60,320	352,507	2,699,185	651,753	133,269	235,898	361,539	399,366	230,328	-	45,693	-	-
13	Meters	110,556	-	-	-	-	-	-	-	-	-	-	-	-	110,556	-	-	-
14	**Subtotal Distribution**	**5,280,415**	**-**	**-**	**-**	**60,320**	**352,507**	**2,699,185**	**651,753**	**133,269**	**235,898**	**361,539**	**399,366**	**230,328**	**110,556**	**45,693**	**-**	**-**
15	**Subttl Prod, Trans, & Dist**	**38,730,885**	**14,074,874**	**12,635,204**	**3,910,943**	**2,227,411**	**597,275**	**2,701,826**	**651,753**	**133,269**	**235,898**	**361,539**	**399,366**	**230,328**	**110,556**	**45,693**	**-**	**414,948**
16	Customer Accounting	1,424,207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,424,207	-
	Administrative & General:																	
	Plant-Related:																	
17	Production	2,108,655	964,321	1,127,841	-	16,493	-	-	-	-	-	-	-	-	-	-	-	-
18	Prod - Gas Turb & Diesel	470,495	358,707	-	-	111,787	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission	2,069,447	187,651	237,758	1,022,557	486,114	46,587	807	-	-	-	-	-	-	-	-	-	87,972
20	Distribution	1,095,667	-	-	-	12,510	73,109	559,805	135,172	27,640	48,925	74,982	82,828	47,770	23,449	9,477	-	-
21	Prod, Trans, Distn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Prod, Trans, Distn and General Plant	373,682	123,332	142,001	48,744	25,486	4,052	13,667	3,291	673	1,191	1,825	2,016	1,163	569	231	1,164	4,275
23	Prod, Trans, Distn, Excl Hydraulic & Holyrood	1,727,795	188,191	151,291	650,676	334,423	51,046	164,388	39,570	8,091	14,322	21,950	24,247	13,984	6,864	2,774	-	55,979
24	Property Insurance	1,139,916	465,453	532,045	61,988	32,271	15,880	8,392	2,024	414	733	1,123	1,240	715	343	142	4,567	12,583
	Revenue-Related:																	
25	Municipal Tax	790,576	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	PUB Assessment	512,161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	All Expense-Related	21,121,042	7,403,196	6,645,949	2,057,104	1,171,589	314,159	1,421,125	342,813	70,098	124,079	190,165	210,061	121,150	58,151	24,034	749,114	218,257
28	Prod, Trans, and Distn Expense-Related	896,296	325,716	292,399	90,506	51,546	13,822	62,525	15,083	3,084	5,459	8,367	9,242	5,330	2,558	1,057	-	9,603
29	**Subtotal Admin & General**	**32,305,731**	**10,016,567**	**9,129,283**	**3,931,575**	**2,242,220**	**518,655**	**2,230,709**	**537,953**	**110,000**	**194,709**	**298,412**	**329,634**	**190,112**	**91,935**	**37,715**	**754,845**	**388,669**
30	**Total Operating & Maintenance Expenses**	**72,460,822**	**24,091,441**	**21,764,487**	**7,842,518**	**4,469,632**	**1,115,931**	**4,932,535**	**1,189,706**	**243,269**	**430,607**	**659,951**	**729,001**	**420,440**	**202,490**	**83,408**	**2,179,052**	**803,617**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment	21 Basis of Functional Classification
	Production			
1	Hydraulic	-	-	Prorated on Hydraulic Plant in Service - Sch.2.2 L.8
2	Holyrood / Thermal	-	-	Prorated on Holyrood Plant in Service - Sch.2.2 L.9
3	Roddickton	-	-	Prorated on Roddickton Plant in Service - Sch.2.2 L.11
4	Gas Turbine	-	-	Prorated on Gas Turbines Plant in Service - Sch.2.2 L.10
5	Diesel	-	-	Prorated on Diesel Plant in Service - Sch.2.2 L.12
6	Other	-	-	Prorated on Production Plant in Service - Sch.2.2 L.13
7	**Subtotal Production**	-	-	
	Transmission			
8	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.14, 15
9	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.21
10	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.22
11	**Subtotal Transmission**	-	-	
	Distribution			
12	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 33, less L. 31
13	Meters	-	-	Meters - Customer
14	**Subtotal Distribution**	-	-	
15	**Subtl Prod, Trans, & Dist**	-	-	
16	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
17	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.13
18	Prod - Gas Turb & Diesel		-	Prorated on Gas Turbine & Diesel Production Plant in Service - Sch.2.2 L.10, 12
19	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.22
20	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.33
21	Prod, Trans, Distn	-	-	Prorated on Prod, Trans & Distribution Plant in Service - Sch.2.2 L.34
22	Prod, Trans, Distn and General Plant	-	-	Prorated on Total Plant in Service, Sch. 2.2, L. 40
23	Prod, Trans, Distn, Excl Hydraulic & Holyrood	-	-	Prorated on Total Plant in Service, Sch. 2.2, L. 34 Less L. 8 and L. 9
24	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.13, 21, 23, 35 - 36
	Revenue-Related:			
25	Municipal Tax	790,576	-	Revenue-related
26	PUB Assessment	-	512,161	Revenue-related
27	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L 15, 16
28	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L 15
29	**Subtotal Admin & General**	**790,576**	**512,161**	
30	**Total Operating & Maintenance Expenses**	**790,576**	**512,161**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	1,494,183	629,076	865,107	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	574,502	241,875	332,627	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	433,231	182,397	250,834	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	841,223	354,169	487,054	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	100,137	42,159	57,977	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	197,964	83,346	114,618	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Small Hydraulic	26,458	8,908	12,250	-	5,301	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**3,667,698**	**1,541,930**	**2,120,467**	**-**	**5,301**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
9	Holyrood	2,233,964	1,289,444	944,520	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	95,580	95,580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	99,154	-	-	-	99,154	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**6,096,396**	**2,926,954**	**3,064,987**	**-**	**104,455**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
14	Lines	4,416,610	-	-	2,601,303	1,578,701	-	9,013	-	-	-	-	-	-	-	-	-	227,592
15	Lines - Hydraulic	272,332	114,656	157,676	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	3,031,769	-	-	2,335,117	199,776	-	-	-	-	-	-	-	-	-	-	-	496,876
17	Term Stns - Hydraulic	841,805	354,414	487,391	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	335,736	193,787	141,949	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	13,286	10,241	-	-	3,045	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	128,836	-	-	-	-	128,836	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**4,351,432**	**558,442**	**629,340**	**2,335,117**	**202,821**	**128,836**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**496,876**
22	**Subtotal Transmission**	**9,040,374**	**673,098**	**787,016**	**4,936,420**	**1,781,522**	**128,836**	**9,013**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**724,468**
	Distribution																	
23	Substations	243,145	-	-	-	37,834	205,310	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	20,509	-	-	-	-	-	15,463	1,970	-	-	1,794	1,283	-	-	-	-	-
25	Poles	1,560,376	-	-	-	-	-	902,440	308,411	-	-	159,733	189,792	-	-	-	-	-
26	Primary Conductor & Eqpt	347,690	-	-	-	-	-	308,401	39,289	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	273,269	-	-	-	-	-	273,269	-	-	-	-	-	-	-	-	-	-
28	Transformers	213,932	-	-	-	-	-	-	-	77,230	136,703	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	50,675	-	-	-	-	-	-	-	-	-	29,544	21,132	-	-	-	-	-
30	Services	95,614	-	-	-	-	-	-	-	-	-	-	-	95,614	-	-	-	-
31	Meters	63,028	-	-	-	-	-	-	-	-	-	-	-	-	63,028	-	-	-
32	Street Lighting	28,256	-	-	-	-	-	-	-	-	-	-	-	-	-	28,256	-	-
33	**Subtotal Distribution**	**2,896,492**	**-**	**-**	**-**	**37,834**	**205,310**	**1,499,573**	**349,670**	**77,230**	**136,703**	**191,070**	**212,206**	**95,614**	**63,028**	**28,256**	**-**	**-**
34	**Subttl Prod, Trans, & Dist**	**18,033,263**	**3,600,052**	**3,852,004**	**4,936,420**	**1,923,811**	**334,147**	**1,508,586**	**349,670**	**77,230**	**136,703**	**191,070**	**212,206**	**95,614**	**63,028**	**28,256**	**-**	**724,468**
35	General	9,211,030	3,228,584	2,898,344	897,117	510,938	137,007	619,762	149,503	30,570	54,112	82,932	91,609	52,834	25,360	10,481	326,694	95,183
36	Telecontrol - Custmr & Spec	26,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,090	8,910
37	Feasibility Studies	86,129	30,000	-	56,129	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	58,180	11,615	12,428	15,926	6,207	1,078	4,867	1,128	249	441	616	685	308	203	91	-	2,337
39	Software - General	470,397	93,907	100,479	128,766	50,182	8,716	39,351	9,121	2,015	3,566	4,984	5,535	2,494	1,644	737	-	18,898
40	**Total Deprecn Expense**	**27,884,999**	**6,964,159**	**6,863,254**	**6,034,358**	**2,491,138**	**480,948**	**2,172,567**	**509,423**	**110,063**	**194,822**	**279,602**	**310,035**	**151,250**	**90,235**	**39,565**	**343,784**	**849,797**

NEWFOUNDLAND & LABRADOR HYDRO
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Island Interconnected
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
1	Average Net Book Value	1,276,638,287	408,024,614	532,265,873	171,980,715	81,117,756	10,095,941	32,557,600	7,864,365	1,881,043	3,329,602	4,209,646	4,710,079	2,276,481	1,381,824	720,083	2,345,235	11,877,430
2	Cash Working Capital	2,856,571	912,985	1,190,984	384,819	181,507	22,590	72,850	17,597	4,209	7,450	9,419	10,539	5,094	3,092	1,611	5,248	26,577
3	Fuel Inventory - No. 6 Fuel	11,872,074	-	11,872,074	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	48,247	-	-	-	48,247	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	796,938	796,938	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	17,679,828	5,835,155	6,718,416	2,306,215	1,205,828	191,731	646,613	155,698	31,837	56,354	86,368	95,405	55,023	26,916	10,916	55,092	202,261
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	76,517,226	24,455,566	31,902,152	10,307,922	4,861,914	605,115	1,951,388	471,362	112,743	199,565	252,311	282,306	136,444	82,822	43,159	140,565	711,892
8	Total Rate Base	**1,386,409,170**	**440,025,258**	**583,949,498**	**184,979,672**	**87,415,252**	**10,915,378**	**35,228,451**	**8,509,022**	**2,029,832**	**3,592,971**	**4,557,745**	**5,098,328**	**2,473,042**	**1,494,653**	**775,769**	**2,546,140**	**12,818,160**
9	Less: Rural Asset Portion	(164,636,583)	-	-	-	(87,415,252)	(10,915,378)	(35,228,451)	(8,509,022)	(2,029,832)	(3,592,971)	(4,557,745)	(5,098,328)	(2,473,042)	(1,494,653)	(775,769)	(2,546,140)	-
10	Rate Base Available for Equity Return	**1,221,772,587**	**440,025,258**	**583,949,498**	**184,979,672**	-	-	-	-	-	-	-	-	-	-	-	-	**12,818,160**
11	Return on Debt	98,967,734	31,410,859	41,684,778	13,204,629	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	915,014
12	Return on Equity	14,461,511	5,208,359	6,911,918	2,189,512	-	-	-	-	-	-	-	-	-	-	-	-	151,722
13	Return on Rate Base	**113,429,246**	**36,619,218**	**48,596,696**	**15,394,141**	**6,240,069**	**779,186**	**2,514,755**	**607,410**	**144,898**	**256,481**	**325,351**	**363,940**	**176,536**	**106,695**	**55,378**	**181,754**	**1,066,736**

NEWFOUNDLAND & LABRADOR HYDRO
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Island Interconnected
Functional Classification of Rate Base (CONT'D.)

	1	19
Line No.	Description	Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 40
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	Production - Demand, Energy ratios Sch.4.1 L.10
4	Fuel Inventory - Diesel	Production - Demand, Energy ratios Sch.4.1 L.12
5	Fuel Inventory - Gas Turbine	Production - Demand, Energy ratios Sch.4.1 L.11
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 40
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Asset Portion	Rural Transmission and Distribution Rate Base
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Rural Prod & Transmission Demand	7 Substations Demand	8 Distribution Primary Lines Demand	9 Primary Lines Customer	10 Line Transformers Demand	11 Line Transformers Customer	12 Secondary Lines Demand	13 Secondary Lines Customer	14 Services Customer	15 Meters Customer	16 Street Lighting Customer	17 Accounting Customer	18 Specifically Assigned Customer
			(1 CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wtd Rural Cust)			(Rural Cust)	
	Amounts																	
1	Newfoundland Power	-	1,067,783	4,902,167	1,036,700	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Industrial - Firm	-	167,387	1,414,178	162,514	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Industrial - Non-Firm	-	-	827	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
4	1.1 Domestic	-	26,368	121,106	25,601	25,601	23,952	23,952	12,337	21,530	12,337	21,530	12,337	12,337	12,337	-	12,337	-
5	1.12 Domestic All Electric	-	32,781	129,422	31,827	31,827	29,777	29,777	6,817	26,766	6,817	26,766	6,817	6,817	6,817	-	6,817	-
6	1.3 Special	-	71	252	69	69	65	65	2	58	2	58	2	2	2	-	2	-
7	2.1 GS 0-10 kW	-	4,375	23,355	4,248	4,248	3,974	3,974	1,922	3,572	1,922	3,572	1,922	3,844	3,844	-	1,922	-
8	2.2 GS 10-100 kW	-	15,105	75,212	14,665	14,665	13,720	13,720	876	12,331	876	12,331	876	7,071	7,071	-	876	-
9	2.3 GS 110-1,000 kVa	-	7,176	39,716	6,967	6,967	6,518	6,518	75	5,354	75	5,354	75	643	643	-	75	-
10	2.4 GS Over 1,000 kVa	-	2,801	27,582	2,719	2,719	2,544	2,544	6	1,911	6	1,911	6	51	51	-	6	-
11	4.1 Street and Area Lighting	-	874	3,432	849	849	794	794	861	714	861	714	861	-	-	1	861	-
12	**Subtotal Rural**	-	**89,551**	**420,076**	**86,944**	**86,944**	**81,345**	**81,345**	**22,896**	**72,236**	**22,896**	**72,236**	**22,896**	**30,765**	**30,765**	**1**	**22,896**	-
13	**Total**	-	**1,324,720**	**6,737,249**	**1,286,158**	**86,944**	**81,345**	**81,345**	**22,896**	**72,236**	**22,896**	**72,236**	**22,896**	**30,765**	**30,765**	**1**	**22,896**	-
	Ratios Excluding Return on Equity																	
14	Newfoundland Power	-	0.8060	0.7276	0.8060	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Industrial - Firm	-	0.1264	0.2099	0.1264	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Industrial - Non-Firm	-	-	0.0001	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
17	1.1 Domestic	-	0.0199	0.0180	0.0199	0.2944	0.2944	0.2944	0.5388	0.2980	0.5388	0.2980	0.5388	0.4010	0.4010	-	0.5388	-
18	1.12 Domestic All Electric	-	0.0247	0.0192	0.0247	0.3661	0.3661	0.3661	0.2977	0.3705	0.2977	0.3705	0.2977	0.2216	0.2216	-	0.2977	-
19	1.3 Special	-	0.0001	0.0000	0.0001	0.0008	0.0008	0.0008	0.0001	0.0008	0.0001	0.0008	0.0001	0.0001	0.0001	-	0.0001	-
20	2.1 GS 0-10 kW	-	0.0033	0.0035	0.0033	0.0489	0.0489	0.0489	0.0839	0.0495	0.0839	0.0495	0.0839	0.1249	0.1249	-	0.0839	-
21	2.2 GS 10-100 kW	-	0.0114	0.0112	0.0114	0.1687	0.1687	0.1687	0.0383	0.1707	0.0383	0.1707	0.0383	0.2298	0.2298	-	0.0383	-
22	2.3 GS 110-1,000 kVa	-	0.0054	0.0059	0.0054	0.0801	0.0801	0.0801	0.0033	0.0741	0.0033	0.0741	0.0033	0.0209	0.0209	-	0.0033	-
23	2.4 GS Over 1,000 kVa	-	0.0021	0.0041	0.0021	0.0313	0.0313	0.0313	0.0003	0.0265	0.0003	0.0265	0.0003	0.0017	0.0017	-	0.0003	-
24	4.1 Street and Area Lighting	-	0.0007	0.0005	0.0007	0.0098	0.0098	0.0098	0.0376	0.0099	0.0376	0.0099	0.0376	-	-	1.0000	0.0376	-
25	**Subtotal Rural**	-	**0.0676**	**0.0624**	**0.0676**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	-
26	**Total**	-	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	20 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	Newfoundland Power	-	229,268,380
2	Industrial - Firm	-	50,417,591
3	Industrial - Non-Firm	-	228,581
	Rural		
4	1.1 Domestic	9,835,316	9,835,316
5	1.12 Domestic All Electric	9,234,552	9,234,552
6	1.3 Special	10,229	10,229
7	2.1 GS 0-10 kW	2,276,050	2,276,050
8	2.2 GS 10-100 kW	6,145,471	6,145,471
9	2.3 GS 110-1,000 kVa	2,785,166	2,785,166
10	2.4 GS Over 1,000 kVa	1,524,942	1,524,942
11	4.1 Street and Area Lighting	768,505	768,505
12	**Subtotal Rural**	**32,580,231**	**32,580,231**
13	**Total**	**32,580,231**	**312,494,783**
	Ratios Excluding Return on Equity		
14	Newfoundland Power	-	0.7337
15	Industrial - Firm	-	0.1613
16	Industrial - Non-Firm	-	0.0007
	Rural		
17	1.1 Domestic	0.3019	0.0315
18	1.12 Domestic All Electric	0.2834	0.0296
19	1.3 Special	0.0003	0.0000
20	2.1 GS 0-10 kW	0.0699	0.0073
21	2.2 GS 10-100 kW	0.1886	0.0197
22	2.3 GS 110-1,000 kVa	0.0855	0.0089
23	2.4 GS Over 1,000 kVa	0.0468	0.0049
24	4.1 Street and Area Lighting	0.0236	0.0025
25	**Subtotal Rural**	**1.0000**	**0.1043**
26	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
				Production and		Rural Prod &	Distribution											Specifically
Line		Total	Production	Transmission	Transmission	Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Assigned
No.	Description	Amount	Demand	Energy	Demand	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer
	Allocated Rev Reqmt Excl Return		($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
1	Newfoundland Power	143,224,003	35,288,442	95,048,380	11,151,428	-	-	-	-	-	-	-	-	-	-	-	-	1,361,930
2	Industrial - Firm	35,073,805	5,531,847	27,419,575	1,748,108	-	-	-	-	-	-	-	-	-	-	-	-	292,069
3	Industrial - Non-Firm	16,410	-	16,037	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
4	1.1 Domestic	12,032,928	871,426	2,348,126	275,377	2,194,069	469,677	1,937,959	819,837	105,157	336,506	252,565	500,949	228,738	95,853	-	1,343,223	-
5	1.12 Domestic All Electric	12,175,963	1,083,356	2,509,377	342,349	2,727,665	583,903	2,409,270	453,013	130,731	185,941	313,988	276,807	126,393	52,965	-	742,219	-
6	1.3 Special	22,205	2,358	4,880	745	5,937	1,271	5,244	133	285	55	683	81	37	16	-	218	-
7	2.1 GS 0-10 kW	2,093,198	144,583	452,835	45,689	364,029	77,927	321,536	127,724	17,447	52,425	41,904	78,044	71,271	29,866	-	209,263	-
8	2.2 GS 10-100 kW	5,513,564	499,181	1,458,296	157,745	1,256,835	269,047	1,110,127	58,213	60,225	23,894	144,648	35,570	131,094	54,935	-	95,377	-
9	2.3 GS 110-1,000 kVa	2,530,292	237,142	770,049	74,939	597,075	127,814	527,380	4,984	26,151	2,046	62,810	3,045	11,919	4,995	-	8,166	-
10	2.4 GS Over 1,000 kVa	1,219,274	92,566	534,781	29,252	233,063	49,891	205,858	399	9,333	164	22,417	244	954	400	-	653	-
11	4.1 Street and Area Lighting	621,080	28,899	66,541	9,132	72,762	15,576	64,269	57,216	3,487	23,485	8,376	34,961	-	-	122,826	93,744	-
12	**Subtotal Rural**	**36,208,503**	**2,959,511**	**8,144,885**	**935,229**	**7,451,435**	**1,595,105**	**6,581,642**	**1,521,519**	**352,817**	**624,515**	**847,391**	**929,702**	**570,404**	**239,028**	**122,826**	**2,492,862**	**-**
13	**Total**	**214,522,722**	**43,779,800**	**130,628,877**	**13,834,764**	**7,451,435**	**1,595,105**	**6,581,642**	**1,521,519**	**352,817**	**624,515**	**847,391**	**929,702**	**570,404**	**239,028**	**122,826**	**2,492,862**	**1,654,000**
	Allocated Return on Debt																	
14	Newfoundland Power	67,052,875	25,318,532	30,330,741	10,643,511	-	-	-	-	-	-	-	-	-	-	-	-	760,091
15	Industrial - Firm	14,542,182	3,968,955	8,749,818	1,668,486	-	-	-	-	-	-	-	-	-	-	-	-	154,923
16	Industrial - Non-Firm	5,118	-	5,118	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
17	1.1 Domestic	5,457,907	625,225	749,307	262,835	1,837,383	229,431	740,468	327,289	43,187	138,199	96,971	196,101	70,793	42,786	-	97,934	-
18	1.12 Domestic All Electric	6,051,500	777,279	800,764	326,756	2,284,234	285,228	920,549	180,849	53,690	76,364	120,554	108,359	39,118	23,642	-	54,115	-
19	1.3 Special	12,077	1,692	1,557	711	4,972	621	2,004	53	117	22	262	32	11	7	-	16	-
20	2.1 GS 0-10 kW	934,587	103,734	144,503	43,608	304,849	38,066	122,855	50,989	7,165	21,530	16,089	30,551	22,058	13,331	-	15,257	-
21	2.2 GS 10-100 kW	2,781,463	358,149	465,355	150,560	1,052,514	131,425	424,164	23,239	24,734	9,813	55,537	13,924	40,573	24,521	-	6,954	-
22	2.3 GS 110-1,000 kVa	1,296,739	170,143	245,729	71,526	500,010	62,435	201,505	1,990	10,740	840	24,116	1,192	3,689	2,229	-	595	-
23	2.4 GS Over 1,000 kVa	576,471	66,414	170,653	27,919	195,175	24,371	78,656	159	3,833	67	8,607	95	295	178	-	48	-
24	4.1 Street and Area Lighting	256,815	20,734	21,234	8,716	60,933	7,609	24,556	22,842	1,432	9,645	3,216	13,686	-	-	55,378	6,835	-
25	**Subtotal Rural**	**17,367,559**	**2,123,372**	**2,599,102**	**892,632**	**6,240,069**	**779,186**	**2,514,755**	**607,410**	**144,898**	**256,481**	**325,351**	**363,940**	**176,536**	**106,695**	**55,378**	**181,754**	**-**
26	**Total**	**98,967,734**	**31,410,859**	**41,684,778**	**13,204,629**	**6,240,069**	**779,186**	**2,514,755**	**607,410**	**144,898**	**256,481**	**325,351**	**363,940**	**176,536**	**106,695**	**55,378**	**181,754**	**915,014**
	Allocated Return on Equity																	
27	Newfoundland Power	11,118,303	4,198,166	5,029,260	1,764,843	-	-	-	-	-	-	-	-	-	-	-	-	126,034
28	Industrial - Firm	2,411,297	658,108	1,450,842	276,658	-	-	-	-	-	-	-	-	-	-	-	-	25,688
29	Industrial - Non-Firm	849	-	849	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
30	1.1 Domestic	271,498	103,671	124,246	43,582	-	-	-	-	-	-	-	-	-	-	-	-	-
31	1.12 Domestic All Electric	315,842	128,884	132,778	54,181	-	-	-	-	-	-	-	-	-	-	-	-	-
32	1.3 Special	657	281	258	118	-	-	-	-	-	-	-	-	-	-	-	-	-
33	2.1 GS 0-10 kW	48,392	17,201	23,961	7,231	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.2 GS 10-100 kW	161,513	59,386	77,162	24,965	-	-	-	-	-	-	-	-	-	-	-	-	-
35	2.3 GS 110-1,000 kVa	80,817	28,212	40,745	11,860	-	-	-	-	-	-	-	-	-	-	-	-	-
36	2.4 GS Over 1,000 kVa	43,938	11,012	28,297	4,629	-	-	-	-	-	-	-	-	-	-	-	-	-
37	4.1 Street and Area Lighting	8,404	3,438	3,521	1,445	-	-	-	-	-	-	-	-	-	-	-	-	-
38	**Subtotal Rural**	**931,063**	**352,085**	**430,967**	**148,011**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
39	**Total**	**14,461,511**	**5,208,359**	**6,911,918**	**2,189,512**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**151,722**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment
	Allocated Rev Reqmt Excl Return		($)
1	Newfoundland Power	-	373,824
2	Industrial - Firm	-	82,206
3	Industrial - Non-Firm	-	373
	Rural		
4	1.1 Domestic	237,431	16,037
5	1.12 Domestic All Electric	222,928	15,057
6	1.3 Special	247	17
7	2.1 GS 0-10 kW	54,945	3,711
8	2.2 GS 10-100 kW	148,356	10,020
9	2.3 GS 110-1,000 kVa	67,236	4,541
10	2.4 GS Over 1,000 kVa	36,813	2,486
11	4.1 Street and Area Lighting	18,552	1,253
12	**Subtotal Rural**	**786,508**	**53,122**
13	**Total**	**786,508**	**509,525**
	Allocated Return on Debt		
14	Newfoundland Power	-	-
15	Industrial - Firm	-	-
16	Industrial - Non-Firm	-	-
	Rural		
17	1.1 Domestic	-	-
18	1.12 Domestic All Electric	-	-
19	1.3 Special	-	-
20	2.1 GS 0-10 kW	-	-
21	2.2 GS 10-100 kW	-	-
22	2.3 GS 110-1,000 kVa	-	-
23	2.4 GS Over 1,000 kVa	-	-
24	4.1 Street and Area Lighting	-	-
25	**Subtotal Rural**	-	-
26	**Total**	-	-
	Allocated Return on Equity		
27	Newfoundland Power	-	-
28	Industrial - Firm	-	-
29	Industrial - Non-Firm	-	-
	Rural		
30	1.1 Domestic	-	-
31	1.12 Domestic All Electric	-	-
32	1.3 Special	-	-
33	2.1 GS 0-10 kW	-	-
34	2.2 GS 10-100 kW	-	-
35	2.3 GS 110-1,000 kVa	-	-
36	2.4 GS Over 1,000 kVa	-	-
37	4.1 Street and Area Lighting	-	-
38	**Subtotal Rural**	-	-
39	**Total**	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Rural Prod & Transmission Demand	7 Substations	8 Distribution Primary Lines Demand	9 Distribution Primary Lines Customer	10 Distribution Line Transformers Demand	11 Distribution Line Transformers Customer	12 Distribution Secondary Lines Demand	13 Distribution Secondary Lines Customer	14 Distribution Services Customer	15 Distribution Meters Customer	16 Distribution Street Lighting Customer	17 Accounting Customer	18 Specifically Assigned Customer
	Total Revenue Requiremt	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
40	Newfoundland Power	221,395,182	64,805,140	130,408,381	23,559,781	-	-	-	-	-	-	-	-	-	-	-	-	2,248,055
41	Industrial - Firm	52,027,285	10,158,910	37,620,235	3,693,252	-	-	-	-	-	-	-	-	-	-	-	-	472,681
42	Industrial - Non-Firm	22,376	-	22,003	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
43	1.1 Domestic	17,762,333	1,600,322	3,221,679	581,794	4,031,452	699,108	2,678,426	1,147,126	148,344	474,705	349,535	697,050	299,530	138,638	-	1,441,158	-
44	1.12 Domestic All Electric	18,543,304	1,989,519	3,442,919	723,286	5,011,899	869,131	3,329,819	633,862	184,421	262,306	434,542	385,166	165,510	76,607	-	796,334	-
45	1.3 Special	34,939	4,330	6,695	1,574	10,909	1,892	7,248	186	401	77	946	113	49	22	-	234	-
46	2.1 GS 0-10 kW	3,076,177	265,517	621,299	96,528	668,878	115,993	444,391	178,713	24,612	73,955	57,993	108,594	93,329	43,197	-	224,520	-
47	2.2 GS 10-100 kW	8,456,540	916,717	2,000,813	333,271	2,309,349	400,472	1,534,291	81,453	84,959	33,707	200,185	49,495	171,667	79,456	-	102,331	-
48	2.3 GS 110-1,000 kVa	3,907,849	435,498	1,056,523	158,324	1,097,085	190,249	728,884	6,974	36,891	2,886	86,926	4,238	15,608	7,224	-	8,761	-
49	2.4 GS Over 1,000 kVa	1,839,683	169,993	733,731	61,801	428,238	74,262	284,514	558	13,167	231	31,024	339	1,249	578	-	701	-
50	4.1 Street and Area Lighting	886,299	53,071	91,296	19,294	133,695	23,185	88,825	80,058	4,920	33,130	11,592	48,647	-	-	178,204	100,578	-
51	**Subtotal Rural**	**54,507,125**	**5,434,968**	**11,174,954**	**1,975,872**	**13,691,504**	**2,374,291**	**9,096,398**	**2,128,929**	**497,715**	**880,996**	**1,172,743**	**1,293,642**	**746,941**	**345,723**	**178,204**	**2,674,617**	**-**
52	**Total**	**327,951,968**	**80,399,018**	**179,225,574**	**29,228,905**	**13,691,504**	**2,374,291**	**9,096,398**	**2,128,929**	**497,715**	**880,996**	**1,172,743**	**1,293,642**	**746,941**	**345,723**	**178,204**	**2,674,617**	**2,720,736**
	Re-classification of Revenue-Related																	
53	Newfoundland Power	-	109,608	220,566	39,848	-	-	-	-	-	-	-	-	-	-	-	-	3,802
54	Industrial - Firm	-	16,077	59,536	5,845	-	-	-	-	-	-	-	-	-	-	-	-	748
55	Industrial - Non-Firm	-	-	373	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
56	1.1 Domestic	0	23,167	46,639	8,422	58,361	10,121	38,774	16,606	2,147	6,872	5,060	10,091	4,336	2,007	-	20,863	-
57	1.12 Domestic All Electric	(0)	25,865	44,761	9,403	65,159	11,299	43,291	8,241	2,398	3,410	5,649	5,007	2,152	996	-	10,353	-
58	1.3 Special	(0)	33	51	12	83	14	55	1	3	1	7	1	0	0	-	2	-
59	2.1 GS 0-10 kW	0	5,161	12,077	1,876	13,002	2,255	8,638	3,474	478	1,438	1,127	2,111	1,814	840	-	4,364	-
60	2.2 GS 10-100 kW	-	17,496	38,187	6,361	44,075	7,643	29,283	1,555	1,621	643	3,821	945	3,276	1,516	-	1,953	-
61	2.3 GS 110-1,000 kVa	(0)	8,149	19,769	2,962	20,528	3,560	13,638	130	690	54	1,626	79	292	135	-	164	-
62	2.4 GS Over 1,000 kVa	(0)	3,711	16,016	1,349	9,348	1,621	6,210	12	287	5	677	7	27	13	-	15	-
63	4.1 Street and Area Lighting	-	1,213	2,087	441	3,056	530	2,030	1,830	112	757	265	1,112	-	-	4,073	2,299	-
64	**Subtotal Rural**	**0**	**84,795**	**179,586**	**30,827**	**213,612**	**37,043**	**141,920**	**31,850**	**7,738**	**13,180**	**18,233**	**19,353**	**11,898**	**5,507**	**4,073**	**40,013**	**-**
65	**Total**	**0**	**210,480**	**460,061**	**76,520**	**213,612**	**37,043**	**141,920**	**31,850**	**7,738**	**13,180**	**18,233**	**19,353**	**11,898**	**5,507**	**4,073**	**40,013**	**4,550**
	Total Allocated Revenue Requirement																	
66	Newfoundland Power	221,395,182	64,914,748	130,628,947	23,599,629	-	-	-	-	-	-	-	-	-	-	-	-	2,251,858
67	Industrial - Firm	52,027,285	10,174,988	37,679,772	3,699,097	-	-	-	-	-	-	-	-	-	-	-	-	473,429
68	Industrial - Non-Firm	22,376	-	22,376	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
69	1.1 Domestic	17,762,333	1,623,489	3,268,317	590,216	4,089,813	709,229	2,717,201	1,163,732	150,491	481,577	354,595	707,141	303,866	140,645	-	1,462,021	-
70	1.12 Domestic All Electric	18,543,304	2,015,385	3,487,680	732,689	5,077,058	880,430	3,373,109	642,103	186,818	265,716	440,191	390,173	167,662	77,603	-	806,687	-
71	1.3 Special	34,939	4,363	6,746	1,586	10,992	1,906	7,303	187	404	78	953	114	49	23	-	235	-
72	2.1 GS 0-10 kW	3,076,177	270,679	633,376	98,405	681,880	118,247	453,030	182,186	25,091	75,393	59,120	110,705	95,143	44,037	-	228,885	-
73	2.2 GS 10-100 kW	8,456,540	934,213	2,039,000	339,631	2,353,424	408,115	1,563,574	83,007	86,580	34,350	204,006	50,439	174,943	80,973	-	104,284	-
74	2.3 GS 110-1,000 kVa	3,907,849	443,647	1,076,291	161,287	1,117,613	193,809	742,523	7,104	37,582	2,940	88,552	4,317	15,900	7,359	-	8,925	-
75	2.4 GS Over 1,000 kVa	1,839,683	173,704	749,747	63,150	437,585	75,883	290,724	570	13,454	236	31,701	346	1,276	591	-	716	-
76	4.1 Street and Area Lighting	886,299	54,285	93,383	19,735	136,751	23,714	90,855	81,888	5,032	33,887	11,857	49,759	-	-	182,277	102,877	-
77	**Subtotal Rural**	**54,507,125**	**5,519,763**	**11,354,540**	**2,006,699**	**13,905,117**	**2,411,334**	**9,238,318**	**2,160,779**	**505,453**	**894,176**	**1,190,976**	**1,312,995**	**758,839**	**351,230**	**182,277**	**2,714,630**	**-**
78	**Total**	**327,951,968**	**80,609,498**	**179,685,635**	**29,305,425**	**13,905,117**	**2,411,334**	**9,238,318**	**2,160,779**	**505,453**	**894,176**	**1,190,976**	**1,312,995**	**758,839**	**351,230**	**182,277**	**2,714,630**	**2,725,286**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax ($)	20 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requiremt			
40	Newfoundland Power	-	373,824	
41	Industrial - Firm	-	82,206	
42	Industrial - Non-Firm	-	373	
	Rural			
43	1.1 Domestic	237,431	16,037	
44	1.12 Domestic All Electric	222,928	15,057	
45	1.3 Special	247	17	
46	2.1 GS 0-10 kW	54,945	3,711	
47	2.2 GS 10-100 kW	148,356	10,020	
48	2.3 GS 110-1,000 kVa	67,236	4,541	
49	2.4 GS Over 1,000 kVa	36,813	2,486	
50	4.1 Street and Area Lighting	18,552	1,253	
51	**Subtotal Rural**	**786,508**	**53,122**	
52	**Total**	**786,508**	**509,525**	
	Re-classification of Revenue-Related			
53	Newfoundland Power	-	(373,824)	Re-classification to demand, energy and customer is based on rate class revenue
54	Industrial - Firm	-	(82,206)	requirements excluding revenue-related items.
55	Industrial - Non-Firm	-	(373)	
	Rural			
56	1.1 Domestic	(237,431)	(16,037)	
57	1.12 Domestic All Electric	(222,928)	(15,057)	
58	1.3 Special	(247)	(17)	
59	2.1 GS 0-10 kW	(54,945)	(3,711)	
60	2.2 GS 10-100 kW	(148,356)	(10,020)	
61	2.3 GS 110-1,000 kVa	(67,236)	(4,541)	
62	2.4 GS Over 1,000 kVa	(36,813)	(2,486)	
63	4.1 Street and Area Lighting	(18,552)	(1,253)	
64	**Subtotal Rural**	**(786,508)**	**(53,122)**	
65	**Total**	**(786,508)**	**(509,525)**	
	Total Allocated Revenue Requirement			
66	Newfoundland Power	-	-	
67	Industrial - Firm	-	-	
68	Industrial - Non-Firm	-	-	
	Rural			
69	1.1 Domestic	-	-	
70	1.12 Domestic All Electric	-	-	
71	1.3 Special	-	-	
72	2.1 GS 0-10 kW	-	-	
73	2.2 GS 10-100 kW	-	-	
74	2.3 GS 110-1,000 kVa	-	-	
75	2.4 GS Over 1,000 kVa	-	-	
76	4.1 Street and Area Lighting	-	-	
77	**Subtotal Rural**	-	-	
78	**Total**	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Interconnected
Allocation of Specifically Assigned Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
			OM&A				Depreciation				Expense Credits							
Line			Transmission		Administrative &		Transmission		Telecontrol &		Rental			Subtotal			Subtotal	
No.	Description	Total Amount ($)	Lines ($) (Plant)	Terminals ($) (Plant)	General ($) (C3 & C4)	Other ($) (Direct)	Lines ($) (Direct)	Terminals ($) (Direct)	Feasibility Stud ($) (Direct)	General ($) (C7 & C8)	Income ($) (Plant)	Other ($) (C4 + C5)	Gains/Losses ($) (NBV)	Excluding Return ($)	Return on Debt ($) (NBV)	Return on Equity ($) (NBV)	Excl Rev Related ($)	Revenue Related ($)
	Basis of Allocation - Amounts																	
1	Newfoundland Power		4,839,976	9,447,648	14,287,624	-	-	-	-	639,496	9,447,648	14,287,624	9,320,850	-	9,320,850	9,320,850	-	-
	Industrial																	
2	Abitibi Consolidated - S'ville		122,926	489,197	612,123	-	-	-	-	26,063	489,197	612,123	557,787	-	557,787	557,787	-	-
3	Abitibi Consolidated - GF		-	17,148	17,148	-	-	-	-	160	17,148	17,148	11,236	-	11,236	11,236	-	-
4	Corner Brook P& P - CB		-	2,117,396	2,117,396	-	-	-	-	21,337	2,117,396	2,117,396	547,549	-	547,549	547,549	-	-
5	Corner Brook P& P - DL		-	23,100	23,100	-	-	-	-	208	23,100	23,100	21,686	-	21,686	21,686	-	-
6	North Atlantic Refining Limited		-	1,251,577	1,251,577	-	-	-	-	46,114	1,251,577	1,251,577	761,531	-	761,531	761,531	-	-
7	**Subtotal Industrial**		**122,926**	**3,898,418**	**4,021,344**	**-**	**-**	**-**	**-**	**93,882**	**3,898,418**	**4,021,344**	**1,899,789**	**-**	**1,899,789**	**1,899,789**	**-**	**-**
8	**Total**		**4,962,902**	**13,346,066**	**18,308,968**	**-**	**-**	**-**	**-**	**733,378**	**13,346,066**	**18,308,968**	**11,220,639**	**-**	**11,220,639**	**11,220,639**	**-**	**-**
9	**Basis of Allocation - Ratios**																	
10	Newfoundland Power		0.9752	0.7079	0.7804	-	-	-	-	0.8720	0.7079	0.7804	0.8307	-	0.8307	0.8307	-	-
	Industrial																	
11	Abitibi Consolidated - S'ville		0.0248	0.0367	0.0334	-	-	-	-	0.0355	0.0367	0.0334	0.0497	-	0.0497	0.0497	-	-
12	Abitibi Consolidated - GF		-	0.0013	0.0009	-	-	-	-	0.0002	0.0013	0.0009	0.0010	-	0.0010	0.0010	-	-
13	Corner Brook P& P - CB		-	0.1587	0.1156	-	-	-	-	0.0291	0.1587	0.1156	0.0488	-	0.0488	0.0488	-	-
14	Corner Brook P& P - DL		-	0.0017	0.0013	-	-	-	-	0.0003	0.0017	0.0013	0.0019	-	0.0019	0.0019	-	-
15	North Atlantic Refining Ltd.		-	0.0938	0.0684	-	-	-	-	0.0629	0.0938	0.0684	0.0679	-	0.0679	0.0679	-	-
16	**Subtotal Industrial**		**0.0248**	**0.2921**	**0.2196**	**-**	**-**	**-**	**-**	**0.1280**	**0.2921**	**0.2196**	**0.1693**	**-**	**0.1693**	**0.1693**	**-**	**-**
17	**Total**		**1.0000**	**1.0000**	**1.0000**	**-**	**-**	**-**	**-**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**-**	**1.0000**	**1.0000**	**-**	**-**
	Amounts Allocated																	
18	Newfoundland Power	2,251,858	84,529	232,383	303,302	-	226,143	413,353	-	101,515	(53)	(3,227)	3,984	1,361,930	760,091	126,034	2,248,055	3,802
	Industrial																	
19	Abitibi Consolidated - S'ville	110,675	2,147	12,033	12,994	-	1,449	15,704	8,910	4,137	(3)	(138)	238	57,472	45,486	7,542	110,500	175
20	Abitibi Consolidated - GF	2,044	-	422	364	-	-	160	-	25	(0)	(4)	5	972	916	152	2,040	3
21	Corner Brook P& P - CB	173,828	-	52,081	44,949	-	-	21,337	-	3,387	(12)	(478)	234	121,499	44,651	7,404	173,554	275
22	Corner Brook P& P - DL	3,370	-	568	490	-	-	208	-	33	(0)	(5)	9	1,303	1,768	293	3,365	5
23	North Atlantic Refining Ltd.	183,512	-	30,785	26,569	-	-	46,114	-	7,320	(7)	(283)	325	110,824	62,101	10,297	183,222	290
24	**Subtotal Industrial**	**473,429**	**2,147**	**95,889**	**85,366**	**-**	**1,449**	**83,523**	**8,910**	**14,903**	**(22)**	**(908)**	**812**	**292,069**	**154,923**	**25,688**	**472,681**	**748**
25	**Total**	**2,725,286**	**86,676**	**328,272**	**388,669**	**-**	**227,592**	**496,876**	**8,910**	**116,419**	**(74)**	**(4,135)**	**4,796**	**1,654,000**	**915,014**	**151,722**	**2,720,736**	**4,550**

NEWFOUNDLAND & LABRADOR HYDRO
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Island Isolated
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	5,166,240	2,050,248	2,335,048	-	33,134	267,286	85,864	19,913	35,248	66,940	68,113	48,591	15,954	8,319	92,301	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	1,390,213	-	1,390,213	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	891,817	378,564	437,199	-	4,961	29,005	9,735	1,984	3,512	7,066	7,413	5,984	2,806	949	2,638	-
	Expense Credits																
8	Sundry	(25,318)	(10,048)	(11,443)	-	(162)	(1,310)	(421)	(98)	(173)	(328)	(334)	(238)	(78)	(41)	(452)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(1,266)	(502)	(572)	-	(8)	(65)	(21)	(5)	(9)	(16)	(17)	(12)	(4)	(2)	(23)	-
12	Pole Attachments	(26,512)	-	-	-	-	(15,333)	(5,240)	-	-	(2,714)	(3,225)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(660)	-	-	-	-	-	-	-	-	-	-	-	-	-	(660)	-
16	Meter Test Revenues	(2,147)	-	-	-	-	-	-	-	-	-	-	-	(2,147)	-	-	-
17	**Total Expense Credits**	(55,903)	(10,550)	(12,015)	-	(170)	(16,709)	(5,682)	(102)	(181)	(3,058)	(3,575)	(250)	(2,230)	(43)	(1,135)	-
18	**Subtotal Expenses**	7,392,367	2,418,263	4,150,444	-	37,924	279,583	89,916	21,795	38,580	70,948	71,950	54,324	16,530	9,225	93,804	-
19	Disposal Gain / Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Subtotal Revenue Requirement Ex. Return**	7,392,367	2,418,263	4,150,444	-	37,924	279,583	89,916	21,795	38,580	70,948	71,950	54,324	16,530	9,225	93,804	-
21	Return on Debt	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	8,299,670	2,794,305	4,592,125	-	48,039	310,456	100,257	24,506	43,378	78,773	80,049	61,521	20,478	10,499	96,204	-

NEWFOUNDLAND & LABRADOR HYDRO
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Island Isolated
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	36,796	2,485	Carryforward from Sch.2.4 L.23
2	Fuels	-	-	Production - Energy
3	Fuels-Diesel	-	-	Production - Energy
4	Fuels-Gas Turbine	-	-	Production - Energy
5	Power Purchases -CF(L)Co	-	-	
6	Power Purchases-Other	-	-	
7	Depreciation	-	-	Carryforward from Sch.2.5 L.23
	Expense Credits			
8	Sundry	(180)	(12)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.18
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
11	Suppliers' Discounts	(9)	(1)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy Revenues	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	**Total Expense Credits**	**(189)**	**(13)**	
18	**Subtotal Expenses**	**36,607**	**2,472**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	**36,607**	**2,472**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	**Total Revenue Requirement**	**36,607**	**2,472**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	14,456,674	6,618,059	7,838,615	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**14,456,674**	**6,618,059**	**7,838,615**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	433,738	305,338	-	-	128,400	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	20,028	-	-	-	-	15,100	1,924	-	-	1,751	1,253	-	-	-	-	-
8	Poles	1,624,275	-	-	-	-	939,396	321,041	-	-	166,274	197,564	-	-	-	-	-
9	Primary Conductor & Equipment	95,037	-	-	-	-	84,298	10,739	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	214,384	-	-	-	-	-	-	77,393	136,991	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	158,033	-	-	-	-	-	-	-	-	92,133	65,900	-	-	-	-	-
13	Services	188,844	-	-	-	-	-	-	-	-	-	-	188,844	-	-	-	-
14	Meters	90,636	-	-	-	-	-	-	-	-	-	-	-	90,636	-	-	-
15	Street Lighting	32,332	-	-	-	-	-	-	-	-	-	-	-	-	32,332	-	-
16	**Subtotal Distribution**	**2,857,307**	**305,338**	**-**	**-**	**128,400**	**1,038,794**	**333,704**	**77,393**	**136,991**	**260,158**	**264,716**	**188,844**	**90,636**	**32,332**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**17,313,980**	**6,923,397**	**7,838,615**	**-**	**128,400**	**1,038,794**	**333,704**	**77,393**	**136,991**	**260,158**	**264,716**	**188,844**	**90,636**	**32,332**	**-**	**-**
18	General	2,573,968	1,059,517	1,220,643	-	12,170	98,463	31,630	7,336	12,985	24,659	25,091	17,900	4,160	3,065	56,349	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	15,137	6,053	6,853	-	112	908	292	68	120	227	231	165	79	28	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**19,903,086**	**7,988,967**	**9,066,110**	**-**	**140,683**	**1,138,165**	**365,626**	**84,796**	**150,096**	**285,045**	**290,039**	**206,909**	**94,876**	**35,425**	**56,349**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.6
2	**Subtotal Production**	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	**Subtotal Transmission**	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	**Subtotal Distribution**	
17	**Subtl Prod, Trans, & Dist**	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.10, 11
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	**Total Plant**	

NEWFOUNDLAND & LABRADOR HYDRO
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Island Isolated
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	9,102,333	4,166,918	4,935,415	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**9,102,333**	**4,166,918**	**4,935,415**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	251,386	126,196	-	-	125,190	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Poles	578,994	-	-	-	-	334,860	114,439	-	-	59,270	70,424	-	-	-	-	-
9	Primary Conductor & Equipment	7,526	-	-	-	-	6,676	850	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	85,477	-	-	-	-	-	-	30,857	54,620	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	47,153	-	-	-	-	-	-	-	-	27,490	19,663	-	-	-	-	-
13	Services	82,960	-	-	-	-	-	-	-	-	-	-	82,960	-	-	-	-
14	Meters	48,819	-	-	-	-	-	-	-	-	-	-	-	48,819	-	-	-
15	Street Lighting	14,742	-	-	-	-	-	-	-	-	-	-	-	-	14,742	-	-
16	**Subtotal Distribution**	**1,117,057**	**126,196**	**-**	**-**	**125,190**	**341,536**	**115,290**	**30,857**	**54,620**	**86,761**	**90,087**	**82,960**	**48,819**	**14,742**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**10,219,391**	**4,293,114**	**4,935,415**	**-**	**125,190**	**341,536**	**115,290**	**30,857**	**54,620**	**86,761**	**90,087**	**82,960**	**48,819**	**14,742**	**-**	**-**
18	General	1,421,476	585,119	674,101	-	6,721	54,376	17,468	4,051	7,171	13,618	13,857	9,885	2,298	1,692	31,119	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	12,049	5,062	5,819	-	148	403	136	36	64	102	106	98	58	17	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**11,652,916**	**4,883,295**	**5,615,335**	**-**	**132,059**	**396,315**	**132,894**	**34,945**	**61,855**	**100,481**	**104,050**	**92,943**	**51,174**	**16,451**	**31,119**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
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Island Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	2,154,631	986,359	1,168,272	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	260,466	119,237	141,228	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**2,415,097**	**1,105,597**	**1,309,500**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
7	Other	281,331	31,048	-	-	13,056	105,631	33,933	7,870	13,930	26,454	26,918	19,203	-	3,288	-	-
8	Meters	4,463	-	-	-	-	-	-	-	-	-	-	-	4,463	-	-	-
9	**Subtotal Distribution**	**285,794**	**31,048**	-	-	**13,056**	**105,631**	**33,933**	**7,870**	**13,930**	**26,454**	**26,918**	**19,203**	**4,463**	**3,288**	-	-
10	**Subttl Prod, Trans, & Dist**	**2,700,891**	**1,136,645**	**1,309,500**	-	**13,056**	**105,631**	**33,933**	**7,870**	**13,930**	**26,454**	**26,918**	**19,203**	**4,463**	**3,288**	-	-
11	Customer Accounting	60,451	-	-	-	-	-	-	-	-	-	-	-	-	-	60,451	-
	Administrative & General:																
	Plant-Related:																
12	Production	276,263	126,469	149,793	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	230,288	24,609	-	-	10,349	83,723	26,895	6,238	11,041	20,968	21,335	15,220	7,305	2,606	-	-
15	Prod, Trans, Distn Plant	326,867	130,706	147,984	-	2,424	19,611	6,300	1,461	2,586	4,911	4,998	3,565	1,711	610	-	-
16	Prod, Trans, Distn and Gen Plt	4,263	1,711	1,942	-	30	244	78	18	32	61	62	44	20	8	12	-
17	Property Insurance	13,005	5,944	6,746	-	105	73	24	5	10	18	19	13	3	2	42	-
	Revenue Related:																
18	Municipal Tax	36,796	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	2,485	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	1,452,429	597,860	688,779	-	6,868	55,560	17,848	4,139	7,327	13,915	14,158	10,100	2,348	1,729	31,796	-
21	Prod, Trans, and Distn Expense-Related	62,503	26,304	30,304	-	302	2,444	785	182	322	612	623	444	103	76	-	-
22	**Subtotal Admin & General**	**2,404,898**	**913,603**	**1,025,548**	-	**20,077**	**161,656**	**51,931**	**12,044**	**21,318**	**40,486**	**41,195**	**29,388**	**11,490**	**5,031**	**31,850**	-
23	**Total Operating & Maintenance Expenses**	**5,166,240**	**2,050,248**	**2,335,048**	-	**33,134**	**267,286**	**85,864**	**19,913**	**35,248**	**66,940**	**68,113**	**48,591**	**15,954**	**8,319**	**92,301**	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Production			
1	Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L6
2	Other	-		Production - Demand, Energy ratios Sch.4.1 L6
3	**Subtotal Production**	-	-	
	Transmission			
4	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
6	**Subtotal Transmission**	-	-	
	Distribution			
7	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
8	Meters	-	-	Meters - Customer
9	**Subtotal Distribution**	-	-	
10	**Subttl Prod, Trans, & Dist**	-	-	
11	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
12	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
13	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
14	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
15	Prod, Trans, Distn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn and Gen Plt	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
17	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:			
18	Municipal Tax	36,796	-	Revenue-related
19	PUB Assessment	-	2,485	Revenue-related
20	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	**Subtotal Admin & General**	**36,796**	**2,485**	
23	**Total Operating & Maintenance Expenses**	**36,796**	**2,485**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	683,107	312,716	370,390	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**683,107**	**312,716**	**370,390**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substn Struct & Eqpt	12,162	7,882	-	-	4,280	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Poles	40,455	-	-	-	-	23,397	7,996	-	-	4,141	4,921	-	-	-	-	-
9	Primary Conductor & Equipment	426	-	-	-	-	378	48	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	4,430	-	-	-	-	-	-	1,599	2,831	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	2,779	-	-	-	-	-	-	-	-	1,620	1,159	-	-	-	-	-
13	Services	5,015	-	-	-	-	-	-	-	-	-	-	5,015	-	-	-	-
14	Meters	2,544	-	-	-	-	-	-	-	-	-	-	-	2,544	-	-	-
15	Street Lighting	785	-	-	-	-	-	-	-	-	-	-	-	-	785	-	-
16	**Subtotal Distribution**	**68,597**	**7,882**	-	-	**4,280**	**23,775**	**8,044**	**1,599**	**2,831**	**5,762**	**6,080**	**5,015**	**2,544**	**785**	-	-
17	**Subtotal Prod Tran & Dist**	**751,703**	**320,598**	**370,390**	-	**4,280**	**23,775**	**8,044**	**1,599**	**2,831**	**5,762**	**6,080**	**5,015**	**2,544**	**785**	-	-
18	General	120,506	49,604	57,147	-	570	4,610	1,481	343	608	1,154	1,175	838	195	143	2,638	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	19,608	8,363	9,662	-	112	620	210	42	74	150	159	131	66	20	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**891,817**	**378,564**	**437,199**	-	**4,961**	**29,005**	**9,735**	**1,984**	**3,512**	**7,066**	**7,413**	**5,984**	**2,806**	**949**	**2,638**	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
1	Average Net Book Value	11,652,916	4,883,295	5,615,335	-	132,059	396,315	132,894	34,945	61,855	100,481	104,050	92,943	51,174	16,451	31,119	-
2	Cash Working Capital	26,074	10,927	12,565	-	295	887	297	78	138	225	233	208	115	37	70	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	131,042	-	131,042	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	201,676	80,951	91,866	-	1,426	11,533	3,705	859	1,521	2,888	2,939	2,097	961	359	571	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	698,435	292,688	336,564	-	7,915	23,754	7,965	2,094	3,707	6,022	6,236	5,571	3,067	986	1,865	-
8	Total Rate Base	**12,710,143**	**5,267,861**	**6,187,371**	**-**	**141,695**	**432,488**	**144,861**	**37,977**	**67,222**	**109,617**	**113,458**	**100,818**	**55,317**	**17,833**	**33,624**	**-**
9	Less: Rural Portion	(12,710,143)	(5,267,861)	(6,187,371)	-	(141,695)	(432,488)	(144,861)	(37,977)	(67,222)	(109,617)	(113,458)	(100,818)	(55,317)	(17,833)	(33,624)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**907,304**	**376,042**	**441,681**	**-**	**10,115**	**30,873**	**10,341**	**2,711**	**4,799**	**7,825**	**8,099**	**7,197**	**3,949**	**1,273**	**2,400**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Functional Classification of Rate Base (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Energy
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Distribution Substations Demand (CP kW)	7 Primary Lines Demand (CP kW)	8 Primary Lines Customer (Rural Cust)	9 Line Transformers Demand (CP kW)	10 Line Transformers Customer (Rural Cust)	11 Secondary Lines Demand (CP kW)	12 Secondary Lines Customer (Rural Cust)	13 Services Customer (Wtd Rural Cust)	14 Meters Customer (Wtd Rural Cust)	15 Street Lighting Customer (Rural Cust)	16 Accounting Customer (Rural Cust)	17 Specifically Assigned Customer
	Amounts																
1	1.2 Domestic Diesel	-	1,655	7,047	1,655	1,596	1,596	829	1,506	829	1,506	829	829	829	-	829	-
2	1.2G Government Domestic Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	154	907	154	148	148	121	140	121	140	121	242	242	-	121	-
5	2.2 GS 10-100 kW	-	190	1,059	190	183	183	18	173	18	173	18	145	145	-	18	-
6	2.3 GS 110-1,000 kVa	-	171	1,350	171	165	165	3	156	3	156	3	26	26	-	3	-
7	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	-	31	121	31	30	30	38	28	38	28	38	-	-	38	38	-
11	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	-	2,201	10,484	2,201	2,122	2,122	1,009	2,003	1,009	2,003	1,009	1,242	1,242	38	1,009	-
	Ratios																
13	1.2 Domestic Diesel	-	0.7520	0.6722	0.7520	0.7520	0.7520	0.8216	0.7520	0.8216	0.7520	0.8216	0.6675	0.6675	-	0.8216	-
14	1.2G Government Domestic Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0699	0.0865	0.0699	0.0699	0.0699	0.1199	0.0699	0.1199	0.0699	0.1199	0.1948	0.1948	-	0.1199	-
17	2.2 GS 10-100 kW	-	0.0862	0.1010	0.0862	0.0862	0.0862	0.0178	0.0862	0.0178	0.0862	0.0178	0.1170	0.1170	-	0.0178	-
18	2.3 GS 110-1,000 kVa	-	0.0778	0.1288	0.0778	0.0778	0.0778	0.0030	0.0778	0.0030	0.0778	0.0030	0.0207	0.0207	-	0.0030	-
19	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	-	0.0142	0.0115	0.0142	0.0142	0.0142	0.0377	0.0142	0.0377	0.0142	0.0377	-	-	1.0000	0.0377	-
23	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.2 Domestic Diesel	698,723	698,723
2	1.2G Government Domestic Diesel	-	-
3	1.23 Churches, Schools & Com Halls	-	-
4	2.1 GS 0-10 kW	164,971	164,971
5	2.2 GS 10-100 kW	352,892	352,892
6	2.3 GS 110-1,000 kVa	261,797	261,797
7	2.4 GS Over 1,000 kVa	-	-
8	2.5 GS Diesel	-	-
9	2.5G Gov't General Service Diesel	-	-
10	4.1 Street and Area Lighting	38,001	38,001
11	4.1G Gov't Street and Area Lighting	-	-
12	**Total**	**1,516,384**	**1,516,384**
	Ratios		
13	1.2 Domestic Diesel	0.4608	0.4608
14	1.2G Government Domestic Diesel	-	-
15	1.23 Churches, Schools & Com Halls	-	-
16	2.1 GS 0-10 kW	0.1088	0.1088
17	2.2 GS 10-100 kW	0.2327	0.2327
18	2.3 GS 110-1,000 kVa	0.1726	0.1726
19	2.4 GS Over 1,000 kVa	-	-
20	2.5 GS Diesel	-	-
21	2.5G Gov't General Service Diesel	-	-
22	4.1 Street and Area Lighting	0.0251	0.0251
23	4.1G Gov't Street and Area Lighting	-	-
24	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Allocated Revenue Requirement Excluding Return																
1	1.2 Domestic Diesel	5,223,879	1,818,463	2,789,863	-	28,518	210,238	73,876	16,389	31,697	53,351	59,115	36,260	11,033	-	77,070	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	610,024	169,012	358,996	-	2,651	19,540	10,783	1,523	4,626	4,959	8,628	10,585	3,221	-	11,249	-
5	2.2 GS 10-100 kW	685,710	208,405	419,317	-	3,268	24,094	1,604	1,878	688	6,114	1,284	6,355	1,934	-	1,673	-
6	2.3 GS 110-1,000 kVa	763,582	188,073	534,514	-	2,949	21,744	267	1,695	115	5,518	214	1,125	342	-	279	-
7	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	109,172	34,311	47,754	-	538	3,967	3,386	309	1,453	1,007	2,710	-	-	9,225	3,533	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**7,392,367**	**2,418,263**	**4,150,444**	**-**	**37,924**	**279,583**	**89,916**	**21,795**	**38,580**	**70,948**	**71,950**	**54,324**	**16,530**	**9,225**	**93,804**	**-**
	Allocated Return on Debt																
13	1.2 Domestic Diesel	646,912	282,773	296,891	-	7,606	23,215	8,496	2,039	3,943	5,884	6,654	4,804	2,636	-	1,972	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	73,332	26,281	38,204	-	707	2,158	1,240	189	575	547	971	1,402	769	-	288	-
17	2.2 GS 10-100 kW	83,231	32,407	44,623	-	872	2,661	184	234	86	674	144	842	462	-	43	-
18	2.3 GS 110-1,000 kVa	90,441	29,246	56,882	-	787	2,401	31	211	14	609	24	149	82	-	7	-
19	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	13,387	5,335	5,082	-	144	438	389	38	181	111	305	-	-	1,273	90	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	**907,304**	**376,042**	**441,681**	**-**	**10,115**	**30,873**	**10,341**	**2,711**	**4,799**	**7,825**	**8,099**	**7,197**	**3,949**	**1,273**	**2,400**	**-**
	Allocated Return on Equity																
25	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.2 Domestic Diesel	16,868	1,139	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	3,983	269	
5	2.2 GS 10-100 kW	8,519	575	
6	2.3 GS 110-1,000 kVa	6,320	427	
7	2.4 GS Over 1,000 kVa	-	-	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	917	62	
11	4.1G Gov't Street and Area Lighting	-	-	
12	**Total**	**36,607**	**2,472**	
	Allocated Return on Debt			
13	1.2 Domestic Diesel	-	-	
14	1.2G Government Domestic Diesel	-	-	
15	1.23 Churches, Schools & Com Halls	-	-	
16	2.1 GS 0-10 kW	-	-	
17	2.2 GS 10-100 kW	-	-	
18	2.3 GS 110-1,000 kVa	-	-	
19	2.4 GS Over 1,000 kVa	-	-	
20	2.5 GS Diesel	-	-	
21	2.5G Gov't General Service Diesel	-	-	
22	4.1 Street and Area Lighting	-	-	
23	4.1G Gov't Street and Area Lighting	-	-	
24	**Total**	-	-	
	Allocated Return on Equity			
25	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and		Distribution											Specifically
Line		Total	Production	Transmission	Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Assigned
No.	Description	Amount	Demand	Energy	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer
		($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
	Total Revenue Requirement																
26	1.2 Domestic Diesel	5,870,791	2,101,235	3,086,753	-	36,124	233,454	82,372	18,428	35,640	59,235	65,769	41,064	13,669	-	79,042	-
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	2.1 GS 0-10 kW	683,356	195,293	397,199	-	3,357	21,698	12,023	1,713	5,202	5,505	9,600	11,987	3,990	-	11,537	-
30	2.2 GS 10-100 kW	768,941	240,812	463,940	-	4,140	26,755	1,789	2,112	774	6,789	1,428	7,197	2,396	-	1,716	-
31	2.3 GS 110-1,000 kVa	854,023	217,319	591,396	-	3,736	24,145	298	1,906	129	6,126	238	1,274	424	-	286	-
32	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4.1 Street and Area Lighting	122,559	39,646	52,836	-	682	4,405	3,776	348	1,634	1,118	3,015	-	-	10,499	3,623	-
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	**Total**	**8,299,670**	**2,794,305**	**4,592,125**	**-**	**48,039**	**310,456**	**100,257**	**24,506**	**43,378**	**78,773**	**80,049**	**61,521**	**20,478**	**10,499**	**96,204**	**-**
	Re-classification of Revenue-Related																
38	1.2 Domestic Diesel	0	6,465	9,497	-	111	718	253	57	110	182	202	126	42	-	243	-
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	2.1 GS 0-10 kW	-	1,223	2,487	-	21	136	75	11	33	34	60	75	25	-	72	-
42	2.2 GS 10-100 kW	0	2,882	5,553	-	50	320	21	25	9	81	17	86	29	-	21	-
43	2.3 GS 110-1,000 kVa	-	1,730	4,709	-	30	192	2	15	1	49	2	10	3	-	2	-
44	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	4.1 Street and Area Lighting	0	319	426	-	5	35	30	3	13	9	24	-	-	85	29	-
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Total**	**0**	**12,619**	**22,671**	**-**	**217**	**1,402**	**383**	**111**	**166**	**356**	**306**	**298**	**99**	**85**	**367**	**-**
	Total Allocated Revenue Requirement																
50	1.2 Domestic Diesel	5,870,791	2,107,700	3,096,250	-	36,235	234,172	82,625	18,485	35,749	59,417	65,971	41,190	13,711	-	79,285	-
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	2.1 GS 0-10 kW	683,356	196,516	399,686	-	3,378	21,833	12,098	1,723	5,235	5,540	9,660	12,062	4,015	-	11,609	-
54	2.2 GS 10-100 kW	768,941	243,695	469,493	-	4,190	27,075	1,810	2,137	783	6,870	1,445	7,283	2,424	-	1,737	-
55	2.3 GS 110-1,000 kVa	854,023	219,049	596,105	-	3,766	24,337	300	1,921	130	6,175	240	1,284	427	-	288	-
56	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	4.1 Street and Area Lighting	122,559	39,965	53,262	-	687	4,440	3,806	350	1,647	1,127	3,039	-	-	10,583	3,652	-
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	**Total**	**8,299,670**	**2,806,924**	**4,614,796**	**-**	**48,256**	**311,858**	**100,640**	**24,617**	**43,544**	**79,128**	**80,355**	**61,819**	**20,577**	**10,583**	**96,572**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
26	1.2 Domestic Diesel	16,868	1,139	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	3,983	269	
30	2.2 GS 10-100 kW	8,519	575	
31	2.3 GS 110-1,000 kVa	6,320	427	
32	2.4 GS Over 1,000 kVa	-	-	
33	2.5 GS Diesel	-	-	
34	2.5G Gov't General Service Diesel	-	-	
35	4.1 Street and Area Lighting	917	62	
36	4.1G Gov't Street and Area Lighting	-	-	
37	**Total**	**36,607**	**2,472**	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(16,868)	(1,139)	Re-classification to demand, energy and customer is based on rate class revenue
39	1.2G Government Domestic Diesel	-	-	requirements excluding revenue-related items.
40	1.23 Churches, Schools & Com Halls	-	-	
41	2.1 GS 0-10 kW	(3,983)	(269)	
42	2.2 GS 10-100 kW	(8,519)	(575)	
43	2.3 GS 110-1,000 kVa	(6,320)	(427)	
44	2.4 GS Over 1,000 kVa	-	-	
45	2.5 GS Diesel	-	-	
46	2.5G Gov't General Service Diesel	-	-	
47	4.1 Street and Area Lighting	(917)	(62)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	**Total**	**(36,607)**	**(2,472)**	
	Total Allocated Revenue Requirement			
50	1.2 Domestic Diesel	-	-	
51	1.2G Government Domestic Diesel	-	-	
52	1.23 Churches, Schools & Com Halls	-	-	
53	2.1 GS 0-10 kW	-	-	
54	2.2 GS 10-100 kW	-	-	
55	2.3 GS 110-1,000 kVa	-	-	
56	2.4 GS Over 1,000 kVa	-	-	
57	2.5 GS Diesel	-	-	
58	2.5G Gov't General Service Diesel	-	-	
59	4.1 Street and Area Lighting	-	-	
60	4.1G Gov't Street and Area Lighting	-	-	
61	**Total**	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	10,011,783	3,304,268	4,740,881	-	194,537	676,637	204,534	43,134	76,350	120,432	132,350	81,186	28,321	21,030	249,498	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	5,848,510	-	5,848,510	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	34,275	-	34,275	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	2,163,918	761,259	1,090,450	-	42,055	126,961	38,650	7,678	13,591	22,139	24,613	15,929	8,680	4,188	7,724	-
	Expense Credits																
8	Sundry	(49,064)	(16,193)	(23,233)	-	(953)	(3,316)	(1,002)	(211)	(374)	(590)	(649)	(398)	(139)	(103)	(1,223)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(2,453)	(810)	(1,162)	-	(48)	(166)	(50)	(11)	(19)	(30)	(32)	(20)	(7)	(5)	(61)	-
12	Pole Attachments	(87,859)	-	-	-	-	(50,813)	(17,366)	-	-	(8,994)	(10,686)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(4,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,452)	-
16	Meter Test Revenues	(6,604)	-	-	-	-	-	-	-	-	-	-	-	(6,604)	-	-	-
17	**Total Expense Credits**	(150,432)	(17,003)	(24,395)	-	(1,001)	(54,295)	(18,418)	(222)	(393)	(9,614)	(11,368)	(418)	(6,750)	(108)	(5,736)	-
18	**Subtotal Expenses**	17,908,054	4,048,524	11,689,721	-	235,591	749,304	224,766	50,590	89,548	132,958	145,596	96,697	30,251	25,109	251,485	-
19	Disposal Gain / Loss	8,248	2,721	3,817	-	305	651	201	43	76	113	127	96	49	22	27	-
20	**Subtotal Revenue Requirement Ex. Return**	17,916,302	4,051,245	11,693,538	-	235,896	749,955	224,967	50,633	89,624	133,071	145,723	96,793	30,300	25,132	251,513	-
21	Return on Debt	2,186,368	676,369	1,085,453	-	75,246	161,811	49,962	10,703	18,946	28,130	31,581	23,700	12,173	5,486	6,809	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	20,102,669	4,727,614	12,778,991	-	311,143	911,766	274,929	61,336	108,570	161,201	177,303	120,492	42,473	30,618	258,322	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	129,855	8,771	Carryforward from Sch.2.4 L.23
2	Fuels	-	-	Production - Energy
3	Fuels-Diesel	-	-	Production - Energy
4	Fuels-Gas Turbine	-	-	Production - Energy
5	Power Purchases -CF(L)Co	-	-	
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.11
7	Depreciation	-	-	Carryforward from Sch.2.5 L.23
	Expense Credits			
8	Sundry	(636)	(43)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.18
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
11	Suppliers' Discounts	(32)	(2)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy Revenues	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	**Total Expense Credits**	**(668)**	**(45)**	
18	**Subtotal Expenses**	**129,187**	**8,726**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	**129,187**	**8,726**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	**Total Revenue Requirement**	**129,187**	**8,726**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	35,663,882	13,849,171	21,814,710	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**35,663,882**	**13,849,171**	**21,814,710**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	2,790,260	1,680,300	-	-	1,109,960	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	11,816	-	-	-	-	8,909	1,135	-	-	1,033	739	-	-	-	-	-
8	Poles	5,470,213	-	-	-	-	3,163,687	1,081,199	-	-	559,975	665,353	-	-	-	-	-
9	Primary Conductor & Equipment	794,994	-	-	-	-	705,159	89,834	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	684,751	-	-	-	-	-	-	247,195	437,556	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	221,578	-	-	-	-	-	-	-	-	129,180	92,398	-	-	-	-	-
13	Services	465,268	-	-	-	-	-	-	-	-	-	-	465,268	-	-	-	-
14	Meters	278,727	-	-	-	-	-	-	-	-	-	-	-	278,727	-	-	-
15	Street Lighting	120,520	-	-	-	-	-	-	-	-	-	-	-	-	120,520	-	-
16	**Subtotal Distribution**	**10,838,127**	**1,680,300**	**-**	**-**	**1,109,960**	**3,877,755**	**1,172,168**	**247,195**	**437,556**	**690,188**	**758,490**	**465,268**	**278,727**	**120,520**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**46,502,009**	**15,529,471**	**21,814,710**	**-**	**1,109,960**	**3,877,755**	**1,172,168**	**247,195**	**437,556**	**690,188**	**758,490**	**465,268**	**278,727**	**120,520**	**-**	**-**
18	General	5,811,609	1,952,056	2,817,409	-	107,945	377,116	113,995	24,040	42,553	67,122	73,764	45,248	13,891	11,721	164,750	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	40,656	13,577	19,072	-	970	3,390	1,025	216	383	603	663	407	244	105	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**52,354,274**	**17,495,105**	**24,651,192**	**-**	**1,218,875**	**4,258,261**	**1,287,187**	**271,451**	**480,491**	**757,913**	**832,917**	**510,923**	**292,863**	**132,346**	**164,750**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.7
2	**Subtotal Production**	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	**Subtotal Transmission**	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	**Subtotal Distribution**	
17	**Subttl Prod, Trans, & Dist**	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch 2.4 L.10, 11
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	**Total Plant**	

NEWFOUNDLAND & LABRADOR HYDRO
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Labrador Isolated
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	17,587,594	6,829,700	10,757,894	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**17,587,594**	**6,829,700**	**10,757,894**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	1,791,205	869,326	-	-	921,879	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	2,572	-	-	-	-	1,939	247	-	-	225	161	-	-	-	-	-
8	Poles	2,776,648	-	-	-	-	1,605,869	548,810	-	-	284,240	337,729	-	-	-	-	-
9	Primary Conductor & Equipment	317,306	-	-	-	-	281,450	35,856	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	347,788	-	-	-	-	-	-	125,552	222,237	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	73,699	-	-	-	-	-	-	-	-	42,966	30,732	-	-	-	-	-
13	Services	283,126	-	-	-	-	-	-	-	-	-	-	283,126	-	-	-	-
14	Meters	150,129	-	-	-	-	-	-	-	-	-	-	-	150,129	-	-	-
15	Street Lighting	64,739	-	-	-	-	-	-	-	-	-	-	-	-	64,739	-	-
16	**Subtotal Distribution**	**5,807,212**	**869,326**	**-**	**-**	**921,879**	**1,889,258**	**584,913**	**125,552**	**222,237**	**327,431**	**368,623**	**283,126**	**150,129**	**64,739**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**23,394,806**	**7,699,026**	**10,757,894**	**-**	**921,879**	**1,889,258**	**584,913**	**125,552**	**222,237**	**327,431**	**368,623**	**283,126**	**150,129**	**64,739**	**-**	**-**
18	General	3,112,415	1,045,426	1,508,867	-	57,810	201,965	61,050	12,875	22,789	35,947	39,504	24,233	7,440	6,277	88,232	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	27,584	9,078	12,684	-	1,087	2,228	690	148	262	386	435	334	177	76	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**26,534,805**	**8,753,530**	**12,279,446**	**-**	**980,776**	**2,093,451**	**646,652**	**138,574**	**245,288**	**363,764**	**408,562**	**307,693**	**157,746**	**71,092**	**88,232**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	4,134,741	1,605,623	2,529,119	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	416,233	161,633	254,599	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**4,550,974**	**1,767,256**	**2,783,718**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
7	Other	1,014,633	161,457	-	-	106,654	372,606	112,631	23,753	42,044	66,319	72,882	44,707	-	11,581	-	-
8	Meters	13,725	-	-	-	-	-	-	-	-	-	-	-	13,725	-	-	-
9	**Subtotal Distribution**	**1,028,359**	**161,457**	**-**	**-**	**106,654**	**372,606**	**112,631**	**23,753**	**42,044**	**66,319**	**72,882**	**44,707**	**13,725**	**11,581**	**-**	**-**
10	**Subttl Prod, Trans, & Dist**	**5,579,333**	**1,928,713**	**2,783,718**	**-**	**106,654**	**372,606**	**112,631**	**23,753**	**42,044**	**66,319**	**72,882**	**44,707**	**13,725**	**11,581**	**-**	**-**
11	Customer Accounting	162,780	-	-	-	-	-	-	-	-	-	-	-	-	-	162,780	-
	Administrative & General:																
	Plant-Related:																
12	Production	401,747	156,008	245,738	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	197,738	30,656	-	-	20,251	70,748	21,386	4,510	7,983	12,592	13,838	8,489	5,085	2,199	-	-
15	Prod, Trans, Distn Plant	39,419	13,164	18,492	-	941	3,287	994	210	371	585	643	394	236	102	-	-
16	Prod, Trans, Distn and General Plt	308,544	103,106	145,279	-	7,183	25,096	7,586	1,600	2,832	4,467	4,909	3,011	1,726	780	971	-
17	Property Insurance	34,209	13,510	19,036	-	941	291	88	19	33	52	57	35	11	9	127	-
	Revenue Related:																
18	Municipal Tax	129,855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	8,771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	3,020,274	1,014,477	1,464,198	-	56,099	195,986	59,243	12,494	22,115	34,883	38,335	23,515	7,219	6,091	85,620	-
21	Prod, Trans, and Distn Expense-Related	129,115	44,634	64,420	-	2,468	8,623	2,606	550	973	1,535	1,687	1,035	318	268	-	-
22	**Subtotal Admin & General**	**4,269,671**	**1,375,555**	**1,957,163**	**-**	**87,883**	**304,031**	**91,903**	**19,381**	**34,306**	**54,113**	**59,469**	**36,479**	**14,595**	**9,449**	**86,718**	**-**
23	**Total Operating & Maintenance Expenses**	**10,011,783**	**3,304,268**	**4,740,881**	**-**	**194,537**	**676,637**	**204,534**	**43,134**	**76,350**	**120,432**	**132,350**	**81,186**	**28,321**	**21,030**	**249,498**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Production			
1	Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L7
2	Other	-	-	Production - Demand, Energy ratios Sch.4.1 L7
3	**Subtotal Production**	-	-	
	Transmission			
4	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
6	**Subtotal Transmission**	-	-	
	Distribution			
7	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
8	Meters	-	-	Meters - Customer
9	**Subtotal Distribution**	-	-	
10	**Subttl Prod, Trans, & Dist**	-	-	
11	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
12	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
13	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
14	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
15	Prod, Trans, Distn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn and General Plt	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
17	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:			
18	Municipal Tax	129,855	-	Revenue-related
19	PUB Assessment	-	8,771	Revenue-related
20	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	**Subtotal Admin & General**	**129,855**	**8,771**	
23	**Total Operating & Maintenance Expenses**	**129,855**	**8,771**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	1,526,961	592,957	934,004	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**1,526,961**	**592,957**	**934,004**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substn Struct & Eqpt	95,816	59,761	-	-	36,054	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	228	-	-	-	-	172	22	-	-	20	14	-	-	-	-	-
8	Poles	152,383	-	-	-	-	88,130	30,119	-	-	15,599	18,535	-	-	-	-	-
9	Primary Conductor & Equipment	20,520	-	-	-	-	18,201	2,319	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	17,685	-	-	-	-	-	-	6,384	11,301	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	4,959	-	-	-	-	-	-	-	-	2,891	2,068	-	-	-	-	-
13	Services	13,457	-	-	-	-	-	-	-	-	-	-	13,457	-	-	-	-
14	Meters	7,825	-	-	-	-	-	-	-	-	-	-	-	7,825	-	-	-
15	Street Lighting	3,546	-	-	-	-	-	-	-	-	-	-	-	-	3,546	-	-
16	**Subtotal Distribution**	**316,418**	**59,761**	**-**	**-**	**36,054**	**106,504**	**32,459**	**6,384**	**11,301**	**18,510**	**20,617**	**13,457**	**7,825**	**3,546**	**-**	**-**
17	**Subtotal Prod Tran & Dist**	**1,843,379**	**652,718**	**934,004**	**-**	**36,054**	**106,504**	**32,459**	**6,384**	**11,301**	**18,510**	**20,617**	**13,457**	**7,825**	**3,546**	**-**	**-**
18	General	272,454	91,514	132,083	-	5,061	17,680	5,344	1,127	1,995	3,147	3,458	2,121	651	549	7,724	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	48,084	17,026	24,363	-	940	2,778	847	167	295	483	538	351	204	92	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**2,163,918**	**761,259**	**1,090,450**	**-**	**42,055**	**126,961**	**38,650**	**7,678**	**13,591**	**22,139**	**24,613**	**15,929**	**8,680**	**4,188**	**7,724**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	26,534,805	8,753,530	12,279,446	-	980,776	2,093,451	646,652	138,574	245,288	363,764	408,562	307,693	157,746	71,092	88,232	-
2	Cash Working Capital	59,374	19,587	27,476	-	2,195	4,684	1,447	310	549	814	914	688	353	159	197	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	1,913,083	-	1,913,083	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	530,500	177,276	249,788	-	12,351	43,149	13,043	2,751	4,869	7,680	8,440	5,177	2,968	1,341	1,669	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	1,590,403	524,656	735,987	-	58,784	125,474	38,758	8,306	14,702	21,803	24,488	18,442	9,455	4,261	5,288	-
8	Total Rate Base	**30,628,165**	**9,475,049**	**15,205,780**	**-**	**1,054,105**	**2,266,758**	**699,900**	**149,941**	**265,407**	**394,061**	**442,403**	**332,000**	**170,521**	**76,853**	**95,387**	**-**
9	Less: Rural Portion	(30,628,165)	(9,475,049)	(15,205,780)	-	(1,054,105)	(2,266,758)	(699,900)	(149,941)	(265,407)	(394,061)	(442,403)	(332,000)	(170,521)	(76,853)	(95,387)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	2,186,368	676,369	1,085,453	-	75,246	161,811	49,962	10,703	18,946	28,130	31,581	23,700	12,173	5,486	6,809	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**2,186,368**	**676,369**	**1,085,453**	**-**	**75,246**	**161,811**	**49,962**	**10,703**	**18,946**	**28,130**	**31,581**	**23,700**	**12,173**	**5,486**	**6,809**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Functional Classification of Rate Base (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Energy
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Substations Demand (CP kW)	7 Primary Lines Demand (CP kW)	8 Primary Lines Customer (Rural Cust)	9 Line Transformers Demand (CP kW)	10 Line Transformers Customer (Rural Cust)	11 Secondary Lines Demand (CP kW)	12 Secondary Lines Customer (Rural Cust)	13 Services Customer (Wtd Rural Cust)	14 Meters Customer	15 Street Lighting Customer (Rural Cust)	16 Accounting Customer (Rural Cust)	17 Specifically Assigned Customer
							Distribution										
	Amounts																
1	1.2 Domestic Diesel	-	5,102	22,729	5,102	4,901	4,901	2,141	4,599	2,141	4,599	2,141	2,141	2,141	-	2,141	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	750	4,496	750	721	721	389	676	389	676	389	778	778	-	389	-
5	2.2 GS 10-100 kW	-	1,591	9,211	1,591	1,528	1,528	102	1,434	102	1,434	102	823	823	-	102	-
6	2.3 GS 110-1,000 kVa	-	125	2,109	125	120	120	8	113	8	113	8	69	69	-	8	-
7	2.4 GS Over 1,000 kVa	-	60	2,570	60	57	57	1	54	1	54	1	9	9	-	1	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	-	85	321	85	81	81	76	76	76	76	76	-	-	76	76	-
11	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**-**	**7,712**	**41,436**	**7,712**	**7,409**	**7,409**	**2,717**	**6,952**	**2,717**	**6,952**	**2,717**	**3,819**	**3,819**	**76**	**2,717**	**-**
	Ratios																
13	1.2 Domestic Diesel	-	0.6615	0.5485	0.6615	0.6615	0.6615	0.7880	0.6615	0.7880	0.6615	0.7880	0.5606	0.5606	-	0.7880	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0973	0.1085	0.0973	0.0973	0.0973	0.1432	0.0973	0.1432	0.0973	0.1432	0.2037	0.2037	-	0.1432	-
17	2.2 GS 10-100 kW	-	0.2063	0.2223	0.2063	0.2063	0.2063	0.0375	0.2063	0.0375	0.2063	0.0375	0.2156	0.2156	-	0.0375	-
18	2.3 GS 110-1,000 kVa	-	0.0162	0.0509	0.0162	0.0162	0.0162	0.0029	0.0162	0.0029	0.0162	0.0029	0.0180	0.0180	-	0.0029	-
19	2.4 GS Over 1,000 kVa	-	0.0077	0.0620	0.0077	0.0077	0.0077	0.0004	0.0077	0.0004	0.0077	0.0004	0.0022	0.0022	-	0.0004	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	-	0.0110	0.0077	0.0110	0.0110	0.0110	0.0280	0.0110	0.0280	0.0110	0.0280	-	-	1.0000	0.0280	-
23	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	**-**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.2 Domestic Diesel	2,352,629	2,352,629
2	1.2G Government Domestic Diesel	-	-
3	1.23 Churches, Schools & Com Halls	-	-
4	2.1 GS 0-10 kW	972,294	972,294
5	2.2 GS 10-100 kW	1,593,493	1,593,493
6	2.3 GS 110-1,000 kVa	192,430	192,430
7	2.4 GS Over 1,000 kVa	164,634	164,634
8	2.5 GS Diesel	-	-
9	2.5G Gov't General Service Diesel	-	-
10	4.1 Street and Area Lighting	75,934	75,934
11	4.1G Gov't Street and Area Lighting	-	-
12	**Total**	**5,351,414**	**5,351,414**
	Ratios		
13	1.2 Domestic Diesel	0.4396	0.4396
14	1.2G Government Domestic Diesel	-	-
15	1.23 Churches, Schools & Com Halls	-	-
16	2.1 GS 0-10 kW	0.1817	0.1817
17	2.2 GS 10-100 kW	0.2978	0.2978
18	2.3 GS 110-1,000 kVa	0.0360	0.0360
19	2.4 GS Over 1,000 kVa	0.0308	0.0308
20	2.5 GS Diesel	-	-
21	2.5G Gov't General Service Diesel	-	-
22	4.1 Street and Area Lighting	0.0142	0.0142
23	4.1G Gov't Street and Area Lighting	-	-
24	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
	Allocated Revenue Requirement Excluding Return																
1	1.2 Domestic Diesel	10,560,673	2,679,948	6,414,256	-	156,048	496,104	177,275	33,494	70,624	88,028	114,830	54,258	16,985	-	198,193	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	1,929,421	394,036	1,268,771	-	22,944	72,943	32,209	4,925	12,832	12,943	20,863	19,716	6,172	-	36,010	-
5	2.2 GS 10-100 kW	3,771,605	835,683	2,599,484	-	48,660	154,699	8,446	10,444	3,365	27,450	5,471	20,864	6,531	-	9,442	-
6	2.3 GS 110-1,000 kVa	689,359	65,777	595,256	-	3,830	12,176	662	822	264	2,161	429	1,738	544	-	741	-
7	2.4 GS Over 1,000 kVa	770,339	31,322	725,184	-	1,824	5,798	83	391	33	1,029	54	217	68	-	93	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	194,905	44,478	90,588	-	2,590	8,234	6,293	556	2,507	1,461	4,076	-	-	25,132	7,035	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**17,916,302**	**4,051,245**	**11,693,538**	**-**	**235,896**	**749,955**	**224,967**	**50,633**	**89,624**	**133,071**	**145,723**	**96,793**	**30,300**	**25,132**	**251,513**	**-**
	Allocated Return on Debt																
13	1.2 Domestic Diesel	1,329,993	447,426	595,403	-	49,776	107,040	39,370	7,080	14,929	18,608	24,886	13,285	6,823	-	5,366	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	233,062	65,786	117,774	-	7,319	15,738	7,153	1,041	2,713	2,736	4,521	4,827	2,479	-	975	-
17	2.2 GS 10-100 kW	449,488	139,520	241,297	-	15,522	33,378	1,876	2,208	711	5,803	1,186	5,108	2,624	-	256	-
18	2.3 GS 110-1,000 kVa	71,676	10,982	55,255	-	1,222	2,627	147	174	56	457	93	425	219	-	20	-
19	2.4 GS Over 1,000 kVa	74,798	5,229	67,315	-	582	1,251	18	83	7	217	12	53	27	-	3	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	27,351	7,426	8,409	-	826	1,776	1,398	118	530	309	883	-	-	5,486	190	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	**2,186,368**	**676,369**	**1,085,453**	**-**	**75,246**	**161,811**	**49,962**	**10,703**	**18,946**	**28,130**	**31,581**	**23,700**	**12,173**	**5,486**	**6,809**	**-**
	Allocated Return on Equity																
25	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.2 Domestic Diesel	56,794	3,836	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	23,472	1,585	
5	2.2 GS 10-100 kW	38,468	2,598	
6	2.3 GS 110-1,000 kVa	4,645	314	
7	2.4 GS Over 1,000 kVa	3,974	268	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	1,833	124	
11	4.1G Gov't Street and Area Lighting	-	-	
12	**Total**	**129,187**	**8,726**	
	Allocated Return on Debt			
13	1.2 Domestic Diesel	-	-	
14	1.2G Government Domestic Diesel	-	-	
15	1.23 Churches, Schools & Com Halls	-	-	
16	2.1 GS 0-10 kW	-	-	
17	2.2 GS 10-100 kW	-	-	
18	2.3 GS 110-1,000 kVa	-	-	
19	2.4 GS Over 1,000 kVa	-	-	
20	2.5 GS Diesel	-	-	
21	2.5G Gov't General Service Diesel	-	-	
22	4.1 Street and Area Lighting	-	-	
23	4.1G Gov't Street and Area Lighting	-	-	
24	**Total**	-	-	
	Allocated Return on Equity			
25	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
							Distribution										
	Total Revenue Requirement																
26	1.2 Domestic Diesel	11,890,666	3,127,375	7,009,659	-	205,825	603,144	216,645	40,575	85,553	106,636	139,715	67,543	23,808	-	203,558	-
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	2.1 GS 0-10 kW	2,162,483	459,822	1,386,544	-	30,263	88,681	39,362	5,966	15,544	15,679	25,385	24,544	8,651	-	36,985	-
30	2.2 GS 10-100 kW	4,221,092	975,203	2,840,781	-	64,182	188,077	10,321	12,652	4,076	33,252	6,656	25,972	9,155	-	9,698	-
31	2.3 GS 110-1,000 kVa	761,034	76,759	650,510	-	5,052	14,804	810	996	320	2,617	522	2,163	763	-	761	-
32	2.4 GS Over 1,000 kVa	845,137	36,552	792,500	-	2,406	7,049	101	474	40	1,246	65	270	95	-	95	-
33	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4.1 Street and Area Lighting	222,256	51,904	98,996	-	3,416	10,010	7,690	673	3,037	1,770	4,960	-	-	30,618	7,226	-
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	**Total**	**20,102,669**	**4,727,614**	**12,778,991**	**-**	**311,143**	**911,766**	**274,929**	**61,336**	**108,570**	**161,201**	**177,303**	**120,492**	**42,473**	**30,618**	**258,322**	**-**
	Re-classification of Revenue-Related																
38	1.2 Domestic Diesel	(0)	16,028	35,925	-	1,055	3,091	1,110	208	438	547	716	346	122	-	1,043	-
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	2.1 GS 0-10 kW	(0)	5,391	16,255	-	355	1,040	461	70	182	184	298	288	101	-	434	-
42	2.2 GS 10-100 kW	0	9,581	27,909	-	631	1,848	101	124	40	327	65	255	90	-	95	-
43	2.3 GS 110-1,000 kVa	-	503	4,267	-	33	97	5	7	2	17	3	14	5	-	5	-
44	2.4 GS Over 1,000 kVa	0	184	3,999	-	12	36	1	2	0	6	0	1	0	-	0	-
45	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	4.1 Street and Area Lighting	-	461	879	-	30	89	68	6	27	16	44	-	-	272	64	-
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Total**	**(0)**	**32,148**	**89,233**	**-**	**2,116**	**6,200**	**1,747**	**417**	**690**	**1,096**	**1,127**	**905**	**319**	**272**	**1,642**	**-**
	Total Allocated Revenue Requirement																
50	1.2 Domestic Diesel	11,890,666	3,143,403	7,045,585	-	206,880	606,235	217,755	40,782	85,992	107,183	140,431	67,889	23,930	-	204,601	-
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	2.1 GS 0-10 kW	2,162,483	465,213	1,402,799	-	30,617	89,721	39,824	6,036	15,726	15,863	25,683	24,831	8,753	-	37,418	-
54	2.2 GS 10-100 kW	4,221,092	984,784	2,868,690	-	64,812	189,925	10,423	12,777	4,116	33,579	6,722	26,228	9,245	-	9,793	-
55	2.3 GS 110-1,000 kVa	761,034	77,262	654,777	-	5,085	14,901	815	1,002	322	2,634	525	2,177	768	-	766	-
56	2.4 GS Over 1,000 kVa	845,137	36,736	796,498	-	2,418	7,085	102	477	40	1,253	66	272	96	-	96	-
57	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	4.1 Street and Area Lighting	222,256	52,365	99,876	-	3,446	10,099	7,759	679	3,064	1,786	5,004	-	-	30,890	7,290	-
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	**Total**	**20,102,669**	**4,759,762**	**12,868,224**	**-**	**313,259**	**917,966**	**276,677**	**61,753**	**109,260**	**162,297**	**178,430**	**121,397**	**42,792**	**30,890**	**259,964**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
26	1.2 Domestic Diesel	56,794	3,836	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	23,472	1,585	
30	2.2 GS 10-100 kW	38,468	2,598	
31	2.3 GS 110-1,000 kVa	4,645	314	
32	2.4 GS Over 1,000 kVa	3,974	268	
33	2.5 GS Diesel	-	-	
34	2.5G Gov't General Service Diesel	-	-	
35	4.1 Street and Area Lighting	1,833	124	
36	4.1G Gov't Street and Area Lighting	-	-	
37	**Total**	**129,187**	**8,726**	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(56,794)	(3,836)	Re-classification to demand, energy and customer is based on rate class revenue
39	1.2G Government Domestic Diesel	-	-	requirements excluding revenue-related items.
40	1.23 Churches, Schools & Com Halls	-	-	
41	2.1 GS 0-10 kW	(23,472)	(1,585)	
42	2.2 GS 10-100 kW	(38,468)	(2,598)	
43	2.3 GS 110-1,000 kVa	(4,645)	(314)	
44	2.4 GS Over 1,000 kVa	(3,974)	(268)	
45	2.5 GS Diesel	-	-	
46	2.5G Gov't General Service Diesel	-	-	
47	4.1 Street and Area Lighting	(1,833)	(124)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	**Total**	**(129,187)**	**(8,726)**	
	Total Allocated Revenue Requirement			
50	1.2 Domestic Diesel	-	-	
51	1.2G Government Domestic Diesel	-	-	
52	1.23 Churches, Schools & Com Halls	-	-	
53	2.1 GS 0-10 kW	-	-	
54	2.2 GS 10-100 kW	-	-	
55	2.3 GS 110-1,000 kVa	-	-	
56	2.4 GS Over 1,000 kVa	-	-	
57	2.5 GS Diesel	-	-	
58	2.5G Gov't General Service Diesel	-	-	
59	4.1 Street and Area Lighting	-	-	
60	4.1G Gov't Street and Area Lighting	-	-	
61	**Total**	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
	Expenses																
1	Operating & Maintenance	1,115,316	584,305	-	-	2,653	214,816	65,005	6,910	12,231	37,753	41,701	11,291	9,507	2,607	91,007	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	68,661	-	68,661	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	812,107	-	812,107	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	401,179	158,284	-	-	1,268	125,126	38,535	4,267	7,553	22,217	24,715	6,010	4,006	1,504	7,693	-
	Expense Credits																
8	Sundry	(5,466)	(2,863)	-	-	(13)	(1,053)	(319)	(34)	(60)	(185)	(204)	(55)	(47)	(13)	(446)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(273)	(143)	-	-	(1)	(53)	(16)	(2)	(3)	(9)	(10)	(3)	(2)	(1)	(22)	-
12	Pole Attachments	(55,402)	-	-	-	-	(32,042)	(10,950)	-	-	(5,671)	(6,739)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(840)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Meter Test Revenues	(2,698)	-	-	-	-	-	-	-	-	-	-	-	-	-	(840)	-
17	**Total Expense Credits**	(64,679)	(3,007)	-	-	(14)	(33,147)	(11,285)	(36)	(63)	(5,866)	(6,953)	(58)	(2,747)	(13)	(1,308)	-
18	**Subtotal Expenses**	2,332,583	739,582	880,768	-	3,908	306,795	92,255	11,141	19,721	54,105	59,462	17,243	10,765	4,098	97,391	-
19	Disposal Gain / Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	**Subtotal Revenue Requirement Ex. Return**	2,332,583	739,582	880,768	-	3,908	306,795	92,255	11,141	19,721	54,105	59,462	17,243	10,765	4,098	97,391	-
21	Return on Debt	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	2,745,427	842,843	882,218	-	5,542	469,825	143,137	16,368	28,973	82,267	91,365	25,237	15,809	5,871	100,623	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	33,283	2,248	Carryforward from Sch.2.4 L.24
2	Fuels	-	-	Production - Energy
3	Fuels-Diesel	-	-	Production - Energy
4	Fuels-Gas Turbine	-	-	Production - Energy
5	Power Purchases -CF(L)Co	-	-	
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.12
7	Depreciation	-	-	Carryforward from Sch.2.5 L.23
	Expense Credits			
8	Sundry	(163)	(11)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.18
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
11	Suppliers' Discounts	(8)	(1)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy Revenues	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	**Total Expense Credits**	**(171)**	**(12)**	
18	**Subtotal Expenses**	**33,112**	**2,236**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	**33,112**	**2,236**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	**Total Revenue Requirement**	**33,112**	**2,236**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	3,326,329	3,326,329	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**3,326,329**	**3,326,329**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	90,204	44,995	-	-	45,210	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	15,995	-	-	-	-	12,059	1,536	-	-	1,399	1,000	-	-	-	-	-
8	Poles	5,320,337	-	-	-	-	3,077,006	1,051,575	-	-	544,632	647,123	-	-	-	-	-
9	Primary Conductor & Equipment	761,458	-	-	-	-	675,413	86,045	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	335,429	-	-	-	-	-	-	121,090	214,339	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	198,216	-	-	-	-	-	-	-	-	115,560	82,656	-	-	-	-	-
13	Services	197,863	-	-	-	-	-	-	-	-	-	-	197,863	-	-	-	-
14	Meters	113,890	-	-	-	-	-	-	-	-	-	-	-	113,890	-	-	-
15	Street Lighting	45,683	-	-	-	-	-	-	-	-	-	-	-	-	45,683	-	-
16	**Subtotal Distribution**	**7,079,075**	**44,995**	**-**	**-**	**45,210**	**3,764,479**	**1,139,156**	**121,090**	**214,339**	**661,591**	**730,780**	**197,863**	**113,890**	**45,683**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**10,405,404**	**3,371,324**	**-**	**-**	**45,210**	**3,764,479**	**1,139,156**	**121,090**	**214,339**	**661,591**	**730,780**	**197,863**	**113,890**	**45,683**	**-**	**-**
18	General	1,272,676	687,690	-	-	2,958	246,339	74,544	7,924	14,026	43,293	47,821	12,948	11,384	2,989	120,761	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	9,097	2,947	-	-	40	3,291	996	106	187	578	639	173	100	40	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**11,687,177**	**4,061,961**	**-**	**-**	**48,208**	**4,014,109**	**1,214,696**	**129,120**	**228,552**	**705,463**	**779,239**	**210,983**	**125,373**	**48,712**	**120,761**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.8
2	**Subtotal Production**	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	**Subtotal Transmission**	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	**Subtotal Distribution**	
17	**Subttl Prod, Trans, & Dist**	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.11, 12
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	**Total Plant**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	1,084,155	1,084,155	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**1,084,155**	**1,084,155**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	21,599	1,552	-	-	20,046	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	8,105	-	-	-	-	6,111	778	-	-	709	507	-	-	-	-	-
8	Poles	3,026,277	-	-	-	-	1,750,241	598,150	-	-	309,794	368,092	-	-	-	-	-
9	Primary Conductor & Equipment	302,743	-	-	-	-	268,533	34,210	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	179,795	-	-	-	-	-	-	64,906	114,889	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	66,755	-	-	-	-	-	-	-	-	38,918	27,837	-	-	-	-	-
13	Services	98,863	-	-	-	-	-	-	-	-	-	-	98,863	-	-	-	-
14	Meters	61,344	-	-	-	-	-	-	-	-	-	-	-	61,344	-	-	-
15	Street Lighting	21,878	-	-	-	-	-	-	-	-	-	-	-	-	21,878	-	-
16	**Subtotal Distribution**	**3,787,359**	**1,552**	**-**	**-**	**20,046**	**2,024,885**	**633,138**	**64,906**	**114,889**	**349,421**	**396,436**	**98,863**	**61,344**	**21,878**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**4,871,514**	**1,085,708**	**-**	**-**	**20,046**	**2,024,885**	**633,138**	**64,906**	**114,889**	**349,421**	**396,436**	**98,863**	**61,344**	**21,878**	**-**	**-**
18	General	437,010	236,138	-	-	1,016	84,587	25,597	2,721	4,816	14,866	16,421	4,446	3,909	1,026	41,467	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	5,744	1,280	-	-	24	2,387	747	77	135	412	467	117	72	26	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**5,314,268**	**1,323,126**	**-**	**-**	**21,086**	**2,111,860**	**659,481**	**67,703**	**119,840**	**364,699**	**413,324**	**103,426**	**65,325**	**22,931**	**41,467**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution: Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	307,160	307,160	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	30,176	30,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**337,335**	**337,335**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
8	Other	224,540	1,451	-	-	1,457	121,357	36,723	3,904	6,910	21,328	23,558	6,379	-	1,473	-	-
9	Meters	5,608	-	-	-	-	-	-	-	-	-	-	-	5,608	-	-	-
10	**Subtotal Distribution**	**230,148**	**1,451**	**-**	**-**	**1,457**	**121,357**	**36,723**	**3,904**	**6,910**	**21,328**	**23,558**	**6,379**	**5,608**	**1,473**	**-**	**-**
11	**Subttl Prod, Trans, & Dist**	**567,483**	**338,786**	**-**	**-**	**1,457**	**121,357**	**36,723**	**3,904**	**6,910**	**21,328**	**23,558**	**6,379**	**5,608**	**1,473**	**-**	**-**
12	Customer Accounting	59,492	-	-	-	-	-	-	-	-	-	-	-	-	-	59,492	-
	Administrative & General:																
	Plant-Related:																
13	Production	48,877	48,877	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Distribution	42,060	267	-	-	269	22,366	6,768	719	1,273	3,931	4,342	1,176	677	271	-	-
16	Prod, Trans, Distn Plant	8,820	2,858	-	-	38	3,191	966	103	182	561	619	168	97	39	-	-
17	Prod,Trans, Distn & General Plt	2,503	870	-	-	10	860	260	28	49	151	167	45	27	10	26	-
18	Property Insurance	7,636	6,610	-	-	78	401	121	13	23	71	78	21	19	5	197	-
	Revenue Related:																
19	Municipal Tax	33,283	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	PUB Assessment	2,248	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	All Expense-Related	329,781	178,197	-	-	767	63,832	19,316	2,053	3,634	11,218	12,391	3,355	2,950	775	31,292	-
22	Prod, Trans, and Distn Expense-Related	13,132	7,840	-	-	34	2,808	850	90	160	494	545	148	130	34	-	-
23	**Subtotal Admin & General**	**488,340**	**245,519**	**-**	**-**	**1,196**	**93,459**	**28,281**	**3,006**	**5,321**	**16,425**	**18,143**	**4,912**	**3,898**	**1,134**	**31,515**	**-**
24	**Total Operating & Maintenance Expenses**	**1,115,316**	**584,305**	**-**	**-**	**2,653**	**214,816**	**65,005**	**6,910**	**12,231**	**37,753**	**41,701**	**11,291**	**9,507**	**2,607**	**91,007**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Production			
1	Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L8
2	Other	-	-	Production - Demand, Energy ratios Sch.4.1 L8
3	**Subtotal Production**	-	-	
	Transmission			
4	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
7	**Subtotal Transmission**	-	-	
	Distribution			
8	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
9	Meters	-	-	Meters - Customer
10	**Subtotal Distribution**	-	-	
11	**Subtl Prod, Trans, & Dist**	-	-	
12	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
13	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
14	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
15	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
16	Prod, Trans, Distn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
17	Prod,Trans, Distn & General Plt	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
18	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:			
19	Municipal Tax	33,283	-	Revenue-related
20	PUB Assessment	-	2,248	Revenue-related
21	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.11, 12
22	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.11
23	**Subtotal Admin & General**	**33,283**	**2,248**	
24	**Total Operating & Maintenance Expenses**	**33,283**	**2,248**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	111,416	111,416	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**111,416**	**111,416**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	1,201	149	-	-	1,052	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	394	-	-	-	-	297	38	-	-	34	25	-	-	-	-	-
8	Poles	156,008	-	-	-	-	90,227	30,835	-	-	15,970	18,976	-	-	-	-	-
9	Primary Conductor & Equipment	18,181	-	-	-	-	16,127	2,055	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	10,157	-	-	-	-	-	-	3,667	6,490	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	5,077	-	-	-	-	-	-	-	-	2,960	2,117	-	-	-	-	-
13	Services	5,053	-	-	-	-	-	-	-	-	-	-	5,053	-	-	-	-
14	Meters	3,197	-	-	-	-	-	-	-	-	-	-	-	3,197	-	-	-
15	Street Lighting	1,280	-	-	-	-	-	-	-	-	-	-	-	-	1,280	-	-
16	**Subtotal Distribution**	**200,550**	**149**	-	-	**1,052**	**106,651**	**32,928**	**3,667**	**6,490**	**18,965**	**21,117**	**5,053**	**3,197**	**1,280**	-	-
17	**Subtotal Prod Tran & Dist**	**311,966**	**111,565**	-	-	**1,052**	**106,651**	**32,928**	**3,667**	**6,490**	**18,965**	**21,117**	**5,053**	**3,197**	**1,280**	-	-
18	General	81,074	43,809	-	-	188	15,693	4,749	505	894	2,758	3,046	825	725	190	7,693	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	8,138	2,910	-	-	27	2,782	859	96	169	495	551	132	83	33	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**401,179**	**158,284**	-	-	**1,268**	**125,126**	**38,535**	**4,267**	**7,553**	**22,217**	**24,715**	**6,010**	**4,006**	**1,504**	**7,693**	-

NEWFOUNDLAND & LABRADOR HYDRO
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L'Anse au Loup
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	5,314,268	1,323,126	-	-	21,086	2,111,860	659,481	67,703	119,840	364,699	413,324	103,426	65,325	22,931	41,467	-
2	Cash Working Capital	11,891	2,961	-	-	47	4,725	1,476	151	268	816	925	231	146	51	93	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	20,307	-	20,307	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	118,425	41,159	-	-	488	40,675	12,308	1,308	2,316	7,148	7,896	2,138	1,270	494	1,224	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	318,519	79,304	-	-	1,264	126,577	39,527	4,058	7,183	21,859	24,773	6,199	3,915	1,374	2,485	-
8	Total Rate Base	**5,783,409**	**1,446,549**	**20,307**	**-**	**22,885**	**2,283,838**	**712,792**	**73,221**	**129,607**	**394,522**	**446,918**	**111,994**	**70,657**	**24,850**	**45,269**	**-**
9	Less: Rural Portion	(5,783,409)	(1,446,549)	(20,307)	-	(22,885)	(2,283,838)	(712,792)	(73,221)	(129,607)	(394,522)	(446,918)	(111,994)	(70,657)	(24,850)	(45,269)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**412,844**	**103,261**	**1,450**	**-**	**1,634**	**163,030**	**50,882**	**5,227**	**9,252**	**28,163**	**31,903**	**7,995**	**5,044**	**1,774**	**3,231**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Functional Classification of Rate Base (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Energy
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Basis of Allocation to Classes of Service

1		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
							Distribution										
Line No.	Description	Total Amount	Production Demand	Production and Transmission Energy	Transmission Demand	Substations Demand	Primary Lines Demand	Primary Lines Customer	Line Transformers Demand	Line Transformers Customer	Secondary Lines Demand	Secondary Lines Customer	Services Customer	Meters Customer	Street Lightin Customer	Accounting Customer	Specifically Assigned Customer
			(CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wtd Rural Cust)			(Rural Cust)	
	Amounts																
1	1.1 Domestic Diesel	-	2,420	9,503	2,420	2,269	2,269	742	2,047	742	2,047	742	742	742	-	742	-
2	1.12 Domestic All Electric	-	111	375	111	104	104	19	94	19	94	19	19	19	-	19	-
3	2.1 GS 0-10 kW	-	209	1,171	209	196	196	137	176	137	176	137	274	274	-	137	-
4	2.2 GS 10-100 kW	-	852	4,245	852	799	799	63	721	63	721	63	509	509	-	63	-
5	2.3 GS 110-1,000 kVa	-	182	898	182	171	171	2	154	2	154	2	17	17	-	2	-
6	4.1 Street and Area Lighting	-	33	127	33	31	31	30	28	30	28	30	-	-	1	30	-
7	**Total**	**-**	**3,807**	**16,319**	**3,807**	**3,570**	**3,570**	**993**	**3,220**	**993**	**3,220**	**993**	**1,561**	**1,561**	**1**	**993**	**0**
	Ratios																
8	1.1 Domestic Diesel	-	0.6357	0.5823	0.6357	0.6357	0.6357	0.7472	0.6357	0.7472	0.6357	0.7472	0.4754	0.4754	-	0.7472	-
9	1.12 Domestic All Electric	-	0.0292	0.0230	0.0292	0.0292	0.0292	0.0191	0.0292	0.0191	0.0292	0.0191	0.0122	0.0122	-	0.0191	-
10	2.1 GS 0-10 kW	-	0.0548	0.0717	0.0548	0.0548	0.0548	0.1380	0.0548	0.1380	0.0548	0.1380	0.1756	0.1756	-	0.1380	-
11	2.2 GS 10-100 kW	-	0.2238	0.2602	0.2238	0.2238	0.2238	0.0634	0.2238	0.0634	0.2238	0.0634	0.3258	0.3258	-	0.0634	-
12	2.3 GS 110-1,000 kVa	-	0.0478	0.0550	0.0478	0.0478	0.0478	0.0020	0.0478	0.0020	0.0478	0.0020	0.0110	0.0110	-	0.0020	-
13	4.1 Street and Area Lighting	-	0.0087	0.0078	0.0087	0.0087	0.0087	0.0302	0.0087	0.0302	0.0087	0.0302	-	-	1.0000	0.0302	-
14	**Total**	**-**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**0.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.1 Domestic Diesel	729,206	729,206
2	1.12 Domestic All Electric	27,591	27,591
3	2.1 GS 0-10 kW	130,749	130,749
4	2.2 GS 10-100 kW	366,667	366,667
5	2.3 GS 110-1,000 kVa	84,626	84,626
6	4.1 Street and Area Lighting	32,775	32,775
7	**Total**	**1,371,614**	**1,371,614**
	Ratios		
8	1.1 Domestic Diesel	0.5316	0.5316
9	1.12 Domestic All Electric	0.0201	0.0201
10	2.1 GS 0-10 kW	0.0953	0.0953
11	2.2 GS 10-100 kW	0.2673	0.2673
12	2.3 GS 110-1,000 kVa	0.0617	0.0617
13	4.1 Street and Area Lighting	0.0239	0.0239
14	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
						Distribution											
Line No.	Description	Total Amount ($)	Production Demand ($)	Production and Transmission Energy ($)	Transmsn Demand ($)	Substations Demand ($)	Primary Lines Demand ($)	Primary Lines Customer ($)	Line Transformers Demand ($)	Line Transformers Customer ($)	Secondary Lines Demand ($)	Secondary Lines Customer ($)	Services Customer ($)	Meters Customer ($)	Street Lightin Customer ($)	Accounting Customer ($)	Specifically Assigned Customer ($)
	Allocated Revenue Requirement Excluding Return																
1	1.1 Domestic Diesel	1,454,994	470,135	512,890	-	2,484	195,022	68,936	7,082	14,736	34,393	44,432	8,198	5,118	-	72,774	-
2	1.12 Domestic All Electric	58,998	21,603	20,218	-	114	8,961	1,765	325	377	1,580	1,138	210	131	-	1,863	-
3	2.1 GS 0-10 kW	169,667	40,506	63,195	-	214	16,803	12,728	610	2,721	2,963	8,204	3,027	1,890	-	13,437	-
4	2.2 GS 10-100 kW	514,442	165,533	229,133	-	875	68,667	5,853	2,494	1,251	12,110	3,773	5,618	3,508	-	6,179	-
5	2.3 GS 110-1,000 kVa	104,862	35,375	48,475	-	187	14,674	186	533	40	2,588	120	189	118	-	196	-
6	4.1 Street and Area Lighting	29,621	6,430	6,857	-	34	2,667	2,787	97	596	470	1,796	-	-	4,098	2,942	-
7	**Total**	**2,332,583**	**739,582**	**880,768**	**-**	**3,908**	**306,795**	**92,255**	**11,141**	**19,721**	**54,105**	**59,462**	**17,243**	**10,765**	**4,098**	**97,391**	**-**
	Allocated Return on Debt																
8	1.1 Domestic Diesel	269,769	65,641	844	-	1,038	103,634	38,021	3,323	6,913	17,902	23,839	3,801	2,398	-	2,415	-
9	1.12 Domestic All Electric	10,816	3,016	33	-	48	4,762	974	153	177	823	610	97	61	-	62	-
10	2.1 GS 0-10 kW	32,039	5,655	104	-	89	8,929	7,020	286	1,276	1,542	4,402	1,404	886	-	446	-
11	2.2 GS 10-100 kW	78,110	23,112	377	-	366	36,489	3,228	1,170	587	6,303	2,024	2,605	1,643	-	205	-
12	2.3 GS 110-1,000 kVa	14,827	4,939	80	-	78	7,798	102	250	19	1,347	64	88	55	-	7	-
13	4.1 Street and Area Lighting	7,283	898	11	-	14	1,417	1,537	45	280	245	964	-	-	1,774	98	-
14	**Total**	**412,844**	**103,261**	**1,450**	**-**	**1,634**	**163,030**	**50,882**	**5,227**	**9,252**	**28,163**	**31,903**	**7,995**	**5,044**	**1,774**	**3,231**	**-**
	Allocated Return on Equity																
15	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.1 Domestic Diesel	17,604	1,189	
2	1.12 Domestic All Electric	666	45	
3	2.1 GS 0-10 kW	3,156	213	
4	2.2 GS 10-100 kW	8,852	598	
5	2.3 GS 110-1,000 kVa	2,043	138	
6	4.1 Street and Area Lighting	791	53	
7	**Total**	**33,112**	**2,236**	
	Allocated Return on Debt			
8	1.1 Domestic Diesel	-	-	
9	1.12 Domestic All Electric	-	-	
10	2.1 GS 0-10 kW	-	-	
11	2.2 GS 10-100 kW	-	-	
12	2.3 GS 110-1,000 kVa	-	-	
13	4.1 Street and Area Lighting	-	-	
14	**Total**	**-**	**-**	
	Allocated Return on Equity			
15	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
						Distribution											
Line No.	Description	Total Amount ($)	Production Demand ($)	Production and Transmission Energy ($)	Transmsn Demand ($)	Substations Demand ($)	Primary Lines Demand ($)	Primary Lines Customer ($)	Line Transformers Demand ($)	Line Transformers Customer ($)	Secondary Lines Demand ($)	Secondary Lines Customer ($)	Services Customer ($)	Meters Customer ($)	Street Lightin Customer ($)	Accounting Customer ($)	Specifically Assigned Customer ($)
	Total Revenue Requirement																
16	1.1 Domestic Diesel	1,724,763	535,776	513,734	-	3,523	298,657	106,957	10,405	21,650	52,295	68,271	11,999	7,516	-	75,188	-
17	1.12 Domestic All Electric	69,814	24,619	20,251	-	162	13,723	2,739	478	554	2,403	1,748	307	192	-	1,925	-
18	2.1 GS 0-10 kW	201,706	46,161	63,299	-	304	25,731	19,748	896	3,997	4,506	12,605	4,431	2,776	-	13,883	-
19	2.2 GS 10-100 kW	592,551	188,645	229,510	-	1,240	105,156	9,081	3,664	1,838	18,413	5,797	8,223	5,151	-	6,384	-
20	2.3 GS 110-1,000 kVa	119,689	40,314	48,555	-	265	22,472	288	783	58	3,935	184	277	174	-	203	-
21	4.1 Street and Area Lighting	36,904	7,328	6,869	-	48	4,085	4,324	142	875	715	2,760	-	-	5,871	3,040	-
22	**Total**	**2,745,427**	**842,843**	**882,218**	**-**	**5,542**	**469,825**	**143,137**	**16,368**	**28,973**	**82,267**	**91,365**	**25,237**	**15,809**	**5,871**	**100,623**	**-**
	Re-classification of Revenue-Related																
23	1.1 Domestic Diesel	0	5,902	5,659	-	39	3,290	1,178	115	238	576	752	132	83	-	828	-
24	1.12 Domestic All Electric	(0)	253	208	-	2	141	28	5	6	25	18	3	2	-	20	-
25	2.1 GS 0-10 kW	(0)	784	1,075	-	5	437	336	15	68	77	214	75	47	-	236	-
26	2.2 GS 10-100 kW	(0)	3,057	3,719	-	20	1,704	147	59	30	298	94	133	83	-	103	-
27	2.3 GS 110-1,000 kVa	(0)	748	901	-	5	417	5	15	1	73	3	5	3	-	4	-
28	4.1 Street and Area Lighting	(0)	172	161	-	1	96	101	3	21	17	65	-	-	138	71	-
29	**Total**	**(0)**	**10,916**	**11,724**	**-**	**72**	**6,085**	**1,796**	**212**	**363**	**1,066**	**1,146**	**349**	**219**	**138**	**1,262**	**-**
	Total Allocated Revenue Requirement																
30	1.1 Domestic Diesel	1,724,763	541,678	519,393	-	3,562	301,947	108,135	10,520	21,888	52,871	69,023	12,131	7,599	-	76,017	-
31	1.12 Domestic All Electric	69,814	24,873	20,459	-	164	13,865	2,767	483	560	2,428	1,766	310	194	-	1,945	-
32	2.1 GS 0-10 kW	201,706	46,945	64,374	-	309	26,169	20,084	912	4,065	4,582	12,819	4,506	2,823	-	14,118	-
33	2.2 GS 10-100 kW	592,551	191,702	233,230	-	1,260	106,860	9,228	3,723	1,868	18,711	5,891	8,356	5,234	-	6,487	-
34	2.3 GS 110-1,000 kVa	119,689	41,062	49,456	-	270	22,889	294	797	59	4,008	187	282	177	-	206	-
35	4.1 Street and Area Lighting	36,904	7,500	7,030	-	49	4,181	4,426	146	896	732	2,825	-	-	6,009	3,111	-
36	**Total**	**2,745,427**	**853,759**	**893,942**	**-**	**5,614**	**475,910**	**144,933**	**16,580**	**29,337**	**83,333**	**92,512**	**25,586**	**16,028**	**6,009**	**101,885**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
16	1.1 Domestic Diesel	17,604	1,189	
17	1.12 Domestic All Electric	666	45	
18	2.1 GS 0-10 kW	3,156	213	
19	2.2 GS 10-100 kW	8,852	598	
20	2.3 GS 110-1,000 kVa	2,043	138	
21	4.1 Street and Area Lighting	791	53	
22	**Total**	**33,112**	**2,236**	
	Re-classification of Revenue-Related			
23	1.1 Domestic Diesel	(17,604)	(1,189)	Re-classification to demand, energy and customer is based on rate class revenue
24	1.12 Domestic All Electric	(666)	(45)	requirements excluding revenue-related items.
25	2.1 GS 0-10 kW	(3,156)	(213)	
26	2.2 GS 10-100 kW	(8,852)	(598)	
27	2.3 GS 110-1,000 kVa	(2,043)	(138)	
28	4.1 Street and Area Lighting	(791)	(53)	
29	**Total**	**(33,112)**	**(2,236)**	
	Total Allocated Revenue Requirement			
30	1.1 Domestic Diesel	-	-	
31	1.12 Domestic All Electric	-	-	
32	2.1 GS 0-10 kW	-	-	
33	2.2 GS 10-100 kW	-	-	
34	2.3 GS 110-1,000 kVa	-	-	
35	4.1 Street and Area Lighting	-	-	
36	**Total**	**-**	**-**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution Primary Lines Demand ($)	7 Distribution Primary Lines Customer ($)	8 Distribution Line Transformers Demand ($)	9 Distribution Line Transformers Customer ($)	10 Distribution Secondary Lines Demand ($)	11 Distribution Secondary Lines Customer ($)	12 Distribution Services Customer ($)	13 Distribution Meters Customer ($)	14 Distribution Street Lighting Customer ($)	15 Accounting Customer ($)	16 Specifically Assigned Customer ($)	17
	Expenses																	
1	Operating & Maintenance	4,294,520	471,049	-	420,358	500,149	657,640	175,418	117,072	207,228	120,879	124,394	103,282	91,168	30,612	1,005,608	145	
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Fuels-Diesel	15,408	15,408	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Fuels-Gas Turbine	85,682	85,682	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Power Purchases -CF(L)Co	2,433,927	1,094,394	1,339,533	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Power Purchases-Other	106,235	-	-	-	106,235	-	-	-	-	-	-	-	-	-	-	-	
7	Depreciation	2,589,389	1,004,888	-	585,356	170,708	303,703	80,314	57,337	101,492	56,331	58,252	48,979	24,731	15,884	81,314	100	
	Expense Credits																	
8	Sundry	(21,046)	(2,308)	-	(2,060)	(2,451)	(3,223)	(860)	(574)	(1,016)	(592)	(610)	(506)	(447)	(150)	(4,928)	(1)	
9	Building Rental Income	(6,828)	(2,273)	-	(1,794)	(682)	(879)	(227)	(151)	(268)	(156)	(161)	(134)	(64)	(40)	-	(0)	
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Suppliers' Discounts	(1,052)	(115)	-	(103)	(123)	(161)	(43)	(29)	(51)	(30)	(30)	(25)	(22)	(8)	(246)	(0)	
12	Pole Attachments	(203,476)	-	-	-	-	(117,680)	(40,217)	-	-	(20,829)	(24,749)	-	-	-	-	-	
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Application Fees	(18,708)	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,708)	-	
16	Meter Test Revenues	(25,357)	-	-	-	-	-	-	-	-	-	-	-	(25,357)	-	-	-	
17	**Total Expense Credits**	**(276,467)**	**(4,697)**	**-**	**(3,957)**	**(3,255)**	**(121,943)**	**(41,347)**	**(754)**	**(1,334)**	**(21,608)**	**(25,550)**	**(665)**	**(25,890)**	**(197)**	**(23,883)**	**(1)**	
18	**Subtotal Expenses**	**9,248,693**	**2,666,724**	**1,339,533**	**1,001,757**	**773,837**	**839,400**	**214,385**	**173,656**	**307,385**	**155,601**	**157,096**	**151,595**	**90,008**	**46,299**	**1,063,039**	**244**	
19	Disposal Gain / Loss	17,498	4,749	-	6,076	1,436	1,996	525	393	696	374	383	364	147	119	238	2	
20	**Subtotal Revenue Requirement Ex. Return**	**9,266,191**	**2,671,473**	**1,339,533**	**1,007,833**	**775,273**	**841,396**	**214,911**	**174,049**	**308,082**	**155,975**	**157,480**	**151,960**	**90,155**	**46,418**	**1,063,277**	**245**	
21	Return on Debt	3,563,415	976,089	-	1,228,215	292,843	406,503	106,950	79,931	141,485	76,020	77,989	73,928	29,977	24,099	49,034	351	
22	Return on Equity	590,864	161,849	-	203,655	48,557	67,404	17,734	13,254	23,460	12,605	12,932	12,258	4,971	3,996	8,131	58	
23	**Total Revenue Requirement**	**13,420,470**	**3,809,411**	**1,339,533**	**2,439,704**	**1,116,673**	**1,315,303**	**339,594**	**267,234**	**473,026**	**244,600**	**248,400**	**238,146**	**125,103**	**74,513**	**1,120,442**	**655**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	245,184	24,335	Carryforward from Sch.2.4 L.24
2	Fuels	-	-	
3	Fuels-Diesel	-	-	Production - Demand
4	Fuels-Gas Turbine	-	-	Production - Demand
5	Power Purchases -CF(L)Co	-	-	Carryforward from Sch.4.4 L.8
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.9
7	Depreciation	-	-	Carryforward from Sch.2.5 L.24
	Expense Credits			
8	Sundry	(1,202)	(119)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.19
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
11	Suppliers' Discounts	(60)	(6)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy Revenues	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	**Total Expense Credits**	**(1,262)**	**(125)**	
18	**Subtotal Expenses**	**243,922**	**24,210**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.24
20	**Subtotal Revenue Requirement Ex. Return**	**243,922**	**24,210**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	**Total Revenue Requirement**	**243,922**	**24,210**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbines	22,489,284	22,489,284	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	3,483,441	3,483,441	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**25,972,725**	**25,972,725**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	16,538,092	-	-	16,083,896	-	454,196	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	5,334,238	-	-	4,416,794	912,390	-	-	-	-	-	-	-	-	-	-	5,054
6	**Subtotal Transmission**	**21,872,330**	-	-	**20,500,690**	912,390	454,196	-	-	-	-	-	-	-	-	-	**5,054**
	Distribution																
7	Substations	6,876,688	-	-	-	6,876,688	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	412,065	-	-	-	-	310,676	39,579	-	-	36,035	25,775	-	-	-	-	-
9	Poles	11,577,159	-	-	-	-	6,695,627	2,288,249	-	-	1,185,131	1,408,153	-	-	-	-	-
10	Primary Conductor & Eqpt	2,336,007	-	-	-	-	2,072,038	263,969	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	515,827	-	-	-	-	515,827	-	-	-	-	-	-	-	-	-	-
12	Transformers	4,791,523	-	-	-	-	-	-	1,729,740	3,061,783	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	968,802	-	-	-	-	-	-	-	-	564,812	403,991	-	-	-	-	-
14	Services	1,525,983	-	-	-	-	-	-	-	-	-	-	1,525,983	-	-	-	-
15	Meters	732,296	-	-	-	-	-	-	-	-	-	-	-	732,296	-	-	-
16	Street Lighting	452,294	-	-	-	-	-	-	-	-	-	-	-	-	452,294	-	-
17	**Subtotal Distribution**	**30,188,644**	-	-	-	6,876,688	**9,594,168**	**2,591,796**	**1,729,740**	**3,061,783**	**1,785,978**	**1,837,918**	**1,525,983**	**732,296**	**452,294**	-	-
18	**Subttl Prod, Trans, & Dist**	**78,033,699**	**25,972,725**	-	**20,500,690**	7,789,077	**10,048,364**	**2,591,796**	**1,729,740**	**3,061,783**	**1,785,978**	**1,837,918**	**1,525,983**	**732,296**	**452,294**	-	**5,054**
19	General	6,431,826	471,138	-	475,038	795,480	1,070,827	286,916	191,485	338,944	197,711	203,461	168,929	163,335	50,070	2,018,302	190
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	68,223	22,707	-	17,923	6,810	8,785	2,266	1,512	2,677	1,561	1,607	1,334	640	395	-	4
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Plant**	**84,533,748**	**26,466,571**	-	**20,993,652**	**8,591,368**	**11,127,975**	**2,880,978**	**1,922,737**	**3,403,404**	**1,985,250**	**2,042,986**	**1,696,246**	**896,272**	**502,759**	**2,018,302**	**5,248**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
	Production	
1	Gas Turbines	Production - Demand, Energy ratios Sch.4.1 L.9
2	Diesel	Production - Demand, Energy ratios Sch.4.1 L.9
3	**Subtotal Production**	
	Transmission	
4	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
5	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
6	**Subtotal Transmission**	
	Distribution	
7	Substations	Production - Demand; Dist Substns - Demand
8	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
9	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
10	Primary Conductor & Eqpt	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
11	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
12	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
13	Secondary Conductor&Eqpt	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
14	Services	Services Customer
15	Meters	Meters - Customer
16	Street Lighting	Street Lighting - Customer
17	**Subtotal Distribution**	
18	**Subttl Prod, Trans, & Dist**	
19	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch2.4 L.11, 12
20	Telecontrol - Specific	Specifically Assigned - Customer
21	Feasibility Studies	Production, Transmission - Demand
22	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.18
23	Software - Cust Acctng	
24	**Total Plant**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbines	11,466,748	11,466,748	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	875,096	875,096	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**12,341,844**	**12,341,844**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	12,589,120	-	-	12,459,557	-	129,563	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	4,272,354	-	-	3,372,393	895,441	-	-	-	-	-	-	-	-	-	-	4,521
6	**Subtotal Transmission**	**16,861,475**	-	-	**15,831,950**	**895,441**	**129,563**	-	-	-	-	-	-	-	-	-	**4,521**
	Distribution																
7	Substations	2,633,357	-	-	-	2,633,357	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	145,408	-	-	-	-	109,630	13,966	-	-	12,716	9,095	-	-	-	-	-
9	Poles	5,905,175	-	-	-	-	3,415,246	1,167,170	-	-	604,501	718,258	-	-	-	-	-
10	Primary Conductor & Eqpt	983,949	-	-	-	-	872,763	111,186	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	389,197	-	-	-	-	389,197	-	-	-	-	-	-	-	-	-	-
12	Transformers	2,701,291	-	-	-	-	-	-	975,166	1,726,125	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	521,267	-	-	-	-	-	-	-	-	303,898	217,368	-	-	-	-	-
14	Services	905,253	-	-	-	-	-	-	-	-	-	-	905,253	-	-	-	-
15	Meters	335,637	-	-	-	-	-	-	-	-	-	-	-	335,637	-	-	-
16	Street Lighting	297,124	-	-	-	-	-	-	-	-	-	-	-	-	297,124	-	-
17	**Subtotal Distribution**	**14,817,658**	-	-	-	**2,633,357**	**4,786,837**	**1,292,322**	**975,166**	**1,726,125**	**921,115**	**944,722**	**905,253**	**335,637**	**297,124**	-	-
18	**Subttl Prod, Trans, & Dist**	**44,020,977**	**12,341,844**	-	**15,831,950**	**3,528,798**	**4,916,400**	**1,292,322**	**975,166**	**1,726,125**	**921,115**	**944,722**	**905,253**	**335,637**	**297,124**	-	**4,521**
19	General	1,999,503	146,466	-	147,678	247,296	332,895	89,195	59,528	105,370	61,464	63,251	52,516	50,777	15,565	627,442	59
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	51,904	14,552	-	18,667	4,161	5,797	1,524	1,150	2,035	1,086	1,114	1,067	396	350	-	5
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Net Book Value**	**46,072,383**	**12,502,861**	-	**15,998,295**	**3,780,255**	**5,255,092**	**1,383,042**	**1,035,844**	**1,833,530**	**983,665**	**1,009,087**	**958,836**	**386,810**	**313,039**	**627,442**	**4,585**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbine / Diesel	123,558	123,558	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	28,458	28,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**152,017**	**152,017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
4	Transmission Lines	47,654	-	-	46,345	-	1,309	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	46,816	-	-	38,764	8,008	-	-	-	-	-	-	-	-	-	-	44
6	Other	72,727	-	-	68,166	3,034	1,510	-	-	-	-	-	-	-	-	-	17
7	**Subtotal Transmission**	**167,197**	**-**	**-**	**153,275**	**11,041**	**2,819**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**61**
	Distribution																
8	Other	1,052,147	-	-	-	245,627	342,693	92,576	61,784	109,363	63,793	65,648	54,506	-	16,155	-	-
9	Meters	52,702	-	-	-	-	-	-	-	-	-	-	-	52,702	-	-	-
10	**Subtotal Distribution**	**1,104,849**	**-**	**-**	**-**	**245,627**	**342,693**	**92,576**	**61,784**	**109,363**	**63,793**	**65,648**	**54,506**	**52,702**	**16,155**	**-**	**-**
11	**Subttl Prod, Trans, & Dist**	**1,424,062**	**152,017**	**-**	**153,275**	**256,669**	**345,512**	**92,576**	**61,784**	**109,363**	**63,793**	**65,648**	**54,506**	**52,702**	**16,155**	**-**	**61**
12	Customer Accounting	651,223	-	-	-	-	-	-	-	-	-	-	-	-	-	651,223	-
	Administrative & General:																
	Plant-Related:																
13	Production	58,172	58,172	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	66,372	-	-	62,209	2,769	1,378	-	-	-	-	-	-	-	-	-	15
15	Distribution	187,587	-	-	-	42,731	59,617	16,105	10,748	19,025	11,098	11,421	9,482	4,550	2,810	-	-
16	Prod, Trans, Distn Plant	66,148	22,017	-	17,378	6,603	8,518	2,197	1,466	2,595	1,514	1,558	1,294	621	383	-	4
17	Prod, Trans, Distn & General Plt	391,675	122,629	-	97,271	39,807	51,560	13,349	8,909	15,769	9,198	9,466	7,859	4,153	2,329	9,352	24
18	Property Insurance	55,235	32,738	-	6,056	10,628	1,326	355	237	420	245	252	209	202	62	2,499	6
	Revenue-Related:																
19	Municipal Tax	245,184	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	PUB Assessment	24,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	All Expense-Related	1,091,572	79,959	-	80,621	135,004	181,735	48,694	32,498	57,524	33,554	34,530	28,670	27,720	8,498	342,535	32
22	Prod,Trans & Distn Expense-Related	32,955	3,518	-	3,547	5,940	7,996	2,142	1,430	2,531	1,476	1,519	1,261	1,220	374	-	1
23	**Subtotal Admin & General**	**2,219,235**	**319,032**	**-**	**267,083**	**243,481**	**312,128**	**82,842**	**55,288**	**97,864**	**57,085**	**58,746**	**48,775**	**38,466**	**14,457**	**354,385**	**84**
24	**Total Operating & Maintenance Expenses**	**4,294,520**	**471,049**	**-**	**420,358**	**500,149**	**657,640**	**175,418**	**117,072**	**207,228**	**120,879**	**124,394**	**103,282**	**91,168**	**30,612**	**1,005,608**	**145**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Production			
1	Gas Turbine / Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L.9
2	Other	-	-	Production - Demand, Energy ratios Sch.4.1 L.9
3	**Subtotal Production**	-	-	
	Transmission			
4	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.4
5	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.5
6	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.6
7	**Subtotal Transmission**	-	-	
	Distribution			
8	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 17, less L. 15
9	Meters	-	-	Meters - Customer
10	**Subtotal Distribution**	-	-	
11	**Subtl Prod, Trans, & Dist**	-	-	
12	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
13	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.3
14	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L. 6
15	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn Plant	-	-	Prorated on Production, Transmission, Distribution Plant in Service - Sch.2.2 L. 18
17	Prod, Trans, Distn & General Plt	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.24
18	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.3, 5, 7, 19 - 20
	Revenue-Related:			
19	Municipal Tax	245,184	-	Revenue-related
20	PUB Assessment	-	24,335	Revenue-related
21	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L 11, 12
22	Prod,Trans & Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.11
23	**Subtotal Admin & General**	**245,184**	**24,335**	
24	**Total Operating & Maintenance Expenses**	**245,184**	**24,335**	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
							Distribution										
	Production																
1	Gas Turbines	901,529	901,529	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	59,314	59,314	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**960,843**	**960,843**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	456,030	-	-	441,062	-	14,967	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	113,876	-	-	110,761	3,025	-	-	-	-	-	-	-	-	-	-	90
6	**Subtotal Transmission**	**569,905**	-	-	**551,823**	**3,025**	**14,967**	-	-	-	-	-	-	-	-	-	**90**
	Distribution																
7	Substations	132,110	-	-	-	132,110	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	6,581	-	-	-	-	4,962	632	-	-	576	412	-	-	-	-	-
9	Poles	311,255	-	-	-	-	180,014	61,520	-	-	31,863	37,859	-	-	-	-	-
10	Primary Conductor & Eqpt	42,964	-	-	-	-	38,109	4,855	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	15,886	-	-	-	-	15,886	-	-	-	-	-	-	-	-	-	-
12	Transformers	133,965	-	-	-	-	-	-	48,361	85,604	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	25,210	-	-	-	-	-	-	-	-	14,698	10,513	-	-	-	-	-
14	Services	41,101	-	-	-	-	-	-	-	-	-	-	41,101	-	-	-	-
15	Meters	17,689	-	-	-	-	-	-	-	-	-	-	-	17,689	-	-	-
16	Street Lighting	13,514	-	-	-	-	-	-	-	-	-	-	-	-	13,514	-	-
17	**Subtotal Distribution**	**740,274**	-	-	-	**132,110**	**238,970**	**67,007**	**48,361**	**85,604**	**47,136**	**48,783**	**41,101**	**17,689**	**13,514**	-	-
18	**Subttl Prod, Trans, & Dist**	**2,271,023**	**960,843**	-	**551,823**	**135,135**	**253,938**	**67,007**	**48,361**	**85,604**	**47,136**	**48,783**	**41,101**	**17,689**	**13,514**	-	**90**
19	General	259,126	18,981	-	19,138	32,048	43,142	11,559	7,715	13,655	7,965	8,197	6,806	6,580	2,017	81,314	8
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	59,239	25,064	-	14,394	3,525	6,624	1,748	1,262	2,233	1,230	1,272	1,072	461	353	-	2
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Depreciation Expense**	**2,589,389**	**1,004,888**	-	**585,356**	**170,708**	**303,703**	**80,314**	**57,337**	**101,492**	**56,331**	**58,252**	**48,979**	**24,731**	**15,884**	**81,314**	**100**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	46,072,383	12,502,861	-	15,998,295	3,780,255	5,255,092	1,383,042	1,035,844	1,833,530	983,665	1,009,087	958,836	386,810	313,039	627,442	4,585
2	Cash Working Capital	103,090	27,976	-	35,797	8,459	11,759	3,095	2,318	4,103	2,201	2,258	2,145	866	700	1,404	10
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	38,151	38,151	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	87,188	87,188	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	856,571	268,183	-	212,726	87,055	112,759	29,193	19,483	34,486	20,116	20,701	17,188	9,082	5,094	20,451	53
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	2,761,417	749,378	-	958,882	226,575	314,972	82,895	62,085	109,895	58,957	60,481	57,469	23,184	18,762	37,607	275
8	Total Rate Base	**49,918,801**	**13,673,737**	**-**	**17,205,701**	**4,102,344**	**5,694,581**	**1,498,224**	**1,119,730**	**1,982,015**	**1,064,940**	**1,092,527**	**1,035,639**	**419,942**	**337,597**	**686,904**	**4,923**
9	Less: Rural Portion	-															
10	Rate Base Available for Equity Return	**49,918,801**	**13,673,737**	**-**	**17,205,701**	**4,102,344**	**5,694,581**	**1,498,224**	**1,119,730**	**1,982,015**	**1,064,940**	**1,092,527**	**1,035,639**	**419,942**	**337,597**	**686,904**	**4,923**
11	Return on Debt	3,563,415	976,089	-	1,228,215	292,843	406,503	106,950	79,931	141,485	76,020	77,989	73,928	29,977	24,099	49,034	351
12	Return on Equity	590,864	161,849	-	203,655	48,557	67,404	17,734	13,254	23,460	12,605	12,932	12,258	4,971	3,996	8,131	58
13	Return on Rate Base	**4,154,278**	**1,137,938**	**-**	**1,431,871**	**341,400**	**473,907**	**124,683**	**93,185**	**164,945**	**88,625**	**90,921**	**86,187**	**34,948**	**28,095**	**57,165**	**410**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Functional Classification of Rate Base (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 24
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Demand
5	Fuel Inventory - Gas Turbine	Production - Demand
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 24
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Substations Demand	7 Distribution Primary Lines Demand	8 Primary Lines Customer	9 Line Transformers Demand	10 Line Transformers Customer	11 Secondary Lines Demand	12 Secondary Lines Customer	13 Services Customer	14 Meters Customer	15 Street Lighting Customer	16 Accounting Customer	17 Specifically Assigned Customer
	Amounts		(CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wtd Rural Cust)			(Rural Cust)	
1	CFB - Goose Bay Secondary	-	-	87,442	-	-	-	1	-	1	-	1	-	-	-	1	1
2	IOCC Firm	-	70,231	280,561	62,000	-	-	-	-	-	-	-	-	-	-	-	-
3	IOCC Non-Firm	-	-	4,531	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
4	1.1Domestic	-	2,466	10,166	2,177	2,090	2,090	712	1,959	712	1,959	712	712	712	-	712	-
5	1.1A Domestic All Electric	-	74,423	309,916	65,701	63,076	63,076	7,143	59,120	7,143	59,120	7,143	7,143	7,143		7,143	
6	2.1GS 0-10 kW	-	849	4,773	750	720	720	399	675	399	675	399	798	798	-	399	-
7	2.2GS 10-100 kW	-	12,865	68,184	11,358	10,904	10,904	609	8,885	609	8,885	609	4,917	4,917	-	609	-
8	2.3GS 110-1,000 kVa	-	21,093	102,116	18,621	17,877	17,877	122	14,640	122	14,640	122	1,044	1,044	-	122	-
9	2.4GS Over 1,000 kVa	-	13,661	78,217	12,060	11,578	11,578	6	10,852	6	10,852	6	51	51	-	6	-
10	4.1Street and Area Lighting	-	447	1,796	395	379	379	277	355	277	355	277	-	-	1	277	-
11	**Subtotal Rural**		**125,804**	**575,167**	**111,060**	**106,623**	**106,623**	**9,268**	**96,484**	**9,268**	**96,484**	**9,268**	**14,666**	**14,666**	**1**	**9,268**	**-**
12	**Total Labrador Interconnected**		**196,035**	**947,700**	**173,060**	**106,623**	**106,623**	**9,269**	**96,484**	**9,269**	**96,484**	**9,269**	**14,666**	**14,666**	**1**	**9,269**	**1**
	Ratios																
13	CFB - Goose Bay Boiler	-	-	0.0923	-	-	-	0.0001	-	0.0001	-	0.0001	-	-	-	0.0001	1.0000
14	IOCC Firm	-	0.3583	0.2960	0.3583	-	-	-	-	-	-	-	-	-	-	-	-
15	IOCC Non-Firm	-	-	0.0048	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
16	1.1Domestic	-	0.0126	0.0107	0.0126	0.0196	0.0196	0.0768	0.0203	0.0768	0.0203	0.0768	0.0485	0.0485	-	0.0768	-
17	1.1A Domestic All Electric	-	0.3796	0.3270	0.3796	0.5916	0.5916	0.7706	0.6127	0.7706	0.6127	0.7706	0.4871	0.4871	-	0.7706	-
18	2.1GS 0-10 kW	-	0.0043	0.0050	0.0043	0.0067	0.0067	0.0430	0.0070	0.0430	0.0070	0.0430	0.0544	0.0544	-	0.0430	-
19	2.2GS 10-100 kW	-	0.0656	0.0719	0.0656	0.1023	0.1023	0.0657	0.0921	0.0657	0.0921	0.0657	0.3353	0.3353	-	0.0657	-
20	2.3GS 110-1,000 kVa	-	0.1076	0.1078	0.1076	0.1677	0.1677	0.0131	0.1517	0.0131	0.1517	0.0131	0.0712	0.0712	-	0.0131	-
21	2.4GS Over 1,000 kVa	-	0.0697	0.0825	0.0697	0.1086	0.1086	0.0006	0.1125	0.0006	0.1125	0.0006	0.0035	0.0035	-	0.0006	-
22	4.1Street and Area Lighting	-	0.0023	0.0019	0.0023	0.0036	0.0036	0.0299	0.0037	0.0299	0.0037	0.0299	-	-	1.0000	0.0299	-
23	**Subtotal Rural**		**0.6417**	**0.6069**	**0.6417**	**1.0000**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**-**
24	**Total Labrador Interconnected**		**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**
	Ratios Excluding IOCC																
25	CFB - Goose Bay Boiler	-	-	0.1320	-	-	-	0.0001	-	0.0001	-	0.0001	-	-	-	0.0001	1.0000
	Rural																
26	1.1Domestic	-	0.0196	0.0153	0.0196	0.0196	0.0196	0.0768	0.0203	0.0768	0.0203	0.0768	0.0485	0.0485	-	0.0768	-
27	1.1A Domestic All Electric	-	0.5916	0.4677	0.5916	0.5916	0.5916	0.7706	0.6127	0.7706	0.6127	0.7706	0.4871	0.4871	-	0.7706	-
28	2.1GS 0-10 kW	-	0.0067	0.0072	0.0067	0.0067	0.0067	0.0430	0.0070	0.0430	0.0070	0.0430	0.0544	0.0544	-	0.0430	-
29	2.2GS 10-100 kW	-	0.1023	0.1029	0.1023	0.1023	0.1023	0.0657	0.0921	0.0657	0.0921	0.0657	0.3353	0.3353	-	0.0657	-
30	2.3GS 110-1,000 kVa	-	0.1677	0.1541	0.1677	0.1677	0.1677	0.0131	0.1517	0.0131	0.1517	0.0131	0.0712	0.0712	-	0.0131	-
31	2.4GS Over 1,000 kVa	-	0.1086	0.1180	0.1086	0.1086	0.1086	0.0006	0.1125	0.0006	0.1125	0.0006	0.0035	0.0035	-	0.0006	-
32	4.1Street and Area Lighting	-	0.0036	0.0027	0.0036	0.0036	0.0036	0.0299	0.0037	0.0299	0.0037	0.0299	-	-	1.0000	0.0299	-
33	**Subtotal Rural**		**1.0000**	**0.8680**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**-**
34	**Total Labrador Interconnected**		**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Basis of Allocation to Classes of Service (CONT'D.)

Line No.		18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	CFB - Goose Bay Secondary	-	3,363,030
2	IOCC Firm	-	-
3	IOCC Non-Firm	-	-
	Rural		
4	1.1Domestic	206,586	206,586
5	1.1A Domestic All Electric	5,560,637	5,560,637
6	2.1GS 0-10 kW	148,782	148,782
7	2.2GS 10-100 kW	1,650,655	1,650,655
8	2.3GS 110-1,000 kVa	2,173,122	2,173,122
9	2.4GS Over 1,000 kVa	186,109	1,567,094
10	4.1Street and Area Lighting	178,320	178,320
11	**Subtotal Rural**	**10,104,211**	**11,485,196**
12	**Total Labrador Interconnected**	**10,104,211**	**14,848,226**
	Ratios		
13	CFB - Goose Bay Boiler	-	0.2265
14	IOCC Firm	-	-
15	IOCC Non-Firm	-	-
	Rural		
16	1.1Domestic	0.0204	0.0139
17	1.1A Domestic All Electric	0.5503	0.3745
18	2.1GS 0-10 kW	0.0147	0.0100
19	2.2GS 10-100 kW	0.1634	0.1112
20	2.3GS 110-1,000 kVa	0.2151	0.1464
21	2.4GS Over 1,000 kVa	0.0184	0.1055
22	4.1Street and Area Lighting	0.0176	0.0120
23	**Subtotal Rural**	**1.0000**	**0.7735**
24	**Total Labrador Interconnected**	**1.0000**	**1.0000**
	Ratios Excluding IOCC		
25	CFB - Goose Bay Boiler	-	0.2265
	Rural		
26	1.1Domestic	0.0204	0.0139
27	1.1A Domestic All Electric	0.5503	0.3745
28	2.1GS 0-10 kW	0.0147	0.0100
29	2.2GS 10-100 kW	0.1634	0.1112
30	2.3GS 110-1,000 kVa	0.2151	0.1464
31	2.4GS Over 1,000 kVa	0.0184	0.1055
32	4.1Street and Area Lighting	0.0176	0.0120
33	**Subtotal Rural**	**1.0000**	**0.7735**
34	**Total Labrador Interconnected**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Distribution Substations Demand	7 Primary Lines Demand	7 Primary Lines Customer	8 Line Transformers Demand	8 Line Transformers Customer	9 Secondary Lines Demand	9 Secondary Lines Customer	10 Services Customer	11 Meters Customer	12 Street Lighting Customer	13 Accounting Customer	14 Specifically Assigned Customer
	Allocated Rev Reqmt Excl Return	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
1	CFB - Goose Bay Boiler	129,512	-	123,595	-	-	-	23	-	33	-	17	-	-	-	115	245
2	IOCC Firm	1,714,697	957,073	396,561	361,063	-	-	-	-	-	-	-	-	-	-	-	-
3	IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
4	1.1Domestic	250,063	33,604	14,369	12,677	15,196	16,492	16,508	3,534	23,665	3,167	12,097	7,378	4,377	-	81,676	-
5	1.1A Domestic All Electric	4,598,489	1,014,199	438,053	382,614	458,634	497,751	165,617	106,647	237,418	95,572	121,359	74,014	43,911	-	819,397	-
6	2.1GS 0-10 kW	127,974	11,572	6,746	4,366	5,233	5,679	9,251	1,217	13,262	1,090	6,779	8,269	4,906	-	45,771	-
7	2.2GS 10-100 kW	771,890	175,323	96,376	66,142	79,283	86,045	14,125	16,028	20,249	14,363	10,351	50,951	30,229	-	69,886	-
8	2.3GS 110-1,000 kVa	957,519	287,452	144,336	108,443	129,990	141,076	2,824	26,409	4,048	23,666	2,069	10,816	6,417	-	13,970	-
9	2.4GS Over 1,000 kVa	588,636	186,159	110,556	70,230	84,184	91,364	139	19,575	199	17,542	102	533	316	-	688	-
10	4.1Street and Area Lighting	121,007	6,090	2,538	2,298	2,754	2,989	6,423	640	9,207	574	4,706	-	-	46,418	31,776	-
11	**Subtotal Rural**	**7,415,578**	**1,714,399**	**812,973**	**646,770**	**775,273**	**841,396**	**214,888**	**174,049**	**308,048**	**155,975**	**157,463**	**151,960**	**90,155**	**46,418**	**1,063,162**	**-**
12	**Total**	**9,266,191**	**2,671,473**	**1,339,533**	**1,007,833**	**775,273**	**841,396**	**214,911**	**174,049**	**308,082**	**155,975**	**157,480**	**151,960**	**90,155**	**46,418**	**1,063,277**	**245**
	Allocated Return on Debt																
13	CFB - Goose Bay Boiler	392	-	-	-	-	-	12	-	15	-	8	-	-	-	5	351
14	IOCC Firm	789,707	349,691	-	440,017	-	-	-	-	-	-	-	-	-	-	-	-
15	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
16	1.1Domestic	78,487	12,278	-	15,449	5,740	7,968	8,215	1,623	10,868	1,543	5,991	3,589	1,455	-	3,767	-
17	1.1A Domestic All Electric	1,686,065	370,563	-	466,280	173,239	240,478	82,419	48,977	109,033	46,580	60,101	36,008	14,601	-	37,787	-
18	2.1GS 0-10 kW	37,175	4,228	-	5,320	1,977	2,744	4,604	559	6,090	531	3,357	4,023	1,631	-	2,111	-
19	2.2GS 10-100 kW	290,060	64,059	-	80,605	29,947	41,571	7,029	7,361	9,299	7,001	5,126	24,788	10,051	-	3,223	-
20	2.3GS 110-1,000 kVa	390,434	105,028	-	132,157	49,101	68,158	1,405	12,128	1,859	11,535	1,025	5,262	2,134	-	644	-
21	2.4GS Over 1,000 kVa	247,691	68,018	-	85,587	31,799	44,140	69	8,990	92	8,550	50	259	105	-	32	-
22	4.1Street and Area Lighting	43,403	2,225	-	2,800	1,040	1,444	3,196	294	4,228	280	2,331	-	-	24,099	1,465	-
23	**Subtotal Rural**	**2,773,315**	**626,398**	**-**	**788,199**	**292,843**	**406,503**	**106,938**	**79,931**	**141,469**	**76,020**	**77,981**	**73,928**	**29,977**	**24,099**	**49,029**	**-**
24	**Total**	**3,563,415**	**976,089**	**-**	**1,228,215**	**292,843**	**406,503**	**106,950**	**79,931**	**141,485**	**76,020**	**77,989**	**73,928**	**29,977**	**24,099**	**49,034**	**351**
	Allocated Return on Equity																
25	CFB - Goose Bay Boiler	65	-	-	-	-	-	2	-	3	-	1	-	-	-	1	58
26	IOCC Firm	130,944	57,984	-	72,961	-	-	-	-	-	-	-	-	-	-	-	-
27	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
28	1.1Domestic	13,014	2,036	-	2,562	952	1,321	1,362	269	1,802	256	993	595	241	-	625	-
29	1.1A Domestic All Electric	279,573	61,445	-	77,316	28,725	39,875	13,666	8,121	18,079	7,724	9,966	5,971	2,421	-	6,266	-
30	2.1GS 0-10 kW	6,164	701	-	882	328	455	763	93	1,010	88	557	667	270	-	350	-
31	2.2GS 10-100 kW	48,096	10,622	-	13,365	4,966	6,893	1,166	1,221	1,542	1,161	850	4,110	1,667	-	534	-
32	2.3GS 110-1,000 kVa	64,739	17,415	-	21,913	8,142	11,302	233	2,011	308	1,913	170	872	354	-	107	-
33	2.4GS Over 1,000 kVa	41,071	11,278	-	14,192	5,273	7,319	11	1,491	15	1,418	8	43	17	-	5	-
34	4.1Street and Area Lighting	7,197	369	-	464	172	239	530	49	701	46	386	-	-	3,996	243	-
35	**Subtotal Rural**	**459,854**	**103,866**	**-**	**130,694**	**48,557**	**67,404**	**17,732**	**13,254**	**23,458**	**12,605**	**12,930**	**12,258**	**4,971**	**3,996**	**8,130**	**-**
36	**Total**	**590,864**	**161,849**	**-**	**203,655**	**48,557**	**67,404**	**17,734**	**13,254**	**23,460**	**12,605**	**12,932**	**12,258**	**4,971**	**3,996**	**8,131**	**58**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	Description	1	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	Basis of Proration
	Allocated Rev Reqmt Excl Return		($)	($)	
1	CFB - Goose Bay Boiler		-	5,483	
2	IOCC Firm		-	-	
3	IOCC Non-Firm		-	-	
	Rural:				
4	1.1Domestic		4,987	337	
5	1.1A Domestic All Electric		134,237	9,067	
6	2.1GS 0-10 kW		3,592	243	
7	2.2GS 10-100 kW		39,848	2,691	
8	2.3GS 110-1,000 kVa		52,461	3,543	
9	2.4GS Over 1,000 kVa		4,493	2,555	
10	4.1Street and Area Lighting		4,305	291	
11	**Subtotal Rural**		**243,922**	**18,727**	
12	**Total**		**243,922**	**24,210**	
	Allocated Return on Debt				
13	CFB - Goose Bay Boiler		-	-	
14	IOCC Firm		-	-	
15	IOCC Non-Firm		-	-	
	Rural:				
16	1.1Domestic		-	-	
17	1.1A Domestic All Electric		-	-	
18	2.1GS 0-10 kW		-	-	
19	2.2GS 10-100 kW		-	-	
20	2.3GS 110-1,000 kVa		-	-	
21	2.4GS Over 1,000 kVa		-	-	
22	4.1Street and Area Lighting		-	-	
23	**Subtotal Rural**		-	-	
24	**Total**		-	-	
	Allocated Return on Equity				
25	CFB - Goose Bay Boiler		-	-	
26	IOCC Firm		-	-	
27	IOCC Non-Firm		-	-	
	Rural:				
28	1.1Domestic		-	-	
29	1.1A Domestic All Electric		-	-	
30	2.1GS 0-10 kW		-	-	
31	2.2GS 10-100 kW		-	-	
32	2.3GS 110-1,000 kVa		-	-	
33	2.4GS Over 1,000 kVa		-	-	
34	4.1Street and Area Lighting		-	-	
35	**Subtotal Rural**		-	-	
36	**Total**		-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Substations Demand	7 Primary Lines Demand	8 Primary Lines Customer	9 Line Transformers Demand	10 Line Transformers Customer	11 Secondary Lines Demand	12 Secondary Lines Customer	13 Services Customer	14 Meters Customer	15 Street Lighting Customer	16 Accounting Customer	17 Specifically Assigned Customer
	Total Revenue Requirement	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
37	CFB - Goose Bay Boiler	129,969	-	123,595	-	-	-	37	-	51	-	27	-	-	-	121	655
38	IOCC Firm	2,635,349	1,364,748	396,561	874,041	-	-	-	-	-	-	-	-	-	-	-	-
39	IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
40	1.1Domestic	341,564	47,918	14,369	30,688	21,888	25,781	26,086	5,425	36,336	4,966	19,081	11,562	6,074	-	86,067	-
41	1.1A Domestic All Electric	6,564,127	1,446,207	438,053	926,210	660,598	778,103	261,702	163,744	364,530	149,876	191,426	115,992	60,933	-	863,450	-
42	2.1GS 0-10 kW	171,313	16,501	6,746	10,568	7,537	8,878	14,618	1,868	20,362	1,710	10,693	12,958	6,807	-	48,231	-
43	2.2GS 10-100 kW	1,110,046	250,003	96,376	160,112	114,196	134,509	22,320	24,609	31,090	22,525	16,327	79,849	41,946	-	73,643	-
44	2.3GS 110-1,000 kVa	1,412,693	409,895	144,336	262,514	187,232	220,536	4,462	40,548	6,215	37,113	3,264	16,950	8,904	-	14,721	-
45	2.4GS Over 1,000 kVa	877,398	265,456	110,556	170,009	121,255	142,823	220	30,056	306	27,510	161	835	439	-	725	-
46	4.1Street and Area Lighting	171,606	8,684	2,538	5,562	3,967	4,672	10,149	983	14,136	900	7,423	-	-	74,513	33,484	-
47	**Subtotal Rural**	**10,648,748**	**2,444,663**	**812,973**	**1,565,663**	**1,116,673**	**1,315,303**	**339,557**	**267,234**	**472,975**	**244,600**	**248,374**	**238,146**	**125,103**	**74,513**	**1,120,321**	**-**
48	**Total**	**13,420,470**	**3,809,411**	**1,339,533**	**2,439,704**	**1,116,673**	**1,315,303**	**339,594**	**267,234**	**473,026**	**244,600**	**248,400**	**238,146**	**125,103**	**74,513**	**1,120,442**	**655**
	Re-classification of Revenue-Related																
49	CFB - Goose Bay Boiler	-	-	5,444	-	-	-	2	-	2	-	1	-	-	-	5	29
50	IOCC Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
52	1.1Domestic	-	759	228	486	347	408	413	86	575	79	302	183	96	-	1,363	-
53	1.1A Domestic All Electric	0	32,277	9,777	20,672	14,744	17,366	5,841	3,655	8,136	3,345	4,272	2,589	1,360	-	19,271	-
54	2.1GS 0-10 kW	-	378	154	242	173	203	335	43	466	39	245	297	156	-	1,104	-
55	2.2GS 10-100 kW	0	9,962	3,840	6,380	4,551	5,360	889	981	1,239	898	651	3,182	1,672	-	2,935	-
56	2.3GS 110-1,000 kVa	(0)	16,920	5,958	10,837	7,729	9,104	184	1,674	257	1,532	135	700	368	-	608	-
57	2.4GS Over 1,000 kVa	-	2,150	895	1,377	982	1,157	2	243	2	223	1	7	4	-	6	-
58	4.1Street and Area Lighting	0	239	70	153	109	129	279	27	389	25	204	-	-	2,050	921	-
59	**Subtotal Rural**	**-**	**62,685**	**20,922**	**40,146**	**28,633**	**33,727**	**7,943**	**6,708**	**11,064**	**6,140**	**5,810**	**6,957**	**3,655**	**2,050**	**26,208**	**-**
60	**Total**	**0**	**62,685**	**26,367**	**40,146**	**28,633**	**33,727**	**7,945**	**6,708**	**11,066**	**6,140**	**5,811**	**6,957**	**3,655**	**2,050**	**26,213**	**29**
	Total Allocated Revenue Requirement																
61	CFB - Goose Bay Boiler	129,969	-	129,039	-	-	-	38	-	53	-	28	-	-	-	126	684
62	IOCC Firm	2,635,349	1,364,748	396,561	874,041	-	-	-	-	-	-	-	-	-	-	-	-
63	IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	1.1Domestic	341,564	48,676	14,596	31,174	22,234	26,189	26,499	5,511	36,911	5,045	19,383	11,745	6,170	-	87,430	-
65	1.1A Domestic All Electric	6,564,127	1,478,484	447,830	946,882	675,342	795,469	267,543	167,399	372,666	153,221	195,698	118,580	62,293	-	882,721	-
66	2.1GS 0-10 kW	171,313	16,879	6,901	10,810	7,710	9,081	14,953	1,911	20,828	1,749	10,938	13,255	6,963	-	49,336	-
67	2.2GS 10-100 kW	1,110,046	259,965	100,216	166,493	118,747	139,869	23,210	25,590	32,329	23,422	16,977	83,031	43,618	-	76,578	-
68	2.3GS 110-1,000 kVa	1,412,693	426,816	150,294	273,350	194,961	229,640	4,646	42,221	6,471	38,645	3,398	17,650	9,272	-	15,328	-
69	2.4GS Over 1,000 kVa	877,398	267,605	111,451	171,385	122,237	143,980	222	30,299	309	27,733	162	842	442	-	731	-
70	4.1Street and Area Lighting	171,606	8,923	2,608	5,715	4,076	4,801	10,428	1,010	14,525	925	7,628	-	-	76,563	34,405	-
71	**Subtotal Rural**	**10,648,748**	**2,507,349**	**833,896**	**1,605,809**	**1,145,307**	**1,349,030**	**347,501**	**273,942**	**484,040**	**250,740**	**254,184**	**245,103**	**128,758**	**76,563**	**1,146,528**	**-**
72	**Total**	**13,420,470**	**3,872,096**	**1,365,900**	**2,479,850**	**1,145,307**	**1,349,030**	**347,539**	**273,942**	**484,093**	**250,740**	**254,212**	**245,103**	**128,758**	**76,563**	**1,146,655**	**684**

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
37	CFB - Goose Bay Boiler	-	5,483	
38	IOCC Firm	-	-	
39	IOCC Non-Firm	-	-	
	Rural:			
40	1.1Domestic	4,987	337	
41	1.1A Domestic All Electric	134,237	9,067	
42	2.1GS 0-10 kW	3,592	243	
43	2.2GS 10-100 kW	39,848	2,691	
44	2.3GS 110-1,000 kVa	52,461	3,543	
45	2.4GS Over 1,000 kVa	4,493	2,555	
46	4.1Street and Area Lighting	4,305	291	
47	**Subtotal Rural**	**243,922**	**18,727**	
48	**Total**	**243,922**	**24,210**	
	Re-classification of Revenue-Related			
49	CFB - Goose Bay Boiler	-	(5,483)	Re-classification to demand, energy and customer is based on rate class revenue
50	IOCC Firm	-	-	requirements excluding revenue-related items.
51	IOCC Non-Firm	-	-	
	Rural:			
52	1.1Domestic	(4,987)	(337)	
53	1.1A Domestic All Electric	(134,237)	(9,067)	
54	2.1GS 0-10 kW	(3,592)	(243)	
55	2.2GS 10-100 kW	(39,848)	(2,691)	
56	2.3GS 110-1,000 kVa	(52,461)	(3,543)	
57	2.4GS Over 1,000 kVa	(4,493)	(2,555)	
58	4.1Street and Area Lighting	(4,305)	(291)	
59	**Subtotal Rural**	**(243,922)**	**(18,727)**	
60	**Total**	**(243,922)**	**(24,210)**	
	Total Allocated Revenue Requirement			
61	CFB - Goose Bay Boiler	-	-	
62	IOCC Firm	-	-	
63	IOCC Non-Firm	-	-	
	Rural:	-	-	
64	1.1Domestic	-	-	
65	1.1A Domestic All Electric	-	-	
66	2.1GS 0-10 kW	-	-	
67	2.2GS 10-100 kW	-	-	
68	2.3GS 110-1,000 kVa	-	-	
69	2.4GS Over 1,000 kVa	-	-	
70	4.1Street and Area Lighting	-	-	
71	**Subtotal Rural**	-	-	
72	**Total**	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Functionalization & Classification Ratios

Line No.	1 Description	2 Total Amount (%)	3 Production Demand (%)	4 Production & Transmission Energy (%)	5 Transmission Demand (%)	6 Rural Prod & Transmission Demand (%)	7 Distribution Substations Demand (%)	8 Distribution Primary Lines Demand (%)	9 Distribution Primary Lines Customer (%)	10 Distribution Line Transformers Demand (%)	11 Distribution Line Transformers Customer (%)	12 Distribution Secondary Lines Demand (%)	13 Distribution Secondary Lines Customer (%)	14 Distribution Services Customer (%)	15 Distribution Meters Customer (%)	16 Distribution Street Lighting Customer (%)	17 Accounting Customer (%)	18 Specifically Assigned Customer (%)
	Generation																	
1	Hydraulic	100%	42.10%	57.90%														
2	Hydraulic - GNP	100%	0.00%	0.00%		100.0%												
3	Holyrood	100%	57.72%	42.28%														
4	Gas Tur Island Interconctd	100%	100.00%	0.00%														
5	Diesel Island Interconctd - GNP	100%	0.00%	0.00%		100.0%												
6	Dsl / Gas Tur Island Isolated	100%	45.78%	54.22%														
7	Dsl / Gas Tur Labrador Isolated	100%	38.83%	61.17%														
8	Dsl / Gas Tur L'Anse au Loup	100%	100.00%	0.00%														
9	Dsl / Gas Tur Labrador Interconctd	100%	100.00%	0.00%														
	Fuel																	
10	No. 6 Fuel	100%	0.00%	100.00%														
11	Gas Tur Island Interconctd	100%	100.00%	0.00%														
12	Diesel Island Interconctd - GNP	100%	0.00%	0.00%		100.0%												
13	Dsl / Gas Tur Island / Lab Isolated	100%	0.00%	100.00%														
14	Dsl / Gas Tur L'Anse au Loup	100%	0.00%	100.00%														
15	Dsl / Gas Tur Labrador Interconctd	100%	100.00%	0.00%														
	Transmission Lines & Terminals																	
16	Lines	100%		0.00%	100%													
17	Lines - Hydraulic	100%	42.10%	57.90%														
18	Lines - Customer Specific	100%																100%
19	Terminal Stations	100%		0.00%	100%													
20	Term Stns - Hydraulic	100%	42.10%	57.90%														
21	Term Stns - Holyrood	100%	57.72%	42.28%														
22	Term Stns - Gas Tur	100%	100%															
23	Term Stns - Diesel GNP	100%	0.00%	0.00%		100.0%												
24	Terminal Stations - Distribution	100%					100%											
25	Term Stns - Custmr Specific	100%																100%
26	Rural Lines	100%				100.0%												
27	Rural Terminal Stations	100%				100.0%												

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Functionalization & Classification Ratios

Line No.	1 Description	2 Total Amount (%)	3 Production Demand (%)	4 Production & Transmission Energy (%)	5 Transmission Demand (%)	6 Rural Prod & Transmission Demand (%)	7 Distribution Substations Demand (%)	8 Distribution Primary Lines Demand (%)	9 Distribution Primary Lines Customer (%)	10 Distribution Line Transformers Demand (%)	11 Distribution Line Transformers Customer (%)	12 Distribution Secondary Lines Demand (%)	13 Distribution Secondary Lines Customer (%)	14 Distribution Services Customer (%)	15 Distribution Meters Customer (%)	16 Distribution Street Lighting Customer (%)	17 Accounting Customer (%)	18 Specifically Assigned Customer (%)
	Distribution																	
28	Substation Structures & Equipment						100%											
29	Land & Land Improvements - by Sub-function:																	
30	Primary	85%						88.7%	11.3%									
31	Secondary	15%										58.3%	41.7%					
32	Land & Land Improvements	100%						75.4%	9.6%			8.7%	6.3%					
33	Poles - by Subfunction:																	
34	3 phase - Primary	41.2%						100.0%										
35	Other Primary	36.4%						45.7%	54.3%									
36	Secondary	22.4%										45.7%	54.3%					
37	Poles	100%						57.8%	19.8%			10.2%	12.2%					
38	Primary Condctr & Equip	100%						88.7%	11.3%									
39	Submarine Conductor	100%						100.0%										
40	Transformers	100%								36.1%	63.9%							
41	Secondary Condctr & Equip	100%										58.3%	41.7%					
42	Services	100%												100.0%				
43	Meters	100%													100.0%			
44	Street Lighting	100%														100.0%		
45	Customer Accounting	100%															100.0%	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1

System Load Factor

Line No.	1	2	3	4	5	6
		Island Interconnected	**Island Isolated**	**Labrador Isolated**	**L'Anse au Loup**	**Labrador Interconnected**
1	Sales+Losses for System Load Factor (MWh)	6,737,249	10,484	41,436	16,319	947,700
2	Hours in Year	8,784	8,784	8,784	8,784	8,784
3	Average Demand (kW)	766,991	1,193	4,717	1,858	107,889
4	Coincident Peak at Generation (kW)	1,324,720	2,201	7,712	3,807	196,035
5	System Load Factor	57.90%	54.22%	61.17%	48.80%	55.04%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Holyrood Capacity Factor

Line No.	1 Year	2 Net Production (kWh)	3 Net Capacity (MW)	4 Net Production Hours	5 Net Capacity Factor
1	1999 Actual	919,801,520	466	8,760	22.53%
2	2000 Actual	970,283,280	466	8,784	23.70%
3	2001 Actual	2,098,489,700	466	8,760	51.41%
4	2002 Actual	2,385,262,000	466	8,760	58.43%
5	2003 Forecast	2,259,860,000	466	8,760	55.36%
6	5-Year Average	1,726,739,300	466	8,765	42.28%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1
Total System
Power Purchases

Line No.		1	2	3	4	5	6	7	
			Total ($)	Production Demand ($)	Production & Transmission Energy ($)	Transmission Demand ($)	Rural Transmission Demand ($)	Distribution Demand ($)	Basis of Functional Classification
	Island Interconnected:								
1	DLP Secondary		-		-				Production - Energy (Same as RSP Sec Load Var)
2	AP Secondary		-		-				Production - Energy (Secondary)
3	Wheeling		426,701				426,701		Rural Transmission
4	Interruptible Demand		-	-	-				Production - Demand
5	Interruptible Energy		-		-				Production - Energy
6	Non-utility Generation		29,501,629	12,420,675	17,080,954				Energy: System Load Factor
7	**Subtotal**		**29,928,330**	**12,420,675**	**17,080,954**	**-**	**426,701**	**-**	
	Labrador Interconnected:								
8	CF(L)Co		2,433,927	1,094,394	1,339,533				Energy: System Load Factor
9	Other		106,235					106,235	
10	**Subtotal**		**2,540,162**	**1,094,394**	**1,339,533**	**-**	**-**	**106,235**	
	Isolated Systems:								
11	Mary's Harbour		34,275		34,275				Production - Energy
12	L'Anse au Loup		812,107		812,107				Production - Energy
13	**Subtotal**		**846,382**	**-**	**846,382**	**-**	**-**	**-**	
14	**Total**		**33,314,874**	**13,515,068**	**19,266,870**	**-**	**426,701**	**106,235**	

Sam D. Banfield, P. Eng.
Director of Customer Services
Newfoundland and Labrador Hydro

At the hearing into Newfoundland and Labrador Hydro's 2003 General Rate Application, the Rates and Customer Services Evidence will be adopted by Sam D. Banfield, P. Eng., Director of Customer Services of Newfoundland and Labrador Hydro.

A witness profile for Sam D. Banfield follows.

- Mr. Banfield graduated from the Technical University of Nova Scotia, Dalhousie University in 1971 (B. Eng. (Electrical), with honors) and is a member and a past president of the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador. Mr. Banfield received his P. Eng. designation from the Professional Engineers of Ontario in 1973.

- Mr. Banfield joined Newfoundland and Labrador Hydro in 1975 as an Electrical Engineer. Since that time, Mr. Banfield has held various positions within the Hydro Group in System Planning, Engineering & Construction and Churchill Falls.

- Since 1996, Mr. Banfield has held the position of Director of Customer Services, which includes the Rates & Financial Planning Department and includes rural customer service activities.

- Mr. Banfield has appeared before the Board of Commissioners of Public Utilities in 1989.

Rates and Customer Services
Evidence Outline

RATES AND CUSTOMER SERVICES

1. OVERVIEW

On the Island Interconnected System, Hydro provides electricity service to Newfoundland Power, and four Industrial Customers, namely, Abitibi-Consolidated Company of Canada ("ACCC") - Grand Falls, ACCC - Stephenville, Corner Brook Pulp and Paper Limited ("CBPP") and North Atlantic Refining Limited ("NARL"). Hydro also serves 21,800 Rural Customers at the retail level.

On the Labrador Interconnected System, Hydro serves 8,900 Rural Customers and one non-regulated Industrial Customer. On the 24 isolated systems, including the L'Anse au Loup system, Hydro has 4,400 Rural Customers.

The Rates and Customer Services evidence will cover the following areas:

- The rates proposed for Newfoundland Power and the Island Industrial Customers;
- The rates proposed for all Rural Customers and the impacts they will have on various customer classes, including:
  - < >
  - Elimination of the lifeline block for Isolated General Service ("G.S.") customers;
  - Implementation of a demand and energy rate structure for large Isolated G. S. customers; and
  - < >
  - Implementation of a five-year plan for the Labrador Interconnected Customers incorporating approved cost recovery targets and the phase-in of applying the CFB Goose Bay secondary energy revenue credit to the overall rural deficit.
  - < >

- The 2004 revenues based on existing and proposed rates;
- The projected Rate Stabilization Plan ("RSP") balances and their effect on customers' rates;
- The proposed changes to Hydro's rules and regulations; and
- Customer service initiatives.

2. RATES FOR NEWFOUNDLAND POWER

As approved by the Board most recently in P.U. 7, the energy only rate for Newfoundland Power is designed to recover the direct assigned demand, energy and customer costs from the Cost of Service ("COS") plus Newfoundland Power's portion of the rural deficit. In this Application, Hydro is proposing an energy only rate of 54.45 mills per kWh for Newfoundland Power to be effective no later than January 1, 2004. This is a 13.7% increase in the base rate currently paid by Newfoundland Power. Including revenue for the rural deficit, the 2004 revenue to cost ratio for Newfoundland Power is forecast to be 1.17.

Hydro is also proposing a rate for firming up secondary energy purchased from CBPP and resold to Newfoundland Power as firm energy of 6.41mills per kWh as shown on Schedule 1.4 of the 2004 COS Study attached as Exhibit RDG-1 Rev. 1 to the Cost of Service Evidence. This is an 19.1% decrease from the current rate.

As directed in P.U. 7, Hydro has, in this Application, filed further evidence regarding a demand and energy rate structure for Newfoundland Power. Hydro's COS and rates consultant, Stone & Webster Management Consultants Inc., prepared a report on this issue entitled, Review of Rate Design for Newfoundland Power, a copy of which is included with this Application as Exhibit RDG-2. This report recommends that an energy and demand structure be implemented once a number of important issues are resolved including: the degree of risk to be assumed by Hydro; an appropriate weather normalization methodology; the treatment of Newfoundland Power generation; and appropriate costing and billing determinants. Subject to resolution of these issues, Hydro recommends that such a rate be implemented instead of the energy only rate outlined above.

3. RATES FOR ISLAND INDUSTRIAL CUSTOMERS

As approved by the Board in P.U. 7, rates charged to Island Industrial Customers for firm power and energy are designed to recover the direct assigned costs from the COS.

Hydro proposes a firm service rate effective no later than January 1, 2004 comprised of a demand charge of $6.49 per kW of billing demand per month and an energy charge of 27.55 mills per kWh plus the appropriate specifically assigned charges as outlined in Table 1.

Table 1

Industrial Customer Specifically Assigned Charges	
	Annual Amount
ACCC-Grand Falls Division	$2,043
ACCC-Stephenville Division	$110,666
CBPP	$177,184
NARL	$183,497

This will result in an average base rate increase of 13.5% for Island Industrial Customers and a 2004 revenue to cost ratio of 1.0.

Hydro is proposing a rate for non-firm service, unchanged from the current rate of $1.50 per kW per month and a variable energy charge based on the calculation outlined on Page 3 of the proposed rates schedules which are included with the Application under the “Rates Schedules 2004” Tab.

Hydro recommends that the rate for wheeling energy for ACCC be 4.49 mills per kWh based on the calculation outlined on Schedule 1.5 of the revised 2004 test year COS attached as Exhibit RDG-1 Rev. 1. This is a 4.7% decrease from the current rate.

4. RATES FOR RURAL CUSTOMERS

This section has been completely revised.

Rates proposed in this Application for Rural Customers reflect the direction given to the Board on July 9, 2003 by the Government and are otherwise in accordance with the policies for rural rates outlined in P.U. 7. Hydro is proposing a five-year plan to establish uniform rates on the Labrador Interconnected System and a three-year plan to implement a demand energy rate structure and eliminate the lifeline block rate for Isolated Rural G.S. Customers. In the same manner as current policy, rates for customers on the Island Interconnected, L'Anse au Loup and Isolated Systems, (excluding Government Departments) including preferential rate customers, wwill continue to be based on Newfoundland Power rates.

For rate-setting purposes, there are four distinct areas for Rural Customers as follows:

- Island Interconnected System;
- L'Anse au Loup system;
- Island and Labrador Isolated systems; and
- Labrador Interconnected System.

4.1 Island Interconnected System

4.1.1 Rural Customers - General

Rural Customers on the Island Interconnected System, with the exception of the Burgeo school and library, pay the same rates as Newfoundland Power customers. The Burgeo school and library receive a preferential rate which is increased or decreased by the average rate of change granted Newfoundland Power at its general rate applications. It is estimated that Hydro's proposed rates for Newfoundland Power will see a flow-through increase for all Rural Customers on the Island Interconnected System of approximately 7.4% no later than January 1, 2004, compared to the rates in effect on December 31, 2003 (which

include the July 2003 RSP adjustment). The 2004 revenue to cost ratio for the Island Interconnected Rural Customers is projected to be 0.64.

4.2 L'Anse au Loup System

4.2.1 Rural Customers - General

Customers on the L'Anse au Loup system pay the same rates as Newfoundland Power customers. It is estimated that Hydro's current proposal for Newfoundland Power will see a flow-through increase for these customers of approximately 7.4% no later than January 1, 2004, compared to the rates in effect on December 31, 2003 (which include the July 2003 RSP adjustment). The 2004 revenue to cost ratio for these customers is projected to be 0.54.

4.3 Isolated Systems

4.3.1 Rural Customers - General

For rate-setting purposes on the isolated systems, Hydro is proposing four rate classes: a Domestic rate class, a small G.S. rate class (0 – 10 kW), a large G.S. rate class (10 kW and over) and street and area lighting rate class. The rates for these classes are based on the combined Island and Labrador Isolated Systems 2004 test year COS. The large G.S. class reflects the combined costs associated with the G.S. classes 2.2, 2.3 and 2.4 from the 2004 test year COS. Based on current rate setting policy for Isolated systems, the following cost recovery levels are projected for 2004:

Government departments	
All classes	100%
Non-Government	
Domestic	17%
G.S.	32%
Street and Area Lighting	39%

Further as outlined below, Hydro is proposing a three-year rate plan of automatic annual adjustments which will see the elimination the lifeline block for Isolated G.S. customers and the implementation of a demand and energy rate structure for large Isolated G.S. customers.

The 2004 revenue to cost ratio for customers on the Island and Labrador Isolated systems, excluding L'Anse au Loup, is projected to be 0.18 and 0.29 respectively, or a combined 0.26.

4.3.2 Isolated Rural Domestic Customers

Isolated Rural Domestic Customers, excluding Government departments, pay the same rates as Newfoundland Power customers for the first 700 kWh per month of consumption and rates charged for consumption above this amount are automatically adjusted by the average rate of change granted to Newfoundland Power. Based on this policy, it is estimated that Hydro's current proposal for Newfoundland Power will see a flow-through increase for these customers of approximately 7.4%, compared to the rates in effect on December 31, 2003 (which include the July 2003 RSP adjustment), effective no later than January 1, 2004.

4.3.3 Isolated Rural Domestic Customers – Government Departments [1]

As approved by the Board in P.U. 7, Government departments are charged rates based on full cost recovery. Based on the proposed combined costing for both Government and Non-Government Domestic Customers, the rate for Government Departments - Domestic (1.2G) will increase on average by 8.7%, resulting in an average monthly increase of $66 in 2004, effective no later than January 1, 2004. Further details on the rate impacts for these customers are outlined in Schedule I, Page 1 attached.

[1] Excludes hospitals and schools as outlined in P.U. 7, p. 130

4.3.4 Isolated Rural G.S. Customers

Isolated Rural G.S. customers, excluding Government departments which are paying 100% cost recovery, and churches, schools and community halls which pay Domestic rates, pay the same rates as Newfoundland Power customers for the first 700 kWh per month of consumption and rates charged for consumption above this amount are automatically adjusted by the average rate of change granted to Newfoundland Power. The Board in P.U. 7 directed Hydro in this GRA, to file a plan addressing the elimination of the lifeline block and the implementation a demand and energy rate structure for G.S. customers. The Government, in July, 2003, further directed that the new rates should target the current cost recovery level for these customers. To reflect current policy it is also proposed that rates for these customers would be automatically adjusted by the average rate of change granted to Newfoundland Power in any general rate application. Hydro is proposing 2004 rates which are based on these criteria however in order to mitigate customer impacts, Hydro is proposing that the phase-in of targeted rate components (e.g. the level of demand and energy charges) be implemented over three years. Hydro is requesting that the Board approve that the rates schedules for these customers would automatically come into effect January 1 of each year, as outlined, with the provision that adjustments could be made should a general rate application be filed in the intervening period. Based on this proposal, rates for small G.S. customers will increase on average by 7.4%, resulting in an average monthly increase of $10 in 2004, effective no later than January 1, 2004. Rates for large G.S. customers will increase on average by 7.4%, resulting in an average monthly increase of $97 in 2004, effective no later than January 1, 2004. Further details on the rate impacts for these customers are outlined in Schedule I, Pages 2 and 4 attached

4.3.5 Isolated Rural G.S. Customers - Government Departments

Government departments are charged rates based on full cost recovery. Based on the proposed combined costing for both Government and Non-Government G.S. customers, the rate for small G.S. – Government departments (2.1G) will

decrease by 8.1% resulting in an average monthly decrease of $57 in 2004, effective no later than January 1, 2004. The rate for large G.S. Government departments (2.2G) will decrease on average by 20.3% resulting in an average monthly decrease of $843 in 2004, effective no later than January 1, 2004. Further details on the rate impacts for these customers are outlined in Schedule I, Pages 3 and 5 attached.

4.3.6 Isolated Rural Street and Area Lighting

Isolated Rural street and area lighting, excluding Government departments, is based on the same rates as Newfoundland Power customers. Based on this policy, it is estimated that Hydro's current proposal for Newfoundland Power will see a flow-through increase of approximately 7.4%, compared to the rates in effect on December 31, 2003 (which include the July 2003 RSP adjustment), effective no later than January 1, 2004.

4.3.7 Isolated Rural Street and Area Lighting – Government Departments

Government departments are charged rates based on full cost recovery. Based on the proposed combined costing for both Government and Non-Government street and area lighting service, rates will decrease on average by 35.6% resulting in an average monthly decrease of $44 in 2004, effective no later than January 1, 2004.

4.3.8 Isolated Rural Rate Recommendation

Isolated Rural Domestic Customers, excluding Government departments, pay the same rates as Newfoundland Power customers for the first 700 kWh per month of consumption and rates charged for consumption above this amount are automatically adjusted by the average rate of change granted to Newfoundland Power. Hydro is not proposing any amendment to this policy. Similarly, based on direction from Government, Hydro is not proposing any amendments to the rate setting policy for customers receiving preferential rates. Specifically, churches, schools and community halls would pay domestic rates; fish plants

would continue to benefit from Island Interconnected rates and street; and lighting rates would also be the same as Island Interconnected rates.

Based on these rate policies, the proposed rates for 2004 are outlined in the schedule of rates under the "Rates Schedules" Tabs attached to the Application and proposed rates for the period 2004 – 2006 are summarized in Schedule II attached. Customer rate impacts for the period 2005 – 2006 are outlined in Schedule III attached. Hydro is requesting that the Board approve that the rates schedules for these customers would automatically come in to effect January 1 of each year with the provision that adjustments could be made should a general rate application be filed in the intervening period.

4.4 Labrador Interconnected System

Hydro is proposing a five-year plan to implement uniform rates for Labrador Interconnected Customers using the following cost recovery targets:

Domestic	95%
G.S.	105% -115%
Street Lighting	100%

Hydro was directed to phase in the application of the revenue credit for secondary energy sales to CFB Goose Bay to the rural deficit and keep the level of rate increases on the Labrador system as low as possible in moving to a uniform rate structure.

In keeping with this direction, Table 2 outlines Hydro's proposal for the phase-in of rates on the Labrador Interconnected System.

Table 2

Target Rate Recoveries
Labrador Interconnected System

Customer	Current Rate Recovery	Target Rate Recovery	Target Rate Level(1) 2004	2005	2006	2007	2008
Happy Valley/Goose Bay							
Domestic	100%	100%					
General Service 2.1	63%	100%	76%	91%	100%		
General Service 2.2	120%	100%	120%	110%	100%		
General Service 2.3	136%	100%	136%	117%	100%		
General Service 2.4	133%	100%	133%	116%	100%		
Street and Area Lighting	85%	100%	100%	100%			
Labrador West							
Domestic	41%	100%	49%	59%	71%	85%	100%
General Service 2.1	47%	100%	56%	67%	80%	96%	100%
General Service 2.2	74%	100%	89%	100%			
General Service 2.3	77%	100%	92%	100%			
General Service 2.4	82%	100%	98%	100%			
Street and Area Lighting	53%	100%	60%	69%	79%	90%	100%

(1) The target rate level is based on each rate class' appropriate rate being 100%. The appropriate rate is calculated based on the cost recovery targets plus the rate class' portion of the rural deficit.

The proposed phase-in of uniform rates outlined above limits average rate increases for each class to a maximum of 20%. Restricting rate increases in this manner however, reduces the amount of CFB Goose Bay secondary revenue credit which can be applied to the rural deficit in the initial years. Table 3 details the cumulative amount of secondary revenue credit available each year to be applied to the rural deficit.

Table 3

CFB Goose Bay Secondary Revenue Credit Available to Reduce the Rural Deficit

Description	2004	2005	2006	2007	2008
Secondary Credit Available	$126,903	$562,409	$960,422	$1,903,538	$2,884,149
Cumulative Percentage	4.4%	19.5%	33.3%	66.0%	100%

Based on the target rate levels outlined in Table 2, the proposed rates schedules for 2004 are included in the schedule of rates under the "Rates Schedules" Tabs to the Application and the 2004 customer impacts are shown in Schedule IV attached. A summary table of the proposed rates for the period 2004 – 2008 is detailed in Schedule V attached and customer impacts for 2005 – 2008 are outlined in Schedule VI attached. Hydro is requesting that the Board approve that the rates schedules for these customers would automatically come into effect January 1 of each year, as outlined, with the provision that adjustments could be made should a general rate application be filed in the intervening period.

Including revenue for the rural deficit, and excluding revenue for the secondary revenue credit, the 2004 revenue to cost ratio for Labrador Interconnected System customers is 1.19.

5. REVENUES BASED ON EXISTING AND PROPOSED RATES

Table 4 summarizes the projected 2004 revenue based on the proposed and existing rates.

Table 4

Comparison of Revenue at Existing and Proposed Rates Based on Full Year 2004

	Existing Rates	Proposed Rates	Change $	Change %
Newfoundland Power	$227,065,646	$258,169,230	$31,103,584	13.7%
Industrial				
- firm	45,823,492	52,018,920	6,195,428	13.5%
- non-firm	50,360	49,752	(608)	-1.2%
- wheeling	73,947	70,493	(3,454)	-4.7%
Rural Island Interconnected	32,606,102	35,031,560	2,425,458	7.4% *
Rural Isolated Systems				
Excluding Government Departments	5,696,761	6,120,199	423,438	7.4% *
Government Departments	1,466,261	1,281,050	(185,211)	-12.6%
< >				
Rural Isolated Systems Total	$7,163,022	$7,401,249	$238,227	3.3%
L'Anse au Loup	1,392,565	1,496,172	103,607	7.4% *
Rural Labrador Interconnected				
Domestic	5,963,763	6,408,339	444,576	7.5%
GS 2.1 0 - 10 kW	150,500	180,931	30,431	20.2%
GS 2.2 10 - 100 kW	1,683,293	1,812,581	129,288	7.7%
GS 2.3 110 - 1000 kVA	2,207,631	2,406,094	198,463	9.0%
GS 2.4 Over 1000 kVA	1,668,689	1,710,447	41,758	2.5%
Street & Area Lighting	179,160	187,368	8,208	4.6%
Labrador Interconnected Total	$11,853,036	$12,705,760	$852,724	7.2%
CFB Goose Bay - Secondary	3,980,020	3,980,020	0	0.0%
Total	$330,008,190	$370,923,156	$40,914,966	12.4%

* Estimated increase resulting from Newfoundland Power's subsequent pass-through hearing.

6. RATE STABILIZATION PLAN

As ordered in P.U. 7, the balance in the RSP as of Aug. 31, 2002 was frozen and is now referred to as the "Old RSP". The Old RSP is being recovered over a five-year period commencing in 2003. On September 1, 2002 a "New RSP" was established. The balance accumulating in this plan is to be recovered or refunded over a two-year period, commencing in 2004.

The forecast balances for both RSPs and their impact on customers in 2004 are as follows:

Table 5

Forecast RSP			
Forecast RSP Balances – December 31, 2003	**Old RSP $ million**	**New RSP $ million**	**Total $ million**
Newfoundland Power	70.1	50.2	120.3
Industrial Customers	24.0	16.8	40.8
Total	94.1	67.0	161.1
Forecast RSP Recovery Rates Based on above Plans	**5 year Recovery (mills/kWh)**	**2 year Recovery (mills/kWh)**	**Total (mills/kWh)**
Newfoundland Power	3.4	5.6	9.0
Island Industrials	4.3	6.1	10.4

In 2004, it is projected that Newfoundland Power's rates to end consumers, which include the effect of Hydro's 2003 RSP adjustments, will increase 7.4% on January 1 with a further 5.8% RSP adjustment on July 1, 2004. This is based on the rates shown in Table 6.

Table 6

2004 Projected End Consumer Impacts

	December 31, 2003 mills/kWh	January 1, 2004 mills/kWh	Wholesale Increase %	End Consumer Increase %	July 1, 2004 mills/kWh	Wholesale Increase %	End Consumer Increase %
Energy	47.89	54.45	13.7	-	54.45	-	-
Old RSP (effective July 1, 2003)	3.24	3.24	-	-	3.44	-	-
New RSP	_				5.58	-	-
Total Rate	51.13	57.69	12.8	7.4	63.47	10.0	5.8

Newfoundland Power rates, including the July 1, 2004 adjustment, will be 24.1% higher than rates that were in effect at the end of 2003.

Island Industrial Customers, in combination with the 13.5% base rate increase outlined earlier, will see a total increase of 28.5% no later than January 1, 2004 including the RSP adjustment.

7. RULES AND REGULATIONS

Hydro proposes the following changes to its rules and regulations consistent with the practice to have its rules and regulations for Rural Customers as similar as possible to those of Newfoundland Power.

7.1 Reduction in the Application Fee for Name Changes

Hydro is proposing to reduce its application fee for a customer requiring a name change at an existing premise, currently $14.00, to match the fee for a new service, currently $8.00. To make this change, Hydro is proposing that the wording for Regulation 9(o) be changed as follows:

> **"An application fee of $8.00 will be charged for all requests for Customer name changes and connection of new Serviced Premises.** Landlords will be exempted from the application fee for name changes at Serviced Premises for which a landlord agreement pursuant to Regulation 11(f) is in effect."

7.2 Elimination of the Statement Preparation Fee

Hydro is proposing to remove clause 9(n) which charges a customer for the preparation of account statements for billing information prior to the most recent twelve months.

7.3 Extension of the Reconnection Fee

Hydro is proposing to change its regulations to permit charging the reconnection fee to new customers where a reconnection of service is required subsequent to a request by a landlord to disconnect an apartment. New customers in apartments that are required to pay the reconnection fee will not be required to pay the application fee. Regulation 9(f) currently allows Hydro to charge for reconnections in most situations except where a landlord requests disconnection

for a change in tenancy. Hydro is proposing that the wording of Regulation 9(f) be changed as follows:

> **"Where a Service is Disconnected pursuant to Regulation 12(a), b(ii), (c), or (d) and the Customer subsequently requests that the service be reconnected, the Customer shall pay a reconnection fee. Where a Service is Disconnected pursuant to Regulation 12(g) and an Applicant subsequently requests that the service be reconnected, the Applicant shall pay a reconnection fee. Applicants that pay the reconnection fee will not be required to pay the application fee.** The reconnection fee shall be $20.00 where the reconnection is done during normal office hours or $40.00 if it is done at other times."

A new clause 12(g) that defines disconnecting a service as a result of a landlord agreement will be added, as follows:

> **"Hydro may Disconnect the Service to a rental premises where the landlord has an agreement with Hydro authorizing Hydro to Disconnect the Service for periods when Hydro does not have a contract for Service with a tenant of that premises."**

7.4 Other Amendments

Hydro proposes that other amendments will be made, as necessary, to the Rules and Regulations to give effect to the Board Order arising from this GRA.

8. CUSTOMER SERVICE INITIATIVES

The Customer Services department, in addition to its rates and regulatory functions, is responsible for coordinating customer service activities for Hydro. In addition to Newfoundland Power and Industrial Customers, service is also provided to approximately 35,000 Rural Customers.

To determine Hydro's customers' views on various aspects of their electricity supply, customer surveys are carried out annually. These surveys evaluate the customers' views based on 16 attributes and compare their importance to customers against how customers rank Hydro's performance. An overall customer satisfaction index is then developed from this comparison. The overall customer satisfaction index for residential customers has continued to increase since the inception of the surveys in 1999 and was rated at 8.1 in 2002. Hydro continues to evaluate the responses of customers in terms of the importance associated with various attributes in an effort to focus on those initiatives that are more meaningful from the customers' perspective. Some of the initiatives implemented to enhance customer service follow.

In 1996, Hydro consolidated the customer service processes of the corporation in one department. In 1999, a customer billing system was implemented, which has shortened the time between meter reading and billing for Rural Customers. It has also facilitated the establishment of a call centre allowing customers access through toll-free numbers. The call centre handles approximately 2,500 calls per month related to, for example, account inquiries and new services, in addition to power outages calls.

In July of 2002, Hydro introduced an Equal Payment Plan option, as well as a Pre-Authorized Plan for Rural Domestic Customers to allow them to spread their electricity payments in equal installments over a 12-month period and, if desired, allow automatic withdrawal from the customer's bank account. To date, 1,400

customers have taken advantage of the Equal Payment Plan with approximately 350 adopting the Pre-Authorization Payment method.

In April 2003, Hydro introduced an Integrated Voice Response ("IVR")/ Internet Customer Information System. This system allows customers telephone and Internet access to their account information as well as power outage information at any time.

In 2002, Hydro began a multi-year conservation initiative under the brand name "Hydro Wise", the main purpose of which was to promote energy efficiency by making information available to educate customers in the wise use of electricity. Hydro continues to partner with the Conservation Corps and in 2002 extended funding to assist customers with the cost of an energy audit.

RATES AND CUSTOMER SERVICES

LIST OF SCHEDULES

This section has been completely revised.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Government Departments
Domestic Diesel 1.2G

Percentage Change in Annual Costs

Dollars Change in Annual Costs	8% to 9.1%
$317 to $865	65.22%
$865 to $1413	13.04%
$1413 to $1961	8.70%
$1961 to $2509	8.70%
$2509 to $3057	4.35%
Total:	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 23.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
General Service Diesel 2.1D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	1% to 5%	5% to 9%	9% to 13%	13% to 17%	17% to 21%	Total
$16 to $58		8.54%	10.19%	4.68%		23.42%
$58 to $100		0.55%	0.28%	7.99%	5.23%	14.05%
$100 to $142	0.55%	1.10%	1.10%	2.20%	7.16%	12.12%
$142 to $184		3.03%	3.31%	1.65%	4.68%	12.67%
$184 to $226	10.74%	12.12%	5.23%	5.79%	3.86%	37.74%
Total:	**11.29%**	**25.34%**	**20.11%**	**22.31%**	**20.94%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 385.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Government Departments
General Service Diesel 2.1G

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-9% to -5%	-5% to -2%	-2% to 0%	0% to 3%	3% to 5%	Total
$-2091 to $-1669	3.77%					3.77%
$-1669 to $-1247	13.21%					13.21%
$-1247 to $-825	15.09%					15.09%
$-825 to $-403	30.19%					30.19%
$-403 to $19	28.30%	1.89%	3.77%		3.77%	37.74%
Total:	**90.57%**	**1.89%**	**3.77%**	**0.00%**	**3.77%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 53.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
General Service Diesel 2.2D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 20%	20% to 40%	40% to 60%	60% to 80%	80% to 99%	Total
$24 to $752	26.79%	3.57%		1.79%		32.14%
$752 to $1480	26.79%	7.14%			1.79%	35.71%
$1480 to $2208	16.07%					16.07%
$2208 to $2936	8.96%					8.93%
$2936 to $3663	7.14%					7.14%
Total:	**85.71%**	**10.71%**	**0.0%**	**1.79%**	**1.79%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 60.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Government Departments
General Service Diesel 2.2G

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-28% to -21%	-21% to -15%	-15% to -8%	-8% to -2%	-2% to 5%	Total
$-27418 to $-21846	6.25%	6.25%				12.50%
$-21846 to $-16274						0.00%
$-16274 to $-10702	18.75%					18.75%
$-10702 to $-5130	6.25%					6.25%
$-5130 to $440		12.50%	18.75%	25.00%	6.25%	62.50%
Total:	**31.25%**	**18.75%**	**18.75%**	**25.00%**	**6.25%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 16.

(2) This analysis is based on 2001 usage patterns.

Comparison of Rates Schedules 2004-2006
Isolated Systems

	Rate Class	2004	2005	2006
Basic Charge $/mo.	1.2G	29.83		
kWh Charge ¢/kWh		60.112		
Basic Charge $/mo.	2.1D	19.45	19.45	19.45
kWh Charge ¢/kWh		11.74	13.92	16.05
Second Block Charge ¢/kWh		20.00	18.00	
Basic Charge $/mo.	2.1G	34.11		
kWh Charge ¢/kWh		52.68		
Basic Charge $/mo.	2.2D	25.96	25.96	25.96
Demand Charge $/kW/mo.		8.10	10.38	12.70
kWh Charge ¢/kWh		11.84	13.61	16.11
Second Block Charge ¢/kWh		23.36	20.10	
Basic Charge $/mo.	2.2G	57.84		
Demand Charge $/kW/mo.		28.01		
kWh Charge ¢/kWh		35.830		

Note: Blank cells indicate that there are no further change in rates.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
General Service Diesel 2.1D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-8% to -4%	-4% to 0%	0% to 5%	5 to 10%	10% to 15%	Total
$-969 to $-741	0.27%					0.27%
$-741 to $-513	0.80%					0.80%
$-513 to $-285	4.02%					4.02%
$-285 to $-57	2.68%	6.17%				8.85%
$-57 to $167		10.19%	25.74%	25.20%	24.93%	86.06%
Total:	**7.77%**	**16.35%**	**25.74%**	**25.20%**	**24.93%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 385.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
General Service Diesel 2.2D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-11% to -5%	-5% to 1%	1% to 7%	7% to 14%	14% to 20%	Total
$-2237 to $-1501	7.27%	3.64%				10.91%
$-1501 to $-765	1.82%	3.64%				5.45%
$-765 to $-29		25.45%				25.45%
$-29 to $707		7.27%	16.36%	7.27%	7.27%	38.48%
$707 to $1440			5.45%	5.45%	9.09%	20.00%
Total:	**9.09%**	**40.00%**	**21.82%**	**12.73%**	**16.36%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 60.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
General Service Diesel 2.1D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-9% to -4%	-4% to 1%	1% to 4%	4% to 8%	8% to 13%	Total
$-946 to $-724	0.55%					0.55%
$-724 to $-502	0.83%					0.83%
$-502 to $-280	4.13%					4.13%
$-280 to $-58	2.75%	6.34%				9.09%
$-58 to $163		19.01%	12.12%	21.49%	32.78%	85.40%
Total:	**8.26%**	**25.34%**	**12.12%**	**21.49%**	**32.78%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 385.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
General Service Diesel 2.2D

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-14% to -7%	-7% to -1%	-1% to 6%	6% to 13%	13% to 20%	Total
$-2654 to $-1785	5.45%	5.45%				10.91%
$-1785 to $-916	1.82%	3.64%				5.45%
$-916 to $-47		21.82%	3.64%			25.45%
$-47 to $822			18.18%	10.91%	9.09%	38.18%
$822 to $1691			3.64%	7.27%	9.09%	20.00%
Total:	**7.27%**	**30.91%**	**25.45%**	**18.18%**	**18.18%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 60.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Happy Valley/Goose Bay
General Service 2.1HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 5%	5% to 10%	10% to 15%	15% to 20%	20% to 26%	Total
$0 to $78	23.65%	8.37%	7.39%	20.69%		60.10%
$78 to $156					23.65%	23.65%
$156 to $234					12.32%	12.32%
$234 to $312					2.96%	2.96%
$312 to $388					0.99%	0.99%
Total:	**23.65%**	**8.37%**	**7.39%**	**20.69%**	**39.90%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 226.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Labrador West
Domestic 1.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	13% to 15%	15% to 18%	18% to 21%	21% to 24%	24% to 26%	Total
$7 to $56	0.03%		19.27%	2.24%	0.32%	21.85%
$56 to $105			21.01%			21.01%
$105 to $154			45.52%			45.52%
$154 to $203			11.12%			11.12%
$203 to $254			0.50%			0.50%
Total:	**0.03%**	**0.00%**	**97.42%**	**2.24%**	**0.32%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 4245.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Labrador West
General Service 2.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 6%	6% to 11%	11% to 16%	16% to 21%	21% to 27%	Total
$0 to $64	27.19%	5.26%	12.28%	15.79%		60.53%
$64 to $128				8.77%	18.42%	27.19%
$128 to $192					6.14%	6.14%
$192 to $256					4.39%	4.39%
$256 to $318					1.75%	1.75%
Total:	**27.19%**	**5.26%**	**12.28%**	**24.56%**	**30.70%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was132.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Labrador West
General Service 2.2W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	3% to 8%	8% to 12%	12% to 16%	16% to 20%	20% to 24%	Total
$21 to $373	0.49%	2.43%	10.19%	26.21%	13.59%	52.91%
$373 to $725		0.49%	0.97%	7.28%	20.39%	29.13%
$725 to $1077				3.88%	7.28%	11.17%
$1077 to $1429				0.97%	4.85%	5.83%
$1429 to $1781					0.97%	0.97%
Total:	**0.49%**	**2.91%**	**11.17%**	**38.35%**	**47.09%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 235.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Labrador West
General Service 2.3W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	13% to 14%	14% to 16%	16% to 18%	18% to 20%	20% to 22%	Total
$602 to $4718	1.64%	4.92%	13.11%	44.26%	16.39%	80.33%
$4718 to $8834			1.64%	6.56%	4.92%	13.11%
$8834 to $12950				1.64%	1.64%	3.28%
$12950 to $17066					1.64%	1.64%
$17066 to $21184					1.64%	1.64%
Total:	**1.64%**	**4.92%**	**14.75%**	**52.46%**	**26.23%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 68.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2004
Labrador West
General Service 2.4W

	Change in Annual Costs	
Number of Customers	**Dollar Change**	**Percentage Change**
2	$12,762 to $18,355	19.09% to 19.86%

Note: This analysis is based on 2001 usage patterns.

Comparison of Rates Schedules 2004-2008
Labrador Interconnected

Happy Valley/Goose Bay	Rate Class	2004	2005	2006	2007	2008
Basic Charge $/mo.	1.1	7.00	7.00	7.00	7.00	8.00
kWh Charge ¢/kWh		0.03250	0.03250	0.03250	0.03250	0.03255
Basic Charge $/mo.	2.1	9.10	9.10	10.10		
kWh Charge ¢/kWh		0.04032	0.05050	0.05610		
Basic Charge $/mo.	2.2	2.00	2.00	2.00		
kWh Charge ¢/kWh		0.03000	0.02684	0.02386		
Basic Charge $/mo.	2.3	1.85	1.85	1.85		
kWh Charge ¢/kWh		0.02950	0.02402	0.02039		
Basic Charge $/mo.	2.4	1.70	1.70	1.70		
kWh Charge ¢/kWh		0.02500	0.02144	0.01802		
Basic Charge $/mo.	3.1*	2.00				
kWh Charge ¢/kWh		0.02500				

* Effective January 2005, Rate 3.1 will be eliminated and customers will become part of Rate 2.2 and 2.3.

Labrador West	Rate Class	2004	2005	2006	2007	2008
Basic Charge $/mo.	1.1	4.45	5.50	6.25	7.15	8.00
kWh Charge ¢/kWh		0.01601	0.01921	0.02322	0.02788	0.03255
Basic Charge $/mo.	2.1	9.10	9.10	9.10	9.55	10.10
kWh Charge ¢/kWh		0.02832	0.03582	0.04466	0.05504	0.05610
Basic Charge $/mo.	2.2	2.00	2.00			
kWh Charge ¢/kWh		0.02056	0.02386			
Basic Charge $/mo.	2.3	1.85	1.85			
kWh Charge ¢/kWh		0.01882	0.02039			
Basic Charge $/mo.	2.4	1.70	1.70			
kWh Charge ¢/kWh		0.01731	0.01802			

Note: Blank cells indicate that there are no further change in rates.

Comparison of Street Light Rates Schedules 2004-2008
Labrador Interconnected

Happy Valley/Goose Bay ***Monthly Rate***	
Type	**2004**
MVP 250	$12.10
HPS 100	$10.07
HPS 150	$12.10
HPS 250	$15.95
HPS 400	$20.10

Labrador West ***Monthly Rate***					
Type	**2004**	**2005**	**2006**	**2007**	**2008**
Rate 4.1W					
MVP 250	$ 5.80	$ 7.30	$ 9.00	$11.36	$12.10
HPS 100	$ 7.11	$ 7.54	$ 8.27	$ 9.00	$10.07
HPS 150	$12.10				
HPS 250	$15.95				
HPS 400	$20.10				
Rate 4.11W	(Labrador City Street lights owned by Hydro existing as of Sept 1, 2002)				
HPS 100	$ 4.15	$ 5.65	$ 7.15	$ 9.00	$10.07
Rate 4.12W	(Electricity Only)				
HPS 100	$ 3.12	$ 3.59	$ 4.06	$ 4.53	$ 5.02

Note: Blank cells indicate that there are no further change in rates.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Happy Valley/Goose Bay
General Service 2.1HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 4%	4% to 9%	9% to 14%	14% to 19%	19% to 24%	Total
$0 to $91	21.08%	8.33%	7.35%	18.14%	4.90%	59.80%
$91 to $182					23.53%	23.53%
$182 to $273					12.25%	12.25%
$273 to $364					2.94%	2.94%
$364 to $454					1.47%	1.47%
Total:	**21.08%**	**8.33%**	**7.35%**	**18.14%**	**45.10%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 226.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Happy Valley/Goose Bay
General Service 2.2HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-10% to -9%	-9% to -7%	-7% to -5%	-5% to -3%	-3% to -1%	Total
$-966 to $-772	0.46%	0.46%				0.92%
$-772 to $-578	0.46%	5.50%				5.96%
$-578 to $-384	1.38%	12.84%				14.22%
$-384 to $-190	1.83%	24.31%	0.46%			26.61%
$-190 to $-4	2.29%	42.20%	6.42%		1.38%	52.29%
Total:	**6.42%**	**85.32%**	**6.88%**	**0.00%**	**1.38%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 241.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Happy Valley/Goose Bay
General Service 2.3HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-17% to -14%	-14% to -10%	-10% to -7%	-7% to -4%	-4% to 0%	Total
$-16396 to $-13117	4.44%					4.44%
$-13117 to $-9838	2.22%					2.22%
$-9838 to $-6559	2.22%					2.22%
$-6559 to $-3280	20.00%					20.00%
$-3280 to $0	46.67%	15.56%	2.22%	4.44%	2.22%	71.11%
Total:	**75.56%**	**15.56%**	**2.22%**	**4.44%**	**2.22%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 48.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Happy Valley/Goose Bay
General Service 2.4 HV

	Change in Annual Costs	
Customers	**Dollar Change**	**Percentage Change**
2	-$143,683 to -$19,529	-12.88% to -12.01%

Note: This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Labrador West
Domestic 1.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	13% to 15%	15% to 18%	18% to 20%	20% to 23%	23% to 26%	Total
$7 to $56	0.03%		16.12%	4.96%	0.69%	21.79%
$56 to $105			21.39%			21.39%
$105 to $154			45.45%			45.45%
$154 to $203			10.89%			10.89%
$203 to $253			0.47%			0.47%
Total:	**0.03%**	**0.00%**	**94.33%**	**4.96%**	**0.69%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 4245.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Labrador West
General Service 2.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 5%	5% to 10%	10% to 15%	15% to 20%	20% to 25%	Total
$0 to $75	22.81%	7.89%	9.65%	20.18%		60.53%
$75 to $150				4.39%	21.93%	26.32%
$150 to $225					7.02%	7.02%
$225 to $300					4.39%	4.39%
$300 to $377					1.75%	1.75%
Total:	**22.81%**	**7.89%**	**9.65%**	**24.56%**	**35.09%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 132.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Labrador West
General Service 2.2W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	2% to 4%	4% to 7%	7% to 10%	10% to 13%	13% to 15%	Total
$15 to $270	0.49%	1.46%	11.17%	36.89%	2.91%	52.91%
$270 to $525			1.46%	21.84%	5.83%	29.13%
$525 to $780				9.22%	1.94%	11.17%
$780 to $1035				3.40%	2.43%	5.83%
$1035 to $1289				0.49%	0.49%	0.97%
Total:	**0.49%**	**1.46%**	**12.62%**	**71.84%**	**13.59%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 235.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Labrador West
General Service 2.3W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	4% to 5%	5% to 6%	6% to 7%	7% to 8%	Total
$247 to $1939	1.64%	13.11%	60.66%	4.92%	80.33%
$1939 to $3631			8.20%	4.92%	13.11%
$3631 to $5323			3.28%		3.28%
$5323 to $7015				1.64%	1.64%
$7015 to $8707			1.64%		1.64%
Total:	**1.64%**	**13.11%**	**73.77%**	**11.48%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 68.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2005
Labrador West
General Service 2.4W

	Change in Annual Costs	
Customers	**Dollar Change**	**Percentage Change**
2	$3,937 to $2,738	3.44% to 3.55%

Note: This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Happy Valley/Goose Bay
General Service 2.1HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	10% to 13%
$12 to $62	59.80%
$62 to $112	23.53%
$112 to $162	12.25%
$162 to $212	2.94%
$212 to $262	1.47%
Total:	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 226.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Happy Valley/Goose Bay
General Service 2.2HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-10% to -8%	-8% to -6%	-6% to -4%	-4% to -2%	-2% to 0%	Total
$-911 to $-729	0.92%					0.92%
$-729 to $-548	5.96%					5.96%
$-548 to $-367	14.22%					14.22%
$-367 to $-186	24.31%	1.38%				25.69%
$-186 to $-3	33.49%	16.06%	2.29%		1.38%	53.21%
Total:	**78.90%**	**17.43%**	**2.29%**	**0.00%**	**1.38%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 241.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Happy Valley/Goose Bay
General Service 2.3HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	-14% to -11%	-11% to -8%	-8% to -5%	-5% to -3%	-3% to 0%	Total
$-10861 to $-8689	4.44%					4.44%
$-8689 to $-6517	2.22%					2.22%
$-6517 to $-4345	2.22%					2.22%
$-4345 to $-2173	20.00%	2.22%				22.22%
$-2173 to $0	44.44%	15.56%	2.22%	4.44%	2.22%	68.89%
Total:	**73.33%**	**17.78%**	**2.22%**	**4.44%**	**2.22%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 48.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Happy Valley/Goose Bay
General Service 2.4HV

	Change in Annual Costs	
Customers	**Dollar Change**	**Percentage Change**
2	-$138,033 to -$18,761	-14.21% to -13.11%

Note: This analysis is based on 2001 usage patterns

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Labrador West
Domestic 1.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	11% to 13%	13% to 15%	15% to 17%	17% to 19%	19% to 21%	Total
$8 to $86	0.03%	0.58%	2.58%	5.67%	13.15%	22.01%
$86 to $164					21.88%	21.88%
$164 to $242					45.02%	45.02%
$242 to $320					10.65%	10.65%
$320 to $399					0.45%	0.45%
Total:	**0.03%**	**0.58%**	**2.58%**	**5.67%**	**91.14%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 4245.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2006
Labrador West
General Service 2.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 4%	4% to 9%	9% to 14%	14% to 19%	19% to 24%	Total
$0 to $89	21.24%	8.85%	7.08%	22.12%	1.77%	61.06%
$89 to $178					27.43%	27.43%
$178 to $256					6.19%	6.19%
$256 to $334					4.42%	4.42%
$334 to $412					0.88%	0.88%
Total:	**21.24%**	**8.85%**	**7.08%**	**22.12%**	**40.71%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 132.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2007
Labrador West
Domestic 1.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	12% to 14%	14% to 16%	16% to 17%	17% to 18%	18% to 20%	Total
$9 to $100	0.03%	1.06%	1.35%	3.51%	16.01%	21.95%
$100 to $191					22.08%	22.08%
$191 to $282					44.95%	44.95%
$282 to $373					10.58%	10.58%
$373 to $464					0.45%	0.45%
Total:	**0.03%**	**1.06%**	**1.35%**	**3.51%**	**94.06%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 4245.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2007
Labrador West
General Service 2.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	5% to 8%	8% to 12%	12% to 16%	16% to 20%	20% to 23%	Total
$5 to $109	20.18%	7.89%	6.14%	26.32%		60.53%
$109 to $213				1.75%	25.44%	27.19%
$213 to $317					6.14%	6.14%
$317 to $421					4.39%	4.39%
$421 to $526					1.75%	1.75%
Total:	**20.18%**	**7.89%**	**6.14%**	**28.07%**	**37.72%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 132.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2008
Happy Valley/Goose Bay
Domestic 1.1HV

Percentage Change in Annual Costs

Dollars Change in Annual Costs	0% to 3%	3% to 7%	7% to 10%	10% to 14%	14% to 17%	Total
$10 to $11	0.21%	0.03%		0.03%	0.03%	0.31%
$11 to $13	18.88%	5.52%	1.66%	1.73%	1.52%	29.30%
$13 to $14	56.73%	0.03%			0.03%	56.80%
$14 to $16	13.56%					13.56%
$16 to $17	0.03%					0.03%
Total:	**89.41%**	**5.59%**	**1.66%**	**1.76%**	**1.59%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 3410.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2008
Labrador West
Domestic 1.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	10% to 11%	11% to 13%	13% to 14%	14% to 15%	15% to 17%	Total
$9 to $100	0.03%	0.90%	1.74%	3.64%	15.72%	22.03%
$100 to $191					22.21%	22.21%
$191 to $282					44.74%	44.74%
$282 to $373					10.58%	10.58%
$373 to $465					0.45%	0.45%
Total:	**0.03%**	**0.90%**	**1.74%**	**3.64%**	**93.70%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 4245.

(2) This analysis is based on 2001 usage patterns.

Newfoundland & Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2008
Labrador West
General Service 2.1W

Percentage Change in Annual Costs

Dollars Change in Annual Costs	2% to 3%	3% to 4%	4% to 5%	5% to 6%	6% to 7%	Total
$6 to $17	18.26%	12.17%	8.70%	7.83%	13.91%	60.87%
$17 to $28	26.96%					26.96%
$28 to $39	6.09%					6.09%
$39 to $50	4.35%					4.35%
$50 to $60	1.74%					1.74%
Total:	**57.39%**	**12.17%**	**8.70%**	**7.83%**	**13.91%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Notes: (1) The average number of customers for 2001 was 132.

(2) This analysis is based on 2001 usage patterns.