

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 ("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.

INDUSTRIAL CUSTOMERS' ISSUES LIST
(Submitted September 2, 2003)

In the Industrial Customers' submission, the issues arising in this proceeding are as follows:

A. Issues Affecting Return

1. Use of a Return on Rate Base of 8.15%
2. The inclusion in rate base of the elements suggested by Hydro at the amounts suggested by Hydro
3. Use of a Return on Equity of 9.75%
4. Implications of capital structure for the rate of return sought
5. Determination of return on debt

B. Revenue Requirement Issues

6. Test Year Revenue Requirement of \$371,841,000 including cost drivers and changes in revenue requirement since 2001 hearing
7. Incorporation into Revenue Requirement Costs of new sources of supply and consideration of alternative sources of peaking capacity
8. Methodology for forecasting hydraulic production
9. Conversion Factor for No. 6 fuel for Holyrood
10. Forecast Test Year – No. 6 fuel price including foreign exchange issues
11. Amortization over a three-year period of regulatory costs incurred with respect to this Application
12. Productivity Allowances

C. Rates, Rules and Regulations, and General Issues

13. Demand/Energy Rate Structure for Newfoundland Power
14. Rate Design for Industrial Customers including status of Interruptible B offering
15. Changes in Cost of Service Methodology approved by Order No. P. U.7 (2002-2003)
16. Assignment of Plant, including radial lines and remote generation
17. Newfoundland Power Generation Credit
18. Load Factors for use in Cost of Service Study and other purposes
19. Rate Stabilization Plan
20. Energy Balance and System Resource Planning
21. Long term strategic rate planning
22. Alternative regulatory devices to improve efficiency

DATED at St. John's, Newfoundland, this 2nd day of September, 2003.

STEWART MCKELVEY STIRLING SCALES
POOLE ALTHOUSE
Solicitors for the Industrial Customers