

1     Q.     Provide a table showing the revenues collected, the cost and the deficit for  
2           each of the Island Interconnected System, the Isolated Island system and the  
3           Isolated Labrador system. Provide these figures for 1992 to 2003.

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6     A.     Please see attached. The values are based on the actual Cost of Service  
7           study, using the methodology approved for that period.

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9           The actual Cost of Service, which provides the deficit data, for 1996, is not  
10          available. During 1996 there was a interconnection, namely the St. Anthony/  
11          Roddickton system, to the Island Interconnected system. It is not possible to  
12          produce a meaningful annual cost of service in light of this system being  
13          included in both Isolated Systems and the Island Interconnected System at  
14          different times during the year.

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16          The Cost of Service, which provides the deficit data, for 1998, is not  
17          available. During 1998 there was a complete reorganization of the  
18          corporation into business units. Simultaneously, Hydro began a phased  
19          implementation of a new integrated accounting system. Because the  
20          recording of operating expenses by business unit was not standardized for  
21          1998, it is not practical to perform the analysis required for Cost of Service  
22          purposes.

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24          The actual Cost of Service study for 2002 and the forecast Cost of Service  
25          study for 2003 are not yet available. This response will be updated when  
26          those studies have been completed.

NEWFOUNDLAND & LABRADOR HYDRO  
Rural Deficit

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Line		Island Interconnected			Isolated Systems			Island Isolated			Labrador Isolated		
		Revenue	Allocated Revenue Requirement	Deficit	Revenue	Allocated Revenue Requirement	Deficit	Revenue	Allocated Revenue Requirement	Deficit	Revenue	Allocated Revenue Requirement	Deficit
No.	Description												
1	1992 Actual - Interim Methodology	22,759,806	26,992,866	(4,233,060)	10,336,202	34,990,968	(24,654,766)						
2	1993 Actual - Interim Methodology	23,144,932	27,157,327	(4,012,395)	10,529,103	34,541,647	(24,012,544)						
3	1994 Actual - Interim Methodology	23,024,237	26,266,539	(3,242,302)	10,592,230	35,084,936	(24,492,706)						
4	1995 Actual - Interim Methodology	22,480,907	26,975,613	(4,494,706)	10,581,635	35,503,599	(24,921,964)						
5	1997 Actual - Interim Methodology	27,881,005	35,318,727	(7,437,722)				1,398,993	5,836,760	(4,437,767)	3,197,451	13,642,170	(10,444,719)
6	1999 Actual - Interim Methodology	29,374,716	35,133,283	(5,758,567)				1,314,310	6,910,571	(5,596,261)	3,502,724	13,185,650	(9,682,926)
7	2000 Actual - Interim Methodology	30,156,707	36,906,803	(6,750,096)				1,214,414	7,606,486	(6,392,072)	3,638,587	15,763,041	(12,124,454)
8	2001 Actual - Interim Methodology	28,874,802	40,947,341	(12,072,539)				1,161,096	7,849,665	(6,688,569)	3,905,682	18,157,079	(14,251,397)

Note 1: Isolated systems were combined in this Cost of Service study