

1     Q.     In its application, NLH is requesting a rate of return of 7.75% (*sic*) based on  
2             what the Public Utilities Board allowed Newfoundland Power in Order No.  
3             P.U. 19 (2003). Of the \$55,000,000 in increased revenue requirements for  
4             the 2004 test year, how much revenue is based on NLH receiving a rate of  
5             return of 9.75%.

6  
7  
8     A.     Approximately \$12 million of the \$55 million increase in total revenue  
9             requirement in 2004 as compared to 2002 is attributable to Hydro receiving a  
10            rate of return on equity of 9.75%.