

1 Q. In its revised application, Newfoundland Power (*sic*) says that of the  
2 \$55,000,000 approximately \$33,000,000 results from new sources of power  
3 to meet increased load requirements and increased costs for numbered (*sic*)  
4 fuel. Please advise of the approximately \$33,000,000 the exact amount  
5 required for increased load requirements and the exact amount required for  
6 increased fuel costs.

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9 A. Approximately \$33 million of the \$55 million increase in revenue requirement  
10 from Hydro's 2002 test year to the 2004 test year is attributable to the  
11 increases in generation supply costs from additional power purchases (\$18  
12 million) and the Granite Canal project financing costs (\$11 million), plus  
13 increased fuel costs (\$4 million). The projected increase in fuel costs is net  
14 of the reduction in fuel consumption arising as a result of the new sources of  
15 supply.