

1 Q. Please provide the total costs in the 2004 COS for the GNP transmission line
2 assigned to "Hydro Rural" including return, depreciation and O&M.

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5 A. Please refer to the schedule below for depreciation expense and return on
6 debt. The Cost of Service study does not provide O&M costs and overhead
7 allocations on the basis requested. O&M costs within the Cost of Service are
8 based on an allocation of Transmission and Terminal Station O&M derived
9 from plant in service. As well, assets attract additional overheads through
10 the allocations performed in the cost of service study.

NEWFOUNDLAND AND LABRADOR HYDRO
GNP Transmission Assets

		2004 Forecast		
		Avg Plant in Service	Avg Net Book Value	Depreciation Expense
1	Transmission Lines	56,037,020	44,720,725	1,047,918
2	Terminal Stations	17,083,403	14,229,689	100,517
3	Total	73,120,423	58,950,414	1,148,435
4	Weighted Average Cost of Debt (Rev. 1)	7.138%		
5	Return on Debt	4,207,881		