

1 Q. Please provide a full COS study (comparable to exhibit RDG-1) assuming a
2 3% ROE for 2004.

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5 A. The COS study attached is based on Exhibit RDG-1 Rev.1, with a 3% ROE.
6 This COS study does not incorporate any changes to capital structure or the
7 cost of debt. Also, revenues have not been adjusted to reflect the lower
8 revenue requirement.

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total System
Revenue Requirement

		1	2	3	4	5	6	7	8
Line No.	Description	Total Amount (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Labrador Interconnected (\$)	Basis of Proration	
	Revenue Requirement Expenses								
1	Operating, Maintenance and Admin.	93,048,681	72,460,822	5,166,240	10,011,783	1,115,316	4,294,520	Detailed Analysis	
2	Fuels - No. 6 Fuel	84,819,538	84,819,538	-	-	-	-	Detailed Analysis	
3	Fuels - Diesel	7,377,404	54,612	1,390,213	5,848,510	68,661	15,408	Detailed Analysis	
4	Fuels - Gas Turbine	350,959	265,277	-	-	-	85,682		
5	Power Purchases -CF(L)Co	2,433,927	-	-	-	-	2,433,927	Detailed Analysis	
6	Power Purchases - Other	30,880,947	29,928,330	-	34,275	812,107	106,235	Detailed Analysis	
7	Depreciation	33,931,301	27,884,999	891,817	2,163,918	401,179	2,589,389	Detailed Analysis	
	Expense Credits:								
8	Sundry	(456,000)	(355,106)	(25,318)	(49,064)	(5,466)	(21,046)	Total O&M Expenses	
9	Building Rental Income	(14,028)	(7,200)	-	-	-	(6,828)	Detailed Analysis	
10	Tax Refunds	-	-	-	-	-	-	Total O&M Expenses	
11	Suppliers' Discounts	(22,800)	(17,755)	(1,266)	(2,453)	(273)	(1,052)	Total O&M Expenses	
12	Pole Attachments	(1,256,348)	(883,099)	(26,512)	(87,859)	(55,402)	(203,476)	Detailed Analysis	
13	Secondary Energy Revenues	-	-	-	-	-	-	Island Interconnected	
14	Wheeling Revenues	(70,493)	(70,493)	-	-	-	-	Island Interconnected	
15	Application Fees	(44,112)	(19,452)	(660)	(4,452)	(840)	(18,708)	Detailed Analysis	
16	Meter Test Revenues	(90,000)	(53,193)	(2,147)	(6,604)	(2,698)	(25,357)	Weighted Customers	
17	Total Expense Credits	(1,953,781)	(1,406,298)	(55,903)	(150,432)	(64,679)	(276,467)		
18	Subtotal Expenses	250,888,976	214,007,279	7,392,367	17,908,054	2,332,583	9,248,693		
19	Disposal Gain/Loss	541,189	515,443	-	8,248	-	17,498	Detailed Analysis	
20	Subtotal Rev Req Excl Return	251,430,165	214,522,722	7,392,367	17,916,302	2,332,583	9,266,191		
21	Return on Debt	106,037,664	98,967,734	907,304	2,186,368	412,844	3,563,415	Rate Base	
22	Return on Equity	4,631,500	4,449,696	-	-	-	181,804	Rate Base	
23	Total Revenue Requirement	362,099,329	317,940,152	8,299,670	20,102,669	2,745,427	13,011,410		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total System
Return on Rate Base

Line No	1	2	3	4	5	6	7	8
		Total \$	Island Interconnected \$	Island Isolated \$	Labrador Isolated \$	L'Anse au Loup \$	Labrador Interconnected \$	Basis of Proration
	Rate Base:							
1	Average Net Book Value	1,366,212,659	1,276,638,287	11,652,916	26,534,805	5,314,268	46,072,383	Schedule 2.3
2	Cash Working Capital	3,057,000	2,856,571	26,074	59,374	11,891	103,090	Prorated on Average Net Book Value - L. 1
3	Fuel Inventory - No. 6 Fuel	11,872,074	11,872,074	-	-	-	-	Specifically Assigned - Holyrood
4	Fuel Inventory - Diesel	2,150,830	48,247	131,042	1,913,083	20,307	38,151	Detailed Fuel Analysis
5	Fuel Inventory - Gas Turbine	884,126	796,938	-	-	-	87,188	Detailed Fuel Analysis
6	Inventory/Supplies	19,387,000	17,679,828	201,676	530,500	118,425	856,571	Prorated on Total Plant in Service, Schedule 2.2
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	81,886,000	76,517,226	698,435	1,590,403	318,519	2,761,417	Prorated on Average Net Book Value - L. 1
8	Total Rate Base	1,485,449,689	1,386,409,170	12,710,143	30,628,165	5,783,409	49,918,801	
9	Less: Rural Portion	(213,758,301)	(164,636,583)	(12,710,143)	(30,628,165)	(5,783,409)	-	Schedule 2.6, L. 9
10	Rate Base Available for Equity Return	1,271,691,388	1,221,772,587	-	-	-	49,918,801	
	Corporate Targets:							
11	Capital Structure: Percent of Debt	86.14% ⁽¹⁾						
12	Return	8.287%						
13	Weighted Average Return: Debt	7.138%						
14	Capital Structure: Percent of Equity	12.14% ⁽¹⁾						
15	Return	3.000%						
16	Weighted Average Return: Equity	0.364%						
17	Weighted Average Cost of Capital	7.503%						
	Return on Rate Base by System (%):							
18	Return on Rate Base - Debt Component	-	7.138%	7.138%	7.138%	7.138%	7.138%	
19	Return on Rate Base - Equity Component	-	0.364%	-	-	-	0.364%	
	Return on Rate Base (\$):							
20	Return on Debt	106,037,664	98,967,734	907,304	2,186,368	412,844	3,563,415	Schedule 2.6, L.11
21	Return on Equity	4,631,500	4,449,696	-	-	-	181,804	Schedule 2.6, L.12
22	Return on Rate Base (\$)	110,669,164	103,417,430	907,304	2,186,368	412,844	3,745,219	Schedule 2.6, L.13
	Return on Total Rate Base (%):							
23	Return on Rate Base - Debt Component	7.138%	7.138%	7.138%	7.138%	7.138%	7.138%	L. 20 divided by L.8
24	Return on Rate Base - Equity Component	0.312%	0.321%	-	-	-	0.364%	L. 21 divided by L.8
25	Return on Rate Base (%)	7.450%	7.459%	7.138%	7.138%	7.138%	7.503%	L. 22 divided by L.8

⁽¹⁾ Debt and equity weightings reflect a 1.72% component for Employee Future Benefits at 0% cost.

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Total System

Comparison of Revenue & Allocated Revenue Requirement

Line No.	Rate Class	1 Revenues (\$)	2 Cost of Service Before Deficit and Revenue Credit Allocation (\$)	3 Revenue Credits (\$)	4 Deficit (\$)	5 Revenue Requirement After Deficit and Revenue Credit Allocation (\$)	6 Revenue to Cost Coverage (Col.2/3)
Total System							
1	Newfoundland Power	258,169,230	213,697,895	(18,796)	36,200,643	249,879,742	1.21
2	Island Industrial	52,068,672	50,379,714	23,534	-	50,403,248	1.03
3	Labrador Industrial	2,551,099	2,551,099	-	-	2,551,099	1.00
4	CFB - Goose Bay Secondary	3,014,118	129,924	2,884,194	-	3,014,118	23.20
5	Rural Labrador Interconnected	12,705,760	10,330,387	(2,757,289)	4,749,044	12,322,142	1.23
Rural Deficit Areas							
6	Island Interconnected	35,031,559	53,862,543	(4,738)	(18,826,247)	35,031,559	0.65
7	Island Isolated	1,496,581	8,299,670	-	(6,803,089)	1,496,581	0.18
8	Labrador Isolated	5,904,667	20,102,669	-	(14,198,002)	5,904,667	0.29
9	L'Anse au Loup	1,496,173	2,745,427	-	(1,249,254)	1,496,173	0.54
10	Revenue Credit Applied to Deficit (4.4%)	-	-	(126,905)	126,905	-	-
11	Subtotal	43,928,980	85,010,310	(131,642)	(40,949,688)	43,928,980	0.52
12	Total	372,437,859	362,099,329	-	-	362,099,329	1.03

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues (\$)	3 Cost of Service Before Deficit and Revenue Credit Allocation (\$)	4 Revenue Credit (\$)	5 Deficit Allocation (\$)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) (\$)	7 Revenue to Cost Coverage (Col.2/3)
Island Interconnected							
1	Newfoundland Power	258,169,230	213,697,895	(18,796)			
2	NLP RSP Activity	-					
3	Subtotal Newfoundland Power	258,169,230	213,697,895	(18,796)	36,200,643	249,879,742	1.21
4	Industrial - Firm	52,018,920	50,357,925	(4,429)		50,353,496	
5	Industrial - Non-Firm	49,752	21,789	27,963		49,752	
6	Industrial RSP Activity	-				-	
7	Subtotal Industrial	52,068,672	50,379,714	23,534	-	50,403,248	1.03
Rural							
8	1.1 Domestic	10,585,819	17,574,373	(1,546)	(6,987,008)	10,585,819	0.60
9	1.12 Domestic All Electric	10,043,906	18,324,644	(1,612)	(8,279,127)	10,043,906	0.55
10	1.3 Special	10,915	34,485	(3)	(23,566)	10,915	0.32
11	2.1 General Service 0-10 kW	2,488,947	3,042,674	(268)	(553,460)	2,488,947	0.82
12	2.2 General Service 10-100 kW	6,368,104	8,344,723	(734)	(1,975,885)	6,368,104	0.76
13	2.3 General Service 110-1,000 kVa	3,008,667	3,851,898	(339)	(842,892)	3,008,667	0.78
14	2.4 General Service Over 1,000 kVa	1,669,364	1,809,265	(159)	(139,741)	1,669,364	0.92
15	4.1 Street and Area Lighting	855,837	880,481	(77)	(24,567)	855,837	0.97
16	Subtotal Rural	35,031,559	53,862,543	(4,738)	(18,826,247)	35,031,559	0.65
17	Total Island Interconnected	345,269,461	317,940,152	-	17,374,397	335,314,549	1.09

Note1:

Calculation of Island Industrial Non-Firm Revenue Credit

Island Industrial Non-Firm Revenues, Ln 5, Col 2

Island Industrial Non-Firm Allocated Cost of Service, Ln 5, Col 3

Credit to be allocated to Island Interconnected Firm Customers

49,752

(21,789)

27,963

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Comparison of Revenue & Allocated Revenue Requirement

Line No.	1 Rate Class	2 Revenues (\$)	3 Cost of Service Before Deficit and Revenue Credit Allocation (\$)	4 Revenue Credit (\$)	5 Deficit (\$)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) (\$)	7 Revenue to Cost Coverage (Col.2/3)
Island Isolated							
1	1.2 Domestic Diesel	744,272	5,870,791		(5,126,519)	744,272	0.13
2	1.2G Government Domestic Diesel	0	0		0	0	0.00
3	1.23 Churches, Schools & Com Halls	0	0		0	0	0.00
4	2.1 General Service 0-10 kW	173,583	683,356		(509,773)	173,583	0.25
5	2.2 GS 10-100 kW	302,489	768,941		(466,452)	302,489	0.39
6	2.3 GS 110-1,000 kVa	237,195	854,023		(616,828)	237,195	0.28
7	2.4 General Service Over 1,000 kVa	0	0		0	0	0.00
8	2.5 GS Diesel	0	0		0	0	0.00
9	2.5G Gov't General Service Diesel	0	0		0	0	0.00
10	4.1 Street and Area Lighting	39,042	122,559		(83,517)	39,042	0.32
11	4.1G Gov't Street and Area Lighting	0	0		0	0	0.00
12	Total	1,496,581	8,299,670		(6,803,089)	1,496,581	0.18

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Comparison of Revenue & Allocated Revenue Requirement

	1	2	3	4	5	6	7
Line No.	Rate Class	Revenues	Cost of Service Before Deficit and Revenue Credit Allocation	Revenue Credit	Deficit	Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5)	Revenue to Cost Coverage (Col.2/3)
		(\$)	(\$)	(\$)	(\$)	(\$)	
	Labrador Isolated						
1	1.2 Domestic Diesel	2,631,585	11,890,666		(9,259,081)	2,631,585	0.22
2	1.2G Government Domestic Diesel	0	0		0	0	0.00
3	1.23 Churches, Schools & Com Halls	0	0		0	0	0.00
4	2.1 General Service 0-10 kW	1,020,147	2,162,483		(1,142,336)	1,020,147	0.47
5	2.2 GS 10-100 kW	1,794,802	4,221,092		(2,426,290)	1,794,802	0.43
6	2.3 GS 110-1,000 kVa	178,453	761,034		(582,581)	178,453	0.23
7	2.4 General Service Over 1,000 kVa	180,032	845,137		(665,105)	180,032	0.21
8	2.5 GS Diesel	0	0		0	0	0.00
9	2.5G Gov't General Service Diesel	0	0		0	0	0.00
10	4.1 Street and Area Lighting	99,648	222,256		(122,608)	99,648	0.45
11	4.1G Gov't Street and Area Lighting	0	0		0	0	0.00
12	Total	5,904,667	20,102,669		(14,198,002)	5,904,667	0.29

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Comparison of Revenue & Allocated Revenue Requirement

	1	2	3	4	5	6	7
Line No.	Rate Class	Revenues	Cost of Service Before Deficit and Revenue Credit Allocation	Revenue Credit	Deficit	Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5)	Revenue to Cost Coverage (Col.2/3)
		(\$)	(\$)	(\$)	(\$)	(\$)	
	L'Anse au Loup						
1	1.1 Domestic	813,220	1,724,763		(911,543)	813,220	0.47
2	1.12 Domestic All Electric	30,014	69,814		(39,800)	30,014	0.43
3	2.1 General Service 0-10 kW	138,240	201,706		(63,466)	138,240	0.69
4	2.2 General Service 10-100 kW	399,690	592,551		(192,861)	399,690	0.67
5	2.3 General Service 110-1,000 kVa	79,322	119,689		(40,367)	79,322	0.66
6	4.1 Street and Area Lighting	35,687	36,904		(1,217)	35,687	0.97
7	Total L'Anse Au Loup	1,496,173	2,745,427		(1,249,254)	1,496,173	0.54

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Comparison of Revenue & Allocated Revenue Requirement

Line No.	Rate Class	2 Revenues (\$)	3 Cost of Service Before Deficit and Revenue Credit Allocation (\$)	4 Revenue Credit (\$)	5 Deficit Allocation (\$)	6 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5) (\$)	7 Revenue to Cost Coverage (Col.2/3)
Labrador Interconnected							
1	Industrial IOCC Firm	2,544,695	2,544,695	-	-	2,544,695	1.00
2	Industrial IOCC Non-Firm	6,404	6,404	-	-	6,404	1.00
3	Subtotal Industrial	2,551,099	2,551,099	-	-	2,551,099	1.00
4	CFB - Goose Bay Secondary	3,014,118	129,924	2,884,194	-	3,014,118	23.20
Rural							
5	1.1 Domestic	226,846	332,554	(88,762)	152,880	396,672	0.68
6	1.1A Domestic All Electric	6,181,493	6,370,577	(1,700,374)	2,928,656	7,598,858	0.97
7	2.1 General Service 0-10 kW	180,931	167,046	(44,586)	76,794	199,253	1.08
8	2.2 General Service 10-100 kW	1,812,581	1,076,749	(287,396)	494,999	1,284,352	1.68
9	2.3 General Service 110-1,000 kVa	2,406,094	1,367,873	(365,100)	628,833	1,631,607	1.76
10	2.4 General Service Over 1,000 kVa	1,710,447	848,965	(226,598)	390,283	1,012,650	2.01
11	4.1 Street and Area Lighting	187,368	166,624	(44,474)	76,600	198,750	1.12
12	Subtotal Rural	12,705,760	10,330,387	(2,757,289)	4,749,044	12,322,142	1.23
13	Total Labrador Interconnected	18,270,977	13,011,410	126,905	4,749,044	17,887,359	1.40

Note1:

Calculation of CFB - Goose Bay Secondary Revenue Credit

CFB - Goose Bay Secondary Revenues, Ln 4, Col 2	3,014,118
CFB - Goose Bay Secondary Allocated Cost of Service, Ln 4, Col 3	(129,924)
CFB - Goose Bay Secondary Allocated Deficit, Ln 4, Col 5	-
Revenue Credit	<u>2,884,194</u>

Revenue Credit Applied to Deficit	4.4%	126,905
Revenue Credit Applied to Firm Regulated Labrador Interconnected Customers		<u>2,757,289</u>
		<u>2,884,194</u>

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total System
Rural Deficit Allocation

	1	2	3	4	5	6
		Before Deficit and Revenue Credit Allocation				
Line No.	Rate Class	Allocated Revenue Req't (\$)	Demand (\$)	Energy (\$)	Customer (\$)	Source
CLASSIFICATION TO DEMAND, ENERGY, CUSTOMERS:						
1	Newfoundland Power	213,697,895	84,384,299	127,149,009	2,164,588	Schedule 1.3.1, p. 1
2	Rural Labrador Interconnected	10,330,387	6,870,435	834,570	2,625,383	Schedule 1.3.1, p. 3
3	Total	224,028,282	91,254,733	127,983,579	4,789,970	
4	Deficit Classified	40,949,688	16,680,273	23,393,866	875,549	Prorated on Line 3
UNIT COSTS OF DEFICIT:						
			CP kW	MWH	Customers *	
5	Newfoundland Power		1,067,783	4,902,167	5,917	
6	Subtotal Island Interconnected		1,067,783	4,902,167	5,917	
	Labrador Interconnected:					
7	Rural Labrador Interconnected		125,804	575,167	9,268	
8	Subtotal Labrador Interconnected		125,804	575,167	9,268	
9	Total		1,193,586	5,477,334	15,185	
10	Deficit Unit Costs		\$13.97 \$/KW	\$4.27 \$/MWH	\$57.66 \$/Customer	Line 4 / Line 9

* Specifically assigned costs are converted to equivalent unweighted customers by dividing the assigned cost by the allocated customer cost per unweighted customer.

Rural Customer Costs per Rural Customer:

Island Interconnected: \$365.84
 Labrador Interconnected: \$283.27

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total System
Rural Deficit Allocation

Line No.	1	2	3	4	5	6
		Deficit Allocation				
	Rate Class	Allocated Revenue Req't (\$)	Demand (\$)	Energy (\$)	Customer (\$)	Source
ALLOCATION OF DEFICIT:						
11	Island Interconnected	36,200,643	14,922,175	20,937,311	341,158	Line 6 x Line 10
12	Labrador Interconnected	4,749,044	1,758,098	2,456,555	534,392	Line 8 x Line 10
13	Allocated Totals	40,949,688	16,680,273	23,393,866	875,549	
CUSTOMER DEFICIT ALLOCATION:						
Island Interconnected:						
14	Newfoundland Power	36,200,643				
15	Sub-Total Island Interconnected	36,200,643				
Labrador Interconnected:						
16	Rural Labrador Interconnected	4,749,044				
17	Subtotal Labrador Interconnected	4,749,044				
18	Total	40,949,688				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Unit Demand, Energy & Customer Amounts

Line No.	Rate Class	2	3	4	5	6	7	8	9	10	11
		Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation				
		Demand (\$/kW)	Non-Demand (\$/kWh)	Energy (\$/kWh)	Demand & Energy (\$/kWh)	Customer (\$/Bill)	Demand (\$/kW)	Non-Demand (\$/kWh)	Energy (\$/kWh)	Demand & Energy (\$/kWh)	Customer (\$/Bill)
	Island Interconnected										
1	Newfoundland Power	-	0.01780	0.02682	0.04461	180,382.31	-	0.02081	0.03136	0.05217	210,923.40
2	Industrial - Firm	6.19	-	0.02681	-	9,492.50	6.19	-	0.02681	-	9,491.67
3	Industrial - Non-Firm	-	-	0.02724	-	-	-	-	0.06219	-	-
	Rural										
4	1.1 Domestic	-	0.09572	0.03005	0.12577	28.77	-	-	-	-	-
5	1.12 Domestic All Electric	-	0.11119	0.03001	0.14120	28.73	-	-	-	-	-
6	1.3 Special	-	0.12378	0.02985	0.15363	28.58	-	-	-	-	-
7	2.1 General Service 0-10 kW	-	0.08276	0.03020	0.11296	31.93	-	-	-	-	-
8	2.2 General Service 10-100 kW	25.32	-	0.03019	-	50.24	-	-	-	-	-
9	2.3 General Service 110-1,000 kVa	19.60	-	0.03001	-	51.73	-	-	-	-	-
10	2.4 General Service Over 1,000 kVa	15.35	-	0.02995	-	51.89	-	-	-	-	-
11	4.1 Street and Area Lighting	-	0.11294	0.03030	0.14324	43.63	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Unit Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9	10	11
Line No.	Rate Class	Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation				
		Demand		Energy (\$/kWh)	Non-Demand Demand & Energy (\$/kWh)	Customer (\$/Bill)	Demand		Energy (\$/kWh)	Non-Demand Demand & Energy (\$/kWh)	Customer (\$/Bill)
		Demand (\$/kW)	Non-Demand (\$/kWh)				Demand (\$/kW)	Non-Demand (\$/kWh)			
Isolated Systems:											
1	1.2 Domestic Diesel	-	0.23524	0.36366	0.59891	29.72					
2	2.1 General Service 0-10 kW	-	0.16544	0.35650	0.52194	33.81					
3	2.2 GS 10-100 kW	53.39	-	0.34758	-	56.95					
4	2.3 GS 110-1,000 kVa	12.11	-	0.38536	-	60.93					
5	2.4 General Service Over 1,000 kVa	4.12	-	0.33187	-	55.88					
6	Subtotal Metered Demand Classes	28.01	-	0.35315	-	57.27					
7	4.1 Street and Area Lighting	-	0.27778	0.37008	0.64785	56.09					
Island Isolated											
8	1.2 Domestic Diesel	-	0.36877	0.46490	0.83367	32.02	-	-	-	-	-
9	2.1 General Service 0-10 kW	-	0.26720	0.46638	0.73358	37.66	-	-	-	-	-
10	2.2 GS 10-100 kW	114.87	-	0.46902	-	71.68	-	-	-	-	-
11	2.3 GS 110-1,000 kVa	39.51	-	0.46717	-	74.16	-	-	-	-	-
12	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-
13	4.1 Street and Area Lighting	-	0.40851	0.46721	0.87572	49.84	-	-	-	-	-
Labrador Isolated											
14	1.2 Domestic Diesel	-	0.19335	0.33190	0.52525	28.83	-	-	-	-	-
15	2.1 General Service 0-10 kW	-	0.14467	0.33408	0.47874	32.61	-	-	-	-	-
16	2.2 GS 10-100 kW	47.74	-	0.33345	-	54.35	-	-	-	-	-
17	2.3 GS 110-1,000 kVa	4.40	-	0.33237	-	55.96	-	-	-	-	-
18	2.4 General Service Over 1,000 kVa	4.12	-	0.33187	-	55.88	-	-	-	-	-
19	4.1 Street and Area Lighting	-	0.22807	0.33314	0.56121	59.22	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Unit Demand, Energy & Customer Amounts

Line No.	Rate Class	1	2	3	4	5	6	7	8	9	10	11
		Before Deficit and Revenue Credit Allocation					After Deficit and Revenue Credit Allocation					
		Demand		Non-Demand		Energy	Customer	Demand		Energy	Non-Demand	Customer
		(\$/kW)	(\$/kWh)	(\$/kWh)	(\$/kWh)	(\$/kWh)	(\$/Bill)	(\$/kW)	(\$/kWh)	(\$/kWh)	(\$/kWh)	(\$/Bill)
L'Anse au Loup												
1	1.1 Domestic	-	0.10495	0.05987	0.16482	33.11	-	-	-	-	-	-
2	1.12 Domestic All Electric	-	0.12226	0.05982	0.18208	33.08	-	-	-	-	-	-
3	2.1 General Service 0-10 kW	-	0.07382	0.06022	0.13404	35.53	-	-	-	-	-	-
4	2.2 General Service 10-100 kW	20.75	-	0.06017	-	49.03	-	-	-	-	-	-
5	2.3 General Service 110-1,000 kVa	8.23	-	0.06031	-	50.26	-	-	-	-	-	-
6	4.1 Street and Area Lighting	-	0.10869	0.06060	0.16929	47.96	-	-	-	-	-	-
Labrador Interconnected												
7	Industrial - IOCC Firm	2.89	-	0.00160	-	0.00	2.89	-	-	0.00160	-	0.00
8	Industrial - IOCC Non-Firm	-	-	0.00160	0.00160	0.00	-	-	-	0.00160	0.00160	0.00
9	CFB - Goose Bay Secondary	-	-	0.00167	0.00167	73.56	-	-	-	0.00167	0.00167	73.56
Rural												
10	1.1 Domestic	-	0.01584	0.00173	0.01757	21.57	-	0.01889	0.00206	-	0.02095	25.72
11	1.1A Domestic All Electric	-	0.01578	0.00174	0.01752	21.71	-	0.01883	0.00208	-	0.02090	25.90
12	Subtotal Domestic	-	0.01579	0.00174	0.01753	21.70	-	0.01883	0.00208	-	0.02091	25.88
13	2.1 General Service 0-10 kW	-	0.01170	0.00174	0.01344	23.76	-	0.01395	0.00208	-	0.01603	28.34
14	2.2 General Service 10-100 kW	3.50	-	0.00176	-	36.79	4.17	-	0.00210	-	-	43.89
15	2.3 General Service 110-1,000 kVa	4.34	-	0.00177	-	37.89	5.17	-	0.00211	-	-	45.19
16	2.4 General Service Over 1,000 kVa	5.90	-	0.00172	-	36.64	7.04	-	0.00205	-	-	43.70
17	4.1 Street and Area Lighting	-	0.01644	0.00175	0.01819	41.97	0.00	0.01961	0.00209	-	0.02170	50.06

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total Demand, Energy & Customer Amounts

	1	2	3	4	5	6	7	8	9
Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total (\$)	Demand (\$)	Energy (\$)	Customer (\$)	Total (\$)	Demand (\$)	Energy (\$)	Customer (\$)
	Island Interconnected								
1	Newfoundland Power	213,697,895	84,384,299	127,149,009	2,164,588	249,879,742	98,671,663	148,676,998	2,531,081
2	Industrial - Firm	50,357,925	13,226,608	36,675,677	455,640	50,353,496	13,225,445	36,672,451	455,600
3	Industrial - Non-Firm	21,789	-	21,789	-	49,752	-	49,752	-
	Rural								
4	1.1 Domestic	17,574,373	10,133,182	3,181,548	4,259,642	-	-	-	-
5	1.12 Domestic All Electric	18,324,644	12,579,248	3,395,088	2,350,308	-	-	-	-
6	1.3 Special	34,485	27,232	6,566	686	-	-	-	-
7	2.1 General Service 0-10 kW	3,042,674	1,689,571	616,597	736,506	-	-	-	-
8	2.2 General Service 10-100 kW	8,344,723	5,831,524	1,985,068	528,131	-	-	-	-
9	2.3 General Service 110-1,000 kVa	3,851,898	2,757,500	1,047,840	46,558	-	-	-	-
10	2.4 General Service Over 1,000 kVa	1,809,265	1,075,531	729,997	3,736	-	-	-	-
11	4.1 Street and Area Lighting	880,481	338,822	90,903	450,756	-	-	-	-
12	Subtotal Rural	53,862,543	34,432,609	11,053,609	8,376,325				
13	Total Island Interconnected	317,940,152	132,043,516	174,900,084	10,996,553				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total Demand, Energy & Customer Amounts

Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total (\$)	Demand (\$)	Energy (\$)	Customer (\$)	Total (\$)	Demand (\$)	Energy (\$)	Customer (\$)
	Isolated Systems:								
1	1.2 Domestic Diesel	17,761,457	6,560,492	10,141,835	1,059,130				
2	2.1 General Service 0-10 kW	2,845,839	836,440	1,802,485	206,914				
3	2.2 GS 10-100 kW	4,990,033	1,569,843	3,338,183	82,008				
4	2.3 GS 110-1,000 kVa	1,615,058	356,133	1,250,882	8,043				
5	2.4 General Service Over 1,000 kVa	845,137	47,968	796,498	671				
6	Subtotal Metered Demand Classes	7,450,228	1,973,944	5,385,563	90,721				
7	4.1 Street and Area Lighting	344,816	114,945	153,138	76,733				
8	Total Isolated Systems	28,402,339	9,485,821	17,483,020	1,433,498				
	Island Isolated								
9	1.2 Domestic Diesel	5,870,791	2,456,009	3,096,250	318,532	-	-	-	-
10	2.1 General Service 0-10 kW	683,356	228,991	399,686	54,679	-	-	-	-
11	2.2 GS 10-100 kW	768,941	283,967	469,493	15,482	-	-	-	-
12	2.3 GS 110-1,000 kVa	854,023	255,248	596,105	2,670	-	-	-	-
13	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-
14	4.1 Street and Area Lighting	122,559	46,570	53,262	22,727	-	-	-	-
15	Total Island Isolated	8,299,670	3,270,784	4,614,796	414,090				
	Labrador Isolated								
16	1.2 Domestic Diesel	11,890,666	4,104,483	7,045,585	740,598	-	-	-	-
17	2.1 General Service 0-10 kW	2,162,483	607,449	1,402,799	152,235	-	-	-	-
18	2.2 GS 10-100 kW	4,221,092	1,285,877	2,868,690	66,526	-	-	-	-
19	2.3 GS 110-1,000 kVa	761,034	100,885	654,777	5,373	-	-	-	-
20	2.4 General Service Over 1,000 kVa	845,137	47,968	796,498	671	-	-	-	-
21	4.1 Street and Area Lighting	222,256	68,375	99,876	54,006	-	-	-	-
22	Total Labrador Isolated	20,102,669	6,215,037	12,868,224	1,019,408				

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total Demand, Energy & Customer Amounts

Line No.	Rate Class	Before Deficit and Revenue Credit Allocation				After Deficit and Revenue Credit Allocation			
		Total	Demand	Energy	Customer	Total	Demand	Energy	Customer
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	L'Anse au Loup								
1	1.1 Domestic	1,724,763	910,577	519,393	294,793	-	-	-	-
2	1.12 Domestic All Electric	69,814	41,812	20,459	7,543	-	-	-	-
3	2.1 General Service 0-10 kW	201,706	78,916	64,374	58,415	-	-	-	-
4	2.2 General Service 10-100 kW	592,551	322,257	233,230	37,065	-	-	-	-
5	2.3 General Service 110-1,000 kVa	119,689	69,027	49,456	1,206	-	-	-	-
6	4.1 Street and Area Lighting	36,904	12,608	7,030	17,267	-	-	-	-
7	Total L'Anse au Loup	2,745,427	1,435,196	893,942	416,289				
	Labrador Interconnected								
8	Industrial - IOCC Firm	2,544,695	2,148,134	396,561	-	2,544,695	2,148,134	396,561	-
9	Industrial - IOCC Non-Firm	6,404	-	6,404	-	6,404	-	6,404	-
10	CFB - Goose Bay Secondary	129,924	-	129,041	883	129,924	-	129,041	883
	Rural								
11	1.1 Domestic	332,554	133,686	14,603	184,265	396,672	159,462	17,418	219,792
12	1.1A Domestic All Electric	6,370,577	4,061,576	448,133	1,860,867	7,598,858	4,844,670	534,536	2,219,653
13	Subtotal Domestic	6,703,131	4,195,262	462,736	2,045,133	7,995,531	5,004,132	551,954	2,439,445
14	2.1 General Service 0-10 kW	167,046	46,364	6,905	113,778	199,253	55,303	8,236	135,715
15	2.2 General Service 10-100 kW	1,076,749	707,439	100,340	268,970	1,284,352	843,837	119,686	320,829
16	2.3 General Service 110-1,000 kVa	1,367,873	1,162,009	150,498	55,367	1,631,607	1,386,050	179,515	66,042
17	2.4 General Service Over 1,000 kVa	848,965	734,845	111,481	2,638	1,012,650	876,527	132,976	3,147
18	4.1 Street and Area Lighting	166,624	24,516	2,610	139,497	198,750	29,243	3,113	166,393
19	Subtotal Rural	10,330,387	6,870,435	834,570	2,625,383	12,322,142	8,195,092	995,479	3,131,571
20	Total Labrador Interconnected	13,011,410	9,018,569	1,366,576	2,626,265	15,003,165	10,343,226	1,527,485	3,131,571

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Demands, Sales, & Number of Bills

Line No.	Rate Class	Units			
		Billing Demands (kW)	Sales (MWh)	Customers	Bills (Total No)
	Island Interconnected				
1	Newfoundland Power	-	4,741,400	1	12
2	Industrial - Firm	2,136,000	1,367,800	4	48
3	Industrial - Non-Firm	5,600	800	-	-
	Rural				
4	1.1 Domestic	-	105,865	12,337	148,044
5	1.12 Domestic All Electric	-	113,135	6,817	81,804
6	1.3 Special	-	220	2	24
7	2.1 General Service 0-10 kW	-	20,416	1,922	23,064
8	2.2 General Service 10-100 kW	230,279	65,748	876	10,512
9	2.3 General Service 110-1,000 kVa	140,665	34,917	75	900
10	2.4 General Service Over 1,000 kVa	70,054	24,374	6	72
11	4.1 Street and Area Lighting	-	3,000	861	10,332
12	Subtotal Rural	440,997	367,675	22,896	274,752
13	Total Island Interconnected	2,582,597	6,477,675	22,901	274,812

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Demands, Sales, & Number of Bills

	1	2	3	4	5
Line No.	Rate Class	Units			
		Billing Demands (kW)	Sales (MWh)	Customers	Bills (Total No)
Isolated Systems:					
1	1.2 Domestic Diesel	-	27,888	2,970	35,640
2	2.1 General Service 0-10 kW	-	5,056	510	6,120
3	2.2 GS 10-100 kW	29,405	9,604	120	1,440
4	2.3 GS 110-1,000 kVa	29,403	3,246	11	132
5	2.4 General Service Over 1,000 kVa	11,657	2,400	1	12
6	Subtotal Metered Demand Classes	70,464	15,250	132	1,584
7	4.1 Street and Area Lighting	-	414	114	1,368
8	Total Isolated Systems	70,464	48,608	3,726	44,712
Island Isolated					
9	1.2 Domestic Diesel	-	6,660	829	9,948
10	2.1 General Service 0-10 kW	-	857	121	1,452
11	2.2 GS 10-100 kW	2,472	1,001	18	216
12	2.3 GS 110-1,000 kVa	6,460	1,276	3	36
13	2.4 General Service Over 1,000 kVa	-	-	-	-
14	4.1 Street and Area Lighting	-	114	38	456
15	Total Island Isolated	8,932	9,908	1,009	12,108
Labrador Isolated					
16	1.2 Domestic Diesel	-	21,228	2,141	25,692
17	2.1 General Service 0-10 kW	-	4,199	389	4,668
18	2.2 GS 10-100 kW	26,933	8,603	102	1,224
19	2.3 GS 110-1,000 kVa	22,943	1,970	8	96
20	2.4 General Service Over 1,000 kVa	11,657	2,400	1	12
21	4.1 Street and Area Lighting	-	300	76	912
22	Total Labrador Isolated	61,532	38,700	2,717	32,604

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Demands, Sales, & Number of Bills

Line No.	Rate Class	Units			
		Billing Demands (kW)	Sales (MWh)	Customers	Bills (Total No)
	L'Anse au Loup				
1	1.1 Domestic	-	8,676	742	8,904
2	1.12 Domestic All Electric	-	342	19	228
3	2.1 General Service 0-10 kW	-	1,069	137	1,644
4	2.2 General Service 10-100 kW	15,529	3,876	63	756
5	2.3 General Service 110-1,000 kVa	8,392	820	2	24
6	4.1 Street and Area Lighting	-	116	30	360
7	Total L'Anse au Loup	23,921	14,899	993	11,916
	Labrador Interconnected				
8	Industrial - IOCC Firm	744,000	247,700	1	12
9	Industrial - IOCC Non-Firm	-	4,000		
10	CFB - Goose Bay Secondary	-	77,200	1	12
	Rural				
11	1.1 Domestic	-	8,441	712	8,544
12	1.1A Domestic All Electric	-	257,334	7,143	85,716
13	Subtotal Domestic	-	265,775	7,855	94,260
14	2.1 General Service 0-10 kW	-	3,963	399	4,788
15	2.2 General Service 10-100 kW	202,265	56,906	609	7,311
16	2.3 General Service 110-1,000 kVa	267,913	85,210	122	1,461
17	2.4 General Service Over 1,000 kVa	124,484	64,946	6	72
18	4.1 Street and Area Lighting	-	1,491	277	3,324
19	Subtotal Rural	594,662	478,291	9,268	111,216
20	Total Labrador Interconnected	1,338,662	807,191	9,270	111,240

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Calculation of Firming Up Charge

	1	2	3	4
Line No.	Description	Total	Gas Turbine	Transmission & Terminals
1	Operating & Maintenance	4,450,957	540,014	3,910,943
2	O&M Overhead	4,315,884	384,308	3,931,575
3	Depreciation	6,219,254	184,896	6,034,358
4	Return (Note 1)	14,042,643	164,318	13,878,325
5	Total	29,028,738	1,273,537	27,755,201
6	Capacity (kW)		118,000	1,591,800
7	Cost (\$/kW)	\$28.23	\$10.79	\$17.44
8	Rate (\$/kWh)	\$0.00617		

Note 1 Gas Turbine Return

Gas Turbine NBV - Sch.2.3A L.10

1,919,319

NBV including Alloc General, Telecontrol & Feasibility Study

2,030,867

Percent of Total Prod Demand NBV - Schedule 2.3A, L.40, C.3

0.50%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Calculation of Transmission Wheeling Charge

	1	2
Line No.	Description	
1	Island Interconnected Transmission Revenue Requirement	27,713,089
2	Transmission Energy Output (MWh)	6,516,300
3	Rate (\$/kWh)	\$0.00425

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Functional Classification of Revenue Requirement

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Rural Prod & Transmission Demand (\$)	Distribution											Specifically Assigned Customer (\$)
							Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
								Demand (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
Expenses																		
1	Operating & Maintenance	72,460,822	24,091,441	21,764,487	7,842,518	4,469,632	1,115,931	4,932,535	1,189,706	243,269	430,607	659,951	729,001	420,440	202,490	83,408	2,179,052	803,617
2	Fuels-No. 6 Fuel	84,819,538	-	84,819,538	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	54,612	-	-	-	54,612	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	265,277	265,277	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	29,928,330	12,420,675	17,080,954	-	426,701	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	27,884,999	6,964,159	6,863,254	6,034,368	2,491,138	480,948	2,172,567	509,423	110,063	194,822	279,602	310,035	151,250	90,235	39,565	343,784	849,797
Expense Credits																		
8	Sundry	(355,106)	(118,064)	(106,660)	(38,434)	(21,904)	(5,469)	(24,173)	(5,830)	(1,192)	(2,110)	(3,234)	(3,573)	(2,060)	(992)	(409)	(10,679)	(3,938)
9	Building Rental Income	(7,200)	(2,524)	(2,266)	(701)	(399)	(107)	(484)	(117)	(24)	(42)	(65)	(72)	(41)	(20)	(8)	(255)	(74)
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(17,755)	(5,903)	(5,333)	(1,922)	(1,095)	(273)	(1,209)	(292)	(60)	(106)	(162)	(179)	(103)	(50)	(20)	(534)	(197)
12	Pole Attachments	(883,099)	-	-	-	-	-	(510,739)	(174,546)	-	-	(90,401)	(107,413)	-	-	-	-	-
13	Secondary Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	(70,493)	-	-	(70,493)	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(19,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(19,452)	-
16	Meter Test Revenues	(53,193)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Total Expense Credits	(1,406,298)	(126,491)	(114,259)	(111,549)	(23,399)	(5,849)	(536,604)	(180,785)	(1,276)	(2,258)	(93,862)	(111,236)	(2,205)	(54,255)	(437)	(30,920)	(4,210)
18	Subtotal Expenses	214,007,279	43,615,060	130,413,975	13,765,327	7,418,684	1,591,029	6,568,497	1,518,344	352,057	623,170	845,692	927,800	569,485	238,470	122,536	2,491,916	1,649,204
19	Disposal Gain / Loss	515,443	164,740	214,902	69,437	32,751	4,076	13,145	3,175	759	1,344	1,700	1,902	919	558	291	947	4,796
20	Subtotal Revenue Requirement Ex. Return	214,522,722	43,779,800	130,628,877	13,834,764	7,451,435	1,595,105	6,581,642	1,521,519	352,817	624,515	847,391	929,702	570,404	239,028	122,826	2,492,862	1,654,000
21	Return on Debt	98,967,734	31,410,859	41,684,778	13,204,629	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	915,014
22	Return on Equity	4,449,696	1,602,572	2,126,744	673,696	-	-	-	-	-	-	-	-	-	-	-	-	46,684
23	Total Revenue Reqmnt	317,940,152	76,793,231	174,440,400	27,713,089	13,691,504	2,374,291	9,096,398	2,128,929	497,715	880,996	1,172,743	1,293,642	746,941	345,723	178,204	2,674,617	2,615,698

NEWFOUNDLAND & LABRADOR HYDRO
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Functional Classification of Revenue Requirement (CONT'D.)

Line No.	Description	19	20	21
		Revenue Related		Basis of Functional Classification
		Municipal Tax	PUB Assessment	
	Expenses			
1	Operating & Maintenance	790,576	512,161	Carryforward from Sch.2.4 L.30
2	Fuels-No. 6 Fuel	-	-	Production - Demand, Energy ratios Sch.4.1 L.10
3	Fuels-Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L.12
4	Fuels-Gas Turbine	-	-	Production - Demand, Energy ratios Sch.4.1 L.11
5	Power Purchases -CF(L)Co	-	-	
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.7
7	Depreciation	-	-	Carryforward from Sch.2.5 L.40
	Expense Credits			
8	Sundry	(3,874)	(2,510)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.35
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
11	Suppliers' Discounts	(194)	(125)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy	-	-	Production - Energy
14	Wheeling Revenues	-	-	Transmission - Demand
15	Application Fees	-	-	Accounting - Customer
16	Meter Test Revenues	-	-	Meters - Customer
17	Total Expense Credits	(4,068)	(2,635)	
18	Subtotal Expenses	786,508	509,525	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.40
20	Subtotal Revenue Requirement			
	Ex. Return	786,508	509,525	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10
23	Total Revenue Reqmt	786,508	509,525	

NEWFOUNDLAND & LABRADOR HYDRO
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Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	Description	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
		Total Amount	Production Demand	Production and Transmission Energy	Transmission Demand	Rural Prod & Transmission Demand	Substations Demand	Primary Lines Demand	Customer	Line Transformers Demand	Customer	Secondary Lines Demand	Customer	Services Customer	Meters Customer	Street Lighting Customer	Accounting Customer	Specifically Assigned Customer
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	Bay D'Espoir	187,010,803	78,734,647	108,276,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	169,883,402	71,523,727	98,359,674	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	79,352,443	33,408,693	45,943,749	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	264,379,817	111,308,284	153,071,533	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	21,857,009	9,202,163	12,654,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	119,502,667	50,312,603	69,190,064	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Hydraulic	2,113,835	355,841	489,353	-	1,268,641	-	-	-	-	-	-	-	-	-	-	-	-
8	Subtotal Hydraulic	844,099,976	354,845,958	487,985,376	-	1,268,641	-	-	-	-	-	-	-	-	-	-	-	-
9	Holyrood	184,940,225	106,747,498	78,192,727	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	22,497,317	22,497,317	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	7,011,062	-	-	-	7,011,062	-	-	-	-	-	-	-	-	-	-	-	-
13	Subtotal Production	1,058,548,579	484,090,773	566,178,104	-	8,279,703	-	-	-	-	-	-	-	-	-	-	-	-
14	Lines	239,086,914	-	-	153,486,699	80,469,312	-	168,000	-	-	-	-	-	-	-	-	-	4,962,902
15	Lines - Hydraulic	50,148,749	21,113,455	29,035,295	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	92,576,769	-	-	59,329,866	19,900,837	-	-	-	-	-	-	-	-	-	-	-	13,346,066
17	Term Stns - Hydraulic	28,035,122	11,803,251	16,231,871	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	9,970,272	5,754,841	4,215,431	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	1,183,617	382,749	-	-	800,868	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	9,695,739	-	-	-	-	9,695,739	-	-	-	-	-	-	-	-	-	-	-
21	Subtotal Term Stns	141,461,519	17,940,841	20,447,302	59,329,866	20,701,705	9,695,739	-	-	-	-	-	-	-	-	-	-	13,346,066
22	Subtotal Transmission	430,697,182	39,054,295	49,482,597	212,816,566	101,171,017	9,695,739	168,000	-	-	-	-	-	-	-	-	-	18,308,968
23	Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Substations	8,197,609	-	-	-	1,197,785	6,999,824	-	-	-	-	-	-	-	-	-	-	-
25	Land & Land Improvements	718,717	-	-	-	-	-	541,877	69,033	-	-	62,852	44,956	-	-	-	-	-
26	Poles	57,740,138	-	-	-	-	-	33,393,893	11,412,454	-	-	5,910,742	7,023,048	-	-	-	-	-
27	Primary Conductor & Eqpt	12,925,089	-	-	-	-	-	11,464,554	1,460,535	-	-	-	-	-	-	-	-	-
28	Submarine Conductor	8,198,057	-	-	-	-	-	8,198,057	-	-	-	-	-	-	-	-	-	-
29	Transformers	7,330,650	-	-	-	-	-	-	-	2,646,365	4,684,286	-	-	-	-	-	-	-
30	Secondary Conductor&Eqpt	2,067,885	-	-	-	-	-	-	-	-	-	1,205,577	862,308	-	-	-	-	-
31	Services	4,573,685	-	-	-	-	-	-	-	-	-	-	-	4,573,685	-	-	-	-
32	Meters	2,245,103	-	-	-	-	-	-	-	-	-	-	-	-	2,245,103	-	-	-
33	Street Lighting	907,339	-	-	-	-	-	-	-	-	-	-	-	-	-	907,339	-	-
34	Subtotal Distribution	104,904,271	-	-	-	1,197,785	6,999,824	53,598,381	12,942,022	2,646,365	4,684,286	7,179,171	7,930,312	4,573,685	2,245,103	907,339	-	-
35	Subtl Prod, Trans, & Dist	1,594,150,032	523,145,068	615,660,701	212,816,566	110,648,505	16,695,583	53,766,381	12,942,022	2,646,365	4,684,286	7,179,171	7,930,312	4,573,685	2,245,103	907,339	-	18,308,968
36	General	148,474,674	52,042,275	46,719,053	14,460,831	8,235,921	2,208,443	9,990,085	2,409,877	492,768	872,240	1,336,802	1,476,668	851,646	408,783	168,952	5,266,047	1,534,284
37	Telecontrol - Custmr & Spec	269,144	-	-	-	-	-	-	-	-	-	-	-	-	-	-	170,900	98,244
38	Feasibility Studies	217,135	122,500	-	94,635	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Feasibility Studies - General	290,900	95,463	112,346	38,835	20,191	3,047	9,811	2,362	483	855	1,310	1,447	835	410	166	-	3,341
40	Software - General	1,393,732	457,375	538,259	186,061	96,738	14,597	47,007	11,315	2,314	4,095	6,277	6,933	3,999	1,963	793	-	16,007
40	Total Plant	1,744,795,617	575,862,681	663,030,358	227,596,928	119,001,354	18,921,650	63,813,284	15,365,575	3,141,929	5,561,476	8,523,559	9,415,361	5,430,164	2,656,258	1,077,249	5,436,947	19,960,843

NEWFOUNDLAND & LABRADOR HYDRO
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Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	Description	Basis of Functional Classification
	1	19
	Production	
	Hydraulic	
1	Bay D'Espoir	Production - Demand, Energy ratios Sch.4.1 L.1
2	Upper Salmon	Production - Demand, Energy ratios Sch.4.1 L.1
3	Hinds Lake	Production - Demand, Energy ratios Sch.4.1 L.1
4	Cat Arm	Production - Demand, Energy ratios Sch.4.1 L.1
5	Paradise River	Production - Demand, Energy ratios Sch.4.1 L.1
6	Granite Canal	Production - Demand, Energy ratios Sch.4.1 L.1
7	Other Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.1, 2
8	Subtotal Hydraulic	
9	Holyrood	Production - Demand, Energy ratios Sch.4.1 L.3
10	Gas Turbines	Production - Demand, Energy ratios Sch.4.1 L.4
11	Roddickton	Production - Demand, Energy ratios Sch.4.1 L.3
12	Diesel	Production - Demand, Energy ratios Sch.4.1 L.5
13	Subtotal Production	
	Transmission	
14	Lines	Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
15	Lines - Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.17
16	Terminal Stations	Production - Demand, Energy subtotals, L. 13; Transmission - Demand; Spec Assigned - Custmr
17	Term Stns - Hydraulic	Production - Demand, Energy ratios Sch.4.1 L.20
18	Term Stns - Holyrood	Production - Demand, Energy ratios Sch.4.1 L.21
19	Term Stns - Gas Tur/Dsl	Production - Demand, Energy ratios Sch.4.1 L.22, 23
20	Term Stns - Distribution	Distribution - Substations Demand
21	Subtotal Term Stns	
22	Subtotal Transmission	
	Distribution	
23	Substations	Production - Demand; Dist Substns - Demand
24	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
25	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
26	Primary Conductor & Eqpt	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
27	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
28	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
29	Secondary Conductor&Eqpt	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
30	Services	Services Customer
31	Meters	Meters - Customer
32	Street Lighting	Street Lighting - Customer
33	Subtotal Distribution	
34	Subttl Prod, Trans, & Dist	
35	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.15, 16
36	Telecontrol - Custmr & Spec	Specifically Assigned - Customer
37	Feasibility Studies	Production, Transmission - Demand
38	Feasibility Studies - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.34
39	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.34
40	Total Plant	

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		Functional Classification of Net Book Value																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Rural Prod & Transmission Demand (\$)	Distribution											Specifically Assigned Customer (\$)
							Substations Demand (\$)	Primary Lines Demand (\$)		Line Transformers Demand (\$)		Secondary Lines Demand (\$)		Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	
	Production Hydraulic																	
1	Bay D'Espoir	148,596,879	62,561,748	86,035,130	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Upper Salmon	163,610,642	68,882,791	94,727,850	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Hinds Lake	73,413,524	30,908,310	42,505,214	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Cat Arm	258,833,029	108,972,994	149,860,035	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Paradise River	21,116,576	8,890,428	12,226,148	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Granite Canal	119,280,253	50,218,963	69,061,290	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Other Small Hydraulic	772,769	262,036	360,352	-	150,381	-	-	-	-	-	-	-	-	-	-	-	
8	Subtotal Hydraulic	785,623,672	330,697,271	454,776,020	-	150,381	-	-	-	-	-	-	-	-	-	-	-	
9	Holyrood	36,604,946	21,128,375	15,476,571	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Gas Turbines	1,919,319	1,919,319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Diesel	850,555	-	-	-	850,555	-	-	-	-	-	-	-	-	-	-	-	
13	Subtotal Production	824,998,492	353,744,965	470,252,591	-	1,000,936	-	-	-	-	-	-	-	-	-	-	-	
	Transmission																	
14	Lines	188,923,696	-	-	126,526,242	58,766,296	-	62,117	-	-	-	-	-	-	-	-	3,569,042	
15	Lines - Hydraulic	48,319,129	20,343,154	27,975,975	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Terminal Stations	63,088,890	-	-	39,085,656	16,432,568	-	-	-	-	-	-	-	-	-	-	7,570,665	
17	Term Stns - Hydraulic	20,554,593	8,653,824	11,900,768	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Term Stns - Holyrood	4,489,558	2,591,373	1,898,185	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Term Stns - Gas Tur/Dsl	964,060	279,981	-	-	684,079	-	-	-	-	-	-	-	-	-	-	-	
20	Term Stns - Distribution	6,022,272	-	-	-	-	6,022,272	-	-	-	-	-	-	-	-	-	-	
21	Subtotal Term Stns	95,119,371	11,525,178	13,798,953	39,085,656	17,116,647	6,022,272	-	-	-	-	-	-	-	-	-	7,570,665	
22	Subtotal Transmission	332,362,196	31,868,332	41,774,928	165,611,899	75,882,942	6,022,272	62,117	-	-	-	-	-	-	-	-	11,139,707	
	Distribution																	
23	Substations	3,821,489	-	-	-	683,695	3,137,794	-	-	-	-	-	-	-	-	-	-	
24	Land & Land Improvements	425,169	-	-	-	-	-	320,556	40,837	-	-	37,181	26,594	-	-	-	-	
25	Poles	30,559,357	-	-	-	-	-	17,673,943	6,040,118	-	-	3,128,300	3,716,996	-	-	-	-	
26	Primary Conductor & Eqpt	6,783,411	-	-	-	-	-	6,016,885	766,525	-	-	-	-	-	-	-	-	
27	Submarine Conductor	4,268,692	-	-	-	-	-	4,268,692	-	-	-	-	-	-	-	-	-	
28	Transformers	4,633,615	-	-	-	-	-	-	-	1,672,735	2,960,880	-	-	-	-	-	-	
29	Secondary Conductor&Eqpt	823,828	-	-	-	-	-	-	-	-	-	480,292	343,536	-	-	-	-	
30	Services	1,917,810	-	-	-	-	-	-	-	-	-	-	1,917,810	-	-	-	-	
31	Meters	1,209,266	-	-	-	-	-	-	-	-	-	-	-	-	1,209,266	-	-	
32	Street Lighting	648,558	-	-	-	-	-	-	-	-	-	-	-	-	-	648,558	-	
33	Subtotal Distribution	55,091,196	-	-	-	683,695	3,137,794	28,280,077	6,847,481	1,672,735	2,960,880	3,645,773	4,087,126	1,917,810	1,209,266	648,558	-	
34	Subtl Prod, Trans, & Dist	1,212,451,884	385,613,297	512,027,519	165,611,899	77,567,573	9,160,066	28,342,193	6,847,481	1,672,735	2,960,880	3,645,773	4,087,126	1,917,810	1,209,266	648,558	11,139,707	
35	General	62,067,665	21,755,512	19,530,216	6,045,139	3,442,906	923,207	4,176,209	1,007,414	205,994	364,627	558,830	617,300	356,018	170,886	70,628	2,201,394	
36	Telecontrol - Custmr & Spec	224,773	-	-	-	-	-	-	-	-	-	-	-	-	-	-	143,841	
37	Feasibility Studies	217,135	122,500	-	94,635	-	-	-	-	-	-	-	-	-	-	-	80,933	
38	Feasibility Studies - General	247,265	78,641	104,422	33,775	15,819	1,868	5,780	1,396	341	604	744	834	391	247	132	-	
39	Software - General	1,429,565	454,665	603,716	195,268	91,458	10,800	33,417	8,074	1,972	3,491	4,299	4,819	2,261	1,426	765	-	
40	Total Net Book Value	1,276,638,287	408,024,614	532,265,873	171,980,715	81,117,756	10,095,941	32,557,600	7,864,365	1,881,043	3,329,602	4,209,646	4,710,079	2,276,481	1,381,824	720,083	2,345,235	

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Functional Classification of Operating & Maintenance Expense																		
Line	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
No.	Description	Total Amount	Production Demand	Production and Transmission Energy	Transmission Demand	Rural Prod & Transmission Demand	Distribution											Specifically Assigned Customer
							Substations Demand	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	(\$)
1	Hydraulic	6,435,405	2,705,340	3,720,393	-	9,672	-	-	-	-	-	-	-	-	-	-	-	-
2	Holyrood / Thermal	15,330,091	8,848,529	6,481,563	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Gas Turbine	487,340	487,340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Diesel	348,284	-	-	-	348,284	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	2,730,714	1,248,798	1,460,557	-	21,359	-	-	-	-	-	-	-	-	-	-	-	-
7	Subtotal Production	25,331,834	13,290,007	11,662,512	-	379,315	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																		
8	Transmission Lines	3,640,022	265,712	365,408	1,931,625	1,012,704	-	2,114	-	-	-	-	-	-	-	-	-	62,458
9	Terminal Stations	3,127,365	396,628	452,039	1,311,637	457,664	214,349	-	-	-	-	-	-	-	-	-	-	295,049
10	Other	1,351,249	122,527	155,244	667,681	317,409	30,419	527	-	-	-	-	-	-	-	-	-	57,442
11	Subtotal Transmission	8,118,636	784,867	972,692	3,910,943	1,787,777	244,768	2,641	-	-	-	-	-	-	-	-	-	414,948
Distribution																		
12	Other	5,169,859	-	-	-	60,320	352,507	2,699,185	651,753	133,269	235,898	361,539	399,366	230,328	-	45,693	-	-
13	Meters	110,556	-	-	-	-	-	-	-	-	-	-	-	-	110,556	-	-	-
14	Subtotal Distribution	5,280,415	-	-	-	60,320	352,507	2,699,185	651,753	133,269	235,898	361,539	399,366	230,328	110,556	45,693	-	-
15	Subtl Prod, Trans, & Dist	38,730,885	14,074,874	12,635,204	3,910,943	2,227,411	597,275	2,701,826	651,753	133,269	235,898	361,539	399,366	230,328	110,556	45,693	-	414,948
16	Customer Accounting	1,424,207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,424,207	-
Administrative & General:																		
Plant-Related:																		
17	Production	2,108,655	964,321	1,127,841	-	16,493	-	-	-	-	-	-	-	-	-	-	-	-
18	Prod - Gas Turb & Diesel	470,495	358,707	-	-	111,787	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission	2,069,447	187,651	237,758	1,022,557	486,114	46,587	807	-	-	-	-	-	-	-	-	-	87,972
20	Distribution	1,095,667	-	-	-	12,510	73,109	559,805	135,172	27,640	48,925	74,982	82,828	47,770	23,449	9,477	-	-
21	Prod, Trans, Distr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Prod, Trans, Distr and General Plant	373,682	123,332	142,001	48,744	25,486	4,052	13,667	3,291	673	1,191	1,825	2,016	1,163	569	231	1,164	4,275
23	Prod, Trans, Distr, Excl Hydraulic & Holyrood	1,727,795	188,191	151,291	650,676	334,423	51,046	164,388	39,570	8,091	14,322	21,950	24,247	13,984	6,864	2,774	-	55,979
24	Property Insurance	1,139,916	465,453	532,045	61,988	32,271	15,880	8,392	2,024	414	733	1,123	1,240	715	343	142	4,567	12,583
Revenue-Related:																		
25	Municipal Tax	790,576	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	PUB Assessment	512,161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	All Expense-Related	21,121,042	7,403,196	6,645,949	2,057,104	1,171,589	314,159	1,421,125	342,813	70,098	124,079	190,165	210,061	121,150	58,151	24,034	749,114	218,257
28	Prod, Trans, and Distr Expense-Related	896,296	325,716	292,399	90,506	51,546	13,822	62,525	15,083	3,084	5,459	8,367	9,242	5,330	2,558	1,057	-	9,603
29	Subtotal Admin & General	32,305,731	10,016,567	9,129,283	3,931,575	2,242,220	518,655	2,230,709	537,953	110,000	194,709	298,412	329,634	190,112	91,935	37,715	754,845	388,669
30	Total Operating & Maintenance Expenses	72,460,822	24,091,441	21,764,487	7,842,518	4,469,632	1,115,931	4,932,535	1,189,706	243,269	430,607	659,951	729,001	420,440	202,490	83,408	2,179,052	803,617

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected

Functional Classification of Operating & Maintenance Expense (CONT'D.)

		19	20	21	
		Revenue Related			
Line No.	Description	Municipal Tax	PUB Assessment		Basis of Functional Classification
	Production				
1	Hydraulic	-	-		Prorated on Hydraulic Plant in Service - Sch.2.2 L.8
2	Holyrood / Thermal	-	-		Prorated on Holyrood Plant in Service - Sch.2.2 L.9
3	Roddickton	-	-		Prorated on Roddickton Plant in Service - Sch.2.2 L.11
4	Gas Turbine	-	-		Prorated on Gas Turbines Plant in Service - Sch.2.2 L.10
5	Diesel	-	-		Prorated on Diesel Plant in Service - Sch.2.2 L.12
6	Other	-	-		Prorated on Production Plant in Service - Sch.2.2 L.13
7	Subtotal Production	-	-		
	Transmission				
8	Transmission Lines	-	-		Prorated on Transmission Lines Plant in Service - Sch.2.2 L.14, 15
9	Terminal Stations	-	-		Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.21
10	Other	-	-		Prorated on Transmission Plant in Service - Sch.2.2 L.22
11	Subtotal Transmission	-	-		
	Distribution				
12	Other	-	-		Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 33, less L. 31
13	Meters	-	-		Meters - Customer
14	Subtotal Distribution	-	-		
15	Subtl Prod, Trans, & Dist	-	-		
16	Customer Accounting	-	-		Accounting - Customer
	Administrative & General:				
	Plant-Related:				
17	Production	-	-		Prorated on Production Plant in Service - Sch.2.2 L.13
18	Prod - Gas Turb & Diesel	-	-		Prorated on Gas Turbine & Diesel Production Plant in Service - Sch.2.2 L.10, 12
19	Transmission	-	-		Prorated on Transmission Plant in Service - Sch.2.2 L.22
20	Distribution	-	-		Prorated on Distribution Plant in Service - Sch.2.2 L.33
21	Prod, Trans, Distn	-	-		Prorated on Prod, Trans & Distribution Plant in Service - Sch.2.2 L.34
22	Prod, Trans, Distn and General Plant	-	-		Prorated on Total Plant in Service, Sch. 2.2, L. 40
23	Prod, Trans, Distn, Excl Hydraulic & Holyrood	-	-		Prorated on Total Plant in Service, Sch. 2.2, L. 34 Less L. 8 and L. 9
24	Property Insurance	-	-		Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.13, 21, 23, 35 - 36
	Revenue-Related:				
25	Municipal Tax	790,576	-		Revenue-related
26	PUB Assessment	-	512,161		Revenue-related
27	All Expense-Related	-	-		Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L 15, 16
28	Prod, Trans, and Distn Expense-Related	-	-		Prorated on Subtotal Production, Transmission, Distribution Expenses - L 15
29	Subtotal Admin & General	790,576	512,161		
30	Total Operating & Maintenance Expenses	790,576	512,161		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected

Functional Classification of Depreciation Expense

Line No.	Description	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
		Total Amount	Production Demand	Production and Transmission Energy	Transmission Demand	Rural Prod & Transmission Demand	Substations Demand	Primary Lines Demand	Customer	Line Transformers Demand	Customer	Secondary Lines Demand	Customer	Services Customer	Meters Customer	Street Lighting Customer	Accounting Customer	Specifically Assigned Customer
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	1,494,183	629,076	865,107	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	574,502	241,875	332,627	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	433,231	182,397	250,834	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	841,223	354,169	487,054	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	100,137	42,159	57,977	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	197,964	83,346	114,618	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Small Hydraulic	26,458	8,908	12,250	-	5,301	-	-	-	-	-	-	-	-	-	-	-	-
8	Subtotal Hydraulic	3,667,698	1,541,930	2,120,467	-	5,301	-	-	-	-	-	-	-	-	-	-	-	-
9	Holyrood	2,233,964	1,289,444	944,520	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	95,580	95,580	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	99,154	-	-	-	99,154	-	-	-	-	-	-	-	-	-	-	-	-
13	Subtotal Production	6,096,396	2,926,954	3,064,987	-	104,455	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																	
14	Lines	4,416,610	-	-	2,601,303	1,578,701	-	9,013	-	-	-	-	-	-	-	-	-	227,592
15	Lines - Hydraulic	272,332	114,656	157,676	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	3,031,769	-	-	2,335,117	199,776	-	-	-	-	-	-	-	-	-	-	-	496,876
17	Term Stns - Hydraulic	841,805	354,414	487,391	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	335,736	193,787	141,949	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	13,286	10,241	-	-	3,045	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	128,836	-	-	-	-	128,836	-	-	-	-	-	-	-	-	-	-	-
21	Subtotal Term Stns	4,351,432	558,442	629,340	2,335,117	202,821	128,836	-	-	-	-	-	-	-	-	-	-	496,876
22	Subtotal Transmission	9,040,374	673,098	787,016	4,936,420	1,781,522	128,836	9,013	-	-	-	-	-	-	-	-	-	724,468
	Distribution																	
23	Substations	243,145	-	-	-	37,834	205,310	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	20,509	-	-	-	-	-	15,463	1,970	-	-	1,794	1,283	-	-	-	-	-
25	Poles	1,560,376	-	-	-	-	-	902,440	308,411	-	-	159,733	189,792	-	-	-	-	-
26	Primary Conductor & Eqpt	347,690	-	-	-	-	-	308,401	39,289	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	273,269	-	-	-	-	-	273,269	-	-	-	-	-	-	-	-	-	-
28	Transformers	213,932	-	-	-	-	-	-	-	77,230	136,703	-	-	-	-	-	-	-
29	Secondary Conductor & Eqpt	50,675	-	-	-	-	-	-	-	-	-	29,544	21,132	-	-	-	-	-
30	Services	95,614	-	-	-	-	-	-	-	-	-	-	-	95,614	-	-	-	-
31	Meters	63,028	-	-	-	-	-	-	-	-	-	-	-	-	63,028	-	-	-
32	Street Lighting	28,256	-	-	-	-	-	-	-	-	-	-	-	-	-	28,256	-	-
33	Subtotal Distribution	2,896,492	-	-	-	37,834	205,310	1,499,573	349,670	77,230	136,703	191,070	212,206	95,614	63,028	28,256	-	-
34	Subtltl Prod, Trans, & Dist	18,033,263	3,600,052	3,852,004	4,936,420	1,923,811	334,147	1,508,586	349,670	77,230	136,703	191,070	212,206	95,614	63,028	28,256	-	724,468
35	General	9,211,030	3,228,584	2,898,344	897,117	510,938	137,007	619,762	149,503	30,570	54,112	82,932	91,609	52,834	25,360	10,481	326,694	95,183
36	Telecontrol - Custmr & Spec	26,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,090	8,910
37	Feasibility Studies	86,129	30,000	-	56,129	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	58,180	11,615	12,428	15,926	6,207	1,078	4,867	1,128	249	441	616	685	308	203	91	-	2,337
39	Software - General	470,397	93,907	100,479	128,766	50,182	8,716	39,351	9,121	2,015	3,566	4,984	5,535	2,494	1,644	737	-	18,898
40	Total Deprecn Expense	27,884,999	6,964,159	6,863,254	6,034,358	2,491,138	480,948	2,172,567	509,423	110,063	194,822	279,602	310,035	151,250	90,235	39,565	343,784	849,797

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Functional Classification of Rate Base

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Rural Prod & Transmission Demand (\$)	Distribution											Specifically Assigned Customer (\$)
							Substations Demand (\$)	Primary Lines Demand (\$)		Line Transformers Demand (\$)		Secondary Lines Demand (\$)		Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	
1	Average Net Book Value	1,276,638,287	408,024,614	532,265,873	171,980,715	81,117,756	10,095,941	32,557,600	7,864,365	1,881,043	3,329,602	4,209,646	4,710,079	2,276,481	1,381,824	720,083	2,345,235	11,877,430
2	Cash Working Capital	2,856,571	912,985	1,190,984	384,819	181,507	22,590	72,850	17,597	4,209	7,450	9,419	10,539	5,094	3,092	1,611	5,248	26,577
3	Fuel Inventory - No. 6 Fuel	11,872,074	-	11,872,074	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	48,247	-	-	-	48,247	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	796,938	796,938	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	17,679,828	5,835,155	6,718,416	2,306,215	1,205,828	191,731	646,613	155,698	31,837	56,354	86,368	95,405	55,023	26,916	10,916	55,092	202,261
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	76,517,226	24,455,566	31,902,152	10,307,922	4,861,914	605,115	1,951,388	471,362	112,743	199,565	252,311	282,306	136,444	82,822	43,159	140,565	711,892
8	Total Rate Base	1,386,409,170	440,025,258	583,949,498	184,979,672	87,415,252	10,915,378	35,228,451	8,509,022	2,029,832	3,592,971	4,557,745	5,098,328	2,473,042	1,494,653	775,769	2,546,140	12,818,160
9	Less: Rural Asset Portion	(164,636,583)	-	-	-	(87,415,252)	(10,915,378)	(35,228,451)	(8,509,022)	(2,029,832)	(3,592,971)	(4,557,745)	(5,098,328)	(2,473,042)	(1,494,653)	(775,769)	(2,546,140)	-
10	Rate Base Available for Equity Return	1,221,772,587	440,025,258	583,949,498	184,979,672	-	-	-	-	-	-	-	-	-	-	-	-	12,818,160
11	Return on Debt	98,967,734	31,410,859	41,684,778	13,204,629	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	915,014
12	Return on Equity	4,449,696	1,602,572	2,126,744	673,696	-	-	-	-	-	-	-	-	-	-	-	-	46,684
13	Return on Rate Base	103,417,430	33,013,431	43,811,522	13,878,325	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	961,698

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Functional Classification of Rate Base (CONT'D.)

Line No.	1 Description	19 Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 40
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	Production - Demand, Energy ratios Sch.4.1 L.10
4	Fuel Inventory - Diesel	Production - Demand, Energy ratios Sch.4.1 L.12
5	Fuel Inventory - Gas Turbine	Production - Demand, Energy ratios Sch.4.1 L.11
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 40
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Asset Portion	Rural Transmission and Distribution Rate Base
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Basis of Allocation to Classes of Service

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Line No. Description	Total Amount	Production Demand (1 CP KW)	Production and Transmission Energy (MWh @ Gen)	Transmission Demand (CP KW)	Rural Prod & Transmission Demand (CP KW)	Substations Demand (CP KW)	Distribution										Specifically Assigned Customer
							Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
							Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	
							(CP KW)	(Rural Cust)	(CP KW)	(Rural Cust)	(CP KW)	(Rural Cust)	(Wtd Rural Cust)			(Rural Cust)	
Amounts																	
1 Newfoundland Power	-	1,067,783	4,902,167	1,036,700	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Industrial - Firm	-	167,387	1,414,178	162,514	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Industrial - Non-Firm	-	-	827	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural																	
4 1.1 Domestic	-	26,368	121,106	25,601	25,601	23,952	23,952	12,337	21,530	12,337	21,530	12,337	12,337	12,337	-	12,337	-
5 1.12 Domestic All Electric	-	32,781	129,422	31,827	31,827	29,777	29,777	6,817	26,766	6,817	26,766	6,817	6,817	6,817	-	6,817	-
6 1.3 Special	-	71	252	69	69	65	65	2	58	2	58	2	2	2	-	2	-
7 2.1 GS 0-10 kW	-	4,375	23,355	4,248	4,248	3,974	3,974	1,922	3,572	1,922	3,572	1,922	3,844	3,844	-	1,922	-
8 2.2 GS 10-100 kW	-	15,105	75,212	14,665	14,665	13,720	13,720	876	12,331	876	12,331	876	7,071	7,071	-	876	-
9 2.3 GS 110-1,000 kVa	-	7,176	39,716	6,967	6,967	6,518	6,518	75	5,354	75	5,354	75	643	643	-	75	-
10 2.4 GS Over 1,000 kVa	-	2,801	27,582	2,719	2,719	2,544	2,544	6	1,911	6	1,911	6	51	51	-	6	-
11 4.1 Street and Area Lighting	-	874	3,432	849	849	794	794	861	714	861	714	861	-	-	1	861	-
12 Subtotal Rural	-	89,551	420,076	86,944	86,944	81,345	81,345	22,896	72,236	22,896	72,236	22,896	30,765	30,765	1	22,896	-
13 Total	-	1,324,720	6,737,249	1,286,158	86,944	81,345	81,345	22,896	72,236	22,896	72,236	22,896	30,765	30,765	1	22,896	-
Ratios Excluding Return on Equity																	
14 Newfoundland Power	-	0.8060	0.7276	0.8060	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Industrial - Firm	-	0.1264	0.2099	0.1264	-	-	-	-	-	-	-	-	-	-	-	-	-
16 Industrial - Non-Firm	-	-	0.0001	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural																	
17 1.1 Domestic	-	0.0199	0.0180	0.0199	0.2944	0.2944	0.2944	0.5388	0.2980	0.5388	0.2980	0.5388	0.4010	0.4010	-	0.5388	-
18 1.12 Domestic All Electric	-	0.0247	0.0192	0.0247	0.3661	0.3661	0.3661	0.2977	0.3705	0.2977	0.3705	0.2977	0.2216	0.2216	-	0.2977	-
19 1.3 Special	-	0.0001	0.0000	0.0001	0.0008	0.0008	0.0008	0.0001	0.0008	0.0001	0.0008	0.0001	0.0001	0.0001	-	0.0001	-
20 2.1 GS 0-10 kW	-	0.0033	0.0035	0.0033	0.0489	0.0489	0.0489	0.0839	0.0495	0.0839	0.0495	0.0839	0.1249	0.1249	-	0.0839	-
21 2.2 GS 10-100 kW	-	0.0114	0.0112	0.0114	0.1687	0.1687	0.1687	0.0383	0.1707	0.0383	0.1707	0.0383	0.2298	0.2298	-	0.0383	-
22 2.3 GS 110-1,000 kVa	-	0.0054	0.0059	0.0054	0.0801	0.0801	0.0801	0.0033	0.0741	0.0033	0.0741	0.0033	0.0209	0.0209	-	0.0033	-
23 2.4 GS Over 1,000 kVa	-	0.0021	0.0041	0.0021	0.0313	0.0313	0.0313	0.0003	0.0265	0.0003	0.0265	0.0003	0.0017	0.0017	-	0.0003	-
24 4.1 Street and Area Lighting	-	0.0007	0.0005	0.0007	0.0098	0.0098	0.0098	0.0376	0.0099	0.0376	0.0099	0.0376	-	-	1.0000	0.0376	-
25 Subtotal Rural	-	0.0676	0.0624	0.0676	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	-
26 Total	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Basis of Allocation to Classes of Service (CONTD.)

Line No.	1 Description	19 Revenue Related		20
		Municipal Tax (Prior Year (Rural Revenues)	PUB Assessment (Prior Year (Revenues + RSP)	
	Amounts			
1	Newfoundland Power	-	229,268,380	
2	Industrial - Firm	-	50,417,591	
3	Industrial - Non-Firm	-	228,581	
	Rural			
4	1.1 Domestic	9,835,316	9,835,316	
5	1.12 Domestic All Electric	9,234,552	9,234,552	
6	1.3 Special	10,229	10,229	
7	2.1 GS 0-10 kW	2,276,050	2,276,050	
8	2.2 GS 10-100 kW	6,145,471	6,145,471	
9	2.3 GS 110-1,000 kVa	2,785,166	2,785,166	
10	2.4 GS Over 1,000 kVa	1,524,942	1,524,942	
11	4.1 Street and Area Lighting	768,505	768,505	
12	Subtotal Rural	32,580,231	32,580,231	
13	Total	32,580,231	312,494,783	
	Ratios Excluding Return on Equity			
14	Newfoundland Power	-	0.7337	
15	Industrial - Firm	-	0.1613	
16	Industrial - Non-Firm	-	0.0007	
	Rural			
17	1.1 Domestic	0.3019	0.0315	
18	1.12 Domestic All Electric	0.2834	0.0296	
19	1.3 Special	0.0003	0.0000	
20	2.1 GS 0-10 kW	0.0699	0.0073	
21	2.2 GS 10-100 kW	0.1886	0.0197	
22	2.3 GS 110-1,000 kVa	0.0855	0.0089	
23	2.4 GS Over 1,000 kVa	0.0468	0.0049	
24	4.1 Street and Area Lighting	0.0236	0.0025	
25	Subtotal Rural	1.0000	0.1043	
26	Total	1.0000	1.0000	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected

Allocation of Functionalized Amounts to Classes of Service																			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		
Line No.	Description	Total Amount	Production Demand	Transmission Energy	Transmission Demand	Rural Prod & Transmission Demand	Distribution											Accounting Customer	Specifically Assigned Customer
							Substations Demand	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting			
								Demand	Demand	Customer	Demand	Customer	Demand				Customer		
Allocated Rev Reqmt Excl Return																			
1	Newfoundland Power	143,224,003	35,288,442	95,048,380	11,151,428	-	-	-	-	-	-	-	-	-	-	-	-	1,361,930	
2	Industrial - Firm	35,073,805	5,531,847	27,419,575	1,748,108	-	-	-	-	-	-	-	-	-	-	-	-	292,069	
3	Industrial - Non-Firm Rural	16,410	-	16,037	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	1.1 Domestic	12,032,928	871,426	2,348,126	275,377	2,194,069	469,677	1,937,959	819,837	105,157	336,506	252,565	500,949	228,738	95,853	-	1,343,223	-	
5	1.12 Domestic All Electric	12,175,963	1,083,356	2,509,377	342,349	2,727,665	583,903	2,409,270	453,013	130,731	185,941	313,988	276,807	126,393	52,965	-	742,219	-	
6	1.3 Special	22,205	2,358	4,880	745	5,937	1,271	5,244	133	285	55	683	81	37	16	-	218	-	
7	2.1 GS 0-10 kW	2,093,198	144,583	452,835	45,689	364,029	77,927	321,536	127,724	17,447	52,425	41,904	78,044	71,271	29,866	-	209,263	-	
8	2.2 GS 10-100 kW	5,513,564	499,181	1,458,296	157,745	1,256,835	269,047	1,110,127	58,213	60,225	23,894	144,648	35,570	131,094	54,935	-	95,377	-	
9	2.3 GS 110-1,000 kVa	2,530,292	237,142	770,049	74,939	597,075	127,814	527,380	4,984	26,151	2,046	62,810	3,045	11,919	4,995	-	8,166	-	
10	2.4 GS Over 1,000 kVa	1,219,274	92,566	534,781	29,252	233,063	49,891	205,858	399	9,333	164	22,417	244	954	400	-	653	-	
11	4.1 Street and Area Lighting	621,080	28,899	66,541	9,132	72,762	15,576	64,269	57,216	3,487	23,485	8,376	34,961	-	-	122,826	93,744	-	
12	Subtotal Rural	36,208,503	2,959,511	8,144,885	935,229	7,451,435	1,595,105	6,581,642	1,521,519	352,817	624,515	847,391	929,702	570,404	239,028	122,826	2,492,862	-	
13	Total	214,522,722	43,779,800	130,628,877	13,834,764	7,451,435	1,595,105	6,581,642	1,521,519	352,817	624,515	847,391	929,702	570,404	239,028	122,826	2,492,862	1,654,000	
Allocated Return on Debt																			
14	Newfoundland Power	67,052,875	25,318,532	30,330,741	10,643,511	-	-	-	-	-	-	-	-	-	-	-	-	760,091	
15	Industrial - Firm	14,542,182	3,968,955	8,749,818	1,668,486	-	-	-	-	-	-	-	-	-	-	-	-	154,923	
16	Industrial - Non-Firm Rural	5,118	-	5,118	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	1.1 Domestic	5,457,907	625,225	749,307	262,835	1,837,383	229,431	740,468	327,289	43,187	138,199	96,971	196,101	70,793	42,786	-	97,934	-	
18	1.12 Domestic All Electric	6,051,500	777,279	800,764	326,756	2,284,234	285,228	920,549	180,849	53,690	76,364	120,554	108,359	39,118	23,642	-	54,115	-	
19	1.3 Special	12,077	1,692	1,557	711	4,972	621	2,004	53	117	22	262	32	11	7	-	16	-	
20	2.1 GS 0-10 kW	934,587	103,734	144,503	43,608	304,849	38,066	122,855	50,989	7,165	21,530	16,089	30,551	22,058	13,331	-	15,257	-	
21	2.2 GS 10-100 kW	2,781,463	358,149	465,355	150,560	1,052,514	131,425	424,164	23,239	24,734	9,813	55,537	13,924	40,573	24,521	-	6,954	-	
22	2.3 GS 110-1,000 kVa	1,296,739	170,143	245,729	71,526	500,010	62,435	201,505	1,990	10,740	840	24,116	1,192	3,689	2,229	-	595	-	
23	2.4 GS Over 1,000 kVa	576,471	66,414	170,653	27,919	195,175	24,371	78,656	159	3,833	67	8,607	95	295	178	-	48	-	
24	4.1 Street and Area Lighting	256,815	20,734	21,234	8,716	60,933	7,609	24,556	22,842	1,432	9,645	3,216	13,686	-	-	55,378	6,835	-	
25	Subtotal Rural	17,367,559	2,123,372	2,599,102	892,632	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	-	
26	Total	98,967,734	31,410,859	41,684,778	13,204,629	6,240,069	779,186	2,514,755	607,410	144,898	256,481	325,351	363,940	176,536	106,695	55,378	181,754	915,014	
Allocated Return on Equity																			
27	Newfoundland Power	3,421,016	1,291,743	1,547,465	543,029	-	-	-	-	-	-	-	-	-	-	-	-	38,780	
28	Industrial - Firm	741,938	202,495	446,413	85,126	-	-	-	-	-	-	-	-	-	-	-	-	7,904	
29	Industrial - Non-Firm Rural	261	-	261	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	1.1 Domestic	83,538	31,899	38,229	13,410	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	1.12 Domestic All Electric	97,182	39,657	40,855	16,671	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	1.3 Special	202	86	79	36	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	2.1 GS 0-10 kW	14,890	5,292	7,373	2,225	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	2.2 GS 10-100 kW	49,696	18,273	23,742	7,682	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	2.3 GS 110-1,000 kVa	24,867	8,681	12,537	3,649	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	2.4 GS Over 1,000 kVa	13,520	3,388	8,707	1,424	-	-	-	-	-	-	-	-	-	-	-	-	-	
37	4.1 Street and Area Lighting	2,586	1,058	1,083	445	-	-	-	-	-	-	-	-	-	-	-	-	-	
38	Subtotal Rural	286,481	108,334	132,605	45,542	-	-	-	-	-	-	-	-	-	-	-	-	-	
39	Total	4,449,696	1,602,572	2,126,744	673,696	-	-	-	-	-	-	-	-	-	-	-	-	46,684	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	Description	Revenue Related	
		19	20
		Municipal Tax	PUB Assessment
	Allocated Rev Reqmt Excl Return		(\$)
1	Newfoundland Power	-	373,824
2	Industrial - Firm	-	82,206
3	Industrial - Non-Firm	-	373
	Rural		
4	1.1 Domestic	237,431	16,037
5	1.12 Domestic All Electric	222,928	15,057
6	1.3 Special	247	17
7	2.1 GS 0-10 kW	54,945	3,711
8	2.2 GS 10-100 kW	148,356	10,020
9	2.3 GS 110-1,000 kVa	67,236	4,541
10	2.4 GS Over 1,000 kVa	36,813	2,486
11	4.1 Street and Area Lighting	18,552	1,253
12	Subtotal Rural	786,508	53,122
13	Total	786,508	509,525
	Allocated Return on Debt		
14	Newfoundland Power	-	-
15	Industrial - Firm	-	-
16	Industrial - Non-Firm	-	-
	Rural		
17	1.1 Domestic	-	-
18	1.12 Domestic All Electric	-	-
19	1.3 Special	-	-
20	2.1 GS 0-10 kW	-	-
21	2.2 GS 10-100 kW	-	-
22	2.3 GS 110-1,000 kVa	-	-
23	2.4 GS Over 1,000 kVa	-	-
24	4.1 Street and Area Lighting	-	-
25	Subtotal Rural	-	-
26	Total	-	-
	Allocated Return on Equity		
27	Newfoundland Power	-	-
28	Industrial - Firm	-	-
29	Industrial - Non-Firm	-	-
	Rural		
30	1.1 Domestic	-	-
31	1.12 Domestic All Electric	-	-
32	1.3 Special	-	-
33	2.1 GS 0-10 kW	-	-
34	2.2 GS 10-100 kW	-	-
35	2.3 GS 110-1,000 kVa	-	-
36	2.4 GS Over 1,000 kVa	-	-
37	4.1 Street and Area Lighting	-	-
38	Subtotal Rural	-	-
39	Total	-	-

NEWFOUNDLAND & LABRADOR HYDRO
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Island Interconnected

Allocation of Functionalized Amounts to Classes of Service (CONTD.)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Line		Total	Production	Transmission	Transmission	Rural Prod &	Distribution										
No.	Description	Amount	Demand	Energy	Demand	Demand	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting
		(\$)	(\$)	(\$)	(\$)	(\$)	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
40	Newfoundland Power	213,697,895	61,898,717	126,926,586	22,337,967	-	-	-	-	-	-	-	-	-	-	-	2,160,801
41	Industrial - Firm	50,357,925	9,703,297	36,615,806	3,501,719	-	-	-	-	-	-	-	-	-	-	-	454,896
42	Industrial - Non-Firm	21,789	-	21,416	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
43	1.1 Domestic	17,574,373	1,528,549	3,135,662	551,622	4,031,452	699,108	2,678,426	1,147,126	148,344	474,705	349,535	697,050	299,530	138,638	-	1,441,158
44	1.12 Domestic All Electric	18,324,644	1,900,292	3,350,996	685,776	5,011,899	869,131	3,329,819	633,862	184,421	262,306	434,542	385,166	165,510	76,607	-	796,334
45	1.3 Special	34,485	4,136	6,516	1,493	10,909	1,892	7,248	186	401	77	946	113	49	22	-	234
46	2.1 GS 0-10 kW	3,042,674	253,609	604,711	91,522	668,878	115,993	444,391	178,713	24,612	73,955	57,993	108,594	93,329	43,197	-	224,520
47	2.2 GS 10-100 kW	8,344,723	875,603	1,947,393	315,987	2,309,349	400,472	1,534,291	81,453	84,959	33,707	200,185	49,495	171,667	79,456	-	102,331
48	2.3 GS 110-1,000 kVa	3,851,898	415,967	1,028,315	150,114	1,097,085	190,249	728,884	6,974	36,891	2,886	86,926	4,238	15,608	7,224	-	8,761
49	2.4 GS Over 1,000 kVa	1,809,265	162,369	714,141	58,596	428,238	74,262	284,514	558	13,167	231	31,024	339	1,249	578	-	701
50	4.1 Street and Area Lighting	880,481	50,691	88,858	18,293	133,695	23,185	88,825	80,058	4,920	33,130	11,592	48,647	-	-	178,204	100,578
51	Subtotal Rural	53,862,543	5,191,217	10,876,592	1,873,403	13,691,504	2,374,291	9,096,398	2,128,929	497,715	880,996	1,172,743	1,293,642	746,941	345,723	178,204	2,674,617
52	Total	317,940,152	76,793,231	174,440,400	27,713,089	13,691,504	2,374,291	9,096,398	2,128,929	497,715	880,996	1,172,743	1,293,642	746,941	345,723	178,204	2,674,617
	Re-classification of Revenue-Related																
53	Newfoundland Power	-	108,470	222,423	39,145	-	-	-	-	-	-	-	-	-	-	-	3,787
54	Industrial - Firm	-	15,866	59,871	5,726	-	-	-	-	-	-	-	-	-	-	-	744
55	Industrial - Non-Firm	-	-	373	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
56	1.1 Domestic	(0)	22,368	45,886	8,072	58,995	10,230	39,195	16,787	2,171	6,947	5,115	10,200	4,383	2,029	-	21,089
57	1.12 Domestic All Electric	0	25,004	44,093	9,023	65,947	11,436	43,814	8,340	2,427	3,451	5,718	5,068	2,178	1,008	-	10,478
58	1.3 Special	(0)	32	50	11	84	15	56	1	3	1	7	1	0	0	-	2
59	2.1 GS 0-10 kW	0	4,985	11,887	1,799	13,148	2,280	8,735	3,513	484	1,454	1,140	2,135	1,835	849	-	4,413
60	2.2 GS 10-100 kW	0	16,940	37,675	6,113	44,677	7,748	29,683	1,576	1,644	652	3,873	958	3,321	1,537	-	1,980
61	2.3 GS 110-1,000 kVa	0	7,898	19,526	2,850	20,831	3,612	13,840	132	700	55	1,651	80	296	137	-	166
62	2.4 GS Over 1,000 kVa	-	3,605	15,856	1,301	9,508	1,649	6,317	12	292	5	689	8	28	13	-	16
63	4.1 Street and Area Lighting	(0)	1,166	2,045	421	3,076	534	2,044	1,842	113	762	267	1,119	-	-	4,101	2,314
64	Subtotal Rural	0	81,999	177,017	29,592	216,268	37,504	143,684	32,204	7,834	13,327	18,459	19,569	12,041	5,573	4,101	40,459
65	Total	0	206,335	459,684	74,462	216,268	37,504	143,684	32,204	7,834	13,327	18,459	19,569	12,041	5,573	4,101	40,459
	Total Allocated Revenue Requirement																4,530
66	Newfoundland Power	213,697,895	62,007,187	127,149,009	22,377,112	-	-	-	-	-	-	-	-	-	-	-	2,164,588
67	Industrial - Firm	50,357,925	9,719,163	36,675,677	3,507,445	-	-	-	-	-	-	-	-	-	-	-	455,640
68	Industrial - Non-Firm	21,789	-	21,789	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
69	1.1 Domestic	17,574,373	1,550,917	3,181,548	559,694	4,090,446	709,338	2,717,622	1,163,913	150,514	481,652	354,650	707,250	303,914	140,667	-	1,462,247
70	1.12 Domestic All Electric	18,324,644	1,925,296	3,395,088	684,800	5,077,846	880,567	3,373,633	642,203	186,847	265,757	440,260	390,234	167,688	77,615	-	806,812
71	1.3 Special	34,485	4,168	6,566	1,504	10,993	1,906	7,303	187	404	78	953	114	49	23	-	235
72	2.1 GS 0-10 kW	3,042,674	258,594	616,597	93,321	682,026	118,273	453,127	182,225	25,096	75,409	59,133	110,729	95,163	44,046	-	228,934
73	2.2 GS 10-100 kW	8,344,723	892,543	1,985,068	322,100	2,354,026	408,220	1,563,974	83,029	86,603	34,359	204,058	50,452	174,988	80,993	-	104,310
74	2.3 GS 110-1,000 kVa	3,851,898	423,865	1,047,840	152,964	1,117,917	193,862	742,724	7,106	37,592	2,941	88,576	4,318	15,904	7,361	-	8,928
75	2.4 GS Over 1,000 kVa	1,809,265	165,974	729,997	59,897	437,746	75,911	290,831	570	13,459	236	31,713	347	1,276	591	-	716
76	4.1 Street and Area Lighting	880,481	51,858	90,903	18,714	136,772	23,718	90,869	81,900	5,033	33,892	11,858	49,767	-	-	182,305	102,893
77	Subtotal Rural	53,862,543	5,273,216	11,053,609	1,902,995	13,907,772	2,411,795	9,240,082	2,161,133	505,549	894,323	1,191,201	1,313,211	758,982	351,296	182,305	2,715,075
78	Total	317,940,152	76,999,566	174,900,084	27,787,551	13,907,772	2,411,795	9,240,082	2,161,133	505,549	894,323	1,191,201	1,313,211	758,982	351,296	182,305	2,715,075

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

		19	20	
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Proration
	Total Revenue Requirement	(\$)	(\$)	
40	Newfoundland Power	-	373,824	
41	Industrial - Firm	-	82,206	
42	Industrial - Non-Firm	-	373	
	Rural			
43	1.1 Domestic	237,431	16,037	
44	1.12 Domestic All Electric	222,928	15,057	
45	1.3 Special	247	17	
46	2.1 GS 0-10 kW	54,945	3,711	
47	2.2 GS 10-100 kW	148,356	10,020	
48	2.3 GS 110-1,000 kVa	67,236	4,541	
49	2.4 GS Over 1,000 kVa	36,813	2,486	
50	4.1 Street and Area Lighting	18,552	1,253	
51	Subtotal Rural	786,508	53,122	
52	Total	786,508	509,525	
	Re-classification of Revenue-Related			
53	Newfoundland Power	-	(373,824)	Re-classification to demand, energy and customer is based on rate class revenue requirements excluding revenue-related items.
54	Industrial - Firm	-	(82,206)	
55	Industrial - Non-Firm	-	(373)	
	Rural			
56	1.1 Domestic	(237,431)	(16,037)	
57	1.12 Domestic All Electric	(222,928)	(15,057)	
58	1.3 Special	(247)	(17)	
59	2.1 GS 0-10 kW	(54,945)	(3,711)	
60	2.2 GS 10-100 kW	(148,356)	(10,020)	
61	2.3 GS 110-1,000 kVa	(67,236)	(4,541)	
62	2.4 GS Over 1,000 kVa	(36,813)	(2,486)	
63	4.1 Street and Area Lighting	(18,552)	(1,253)	
64	Subtotal Rural	(786,508)	(53,122)	
65	Total	(786,508)	(509,525)	
	Total Allocated Revenue Requirement			
66	Newfoundland Power	-	-	
67	Industrial - Firm	-	-	
68	Industrial - Non-Firm	-	-	
	Rural			
69	1.1 Domestic	-	-	
70	1.12 Domestic All Electric	-	-	
71	1.3 Special	-	-	
72	2.1 GS 0-10 kW	-	-	
73	2.2 GS 10-100 kW	-	-	
74	2.3 GS 110-1,000 kVa	-	-	
75	2.4 GS Over 1,000 kVa	-	-	
76	4.1 Street and Area Lighting	-	-	
77	Subtotal Rural	-	-	
78	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Interconnected
Allocation of Specifically Assigned Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Line No.	Description	Total Amount (\$)	OM&A				Depreciation				Expense Credits		Subtotal Excluding Return (\$)	Return on Debt (\$)(NBV)	Return on Equity (\$)(NBV)	Subtotal Excl Rev Related (\$)	Revenue Related (\$)	
			Transmission Lines (\$)(Plant)	Administrative & Terminals (\$)(Plant)	General (\$)(C3 & C4)	Other (\$)(Direct)	Transmission Lines (\$)(Direct)	Terminals (\$)(Direct)	Telecontrol & Feasibility Study (\$)(Direct)	General (\$)(C7 & C8)	Rental Income (\$)(Plant)	Other (\$)(C4 + C5)						Gains/Losses (\$)(NBV)
Basis of Allocation - Amounts																		
1	Newfoundland Power Industrial		4,839,976	9,447,648	14,287,624	-	-	-	-	639,496	9,447,648	14,287,624	9,320,850	-	9,320,850	9,320,850	-	-
2	Abitibi Consolidated - S'ville		122,926	489,197	612,123	-	-	-	-	26,063	489,197	612,123	557,787	-	557,787	557,787	-	-
3	Abitibi Consolidated - GF		-	17,148	17,148	-	-	-	-	160	17,148	17,148	11,236	-	11,236	11,236	-	-
4	Cornor Brook P&P - CB		-	2,117,396	2,117,396	-	-	-	-	21,337	2,117,396	2,117,396	547,549	-	547,549	547,549	-	-
5	Cornor Brook P&P - DL		-	23,100	23,100	-	-	-	-	208	23,100	23,100	21,686	-	21,686	21,686	-	-
6	North Atlantic Refining Limited		-	1,251,577	1,251,577	-	-	-	-	46,114	1,251,577	1,251,577	761,531	-	761,531	761,531	-	-
7	Subtotal Industrial		122,926	3,898,418	4,021,344	-	-	-	-	93,882	3,898,418	4,021,344	1,899,789	-	1,899,789	1,899,789	-	-
8	Total		4,962,902	13,346,066	18,308,968	-	-	-	-	733,378	13,346,066	18,308,968	11,220,639	-	11,220,639	11,220,639	-	-
Basis of Allocation - Ratios																		
10	Newfoundland Power Industrial		0.9752	0.7079	0.7804	-	-	-	-	0.8720	0.7079	0.7804	0.8307	-	0.8307	0.8307	-	-
11	Abitibi Consolidated - S'ville		0.0248	0.0367	0.0334	-	-	-	-	0.0355	0.0367	0.0334	0.0497	-	0.0497	0.0497	-	-
12	Abitibi Consolidated - GF		-	0.0013	0.0009	-	-	-	-	0.0002	0.0013	0.0009	0.0010	-	0.0010	0.0010	-	-
13	Cornor Brook P&P - CB		-	0.1587	0.1156	-	-	-	-	0.0291	0.1587	0.1156	0.0488	-	0.0488	0.0488	-	-
14	Cornor Brook P&P - DL		-	0.0017	0.0013	-	-	-	-	0.0003	0.0017	0.0013	0.0019	-	0.0019	0.0019	-	-
15	North Atlantic Refining Ltd.		-	0.0938	0.0684	-	-	-	-	0.0629	0.0938	0.0684	0.0679	-	0.0679	0.0679	-	-
16	Subtotal Industrial		0.0248	0.2921	0.2196	-	-	-	-	0.1280	0.2921	0.2196	0.1693	-	0.1693	0.1693	-	-
17	Total		1.0000	1.0000	1.0000	-	-	-	-	1.0000	1.0000	1.0000	1.0000	-	1.0000	1.0000	-	-
Amounts Allocated																		
18	Newfoundland Power Industrial	2,164,588	84,529	232,383	303,302	-	226,143	413,353	-	101,515	(53)	(3,227)	3,984	1,361,930	760,091	38,780	2,160,801	3,787
19	Abitibi Consolidated - S'ville	105,451	2,147	12,033	12,994	-	1,449	15,704	8,910	4,137	(3)	(138)	238	57,472	45,486	2,321	105,279	172
20	Abitibi Consolidated - GF	1,938	-	422	364	-	-	160	-	25	(0)	(4)	5	972	916	47	1,935	3
21	Cornor Brook P&P - CB	168,703	-	52,081	44,949	-	-	21,337	-	3,387	(12)	(478)	234	121,499	44,651	2,278	168,428	275
22	Cornor Brook P&P - DL	3,167	-	568	490	-	-	208	-	33	(0)	(5)	9	1,303	1,768	90	3,162	5
23	North Atlantic Refining Ltd.	176,381	-	30,785	26,569	-	-	46,114	-	7,320	(7)	(283)	325	110,824	62,101	3,168	176,093	288
24	Subtotal Industrial	455,640	2,147	95,889	85,366	-	1,449	83,523	8,910	14,903	(22)	(908)	812	292,069	154,923	7,904	454,896	744
25	Total	2,620,228	86,676	328,272	388,669	-	227,592	496,876	8,910	116,419	(74)	(4,135)	4,796	1,654,000	915,014	46,684	2,615,698	4,530

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Revenue Requirement

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmission												
				Energy	Demand	Substations	Primary Lines	Line Transformers	Secondary Lines	Services	Meters	Street Lighting	Accounting	Specifically			
	Description	Total Amount (\$)	Production Demand (\$)	Energy (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Assigned Customer (\$)
Expenses																	
1	Operating & Maintenance	5,166,240	2,050,248	2,335,048	-	33,134	267,286	85,864	19,913	35,248	66,940	68,113	48,591	15,954	8,319	92,301	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	1,390,213	-	1,390,213	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	891,817	378,564	437,199	-	4,961	29,005	9,735	1,984	3,512	7,066	7,413	5,984	2,806	949	2,638	-
Expense Credits																	
8	Sundry	(25,318)	(10,048)	(11,443)	-	(162)	(1,310)	(421)	(98)	(173)	(328)	(334)	(238)	(78)	(41)	(452)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(1,266)	(502)	(572)	-	(8)	(65)	(21)	(5)	(9)	(16)	(17)	(12)	(4)	(2)	(23)	-
12	Pole Attachments	(26,512)	-	-	-	-	(15,333)	(5,240)	-	-	(2,714)	(3,225)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(660)	-	-	-	-	-	-	-	-	-	-	-	-	-	(660)	-
16	Meter Test Revenues	(2,147)	-	-	-	-	-	-	-	-	-	-	-	(2,147)	-	-	-
17	Total Expense Credits	(55,903)	(10,550)	(12,015)	-	(170)	(16,709)	(5,682)	(102)	(181)	(3,058)	(3,575)	(250)	(2,230)	(43)	(1,135)	-
18	Subtotal Expenses	7,392,367	2,418,263	4,150,444	-	37,924	279,583	89,916	21,795	38,580	70,948	71,950	54,324	16,530	9,225	93,804	-
19	Disposal Gain / Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Subtotal Revenue Requirement Ex. Return	7,392,367	2,418,263	4,150,444	-	37,924	279,583	89,916	21,795	38,580	70,948	71,950	54,324	16,530	9,225	93,804	-
21	Return on Debt	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Revenue Requirement	8,299,670	2,794,305	4,592,125	-	48,039	310,456	100,257	24,506	43,378	78,773	80,049	61,521	20,478	10,499	96,204	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1	Description	18 Revenue Related		19	20
			Municipal Tax	PUB Assessment		
					Basis of Functional Classification	
		Expenses				
1		Operating & Maintenance	36,796	2,485	Carryforward from Sch.2.4 L.23	
2		Fuels	-	-	Production - Energy	
3		Fuels-Diesel	-	-	Production - Energy	
4		Fuels-Gas Turbine	-	-	Production - Energy	
5		Power Purchases -CF(L)Co	-	-		
6		Power Purchases-Other	-	-		
7		Depreciation	-	-	Carryforward from Sch.2.5 L.23	
		Expense Credits				
8		Sundry	(180)	(12)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23	
9		Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.18	
10		Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23	
11		Suppliers' Discounts	(9)	(1)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23	
12		Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37	
13		Secondary Energy Revenues	-	-	Production - Energy	
14		Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16	
15		Application Fees	-	-	Accounting - Customer	
16		Meter Test Revenues	-	-	Meters - Customer	
17		Total Expense Credits	(189)	(13)		
18		Subtotal Expenses	36,607	2,472		
19		Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23	
20		Subtotal Revenue Requirement Ex. Return	36,607	2,472		
21		Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8	
22		Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10	
23		Total Revenue Requirement	36,607	2,472		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	Description	2 Total Amount (\$)	3 Production Demand (\$)	4 Transmission Energy (\$)	5 Transmission Demand (\$)	6 Substations Demand (\$)	7 Primary Lines Demand (\$)	8 Customer (\$)	9 Line Transformers Demand (\$)	10 Customer (\$)	11 Secondary Lines Demand (\$)	12 Customer (\$)	13 Services Customer (\$)	14 Meters Customer (\$)	15 Street Lighting Customer (\$)	16 Accounting Customer (\$)	17 Specifically Assigned Customer (\$)
Production																	
1	Diesel	14,456,674	6,618,059	7,838,615	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	14,456,674	6,618,059	7,838,615	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	433,738	305,338	-	-	128,400	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	20,028	-	-	-	-	15,100	1,924	-	-	1,751	1,253	-	-	-	-	-
8	Poles	1,624,275	-	-	-	-	939,396	321,041	-	-	166,274	197,564	-	-	-	-	-
9	Primary Conductor & Equipment	95,037	-	-	-	-	84,298	10,739	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	214,384	-	-	-	-	-	-	77,393	136,991	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	158,033	-	-	-	-	-	-	-	-	92,133	65,900	-	-	-	-	-
13	Services	188,844	-	-	-	-	-	-	-	-	-	-	188,844	-	-	-	-
14	Meters	90,636	-	-	-	-	-	-	-	-	-	-	-	90,636	-	-	-
15	Street Lighting	32,332	-	-	-	-	-	-	-	-	-	-	-	-	32,332	-	-
16	Subtotal Distribution	2,857,307	305,338	-	-	128,400	1,038,794	333,704	77,393	136,991	260,158	264,716	188,844	90,636	32,332	-	-
17	Subtl Prod, Trans, & Dist	17,313,980	6,923,397	7,838,615	-	128,400	1,038,794	333,704	77,393	136,991	260,158	264,716	188,844	90,636	32,332	-	-
18	General	2,573,968	1,059,517	1,220,643	-	12,170	98,463	31,630	7,336	12,985	24,659	25,091	17,900	4,160	3,065	56,349	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	15,137	6,053	6,853	-	112	908	292	68	120	227	231	165	79	28	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Plant	19,903,086	7,988,967	9,066,110	-	140,683	1,138,165	365,626	84,796	150,096	285,045	290,039	206,909	94,876	35,425	56,349	-

NEWFOUNDLAND & LABRADOR HYDRO
 2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
 Island Isolated
 Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	Description	Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.6
2	Subtotal Production	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	Subtotal Transmission	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	Subtotal Distribution	
17	Subttl Prod, Trans, & Dist	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.10, 11
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	Total Plant	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Net Book Value

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmitter	Substations	Primary Lines	Line Transformers	Secondary Lines	Services	Meters	Street Lighting	Accounting	Specifically			
	Description	Total Amount (\$)	Production Demand (\$)	Energy (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Assigned Customer (\$)
Production																	
1	Diesel	9,102,333	4,166,918	4,935,415	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	9,102,333	4,166,918	4,935,415	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	251,386	126,196	-	-	125,190	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Poles	578,994	-	-	-	-	334,860	114,439	-	-	59,270	70,424	-	-	-	-	-
9	Primary Conductor & Equipment	7,526	-	-	-	-	6,676	850	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	85,477	-	-	-	-	-	-	30,857	54,620	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	47,153	-	-	-	-	-	-	-	-	27,490	19,663	-	-	-	-	-
13	Services	82,960	-	-	-	-	-	-	-	-	-	-	82,960	-	-	-	-
14	Meters	48,819	-	-	-	-	-	-	-	-	-	-	-	48,819	-	-	-
15	Street Lighting	14,742	-	-	-	-	-	-	-	-	-	-	-	-	14,742	-	-
16	Subtotal Distribution	1,117,057	126,196	-	-	125,190	341,536	115,290	30,857	54,620	86,761	90,087	82,960	48,819	14,742	-	-
17	Subtl Prod, Trans, & Dist	10,219,391	4,293,114	4,935,415	-	125,190	341,536	115,290	30,857	54,620	86,761	90,087	82,960	48,819	14,742	-	-
18	General	1,421,476	585,119	674,101	-	6,721	54,376	17,468	4,051	7,171	13,618	13,857	9,885	2,298	1,692	31,119	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	12,049	5,062	5,819	-	148	403	136	36	64	102	106	98	58	17	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Net Book Value	11,652,916	4,883,295	5,615,335	-	132,059	396,315	132,894	34,945	61,855	100,481	104,050	92,943	51,174	16,451	31,119	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Diesel	2,154,631	986,359	1,168,272	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	260,466	119,237	141,228	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	2,415,097	1,105,597	1,309,500	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
7	Other	281,331	31,048	-	-	13,056	105,631	33,933	7,870	13,930	26,454	26,918	19,203	-	3,288	-	-
8	Meters	4,463	-	-	-	-	-	-	-	-	-	-	-	4,463	-	-	-
9	Subtotal Distribution	285,794	31,048	-	-	13,056	105,631	33,933	7,870	13,930	26,454	26,918	19,203	4,463	3,288	-	-
10	Subttl Prod, Trans, & Dist	2,700,891	1,136,645	1,309,500	-	13,056	105,631	33,933	7,870	13,930	26,454	26,918	19,203	4,463	3,288	-	-
11	Customer Accounting	60,451	-	-	-	-	-	-	-	-	-	-	-	-	-	60,451	-
Administrative & General:																	
Plant-Related:																	
12	Production	276,263	126,469	149,793	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	230,288	24,609	-	-	10,349	83,723	26,895	6,238	11,041	20,968	21,335	15,220	7,305	2,606	-	-
15	Prod, Trans, Distn Plant	326,867	130,706	147,984	-	2,424	19,611	6,300	1,461	2,586	4,911	4,998	3,565	1,711	610	-	-
16	Prod, Trans, Distn and Gen Plt	4,263	1,711	1,942	-	30	244	78	18	32	61	62	44	20	8	12	-
17	Property Insurance	13,005	5,944	6,746	-	105	73	24	5	10	18	19	13	3	2	42	-
Revenue Related:																	
18	Municipal Tax	36,796	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	2,485	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	1,452,429	597,860	688,779	-	6,868	55,560	17,848	4,139	7,327	13,915	14,158	10,100	2,348	1,729	31,796	-
21	Prod, Trans, and Distn Expense-Related	62,503	26,304	30,304	-	302	2,444	785	182	322	612	623	444	103	76	-	-
22	Subtotal Admin & General	2,404,898	913,603	1,025,548	-	20,077	161,656	51,931	12,044	21,318	40,486	41,195	29,388	11,490	5,031	31,850	-
23	Total Operating & Maintenance Expenses	5,166,240	2,050,248	2,335,048	-	33,134	267,286	85,864	19,913	35,248	66,940	68,113	48,591	15,954	8,319	92,301	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	Description	18	19	20
		Revenue Related Municipal Tax	PUB Assessment	
				Basis of Functional Classification
	Production			
1	Diesel	-	-	Production - Demand, Energy ratios Sch.4.1 L6
2	Other	-	-	Production - Demand, Energy ratios Sch.4.1 L6
3	Subtotal Production	-	-	
	Transmission			
4	Transmission Lines	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
6	Subtotal Transmission	-	-	
	Distribution			
7	Other	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
8	Meters	-	-	Meters - Customer
9	Subtotal Distribution	-	-	
10	Subttl Prod, Trans, & Dist	-	-	
11	Customer Accounting	-	-	Accounting - Customer
	Administrative & General:			
	Plant-Related:			
12	Production	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
13	Transmission	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
14	Distribution	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
15	Prod, Trans, Distrn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distrn and Gen Plt	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
17	Property Insurance	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:			
18	Municipal Tax	36,796	-	Revenue-related
19	PUB Assessment	-	2,485	Revenue-related
20	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distrn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	Subtotal Admin & General	36,796	2,485	
23	Total Operating & Maintenance Expenses	36,796	2,485	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Depreciation Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmissio	Substations	Primary Lines	Line Transformers	Secondary Lines	Services	Meters	Street Lighting	Accounting				Specifically
	Description	Total Amount (\$)	Production Demand (\$)	Energy (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Assigned Customer (\$)
Production																	
1	Diesel	683,107	312,716	370,390	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	683,107	312,716	370,390	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substn Struct & Eqpt	12,162	7,882	-	-	4,280	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Poles	40,455	-	-	-	-	23,397	7,996	-	-	4,141	4,921	-	-	-	-	-
9	Primary Conductor & Equipment	426	-	-	-	-	378	48	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	4,430	-	-	-	-	-	-	1,599	2,831	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	2,779	-	-	-	-	-	-	-	-	1,620	1,159	-	-	-	-	-
13	Services	5,015	-	-	-	-	-	-	-	-	-	-	5,015	-	-	-	-
14	Meters	2,544	-	-	-	-	-	-	-	-	-	-	-	2,544	-	-	-
15	Street Lighting	785	-	-	-	-	-	-	-	-	-	-	-	-	785	-	-
16	Subtotal Distribution	68,597	7,882	-	-	4,280	23,775	8,044	1,599	2,831	5,762	6,080	5,015	2,544	785	-	-
17	Subtotal Prod Tran & Dist	751,703	320,598	370,390	-	4,280	23,775	8,044	1,599	2,831	5,762	6,080	5,015	2,544	785	-	-
18	General	120,506	49,604	57,147	-	570	4,610	1,481	343	608	1,154	1,175	838	195	143	2,638	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	19,608	8,363	9,662	-	112	620	210	42	74	150	159	131	66	20	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Depreciation Expense	891,817	378,564	437,199	-	4,961	29,005	9,735	1,984	3,512	7,066	7,413	5,984	2,806	949	2,638	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Island Isolated

Functional Classification of Rate Base

1		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and		Substations Demand (\$)	Distribution										Specifically Assigned Customer (\$)
				Transmission Energy (\$)	Transmission Demand (\$)		Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
1	Average Net Book Value	11,652,916	4,883,295	5,615,335	-	132,059	396,315	132,894	34,945	61,855	100,481	104,050	92,943	51,174	16,451	31,119	-
2	Cash Working Capital	26,074	10,927	12,565	-	295	887	297	78	138	225	233	208	115	37	70	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	131,042	-	131,042	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	201,676	80,951	91,866	-	1,426	11,533	3,705	859	1,521	2,888	2,939	2,097	961	359	571	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	698,435	292,688	336,564	-	7,915	23,754	7,965	2,094	3,707	6,022	6,236	5,571	3,067	986	1,865	-
8	Total Rate Base	12,710,143	5,267,861	6,187,371	-	141,695	432,488	144,861	37,977	67,222	109,617	113,458	100,818	55,317	17,833	33,624	-
9	Less: Rural Portion	(12,710,143)	(5,267,861)	(6,187,371)	-	(141,695)	(432,488)	(144,861)	(37,977)	(67,222)	(109,617)	(113,458)	(100,818)	(55,317)	(17,833)	(33,624)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Functional Classification of Rate Base (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	Production - Energy
4	Fuel Inventory - Diesel	
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Basis of Allocation to Classes of Service

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmissior												
				Energy	Demand	Substations	Primary Lines	Line Transformers	Secondary Lines	Services	Meters	Street Lighting	Accounting				
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Specifically Assigned Customer
				(CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wtd Rural Cust)	(Rural Cust)	(Rural Cust)		
Amounts																	
1	1.2 Domestic Diesel	-	1,655	7,047	1,655	1,596	1,596	829	1,506	829	1,506	829	829	829	-	829	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	154	907	154	148	148	121	140	121	140	121	242	242	-	121	-
5	2.2 GS 10-100 kW	-	190	1,059	190	183	183	18	173	18	173	18	145	145	-	18	-
6	2.3 GS 110-1,000 kVa	-	171	1,350	171	165	165	3	156	3	156	3	26	26	-	3	-
7	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	-	31	121	31	30	30	38	28	38	28	38	-	-	38	38	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total	-	2,201	10,484	2,201	2,122	2,122	1,009	2,003	1,009	2,003	1,009	1,242	1,242	38	1,009	-
Ratios																	
13	1.2 Domestic Diesel	-	0.7520	0.6722	0.7520	0.7520	0.7520	0.8216	0.7520	0.8216	0.7520	0.8216	0.6675	0.6675	-	0.8216	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0699	0.0865	0.0699	0.0699	0.0699	0.1199	0.0699	0.1199	0.0699	0.1199	0.1948	0.1948	-	0.1199	-
17	2.2 GS 10-100 kW	-	0.0862	0.1010	0.0862	0.0862	0.0862	0.0178	0.0862	0.0178	0.0862	0.0178	0.1170	0.1170	-	0.0178	-
18	2.3 GS 110-1,000 kVa	-	0.0778	0.1288	0.0778	0.0778	0.0778	0.0030	0.0778	0.0030	0.0778	0.0030	0.0207	0.0207	-	0.0030	-
19	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	-	0.0142	0.0115	0.0142	0.0142	0.0142	0.0377	0.0142	0.0377	0.0142	0.0377	-	-	1.0000	0.0377	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related		19
		Municipal Tax (Prior Year (Rural Revenues)	PUB Assessment (Prior Year (Revenues + RSP)	
	Amounts			
1	1.2 Domestic Diesel	698,723	698,723	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	164,971	164,971	
5	2.2 GS 10-100 kW	352,892	352,892	
6	2.3 GS 110-1,000 kVa	261,797	261,797	
7	2.4 GS Over 1,000 kVa	-	-	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	38,001	38,001	
11	4.1G Gov't Street and Area Lighting	-	-	
12	Total	1,516,384	1,516,384	
	Ratios			
13	1.2 Domestic Diesel	0.4608	0.4608	
14	1.2G Government Domestic Diesel	-	-	
15	1.23 Churches, Schools & Com Halls	-	-	
16	2.1 GS 0-10 kW	0.1088	0.1088	
17	2.2 GS 10-100 kW	0.2327	0.2327	
18	2.3 GS 110-1,000 kVa	0.1726	0.1726	
19	2.4 GS Over 1,000 kVa	-	-	
20	2.5 GS Diesel	-	-	
21	2.5G Gov't General Service Diesel	-	-	
22	4.1 Street and Area Lighting	0.0251	0.0251	
23	4.1G Gov't Street and Area Lighting	-	-	
24	Total	1.0000	1.0000	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated

Allocation of Functionalized Amounts to Classes of Service

Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Distribution										Specifically Assigned Customer (\$)
							Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
Allocated Revenue Requirement Excluding Return																	
1	1.2 Domestic Diesel	5,223,879	1,818,463	2,789,863	-	28,518	210,238	73,876	16,389	31,697	53,351	59,115	36,260	11,033	-	77,070	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	610,024	169,012	358,996	-	2,651	19,540	10,783	1,523	4,626	4,959	8,628	10,585	3,221	-	11,249	-
5	2.2 GS 10-100 kW	685,710	208,405	419,317	-	3,268	24,094	1,604	1,878	688	6,114	1,284	6,355	1,934	-	1,673	-
6	2.3 GS 110-1,000 kVa	763,582	188,073	534,514	-	2,949	21,744	267	1,695	115	5,518	214	1,125	342	-	279	-
7	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	109,172	34,311	47,754	-	538	3,967	3,386	309	1,453	1,007	2,710	-	-	9,225	3,533	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total	7,392,367	2,418,263	4,150,444	-	37,924	279,583	89,916	21,795	38,580	70,948	71,950	54,324	16,530	9,225	93,804	-
Allocated Return on Debt																	
13	1.2 Domestic Diesel	646,912	282,773	296,891	-	7,606	23,215	8,496	2,039	3,943	5,884	6,654	4,804	2,636	-	1,972	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	73,332	26,281	38,204	-	707	2,158	1,240	189	575	547	971	1,402	769	-	288	-
17	2.2 GS 10-100 kW	83,231	32,407	44,623	-	872	2,661	184	234	86	674	144	842	462	-	43	-
18	2.3 GS 110-1,000 kVa	90,441	29,246	56,882	-	787	2,401	31	211	14	609	24	149	82	-	7	-
19	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	13,387	5,335	5,082	-	144	438	389	38	181	111	305	-	-	1,273	90	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total	907,304	376,042	441,681	-	10,115	30,873	10,341	2,711	4,799	7,825	8,099	7,197	3,949	1,273	2,400	-
Allocated Return on Equity																	
25	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

		18	19	
		Revenue Related		
Line No.	Description	Municipal Tax (\$)	PUB Assessment (\$)	Basis of Proration
Allocated Revenue Requirement Excluding Return				
1	1.2 Domestic Diesel	16,868	1,139	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	3,983	269	
5	2.2 GS 10-100 kW	8,519	575	
6	2.3 GS 110-1,000 kVa	6,320	427	
7	2.4 GS Over 1,000 kVa	-	-	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	917	62	
11	4.1G Gov't Street and Area Lighting	-	-	
12	Total	36,607	2,472	
Allocated Return on Debt				
13	1.2 Domestic Diesel	-	-	
14	1.2G Government Domestic Diesel	-	-	
15	1.23 Churches, Schools & Com Halls	-	-	
16	2.1 GS 0-10 kW	-	-	
17	2.2 GS 10-100 kW	-	-	
18	2.3 GS 110-1,000 kVa	-	-	
19	2.4 GS Over 1,000 kVa	-	-	
20	2.5 GS Diesel	-	-	
21	2.5G Gov't General Service Diesel	-	-	
22	4.1 Street and Area Lighting	-	-	
23	4.1G Gov't Street and Area Lighting	-	-	
24	Total	-	-	
Allocated Return on Equity				
25	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Transmission Energy (\$)	Transmission Demand (\$)	Distribution											Specifically Assigned Customer (\$)
						Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
							Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	Demand (\$)	
Total Revenue Requirement																	
26	1.2 Domestic Diesel	5,870,791	2,101,235	3,086,753	-	36,124	233,454	82,372	18,428	35,640	59,235	65,769	41,064	13,669	-	79,042	-
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	2.1 GS 0-10 kW	683,356	195,293	397,199	-	3,357	21,698	12,023	1,713	5,202	5,505	9,600	11,987	3,990	-	11,537	-
30	2.2 GS 10-100 kW	768,941	240,812	463,940	-	4,140	26,755	1,789	2,112	774	6,789	1,428	7,197	2,396	-	1,716	-
31	2.3 GS 110-1,000 kVa	854,023	217,319	591,396	-	3,736	24,145	298	1,906	129	6,126	238	1,274	424	-	286	-
32	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4.1 Street and Area Lighting	122,559	39,646	52,836	-	682	4,405	3,776	348	1,634	1,118	3,015	-	-	10,499	3,623	-
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Total	8,299,670	2,794,305	4,592,125	-	48,039	310,456	100,257	24,506	43,378	78,773	80,049	61,521	20,478	10,499	96,204	-
Re-classification of Revenue-Related																	
38	1.2 Domestic Diesel	0	6,465	9,497	-	111	718	253	57	110	182	202	126	42	-	243	-
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	2.1 GS 0-10 kW	-	1,223	2,487	-	21	136	75	11	33	34	60	75	25	-	72	-
42	2.2 GS 10-100 kW	0	2,882	5,553	-	50	320	21	25	9	81	17	86	29	-	21	-
43	2.3 GS 110-1,000 kVa	-	1,730	4,709	-	30	192	2	15	1	49	2	10	3	-	2	-
44	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	4.1 Street and Area Lighting	0	319	426	-	5	35	30	3	13	9	24	-	-	85	29	-
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	Total	0	12,619	22,671	-	217	1,402	383	111	166	356	306	298	99	85	367	-
Total Allocated Revenue Requirement																	
50	1.2 Domestic Diesel	5,870,791	2,107,700	3,096,250	-	36,235	234,172	82,625	18,485	35,749	59,417	65,971	41,190	13,711	-	79,285	-
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	2.1 GS 0-10 kW	683,356	196,516	399,686	-	3,378	21,833	12,098	1,723	5,235	5,540	9,660	12,062	4,015	-	11,609	-
54	2.2 GS 10-100 kW	768,941	243,695	469,493	-	4,190	27,075	1,810	2,137	783	6,870	1,445	7,283	2,424	-	1,737	-
55	2.3 GS 110-1,000 kVa	854,023	219,049	596,105	-	3,766	24,337	300	1,921	130	6,175	240	1,284	427	-	288	-
56	2.4 GS Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	4.1 Street and Area Lighting	122,559	39,965	53,262	-	687	4,440	3,806	350	1,647	1,127	3,039	-	-	10,583	3,652	-
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	Total	8,299,670	2,806,924	4,614,796	-	48,256	311,858	100,640	24,617	43,544	79,128	80,355	61,819	20,577	10,583	96,572	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	18	19	
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Proration
		(\$)	(\$)	
	Total Revenue Requirement			
26	1.2 Domestic Diesel	16,868	1,139	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	3,983	269	
30	2.2 GS 10-100 kW	8,519	575	
31	2.3 GS 110-1,000 kVa	6,320	427	
32	2.4 GS Over 1,000 kVa	-	-	
33	2.5 GS Diesel	-	-	
34	2.5G Gov't General Service Diesel	-	-	
35	4.1 Street and Area Lighting	917	62	
36	4.1G Gov't Street and Area Lighting	-	-	
37	Total	36,607	2,472	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(16,868)	(1,139)	Re-classification to demand, energy and customer is based on rate class revenue requirements excluding revenue-related items.
39	1.2G Government Domestic Diesel	-	-	
40	1.23 Churches, Schools & Com Halls	-	-	
41	2.1 GS 0-10 kW	(3,983)	(269)	
42	2.2 GS 10-100 kW	(8,519)	(575)	
43	2.3 GS 110-1,000 kVa	(6,320)	(427)	
44	2.4 GS Over 1,000 kVa	-	-	
45	2.5 GS Diesel	-	-	
46	2.5G Gov't General Service Diesel	-	-	
47	4.1 Street and Area Lighting	(917)	(62)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	Total	(36,607)	(2,472)	
	Total Allocated Revenue Requirement			
50	1.2 Domestic Diesel	-	-	
51	1.2G Government Domestic Diesel	-	-	
52	1.23 Churches, Schools & Com Halls	-	-	
53	2.1 GS 0-10 kW	-	-	
54	2.2 GS 10-100 kW	-	-	
55	2.3 GS 110-1,000 kVa	-	-	
56	2.4 GS Over 1,000 kVa	-	-	
57	2.5 GS Diesel	-	-	
58	2.5G Gov't General Service Diesel	-	-	
59	4.1 Street and Area Lighting	-	-	
60	4.1G Gov't Street and Area Lighting	-	-	
61	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Labrador Isolated

Functional Classification of Revenue Requirement

Line No.	Description	2 Total Amount (\$)	3 Production Demand (\$)	4 Production and Transmission Energy (\$)	5 Transmission Demand (\$)	6 Substations Demand (\$)	7 Primary Lines Demand (\$)	8 Customer (\$)	9 Line Transformers Demand (\$)	10 Customer (\$)	11 Secondary Lines Demand (\$)	12 Customer (\$)	13 Services Customer (\$)	14 Meters Customer (\$)	15 Street Lighting Customer (\$)	16 Accounting Customer (\$)	17 Specifically Assigned Customer (\$)
Expenses																	
1	Operating & Maintenance	10,011,783	3,304,268	4,740,881	-	194,537	676,637	204,534	43,134	76,350	120,432	132,350	81,186	28,321	21,030	249,498	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	5,848,510	-	5,848,510	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	34,275	-	34,275	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	2,163,918	761,259	1,090,450	-	42,055	126,961	38,650	7,678	13,591	22,139	24,613	15,929	8,680	4,188	7,724	-
Expense Credits																	
8	Sundry	(49,064)	(16,193)	(23,233)	-	(953)	(3,316)	(1,002)	(211)	(374)	(590)	(649)	(398)	(139)	(103)	(1,223)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(2,453)	(810)	(1,162)	-	(48)	(166)	(50)	(11)	(19)	(30)	(32)	(20)	(7)	(5)	(61)	-
12	Pole Attachments	(87,859)	-	-	-	-	(50,813)	(17,366)	-	-	(8,994)	(10,686)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(4,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,452)	-
16	Meter Test Revenues	(6,604)	-	-	-	-	-	-	-	-	-	-	-	(6,604)	-	-	-
17	Total Expense Credits	(150,432)	(17,003)	(24,395)	-	(1,001)	(54,295)	(18,418)	(222)	(393)	(9,614)	(11,368)	(418)	(6,750)	(108)	(5,736)	-
18	Subtotal Expenses	17,908,054	4,048,524	11,689,721	-	235,591	749,304	224,766	50,590	89,548	132,958	145,596	96,697	30,251	25,109	251,485	-
19	Disposal Gain / Loss	8,248	2,721	3,817	-	305	651	201	43	76	113	127	96	49	22	27	-
20	Subtotal Revenue Requirement Ex. Return	17,916,302	4,051,245	11,693,538	-	235,896	749,955	224,967	50,633	89,624	133,071	145,723	96,793	30,300	25,132	251,513	-
21	Return on Debt	2,186,368	676,369	1,085,453	-	75,246	161,811	49,962	10,703	18,946	28,130	31,581	23,700	12,173	5,486	6,809	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Revenue Requirement	20,102,669	4,727,614	12,778,991	-	311,143	911,766	274,929	61,336	108,570	161,201	177,303	120,492	42,473	30,618	258,322	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Labrador Isolated

Functional Classification of Revenue Requirement (CONT'D.)

Line No.	Description	1	18	19	20
			Revenue Related		
			Municipal Tax	PUB Assessment	Basis of Functional Classification
	Expenses				
1	Operating & Maintenance		129,855	8,771	Carryforward from Sch.2.4 L.23
2	Fuels		-	-	Production - Energy
3	Fuels-Diesel		-	-	Production - Energy
4	Fuels-Gas Turbine		-	-	Production - Energy
5	Power Purchases -CF(L)Co		-	-	
6	Power Purchases-Other		-	-	Carryforward from Sch.4.4 L.11
7	Depreciation		-	-	Carryforward from Sch.2.5 L.23
	Expense Credits				
8	Sundry		(636)	(43)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
9	Building Rental Income		-	-	Prorated on General Plant - Sch.2.2 L.18
10	Tax Refunds		-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
11	Suppliers' Discounts		(32)	(2)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
12	Pole Attachments		-	-	Prorated on Distribution Poles - Sch.4.1 L.37
13	Secondary Energy Revenues		-	-	Production - Energy
14	Wheeling Revenues		-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16
15	Application Fees		-	-	Accounting - Customer
16	Meter Test Revenues		-	-	Meters - Customer
17	Total Expense Credits		(668)	(45)	
18	Subtotal Expenses		129,187	8,726	
19	Disposal Gain / Loss		-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	Subtotal Revenue Requirement Ex. Return		129,187	8,726	
21	Return on Debt		-	-	Prorated on Rate Base - Sch.2.6 L.8
22	Return on Equity		-	-	Prorated on Rate Base - Sch.2.6 L.10
23	Total Revenue Requirement		129,187	8,726	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated

Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Primary Lines Customer (\$)	Line Transformers Demand (\$)	Line Transformers Customer (\$)	Secondary Lines Demand (\$)	Secondary Lines Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Diesel	35,663,882	13,849,171	21,814,710	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	35,663,882	13,849,171	21,814,710	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	2,790,260	1,680,300	-	-	1,109,960	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	11,816	-	-	-	-	8,909	1,135	-	-	1,033	739	-	-	-	-	-
8	Poles	5,470,213	-	-	-	-	3,163,687	1,081,199	-	-	559,975	665,353	-	-	-	-	-
9	Primary Conductor & Equipment	794,994	-	-	-	-	705,159	89,834	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	684,751	-	-	-	-	-	-	247,195	437,556	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	221,578	-	-	-	-	-	-	-	-	129,180	92,398	-	-	-	-	-
13	Services	465,268	-	-	-	-	-	-	-	-	-	-	465,268	-	-	-	-
14	Meters	278,727	-	-	-	-	-	-	-	-	-	-	-	278,727	-	-	-
15	Street Lighting	120,520	-	-	-	-	-	-	-	-	-	-	-	-	120,520	-	-
16	Subtotal Distribution	10,838,127	1,680,300	-	-	1,109,960	3,877,755	1,172,168	247,195	437,556	690,188	758,490	465,268	278,727	120,520	-	-
17	Subtl Prod, Trans, & Dist	46,502,009	15,529,471	21,814,710	-	1,109,960	3,877,755	1,172,168	247,195	437,556	690,188	758,490	465,268	278,727	120,520	-	-
18	General	5,811,609	1,952,056	2,817,409	-	107,945	377,116	113,995	24,040	42,553	67,122	73,764	45,248	13,891	11,721	164,750	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	40,656	13,577	19,072	-	970	3,390	1,025	216	383	603	663	407	244	105	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Plant	52,354,274	17,495,105	24,651,192	-	1,218,875	4,258,261	1,287,187	271,451	480,491	757,913	832,917	510,923	292,863	132,346	164,750	-

NEWFOUNDLAND & LABRADOR HYDRO

2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Labrador Isolated

Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1	18
Line No.	Description	Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.7
2	Subtotal Production	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	Subtotal Transmission	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	Subtotal Distribution	
17	Subttl Prod, Trans, & Dist	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch 2.4 L.10, 11
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	Total Plant	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Functional Classification of Net Book Value

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Diesel	4,134,741	1,605,623	2,529,119	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	416,233	161,633	254,599	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	4,550,974	1,767,256	2,783,718	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
7	Other	1,014,633	161,457	-	-	106,654	372,606	112,631	23,753	42,044	66,319	72,882	44,707	-	11,581	-	-
8	Meters	13,725	-	-	-	-	-	-	-	-	-	-	-	13,725	-	-	-
9	Subtotal Distribution	1,028,359	161,457	-	-	106,654	372,606	112,631	23,753	42,044	66,319	72,882	44,707	13,725	11,581	-	-
10	Subttl Prod, Trans, & Dist	5,579,333	1,928,713	2,783,718	-	106,654	372,606	112,631	23,753	42,044	66,319	72,882	44,707	13,725	11,581	-	-
11	Customer Accounting	162,780	-	-	-	-	-	-	-	-	-	-	-	-	-	162,780	-
Administrative & General:																	
Plant-Related:																	
12	Production	401,747	156,008	245,738	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	197,738	30,656	-	-	20,251	70,748	21,386	4,510	7,983	12,592	13,838	8,489	5,085	2,199	-	-
15	Prod, Trans, Distn Plant	39,419	13,164	18,492	-	941	3,287	994	210	371	585	643	394	236	102	-	-
16	Prod, Trans, Distn and General Plt	308,544	103,106	145,279	-	7,183	25,096	7,586	1,600	2,832	4,467	4,909	3,011	1,726	780	971	-
17	Property Insurance	34,209	13,510	19,036	-	941	291	88	19	33	52	57	35	11	9	127	-
Revenue Related:																	
18	Municipal Tax	129,855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	8,771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	3,020,274	1,014,477	1,464,198	-	56,099	195,986	59,243	12,494	22,115	34,883	38,335	23,515	7,219	6,091	85,620	-
21	Prod, Trans, and Distn Expense-Related	129,115	44,634	64,420	-	2,468	8,623	2,606	550	973	1,535	1,687	1,035	318	268	-	-
22	Subtotal Admin & General	4,269,671	1,375,555	1,957,163	-	87,883	304,031	91,903	19,381	34,306	54,113	59,469	36,479	14,595	9,449	86,718	-
23	Total Operating & Maintenance Expenses	10,011,783	3,304,268	4,740,881	-	194,537	676,637	204,534	43,134	76,350	120,432	132,350	81,186	28,321	21,030	249,498	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	Description	1	18	19	20
			Revenue Related		
			Municipal Tax	PUB Assessment	Basis of Functional Classification
	Production				
1	Diesel	-	-	-	Production - Demand, Energy ratios Sch.4.1 L7
2	Other	-	-	-	Production - Demand, Energy ratios Sch.4.1 L7
3	Subtotal Production	-	-	-	
	Transmission				
4	Transmission Lines	-	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
6	Subtotal Transmission	-	-	-	
	Distribution				
7	Other	-	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
8	Meters	-	-	-	Meters - Customer
9	Subtotal Distribution	-	-	-	
10	Subttl Prod, Trans, & Dist	-	-	-	
11	Customer Accounting	-	-	-	Accounting - Customer
	Administrative & General:				
	Plant-Related:				
12	Production	-	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
13	Transmission	-	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
14	Distribution	-	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
15	Prod, Trans, Distrn Plant	-	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distrn and General Plt	-	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
17	Property Insurance	-	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:				
18	Municipal Tax	129,855	-	-	Revenue-related
19	PUB Assessment	-	-	8,771	Revenue-related
20	All Expense-Related	-	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distrn Expense-Related	-	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	Subtotal Admin & General	129,855	8,771		
23	Total Operating & Maintenance Expenses	129,855	8,771		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Functional Classification of Depreciation Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
Line																	
No.	Description	Total	Production	Transmission	Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Specifically
		Amount	Demand	Energy	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Assigned
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Customer
																	(\$)
Production																	
1	Diesel	1,526,961	592,957	934,004	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	1,526,961	592,957	934,004	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substn Struct & Eqpt	95,816	59,761	-	-	36,054	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	228	-	-	-	-	172	22	-	-	20	14	-	-	-	-	-
8	Poles	152,383	-	-	-	-	88,130	30,119	-	-	15,599	18,535	-	-	-	-	-
9	Primary Conductor & Equipment	20,520	-	-	-	-	18,201	2,319	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	17,685	-	-	-	-	-	-	6,384	11,301	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	4,959	-	-	-	-	-	-	-	-	2,891	2,068	-	-	-	-	-
13	Services	13,457	-	-	-	-	-	-	-	-	-	-	13,457	-	-	-	-
14	Meters	7,825	-	-	-	-	-	-	-	-	-	-	-	7,825	-	-	-
15	Street Lighting	3,546	-	-	-	-	-	-	-	-	-	-	-	-	3,546	-	-
16	Subtotal Distribution	316,418	59,761	-	-	36,054	106,504	32,459	6,384	11,301	18,510	20,617	13,457	7,825	3,546	-	-
17	Subtotal Prod Tran & Dist	1,843,379	652,718	934,004	-	36,054	106,504	32,459	6,384	11,301	18,510	20,617	13,457	7,825	3,546	-	-
18	General	272,454	91,514	132,083	-	5,061	17,680	5,344	1,127	1,995	3,147	3,458	2,121	651	549	7,724	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	48,084	17,026	24,363	-	940	2,778	847	167	295	483	538	351	204	92	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Depreciation Expense	2,163,918	761,259	1,090,450	-	42,055	126,961	38,650	7,678	13,591	22,139	24,613	15,929	8,680	4,188	7,724	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

Labrador Isolated

Functional Classification of Rate Base

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
			Production and			Distribution												
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Specifically Assigned Customer (\$)	
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)		
1	Average Net Book Value	26,534,805	8,753,530	12,279,446	-	980,776	2,093,451	646,652	138,574	245,288	363,764	408,562	307,693	157,746	71,092	88,232	-	
2	Cash Working Capital	59,374	19,587	27,476	-	2,195	4,684	1,447	310	549	814	914	688	353	159	197	-	
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Fuel Inventory - Diesel	1,913,083	-	1,913,083	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Inventory/Supplies	530,500	177,276	249,788	-	12,351	43,149	13,043	2,751	4,869	7,680	8,440	5,177	2,968	1,341	1,669	-	
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	1,590,403	524,656	735,987	-	58,784	125,474	38,758	8,306	14,702	21,803	24,488	18,442	9,455	4,261	5,288	-	
8	Total Rate Base	30,628,165	9,475,049	15,205,780	-	1,054,105	2,266,758	699,900	149,941	265,407	394,061	442,403	332,000	170,521	76,853	95,387	-	
9	Less: Rural Portion	(30,628,165)	(9,475,049)	(15,205,780)	-	(1,054,105)	(2,266,758)	(699,900)	(149,941)	(265,407)	(394,061)	(442,403)	(332,000)	(170,521)	(76,853)	(95,387)	-	
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Return on Debt	2,186,368	676,369	1,085,453	-	75,246	161,811	49,962	10,703	18,946	28,130	31,581	23,700	12,173	5,486	6,809	-	
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Return on Rate Base	2,186,368	676,369	1,085,453	-	75,246	161,811	49,962	10,703	18,946	28,130	31,581	23,700	12,173	5,486	6,809	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Functional Classification of Rate Base (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	Production - Energy
4	Fuel Inventory - Diesel	
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Basis of Allocation to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount	Production and		Transmission Demand	Distribution											Specifically Assigned Customer
			Transmission Energy	Substations Demand		Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting		
						Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer		
			(CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wld Rural Cust)	(Rural Cust)	(Rural Cust)		
Amounts																	
1	1.2 Domestic Diesel	-	5,102	22,729	5,102	4,901	4,901	2,141	4,599	2,141	4,599	2,141	2,141	2,141	-	2,141	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	750	4,496	750	721	721	389	676	389	676	389	778	778	-	389	-
5	2.2 GS 10-100 kW	-	1,591	9,211	1,591	1,528	1,528	102	1,434	102	1,434	102	823	823	-	102	-
6	2.3 GS 110-1,000 kVa	-	125	2,109	125	120	120	8	113	8	113	8	69	69	-	8	-
7	2.4 GS Over 1,000 kVa	-	60	2,570	60	57	57	1	54	1	54	1	9	9	-	1	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	-	85	321	85	81	81	76	76	76	76	76	-	-	76	76	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total	-	7,712	41,436	7,712	7,409	7,409	2,717	6,952	2,717	6,952	2,717	3,819	3,819	76	2,717	-
Ratios																	
13	1.2 Domestic Diesel	-	0.6615	0.5485	0.6615	0.6615	0.6615	0.7880	0.6615	0.7880	0.6615	0.7880	0.5606	0.5606	-	0.7880	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0973	0.1085	0.0973	0.0973	0.0973	0.1432	0.0973	0.1432	0.0973	0.1432	0.2037	0.2037	-	0.1432	-
17	2.2 GS 10-100 kW	-	0.2063	0.2223	0.2063	0.2063	0.2063	0.0375	0.2063	0.0375	0.2063	0.0375	0.2156	0.2156	-	0.0375	-
18	2.3 GS 110-1,000 kVa	-	0.0162	0.0509	0.0162	0.0162	0.0162	0.0029	0.0162	0.0029	0.0162	0.0029	0.0180	0.0180	-	0.0029	-
19	2.4 GS Over 1,000 kVa	-	0.0077	0.0620	0.0077	0.0077	0.0077	0.0004	0.0077	0.0004	0.0077	0.0004	0.0022	0.0022	-	0.0004	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	-	0.0110	0.0077	0.0110	0.0110	0.0110	0.0280	0.0110	0.0280	0.0110	0.0280	-	-	1.0000	0.0280	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	Description	18	19
		Revenue Related	
		Municipal Tax (Prior Year (Rural Revenues)	PUB Assessment (Prior Year (Revenues + RSP)
Amounts			
1	1.2 Domestic Diesel	2,352,629	2,352,629
2	1.2G Government Domestic Diesel	-	-
3	1.23 Churches, Schools & Com Halls	-	-
4	2.1 GS 0-10 kW	972,294	972,294
5	2.2 GS 10-100 kW	1,593,493	1,593,493
6	2.3 GS 110-1,000 kVa	192,430	192,430
7	2.4 GS Over 1,000 kVa	164,634	164,634
8	2.5 GS Diesel	-	-
9	2.5G Gov't General Service Diesel	-	-
10	4.1 Street and Area Lighting	75,934	75,934
11	4.1G Gov't Street and Area Lighting	-	-
12	Total	5,351,414	5,351,414
Ratios			
13	1.2 Domestic Diesel	0.4396	0.4396
14	1.2G Government Domestic Diesel	-	-
15	1.23 Churches, Schools & Com Halls	-	-
16	2.1 GS 0-10 kW	0.1817	0.1817
17	2.2 GS 10-100 kW	0.2978	0.2978
18	2.3 GS 110-1,000 kVa	0.0360	0.0360
19	2.4 GS Over 1,000 kVa	0.0308	0.0308
20	2.5 GS Diesel	-	-
21	2.5G Gov't General Service Diesel	-	-
22	4.1 Street and Area Lighting	0.0142	0.0142
23	4.1G Gov't Street and Area Lighting	-	-
24	Total	1.0000	1.0000

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated

Allocation of Functionalized Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmission												
				Energy	Demand												
				(\$)	(\$)												

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	18	19	
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Proration
		(\$)	(\$)	
	Allocated Revenue Requirement Excluding Return			
1	1.2 Domestic Diesel	56,794	3,836	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	23,472	1,585	
5	2.2 GS 10-100 kW	38,468	2,598	
6	2.3 GS 110-1,000 kVa	4,645	314	
7	2.4 GS Over 1,000 kVa	3,974	268	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	1,833	124	
11	4.1G Gov't Street and Area Lighting	-	-	
12	Total	129,187	8,726	
	Allocated Return on Debt			
13	1.2 Domestic Diesel	-	-	
14	1.2G Government Domestic Diesel	-	-	
15	1.23 Churches, Schools & Com Halls	-	-	
16	2.1 GS 0-10 kW	-	-	
17	2.2 GS 10-100 kW	-	-	
18	2.3 GS 110-1,000 kVa	-	-	
19	2.4 GS Over 1,000 kVa	-	-	
20	2.5 GS Diesel	-	-	
21	2.5G Gov't General Service Diesel	-	-	
22	4.1 Street and Area Lighting	-	-	
23	4.1G Gov't Street and Area Lighting	-	-	
24	Total	-	-	
	Allocated Return on Equity			
25	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
				Production and		Distribution												
Line		Total	Production	Transmission	Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Specifically	
No.	Description	Amount	Demand	Energy	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Assigned	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Customer	
	Total Revenue Requirement																	
26	1.2 Domestic Diesel	11,890,666	3,127,375	7,009,659	-	205,825	603,144	216,645	40,575	85,553	106,636	139,715	67,543	23,808	-	203,558	-	
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	2.1 GS 0-10 kW	2,162,483	459,822	1,386,544	-	30,263	88,681	39,362	5,966	15,544	15,679	25,385	24,544	8,651	-	36,985	-	
30	2.2 GS 10-100 kW	4,221,092	975,203	2,840,781	-	64,182	188,077	10,321	12,652	4,076	33,252	6,656	25,972	9,155	-	9,698	-	
31	2.3 GS 110-1,000 kVa	761,034	76,759	650,510	-	5,052	14,804	810	996	320	2,617	522	2,163	763	-	761	-	
32	2.4 GS Over 1,000 kVa	845,137	36,552	792,500	-	2,406	7,049	101	474	40	1,246	65	270	95	-	95	-	
33	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	4.1 Street and Area Lighting	222,256	51,904	98,996	-	3,416	10,010	7,690	673	3,037	1,770	4,960	-	-	30,618	7,226	-	
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
37	Total	20,102,669	4,727,614	12,778,991	-	311,143	911,766	274,929	61,336	108,570	161,201	177,303	120,492	42,473	30,618	258,322	-	
	Re-classification of Revenue-Related																	
38	1.2 Domestic Diesel	(0)	16,028	35,925	-	1,055	3,091	1,110	208	438	547	716	346	122	-	1,043	-	
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
41	2.1 GS 0-10 kW	(0)	5,391	16,255	-	355	1,040	461	70	182	184	298	288	101	-	434	-	
42	2.2 GS 10-100 kW	0	9,581	27,909	-	631	1,848	101	124	40	327	65	255	90	-	95	-	
43	2.3 GS 110-1,000 kVa	-	503	4,267	-	33	97	5	7	2	17	3	14	5	-	5	-	
44	2.4 GS Over 1,000 kVa	0	184	3,999	-	12	36	1	2	0	6	0	1	0	-	0	-	
45	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
46	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
47	4.1 Street and Area Lighting	-	461	879	-	30	89	68	6	27	16	44	-	-	272	64	-	
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
49	Total	(0)	32,148	89,233	-	2,116	6,200	1,747	417	690	1,096	1,127	905	319	272	1,642	-	
	Total Allocated Revenue Requirement																	
50	1.2 Domestic Diesel	11,890,666	3,143,403	7,045,585	-	206,880	606,235	217,755	40,782	85,992	107,183	140,431	67,889	23,930	-	204,601	-	
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
53	2.1 GS 0-10 kW	2,162,483	465,213	1,402,799	-	30,617	89,721	39,824	6,036	15,726	15,863	25,683	24,831	8,753	-	37,418	-	
54	2.2 GS 10-100 kW	4,221,092	984,784	2,868,690	-	64,812	189,925	10,423	12,777	4,116	33,579	6,722	26,228	9,245	-	9,793	-	
55	2.3 GS 110-1,000 kVa	761,034	77,262	654,777	-	5,085	14,901	815	1,002	322	2,634	525	2,177	768	-	766	-	
56	2.4 GS Over 1,000 kVa	845,137	36,736	796,498	-	2,418	7,085	102	477	40	1,253	66	272	96	-	96	-	
57	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
58	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
59	4.1 Street and Area Lighting	222,256	52,365	99,876	-	3,446	10,099	7,759	679	3,064	1,786	5,004	-	-	30,890	7,290	-	
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
61	Total	20,102,669	4,759,762	12,868,224	-	313,259	917,966	276,677	61,753	109,260	162,297	178,430	121,397	42,792	30,890	259,964	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

		18	19	
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Proration
		(\$)	(\$)	
	Total Revenue Requirement			
26	1.2 Domestic Diesel	56,794	3,836	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	23,472	1,585	
30	2.2 GS 10-100 kW	38,468	2,598	
31	2.3 GS 110-1,000 kVa	4,645	314	
32	2.4 GS Over 1,000 kVa	3,974	268	
33	2.5 GS Diesel	-	-	
34	2.5G Gov't General Service Diesel	-	-	
35	4.1 Street and Area Lighting	1,833	124	
36	4.1G Gov't Street and Area Lighting	-	-	
37	Total	129,187	8,726	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(56,794)	(3,836)	Re-classification to demand, energy and customer is based on rate class revenue
39	1.2G Government Domestic Diesel	-	-	requirements excluding revenue-related items.
40	1.23 Churches, Schools & Com Halls	-	-	
41	2.1 GS 0-10 kW	(23,472)	(1,585)	
42	2.2 GS 10-100 kW	(38,468)	(2,598)	
43	2.3 GS 110-1,000 kVa	(4,645)	(314)	
44	2.4 GS Over 1,000 kVa	(3,974)	(268)	
45	2.5 GS Diesel	-	-	
46	2.5G Gov't General Service Diesel	-	-	
47	4.1 Street and Area Lighting	(1,833)	(124)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	Total	(129,187)	(8,726)	
	Total Allocated Revenue Requirement			
50	1.2 Domestic Diesel	-	-	
51	1.2G Government Domestic Diesel	-	-	
52	1.23 Churches, Schools & Com Halls	-	-	
53	2.1 GS 0-10 kW	-	-	
54	2.2 GS 10-100 kW	-	-	
55	2.3 GS 110-1,000 kVa	-	-	
56	2.4 GS Over 1,000 kVa	-	-	
57	2.5 GS Diesel	-	-	
58	2.5G Gov't General Service Diesel	-	-	
59	4.1 Street and Area Lighting	-	-	
60	4.1G Gov't Street and Area Lighting	-	-	
61	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Revenue Requirement

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lightin Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
	Expenses																
1	Operating & Maintenance	1,115,316	584,305	-	-	2,653	214,816	65,005	6,910	12,231	37,753	41,701	11,291	9,507	2,607	91,007	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	68,661	-	68,661	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	812,107	-	812,107	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	401,179	158,284	-	-	1,268	125,126	38,535	4,267	7,553	22,217	24,715	6,010	4,006	1,504	7,693	-
	Expense Credits																
8	Sundry	(5,466)	(2,863)	-	-	(13)	(1,053)	(319)	(34)	(60)	(185)	(204)	(55)	(47)	(13)	(446)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(273)	(143)	-	-	(1)	(53)	(16)	(2)	(3)	(9)	(10)	(3)	(2)	(1)	(22)	-
12	Pole Attachments	(55,402)	-	-	-	-	(32,042)	(10,950)	-	-	(5,671)	(6,739)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(840)	-	-	-	-	-	-	-	-	-	-	-	-	-	(840)	-
16	Meter Test Revenues	(2,698)	-	-	-	-	-	-	-	-	-	-	-	(2,698)	-	-	-
17	Total Expense Credits	(64,679)	(3,007)	-	-	(14)	(33,147)	(11,285)	(36)	(63)	(5,866)	(6,953)	(58)	(2,747)	(13)	(1,308)	-
18	Subtotal Expenses	2,332,583	739,582	880,768	-	3,908	306,795	92,255	11,141	19,721	54,105	59,462	17,243	10,765	4,098	97,391	-
19	Disposal Gain / Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Subtotal Revenue Requirement Ex. Return	2,332,583	739,582	880,768	-	3,908	306,795	92,255	11,141	19,721	54,105	59,462	17,243	10,765	4,098	97,391	-
21	Return on Debt	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Revenue Requirement	2,745,427	842,843	882,218	-	5,542	469,825	143,137	16,368	28,973	82,267	91,365	25,237	15,809	5,871	100,623	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 Basis of Functional Classification	20
		Municipal Tax (\$)	PUB Assessment (\$)		
	Expenses				
1	Operating & Maintenance	33,283	2,248	Carryforward from Sch.2.4 L.24	
2	Fuels	-	-	Production - Energy	
3	Fuels-Diesel	-	-	Production - Energy	
4	Fuels-Gas Turbine	-	-	Production - Energy	
5	Power Purchases -CF(L)Co	-	-		
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.12	
7	Depreciation	-	-	Carryforward from Sch.2.5 L.23	
	Expense Credits				
8	Sundry	(163)	(11)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.18	
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
11	Suppliers' Discounts	(8)	(1)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37	
13	Secondary Energy Revenues	-	-	Production - Energy	
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16	
15	Application Fees	-	-	Accounting - Customer	
16	Meter Test Revenues	-	-	Meters - Customer	
17	Total Expense Credits	(171)	(12)		
18	Subtotal Expenses	33,112	2,236		
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23	
20	Subtotal Revenue Requirement Ex. Return	33,112	2,236		
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8	
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10	
23	Total Revenue Requirement	33,112	2,236		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup

Functional Classification of Plant in Service for the Allocation of O&M Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and		Distribution											Specifically Assigned Customer (\$)
				Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin	Accounting	
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
Production																	
1	Diesel	3,326,329	3,326,329	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	3,326,329	3,326,329	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	90,204	44,995	-	-	45,210	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	15,995	-	-	-	-	12,059	1,536	-	-	1,399	1,000	-	-	-	-	-
8	Poles	5,320,337	-	-	-	-	3,077,006	1,051,575	-	-	544,632	647,123	-	-	-	-	-
9	Primary Conductor & Equipment	761,458	-	-	-	-	675,413	86,045	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	335,429	-	-	-	-	-	-	121,090	214,339	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	198,216	-	-	-	-	-	-	-	-	115,560	82,656	-	-	-	-	-
13	Services	197,863	-	-	-	-	-	-	-	-	-	-	197,863	-	-	-	-
14	Meters	113,890	-	-	-	-	-	-	-	-	-	-	-	113,890	-	-	-
15	Street Lighting	45,683	-	-	-	-	-	-	-	-	-	-	-	-	45,683	-	-
16	Subtotal Distribution	7,079,075	44,995	-	-	45,210	3,764,479	1,139,156	121,090	214,339	661,591	730,780	197,863	113,890	45,683	-	-
17	Subttl Prod, Trans, & Dist	10,405,404	3,371,324	-	-	45,210	3,764,479	1,139,156	121,090	214,339	661,591	730,780	197,863	113,890	45,683	-	-
18	General	1,272,676	687,690	-	-	2,958	246,339	74,544	7,924	14,026	43,293	47,821	12,948	11,384	2,989	120,761	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	9,097	2,947	-	-	40	3,291	996	106	187	578	639	173	100	40	-	-
22	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Plant	11,687,177	4,061,961	-	-	48,208	4,014,109	1,214,696	129,120	228,552	705,463	779,239	210,983	125,373	48,712	120,761	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
	Production	
1	Diesel	Production - Demand, Energy ratios Sch.4.1 L.8
2	Subtotal Production	
	Transmission	
3	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
4	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
5	Subtotal Transmission	
	Distribution	
6	Substation Structures & Equipment	Production - Demand; Dist Substns - Demand
7	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
8	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
9	Primary Conductor & Equipment	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
10	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
11	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
12	Secondary Conductors & Equipment	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
13	Services	Services Customer
14	Meters	Meters - Customer
15	Street Lighting	Street Lighting - Customer
16	Subtotal Distribution	
17	Subttl Prod, Trans, & Dist	
18	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.11, 12
19	Telecontrol - Specific	Specifically Assigned - Customer
20	Feasibility Studies	Production, Transmission - Demand
21	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.17
22	Software - Cust Acctng	Customer Accounting
23	Total Plant	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Net Book Value

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lightin Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Diesel	1,084,155	1,084,155	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	1,084,155	1,084,155	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	21,599	1,552	-	-	20,046	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	8,105	-	-	-	-	6,111	778	-	-	709	507	-	-	-	-	-
8	Poles	3,026,277	-	-	-	-	1,750,241	598,150	-	-	309,794	368,092	-	-	-	-	-
9	Primary Conductor & Equipment	302,743	-	-	-	-	268,533	34,210	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	179,795	-	-	-	-	-	-	64,906	114,889	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	66,755	-	-	-	-	-	-	-	-	38,918	27,837	-	-	-	-	-
13	Services	98,863	-	-	-	-	-	-	-	-	-	-	98,863	-	-	-	-
14	Meters	61,344	-	-	-	-	-	-	-	-	-	-	-	61,344	-	-	-
15	Street Lighting	21,878	-	-	-	-	-	-	-	-	-	-	-	-	21,878	-	-
16	Subtotal Distribution	3,787,359	1,552	-	-	20,046	2,024,885	633,138	64,906	114,889	349,421	396,436	98,863	61,344	21,878	-	-
17	Subttl Prod, Trans, & Dist	4,871,514	1,085,708	-	-	20,046	2,024,885	633,138	64,906	114,889	349,421	396,436	98,863	61,344	21,878	-	-
18	General	437,010	236,138	-	-	1,016	84,587	25,597	2,721	4,816	14,866	16,421	4,446	3,909	1,026	41,467	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	5,744	1,280	-	-	24	2,387	747	77	135	412	467	117	72	26	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Net Book Value	5,314,268	1,323,126	-	-	21,086	2,111,860	659,481	67,703	119,840	364,699	413,324	103,426	65,325	22,931	41,467	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission		Substations Demand (\$)	Distribution										Accounting Customer (\$)	Specifically Assigned Customer (\$)
				Transmission Energy (\$)	Transmission Demand (\$)		Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin			
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)			
Production																		
1	Diesel	307,160	307,160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Other	30,176	30,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Subtotal Production	337,335	337,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transmission																		
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Distribution																		
8	Other	224,540	1,451	-	-	1,457	121,357	36,723	3,904	6,910	21,328	23,558	6,379	-	1,473	-	-	
9	Meters	5,608	-	-	-	-	-	-	-	-	-	-	-	5,608	-	-	-	
10	Subtotal Distribution	230,148	1,451	-	-	1,457	121,357	36,723	3,904	6,910	21,328	23,558	6,379	5,608	1,473	-	-	
11	Subttl Prod, Trans, & Dist	567,483	338,786	-	-	1,457	121,357	36,723	3,904	6,910	21,328	23,558	6,379	5,608	1,473	-	-	
12	Customer Accounting	59,492	-	-	-	-	-	-	-	-	-	-	-	-	-	59,492	-	
Administrative & General:																		
Plant-Related:																		
13	Production	48,877	48,877	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Distribution	42,060	267	-	-	269	22,366	6,768	719	1,273	3,931	4,342	1,176	677	271	-	-	
16	Prod, Trans, Distn Plant	8,820	2,858	-	-	38	3,191	966	103	182	561	619	168	97	39	-	-	
17	Prod,Trans, Distn & General Plt	2,503	870	-	-	10	860	260	28	49	151	167	45	27	10	26	-	
18	Property Insurance	7,636	6,610	-	-	78	401	121	13	23	71	78	21	19	5	197	-	
Revenue Related:																		
19	Municipal Tax	33,283	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	PUB Assessment	2,248	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	All Expense-Related	329,781	178,197	-	-	767	63,832	19,316	2,053	3,634	11,218	12,391	3,355	2,950	775	31,292	-	
22	Prod, Trans, and Distn Expense-Related	13,132	7,840	-	-	34	2,808	850	90	160	494	545	148	130	34	-	-	
23	Subtotal Admin & General	488,340	245,519	-	-	1,196	93,459	28,281	3,006	5,321	16,425	18,143	4,912	3,898	1,134	31,515	-	
24	Total Operating & Maintenance Expenses	1,115,316	584,305	-	-	2,653	214,816	65,005	6,910	12,231	37,753	41,701	11,291	9,507	2,607	91,007	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 PUB Assessment	20 Basis of Functional Classification
		Municipal Tax			
	Production				
1	Diesel	-	-	-	Production - Demand, Energy ratios Sch.4.1 L8
2	Other	-	-	-	Production - Demand, Energy ratios Sch.4.1 L8
3	Subtotal Production	-	-	-	
	Transmission				
4	Transmission Lines	-	-	-	Prorated on Transmission Lines Plant in Service - Sch.2.2 L.3
5	Terminal Stations	-	-	-	Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.4
6	Other	-	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
7	Subtotal Transmission	-	-	-	
	Distribution				
8	Other	-	-	-	Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 16, less L. 14
9	Meters	-	-	-	Meters - Customer
10	Subtotal Distribution	-	-	-	
11	Subttl Prod, Trans, & Dist	-	-	-	
12	Customer Accounting	-	-	-	Accounting - Customer
	Administrative & General:				
	Plant-Related:				
13	Production	-	-	-	Prorated on Production Plant in Service - Sch.2.2 L.2
14	Transmission	-	-	-	Prorated on Transmission Plant in Service - Sch.2.2 L.5
15	Distribution	-	-	-	Prorated on Distribution Plant in Service - Sch.2.2 L.16
16	Prod, Trans, Distn Plant	-	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
17	Prod, Trans, Distn & General Plt	-	-	-	Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.23
18	Property Insurance	-	-	-	Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.2, 4, 6, 18 - 19
	Revenue Related:				
19	Municipal Tax	33,283	-	-	Revenue-related
20	PUB Assessment	-	2,248	-	Revenue-related
21	All Expense-Related	-	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.11, 12
22	Prod, Trans, and Distn Expense-Related	-	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.11
23	Subtotal Admin & General	33,283	2,248		
24	Total Operating & Maintenance Expenses	33,283	2,248		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Depreciation Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lightin Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Diesel	111,416	111,416	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Subtotal Production	111,416	111,416	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Subtotal Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																	
6	Substation Structures & Equipment	1,201	149	-	-	1,052	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	394	-	-	-	-	297	38	-	-	34	25	-	-	-	-	-
8	Poles	156,008	-	-	-	-	90,227	30,835	-	-	15,970	18,976	-	-	-	-	-
9	Primary Conductor & Equipment	18,181	-	-	-	-	16,127	2,055	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	10,157	-	-	-	-	-	-	3,667	6,490	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	5,077	-	-	-	-	-	-	-	-	2,960	2,117	-	-	-	-	-
13	Services	5,053	-	-	-	-	-	-	-	-	-	-	5,053	-	-	-	-
14	Meters	3,197	-	-	-	-	-	-	-	-	-	-	-	3,197	-	-	-
15	Street Lighting	1,280	-	-	-	-	-	-	-	-	-	-	-	-	1,280	-	-
16	Subtotal Distribution	200,550	149	-	-	1,052	106,651	32,928	3,667	6,490	18,965	21,117	5,053	3,197	1,280	-	-
17	Subtotal Prod Tran & Dist	311,966	111,565	-	-	1,052	106,651	32,928	3,667	6,490	18,965	21,117	5,053	3,197	1,280	-	-
18	General	81,074	43,809	-	-	188	15,693	4,749	505	894	2,758	3,046	825	725	190	7,693	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	8,138	2,910	-	-	27	2,782	859	96	169	495	551	132	83	33	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Depreciation Expense	401,179	158,284	-	-	1,268	125,126	38,535	4,267	7,553	22,217	24,715	6,010	4,006	1,504	7,693	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Functional Classification of Rate Base

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
				Production and		Distribution												
Line		Total	Production	Transmission	Transmission	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin	Accounting	Specifically	
No.	Description	Amount	Demand	Energy	Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Assigned	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Customer	
1	Average Net Book Value	5,314,268	1,323,126	-	-	21,086	2,111,860	659,481	67,703	119,840	364,699	413,324	103,426	65,325	22,931	41,467	-	
2	Cash Working Capital	11,891	2,961	-	-	47	4,725	1,476	151	268	816	925	231	146	51	93	-	
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Fuel Inventory - Diesel	20,307	-	20,307	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Inventory/Supplies	118,425	41,159	-	-	488	40,675	12,308	1,308	2,316	7,148	7,896	2,138	1,270	494	1,224	-	
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	318,519	79,304	-	-	1,264	126,577	39,527	4,058	7,183	21,859	24,773	6,199	3,915	1,374	2,485	-	
8	Total Rate Base	5,783,409	1,446,549	20,307	-	22,885	2,283,838	712,792	73,221	129,607	394,522	446,918	111,994	70,657	24,850	45,269	-	
9	Less: Rural Portion	(5,783,409)	(1,446,549)	(20,307)	-	(22,885)	(2,283,838)	(712,792)	(73,221)	(129,607)	(394,522)	(446,918)	(111,994)	(70,657)	(24,850)	(45,269)	-	
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Return on Debt	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-	
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Return on Rate Base	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-	

NEWFOUNDLAND & LABRADOR HYDRO
 2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
 L'Anse au Loup
 Functional Classification of Rate Base (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3 , L. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	Production - Energy
4	Fuel Inventory - Diesel	
5	Fuel Inventory - Gas Turbine	
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 23
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Basis of Allocation to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount	Production and			Distribution										Specifically Assigned Customer	
			Production Demand	Transmission Energy	Transmission Demand	Substations Demand	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin		Accounting
							Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer		Customer
			(CP kW)	(MWh @ Gen)	(CP kW)	(CP kW)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(CP kW)	(Rural Cust)	(Wtd Rural Cust)			(Rural Cust)	
Amounts																	
1	1.1 Domestic Diesel	-	2,420	9,503	2,420	2,269	2,269	742	2,047	742	2,047	742	742	742	-	742	-
2	1.12 Domestic All Electric	-	111	375	111	104	104	19	94	19	94	19	19	19	-	19	-
3	2.1 GS 0-10 kW	-	209	1,171	209	196	196	137	176	137	176	137	274	274	-	137	-
4	2.2 GS 10-100 kW	-	852	4,245	852	799	799	63	721	63	721	63	509	509	-	63	-
5	2.3 GS 110-1,000 kVa	-	182	898	182	171	171	2	154	2	154	2	17	17	-	2	-
6	4.1 Street and Area Lighting	-	33	127	33	31	31	30	28	30	28	30	-	-	1	30	-
7	Total	-	3,807	16,319	3,807	3,570	3,570	993	3,220	993	3,220	993	1,561	1,561	1	993	0
Ratios																	
8	1.1 Domestic Diesel	-	0.6357	0.5823	0.6357	0.6357	0.6357	0.7472	0.6357	0.7472	0.6357	0.7472	0.4754	0.4754	-	0.7472	-
9	1.12 Domestic All Electric	-	0.0292	0.0230	0.0292	0.0292	0.0292	0.0191	0.0292	0.0191	0.0292	0.0191	0.0122	0.0122	-	0.0191	-
10	2.1 GS 0-10 kW	-	0.0548	0.0717	0.0548	0.0548	0.0548	0.1380	0.0548	0.1380	0.0548	0.1380	0.1756	0.1756	-	0.1380	-
11	2.2 GS 10-100 kW	-	0.2238	0.2602	0.2238	0.2238	0.2238	0.0634	0.2238	0.0634	0.2238	0.0634	0.3258	0.3258	-	0.0634	-
12	2.3 GS 110-1,000 kVa	-	0.0478	0.0550	0.0478	0.0478	0.0478	0.0020	0.0478	0.0020	0.0478	0.0020	0.0110	0.0110	-	0.0020	-
13	4.1 Street and Area Lighting	-	0.0087	0.0078	0.0087	0.0087	0.0087	0.0302	0.0087	0.0302	0.0087	0.0302	-	-	1.0000	0.0302	-
14	Total	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.0000

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related		19
		Municipal Tax (Prior Year (Rural Revenues)	PUB Assessment (Prior Year (Revenues + RSP)	
	Amounts			
1	1.1 Domestic Diesel	729,206	729,206	
2	1.12 Domestic All Electric	27,591	27,591	
3	2.1 GS 0-10 kW	130,749	130,749	
4	2.2 GS 10-100 kW	366,667	366,667	
5	2.3 GS 110-1,000 kVa	84,626	84,626	
6	4.1 Street and Area Lighting	32,775	32,775	
7	Total	1,371,614	1,371,614	
	Ratios			
8	1.1 Domestic Diesel	0.5316	0.5316	
9	1.12 Domestic All Electric	0.0201	0.0201	
10	2.1 GS 0-10 kW	0.0953	0.0953	
11	2.2 GS 10-100 kW	0.2673	0.2673	
12	2.3 GS 110-1,000 kVa	0.0617	0.0617	
13	4.1 Street and Area Lighting	0.0239	0.0239	
14	Total	1.0000	1.0000	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

L'Anse au Loup

Allocation of Functionalized Amounts to Classes of Service

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
				Production and													
				Transmission	Transmsn												Specifically
Line		Total	Production	Energy	Demand	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin	Accounting	Assigned
No.	Description	Amount	Demand			Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Allocated Revenue Requirement Excluding Return																	
1	1.1 Domestic Diesel	1,454,994	470,135	512,890	-	2,484	195,022	68,936	7,082	14,736	34,393	44,432	8,198	5,118	-	72,774	-
2	1.12 Domestic All Electric	58,998	21,603	20,218	-	114	8,961	1,765	325	377	1,580	1,138	210	131	-	1,863	-
3	2.1 GS 0-10 kW	169,667	40,506	63,195	-	214	16,803	12,728	610	2,721	2,963	8,204	3,027	1,890	-	13,437	-
4	2.2 GS 10-100 kW	514,442	165,533	229,133	-	875	68,667	5,853	2,494	1,251	12,110	3,773	5,618	3,508	-	6,179	-
5	2.3 GS 110-1,000 kVa	104,862	35,375	48,475	-	187	14,674	186	533	40	2,588	120	189	118	-	196	-
6	4.1 Street and Area Lighting	29,621	6,430	6,857	-	34	2,667	2,787	97	596	470	1,796	-	-	4,098	2,942	-
7	Total	2,332,583	739,582	880,768	-	3,908	306,795	92,255	11,141	19,721	54,105	59,462	17,243	10,765	4,098	97,391	-
Allocated Return on Debt																	
8	1.1 Domestic Diesel	269,769	65,641	844	-	1,038	103,634	38,021	3,323	6,913	17,902	23,839	3,801	2,398	-	2,415	-
9	1.12 Domestic All Electric	10,816	3,016	33	-	48	4,762	974	153	177	823	610	97	61	-	62	-
10	2.1 GS 0-10 kW	32,039	5,655	104	-	89	8,929	7,020	286	1,276	1,542	4,402	1,404	886	-	446	-
11	2.2 GS 10-100 kW	78,110	23,112	377	-	366	36,489	3,228	1,170	587	6,303	2,024	2,605	1,643	-	205	-
12	2.3 GS 110-1,000 kVa	14,827	4,939	80	-	78	7,798	102	250	19	1,347	64	88	55	-	7	-
13	4.1 Street and Area Lighting	7,283	898	11	-	14	1,417	1,537	45	280	245	964	-	-	1,774	98	-
14	Total	412,844	103,261	1,450	-	1,634	163,030	50,882	5,227	9,252	28,163	31,903	7,995	5,044	1,774	3,231	-
Allocated Return on Equity																	
15	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 Basis of Proration
		Municipal Tax (\$)	PUB Assessment (\$)	
	Allocated Revenue Requirement Excluding Return			
1	1.1 Domestic Diesel	17,604	1,189	
2	1.12 Domestic All Electric	666	45	
3	2.1 GS 0-10 kW	3,156	213	
4	2.2 GS 10-100 kW	8,852	598	
5	2.3 GS 110-1,000 kVa	2,043	138	
6	4.1 Street and Area Lighting	791	53	
7	Total	33,112	2,236	
	Allocated Return on Debt			
8	1.1 Domestic Diesel	-	-	
9	1.12 Domestic All Electric	-	-	
10	2.1 GS 0-10 kW	-	-	
11	2.2 GS 10-100 kW	-	-	
12	2.3 GS 110-1,000 kVa	-	-	
13	4.1 Street and Area Lighting	-	-	
14	Total	-	-	
	Allocated Return on Equity			
15	All Classes	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmsn Demand (\$)	Distribution											Specifically Assigned Customer (\$)
						Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lightin	Accounting	
							Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
Total Revenue Requirement																	
16	1.1 Domestic Diesel	1,724,763	535,776	513,734	-	3,523	298,657	106,957	10,405	21,650	52,295	68,271	11,999	7,516	-	75,188	-
17	1.12 Domestic All Electric	69,814	24,619	20,251	-	162	13,723	2,739	478	554	2,403	1,748	307	192	-	1,925	-
18	2.1 GS 0-10 kW	201,706	46,161	63,299	-	304	25,731	19,748	896	3,997	4,506	12,605	4,431	2,776	-	13,883	-
19	2.2 GS 10-100 kW	592,551	188,645	229,510	-	1,240	105,156	9,081	3,664	1,838	18,413	5,797	8,223	5,151	-	6,384	-
20	2.3 GS 110-1,000 kVa	119,689	40,314	48,555	-	265	22,472	288	783	58	3,935	184	277	174	-	203	-
21	4.1 Street and Area Lighting	36,904	7,328	6,869	-	48	4,085	4,324	142	875	715	2,760	-	-	5,871	3,040	-
22	Total	2,745,427	842,843	882,218	-	5,542	469,825	143,137	16,368	28,973	82,267	91,365	25,237	15,809	5,871	100,623	-
Re-classification of Revenue-Related																	
23	1.1 Domestic Diesel	0	5,902	5,659	-	39	3,290	1,178	115	238	576	752	132	83	-	828	-
24	1.12 Domestic All Electric	(0)	253	208	-	2	141	28	5	6	25	18	3	2	-	20	-
25	2.1 GS 0-10 kW	(0)	784	1,075	-	5	437	336	15	68	77	214	75	47	-	236	-
26	2.2 GS 10-100 kW	(0)	3,057	3,719	-	20	1,704	147	59	30	298	94	133	83	-	103	-
27	2.3 GS 110-1,000 kVa	(0)	748	901	-	5	417	5	15	1	73	3	5	3	-	4	-
28	4.1 Street and Area Lighting	(0)	172	161	-	1	96	101	3	21	17	65	-	-	138	71	-
29	Total	(0)	10,916	11,724	-	72	6,085	1,796	212	363	1,066	1,146	349	219	138	1,262	-
Total Allocated Revenue Requirement																	
30	1.1 Domestic Diesel	1,724,763	541,678	519,393	-	3,562	301,947	108,135	10,520	21,888	52,871	69,023	12,131	7,599	-	76,017	-
31	1.12 Domestic All Electric	69,814	24,873	20,459	-	164	13,865	2,767	483	560	2,428	1,766	310	194	-	1,945	-
32	2.1 GS 0-10 kW	201,706	46,945	64,374	-	309	26,169	20,084	912	4,065	4,582	12,819	4,506	2,823	-	14,118	-
33	2.2 GS 10-100 kW	592,551	191,702	233,230	-	1,260	106,860	9,228	3,723	1,868	18,711	5,891	8,356	5,234	-	6,487	-
34	2.3 GS 110-1,000 kVa	119,689	41,062	49,456	-	270	22,889	294	797	59	4,008	187	282	177	-	206	-
35	4.1 Street and Area Lighting	36,904	7,500	7,030	-	49	4,181	4,426	146	896	732	2,825	-	-	6,009	3,111	-
36	Total	2,745,427	853,759	893,942	-	5,614	475,910	144,933	16,580	29,337	83,333	92,512	25,586	16,028	6,009	101,885	-

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 Basis of Proration
		Municipal Tax (\$)	PUB Assessment (\$)	
	Total Revenue Requirement			
16	1.1 Domestic Diesel	17,604	1,189	
17	1.12 Domestic All Electric	666	45	
18	2.1 GS 0-10 kW	3,156	213	
19	2.2 GS 10-100 kW	8,852	598	
20	2.3 GS 110-1,000 kVa	2,043	138	
21	4.1 Street and Area Lighting	791	53	
22	Total	33,112	2,236	
	Re-classification of Revenue-Related			
23	1.1 Domestic Diesel	(17,604)	(1,189)	Re-classification to demand, energy and customer is based on rate class revenue requirements excluding revenue-related items.
24	1.12 Domestic All Electric	(666)	(45)	
25	2.1 GS 0-10 kW	(3,156)	(213)	
26	2.2 GS 10-100 kW	(8,852)	(598)	
27	2.3 GS 110-1,000 kVa	(2,043)	(138)	
28	4.1 Street and Area Lighting	(791)	(53)	
29	Total	(33,112)	(2,236)	
	Total Allocated Revenue Requirement			
30	1.1 Domestic Diesel	-	-	
31	1.12 Domestic All Electric	-	-	
32	2.1 GS 0-10 kW	-	-	
33	2.2 GS 10-100 kW	-	-	
34	2.3 GS 110-1,000 kVa	-	-	
35	4.1 Street and Area Lighting	-	-	
36	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Revenue Requirement

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Expenses																	
1	Operating & Maintenance	4,294,520	471,049	-	420,358	500,149	657,640	175,418	117,072	207,228	120,879	124,394	103,282	91,168	30,612	1,005,608	145
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	15,408	15,408	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	85,682	85,682	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	2,433,927	1,094,394	1,339,533	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	106,235	-	-	-	106,235	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	2,589,389	1,004,888	-	585,356	170,708	303,703	80,314	57,337	101,492	56,331	58,252	48,979	24,731	15,884	81,314	100
Expense Credits																	
8	Sundry	(21,046)	(2,308)	-	(2,060)	(2,451)	(3,223)	(860)	(574)	(1,016)	(592)	(610)	(506)	(447)	(150)	(4,928)	(1)
9	Building Rental Income	(6,828)	(2,273)	-	(1,794)	(682)	(879)	(227)	(151)	(268)	(156)	(161)	(134)	(64)	(40)	-	(0)
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(1,052)	(115)	-	(103)	(123)	(161)	(43)	(29)	(51)	(30)	(30)	(25)	(22)	(8)	(246)	(0)
12	Pole Attachments	(203,476)	-	-	-	-	(117,680)	(40,217)	-	-	(20,829)	(24,749)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(18,708)	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,708)	-
16	Meter Test Revenues	(25,357)	-	-	-	-	-	-	-	-	-	-	-	(25,357)	-	-	-
17	Total Expense Credits	(276,467)	(4,697)	-	(3,957)	(3,255)	(121,943)	(41,347)	(754)	(1,334)	(21,608)	(25,550)	(665)	(25,890)	(197)	(23,883)	(1)
18	Subtotal Expenses	9,248,693	2,666,724	1,339,533	1,001,757	773,837	839,400	214,385	173,656	307,385	155,601	157,096	151,595	90,008	46,299	1,063,039	244
19	Disposal Gain / Loss	17,498	4,749	-	6,076	1,436	1,996	525	393	696	374	383	364	147	119	238	2
20	Subtotal Revenue Requirement Ex. Return	9,266,191	2,671,473	1,339,533	1,007,833	775,273	841,396	214,911	174,049	308,082	155,975	157,480	151,960	90,155	46,418	1,063,277	245
21	Return on Debt	3,563,415	976,089	-	1,228,215	292,843	406,503	106,950	79,931	141,485	76,020	77,989	73,928	29,977	24,099	49,034	351
22	Return on Equity	181,804	49,800	-	62,663	14,941	20,740	5,457	4,078	7,218	3,879	3,979	3,772	1,529	1,230	2,502	18
23	Total Revenue Requirement	13,011,410	3,697,361	1,339,533	2,298,711	1,083,057	1,268,639	327,317	258,058	456,785	235,873	239,448	229,660	121,662	71,746	1,114,813	615

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 Basis of Functional Classification	20
		Municipal Tax	PUB Assessment		
	Expenses				
1	Operating & Maintenance	245,184	24,335	Carryforward from Sch.2.4 L.24	
2	Fuels	-	-		
3	Fuels-Diesel	-	-	Production - Demand	
4	Fuels-Gas Turbine	-	-	Production - Demand	
5	Power Purchases -CF(L)Co	-	-	Carryforward from Sch.4.4 L.8	
6	Power Purchases-Other	-	-	Carryforward from Sch.4.4 L.9	
7	Depreciation	-	-	Carryforward from Sch.2.5 L.24	
	Expense Credits				
8	Sundry	(1,202)	(119)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
9	Building Rental Income	-	-	Prorated on General Plant - Sch.2.2 L.19	
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
11	Suppliers' Discounts	(60)	(6)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24	
12	Pole Attachments	-	-	Prorated on Distribution Poles - Sch.4.1 L.37	
13	Secondary Energy Revenues	-	-	Production - Energy	
14	Wheeling Revenues	-	-	Transmission - Demand, Energy ratios Sch.4.1 L.16	
15	Application Fees	-	-	Accounting - Customer	
16	Meter Test Revenues	-	-	Meters - Customer	
17	Total Expense Credits	(1,262)	(125)		
18	Subtotal Expenses	243,922	24,210		
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.24	
20	Subtotal Revenue Requirement Ex. Return	243,922	24,210		
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.8	
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.10	
23	Total Revenue Requirement	243,922	24,210		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense

Line No.	1 Description	2 Total Amount (\$)	3 Production Demand (\$)	4 Production and Transmission Energy (\$)	5 Transmission Demand (\$)	6 Substations Demand (\$)	7 Primary Lines Demand (\$)	8 Customer (\$)	9 Line Transformers Demand (\$)	10 Customer (\$)	11 Secondary Lines Demand (\$)	12 Customer (\$)	13 Services Customer (\$)	14 Meters Customer (\$)	15 Street Lighting Customer (\$)	16 Accounting Customer (\$)	17 Specifically Assigned Customer (\$)
Production																	
1	Gas Turbines	22,489,284	22,489,284	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	3,483,441	3,483,441	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	25,972,725	25,972,725	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Lines	16,538,092	-	-	16,083,896	-	454,196	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	5,334,238	-	-	4,416,794	912,390	-	-	-	-	-	-	-	-	-	-	5,054
6	Subtotal Transmission	21,872,330	-	-	20,500,690	912,390	454,196	-	-	-	-	-	-	-	-	-	5,054
Distribution																	
7	Substations	6,876,688	-	-	-	6,876,688	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	412,065	-	-	-	-	310,676	39,579	-	-	36,035	25,775	-	-	-	-	-
9	Poles	11,577,159	-	-	-	-	6,695,627	2,288,249	-	-	1,185,131	1,408,153	-	-	-	-	-
10	Primary Conductor & Eqpt	2,336,007	-	-	-	-	2,072,038	263,969	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	515,827	-	-	-	-	515,827	-	-	-	-	-	-	-	-	-	-
12	Transformers	4,791,523	-	-	-	-	-	-	1,729,740	3,061,783	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	968,802	-	-	-	-	-	-	-	-	564,812	403,991	-	-	-	-	-
14	Services	1,525,983	-	-	-	-	-	-	-	-	-	-	1,525,983	-	-	-	-
15	Meters	732,296	-	-	-	-	-	-	-	-	-	-	-	732,296	-	-	-
16	Street Lighting	452,294	-	-	-	-	-	-	-	-	-	-	-	-	452,294	-	-
17	Subtotal Distribution	30,188,644	-	-	-	6,876,688	9,594,168	2,591,796	1,729,740	3,061,783	1,785,978	1,837,918	1,525,983	732,296	452,294	-	-
18	Subttl Prod, Trans, & Dist	78,033,699	25,972,725	-	20,500,690	7,789,077	10,048,364	2,591,796	1,729,740	3,061,783	1,785,978	1,837,918	1,525,983	732,296	452,294	-	5,054
19	General	6,431,826	471,138	-	475,038	795,480	1,070,827	286,916	191,485	338,944	197,711	203,461	168,929	163,335	50,070	2,018,302	190
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	68,223	22,707	-	17,923	6,810	8,785	2,266	1,512	2,677	1,561	1,607	1,334	640	395	-	4
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total Plant	84,533,748	26,466,571	-	20,993,652	8,591,368	11,127,975	2,880,978	1,922,737	3,403,404	1,985,250	2,042,986	1,696,246	896,272	502,759	2,018,302	5,248

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	18 Basis of Functional Classification
	Production	
1	Gas Turbines	Production - Demand, Energy ratios Sch.4.1 L.9
2	Diesel	Production - Demand, Energy ratios Sch.4.1 L.9
3	Subtotal Production	
	Transmission	
4	Lines	Production, Transmission - Demand; Distribution - Primary Demand; Spec Assigned - Custmr
5	Terminal Stations	Production, Transmission - Demand; Spec Assigned - Custmr
6	Subtotal Transmission	
	Distribution	
7	Substations	Production - Demand; Dist Substns - Demand
8	Land & Land Improvements	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.32
9	Poles	Primary, Secondary - Demand, Customer - zero intercept ratios Sch.4.1 L.37
10	Primary Conductor & Eqpt	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.38
11	Submarine Conductor	Primary - Demand, Customer - zero intercept ratios Sch.4.1 L.39
12	Transformers	Transformers - Demand, Customer - zero intercept ratios Sch.4.1 L.40
13	Secondary Conductor&Eqpt	Secondary - Demand, Customer - zero intercept ratios Sch. 4.1 L.41
14	Services	Services Customer
15	Meters	Meters - Customer
16	Street Lighting	Street Lighting - Customer
17	Subtotal Distribution	
18	Subttl Prod, Trans, & Dist	
19	General	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - Sch.2.4 L.11, 12
20	Telecontrol - Specific	Specifically Assigned - Customer
21	Feasibility Studies	Production, Transmission - Demand
22	Software - General	Prorated on subtotal Production, Transmission, & Distribution plant - L.18
23	Software - Cust Acctng	
24	Total Plant	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Net Book Value

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Primary Lines Customer (\$)	Line Transformers Demand (\$)	Line Transformers Customer (\$)	Secondary Lines Demand (\$)	Secondary Lines Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Gas Turbines	11,466,748	11,466,748	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	875,096	875,096	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	12,341,844	12,341,844	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Lines	12,589,120	-	-	12,459,557	-	129,563	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	4,272,354	-	-	3,372,393	895,441	-	-	-	-	-	-	-	-	-	-	4,521
6	Subtotal Transmission	16,861,475	-	-	15,831,950	895,441	129,563	-	-	-	-	-	-	-	-	-	4,521
Distribution																	
7	Substations	2,633,357	-	-	-	2,633,357	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	145,408	-	-	-	-	109,630	13,966	-	-	12,716	9,095	-	-	-	-	-
9	Poles	5,905,175	-	-	-	-	3,415,246	1,167,170	-	-	604,501	718,258	-	-	-	-	-
10	Primary Conductor & Eqpt	983,949	-	-	-	-	872,763	111,186	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	389,197	-	-	-	-	389,197	-	-	-	-	-	-	-	-	-	-
12	Transformers	2,701,291	-	-	-	-	-	-	975,166	1,726,125	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	521,267	-	-	-	-	-	-	-	-	303,898	217,368	-	-	-	-	-
14	Services	905,253	-	-	-	-	-	-	-	-	-	-	905,253	-	-	-	-
15	Meters	335,637	-	-	-	-	-	-	-	-	-	-	-	335,637	-	-	-
16	Street Lighting	297,124	-	-	-	-	-	-	-	-	-	-	-	-	297,124	-	-
17	Subtotal Distribution	14,817,658	-	-	-	2,633,357	4,786,837	1,292,322	975,166	1,726,125	921,115	944,722	905,253	335,637	297,124	-	-
18	Subttl Prod, Trans, & Dist	44,020,977	12,341,844	-	15,831,950	3,528,798	4,916,400	1,292,322	975,166	1,726,125	921,115	944,722	905,253	335,637	297,124	-	4,521
19	General	1,999,503	146,466	-	147,678	247,296	332,895	89,195	59,528	105,370	61,464	63,251	52,516	50,777	15,565	627,442	59
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	51,904	14,552	-	18,667	4,161	5,797	1,524	1,150	2,035	1,086	1,114	1,067	396	350	-	5
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total Net Book Value	46,072,383	12,502,861	-	15,998,295	3,780,255	5,255,092	1,383,042	1,035,844	1,833,530	983,665	1,009,087	958,836	386,810	313,039	627,442	4,585

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Substations Demand (\$)	Primary Lines Demand (\$)	Customer (\$)	Line Transformers Demand (\$)	Customer (\$)	Secondary Lines Demand (\$)	Customer (\$)	Services Customer (\$)	Meters Customer (\$)	Street Lighting Customer (\$)	Accounting Customer (\$)	Specifically Assigned Customer (\$)
Production																	
1	Gas Turbine / Diesel	123,558	123,558	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	28,458	28,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	152,017	152,017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Transmission Lines	47,654	-	-	46,345	-	1,309	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	46,816	-	-	38,764	8,008	-	-	-	-	-	-	-	-	-	-	44
6	Other	72,727	-	-	68,166	3,034	1,510	-	-	-	-	-	-	-	-	-	17
7	Subtotal Transmission	167,197	-	-	153,275	11,041	2,819	-	-	-	-	-	-	-	-	-	61
Distribution																	
8	Other	1,052,147	-	-	-	245,627	342,693	92,576	61,784	109,363	63,793	65,648	54,506	-	16,155	-	-
9	Meters	52,702	-	-	-	-	-	-	-	-	-	-	-	52,702	-	-	-
10	Subtotal Distribution	1,104,849	-	-	-	245,627	342,693	92,576	61,784	109,363	63,793	65,648	54,506	52,702	16,155	-	-
11	Subttl Prod, Trans, & Dist	1,424,062	152,017	-	153,275	256,669	345,512	92,576	61,784	109,363	63,793	65,648	54,506	52,702	16,155	-	61
12	Customer Accounting	651,223	-	-	-	-	-	-	-	-	-	-	-	-	-	651,223	-
Administrative & General:																	
Plant-Related:																	
13	Production	58,172	58,172	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	66,372	-	-	62,209	2,769	1,378	-	-	-	-	-	-	-	-	-	15
15	Distribution	187,587	-	-	-	42,731	59,617	16,105	10,748	19,025	11,098	11,421	9,482	4,550	2,810	-	-
16	Prod, Trans, Distn Plant	66,148	22,017	-	17,378	6,603	8,518	2,197	1,466	2,595	1,514	1,558	1,294	621	383	-	4
17	Prod, Trans, Distn & General Plt	391,675	122,629	-	97,271	39,807	51,560	13,349	8,909	15,769	9,198	9,466	7,859	4,153	2,329	9,352	24
18	Property Insurance	55,235	32,738	-	6,056	10,628	1,326	355	237	420	245	252	209	202	62	2,499	6
Revenue-Related:																	
19	Municipal Tax	245,184	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	PUB Assessment	24,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	All Expense-Related	1,091,572	79,959	-	80,621	135,004	181,735	48,694	32,498	57,524	33,554	34,530	28,670	27,720	8,498	342,535	32
22	Prod, Trans & Distn Expense-Related	32,955	3,518	-	3,547	5,940	7,996	2,142	1,430	2,531	1,476	1,519	1,261	1,220	374	-	1
23	Subtotal Admin & General	2,219,235	319,032	-	267,083	243,481	312,128	82,842	55,288	97,864	57,085	58,746	48,775	38,466	14,457	354,385	84
24	Total Operating & Maintenance Expenses	4,294,520	471,049	-	420,358	500,149	657,640	175,418	117,072	207,228	120,879	124,394	103,282	91,168	30,612	1,005,608	145

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related		19 PUB Assessment	20 Basis of Functional Classification
		Municipal Tax			
	Production				
1	Gas Turbine / Diesel	-	-		Production - Demand, Energy ratios Sch.4.1 L.9
2	Other	-	-		Production - Demand, Energy ratios Sch.4.1 L.9
3	Subtotal Production	-	-		
	Transmission				
4	Transmission Lines	-	-		Prorated on Transmission Lines Plant in Service - Sch.2.2 L.4
5	Terminal Stations	-	-		Prorated on Transmission Terminal Stations Plant in Service - Sch.2.2 L.5
6	Other	-	-		Prorated on Transmission Plant in Service - Sch.2.2 L.6
7	Subtotal Transmission	-	-		
	Distribution				
8	Other	-	-		Prorated on Distribution Plant, excluding Meters - Sch. 2.2 L. 17, less L. 15
9	Meters	-	-		Meters - Customer
10	Subtotal Distribution	-	-		
11	Subttl Prod, Trans, & Dist	-	-		
12	Customer Accounting	-	-		Accounting - Customer
	Administrative & General:				
	Plant-Related:				
13	Production	-	-		Prorated on Production Plant in Service - Sch.2.2 L.3
14	Transmission	-	-		Prorated on Transmission Plant in Service - Sch.2.2 L. 6
15	Distribution	-	-		Prorated on Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn Plant	-	-		Prorated on Production, Transmission, Distribution Plant in Service - Sch.2.2 L. 18
17	Prod, Trans, Distn & General Plt	-	-		Prorated on Production, Transmission, Distribution & General Plant in Service - Sch.2.2 L.24
18	Property Insurance	-	-		Prorated on Prod., Trans. Terminal, Dist. Sub & General Plant in Service - Sch.2.2 L.3, 5, 7, 19 - 20
	Revenue-Related:				
19	Municipal Tax	245,184	-		Revenue-related
20	PUB Assessment	-	24,335		Revenue-related
21	All Expense-Related	-	-		Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L 11, 12
22	Prod,Trans & Distn Expense-Related	-	-		Prorated on Subtotal Production, Transmission, Distribution Expenses - L.11
23	Subtotal Admin & General	245,184	24,335		
24	Total Operating & Maintenance Expenses	245,184	24,335		

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected

Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount (\$)	3 Production Demand (\$)	4 Production and Transmission Energy (\$)	5 Transmission Demand (\$)	6 Substations Demand (\$)	7 Primary Lines Demand (\$)	8 Customer (\$)	9 Line Transformers Demand (\$)	10 Customer (\$)	11 Secondary Lines Demand (\$)	12 Customer (\$)	13 Services Customer (\$)	14 Meters Customer (\$)	15 Street Lighting Customer (\$)	16 Accounting Customer (\$)	17 Specifically Assigned Customer (\$)
Production																	
1	Gas Turbines	901,529	901,529	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	59,314	59,314	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Subtotal Production	960,843	960,843	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																	
4	Lines	456,030	-	-	441,062	-	14,967	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	113,876	-	-	110,761	3,025	-	-	-	-	-	-	-	-	-	-	90
6	Subtotal Transmission	569,905	-	-	551,823	3,025	14,967	-	-	-	-	-	-	-	-	-	90
Distribution																	
7	Substations	132,110	-	-	-	132,110	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	6,581	-	-	-	-	4,962	632	-	-	576	412	-	-	-	-	-
9	Poles	311,255	-	-	-	-	180,014	61,520	-	-	31,863	37,859	-	-	-	-	-
10	Primary Conductor & Eqpt	42,964	-	-	-	-	38,109	4,855	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	15,886	-	-	-	-	15,886	-	-	-	-	-	-	-	-	-	-
12	Transformers	133,965	-	-	-	-	-	-	48,361	85,604	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	25,210	-	-	-	-	-	-	-	-	14,698	10,513	-	-	-	-	-
14	Services	41,101	-	-	-	-	-	-	-	-	-	-	41,101	-	-	-	-
15	Meters	17,689	-	-	-	-	-	-	-	-	-	-	-	17,689	-	-	-
16	Street Lighting	13,514	-	-	-	-	-	-	-	-	-	-	-	-	13,514	-	-
17	Subtotal Distribution	740,274	-	-	-	132,110	238,970	67,007	48,361	85,604	47,136	48,783	41,101	17,689	13,514	-	-
18	Subttl Prod, Trans, & Dist	2,271,023	960,843	-	551,823	135,135	253,938	67,007	48,361	85,604	47,136	48,783	41,101	17,689	13,514	-	90
19	General	259,126	18,981	-	19,138	32,048	43,142	11,559	7,715	13,655	7,965	8,197	6,806	6,580	2,017	81,314	8
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	59,239	25,064	-	14,394	3,525	6,624	1,748	1,262	2,233	1,230	1,272	1,072	461	353	-	2
23	Software - Cust Acctg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total Depreciation Expense	2,589,389	1,004,888	-	585,356	170,708	303,703	80,314	57,337	101,492	56,331	58,252	48,979	24,731	15,884	81,314	100

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Rate Base

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line No.	Description	Total Amount (\$)	Production Demand (\$)	Production and Transmission Energy (\$)	Transmission Demand (\$)	Distribution											Specifically Assigned Customer (\$)
						Substations Demand (\$)	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	
							Demand (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Demand (\$)	Customer (\$)	Customer (\$)	Customer (\$)	Customer (\$)	
1	Average Net Book Value	46,072,383	12,502,861	-	15,998,295	3,780,255	5,255,092	1,383,042	1,035,844	1,833,530	983,665	1,009,087	958,836	386,810	313,039	627,442	4,585
2	Cash Working Capital	103,090	27,976	-	35,797	8,459	11,759	3,095	2,318	4,103	2,201	2,258	2,145	866	700	1,404	10
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	38,151	38,151	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	87,188	87,188	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	856,571	268,183	-	212,726	87,055	112,759	29,193	19,483	34,486	20,116	20,701	17,188	9,082	5,094	20,451	53
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	2,761,417	749,378	-	958,882	226,575	314,972	82,895	62,085	109,895	58,957	60,481	57,469	23,184	18,762	37,607	275
8	Total Rate Base	49,918,801	13,673,737	-	17,205,701	4,102,344	5,694,581	1,498,224	1,119,730	1,982,015	1,064,940	1,092,527	1,035,639	419,942	337,597	686,904	4,923
9	Less: Rural Portion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Rate Base Available for Equity Return	49,918,801	13,673,737	-	17,205,701	4,102,344	5,694,581	1,498,224	1,119,730	1,982,015	1,064,940	1,092,527	1,035,639	419,942	337,597	686,904	4,923
11	Return on Debt	3,563,415	976,089	-	1,228,215	292,843	406,503	106,950	79,931	141,485	76,020	77,989	73,928	29,977	24,099	49,034	351
12	Return on Equity	181,804	49,800	-	62,663	14,941	20,740	5,457	4,078	7,218	3,879	3,979	3,772	1,529	1,230	2,502	18
13	Return on Rate Base	3,745,219	1,025,889	-	1,290,879	307,783	427,243	112,406	84,009	148,703	79,898	81,968	77,700	31,507	25,329	51,536	369

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Functional Classification of Rate Base (CONT'D.)

	1	18
Line No.	Description	Basis of Functional Classification
1	Average Net Book Value	Sch. 2.3, L. 24
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Demand
5	Fuel Inventory - Gas Turbine	Production - Demand
6	Inventory/Supplies	Prorated on Total Plant in Service, Sch. 2.2, L. 24
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
8	Total Rate Base	
9	Less: Rural Portion	
10	Rate Base Available for Equity Return	
11	Return on Debt	L.8 x Sch.1.1,p2,L.13
12	Return on Equity	L.10 x Sch.1.1,p2,L.16
13	Return on Rate Base	

Basis of Allocation to Classes of Service

[illegible]

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Basis of Allocation to Classes of Service (CONT'D.)

Line No.		18	19
		Revenue Related	
		Municipal	PUB
		Tax	Assessment
		(Prior Year	(Prior Year
	Amounts	(Rural Revenues)	(Revenues + RSP)
1	CFB - Goose Bay Secondary	-	3,363,030
2	IOCC Firm	-	-
3	IOCC Non-Firm	-	-
	Rural		
4	1.1Domestic	206,586	206,586
5	1.1A Domestic All Electric	5,560,637	5,560,637
6	2.1GS 0-10 kW	148,782	148,782
7	2.2GS 10-100 kW	1,650,655	1,650,655
8	2.3GS 110-1,000 kVa	2,173,122	2,173,122
9	2.4GS Over 1,000 kVa	186,109	1,567,094
10	4.1Street and Area Lighting	178,320	178,320
11	Subtotal Rural	10,104,211	11,485,196
12	Total Labrador Interconnected	10,104,211	14,848,226
	Ratios		
13	CFB - Goose Bay Boiler	-	0.2265
14	IOCC Firm	-	-
15	IOCC Non-Firm	-	-
	Rural		
16	1.1Domestic	0.0204	0.0139
17	1.1A Domestic All Electric	0.5503	0.3745
18	2.1GS 0-10 kW	0.0147	0.0100
19	2.2GS 10-100 kW	0.1634	0.1112
20	2.3GS 110-1,000 kVa	0.2151	0.1464
21	2.4GS Over 1,000 kVa	0.0184	0.1055
22	4.1Street and Area Lighting	0.0176	0.0120
23	Subtotal Rural	1.0000	0.7735
24	Total Labrador Interconnected	1.0000	1.0000
	Ratios Excluding IOCC		
25	CFB - Goose Bay Boiler	-	0.2265
	Rural		
26	1.1Domestic	0.0204	0.0139
27	1.1A Domestic All Electric	0.5503	0.3745
28	2.1GS 0-10 kW	0.0147	0.0100
29	2.2GS 10-100 kW	0.1634	0.1112
30	2.3GS 110-1,000 kVa	0.2151	0.1464
31	2.4GS Over 1,000 kVa	0.0184	0.1055
32	4.1Street and Area Lighting	0.0176	0.0120
33	Subtotal Rural	1.0000	0.7735
34	Total Labrador Interconnected	1.0000	1.0000

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected

Allocation of Functionalized Amounts to Classes of Service

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
			Production and													
			Transmission	Transmission	Substations	Distribution										Specifically
Line	Total	Production	Energy	Demand	Demand	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting	Assigned
No. Description	Amount	Demand			Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer	Customer
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Allocated Rev Reqmt Excl Return																
1 CFB - Goose Bay Boiler	129,512	-	123,595	-	-	-	23	-	33	-	17	-	-	-	115	245
2 IOCC Firm	1,714,697	957,073	396,561	361,063	-	-	-	-	-	-	-	-	-	-	-	-
3 IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural:																
4 1.1Domestic	250,063	33,604	14,369	12,677	15,196	16,492	16,508	3,534	23,665	3,167	12,097	7,378	4,377	-	81,676	-
5 1.1A Domestic All Electric	4,598,489	1,014,199	438,053	382,614	458,634	497,751	165,617	106,647	237,418	95,572	121,359	74,014	43,911	-	819,397	-
6 2.1GS 0-10 kW	127,974	11,572	6,746	4,366	5,233	5,679	9,251	1,217	13,262	1,090	6,779	8,269	4,906	-	45,771	-
7 2.2GS 10-100 kW	771,890	175,323	96,376	66,142	79,283	86,045	14,125	16,028	20,249	14,363	10,351	50,951	30,229	-	69,886	-
8 2.3GS 110-1,000 kVa	957,519	287,452	144,336	108,443	129,990	141,076	2,824	26,409	4,048	23,666	2,069	10,816	6,417	-	13,970	-
9 2.4GS Over 1,000 kVa	588,636	186,159	110,556	70,230	84,184	91,364	139	19,575	199	17,542	102	533	316	-	688	-
10 4.1Street and Area Lighting	121,007	6,090	2,538	2,298	2,754	2,989	6,423	640	9,207	574	4,706	-	-	46,418	31,776	-
Subtotal Rural	7,415,578	1,714,399	812,973	646,770	775,273	841,396	214,888	174,049	308,048	155,975	157,463	151,960	90,155	46,418	1,063,162	-
Total	9,266,191	2,671,473	1,339,533	1,007,833	775,273	841,396	214,911	174,049	308,082	155,975	157,480	151,960	90,155	46,418	1,063,277	245
Allocated Return on Debt																
13 CFB - Goose Bay Boiler	392	-	-	-	-	-	12	-	15	-	8	-	-	-	5	351
14 IOCC Firm	789,707	349,691	-	440,017	-	-	-	-	-	-	-	-	-	-	-	-
15 IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural:																
16 1.1Domestic	78,487	12,278	-	15,449	5,740	7,968	8,215	1,623	10,868	1,543	5,991	3,589	1,455	-	3,767	-
17 1.1A Domestic All Electric	1,686,065	370,563	-	466,280	173,239	240,478	82,419	48,977	109,033	46,580	60,101	36,008	14,601	-	37,787	-
18 2.1GS 0-10 kW	37,175	4,228	-	5,320	1,977	2,744	4,604	559	6,090	531	3,357	4,023	1,631	-	2,111	-
19 2.2GS 10-100 kW	290,060	64,059	-	80,605	29,947	41,571	7,029	7,361	9,299	7,001	5,126	24,788	10,051	-	3,223	-
20 2.3GS 110-1,000 kVa	390,434	105,028	-	132,157	49,101	68,158	1,405	12,128	1,859	11,535	1,025	5,262	2,134	-	644	-
21 2.4GS Over 1,000 kVa	247,691	68,018	-	85,587	31,799	44,140	69	8,990	92	8,550	50	259	105	-	32	-
22 4.1Street and Area Lighting	43,403	2,225	-	2,800	1,040	1,444	3,196	294	4,228	280	2,331	-	-	24,099	1,465	-
Subtotal Rural	2,773,315	626,398	-	788,199	292,843	406,503	106,938	79,931	141,469	76,020	77,981	73,928	29,977	24,099	49,029	-
Total	3,563,415	976,089	-	1,228,215	292,843	406,503	106,950	79,931	141,485	76,020	77,989	73,928	29,977	24,099	49,034	351
Allocated Return on Equity																
25 CFB - Goose Bay Boiler	20	-	-	-	-	-	1	-	1	-	0	-	-	-	0	18
26 IOCC Firm	40,291	17,841	-	22,450	-	-	-	-	-	-	-	-	-	-	-	-
27 IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural:																
28 1.1Domestic	4,004	626	-	788	293	407	419	83	554	79	306	183	74	-	192	-
29 1.1A Domestic All Electric	86,023	18,906	-	23,789	8,839	12,269	4,205	2,499	5,563	2,377	3,066	1,837	745	-	1,928	-
30 2.1GS 0-10 kW	1,897	216	-	271	101	140	235	29	311	27	171	205	83	-	108	-
31 2.2GS 10-100 kW	14,799	3,268	-	4,112	1,528	2,121	359	376	474	357	262	1,265	513	-	164	-
32 2.3GS 110-1,000 kVa	19,920	5,358	-	6,743	2,505	3,477	72	619	95	588	52	268	109	-	33	-
33 2.4GS Over 1,000 kVa	12,637	3,470	-	4,367	1,622	2,252	4	459	5	436	3	13	5	-	2	-
34 4.1Street and Area Lighting	2,214	114	-	143	53	74	163	15	216	14	119	-	-	1,230	75	-
Subtotal Rural	141,494	31,959	-	40,214	14,941	20,740	5,456	4,078	7,218	3,879	3,979	3,772	1,529	1,230	2,501	-
Total	181,804	49,800	-	62,663	14,941	20,740	5,457	4,078	7,218	3,879	3,979	3,772	1,529	1,230	2,502	18

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

		18	19	
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Proration
		(\$)	(\$)	
	Allocated Rev Reqmt Excl Return			
1	CFB - Goose Bay Boiler	-	5,483	
2	IOCC Firm	-	-	
3	IOCC Non-Firm	-	-	
	Rural:			
4	1.1Domestic	4,987	337	
5	1.1A Domestic All Electric	134,237	9,067	
6	2.1GS 0-10 kW	3,592	243	
7	2.2GS 10-100 kW	39,848	2,691	
8	2.3GS 110-1,000 kVa	52,461	3,543	
9	2.4GS Over 1,000 kVa	4,493	2,555	
10	4.1Street and Area Lighting	4,305	291	
11	Subtotal Rural	243,922	18,727	
12	Total	243,922	24,210	
	Allocated Return on Debt			
13	CFB - Goose Bay Boiler	-	-	
14	IOCC Firm	-	-	
15	IOCC Non-Firm	-	-	
	Rural:			
16	1.1Domestic	-	-	
17	1.1A Domestic All Electric	-	-	
18	2.1GS 0-10 kW	-	-	
19	2.2GS 10-100 kW	-	-	
20	2.3GS 110-1,000 kVa	-	-	
21	2.4GS Over 1,000 kVa	-	-	
22	4.1Street and Area Lighting	-	-	
23	Subtotal Rural	-	-	
24	Total	-	-	
	Allocated Return on Equity			
25	CFB - Goose Bay Boiler	-	-	
26	IOCC Firm	-	-	
27	IOCC Non-Firm	-	-	
	Rural:			
28	1.1Domestic	-	-	
29	1.1A Domestic All Electric	-	-	
30	2.1GS 0-10 kW	-	-	
31	2.2GS 10-100 kW	-	-	
32	2.3GS 110-1,000 kVa	-	-	
33	2.4GS Over 1,000 kVa	-	-	
34	4.1Street and Area Lighting	-	-	
35	Subtotal Rural	-	-	
36	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected

Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
			Production and													
Line		Total	Production	Transmission	Transmission	Distribution										
No.	Description	Amount	Demand	Energy	Demand	Substations	Primary Lines		Line Transformers		Secondary Lines		Services	Meters	Street Lighting	Accounting
		(\$)	(\$)	(\$)	(\$)	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Customer
37	CFB - Goose Bay Boiler	129,924	-	123,595	-	-	-	35	-	49	-	26	-	-	-	120
38	IOCC Firm	2,544,695	1,324,605	396,561	823,529	-	-	-	-	-	-	-	-	-	-	-
39	IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:															
40	1.1Domestic	332,554	46,508	14,369	28,915	21,229	24,866	25,143	5,239	35,088	4,789	18,393	11,150	5,907	-	85,635
41	1.1A Domestic All Electric	6,370,577	1,403,668	438,053	872,684	640,711	750,498	252,241	158,122	352,013	144,529	184,526	111,858	59,257	-	859,112
42	2.1GS 0-10 kW	167,046	16,016	6,746	9,957	7,310	8,563	14,090	1,804	19,663	1,649	10,307	12,497	6,620	-	47,989
43	2.2GS 10-100 kW	1,076,749	242,649	96,376	150,859	110,759	129,737	21,513	23,764	30,023	21,721	15,738	77,004	40,793	-	73,273
44	2.3GS 110-1,000 kVa	1,367,873	397,839	144,336	247,343	181,595	212,712	4,300	39,155	6,001	35,789	3,146	16,346	8,659	-	14,647
45	2.4GS Over 1,000 kVa	848,965	257,648	110,556	160,184	117,605	137,756	212	29,024	296	26,529	155	805	427	-	722
46	4.1Street and Area Lighting	166,624	8,429	2,538	5,240	3,847	4,507	9,782	949	13,651	868	7,156	-	-	71,746	33,316
47	Subtotal Rural	10,330,387	2,372,756	812,973	1,475,182	1,083,057	1,268,639	327,281	258,058	456,735	235,873	239,422	229,660	121,662	71,746	1,114,693
48	Total	13,011,410	3,697,361	1,339,533	2,298,711	1,083,057	1,268,639	327,317	258,058	456,785	235,873	239,448	229,660	121,662	71,746	1,114,813
	Re-classification of Revenue-Related															
49	CFB - Goose Bay Boiler	-	-	5,446	-	-	-	2	-	2	-	1	-	-	-	5
50	IOCC Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:															
52	1.1Domestic	(0)	757	234	470	345	405	409	85	571	78	299	181	96	-	1,393
53	1.1A Domestic All Electric	0	32,302	10,081	20,083	14,744	17,271	5,805	3,639	8,101	3,326	4,246	2,574	1,364	-	19,770
54	2.1GS 0-10 kW	-	376	158	234	172	201	331	42	462	39	242	294	156	-	1,127
55	2.2GS 10-100 kW	-	9,981	3,964	6,205	4,556	5,336	885	977	1,235	893	647	3,167	1,678	-	3,014
56	2.3GS 110-1,000 kVa	(0)	16,984	6,162	10,559	7,752	9,081	184	1,672	256	1,528	134	698	370	-	625
57	2.4GS Over 1,000 kVa	-	2,157	925	1,341	985	1,153	2	243	2	222	1	7	4	-	6
58	4.1Street and Area Lighting	(0)	239	72	149	109	128	277	27	387	25	203	-	-	2,035	945
59	Subtotal Rural	(0)	62,795	21,596	39,041	28,663	33,575	7,892	6,685	11,014	6,111	5,774	6,921	3,666	2,035	26,881
60	Total	0	62,795	27,042	39,041	28,663	33,575	7,894	6,685	11,016	6,111	5,775	6,921	3,666	2,035	26,886
	Total Allocated Revenue Requirement															
61	CFB - Goose Bay Boiler	129,924	-	129,041	-	-	-	37	-	51	-	27	-	-	-	126
62	IOCC Firm	2,544,695	1,324,605	396,561	823,529	-	-	-	-	-	-	-	-	-	-	-
63	IOCC Non-Firm	6,404	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:															
64	1.1Domestic	332,554	47,265	14,603	29,385	21,574	25,271	25,552	5,324	35,659	4,867	18,692	11,331	6,003	-	87,028
65	1.1A Domestic All Electric	6,370,577	1,435,970	448,133	892,766	655,456	767,768	258,046	161,761	360,114	147,854	188,773	114,432	60,620	-	878,882
66	2.1GS 0-10 kW	167,046	16,392	6,905	10,191	7,482	8,764	14,421	1,847	20,125	1,688	10,550	12,790	6,776	-	49,116
67	2.2GS 10-100 kW	1,076,749	252,630	100,340	157,064	115,314	135,073	22,398	24,742	31,258	22,615	16,385	80,171	42,471	-	76,287
68	2.3GS 110-1,000 kVa	1,367,873	414,822	150,498	257,902	189,348	221,793	4,484	40,827	6,258	37,317	3,280	17,044	9,029	-	15,272
69	2.4GS Over 1,000 kVa	848,965	259,804	111,481	161,525	118,589	138,909	214	29,267	298	26,751	156	812	430	-	728
70	4.1Street and Area Lighting	166,624	8,668	2,610	5,389	3,956	4,634	10,059	976	14,038	892	7,359	-	-	73,781	34,261
71	Subtotal Rural	10,330,387	2,435,551	834,570	1,514,223	1,111,720	1,302,213	335,174	264,744	467,750	241,984	245,196	236,581	125,328	73,781	1,141,574
72	Total	13,011,410	3,760,156	1,366,576	2,337,752	1,111,720	1,302,213	335,211	264,744	467,801	241,984	245,223	236,581	125,328	73,781	1,141,699

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	Description	Revenue Related		Basis of Proration
		Municipal	PUB	
		Tax (\$)	Assessment (\$)	
	Total Revenue Requirement			
37	CFB - Goose Bay Boiler	-	5,483	
38	IOCC Firm	-	-	
39	IOCC Non-Firm	-	-	
	Rural:			
40	1.1Domestic	4,987	337	
41	1.1A Domestic All Electric	134,237	9,067	
42	2.1GS 0-10 kW	3,592	243	
43	2.2GS 10-100 kW	39,848	2,691	
44	2.3GS 110-1,000 kVa	52,461	3,543	
45	2.4GS Over 1,000 kVa	4,493	2,555	
46	4.1Street and Area Lighting	4,305	291	
47	Subtotal Rural	243,922	18,727	
48	Total	243,922	24,210	
	Re-classification of Revenue-Related			
49	CFB - Goose Bay Boiler	-	(5,483)	Re-classification to demand, energy and customer is based on rate class revenue
50	IOCC Firm	-	-	requirements excluding revenue-related items.
51	IOCC Non-Firm	-	-	
	Rural:			
52	1.1Domestic	(4,987)	(337)	
53	1.1A Domestic All Electric	(134,237)	(9,067)	
54	2.1GS 0-10 kW	(3,592)	(243)	
55	2.2GS 10-100 kW	(39,848)	(2,691)	
56	2.3GS 110-1,000 kVa	(52,461)	(3,543)	
57	2.4GS Over 1,000 kVa	(4,493)	(2,555)	
58	4.1Street and Area Lighting	(4,305)	(291)	
59	Subtotal Rural	(243,922)	(18,727)	
60	Total	(243,922)	(24,210)	
	Total Allocated Revenue Requirement			
61	CFB - Goose Bay Boiler	-	-	
62	IOCC Firm	-	-	
63	IOCC Non-Firm	-	-	
	Rural:			
64	1.1Domestic	-	-	
65	1.1A Domestic All Electric	-	-	
66	2.1GS 0-10 kW	-	-	
67	2.2GS 10-100 kW	-	-	
68	2.3GS 110-1,000 kVa	-	-	
69	2.4GS Over 1,000 kVa	-	-	
70	4.1Street and Area Lighting	-	-	
71	Subtotal Rural	-	-	
72	Total	-	-	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Functionalization & Classification Ratios

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Description	Total Amount (%)	Production Demand (%)	Production & Transmission Energy (%)	Transmission Demand (%)	Rural Prod & Transmission Demand (%)	Substations Demand (%)	Primary Lines Demand (%)	Primary Lines Customer (%)	Line Transformers Demand (%)	Line Transformers Customer (%)	Secondary Lines Demand (%)	Secondary Lines Customer (%)	Services Customer (%)	Meters Customer (%)	Street Lighting Customer (%)	Accounting Customer (%)	Specifically Assigned Customer (%)
	Generation																	
1	Hydraulic	100%	42.10%	57.90%														
2	Hydraulic - GNP	100%	0.00%	0.00%		100.0%												
3	Holyrood	100%	57.72%	42.28%														
4	Gas Tur Island Intercnctd	100%	100.00%	0.00%														
5	Diesel Island Intercnctd - GNP	100%	0.00%	0.00%		100.0%												
6	Dsl / Gas Tur Island Isolated	100%	45.78%	54.22%														
7	Dsl / Gas Tur Labrador Isolated	100%	38.83%	61.17%														
8	Dsl / Gas Tur L'Anse au Loup	100%	100.00%	0.00%														
9	Dsl / Gas Tur Labrador Intercnctd	100%	100.00%	0.00%														
	Fuel																	
10	No. 6 Fuel	100%	0.00%	100.00%														
11	Gas Tur Island Intercnctd	100%	100.00%	0.00%														
12	Diesel Island Intercnctd - GNP	100%	0.00%	0.00%		100.0%												
13	Dsl / Gas Tur Island / Lab Isolated	100%	0.00%	100.00%														
14	Dsl / Gas Tur L'Anse au Loup	100%	0.00%	100.00%														
15	Dsl / Gas Tur Labrador Intercnctd	100%	100.00%	0.00%														
	Transmission Lines & Terminals																	
16	Lines	100%		0.00%	100%													
17	Lines - Hydraulic	100%	42.10%	57.90%														
18	Lines - Customer Specific	100%																
19	Terminal Stations	100%		0.00%	100%													100%
20	Term Stns - Hydraulic	100%	42.10%	57.90%														
21	Term Stns - Holyrood	100%	57.72%	42.28%														
22	Term Stns - Gas Tur	100%	100%															
23	Term Stns - Diesel GNP	100%	0.00%	0.00%		100.0%												
24	Terminal Stations - Distribution	100%					100%											
25	Term Stns - Custmr Specific	100%																100%
26	Rural Lines	100%				100.0%												
27	Rural Terminal Stations	100%				100.0%												

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Functionalization & Classification Ratios

Line No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Description	Total Amount (%)	Production Demand (%)	Production & Transmission Energy (%)	Transmission Demand (%)	Rural Prod & Transmission Demand (%)	Distribution											
							Substations Demand (%)	Primary Lines Demand (%)	Primary Lines Customer (%)	Line Transformers Demand (%)	Line Transformers Customer (%)	Secondary Lines Demand (%)	Secondary Lines Customer (%)	Services Customer (%)	Meters Customer (%)	Street Lighting Customer (%)	Accounting Customer (%)	Specifically Assigned Customer (%)
	Distribution																	
28	Substation Structures & Equipment						100%											
29	Land & Land Improvements - by Sub-function:																	
30	Primary	85%						88.7%	11.3%									
31	Secondary	15%										58.3%	41.7%					
32	Land & Land Improvements	100%						75.4%	9.6%			8.7%	6.3%					
33	Poles - by Subfunction:																	
34	3 phase - Primary	41.2%						100.0%										
35	Other Primary	36.4%						45.7%	54.3%									
36	Secondary	22.4%										45.7%	54.3%					
37	Poles	100%						57.8%	19.8%			10.2%	12.2%					
38	Primary Condctr & Equip	100%						88.7%	11.3%									
39	Submarine Conductor	100%						100.0%										
40	Transformers	100%								36.1%	63.9%							
41	Secondary Condctr & Equip	100%										58.3%	41.7%					
42	Services	100%												100.0%				
43	Meters	100%													100.0%			
44	Street Lighting	100%														100.0%		
45	Customer Accounting	100%															100.0%	

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)

System Load Factor

Line No.	1	2	3	4	5	6
		Island Interconnected	Island Isolated	Labrador Isolated	L'Anse au Loup	Labrador Interconnected
1	Sales+Losses for System Load Factor (MWh)	6,737,249	10,484	41,436	16,319	947,700
2	Hours in Year	8,784	8,784	8,784	8,784	8,784
3	Average Demand (kW)	766,991	1,193	4,717	1,858	107,889
4	Coincident Peak at Generation (kW)	1,324,720	2,201	7,712	3,807	196,035
5	System Load Factor	57.90%	54.22%	61.17%	48.80%	55.04%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Holyrood Capacity Factor

	1	2	3	4	5
Line No.	Year	Net Production (kWh)	Net Capacity (MW)	Net Production Hours	Net Capacity Factor
1	1999 Actual	919,801,520	466	8,760	22.53%
2	2000 Actual	970,283,280	466	8,784	23.70%
3	2001 Actual	2,098,489,700	466	8,760	51.41%
4	2002 Actual	2,385,262,000	466	8,760	58.43%
5	2003 Forecast	2,259,860,000	466	8,760	55.36%
6	5-Year Average	1,726,739,300	466	8,765	42.28%

NEWFOUNDLAND & LABRADOR HYDRO
2004 Forecast Cost of Service - Revision 1 with ROE @ 3% (IC-358)
Total System
Power Purchases

Line No.	1	2	3	4	5	6	7	
	Total (\$)	Production Demand (\$)	Production & Transmission Energy (\$)	Transmission Demand (\$)	Rural Transmission Demand (\$)	Distribution Demand (\$)		Basis of Functional Classification
Island Interconnected:								
1	-	-	-	-	-	-	-	Production - Energy (Same as RSP Sec Load Var)
2	-	-	-	-	-	-	-	Production - Energy (Secondary)
3	426,701	-	-	-	-	426,701	-	Rural Transmission
4	-	-	-	-	-	-	-	Production - Demand
5	-	-	-	-	-	-	-	Production - Energy
6	29,501,629	12,420,675	17,080,954	-	-	-	-	Energy: System Load Factor
7	Subtotal	29,928,330	12,420,675	17,080,954	-	426,701	-	
Labrador Interconnected:								
8	2,433,927	1,094,394	1,339,533	-	-	-	-	Energy: System Load Factor
9	106,235	-	-	-	-	-	106,235	
10	Subtotal	2,540,162	1,094,394	1,339,533	-	-	106,235	
Isolated Systems:								
11	34,275	-	34,275	-	-	-	-	Production - Energy
12	812,107	-	812,107	-	-	-	-	Production - Energy
13	Subtotal	846,382	-	846,382	-	-	-	
14	Total	33,314,874	13,515,068	19,266,870	-	426,701	106,235	