

1 Q. It appears from the sample rate provided in a “Review of Rate Design for  
2 Newfoundland Power” that the fuel cost at Holyrood is forecast to be about  
3 \$0.0470 /kWh. What is the 2004 forecast short-run marginal cost of  
4 production at Holyrood, factoring in both fuel and variable operating and  
5 maintenance costs?

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8 A. The forecast short-run marginal cost of production at Holyrood is:

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10	Fuel	\$0.0468/kWh
11	<u>Variable O&amp;M</u>	<u>\$0.0045/kWh</u>
12	Total	\$0.0513/kWh