

1   Q.    Convert the tail-block rate proposed for industrial customers to a price per  
2       barrel of No. 6 fuel at Holyrood based on the 2004 forecast fuel conversion  
3       factor (Rates and Customer Services, page 4, lines 7 to 10).  
4  
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6   A.    Please see attached. The Industrial Customers' rate structure does not have  
7       a tail-block, per se, however, it may be inferred that the tail-block is that  
8       which exceeds Power on Order, so the non-firm rate has been provided.  
9       Since the Rates and Customer Services pre-filed evidence, page 4, lines 7 to  
10       10 discusses the Industrial Customers' firm rate, that information is also  
11       included.

**NEWFOUNDLAND & LABRADOR HYDRO**  
**Industrial Mill Rate Converted to Equivalent Price per Barrel No. 6 Fuel**

Line  
No.

		Firm	Non-Firm
1	Mill Rate	27.65	51.78
2	Efficiency (kWhrs/Bbl.)	624	624
3	Equivalent No. 6 Fuel Price (\$/Bbl.) (Line 1*Line 2/1000)	17.25	32.31

Non-Firm rate is the average rate, calculated based on 2004 forecast fuel.