Q. Complete the following table for each year from 1998 to 2002 and forecast for 2003 and 2004:

Hydro
Calculation of Plant Investment and Rate Base
1998 – 2004
(000s)

			Balance Dec. 31 1998	Balance Dec. 31 1999	….	Balance Dec. 31 2003	Balance Dec. 31 2004
Plant Investment							
1	Power Generation:		$ -	$ -		$ -	$ -
2	- Thermal		$ -	$ -		$ -	$ -
3	- Hydro		$ -	$ -		$ -	$ -
4	- Diesel		$ -	$ -		$ -	$ -
5	- Gas Turbine		$ -	$ -		$ -	$ -
6	Total		$ -	$ -		$ -	$ -
7							
8	Substations		$ -	$ -		$ -	$ -
9	Transmission		$ -	$ -		$ -	$ -
10	Distribution		$ -	$ -		$ -	$ -
11	General Properties		$ -	$ -		$ -	$ -
12	Transportation		$ -	$ -		$ -	$ -
13	Communications		$ -	$ -		$ -	$ -
14	Computer Software		$ -	$ -		$ -	$ -
15	Computer Hardware		$ -	$ -		$ -	$ -
16	Customer Contributions		$ -	$ -		$ -	$ -
17	Government Contributions		$ -	$ -		$ -	$ -
18							
19	Total Depreciable Plant	[Line 6 + Lines 8 to17]	$ -	$ -		$ -	$ -
20							
21	Non-Depreciable Land/Plant		$ -	$ -		$ -	$ -
22							
23	Total Plant	[Line 19 + Line 21]	$ -	$ -		$ -	$ -
24							
25	Construction Work In Progress	[CWIP]	$ -	$ -		$ -	$ -
26							
27	Total Plant Investment	[Line 23 + Line 25]	$ -	$ -		$ -	$ -

Rate Base Calculation

-						
28	Plant Investment Less CWIP	Line 23	$ -	$ -	$ -	$ -
29						
30	Deduct:					
31	Accumulated Depreciation		$ -	$ -	$ -	$ -
32	Contributions In Aid of Construction		$ -	$ -	$ -	$ -
33	Add/Deduct Other Items		$ -	$ -	$ -	$ -
34			$ -	$ -	$ -	$ -
35						
36	Net Plant Investment	Line 28 - Line 34	$ -	$ -	$ -	$ -
37						
38	Deferred Realized Foreign Exchange Loss		$ -	$ -	$ -	$ -
39	Cash Working Capital Allowance		$ -	$ -	$ -	$ -
40	Inventories		$ -	$ -	$ -	$ -
41						
42	Rate Base At Year End	Line 36+38+39+40	$ -	$ -	$ -	$ -

A. Please refer to the attached report.

NEWFOUNDLAND AND LABRADOR HYDRO
CALCULATION OF PLANT INVESTMENT and RATE BASE
1998-2004
($000)

PLANT INVESTMENT

		1998	1999	2000	2001	2002	Forecast 2003	Forecast 2004
1	**Power Generation**							
2	**-Thermal**	199,634	177,187	177,463	179,878	177,295	183,679	184,407
3	**-Hydro**	717,314	717,574	718,326	719,278	722,751	844,210	846,737
4	**-Diesel**	50,990	52,569	53,610	58,708	62,515	63,804	64,540
5	**-Gas Turbine**	44,640	45,336	45,665	45,866	46,172	45,884	45,884
6	**Total**	1,012,578	992,666	995,064	1,003,730	1,008,733	1,137,577	1,141,568
7								
8	**Substations**	159,601	159,742	162,260	164,578	166,035	168,610	170,640
9	**Transmission**	237,896	239,908	262,951	277,071	291,416	304,794	308,817
10	**Distribution**	111,659	114,932	119,281	122,659	133,942	135,454	139,511
11	**General Properties**	68,460	70,687	71,246	71,005	72,873	80,526	86,298
12	**Transportation**	9,883	9,692	11,554	13,360	12,283	12,350	12,825
13	**Communications**	26,611	28,709	31,882	44,521	46,724	58,907	60,469
14	**Computer Software**	239	11,855	12,741	13,066	13,614	14,121	14,857
15	**Computer Hardware**	9,456	9,276	8,106	8,444	8,604	8,910	9,154
16								
17	**Total Depreciable Plant**	1,636,383	1,637,467	1,675,085	1,718,434	1,754,224	1,921,249	1,944,139
18								
19	**Non-Depreciable Land/Plant**	3,487	3,487	3,496	3,505	3,501	3,531	3,531
20								
21	**Total Plant**	1,639,870	1,640,954	1,678,581	1,721,939	1,757,725	1,924,780	1,947,670
22								
23	**Construction Work In Progress**	16,249	41,621	45,517	88,152	153,884	55,403	69,299
24								
25	**Total Plant Investment**	1,656,119	1,682,575	1,724,098	1,810,091	1,911,609	1,980,183	2,016,969

NEWFOUNDLAND AND LABRADOR HYDRO
CALCULATION OF PLANT INVESTMENT and RATE BASE
1998-2004
($000)

		1998	1999	2000	2001	2002	Forecast 2003	Forecast 2004
	Rate Base Calculation							
26	**Plant Investment Less CWIP**	1,639,870	1,640,954	1,678,581	1,721,939	1,757,725	1,924,780	1,947,670
27								
28	**Deduct:**							
29	**Accumulated Depreciation**	328,458	349,883	378,732	405,043	433,572	465,334	497,452
30	**Customer Contributions**	11,074	11,170	12,048	11,999	11,857	11,916	12,187
31	**Government Contributions**	79,417	78,618	76,919	76,620	75,712	74,752	74,210
32	**Add/Deduct Other Items**	2,012	2,278	2,139	2,165	2,165	2,089	2,084
33		420,961	441,949	469,838	495,827	523,306	554,091	585,933
34								
35	**Net Plant Investment**	1,218,909	1,199,005	1,208,743	1,226,112	1,234,419	1,370,689	1,361,737
36								
37	**Deferred Realized Foreign Exchange Los (net of provision)**	89,278	88,278	87,278	86,278	84,121	81,964	79,807
38	**Cash Working Capital Allowance - 3%**	2,682	2,940	2,947	3,211	3,579	3,625	3,075
39	**Inventories**	30,967	43,113	41,951	38,449	38,627	35,817	31,621
40								
41	**Rate Base at Year End**	1,341,836	1,333,336	1,340,919	1,354,050	1,360,746	1,492,095	1,476,240

Notes:

1. Working capital allowance of 3% of Operating, maintenance and power purchases was developed based on lead/lag study performed relative to 2001and 2002 expenses
2. Hydro uses 13 month averages for inventory balances for rate base purposes, not the year-end balances requested above.