

- 1    Q.    Provide a schedule similar to the Finance and Corporate Services evidence  
2            Schedule V, to show the years 1998 to 2002 along with 2003 and 2004.  
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5    A.    Please see the attached schedule.

Newfoundland and Labrador Hydro  
Debt/Equity  
(\$ thousands)

	1997	1998	1999	2000	2001	2002	Forecast 2003	August 12 <sup>th</sup> Revision Forecast 2004
Promissory Notes	212,879	111,197	106,453	156,710	168,960	188,422	166,075	153,364
Long-term Debt	1,192,295	1,183,417	1,072,605	1,066,809	1,160,167	1,303,157	1,420,809	1,417,529
Less: Sinking Funds	256,760	162,280	58,451	69,163	80,566	94,689	110,981	129,123
CF(L)Co Share Purchase Debt	27,174	15,083	4,461	26,780	29,000	28,538	28,550	24,074
Unamortized debt discount and issue expense	12,795	13,959	12,695	11,555	12,412	3,696	-5,896	-6,447
Total Debt	1,108,445	1,103,292	1,103,451	1,116,021	1,207,149	1,364,656	1,453,249	1,424,143
Employee Future Benefits	0	0	0	22,851	24,059	24,933	27,464	29,941
Retained Earnings	279,553	294,092	289,447	267,614	269,770	213,789	200,419	205,265
Total	1,387,998	1,397,384	1,392,898	1,406,486	1,500,978	1,603,378	1,681,132	1,659,349
Average Debt		1,105,869	1,103,372	1,109,736	1,161,585	1,285,903	1,408,953	1,438,696
Average Employee Future Benefits		0	0	11,426	23,455	24,496	26,199	28,703
Average Retained Earnings		286,823	291,770	278,531	268,692	241,780	207,104	202,842
		1,392,691	1,395,141	1,399,692	1,453,732	1,552,178	1,642,255	1,670,241
Debt		79.41%	79.09%	79.28%	79.91%	82.84%	85.79%	86.14%
Employee Future Benefits		0.00%	0.00%	0.82%	1.61%	1.58%	1.60%	1.72%
Equity		20.59%	20.91%	19.90%	18.48%	15.58%	12.61%	12.14%
Cost of Debt		9.369%	8.924%	9.112%	8.705%	8.043%	8.078%	8.287%
Return on Equity		8.66%	4.46%	2.09%	4.43%	4.03%	-3.77%	9.75%
Weighted average cost of capital		9.223%	7.991%	7.640%	7.774%	7.290%	6.454%	8.322%