File No.

NEWFOUNDLAND AND LABRADOR HYDRO
Head Office: St. John's, Newfoundland P.O. Box 12400 A1B 4K7
Telephone (709) 737-1400 • Fax (709) 737-1231 • Website: www.nlh.nl.ca

BY HAND December 6, 2006

Board of Commissioners of Public Utilities
Prince Charles Building
120 Torbay Road
St. John's, Newfoundland & Labrador
A1A 5B2

Attention: Ms. G. Cheryl Blundon,
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Hydro's 2006 General Rate Application – Revised Filing

Please find enclosed the original and ten copies of:

- Revised Application in which Hydro seeks final (or in the alternative, interim) rates as of January 1, 2007; and
- Table of Contents with attached Revised Schedules, Evidence and Exhibit RDG-1.

The revised Application is necessitated by the terms of four agreements between Hydro and the registered Intervenors (the first of which was filed with the Board on October 20, 2006 and the remainder which were filed with the Board today by the Board-appointed facilitator) namely:

- October 20, 2006 Agreement on Cost of Service matters;
- November 23, 2006 Agreement on Other Matters;
- November 23, 2006 Agreement on Matters pertaining to Revenue Requirement; and
- November 23, 2006 Agreement on Labrador Interconnected Rates.

These Agreements collectively represent a settlement on the majority of issues that would typically be contested before the Board in a General Rate Application. Pursuant to the terms of these Agreements, the parties are entitled to cross-examine on the issues identified as outstanding. However, these issues would not, in Hydro's opinion, have an immediate effect on rates.

HYDRO
THE POWER OF COMMITMENT

Specifically, they result in a very small rate increase of 0.4% to Hydro's utility customer, Newfoundland Power, which increase is expected to be almost completely offset by rate adjustments that Newfoundland Power will be applying for in its pass-through application and as a result of its automatic adjustment mechanism. Rates for Industrial Customers will decrease by 13.9%. The Agreement on Labrador Interconnected Rates results in 2007 rates that are unchanged from 2006 levels with increases in the following years that are more gradual than would have been the case under existing Board Orders.

In addition to the aforesaid agreements, Hydro acknowledges that, pursuant to a directive to the Board made pursuant to section 5.1 of the *Electrical Power Control Act, 1994,* 2007 rates for Non-Government customers served from Hydro's Isolated systems will be adjusted by the percentage change for customers served from Hydro's Island Interconnected System. Thereafter, adjustments in rates for these customers will be phased in so that by January 1, 2009, these customers' rates will be the same as they would have been in the absence of that Order in Council.

Included in this filing in Schedule A with the Revenue Requirement is an Explanation to Changes in Revenue Requirement. This document provides a summary of changes that have occurred as a result of the Agreements reached and the updates of costs and financial data since the August 3, 2006 filing. Please note, though, that this document does not reflect the impact of the above-noted directive to the Board. Hydro will receive an amount from the Government of Newfoundland and Labrador to compensate for this shortfall in revenues.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Geoffrey P. Young
Legal Counsel

Encl.

cc: Peter Alteen - Newfoundland Power Inc.
Joseph Hutchings, Q.C. - Poole Althouse
Paul Coxworthy - Stewart McKelvey Stirling Scales
Tom Johnson – O'Dea Earle Law Offices

IN THE MATTER OF the Public Utilities Act, R.S.N. 1990, Chapter P-47 (the "Act"), and

IN THE MATTER OF a General Rate Application (the "Application") by Newfoundland and Labrador Hydro for approvals of, under Section 70 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, Rural Customers and Industrial Customers; and under Section 71 of the Act, changes in the Rules and Regulations applicable to the supply of electricity to Rural Customers.

TO: The Board of Commissioners of Public Utilities (the "Board")

THE REVISED APPLICATION of Newfoundland and Labrador Hydro (the "Applicant") states that:

1. Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and existing under the *Hydro Corporation Act*, is a public utility within the meaning of the Act and is subject to the provisions of the *Electrical Power Control Act, 1994*.

2. On August 3, 2006 Hydro filed its General Rate Application with the Board (the "original filing") seeking adjustments to its rates, and the approval of changes to certain of its Rules and Regulations of service.

3. Since August 3, 2006 a number of issues have been resolved by the terms of four non-severable agreements between Hydro and the registered Intervenors, namely:
    - October 20, 2006 Agreement on Cost of Service, Rate Design and Rate Stabilization Plan matters;
    - November 23, 2006 Agreement on Cost of Service, Rate Design and Other Issues;

- November 23, 2006 Agreement on matters pertaining to Revenue Requirement; and
- November 23, 2006 Agreement on Labrador Interconnected Rates.

The aforesaid agreements (hereinafter collectively referred to as the Settlement Agreements") have been filed with the Board and Hydro seeks the Board's approval of their terms.

4. Assuming Board approval to the terms of the Settlement Agreements, Hydro has prepared Revised Schedules, Evidence and Exhibit RDG-1 as listed on the Table of Contents attached.

5. The Applicant makes revised Application under the Act, and specifically under sections 64, 68, 70, 71, 75, 78 and 80 and proposes:

(1) Hydro's forecast 2007 test year costs (before return on rate base) of $320,372,000;

(2) forecast average rate base for 2007 of $1,489,323,000;

(3) that the methodology approved by the Board for calculating the allowed rate of return on equity (for purposes of determining weighted average cost of capital) in Order No. P.U. 14 (2004) be continued;

(4) that (consistent with this methodology) Hydro be allowed a rate of return on equity of 4.47%;

(5) that (consistent with this methodology) Hydro be allowed a rate of return on forecast average rate base of 7.44%;

(6) that effective January 1, 2007, the Board approve:

(a) that the demand and energy rates charged to Newfoundland Power be changed to a demand charge of $4.00 per kW per month, with a first block energy rate of 32.46 mills per kWh and an end block energy rate of 88.05 mills per kW;

(b) that the total generation credit for Newfoundland Power be reduced to 117,930 kW ;

(c) that the Cost of Service treatment of Newfoundland Power's thermal generation credit no longer apply to transmission costing and that it no longer impact system load factor calculations;

(d) that the Rate Stabilization Plan Adjustment rate charged to Newfoundland Power be decreased to 4.25 mills per kWh, as a result of setting the fuel rider to zero and applying the Hydraulic Variation balance in January 1, 2007 rates;

(e) that the rate charged to Newfoundland Power for firming up secondary energy purchased from Corner Brook Pulp and Paper Limited and re-sold to Newfoundland Power as firm energy be increased to 8.41 mills per kWh;

(f) that the rates charged to Industrial Customers for firm service be increased to a demand charge of $6.68 per kW per month, an energy charge of 36.76 mills per kWh and the respective annual specifically assigned charges;

(g) that the rates charged to Industrial Customers for non-firm service continue to be calculated in the manner set out in Order No. P.U. 7 (2002), with the average system losses decreased to 2.68%, as stated on page 6 of 11 of Schedule B attached to this Application;

(h) that the rate for wheeling energy for non-utility customers be decreased to 3.84 mills per kWh and that the average system losses be decreased to 2.68%;

(i) that the policy outlined in Order No. P.U. 7 (2002-2003) of charging rates based on full cost recovery for Government departments and agencies, excluding hospitals and schools, in Isolated Rural Systems, be continued;

(j) that the rates for Labrador Interconnected Customers remain unchanged for 2007 but that in subsequent years, 2008 through to 2011, rate setting continue as outlined in the Labrador Interconnected Rates Agreement filed with the Board;

(k) that the Rules and Regulations which govern the provision of service to Rural Customers be confirmed with the exceptions that:

i) the rate for the Burgeo school and Library be deleted; and

ii) Sections 16 and 17 of the Rules and Regulations be amended so that all rates paid by Rural isolated customers, excluding Government departments, shall be adjusted between Hydro General Rate Applications to reflect changes made to

Newfoundland Power's rates, including changes to rates arising from Municipal Tax and Rate Stabilization adjustments and from Fuel Rider adjustments.

(l) that the Automatic Adjustment Mechanism proposed by Hydro filed with the August 3, 2006 Application as Exhibit MGB-1 in response to the Board's direction in Order No. P.U. 14 (2004) be approved;

(m) that the Rate Stabilization Plan be amended to reflect the impact of changes that may arise from time to time from the operation of the proposed Automatic Adjustment Mechanism, as set out in the Rate Schedules 2007, Schedule C page 3 of 10, attached to this Application;

(n) that the Rate Stabilization Plan be amended such that when new test year base rates are implemented, if the fuel rider forecast is more current than the fuel forecast used for the new test year rates, a fuel rider which is calculated using the more current fuel forecast and the new test year values will be implemented at the same time as the change in base rates;

(o) that the Rate Stabilization Plan rules pertaining to the Rural Rate Alteration for Rural Labrador Interconnected Automatic Rate Adjustments be modified to accommodate the change in treatment of the CFB Goose Bay Credit for 2007, with further revisions to be filed with the Board for approval at a future date.

(p) that Newfoundland Power's portion of the December 31, 2006 Rate Stabilization Plan Hydraulic Production Variation Balance be transferred to Newfoundland Power's Historic Rate Stabilization Plan Balance, and that the Rate Stabilization Plan rate charged to Newfoundland Power be reduced to reflect the credit as described in Section F of the Rate Stabilization Plan rules, such that the collection of the reduced Historic Rate Stabilization Plan Balance will be amortized over eighteen (18) months (January 1, 2007 to July 1, 2008); and

(q) that

(i) effective December 31, 2006, the Industrial Customers' Current Rate Stabilization plan balance include the Industrial Customers' portion of the normal annual 25% allocation of the Hydraulic Variation balance; and

(ii) the portion of the Industrial Customer's share of the December 31, 2006 Rate Stabilization Plan Hydraulic Variation balance, net of the normal 25% allocation outlined in (i) above, be used to reduce any charge, or increase any credit, which would otherwise be applied effective January 1, 2008 to the rates of Industrial Customers under the current Rate Stabilization Plan rules.

(r) that the Rate Stabilization Plan rules be amended to include the statement that "References to approved Test Year weighted average cost of capital mean the weighted average

cost of capital in Hydro's Test Year Cost of Service study, or as adjusted by the Automatic Adjustment Mechanism".

(s) that Hydro continue to use regulated equity in the calculation of Hydro's capital structure;

6. The Applicant requests that the Board approve the terms of the Settlement Agreements and make a final Order for rates as of January 1, 2007 (or, in the alternative, pursuant to section 75 of the Act, an Interim Order) as follows:

(1) pursuant to section 80 of the Act, approving 2007 forecast test year costs (before return on rate base) of $320,372,000;

(2) pursuant to section 78 of the Act, approving the 2007 forecast average rate base of the Applicant at $1,489,323,000;

(3) pursuant to sections 70 and 71 of the Act, determining a just and reasonable rate of return on average Rate Base of 7.44% for 2007;

(4) pursuant to Section 70 of the Act, approving as of January 1, 2007, the demand and energy rates charged to Newfoundland Power to be $4.00 per kW per month, with a first block energy rate of 32.46 mills per kWh and an end block energy rate of 88.05 mills per kWh as set out in the Schedule B, p. 3 of 11, attached to this Application;

(5) pursuant to Section 70 of the Act, approving as of January 1, 2007, the Rate Stabilization Plan adjustment charge to Newfoundland Power for all kilowatt hours of 4.25 mills per kWh as set out in the Schedule B, p. 3 of 11, attached to this Application;

(6) pursuant to section 70 of the Act, that the total generation credit for Newfoundland Power be reduced to 117,930 kW;

(7) pursuant to Section 70 of the Act, approving as of January 1, 2007, the firming up charge of 8.41 mills per kWh for secondary energy supplied by Corner Brook Pulp and Paper Limited to the Applicant and delivered as firm power and energy to Newfoundland Power as set out in the Schedule B, p. 3 of 11, attached to this Application;

(8) pursuant to Section 70 of the Act, approving as of January 1, 2007, rates to be charged to Industrial Customers for firm service consisting of a demand charge of $6.68 per kW per month, an energy charge of 36.76 mills per kWh plus the respective annual specifically assigned charges (set out below), all as set out in the Schedule B, p. 5 of 11, attached to this Application:

Abitibi-Consolidated Company of Canada - Grand Falls	$ 1,244
Abitibi-Consolidated Company of Canada - Stephenville	$104,647
Corner Brook Pulp and Paper Limited	$347,167
North Atlantic Refining Limited	$150,976
Aur Resources Inc.	$186,169

(9) pursuant to Section 70 of the Act, approving as of January 1, 2007, the rate for non-firm service to Industrial Customers as set out in the Schedule B, p. 6 of 11, attached to this Application;

(10) pursuant to Section 70 of the Act, approving as of January 1, 2007, the rate of 3.84 mills per kWh as a wheeling fee to be charged non-utility customers, and that the average system losses be decreased to 2.68%, as set out in the Schedule B, p. 7 of 11, attached to this Application;

(11) pursuant to sections 70 and 71 of the Act, approving rates for Labrador Interconnected Customers for 2007 that are unchanged from those approved for 2006 but that in subsequent years, through to 2011, rate setting continue as outlined in the Labrador Interconnected Rates Agreement filed with this Application;

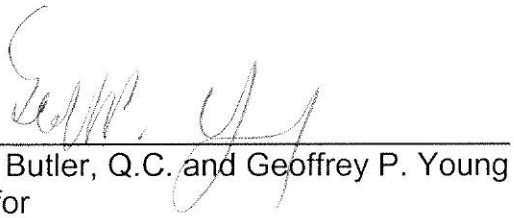
(12) pursuant to section 71 of the Act, approving as of January 1, 2007, the Rules and Regulations applicable to providing service to Rural Customers as set out in Rate Schedules 2007 pp. 8 to 11 attached to this Application and included as Section B attached to this Application;

(13) pursuant to sections 70 and 71 of the Act, approving as of January 1, 2007, that the changes to the Rate Stabilization Plan proposed in the revised Rate Stabilization Plan rules attached to this Application as Schedule C;

(14) Granting such alternative, additional or further relief as the Board shall consider fit and proper in the circumstances.

DATED AT St. John's in the Province of Newfoundland and Labrador this 6th day of December 2006.

NEWFOUNDLAND AND LABRADOR HYDRO



Gillian D. Butler, Q.C. and Geoffrey P. Young
Counsel for
Newfoundland and Labrador Hydro
P.O. Box 12400 Columbus Drive
St. John's, Newfoundland and Labrador
A1B 4K7

Telephone: (709) 737-1277
Facsimile: (709) 737-1782

IN THE MATTER OF the Public Utilities Act, R.S.N. 1990, Chapter P-47 (the "Act"), and

IN THE MATTER OF a General Rate Application (as Revised) (the "Application") by Newfoundland and Labrador Hydro for approvals of, under Section 70 of the Act, changes in the rates to be charged for the supply of power and energy to Newfoundland Power, Rural Customers and Industrial Customers; and under Section 71 of the Act, changes in the Rules and Regulations applicable to the supply of electricity to Rural Customers.

TO: The Board of Commissioners of Public Utilities

AFFIDAVIT

I, James R. Haynes, Professional Engineer, of St. John's, in the Province of Newfoundland and Labrador, make oath and swear as follows:

1. THAT I am employed by Newfoundland and Labrador Hydro, the Applicant herein, in the capacity of Vice-President, Production, and as such I have knowledge of the matters and things to which I have herein deposed, and make this affidavit in support of the Application.

2. THAT I have read the contents of the Application and they are correct and true to the best of my knowledge, information and belief.

SWORN TO BEFORE ME in the City of St. John's, in the Province of Newfoundland and Labrador, this 6th day of December 2006.

Barrister, Newfoundland and Labrador

James R. Haynes

Newfoundland and Labrador Hydro
2006 GRA Revised Filing
Table of Contents

Newfoundland and Labrador Hydro
2007 Forecast Rate Base
(000s)

		August 2006 Filing	December 2006 Filing	Variance $	Variance %
1	Capital Assets	2,016,023	2,008,654	(7,369)	-0.37%
2	Less: Contributions in aid of construction	92,256	92,250	(6)	-0.01%
3	Accumulated Depreciation	560,713	559,855	(858)	-0.15%
4	Balance - Current Year	1,363,054	1,356,549	(6,505)	-0.48%
5	Balance - Previous Year	1,356,750	1,354,631	(2,119)	-0.16%
6	Average	1,359,902	1,355,590	(4,312)	-0.32%
7					
8					
9	Cash Working Capital Allowance	3,057	3,030	(27)	-0.88%
10	Fuel	24,470	27,473	3,003	12.27%
11	Materials and Supplies	19,912	19,912	0	0.00%
12	Deferred Charges	83,843	83,318	(525)	-0.63%
13					
14	Average Rate Base	1,491,184	1,489,323	(1,861)	-0.12%

Newfoundland and Labrador Hydro
2007 Forecast Revenue Requirement
(000s)

		August 2006 Filing	December 2006 Filing	Variance $	Variance %	
1	Revenue					
2	Revenue from Rates	441,374	429,058	(12,316)	-2.8%	
3	Other Revenue	2,021	2,021	0	0.0%	
4	Total Revenue	443,395	431,079	(12,316)	-2.8%	
5						
6	Expenses					
7	Operating Expenses					
8	Salaries and Fringe Benefits	59,312	58,457	(855)	-1.4%	1
9	System Equipment Maintenance	20,799	20,579	(220)	-1.1%	2
10	Insurance	2,123	1,881	(242)	-11.4%	3
11	Transportation	2,029	1,994	(35)	-1.7%	4
12	Office Supplies Expenses	2,109	2,106	(3)	-0.1%	5
13	Building Rentals and Maintenance	851	825	(26)	-3.1%	6
14	Professional Services	4,668	4,418	(250)	-5.4%	7
15	Travel Expenses	2,499	2,332	(167)	-6.7%	8
16	Equipment Rentals	1,524	1,369	(155)	-10.2%	9
17	Miscellaneous Expenses	4,765	4,530	(235)	-4.9%	10
18	Cost Recoveries	(2,899)	(2,199)	700	-24.1%	11
19	Allocated to non-regulated customer	(2,897)	(2,874)	23	-0.8%	12
20	Net Operating Expenses	94,883	93,418	(1,465)	-1.5%	
21	Fuels					
22	No. 6 fuel	142,488	136,867	(5,621)	-3.9%	13
23	less: RSP deferral	(38)	0	38	0.0%	14
24	Diesel and other	13,164	11,568	(1,596)	-12.1%	15
21	Total fuels	155,614	148,436	(7,178)	-4.6%	
22	Purchased Power	38,348	38,327	(21)	-0.1%	16
23	Depreciation	40,762	40,191	(571)	-1.4%	17
24		329,607	320,372	(9,235)	-2.8%	
25						
26	Return on Rate Base	113,788	110,707	(3,081)	-2.7%	18
27						
28	Average Rate Base	1,491,184	1,489,323	(1,861)	-0.1%	
29						
30	Rate of Return on Rate Base	7.63%	7.44%			

See explanation of changes in Revenue Requirement 1 – 18 on next two pages.

Newfoundland and Labrador Hydro

Explanation of Changes in Revenue Requirement

1. Salaries and Fringe Benefits ($855,000)
   - $230,000 – Natuashish salaries/overhead
   - $250,000 – increase in capitalized salaries
   - ($175,000) – decrease in capitalized expenses re PUB non-approval of Holyrood study and ramps projects
   - $550,000 – settlement adjustment

2. System Equipment Maintenance ($220,000)
   - $220,000 - Natuashish

3. Insurance ($242,000)
   - $167,000 – updated insurance budget as per CA 150 NLH-1st Rev. NLH.
   - $75,000 – settlement adjustment

4. Transportation ($35,000)
   - $35,000 - Natuashish

5. Office Supplies Expenses ($3,000)
   - $4,000 – Natuashish, (less rounding)

6. Building Rentals and Maintenance ($26,000)
   - $26,000 - Natuashish

7. Professional Services ($250,000)
   - $250,000 – reduction in amortization of external GRA costs

8. Travel Expenses ($167,000)
   - $42,000 - Natuashish (includes rounding)
   - $125,000 – settlement adjustment

9. Equipment Rentals ($155,000)
   - $5,000 – Natuashish
   - $150,000 – correct error, as per NP 13 NLH

10. Miscellaneous Expenses ($235,000)
    - $200,000 – deferral of DSM costs
    - $35,000 – Natuashish

11. Cost Recoveries ($700,000)
    - $700,000 – Natuashish contribution

12. Allocated to non-regulated customer ($23,000)
    - COS Allocation resulting from other changes

Explanation of Changes in Revenue Requirement (cont'd)

13. No. 6 Fuel ($5,621,000)
    - $1,707,000 decline in forecast No. 6 market prices from $56.59 to $55.38/bbl.
    - $3,307,000 a decrease in Newfoundland Power Load of 38.2 GWh
    - $606,000 a decrease in forecast system losses by 7.0 GWh

14. RSP ($38,000)
    - No write-off of/to Labrador interconnected due to change in treatment of hydraulic balance

15. Diesel and Other ($1,596,000)
    - $1,744,000 – Natuashish fuel
    - ($148,000) increase in forecast price

16. Purchased Power ($21,000)
    - Due to fuel-price based contracts

17. Depreciation and Loss on Disposal ($571,000)
    - ($304,000) – reduction in retirements/loss on disposal - as filed $1,670,000 now $1,366,000 (error noted in Grant Thornton report)
    - $7,000 – increase in depreciation related to decrease in retirements/loss on disposal
    - ($139,000) – depreciation on projects not approved by PUB – ramps and Holyrood assessment
    - ($107,000) – related to 5% reduction in 2006 capital budget
    - ($28,000) – related to 5% reduction in 2007 approved capital budget

18. Return on Rate Base ($3,081,000)
    Mainly due to:
    - Decrease in WACC 7.74% to 7.53%
    - $1,381,000 - Decrease in ROE 5.20% to 4.47%
    - $ 1,491,000 - Decrease in cost of debt 8.39% to 8.26%
    - $140,000 – related to reduction in rate base

Newfoundland and Labrador Hydro
2007 Forecast Weighted Average Cost of Capital

		August 2006 Filing		
		Cost Rate	**Ratio**	**Weighting**
1	Debt	8.39%	83.50%	7.01%
2	Employee future benefits	0.00%	2.42%	0.00%
3	Retained Earnings	5.20%	14.08%	0.73%
4	Weighted Average Cost of Capital		100.00%	7.74%
5				
6		**December 2006 Filing**		
7		**Cost Rate**	**Ratio**	**Weighting**
8	Debt	8.26%	83.58%	6.90%
9	Employee future benefits	0.00%	2.42%	0.00%
10	Retained Earnings	4.47%	14.00%	0.63%
11	Weighted Average Cost of Capital		100.00%	7.53%

Newfoundland and Labrador Hydro
2007 Forecast Return on Rate Base

August 2006 Filing

	Assets	Weighted Ave Cost of Debt	Weighted Ave Cost of Capital	Allowed Return
Rural Interconnected and Isolated Assets	212.6	7.01%		14.9
Other Rate Base Assets	1,278.6		7.74%	98.9
Total Assets	1,491.2			113.8
Rate of return on Rate Base				7.63%
Revised Allowable RORB Range (+/- 0.15)		7.48% to 7.78%		

December 2006 Filing

	Assets	Weighted Ave Cost of Debt	Weighted Ave Cost of Capital	Allowed Return
Rural Interconnected and Isolated Assets	212.0	6.90%		14.6
Other Rate Base Assets	1,277.3		7.53%	96.2
Total Assets	1,489.3			110.8
Rate of return on Rate Base				7.44%
Revised Allowable RORB Range (+/- 0.15)		7.29% to 7.59%		

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY

Availability:

This rate is applicable to service to Newfoundland Power (NP).

Definitions:

"Billing Demand"

In the Months of January through March, billing demand shall be the greater of:

(a) the highest Native Load less the Generation Credit, beginning in the previous December and ending in the current Month; and
(b) the Minimum Billing Demand.

In the Months of April through December, billing demand shall be the greater of:

(a) the Weather-Adjusted Native Load less the Generation Credit, plus the Weather Adjustment True-up; and
(b) the Minimum Billing Demand.

"Generation Credit" refers to NP's net generation capacity less allowance for system reserve, as follows:

	kW
Hydraulic Generation Credit	80,104
Thermal Generation Credit	37,826
Total Generation Credit	117,930

In order to continue to avail of the Generation Credit, NP must demonstrate the capability to operate its generation to the level of the Generation Credit. This will be verified in a test by operating the generation at a minimum of this level for a period of one hour as measured by the generation demand metering used to determine the Native Load. The test will be carried out at a mutually agreed time between December 1 and March 31 each year. If the level is not sustained, Newfoundland Power will be provided an opportunity to repeat the test at another mutually agreed time during the same December 1 to March 31 period. If the level is not sustained in the second test, the Generation Credit will be reduced in calculating the associated billing demands for January to December to the highest level that could be sustained.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (Continued)

"Maximum Native Load" means the maximum Native Load of NP in the four-Month period beginning in December of the preceding year and ending in March of the current year.

"Minimum Billing Demand" means ninety-nine percent (99%) of:

NP's test year Native Load less the Generation Credit.

"Month" means for billing purposes, the period commencing at 12:01 hours on the last day of the previous month and ending at 12:00 hours on the last day of the month for which the bill applies.

"Native Load" is the sum of:

(a) the amount of electrical power, delivered at any time and measured in kilowatts, supplied by Hydro to NP, averaged over each consecutive period of fifteen minutes duration, commencing on the hour and ending each fifteen minute period thereafter; and

(b) the total generation by NP averaged over the same fifteen-minute periods.

"Weather-Adjusted Native Load" means the Maximum Native Load adjusted to normal weather conditions, calculated as:

Maximum Native Load
plus (Weather Adjustment, rounded to 3 decimal places, x 1000)

Weather Adjustment is further described and defined in the Weather Adjustment section.

"Weather Adjustment True-up" means one-ninth of the difference between:

(a) the greater of:
- the Weather Adjusted Native Load less the Generation Credit, times three; and
- the Minimum Billing Demand, times three; and

(b) the sum of the actual billed demands in the Months of January, February and March of the current year.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (Continued)

Monthly Rates:

Billing Demand Charge:
Billing Demand, as set out in the Definitions section, shall be charged at the following rate:

$4.00 per kW of billing demand

Energy Charge:
First 250,000,000 kilowatt-hours* ..... @ 3.246 ¢ per kWh
All excess kilowatt-hours* ..... @ 8.805 ¢ per kWh

Firming-up Charge:
Secondary energy supplied by
Corner Brook Pulp and Paper Limited* ..... @ 0.841 ¢ per kWh

RSP Adjustment:
All kilowatt-hours ..... @ 0.425 ¢ per kWh

***Subject to RSP Adjustment:**

RSP Adjustment refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied to metered demand and energy.

Adjustment for Station Services and Step-Up Transformer Losses:

If the metering point is not on the generator output terminals of NP's generators, an adjustment for Newfoundland Power's power consumption between the generator output terminals and the metering point as determined in consultation with the customer prior to the implementation of the metering, shall be applied to the metered demand.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (Continued)

Weather Adjustment: This section outlines procedures and calculations related to the weather adjustment applied to NP's Maximum Native Load.

(a) Weather adjustment shall be undertaken for NP's actual Maximum Native Load.

(b) Weather adjustment shall be derived from Hydro's general NP native peak demand forecasting model.

(c) By September 30th of each year, Hydro shall provide NP with updated weather adjustment coefficient incorporating the latest year of actuals.

(d) The underlying temperature and wind speed data utilized to derive weather adjustment shall be sourced to Environment Canada's weather station data for the St. John's, Gander, and Stephenville airports. NP's regional customer counts shall be used to weight regional weather data. Hydro shall consult with NP to resolve any circumstances arising the availability of, or revisions to, Environment Canada's weather data and/or wind chill formulation.

(e) The primary definition for the temperature weather variable is the average temperature for the peak demand hour and the preceding 19 hours. The primary definition for the wind weather data is the average wind speed for the peak demand hour and the preceding seven hours. Hydro will consult with NP should data anomalies indicate a departure from the primary definition on underlying weather data.

(f) Subject to the availability of Environment Canada weather data, Hydro shall prepare a preliminary estimate of the Weather-Adjusted Native Load by March 15th of each year, and a final calculation of Weather-Adjusted Native Load by April 5th of each year.

General:

This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

With respect to all matters where the customer and Hydro consult on resolution but are unable to reach mutual agreement, the billing will be based on Hydro's best estimate.

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL -FIRM

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Rate:

Demand Charge:

The rate for Firm Power, as defined and set out in the Industrial Service Agreements, shall be $6.68 per month per kilowatt of billing demand.

Firm Energy Charge:

Base Rate* .....@ 3.676 ¢ per kWh

***Subject to RSP Adjustment:**

RSP Adjustment refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

Specifically Assigned Charges:

The table below contains the additional specifically assigned charges for customer plant in service that is specifically assigned to the Customer.

	Annual Amount
Abitibi-Consolidated (Grand Falls)	$ 1,244
Abitibi-Consolidated (Stephenville)	$ 104,647
Corner Brook Pulp and Paper Limited	$ 347,167
North Atlantic Refining Limited	$ 150,976
Aur Resources Inc.	$ 186,169

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL – NON-FIRM

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy.

Rate:

Non-Firm Energy Charge (¢ per kWh):

Non-Firm Energy is deemed to be supplied from thermal sources. The following formula shall apply to calculate the Non-Firm Energy rate:

$$\{(A \div B) \times (1 + C) \times (1 \div (1 - D))\} \times 100$$

A = the monthly average cost of fuel per barrel for the energy source in the current month or, in the month the source was last used

B = the conversion factor for the source used (kWh/bbl)

C = the administrative and variable operating and maintenance charge (10%)

D = the average system losses on the Island Interconnected grid for the last five years ending in 2005 (2.68%).

The energy sources and associated conversion factors are:

1. Holyrood, using No. 6 fuel with a conversion factor of 630 kWh/bbl
2. Gas turbines using No. 2 fuel with a conversion factor of 475 kWh/bbl
3. Diesels using No. 2 fuel with a conversion factor of 556 kWh/bbl.

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

INDUSTRIAL - WHEELING

Availability:

Any person purchasing power, other than a retailer, supplied from the Interconnected Island bulk transmission grid at voltages of 66 kV or greater on the primary side of any transformation equipment directly supplying the person and who has entered into a contract with Hydro for the purchase of firm power and energy and whose Industrial Service Agreement so provides.

Rate:

Energy Charge:

All kWh (Net of losses)* .....@ 0.384 ¢ per kWh

* For the purpose of this Rate, losses shall be 2.68%, the average system losses on the Island Interconnected Grid for the last five years ending in 2005.

General:

Details regarding the conditions of Service are outlined in the Industrial Service Agreements. **This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2G

DOMESTIC DIESEL

GOVERNMENT DEPARTMENTS

Availability:

For Service to Government Departments throughout the Island and Labrador diesel service areas of Hydro, to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate:

Basic Customer Charge.....$41.03 per month

Energy Charge:
All kilowatt-hours .....@ 78.10 ¢ per kWh

Minimum Monthly Charge $41.03

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1G

GENERAL SERVICE DIESEL 0-10 kW

GOVERNMENT DEPARTMENTS (Continued)

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge.....$44.82 per month

Energy Charge:
All kilowatt-hours .....@ 69.701¢ per kWh

Minimum Monthly Charge $44.82

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2G

GENERAL SERVICE DIESEL OVER 10 KW

GOVERNMENT DEPARTMENTS (Continued)

Availability:

For Service (excluding Domestic Service) to Government Departments throughout the Island and Labrador diesel service areas of Hydro where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: ..... $66.37 per month

Demand Charge:
The maximum demand registered on the meter in the current month ..... @ $53.68 per kW

Energy Charge:
All kilowatt-hours ..... @ 49.554 ¢ per kWh

Discount:

A discount of 1.5% of the amount of the current month's bill, but not less than $1.00 or more than $500.00, will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1G

STREET AND AREA LIGHTING SERVICE DIESEL

GOVERNMENT DEPARTMENTS (Continued)

Availability:

For Street and Area Lighting Service to Government Departments throughout the Island and Labrador Diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate:

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	$63.95
HIGH PRESSURE SODIUM [1]	
100W (8,600 lumens)	51.80
150W (14,400 lumens)	63.95

[1] Only High Pressure Sodium fixtures are available for all new installations and replacements.

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST), which applies to electricity bills.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro) is established for Hydro's Utility customer, Newfoundland Power, and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- customer load (Utility and Island Industrial); and
- rural rates.

The formulae used to calculate the Plan's activity are outlined below. Positive values denote amounts owing from customers to Hydro whereas negative values denote amounts owing from Hydro to customers.

References to approved Test Year weighted average cost of capital mean the weighted average cost of capital in Hydro's Test Year Cost of Service study, or as adjusted by the Automatic Adjustment Mechanism.

Section A: Hydraulic Production Variation

1. **Activity:**
   Actual monthly production is compared with the Test Year Cost of Service Study in accordance with the following formula:

   $$\{(A - B) \div C\} \times D$$

   Where:

   A = Test Year Cost of Service Net Hydraulic Production (kWh)
   B = Actual Net Hydraulic Production (kWh)
   C = Test Year Cost of Service Holyrood Net Conversion Factor (kWh /bbl.)
   D = Monthly Test Year Cost of Service No. 6 Fuel Cost ($Can /bbl.)

2. **Financing:**
   Each month, financing charges, using Hydro's approved Test Year weighted average cost of capital, will be calculated on the balance.

3. **Hydraulic Variation Customer Assignment:**[1]
   Customer assignment of hydraulic variations will be performed annually as follows:

   $$(E \times 25\%) + F$$

   Where:

   E = Hydraulic Variation Account Balance as of December 31, excluding financing charges
   F = Financing charges accumulated to December 31

[1] Subject to Section F

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

The total amount of the Hydraulic Customer Assignment shall be removed from the Hydraulic Variation Account.

4. Customer Allocation:

The annual customer assignment will be allocated among the Island Interconnected customer groups of (1) Newfoundland Power; (2) Island Industrial Firm; and (3) Rural Island Interconnected. The allocation will be based on percentages derived from 12 months-to-date kWh for: Utility Firm and Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

The portion of the hydraulic customer assignment which is initially allocated to Rural Island Interconnected will be re-allocated between Newfoundland Power and regulated Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Test Year Cost of Service Study.

The Newfoundland Power and Island Industrial customer allocations shall be included with the Newfoundland Power and Island Industrial RSP balances respectively as of December 31 each year. [2] The Labrador Interconnected Hydraulic customer allocation shall be written off to Hydro's net income (loss).

Section B: Fuel Cost Variation, Load Variation and Rural Rate Alteration

1. **Activity**

1.1 Fuel Cost Variations

This is based on the consumption of No. 6 Fuel at the Holyrood Generating Station:

$$(G - D) \times H$$

Where:

D = Monthly Test Year Cost of Service No. 6 Fuel Cost ($Can /bbl.)
G = Monthly Actual Average No. 6 Fuel Cost ($Can /bbl.)
H = Monthly Actual Quantity of No. 6 Fuel consumed less No. 6 fuel consumed for non-firm sales (bbl.)

1.2 Load Variations

Firm: Firm load variation is comprised of fuel and revenue components. The load variation is determined by calculating the difference between actual monthly sales and the Test Year Cost of service Study sales, and the resulting variance in No. 6 fuel costs and sales revenues. It is calculated separately for Newfoundland Power firm sales and Industrial firm sales, in accordance with the following formula:

$$(I - J) \times \{(D \div C) - K\}$$

Where:

[2] Subject to Section F.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

C = Test Year Cost of Service Holyrood Net Conversion Factor (kWh /bbl.)
D = Monthly Test Year Cost of Service No. 6 Fuel Cost ($Can /bbl.)
I = Actual Sales, by customer class (kWh)
J = Test Year Cost of Service Sales, by customer class (kWh)
K = Firm energy rate, by customer class

Secondary: Secondary load variation is based on the revenue variation for Utility Firmed-Up Secondary energy sales compared with the Test Year Cost of Service Study, in accordance with the following formula:

$$(J - I) \times L$$

Where:
I = Actual Sales (kWh)
J = Test Year Cost of Service Sales (kWh)
L = Secondary Energy Firming Up Charge

1.3 Rural Rate Alteration[3]

(a) Newfoundland Power Rate Change Impacts:
This component is calculated for Hydro's rural customers whose rates are directly or indirectly impacted by Newfoundland Power's rate changes, with the following formula:

$$(M - N) \times O$$

Where:

M = Cost of Service rate [4]
N = Existing rate
O = Actual Units (kWh, bills, billing demand)

(b) Rural Labrador Interconnected Automatic Rate Adjustments:
This component reflects the impact of the automatic rate adjustments for Hydro's rural customers on the Labrador Interconnected system, which arise from the phase-in of the application of the credit from secondary energy sales to CFB Goose Bay to the rural deficit.

Monthly adjustments will be subject to revision when a new Test Year Cost of Service is approved by the Public Utilities Board for Hydro. The amount of the automatic rate adjustment is calculated as follows:

$$P = (Q - R) \div 12$$

Where:

P = the monthly amount of the automatic rate adjustment

[3] Revised wording to reflect the intent of the December 6th, 2006 Government directive will be filed with the Board in December 2006.
[4] Hydro's schedule of rates for its rural customers impacted by Newfoundland Power's rate changes as a result of the pass-through of Hydro's rate changes associated with the Test Year Cost of Service Study. For the purpose of this section, Test Year Cost of Service Study refers to a Test Year or a Test Year adjusted by the Automatic Adjustment Mechanism.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

Q = the CFB Revenue Credit applied to the rural deficit in Hydro's Final 2007 Test Year Cost of Service
R = the CFB Revenue Credit applied to the rural deficit from 2007 to 2011, included in existing rates and outlined in the table below:

	Q	R	Q – R	P
2007[5]	$ 3,380,796	$ 2,270,081	$ 1,110,715	$ 92,560

2. Monthly Customer Allocation: Load and Fuel Activity

Each month, the load variation will be assigned to the customer class for which the load variation occurred.

Each month, the year-to-date total for fuel price variation will be allocated among the Island Interconnected customer groups of (1) Newfoundland Power; (2) Island Industrial Firm; and (3) Rural Island Interconnected. The allocation will be based on percentages derived from 12 months-to-date kWh for: Utility Firm and Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

The year-to-date portion of the fuel price variation which is initially allocated to Rural Island Interconnected will be re-allocated between Newfoundland Power and regulated Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Test Year Cost of Service Study.

The current month's activity for Newfoundland Power, Island Industrials and regulated Labrador Interconnected customers will be calculated by subtracting year-to-date activity for the prior month from year-to-date activity for the current month. The current month's activity allocated to regulated Labrador Interconnected customers will be removed from the Plan and written off to Hydro's net income (loss).

3. Monthly Customer Allocation: Rural Rate Alteration Activity

Each month, the rural rate alteration will be allocated between Newfoundland Power and regulated Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Test Year Cost of Service Study. The portion allocated to regulated Labrador Interconnected will be removed from the Plan and written off to Hydro's net income (loss).

4. Plan Balances

Separate plan balances for Newfoundland Power and for the Island Industrial customer class will be maintained. Financing charges on the plan balances will be calculated monthly using Hydro's approved Test Year weighted average cost of capital.

Section C: Fuel Price Projection

A fuel price projection will be calculated to anticipate forecast fuel price changes and to determine fuel riders for the rate adjustments. For industrial customers, this will occur in October each year, for

[5] Monthly adjustments for 2008 and subsequent years will be filed with the Board on or before December 15, 2006.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

inclusion with the RSP adjustment effective January 1. For Newfoundland Power, this will occur in April each year, for inclusion with the RSP adjustment effective July 1.

1. **Industrial Fuel Price Projection:**
In October each year, a fuel price projection for the following January to December shall be made to estimate a change from Test Year No. 6 Fuel Cost. Hydro's projection shall be based on the change from the average Test Year No. 6 fuel purchase price, in Canadian dollars per barrel, determined from the forecast oil prices provided by the PIRA Energy Group, and the current US exchange rate. The calculation for the projection is:

$$[\{(S - T) \times U\} - V] \times W$$

Where:

S = the September month-end PIRA Energy Group average monthly forecast for No. 6 fuel prices at New York Harbour for the following January to December

T = Hydro's average Test Year contract discount (US $/bbl)

U = the monthly average of the $Cdn / $US Bank of Canada Noon Exchange Rate for the month of September

V = average Test Year Cost of Service purchase price for No. 6 Fuel ($Can /bbl.)

W = the number of barrels of No. 6 fuel forecast to be consumed at the Holyrood Generating Station for the Test Year.

The industrial customer allocation of the forecast fuel price change will be based on 12 months-to-date kWh as of the end of September and is the ratio of Industrial Firm invoiced energy to the total of: Utility Firm and Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

The amount of the forecast fuel price change, in Canadian dollars, and the details of an estimate of the fuel rider based on 12 months-to-date kWh sales to the end of September will be reported to industrial customers, Newfoundland Power, and the Public Utilities Board, by the 10th working day of October.

2. **Newfoundland Power Fuel Price Projection:**
In April each year, a fuel price projection for the following July to June shall be made to estimate a change from Test Year No. 6 Fuel Cost. Hydro's projection shall be based on the change from the average Test Year No. 6 fuel purchase price, in Canadian dollars per barrel, determined from the forecast oil prices provided by the PIRA Energy Group, and the current US exchange rate. The calculation for the projection is:

$$[\{(X - T) \times Y\} - V] \times W$$

Where:

T = Hydro's average Test Year contract discount (US $/bbl)

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

V = average Test Year Cost of Service purchase price for No. 6 Fuel ($Can /bbl.)

W = the number of barrels of No. 6 fuel forecast to be consumed at the Holyrood Generating Station for the Test Year.

X = the average of the March month-end PIRA Energy Group average monthly forecast for No. 6 fuel prices at New York Harbour for the following July to December, and the most recent long-term PIRA Energy Group average annual forecast for No. 6 fuel prices at New York Harbour for the following January to June.

Y = the monthly average of the $Cdn / $US Bank of Canada Noon Exchange Rate for the month of March.

The Newfoundland Power customer allocation of the forecast fuel price change will be based on 12 months-to-date kWh as of the end of March and is the ratio of Newfoundland Power Firm and Firmed-Up Secondary invoiced energy to the total of: Utility Firm and Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

The amount of the forecast fuel price change, in Canadian dollars, and the details of the resulting fuel rider applied to the adjustment rate will be reported to Newfoundland Power, industrial customers, and the Public Utilities Board, by the 10th working day of April.

Section D: Adjustment

1. Newfoundland Power

As of March 31 each year, Newfoundland Power's adjustment rate for the 12-month period commencing the following July 1 is determined as the rate per kWh which is projected to collect:

Newfoundland Power March 31 Balance
less projected recovery / repayment of the balance for the following three months (if any), estimated using the energy sales (kWh) for April, May and June from the previous year

plus forecast financing charges to the end of the 12-month recovery period (i.e., June in the following calendar year),

divided by the 12-months-to-date firm plus firmed-up secondary kWh sales to the end of March.

A fuel rider shall be added to the above adjustment rate, based on the Newfoundland Power Fuel Price Projection amount (as per Section C.2 above) divided by 12-months-to-date kWh sales to the end of March.

When new Test Year base rates come into effect, if a fuel rider forecast (either March or September) is more current than the test year fuel forecast, a fuel rider will be implemented at the same time as the change in base rates reflecting the more current fuel forecast and the new test year values . Otherwise, the fuel rider portion of the RSP Adjustment will be set to zero upon implementation of the new Test Year Cost of Service rates, until the time for the next fuel price projection.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

2. Island Industrial Customers

As of December 31 each year, the adjustment rate for industrial customers for the 12-month period commencing January 1 is determined as the rate per kWh which is projected to collect:

Industrial December 31 Balance

plus forecast financing charges to the end of the following calendar year,

divided by 12-months-to-date kWh sales to the end of December.

A fuel rider shall be added to the above adjustment rate, based on the Industrial Fuel Price Projection (as per Section C.1 above) amount divided by 12-months-to-date kWh sales to the end of December.

When new Test Year base rates come into effect, if a fuel rider forecast (either March or September) is more current than the test year fuel forecast, a fuel rider will be implemented at the same time as the change in base rates reflecting the more current fuel forecast and the new test year values . Otherwise, the fuel rider portion of the RSP Adjustment will be set to zero upon implementation of the new Test Year Cost of Service rates, until the time for the next fuel price projection.

Section E: Historical Plan Balances:

1. August 2002 Balance:

Newfoundland Power and Island Industrial customer balances accumulated in the Plan as at August 2002 will be recovered over a 5-year collection period, with adjustment rates established each December 31, commencing December 31, 2002. Financing charges on the plan balances will be calculated monthly using Hydro's approved Test Year annual weighted average cost of capital.

Newfoundland Power

The adjustment rate for each year of the five-year adjustment period will be determined as follows:

$$A = (B - C + D) \div E \div F$$

where

A = adjustment rate ($ per kWh) for the 12-month period commencing the following July 1.
B = Balance December 31
C = projected recovery to the following June 30 (if any), estimated using the most recent energy sales (kWh) for the period January to June.
D = projected financing charges to the following June 30
E = number of years remaining in the adjustment period
F = energy sales (kWh) (firm and firmed-up secondary) to Newfoundland Power for the most recent 12 months ended December 31

Recovery and financing will be applied to the balance each month. At the end of the five-year recovery period, any remaining balance will be added to the plan then in effect.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN

Island Industrial Customers
The adjustment rate for each year of the five-year adjustment period will be determined as follows:

$$G = H \div I \div J$$

where

G = adjustment rate ($ per kWh) for the 12-month period commencing the following January 1.
H = Balance December 31[6]
I = number of years remaining in the adjustment period
J = firm energy sales (kWh) to Industrial Customers for the most recent 12 months ended December 31

Recovery and financing will be applied to the balance each month. At the end of the five-year recovery period, any remaining balance will be added to the plan then in effect.

2. RSP Balance, December 31, 2003:
Newfoundland Power and Island Industrial customer balances accumulated in the Plan as at December 31, 2003 will be consolidated with the outstanding August 2002 customer balances as of December 31, 2003, and will be included with the Newfoundland Power and Island Industrial customer balances respectively for rate-setting purposes as of December 31, 2003.

Section F: Hydraulic Variation Special Adjustment December 31, 2006

1. Hydraulic Variation Customer Assignment

Customer assignment of the December 31, 2006 hydraulic variation account balance will be performed as follows:

$$E \times 100\%$$

Where:

E = Hydraulic Variation Account Balance as of December 31, 2006, including financing charges

The total amount of the Hydraulic Customer Assignment shall be removed from the Hydraulic Variation Account.

2. Customer Allocation

The December 31, 2006 customer assignment will be allocated among the Island Interconnected customer groups of (1) Newfoundland Power; (2) Island Industrial Firm; and (3) Rural Island Interconnected. The allocation will be based on percentages derived from 12 months-to-date kWh for: Utility Firm and

[6] Subject to Section F.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

Firmed-Up Secondary invoiced energy, Industrial Firm invoiced energy, and Rural Island Interconnected bulk transmission energy.

The portion of the hydraulic customer assignment which is initially allocated to Rural Island Interconnected will be re-allocated between Newfoundland Power and regulated Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Test Year Cost of Service Study.

The Labrador Interconnected Hydraulic customer allocation shall be written off to Hydro's net income (loss).

3. Adjustment Rates

The Newfoundland Power customer allocation shall be included with the Newfoundland Power Historic Plan RSP balance as of December 31, 2006. To implement the affect of the adjustment over the remaining recovery period in the Historic Plan, the adjustment rate is calculated as follows:

January 1, 2007 RSP Adjustment Rate

Newfoundland Power's adjustment rate for January 1, 2007 will be based on the forecast Hydraulic Variation credit balance of $20,707,844, with Newfoundland Power's share equal to $17,759,489, calculated using forecast sales to December 31, 2006.

The January 1, 2007 RSP rate Adjustment is calculated as follows:

NP December 2006 Hydraulic Variation Allocation	$(17,759,489)
Divided by:	
Remaining Historic Plan Recovery Months	18
Equals:	
Forecast Monthly Recovery	$(986,638)
Multiplied by 12 equals	
Annual Adjustment	$(11,839,659)
Divided by	
12 months to date (Jan - Dec) forecast NP Sales (kWh)	4,680,392,181
Equals	
Reduction in Historic Plan Adjustment Rate (mills per kWh), effective January 1, 2007	(2.53)

July 1, 2007 RSP Adjustment Rate

The July 1, Historic Plan will be calculated in accordance with Section E, with the January 1, 2007 RSP adjustment rate calculated above included for the purpose of calculating the projected recovery (Component C) to June 2007 and the projected financing charges (Component D).

The Island Industrial customer allocation shall be allocated between the Industrial Customer current and Historic plans as follows:

NEWFOUNDLAND AND LABRADOR HYDRO

RATE STABILIZATION PLAN (Continued)

Current Plan

The current plan assignment will be equal to the assignment calculated in accordance with Section A.3.

Historic Plan

The difference between the total amount assigned to the Industrial Customers in this section and the amount assigned to the Current Plan above will be included in the Historic Plan. The December 31, 2006 Historic Plan balance used for rate setting in Section E will be adjusted to remove the 2006 Hydraulic Variation amount, so that the impact of the Hydraulic Variation adjustment will not affect Industrial Customer rates until January 1, 2008.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS

APPLICABILITY:

These general Rules and Regulations apply to all Hydro Rural Customers.

1. INTERPRETATION:

(a) In these Rates and Rules the following definitions shall apply:

(i) "***Act***" means The Public Utilities Act, R.S.N. 1990, c.P-47 as amended from time to time.

(ii) "***Applicant***" means any person who applies for Service.

(iii) ***"Board"*** means the Board of Commissioners of Public Utilities of Newfoundland.

(iv) "***Hydro***" means Newfoundland and Labrador Hydro.

(v) "***Hydro rural customers***" means regulated customers served by Hydro other than industrial customers and Newfoundland Power.

(vi) "***Customer***" means any person who accepts or agrees to accept Service.

(vii) "***Disconnected***" or "***Disconnect***" in reference to a Service means the physical interruption of the supply of electricity thereto.

(viii) "***Discontinued***" or "***Discontinue***" in reference to a Service means to terminate the Customer's on-going responsibility with respect to the Service.

(ix) "***Domestic Unit***" means a house, apartment or other similar residential unit which is normally occupied by one family, or by a family and no more than four other persons who are not members of that family, or which is normally occupied by no more than six unrelated persons.

(x) ***"Service"*** means any service(s) provided by Hydro pursuant to these Regulations.

(xi) "***Serviced premises***" means the premises at which Service is delivered to the Customer.

(xii) ***"Government Departments"*** means electric service accounts of Provincial or Federal government departments, agencies, boards, commissions, and crown corporations but excludes hospitals, fish plants, churches, schools, community halls, municipal buildings and like facilities.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

(b) Unless the context requires otherwise these Rates and Rules shall be interpreted such that:

(i) words imparting male persons include female persons and corporations.

(ii) words imparting the singular include the plural and vice versa.

2. CLASSES OF SERVICE:

(a) Hydro shall provide the following classes of Service:

ISLAND INTERCONNECTED AREA

1.1	Domestic
2.1	General Service, 0-10 kW
2.2	General Service, 10-100 kW (110 kVA)
2.3	General Service, 110 kVA (100 kW) - 1000 kVA
2.4	General Service, 1000 kVA and Over
4.1	Street and Area Lighting Service

ISLAND AND LABRADOR DIESEL AREA

1.2D	Domestic Diesel - Non-Government
2.1D	General Service Diesel - Non-Government, 0-10 kW
2.2D	General Service Diesel - Non-Government, 10 kW and Over
4.1D	Street and Area Lighting Service Diesel - Non-Government
1.2G	Domestic Diesel - Government Departments
2.1G	General Service Diesel - Government Departments, 0-10kW
2.2G	General Service Diesel - Government Departments, 10kW and Over
4.1G	Street and Area Lighting Service Diesel - Government Departments

HAPPY VALLEY-GOOSE BAY INTERCONNECTED AREA

1.1H	Domestic
2.1H	General Service, 0-10 kW
2.2H	General Service, 10-100 kW (110 kVA)
2.3H	General Service, 110 kVA (100 kW) - 1000 kVA
2.4H	General Service, 1000 kVA and Over
4.1H	Street and Area Lighting Service
5.1H	Secondary Energy

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

LABRADOR CITY / WABUSH INTERCONNECTED AREA

1.1W	Domestic
2.1W	General Service, 0-10 kW
2.2W	General Service, 10-100 kW (110 kVA)
2.3W	General Service, 110 kVA (100 kW) - 1000 kVA
2.4W	General Service, 1000 kVA and Over
4.1W	Street and Area Lighting Service
4.11W	Street and Area Lighting Service Labrador City - Installed as of Sept. 1, 2002
4.12W	Street and Area Lighting Service Labrador City – Customer Owned

(b) The terms and conditions relating to each class of Service shall be those approved by the Board from time to time.

(c) Service, other than Street and Area Lighting Service, shall be metered except where the energy consumption is relatively low and constant and in the opinion of Hydro can be readily determined without metering.

(d) The Customer shall use the Service on the Serviced Premises only. The Customer shall not resell the Service in whole or in part except that the Customer may include the cost of Service in charges for the lease of space or as part of the cost of other services provided by the Customer.

3. APPLICATION FOR SERVICE:

(a) An Applicant, when required by Hydro, shall complete a written Electrical Service Contract.

(b) An application for Service, when accepted by Hydro, constitutes a binding contract between the Applicant and Hydro which cannot be assigned.

(c) The person who signs an application for Service shall be personally liable for Service provided pursuant thereto, unless that person has authority to act for another Person denoted as the Applicant on the application for Service.

(d) Hydro may in its discretion refuse to provide Service to an Applicant where:

(i) the Applicant fails or refuses to complete an application for Service.

(ii) the Applicant provides false or misleading information on the application for Service.

(iii) the Applicant or the Owner or an Occupant of the Serviced Premises has a bill for any Service which is not paid in full 30 days or more after issuance.

(iv) the Applicant fails to provide the security or guarantee required under Regulation 4.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

(v) the Applicant is not the owner or an occupant of the Serviced Premises.

(vi) the Service requested is already supplied to the Serviced Premises for another Customer who does not consent to having his Service Discontinued.

(vii) the Applicant does not pay a charge described in Regulation 9 (b),(c) or (d).

(viii) the Applicant otherwise fails to comply with these Regulations.

(e) A Customer who has not completed an application for Service shall do so within 5 days of a request having been made by Hydro in writing.

4. SECURITY FOR PAYMENT:

(a) An Applicant or a Customer shall give such reasonable security for the payment of charges as may be required by Hydro. When the Customer has established two consecutive years of good credit history, the security deposit will be refunded with simple interest calculated at a Rate equivalent to the Rate paid from time to time by the chartered banks on over-the-counter withdrawal savings accounts.

(b) Hydro may in its discretion require special guarantees from an Applicant or Customer whose location or load characteristics would require abnormal investment in facilities or who requires Service of a special nature.

5. SERVICE STANDARDS - METERED SERVICES:

(a) Service shall normally be provided at one of the following nominal standard secondary voltages depending upon the requirements of the load to be served and the availability of a three phase supply:

Single phase, 3-Wire	-	120/240 volts
Three phase, 4-Wire	-	120/208 volts wye
Three phase, 4-Wire	-	347/600 volts wye

Service at any other supply voltage may be provided in special cases at the discretion of Hydro.

(b) Service shall be supplied at single-phase 120/240 volts where the maximum demand is estimated by Hydro to be less than 75 kW. Where the maximum demand is estimated to be 75kW or greater, service shall normally be supplied at one of the standard three-phase voltages.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

Hydro may, if requested by the Customer, provide a three-phase supply where the maximum demand is estimated to be less than 75 kW, if a contribution in aid of construction is paid to Hydro to cover the cost of transformers, equipment and any line extensions or upgrades required to provide the three-phase service.

To determine the contribution required, the cost to provide three-phase service will be reduced by the value of any single-phase plant supported by the projected revenue from the Customer, as calculated in accordance with Hydro's distribution line contribution in aid of construction policy applicable to General Service Customers. Where the necessary equipment and transformer capacity already exist at the location in question, no contribution in aid of construction will be required to provide the three-phase service.

(c) Hydro shall determine the point at which power and energy is delivered from Hydro's facilities to the Customer's electrical system.

(d) Service entrances shall be in a location satisfactory to Hydro and, except as otherwise approved by Hydro, shall be wired for outdoor meters.

(e) Where Hydro has reason to believe that Service to a Customer has or will have load characteristics which may cause undue interference with Service to another Customer, the Customer shall upon written notice by Hydro provide and install, at his expense and within a reasonable period of time, the equipment necessary to eliminate or prevent such interference.

(f) (i) Any Customer having a connected load or a normal operating demand of more than 25 kilowatts, in areas where space limitations or aesthetic reasons make it impractical to use a pole mounted transformer bank, shall, on request of Hydro, install and maintain a padmount transformer and all associated underground wiring, or provide at his expense a suitable vault or enclosure on the Serviced Premises for exclusive use by Hydro for its equipment necessary to supply and maintain service to the Customer.

(ii) Where either the service requirements of a Customer or changes to a Customer's electrical system necessitate the installation of additional equipment to Hydro's system which cannot be accommodated in Hydro's existing vaults or structures, the Customer shall, on request of Hydro, provide at the Customer's expense such additional space in its vault or enclosure as Hydro shall require to accommodate the additional equipment.

(g) The Customer shall not use a Service for across the line starting of motors rated over 10 horsepower except where specifically approved by Hydro.

(h) For Services having rates based on kilowatt demand, the average power factor shall not be less than 90%. Hydro, in its discretion, may make continuous tests of power factor or may test the Customer's power factor from time to time. If the Customer's power factor is lower than 90%, the Customer shall upon written notice by Hydro provide, at his expense, power factor corrective equipment to ensure that a power factor of not less than 90% is maintained.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

(i) Hydro shall provide transformation for Service up to 500 kVA where the required service voltage is one of Hydro's standard service voltages and installation is in accordance with Hydro's standards. In other circumstances, Hydro, on such conditions as it deems acceptable, may provide the transformation.

(j) All Customer wiring and installations shall be in compliance with all statutory and regulatory requirements including the Canadian Electrical Code, Part 1 and, where applicable, in accordance with Hydro's specifications. However, the provision of Service shall not in any way be construed as acceptance by Hydro of the Customer's electrical system.

(k) The Customer shall provide such protective devices as may be necessary to protect his property and equipment from any disturbance beyond the reasonable control of Hydro.

6. SERVICE STANDARDS - STREET AND AREA LIGHTING SERVICE:

(a) For Street And Area Lighting Service Hydro shall use its best efforts to provide illumination during the hours of darkness for a total of approximately 4200 hours per year. Hydro shall, subject to Regulation 9 (i) make all repairs necessary to maintain service.

(b) Hydro shall supply the energy required and shall provide and maintain the illuminating fixtures and lamps together with necessary overhead conductors, control equipment and other devices.

(c) Hydro shall not be required to provide Street and Area Lighting Service where, in the opinion of Hydro, the normal Service is unsuitable for the task or where the nature of the activities carried out in the area would likely result in damage to the poles, wiring or fixtures.

(d) Hydro shall provide a range of fixture sizes utilizing an efficient lighting source in accordance with current standards in the industry and shall consult with the Customer regarding the most appropriate use of such fixtures for any specific installation.

(e) The location of fixtures for Street and Area Lighting Service shall be determined by Hydro in consultation with the Customer. After poles and fixtures have been installed they shall not be relocated except at the expense of the Customer.

(f) Hydro does not guarantee that fixtures used for Street And Area Lighting Service will illuminate any specific area.

(g) Where the installation of fixtures is required in a location where there are no existing distribution poles the Customer shall pay any contribution in aid of construction as may be determined under Hydro's policy for the pole line extension required to supply electric service to the location of the fixtures.

(h) Hydro shall not be required to provide additional Street And Area Lighting Service to a Customer where on at least two occasions in the preceding twelve months, his bill for such Service has been in arrears for more than 30 days.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

7. METERING:

(a) Service to each building shall be metered separately except as provided in Regulation 7(b).

(b) Service to buildings and facilities on the same Serviced Premises which are occupied by the same Customer may, subject to Regulation 7(c), be metered together provided the Customer supplies and maintains all distribution facilities beyond the point of supply.

(c) Except as provided in Regulation 7(d) Service to each new Domestic Unit shall be metered separately.

(d) Where an existing Domestic Unit is subdivided into two or more new Domestic Units, Service to the new Domestic Units may, in the discretion of Hydro, be metered together.

(e) Where four or more Domestic Units are metered together, the Basic Customer Charge shall be multiplied by the number of Domestic Units.

(f) Where the floor space in the non-domestic portion exceeds 46 sq. meters, the Service shall not qualify for the Domestic Service Rate.

(g) Hydro shall not be required to provide more than one meter per Service, however, sub-metering by the Customer for any purpose not inconsistent with these Regulations is permitted.

(h) Subject to Regulations 7(c) and 7(g) Service to different units of a building may, at the request of the Customer, be combined on one meter or be metered separately.

(i) Maximum demand for billing purposes shall be determined by demand meter or, at the option of Hydro, may be based on:

  (i) 80% of the connected load, where the demand does not exceed 100 kW, or

  (ii) the smallest size transformer(s) required to serve the load if it is intermittent in nature such as X-Ray, welding machines or motors that operate for periods of less than thirty minutes, or

  (iii) the kilowatt-hour consumption divided by an appropriate number of hours use where the demand is less than 10 kW.

(j) When charges are based on maximum demand the metering shall normally be in kVA if the applicable Rate is in kVA and in kW if the applicable Rate is in kW.

If the demand is recorded on a kVA meter but the applicable Rate is based on a kW demand, the recorded demand may be decreased by ten percent (10%) and the result shall be treated as the kW demand for billing purposes.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

If the demand is recorded on a kW meter but the applicable Rate is based on a kVA demand, the recorded demand may be increased by ten percent (10%) and the result shall be treated as the kVA demand for billing purposes.

(k) The Customer shall ensure that meters and related equipment are visible and readily accessible to Hydro's personnel and are suitably protected. Unless otherwise approved by Hydro, meters shall be located outdoors and shall not subsequently be enclosed.

(l) If a meter is located indoors and Hydro employees are unable to obtain access to read the meter at the normal reading time for three consecutive months, the Customer shall upon written notice given by Hydro, provide for the installation of an outdoor meter at his expense.

(m) In the event that a dispute arises regarding the accuracy of a meter, and Hydro is unable to resolve the matter with the Customer then either the Customer or Hydro shall have the right to request an accuracy test in accordance with the requirements of the Electricity Inspection Act of Canada. Should the test indicate that the meter accuracy is not within the allowable limits, the Customer's bill shall be adjusted in accordance with the provisions of the said Act and all costs involved in the removal and testing of the meter shall be borne by Hydro. Should the test confirm the accuracy of the meter, the costs involved shall be borne by the party requesting the test. Hydro may require a Customer to deposit with Hydro in advance of testing, an amount sufficient to cover the costs involved.

(n) Metering shall normally be at secondary distribution voltage level but may at the option of Hydro be at the primary distribution level. When metering is at the primary distribution voltage (4-25KV) the monthly demand and energy consumption shall be reduced by 1.5%.

8. METER READING:

(a) Where reasonably possible Hydro shall read meters monthly provided that Hydro may, at its discretion, read meters at some other interval and estimate the reading for the intervening month(s). Areas which consist primarily of cottages will have their meters read four times per year and Hydro will estimate the readings for all other months.

(b) If Hydro is unable to obtain a meter reading due to circumstances beyond its reasonable control, Hydro may estimate the reading.

(c) If due to any cause a meter has not correctly recorded energy consumption or demand, then the probable consumption or demand shall be estimated in accordance with the best data available and used to determine the relevant charge.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

9. CHARGES:

(a) Every Customer shall pay Hydro the charges approved by the Board from time to time for the Service(s) provided to the Customer or provided to the Serviced Premises at the Customer's request.

(b) Where a Customer requires Service for a period of less than three (3) years, the Customer shall pay Hydro in advance a "Temporary Connection Fee". The Temporary Connection Fee is calculated as the estimated labour cost of installing and removing lines and equipment necessary for the Service plus the estimated cost of non-salvageable material.

(c) Where special facilities are required or requested by the Customer or any facility is relocated at the request of the Customer, the Customer shall pay Hydro in advance the estimated additional cost of providing the special facilities and the estimated cost of the relocation less any betterment.

(d) The Customer shall pay Hydro in advance or on such other terms approved by the Board from time to time any contribution in aid of construction as may be determined by the methods prescribed by the Board.

(e) The Customer shall pay Hydro the amount set forth in the Rate for all poles required for Street And Area Lighting Service which are in addition to those installed by Hydro for the distribution of electricity. This charge shall not apply to Hydro poles and communications poles used jointly for Street And Area Lighting Service and communications attachments.

(f) Where a service is Disconnected pursuant to Regulation 12(a), b(ii), (c), or (d) and the Customer subsequently requests that the service be reconnected, the Customer shall pay a reconnection fee. Where a Service is Disconnected pursuant to Regulation 12(g) and an Applicant subsequently requests that the service be reconnected, the Applicant shall pay a reconnection fee. Applicants that pay the reconnection fee will not be required to pay the application fee. The reconnection fee shall be $20.00 where the reconnection is done during Hydro's normal office hours or $40.00 if it is done at other times.

(g) Where a Service, other than a Street and Area Lighting Service, is Discontinued pursuant to Regulation 11(a), or Disconnected pursuant to Regulations 12(a), b(ii), (c) or (d) and the Customer subsequently requests that the Service be restored within 12 months, the Customer shall pay, in advance, the minimum monthly charges that would have been incurred over the period if the Service had not been Discontinued or Disconnected.

(h) (i) Where a Street and Area Lighting Service is Discontinued pursuant to Regulation 11(a), (b), or (c), or 9(i), or when a Customer requests removal of existing fixtures, and/or poles, the Customer shall pay at the time of removal an amount equal to the unrecovered capital cost, plus the cost of removal less any salvage value of only the poles to be Discontinued or removed.

(ii) If a Customer requests the subsequent replacement of the fixture, either immediately or at any time within 12 months by another, whether or not of the same type or size, the Customer shall pay, in advance, an amount equal to the unrecovered capital cost

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

of the fixture removed, plus the cost of removal, less any non-luminaire salvage, as well as the monthly charges that would have been incurred over the period if the Service had not been Discontinued.

(iii) Where a Street and Area Lighting Service is Discontinued, any pole dedicated solely to the Street and Area Lighting Service may, at the Customer's request, remain in place for up to 24 months from the date of removal of the fixture, during which time the Customer shall continue to pay the prescribed monthly charge for the pole.

(i) Where street and area lighting fixtures or lamps are wantonly, wilfilly, or negligently damaged or destroyed (other than through the negligence of Hydro), Hydro, at its option and after notifying the Customer by letter, shall remove the fixtures and the monthly charges for these fixtures will cease thirty days after the date of the letter. However, if the customer contacts Hydro within thirty days of the date of the letter and agrees to pay the repair costs in advance and all future repair costs, Hydro will replace the fixture and rental charges will recommence. If any future repair costs are not paid within three months of the date invoiced, Hydro, after further notifying the Customer by letter, may remove the fixtures. In all such cases the fixtures shall not be replaced unless the Customer pays to Hydro in advance all amounts owing prior to removal plus the cost of removing the old fixtures and installing the new fixtures.

(j) Where a Service other than Street and Area Lighting Service is not provided to the Customer for the full monthly billing period or where Street and Area Lighting Service is not provided for more than seven (7) days during the monthly billing period, the relevant charge to the Customer for the Service for that period may be prorated except where the failure to provide the Service is due to the Customer or to circumstances beyond the reasonable control of Hydro.

(k) Where a Customer's Service is at primary distribution or transmission voltage and the Customer provides his own transformation and all other facilities beyond the designated point of supply the monthly demand charge shall, subject to the minimum monthly charge, be reduced as follows:

For the Island Interconnected, L'Anse au Loup and Isolated service areas:

(i) for supply at 4 KV to 25 KV ..... $0.40 per kVA

(ii) for supply at 33 KV to 138 KV ..... $0.90 per kVA

For the Happy Valley-Goose Bay, Labrador City and Wabush service areas:

(iii) for supply at 4 KV to 25 KV ..... $0.25 per kVA

(iv) for supply at 33 KV to 138 KV ..... $0.60 per kVA

(l) Where a Customer's monthly demand has been permanently reduced because of the installation of peak load controls, power factor correction, or by rendering sufficient equipment inoperable,

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

by any means satisfactory to Hydro, the monthly demands recorded prior to the effective date of such reduction may be adjusted when determining the Customer's demand for billing purposes thereafter. Should the Customer's demand increase above the adjusted demands in the following 12 months, the Customer will be billed for the charges that would have been incurred over the period if the demand had not been adjusted.

(m) Charges may be based on estimated readings or costs where such estimates are authorized by these Regulations.

(n) An application fee of $8.00 will be charged for all requests for Customer name changes and connection of new Serviced Premises. Landlords will be exempted from the application fee for name changes at Serviced Premises for which a landlord agreement pursuant to Regulation 11(f) is in effect.

10. BILLING:

(a) Hydro shall bill the Customer monthly for charges for Service. However, when a Service is disconnected or a bill is revised, Hydro may issue an additional bill.

(b) The charges for Street And Area Lighting Service may be included as a separate item on a bill for any other Service.

(c) Bills are due and payable when issued. Payment shall be made at such place(s) as Hydro may designate from time to time. Where a bill is not paid in full by the date that a subsequent bill is issued and the amount outstanding is $50.00 or more, Hydro will charge interest at a rate equal to the prime rate charged by chartered banks on the last day of the previous month plus five percent.

(d) Where a Customer's cheque is not honoured for insufficient funds a charge of $10.00 may be applied to the Customer's bill.

(e) Where a Customer is billed on the basis of an estimated charge, an adjustment shall be made in a subsequent bill should such estimate prove to be inaccurate.

(f) Where between normal meter reading dates, one Customer assumes from another Customer the responsibility for a metered Service or a Service is Discontinued, Hydro may base the billing on an estimate of the reading as of the date of change.

(g) Where a Customer has been under billed due to an error on the part of Hydro or due to an act or omission by a third party, the Customer may, at the discretion of Hydro, be relieved of the responsibility for all or any part of the amount of the under billing.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

11. DISCONTINUANCE OF SERVICE:

(a) A Service may be Discontinued by the Customer at any time upon prior notice to Hydro provided that Hydro may require 10 days prior notice in writing.

(b) A Service may be Discontinued by Hydro upon 10 days prior notice in writing to the Customer if the Customer:

(i) provided false or misleading information on the application for the Service

(ii) fails to provide security or guarantee for the Service required under Regulation 4.

(c) A Service may be Discontinued by Hydro without notice if the Service was Disconnected pursuant to Rule 12 and has remained Disconnected for over 30 consecutive days.

(d) When Hydro accepts an application for Service, any prior contract for the same Service shall be Discontinued except where an agreement for that Service is signed by a landlord under Regulation 11(f).

(e) Where a Service has been Discontinued, the Service may, at the option of Hydro and subject to Rule 12(a), remain connected.

(f) A landlord may sign an agreement with Hydro to accept charges for Service provided to a rental premise for all periods when Hydro does not have a contract for Service with a tenant for that premise.

12. DISCONNECTION OF SERVICE:

(a) Hydro shall Disconnect a Service within 10 days of receipt of a written request from the Customer.

(b) Hydro may Disconnect a Service without notice to the Customer:

(i) where the Service has been Discontinued

(ii) on account of or to prevent fraud or abuse

(iii) where in the opinion of Hydro the Customer's electrical system is defective and represents a danger to life or property.

(iv) where the Customer's electrical system has been modified without compliance with the Electrical Regulations.

(iv) where the Customer has a building or structure under Hydro's wires which is within the minimum clearances recommended by the Canadian Standards Association.

(vi) when ordered to do so by any authority having the legal right to issue such order.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

(c) Hydro may, in accordance with its Collection Policies, Disconnect a Service upon prior notice to the Customer if the Customer has a bill for any Service which is not paid in full 30 days or more after issuance.

(d) Hydro may Disconnect a Service upon 10 days prior notice to the Customer if the Customer is in violation of any provision of these Regulations.

(e) Hydro may refuse to reconnect a Service if the Customer is in violation of any provisions of these Rules or if the Customer has a bill for any Service which is unpaid.

(f) Hydro may disconnect a service to make repairs or alterations. Where reasonable and practical, Hydro shall give prior notice to the Customer.

(g) Hydro may disconnect the Service to a rental premises where the landlord has an agreement with Hydro authorizing Hydro to disconnect the Service for periods when Hydro does not have a contract for Service with a tenant of that premises.

13. PROPERTY RIGHTS:

(a) The Customer shall provide Hydro with space and cleared rights-of-way on private property for the line(s) and facilities required to serve the Customer.

(b) Hydro shall have the right to install, remove or replace such of its property as it deems necessary.

(c) The Customer shall provide Hydro with access to the Serviced Premises at all reasonable hours for purposes of reading a meter or installing, replacing, removing or testing its equipment, and measuring or checking the connected load.

(d) All equipment and facilities provided by Hydro shall remain the property of Hydro unless otherwise agreed in writing.

(e) The Customer shall not unreasonably interfere with Hydro's access to its property.

(f) The Customer shall not attach wire, cables, clotheslines or any other fixtures to Hydro's poles or other property except by prior written permission of Hydro.

(g) The Customer shall allow Hydro to trim all trees in close proximity to service lines in order to maintain such lines in a safe manner.

(h) The Customer shall not erect any buildings or obstructions on any of Hydro's easement lands or alter the grade of such easements by more than 20 centimetres, without the prior approval of Hydro.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

14. HYDRO LIABILITY:

Hydro shall not be liable for any failure to supply Service for any cause beyond its reasonable control, nor shall it be liable for any loss, damage or injury caused by the use of Services or resulting from any cause beyond its reasonable control.

15. GENERAL:

(a) No employee, representative or agent of Hydro has authority to make any promise, agreement or representation, whether verbal or otherwise, which is inconsistent with these Regulations and no such promise, agreement or representation shall be binding on Hydro.

(b) Any notice under these Regulations will be considered to have been given to the Customer on the date it is received by the Customer or three days following the date it was delivered or mailed by Hydro to the Customer's last known address, whichever is sooner.

16. POLICIES FOR AUTOMATIC RATE CHANGES (effective up to and including NP rate changes arising from the flow-through of the final rate changes arising from Hydro's 2006 General Rate Application)

(a) Island Interconnected System:

(i) As Newfoundland Power changes its rates, Hydro will automatically adjust all rates such that these customers pay the same rates as Newfoundland Power customers.

(b) L'Anse au Loup System:

(i) As Newfoundland Power changes its rates, Hydro will automatically adjust all rates such that these customers pay the same rates as Newfoundland Power customers.

(c) Isolated Systems:

(i) Isolated Rural Domestic customers, excluding Government departments, pay the same rates as Newfoundland Power for the basic customer charge and First Block consumption (outlined in Rate 1.2D). Rates charged for consumption above this block will be adjusted in accordance with the December 6, 2006 Government directive.

NEWFOUNDLAND AND LABRADOR HYDRO

RULES AND REGULATIONS (Continued)

(ii) Rates for Isolated Rural General Service customers, excluding Government departments, will be adjusted in accordance with the December 6, 2006 Government directive.

(iii) As Newfoundland Power changes its rates, Hydro will automatically adjust Rural Isolated street and area lighting rates, excluding those for Government departments, such that these rates are the same as charged Newfoundland Power customers.

17. POLICIES FOR AUTOMATIC RATE CHANGES (to be effective with NP rate changes subsequent to the flow-through of the final rate changes arising from Hydro's 2006 General Rate Application)

(a) Island Interconnected System:

(i) As Newfoundland Power changes its rates, Hydro will automatically adjust all rates such that these customers pay the same rates as Newfoundland Power customers.

(b) L'Anse au Loup System:

(i) As Newfoundland Power changes its rates, Hydro will automatically adjust all rates such that these customers pay the same rates as Newfoundland Power customers.

(c) Isolated Systems:

(i) Isolated Rural Domestic customers, excluding Government departments, pay the same rates as Newfoundland Power for the basic customer charge and First Block consumption (outlined in Rate 1.2D). Rates charged for consumption above this block will be automatically adjusted by the average rate of change granted Newfoundland Power from time to time.

(ii) Rates for Isolated Rural General Service customers, excluding Government departments, will increase or decrease by the average rate of change granted Newfoundland Power from time to time.

(iii) As Newfoundland Power changes its rates, Hydro will automatically adjust Rural Isolated street and area lighting rates, excluding those for Government departments, such that these rates are the same as charged Newfoundland Power customers.

SCHEDULE E - Dec. 2006
(Previously Filed As: Schedule III)
J.R. Haynes

Newfoundland and Labrador Hydro
Actual and Forecast Electricity Requirements
Island Interconnected System

	2007 Forecast August 2006 Filing		2007 Forecast December 2006 Filing	
	MW	**GWh**	**MW**	**GWh**
Newfoundland Power	1,121.5	4,964.0	1,121.5	4,925.8
Hydro Rural Interconnected	84.8	392.0	84.8	392.0
Corner Brook Pulp & Power	59.4	452.5	59.4	452.5
Abitibi Con. – Grand Falls	24.0	162.4	24.0	162.4
Abitibi Con. – Stephenville	3.0	5.7	3.0	5.7
North Atlantic Refining	30.5	245.3	30.5	245.3
Aur Resources	10.0	64.3	10.0	64.3
Total Deliveries	1,307.6	6,286.2	1,307.6	6,248.0
Transmission Losses	39.9	203.4	39.9	196.4
Hydro Island Requirement	**1,347.5**	**6,489.6**	**1,347.5**	**6,444.4**

Notes:

1. The 2007 Forecasts are sourced to the May 23, 2006 Island Operating Load Forecast (August Filing) and as Revised October 31, 2006 (December Filing).
2. Actual customer peaks are annual maximums. Forecast peaks are for January and system peak excludes interruptible load.
3. Demands for Total Deliveries and Transmission Losses are coincident with system peak. Actual transmission losses include station services.

Newfoundland and Labrador Hydro
Actual and Forecast Electricity Requirements
Labrador Interconnected System

	2007 Forecast August 2006 Filing		2007 Forecast December 2006 Filing	
	MW	**GWh**	**MW**	**GWh**
Hydro Rural Interconnected				
Happy Valley-Goose Bay	57.5	235.0	57.5	235.0
Churchill Falls	0.3	1.5	0.3	1.5
Wabush	15.1	62.0	15.1	62.0
Labrador City	50.6	207.0	50.6	207.0
Total	123.5	505.5	123.5	505.5
CFB 5 Wing Goose Bay	-	77.4	-	77.4
Iron Ore Company of Canada	82.0	312.5	82.0	312.5
Wabush Mines	-	0.2	-	0.2
Total Deliveries	170.4	895.6	170.4	895.6
Transmission Losses	21.6	115.4	21.6	115.4
Hydro Labrador Requirement	**192.0**	**1,011.0**	**192.0**	**1,011.0**

Notes:

1. 2007 Forecast are sourced to the May 24, 2006 Labrador Operating Load Forecast.
2. Actual customer peaks are annual maximums. Forecast peaks are normally for January and system peak excludes interruptible and secondary load. MWs in 2006 are December forecast values.
3. Demands for Total Deliveries and Transmission Losses are coincident with system peak.
4. Sales to CFB Goose Bay and Wabush Mines are secondary sales.

Newfoundland and Labrador Hydro
Actual and Forecast Electricity Requirements
Isolated Systems

	2007 Forecast August 2006 Filing		2007 Forecast December 2006 Filing	
	kW	**MWh**	**kW**	**MWh**
Labrador Isolated				
Davis Inlet/ Natuashish	1,468	6,629	0	0
L'Anse au Loup	3,740	16,884	3,740	16,884
Others	8,661	35,700	8,661	35,700
Total	**13,869**	**59,213**	**12,401**	**52,584**
Island Isolated				
Rencontre East	0	0	0	0
Others	2,844	8,577	2,844	8,577
Total	**2,844**	**8,577**	**2,844**	**8,577**

Notes:

1. The 2007 Forecast is sourced to the May 2006 Rural Operating Load Forecast.
2. Peaks are non-coincident net annual maximums.
3. Net production excludes station services

Newfoundland and Labrador Hydro
Energy Supply and Fuel Expense for 2007
Island Interconnected System

	2007 Forecast August 2006 Filing	2007 Forecast December 2006 Filing
Total Energy Requirement (GWh)	6,489.60	6,444.40
Hydraulic Production (GWh)	4,472.07	4,472.07
Energy Purchases (GWh)	414.87	414.87
Gas Turbine/Diesels Production (GWh)	3.00	3.00
Holyrood Production (GWh)	1,599.66	1,554.50
Holyrood No. 6 Fuel Conversion Factor (kWh/bbl)	630	630
Holyrood No. 6 Fuel Consumption (bbl)	2,539,144	2,467,396
Average No. 6 Fuel Purchase Price ($/bbl)	$55.91	$56.71
No. 6 Fuel Production Cost ($000)	$142,488	$136,867
Gas Turbine/Diesel Production Cost ($000)	$534	$528

Newfoundland and Labrador Hydro
Energy Purchases By Suppliers for 2007
Island Interconnected System

Supplier	2007 Forecast August 2006 Filing		2007 Forecast December 2006 Filing	
	GWh	$000	GWh	$000
NP at Hydro request	0.00	$0	0.00	$0
CBPP Secondary	0.00	$0	0.00	$0
ACI-GF Secondary	20.59	$702	20.59	$689
Star Lake	142.45	$10,432	142.45	$10,432
Rattle Brook	14.59	$1,128	14.59	$1,128
Corner Brook Cogen	100.24	$10,150	100.24	$10,086
Exploits Project	137.00	$10,757	137.00	$10,757
Total Power Purchases	**414.87**	**$33,168**	**414.87**	**$33,092**

Newfoundland and Labrador Hydro
Monthly No. 6 Fuel Purchase Prices
($bbl)

	August 2006 Filing		December 2006 Filing	
	2006 Forecast	**2007 Forecast**	**2006 Forecast**	**2007 Forecast**
January		$58.55		$56.40
February		$55.75		$55.25
March		$54.30		$57.35
April		$54.40		$55.95
May		$55.65		$54.50
June		$58.40		$53.75
July		$59.95		$52.85
August		$59.15		$53.10
September		$57.95		$52.70
October	$58.70	$56.50	$45.95	$54.65
November	$57.35	$54.80	$49.80	$57.35
December	$53.60	$54.70	$53.45	$60.65
Weighted Purchase Price		$55.91		$56.71

Newfoundland and Labrador Hydro
Isolated Fuel and Purchased Power Costs
($thousands)

	2007 Forecast August 2006 Filing	2007 Forecast December 2006 Filing
Diesel Fuel		
Natuashish	$1,539	$0
Other NLH Diesel	$10,244	$10,391
Total	$11,783	$10,391
Purchased Power		
L'Anse au Loup	$1,515	$1,567
Ramea	$119	$121
Mary's Harbour	$43	$44
Total	$1,677	$1,732
Total	**$13,460**	**$12,123**

Table 4

Comparison of Revenues and RSP at Existing and Proposed Rates
2007

	Dec. 31/06 Existing Rates	Jan. 1/07 Proposed Rates	Change $	Change %
Newfoundland Power				
- Firm	$259,113,978	$319,054,050	$59,940,072	23.1%
- RSP	79,600,928	20,934,650	(58,666,278)	
Total Firm NP	$338,714,906	$339,988,700	$1,273,794	0.4%
Industrial				
- Firm	$33,227,665	$43,083,469	$9,855,804	29.7%
- RSP	10,937,289	-5,070,681	-16,007,970	
Total Firm Industrial	$44,164,954	$38,012,788	($6,152,166)	-13.9%
- Non-Firm	$485,133	$485,133	$0	0.0%
- Wheeling	$42,051	$41,088	($963)	-2.3%
Rural Island Interconnected	$37,974,760	$38,126,636	$151,876	0.4% *
Rural Isolated Systems	$6,634,924	$7,484,846	$849,922	12.8%
L'Anse au Loup	$1,716,347	$1,723,212	$6,865	0.4% *
Rural Labrador Interconnected				
Domestic	$7,698,115	$7,698,115	$0	0.0%
GS 2.1 0 - 10 kW	245,650	245,650	0	0.0%
GS 2.2 10 - 100 kW	1,892,158	1,892,158	0	0.0%
GS 2.3 110 - 1000 kVA	2,204,431	2,204,431	0	0.0%
GS 2.4 Over 1000 kVA	1,162,287	1,162,287	0	0.0%
Street & Area Lighting	223,942	223,942	0	0.0%
Rural Labrador Interconnected Total	$13,426,583	$13,426,583	$0	0.0%
Labrador Rural Rate Alteration	$0	$989,643	$989,643	N/A
CFB Goose Bay - Secondary	$4,698,954	$4,698,954	$0	0.0%
Total	$447,858,612	$444,977,583	($2,881,029)	-0.6%

* Estimated increase resulting from Newfoundland Power's subsequent pass-through hearing.

Newfoundland and Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2007
Government Departments
Domestic Diesel 1.2G

Dollars Change in Annual Costs			Percentage Change in Annual Costs		
			25% to 29%	29% to 32%	Total
$ 230	to	$ 1,500	4.76%	4.76%	9.52%
$ 1,500	to	$ 3,000		38.10%	38.10%
$ 3,000	to	$ 4,500		33.33%	33.33%
$ 4,500	to	$ 6,000		4.76%	4.76%
$ 6,000	to	$ 8,500		14.29%	14.29%
		Total:	**4.76%**	**95.24%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Note: This analysis is based on 2005 usage patterns and an average of 21 customers.

Newfoundland and Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2007
Government Departments
General Service 2.1G

Dollars Change in Annual Costs	Percentage Change in Annual Costs					
	18.75 % to 24%	24% to 26%	26% to 30%	30% to 34%	34% to 38%	Total
$ 100 to $ 1,500	8.33%	4.17%	4.17%	10.42%	10.42%	37.50%
$ 1,500 to $ 3,000					45.83%	45.83%
$ 3,000 to $ 5,000					6.25%	6.25%
$ 5,000 to $ 8,000					6.25%	6.25%
$ 8,000 to $ 10,200					4.17%	4.17%
Total:	**8.33%**	**4.17%**	**4.17%**	**10.42%**	**72.92%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Note: This analysis is based on 2005 usage patterns and an average of 48 customers.

Newfoundland and Labrador Hydro
Impact of Proposed Rates on Annual Electricity Costs for 2007
Government Departments
General Service Diesel 2.2G

Dollars Change in Annual Costs	Percentage Change in Annual Costs					
	32 % to 34%	34% to 36%	36% to 38%	38% to 39%	39% to 40%	Total
$ 3,800 to $ 8,300	8.70%	39.13%	13.04%	4.35%		65.22%
$ 8,300 to $ 12,000			13.04%			13.04%
$ 12,000 to $ 17,000			4.35%		13.04%	17.39%
$ 17,000 to $ 22,000						0.00%
$ 22,000 to $ 26,400				4.35%		4.35%
Total:	**8.70%**	**39.13%**	**30.43%**	**8.70%**	**13.04%**	**100.00%**

Each number in the body of the table represents the proportion of customers with the combination of percent range at the top and dollar range to the left.

Note: This analysis is based on 2005 usage patterns and an average of 23 customers.

NEWFOUNDLAND AND LABRADOR HYDRO
2007 Forecast Cost of Service
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NEWFOUNDLAND AND LABRADOR HYDRO
2007 Forecast Cost of Service
Table of Contents

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Island Interconnected ($)	4 Island Isolated ($)	5 Labrador Isolated ($)	6 L'Anse au Loup ($)	7 Labrador Interconnected ($)	8 Basis of Proration
	Revenue Requirement							
	Expenses							
1	Operating, Maintenance and Admin.	96,292,017	74,191,098	5,164,946	11,000,070	1,188,123	4,747,780	Detailed Analysis
2	Fuels - No. 6 Fuel	137,356,005	137,356,005	-	-	-	-	Detailed Analysis
3	Fuels - Diesel	10,493,100	77,700	1,966,395	8,264,187	160,542	24,276	Detailed Analysis
4	Fuels - Gas Turbine	586,522	450,449	-	-	-	136,073	
5	Power Purchases -CF(L)Co	2,537,795	-	-	-	-	2,537,795	Detailed Analysis
6	Power Purchases - Other	35,789,406	33,538,609	121,384	43,555	1,530,455	555,403	Detailed Analysis
7	Depreciation	38,824,894	32,484,633	753,520	2,207,562	443,627	2,935,552	Detailed Analysis
	Expense Credits:							
8	Sundry	(556,962)	(429,128)	(29,875)	(63,625)	(6,872)	(27,462)	Total O&M Expenses
9	Building Rental Income	(6,829)	0	-	-	-	(6,829)	Detailed Analysis
10	Tax Refunds	-	-	-	-	-	-	Total O&M Expenses
11	Suppliers' Discounts	(35,991)	(27,730)	(1,930)	(4,111)	(444)	(1,775)	Total O&M Expenses
12	Pole Attachments	(1,421,660)	(1,015,264)	(24,477)	(94,924)	(63,425)	(223,570)	Detailed Analysis
13	Secondary Energy Revenues	-	-	-	-	-	-	Island Interconnected
14	Wheeling Revenues	(41,088)	(41,088)	-	-	-	-	Island Interconnected
15	Application Fees	(28,896)	(13,296)	(432)	(2,160)	(528)	(12,480)	Detailed Analysis
16	Meter Test Revenues	-	0	-	-	-	-	Weighted Customers
17	**Total Expense Credits**	**(2,091,426)**	**(1,526,507)**	**(56,714)**	**(164,821)**	**(71,269)**	**(272,115)**	
18	**Subtotal Expenses**	**319,788,313**	**276,571,988**	**7,949,530**	**21,350,553**	**3,251,478**	**10,664,764**	
19	Disposal Gain/Loss	1,366,000	1,256,000	5,000	55,000	10,000	40,000	Detailed Analysis
20	**Subtotal Rev Reqt Excl Return**	**321,154,313**	**277,827,988**	**7,954,530**	**21,405,553**	**3,261,478**	**10,704,764**	
21	Return on Debt	102,831,271	96,342,067	674,400	2,179,706	462,525	3,172,574	Rate Base
22	Return on Equity	7,978,717	7,691,694	-	-	-	287,023	Rate Base
23	**Total Revenue Requirement**	**431,964,301**	**381,861,748**	**8,628,930**	**23,585,259**	**3,724,002**	**14,164,360**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
Return on Rate Base

Line No	1	2 Total $	3 Island Interconnected $	4 Island Isolated $	5 Labrador Isolated $	6 L'Anse au Loup $	7 Labrador Interconnected $	8 Basis of Proration
	Rate Base:							
1	Average Net Book Value	1,355,595,882	1,271,206,260	8,885,338	26,934,747	6,175,304	42,394,234	Schedule 2.3
2	Cash Working Capital	3,030,000	2,841,374	19,860	60,204	13,803	94,759	Prorated on Average Net Book Value - L. 1
3	Fuel Inventory - No. 6 Fuel	23,102,757	23,102,757	-	-	-	-	Specifically Assigned - Holyrood
4	Fuel Inventory - Diesel	2,884,922	74,057	191,509	2,535,021	29,073	55,262	Detailed Fuel Analysis
5	Fuel Inventory - Gas Turbine	1,486,077	1,334,313	-	-	-	151,764	Detailed Fuel Analysis
6	Inventory/Supplies	19,912,000	18,160,934	176,689	541,443	137,277	895,657	Prorated on Total Plant in Service, Schedule 2.2
7	Deferred Charges: Holyrood	7,936,000	7,936,000					Detailed Analysis
8	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	75,382,000	70,689,260	494,096	1,497,788	343,396	2,357,459	Prorated on Average Net Book Value - L. 1
9	Total Rate Base	**1,489,329,638**	**1,395,344,955**	**9,767,492**	**31,569,203**	**6,698,853**	**45,949,135**	
10	Less: Rural Portion	(212,026,847)	(163,991,299)	(9,767,492)	(31,569,203)	(6,698,853)	-	Schedule 2.6, L. 9
11	Rate Base Available for Equity Return	**1,277,302,791**	**1,231,353,656**	-	-	-	**45,949,135**	
	Corporate Targets:							
12	Capital Structure: Percent of Debt	83.59% (1)						
13	Return	8.260%						
14	Weighted Average Return: Debt	**6.905%**						
15	Capital Structure: Percent of Equity	13.99% (1)						
16	Return	4.465%						
17	Weighted Average Return: Equity	**0.625%**						
18	Weighted Average Cost of Capital	**7.529%**						
	Return on Rate Base by System (%):							
19	Return on Rate Base - Debt Component	-	6.905%	6.905%	6.905%	6.905%	6.905%	
20	Return on Rate Base - Equity Component	-	0.625%	-	-	-	0.625%	
	Return on Rate Base ($):							
21	Return on Debt	102,831,271	96,342,067	674,400	2,179,706	462,525	3,172,574	Schedule 2.6, L.12
22	Return on Equity	7,978,717	7,691,694	-	-	-	287,023	Schedule 2.6, L.13
23	Return on Rate Base ($)	**110,809,988**	**104,033,761**	**674,400**	**2,179,706**	**462,525**	**3,459,597**	Schedule 2.6, L.14
	Return on Total Rate Base (%):							
24	Return on Rate Base - Debt Component	6.905%	6.905%	6.905%	6.905%	6.905%	6.905%	L. 21 divided by L.9
25	Return on Rate Base - Equity Component	0.536%	0.551%	-	-	-	0.625%	L. 22 divided by L.9
26	Return on Rate Base (%)	**7.440%**	**7.456%**	**6.905%**	**6.905%**	**6.905%**	**7.529%**	L. 23 divided by L.9

(1) Debt and equity weightings reflect a 2.42% component for Employee Future Benefits at 0% cost.

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
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 Credits ($)	5 Deficit ($)	6 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	Total System							
1	Newfoundland Power	319,054,050	282,964,125	(225,501)	36,325,023	-	319,063,647	
2	RSP Activity	-	-	-	-	-	-	
3	Subtotal Newfoundland Power	**319,054,050**	**282,964,125**	**(225,501)**	**36,325,023**	**-**	**319,063,647**	**1.13**
4	Island Industrial	43,482,231	43,307,017	269,803	-		43,576,819	1.00
5	Unallocated RSP Hydraulic Variation	-	-	-	-		-	-
6	Labrador Industrial	2,873,961	2,873,961	-	-		2,873,961	1.00
7	CFB - Goose Bay Secondary	4,698,954	138,620	4,560,334	-		4,698,954	33.90
8	Rural Labrador Interconnected	14,416,226	11,151,779	(1,179,537)	4,443,984		14,416,226	1.29
	Rural Deficit Areas							
9	Island Interconnected	38,126,636	55,590,607	(44,302)	(17,419,669)		38,126,636	0.69
10	Island Isolated	1,481,378	8,628,930	-	(7,147,552)		1,481,378	0.17
11	Labrador Isolated	6,003,468	23,585,259	-	(17,581,791)		6,003,468	0.25
12	L'Anse au Loup	1,723,212	3,724,002	-	(2,000,790)		1,723,212	0.46
13	Revenue Credit Applied to Deficit (74.1%)	-	-	(3,380,796)	3,380,796		-	-
14	**Subtotal**	**47,334,694**	**91,528,799**	**(3,425,098)**	**(40,769,007)**	**-**	**47,334,694**	**0.52**
15	**Total**	**431,860,116**	**431,964,301**	**-**	**-**	**-**	**431,964,301**	**1.00**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	Island Interconnected							
1	Newfoundland Power	319,054,050	282,964,125	(225,501)	36,325,023	-	319,063,647	
2	NLP RSP Activity	-					-	
3	**Subtotal Newfoundland Power**	**319,054,050**	**282,964,125**	**(225,501)**	**36,325,023**	**-**	**319,063,647**	**1.13**
4	Industrial - Firm	42,997,098	43,126,054	(34,368)			43,091,686	
5	Industrial - Non-Firm	485,133	180,962	304,171			485,133	
6	Industrial RSP Activity	-					-	
7	**Subtotal Industrial**	**43,482,231**	**43,307,017**	**269,803**	**-**		**43,576,819**	**1.00**
8	**Unallocated RSP Hydraulic Variation**	**-**						
	Rural							
9	1.1 Domestic	12,023,859	19,737,289	(15,729)	(7,697,701)		12,023,859	0.61
10	1.12 Domestic All Electric	10,793,693	17,836,849	(14,215)	(7,028,941)		10,793,693	0.61
11	1.3 Special	9,044	36,379	(29)	(27,306)		9,044	0.25
12	2.1 General Service 0-10 kW	2,108,744	2,495,761	(1,989)	(385,028)		2,108,744	0.84
13	2.2 General Service 10-100 kW	6,068,370	8,072,737	(6,433)	(1,997,933)		6,068,370	0.75
14	2.3 General Service 110-1,000 kVa	4,004,104	4,585,280	(3,654)	(577,522)		4,004,104	0.87
15	2.4 General Service Over 1,000 kVa	2,197,549	1,840,438	(1,467)	358,578		2,197,549	1.19
16	4.1 Street and Area Lighting	921,273	985,875	(786)	(63,816)		921,273	0.93
17	**Subtotal Rural**	**38,126,636**	**55,590,607**	**(44,302)**	**(17,419,669)**		**38,126,636**	**0.69**
18	**Total Island Interconnected**	**400,662,917**	**381,861,748**	**-**	**18,905,354**		**400,767,102**	**1.05**

Note1:
Calculation of Island Industrial Non-Firm Revenue Credit

Island Industrial Non-Firm Revenues, Ln 5, Col 2	485,133
Island Industrial Non-Firm Allocated Cost of Service, Ln 5, Col 3	(180,962)
Credit to be allocated to Island Interconnected Firm Customers	304,171

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	Island Isolated							
1	1.2 Domestic Diesel	648,696	6,038,897		(5,390,201)		648,696	0.11
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	229,297	815,350		(586,053)		229,297	0.28
5	2.2 GS 10-100 kW	297,787	829,650		(531,863)		297,787	0.36
6	2.3 GS 110-1,000 kVa	271,192	799,967		(528,775)		271,192	0.34
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	34,406	145,067		(110,661)		34,406	0.24
11	4.1G Gov't Street and Area Lighting	0	0		0		0	0.00
12	**Total**	**1,481,378**	**8,628,930**		**(7,147,552)**		**1,481,378**	**0.17**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador 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 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	Labrador Isolated							
1	1.2 Domestic Diesel	2,471,398	13,474,270		(11,002,872)		2,471,398	0.18
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	920,772	2,238,992		(1,318,220)		920,772	0.41
5	2.2 GS 10-100 kW	2,139,650	5,512,525		(3,372,875)		2,139,650	0.39
6	2.3 GS 110-1,000 kVa	178,715	872,946		(694,231)		178,715	0.20
7	2.4 General Service Over 1,000 kVa	198,718	1,224,824		(1,026,106)		198,718	0.16
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	94,215	261,702		(167,487)		94,215	0.36
11	4.1G Gov't Street and Area Lighting	0	0		0		0	0.00
12	**Total**	**6,003,468**	**23,585,259**		**(17,581,791)**		**6,003,468**	**0.25**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
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 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	L'Anse au Loup							
1	1.1 Domestic	594,441	1,464,149		(869,708)		594,441	0.41
2	1.12 Domestic All Electric	366,491	936,974		(570,483)		366,491	0.39
3	2.1 General Service 0-10 kW	154,794	283,719		(128,925)		154,794	0.55
4	2.2 General Service 10-100 kW	434,238	799,693		(365,455)		434,238	0.54
5	2.3 General Service 110-1,000 kVa	137,935	196,546		(58,611)		137,935	0.70
6	4.1 Street and Area Lighting	35,313	42,921		(7,608)		35,313	0.82
7	**Total L'Anse Au Loup**	**1,723,212**	**3,724,002**		**(2,000,790)**		**1,723,212**	**0.46**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador 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 RSP Activity ($)	7 Revenue Requirement After Deficit and Revenue Credit Allocation (Col.3+4+5+6) ($)	8 Revenue to Cost Coverage (Col.2/3)
	Labrador Interconnected							
1	Industrial IOCC Firm	2,863,572	2,863,572		-		2,863,572	1.00
2	Industrial IOCC Non-Firm	10,389	10,389		-		10,389	1.00
3	**Subtotal Industrial**	**2,873,961**	**2,873,961**		**-**		**2,873,961**	**1.00**
4	**CFB - Goose Bay Secondary**	4,698,954	138,620	4,560,334	-		4,698,954	33.90
	Rural							
5	1.1 Domestic	240,361	296,361	(31,346)	118,100		383,115	0.81
6	1.1A Domestic All Electric	8,163,435	6,837,937	(723,257)	2,724,918		8,839,597	1.19
7	2.1 General Service 0-10 kW	255,598	188,500	(19,938)	75,117		243,679	1.36
8	2.2 General Service 10-100 kW	2,039,667	1,349,042	(142,690)	537,593		1,743,946	1.51
9	2.3 General Service 110-1,000 kVa	2,318,805	1,520,079	(160,781)	605,751		1,965,050	1.53
10	2.4 General Service Over 1,000 kVa	1,170,404	774,150	(81,883)	308,499		1,000,767	1.51
11	4.1 Street and Area Lighting	227,956	185,710	(19,643)	74,005		240,073	1.23
12	**Subtotal Rural**	**14,416,226**	**11,151,779**	**(1,179,537)**	**4,443,984**		**14,416,226**	**1.29**
13	**Total Labrador Interconnected**	**21,989,141**	**14,164,360**	**3,380,796**	**4,443,984**		**21,989,141**	**1.55**

Note1:
Calculation of CFB - Goose Bay Secondary Revenue Credit

CFB - Goose Bay Secondary Revenues, Ln 4, Col 2		4,698,954
CFB - Goose Bay Secondary Allocated Cost of Service, Ln 4, Col 3		(138,620)
CFB - Goose Bay Secondary Allocated Deficit, Ln 4, Col 5		-
Revenue Credit		4,560,334
Revenue Credit Applied to Deficit	74.1%	3,380,796
Revenue Credit Applied to Firm Regulated Labrador Interconnected Customers		1,179,537
		4,560,334

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
Rural Deficit Allocation

Line No.	1 Rate Class	2 Allocated Revenue Reqt ($)	3 Demand ($)	4 Energy ($)	5 Customer ($)	6 Source
			Before Deficit and Revenue Credit Allocation			
	CLASSIFICATION TO DEMAND, ENERGY, CUSTOMERS:					
1	Newfoundland Power	282,964,125	97,598,849	181,243,376	4,121,900	Schedule 1.3.1, p. 1
2	Rural Labrador Interconnected	11,151,779	7,397,708	885,710	2,868,361	Schedule 1.3.1, p. 3
3	**Total**	**294,115,904**	**104,996,558**	**182,129,086**	**6,990,261**	
4	Deficit Classified	40,769,007	14,554,145	25,245,904	968,958	Prorated on Line 3
	UNIT COSTS OF DEFICIT:		CP kW	MWH	Customers *	
	Island Interconnected:					
5	Newfoundland Power		1,114,887	5,080,638	10,506	
6	**Subtotal Island Interconnected**		**1,114,887**	**5,080,638**	**10,506**	
	Labrador Interconnected:					
7	Rural Labrador Interconnected		122,167	570,634	9,397	
8	**Subtotal Labrador Interconnected**		**122,167**	**570,634**	**9,397**	
9	**Total**		**1,237,055**	**5,651,272**	**19,902**	
10	Deficit Unit Costs		$11.77 $/KW	$4.47 $/MWH	$48.69 $/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:	$392.34
Labrador Interconnected:	$305.26

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
Rural Deficit Allocation

Line No.	1	2	3	4	5	6
			Deficit Allocation			
	Rate Class	Allocated Revenue Reqt ($)	Demand ($)	Energy ($)	Customer ($)	Source
	ALLOCATION OF DEFICIT:					
11	Island Interconnected	36,325,023	13,116,827	22,696,712	511,484	Line 6 x Line 10
12	Labrador Interconnected	4,443,984	1,437,318	2,549,192	457,474	Line 8 x Line 10
13	**Allocated Totals**	**40,769,007**	**14,554,145**	**25,245,904**	**968,958**	

	CUSTOMER DEFICIT ALLOCATION:	Amount	Percent
	Island Interconnected:		
14	Newfoundland Power	36,325,023	89.1%
15	Sub-Total Island Interconnected	36,325,023	
	Labrador Interconnected:		
16	Rural Labrador Interconnected	4,443,984	10.9%
17	Subtotal Labrador Interconnected	4,443,984	
18	**Total**	40,769,007	100.0%

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Unit Demand, Energy & Customer Amounts

Line No.	1 Rate Class	2 Before Deficit and Revenue Credit Allocation: Demand Demand ($/kW)	3 Before Deficit and Revenue Credit Allocation: Demand Non-Demand ($/kWh)	4 Before Deficit and Revenue Credit Allocation: Non-Demand Energy ($/kWh)	5 Before Deficit and Revenue Credit Allocation: Non-Demand Demand & Energy ($/kWh)	6 Before Deficit and Revenue Credit Allocation: Customer ($/Bill)	7 After Deficit and Revenue Credit Allocation: Demand Demand ($/kW)	8 After Deficit and Revenue Credit Allocation: Demand Non-Demand ($/kWh)	9 After Deficit and Revenue Credit Allocation: Non-Demand Energy ($/kWh)	10 After Deficit and Revenue Credit Allocation: Non-Demand Demand & Energy ($/kWh)	11 After Deficit and Revenue Credit Allocation: Customer ($/Bill)
	Island Interconnected										
1	Newfoundland Power	7.49	-	0.03679	-	343,491.65	8.45	-	0.04149	-	387,313.05
2	Industrial - Firm	6.69	-	0.03679	-	13,180.53	6.68	-	0.03676	-	13,170.02
3	Industrial - Non-Firm	-	-	0.03693	-	-	-	-	0.09901	-	-
	Rural							-	-		
4	1.1 Domestic	-	0.09888	0.04073	0.13961	30.56	-	-	-	-	-
5	1.12 Domestic All Electric	-	0.10245	0.04073	0.14318	30.55	-	-	-	-	-
6	1.3 Special	-	0.16313	0.04035	0.20348	30.27	-	-	-	-	-
7	2.1 General Service 0-10 kW	-	0.07450	0.04097	0.11547	34.05	-	-	-	-	-
8	2.2 General Service 10-100 kW	29.35	-	0.04089	-	54.09	-	-	-	-	-
9	2.3 General Service 110-1,000 kVa	20.36	-	0.04088	-	55.89	-	-	-	-	-
10	2.4 General Service Over 1,000 kVa	8.99	-	0.04097	-	56.11	-	-	-	-	-
11	4.1 Street and Area Lighting	-	0.10838	0.04104	0.14942	53.75	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Unit Demand, Energy & Customer Amounts

Line No.	1 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			Non-Demand		Demand			Non-Demand	
		Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)	Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)
	Isolated Systems:										
1	1.2 Domestic Diesel	-	0.27523	0.50577	0.78100	41.03					
2	2.1 General Service 0-10 kW	-	0.19158	0.50543	0.69701	44.82					
3	2.2 GS 10-100 kW	53.68	-	0.49554	-	66.37					
4	2.3 GS 110-1,000 kVa	32.43	-	0.52048	-	77.40					
5	2.4 General Service Over 1,000 kVa	6.92	-	0.48466	-	61.03					
6	**Subtotal Metered Demand Classes**	42.75	-	0.49822	-	67.08					
7	4.1 Street and Area Lighting	-	0.31864	0.51077	0.82942	69.55					
	Island Isolated										
8	1.2 Domestic Diesel	-	0.46334	0.57689	1.04022	59.32	-	-	-	-	-
9	2.1 General Service 0-10 kW	-	0.32121	0.57883	0.90004	70.08	-	-	-	-	-
10	2.2 GS 10-100 kW	90.62	-	0.58034	-	134.55	-	-	-	-	-
11	2.3 GS 110-1,000 kVa	70.64	-	0.57789	-	139.26	-	-	-	-	-
12	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-	-	-
13	4.1 Street and Area Lighting	-	0.50007	0.57897	1.07904	101.23	-	-	-	-	-
	Labrador Isolated										
14	1.2 Domestic Diesel	-	0.21974	0.48479	0.70453	34.19	-	-	-	-	-
15	2.1 General Service 0-10 kW	-	0.15880	0.48687	0.64567	37.90	-	-	-	-	-
16	2.2 GS 10-100 kW	49.30	-	0.48661	-	59.49	-	-	-	-	-
17	2.3 GS 110-1,000 kVa	13.86	-	0.48513	-	61.09	-	-	-	-	-
18	2.4 General Service Over 1,000 kVa	6.92	-	0.48466	-	61.03	-	-	-	-	-
19	4.1 Street and Area Lighting	-	0.25536	0.48699	0.74235	56.94	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Unit Demand, Energy & Customer Amounts

Line No.	1 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			Non-Demand		Demand			Non-Demand	
		Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)	Demand ($/kW)	Non-Demand ($/kWh)	Energy ($/kWh)	Demand & Energy ($/kWh)	Customer ($/Bill)
	L'Anse au Loup										
1	1.1 Domestic	-	0.10027	0.10985	0.21012	36.16	-	-	-	-	-
2	1.12 Domestic All Electric	-	0.13927	0.10981	0.24908	36.15	-	-	-	-	-
3	2.1 General Service 0-10 kW	-	0.09008	0.11025	0.20033	38.90	-	-	-	-	-
4	2.2 General Service 10-100 kW	24.39	-	0.11021	-	54.73	-	-	-	-	-
5	2.3 General Service 110-1,000 kVa	9.65	-	0.11072	-	56.29	-	-	-	-	-
6	4.1 Street and Area Lighting	-	0.11421	0.11103	0.22524	55.95	-	-	-	-	-
	Labrador Interconnected										
7	Industrial - IOCC Firm	3.15	-	0.00170	-	0.00	3.15	-	0.00170	-	0.00
8	Industrial - IOCC Non-Firm	-	-	0.00170	0.00170	0.00	-	-	0.00170	0.00170	0.00
9	CFB - Goose Bay Secondary	-	-	0.00178	0.00178	77.93	-	-	0.00178	0.00178	77.93
	Rural							-	-		
10	1.1 Domestic	-	0.01809	0.00182	0.01991	22.99	-	0.02339	0.00235	0.02574	29.72
11	1.1A Domestic All Electric	-	0.01651	0.00183	0.01834	23.17	-	0.02134	0.00237	0.02371	29.96
12	**Subtotal Domestic**	-	0.01655	0.00183	0.01838	23.16	-	0.02139	0.00237	0.02376	29.94
								-	-		
13	2.1 General Service 0-10 kW	-	0.01227	0.00184	0.01412	25.97	-	0.01587	0.00238	0.01825	33.58
14	2.2 General Service 10-100 kW	4.11	-	0.00185	-	42.18	5.32	-	0.00239	-	54.53
15	2.3 General Service 110-1,000 kVa	4.66	-	0.00185	-	43.60	6.02	-	0.00239	-	56.36
16	2.4 General Service Over 1,000 kVa	5.73	-	0.00180	-	42.49	7.40	-	0.00233	-	54.93
17	4.1 Street and Area Lighting	-	0.01842	0.00184	0.02026	41.75	0.00	0.02381	0.00238	0.02619	53.97

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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	282,964,125	97,598,849	181,243,376	4,121,900	319,063,647	110,050,151	204,365,739	4,647,757
2	Industrial - Firm	43,126,054	9,431,334	32,903,889	790,832	43,091,686	9,423,818	32,877,667	790,201
3	Industrial - Non-Firm	180,962	-	180,962	-	485,133	-	485,133	-
	Rural								
4	1.1 Domestic	19,737,289	10,753,873	4,429,839	4,553,577	-	-	-	-
5	1.12 Domestic All Electric	17,836,849	10,987,433	4,367,632	2,481,784	-	-	-	-
6	1.3 Special	36,379	28,874	7,141	363	-	-	-	-
7	2.1 General Service 0-10 kW	2,495,761	1,099,810	604,807	791,144	-	-	-	-
8	2.2 General Service 10-100 kW	8,072,737	5,192,486	2,307,066	573,184	-	-	-	-
9	2.3 General Service 110-1,000 kVa	4,585,280	2,826,255	1,706,043	52,982	-	-	-	-
10	2.4 General Service Over 1,000 kVa	1,840,438	721,629	1,114,769	4,040	-	-	-	-
11	4.1 Street and Area Lighting	985,875	325,168	123,121	537,586	-	-	-	-
12	**Subtotal Rural**	**55,590,607**	**31,935,528**	**14,660,420**	**8,994,659**				
13	**Total Island Interconnected**	**381,861,748**	**138,965,711**	**228,988,647**	**13,907,391**				

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 ($)	Customer ($)
	Isolated Systems:								
1	1.2 Domestic Diesel	19,513,167	6,416,592	11,791,202	1,305,373				
2	2.1 General Service 0-10 kW	3,054,341	769,433	2,029,952	254,957				
3	2.2 GS 10-100 kW	6,342,175	1,696,061	4,541,780	104,333				
4	2.3 GS 110-1,000 kVa	1,672,913	320,015	1,343,997	8,901				
5	2.4 General Service Over 1,000 kVa	1,224,824	47,041	1,177,051	732				
6	**Subtotal Metered Demand Classes**	9,239,912	2,063,117	7,062,828	113,967				
7	4.1 Street and Area Lighting	406,769	115,714	185,484	105,572				
8	**Total Isolated Systems**	**32,214,190**	**9,364,856**	**21,069,466**	**1,779,868**				
	Island Isolated								
9	1.2 Domestic Diesel	6,038,897	2,460,912	3,064,007	513,979	-	-	-	-
10	2.1 General Service 0-10 kW	815,350	260,367	469,199	85,783	-	-	-	-
11	2.2 GS 10-100 kW	829,650	303,840	506,435	19,376	-	-	-	-
12	2.3 GS 110-1,000 kVa	799,967	227,982	568,643	3,342	-	-	-	-
13	2.4 General Service Over 1,000 kVa	-	-	-	-	-	-	-	-
14	4.1 Street and Area Lighting	145,067	46,963	54,372	43,732	-	-	-	-
15	**Total Island Isolated**	**8,628,930**	**3,300,064**	**4,662,655**	**666,212**				
	Labrador Isolated								
16	1.2 Domestic Diesel	13,474,270	3,955,681	8,727,195	791,394	-	-	-	-
17	2.1 General Service 0-10 kW	2,238,992	509,065	1,560,753	169,174	-	-	-	-
18	2.2 GS 10-100 kW	5,512,525	1,392,222	4,035,346	84,958	-	-	-	-
19	2.3 GS 110-1,000 kVa	872,946	92,033	775,354	5,559	-	-	-	-
20	2.4 General Service Over 1,000 kVa	1,224,824	47,041	1,177,051	732	-	-	-	-
21	4.1 Street and Area Lighting	261,702	68,751	131,112	61,839	-	-	-	-
22	**Total Labrador Isolated**	**23,585,259**	**6,064,792**	**16,406,811**	**1,113,656**				

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 ($)	Customer ($)
	L'Anse au Loup								
1	1.1 Domestic	1,464,149	568,209	622,535	273,404	-	-	-	-
2	1.12 Domestic All Electric	936,974	489,820	386,205	60,949	-	-	-	-
3	2.1 General Service 0-10 kW	283,719	98,820	120,942	63,958	-	-	-	-
4	2.2 General Service 10-100 kW	799,693	337,620	423,983	38,090	-	-	-	-
5	2.3 General Service 110-1,000 kVa	196,546	46,701	147,143	2,702	-	-	-	-
6	4.1 Street and Area Lighting	42,921	12,572	12,222	18,128	-	-	-	-
7	**Total L'Anse au Loup**	**3,724,002**	**1,553,741**	**1,713,029**	**457,232**				
	Labrador Interconnected								
8	Industrial - IOCC Firm	2,863,572	2,341,412	522,159	-	2,863,572	2,341,412	522,159	-
9	Industrial - IOCC Non-Firm	10,389	-	10,389	-	10,389	-	10,389	-
10	CFB - Goose Bay Secondary	138,620	-	137,685	935	138,620	-	137,685	935
	Rural								
11	1.1 Domestic	296,361	118,880	11,949	165,532	383,115	153,680	15,446	213,988
12	1.1A Domestic All Electric	6,837,937	4,319,569	479,496	2,038,871	8,839,597	5,584,031	619,859	2,635,708
13	**Subtotal Domestic**	**7,134,298**	**4,438,449**	**491,445**	**2,204,404**	**9,222,712**	**5,737,711**	**635,305**	**2,849,696**
14	2.1 General Service 0-10 kW	188,500	55,489	8,337	124,674	243,679	71,733	10,778	161,169
15	2.2 General Service 10-100 kW	1,349,042	908,782	120,361	319,899	1,743,946	1,174,809	155,595	413,542
16	2.3 General Service 110-1,000 kVa	1,520,079	1,296,889	159,884	63,306	1,965,050	1,676,526	206,686	81,837
17	2.4 General Service Over 1,000 kVa	774,150	669,303	102,808	2,040	1,000,767	865,228	132,902	2,637
18	4.1 Street and Area Lighting	185,710	28,795	2,875	154,040	240,073	37,225	3,716	199,132
19	**Subtotal Rural**	**11,151,779**	**7,397,708**	**885,710**	**2,868,361**	**14,416,226**	**9,563,231**	**1,144,982**	**3,708,013**
20	**Total Labrador Incterconnected**	**14,164,360**	**9,739,121**	**1,555,943**	**2,869,296**	**17,428,807**	**11,904,643**	**1,815,216**	**3,708,013**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Demands, Sales, & Number of Bills

	1	2	3	4	5
		Units			
Line No.	Rate Class	Billing Demands (kW)	Sales (MWh)	Customers	Bills (Total No)
	Island Interconnected				
1	Newfoundland Power	13,026,840	4,925,800	1	12
2	Industrial - Firm	1,410,000	894,300	5	60
3	Industrial - Non-Firm	64,800	4,900	-	-
	Rural				
4	1.1 Domestic	-	108,756	12,418	149,016
5	1.12 Domestic All Electric	-	107,244	6,769	81,228
6	1.3 Special	-	177	1	12
7	2.1 General Service 0-10 kW	-	14,762	1,936	23,232
8	2.2 General Service 10-100 kW	176,922	56,421	883	10,596
9	2.3 General Service 110-1,000 kVa	138,810	41,736	79	948
10	2.4 General Service Over 1,000 kVa	80,283	27,212	6	72
11	4.1 Street and Area Lighting	-	3,000	834	10,002
12	**Subtotal Rural**	**396,016**	**359,308**	**22,926**	**275,106**
13	**Total Island Interconnected**	**14,897,656**	**6,184,308**	**22,932**	**275,178**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Demands, Sales, & Number of Bills

Line No.	1 Rate Class	2 Units: Billing Demands (kW)	3 Units: Sales (MWh)	4 Units: Customers	5 Units: Bills (Total No)
	Isolated Systems:				
1	1.2 Domestic Diesel	-	23,313	2,651	31,812
2	2.1 General Service 0-10 kW	-	4,016	474	5,688
3	2.2 GS 10-100 kW	31,594	9,165	131	1,572
4	2.3 GS 110-1,000 kVa	9,869	2,582	10	115
5	2.4 General Service Over 1,000 kVa	6,801	2,429	1	12
6	**Subtotal Metered Demand Classes**	48,264	14,176	142	1,699
7	4.1 Street and Area Lighting	-	363	127	1,518
8	**Total Isolated Systems**	**48,264**	**41,869**	**3,393**	**40,717**
	Island Isolated				
9	1.2 Domestic Diesel	-	5,311	722	8,664
10	2.1 General Service 0-10 kW	-	811	102	1,224
11	2.2 GS 10-100 kW	3,353	873	12	144
12	2.3 GS 110-1,000 kVa	3,227	984	2	24
13	2.4 General Service Over 1,000 kVa	-	-	-	-
14	4.1 Street and Area Lighting	-	94	36	432
15	**Total Island Isolated**	**6,580**	**8,072**	**874**	**10,488**
	Labrador Isolated				
16	1.2 Domestic Diesel	-	18,002	1,929	23,148
17	2.1 General Service 0-10 kW	-	3,206	372	4,464
18	2.2 GS 10-100 kW	28,241	8,293	119	1,428
19	2.3 GS 110-1,000 kVa	6,642	1,598	8	91
20	2.4 General Service Over 1,000 kVa	6,801	2,429	1	12
21	4.1 Street and Area Lighting	-	269	91	1,086
22	**Total Labrador Isolated**	**41,684**	**33,796**	**2,519**	**30,229**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Demands, Sales, & Number of Bills

Line No.	1 Rate Class	2 Units Billing Demands (kW)	3 Units Sales (MWh)	4 Units Customers	5 Units Bills (Total No)
	L'Anse au Loup				
1	1.1 Domestic	-	5,667	630	7,560
2	1.12 Domestic All Electric	-	3,517	141	1,686
3	2.1 General Service 0-10 kW	-	1,097	137	1,644
4	2.2 General Service 10-100 kW	13,844	3,847	58	696
5	2.3 General Service 110-1,000 kVa	4,841	1,329	4	48
6	4.1 Street and Area Lighting	-	110	27	324
7	**Total L'Anse au Loup**	**18,685**	**15,567**	**997**	**11,958**
	Labrador Interconnected				
8	Industrial - IOCC Firm	744,000	306,600	1	12
9	Industrial - IOCC Non-Firm	-	6,100		
10	CFB - Goose Bay Secondary	-	77,400	1	12
	Rural				
11	1.1 Domestic	-	6,571	600	7,200
12	1.1A Domestic All Electric	-	261,617	7,332	87,984
13	**Subtotal Domestic**	**-**	**268,188**	**7,932**	**95,184**
14	2.1 General Service 0-10 kW	-	4,521	400	4,800
15	2.2 General Service 10-100 kW	220,864	65,165	632	7,584
16	2.3 General Service 110-1,000 kVa	278,350	86,390	121	1,452
17	2.4 General Service Over 1,000 kVa	116,897	57,000	4	48
18	4.1 Street and Area Lighting	-	1,563	308	3,690
19	**Subtotal Rural**	**616,110**	**482,827**	**9,397**	**112,758**
20	**Total Labrador Incterconnected**	**1,360,110**	**872,927**	**9,399**	**112,782**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Rate Calculations for Newfoundland Power

Line No.	1 Description	2 Amount	3 Source
	Newfoundland Power:		
	Demand:		
1	Rate ($/kW/mo.)	$4.00	
2	Billing Units (kW)	13,026,840	Sch 1.3.2, pg 1, Ln 1, Col 2
3	**Demand Revenue**	**$52,107,360**	Ln 1 * Ln 2
	Energy (First Block):		
4	Total Revenue Requirement	$319,063,647	Sch 1.2, pg 1, Ln 1, Col 7
5	Less: Demand Revenue	52,107,360	Ln 3
6	Less: Second Block Energy Revenue	169,563,204	((Sch 1.3.2, pg 1, Ln 1, Col 3) - Ln 8) * Ln 12
7	First Block Energy Revenue	$97,393,083	Ln 4 - Ln 5 - Ln 6
8	First Block Energy Consumed (MWh)	3,000,000	
9	**Rate (Mills/kWh)**	**32.46**	Ln 7 / Ln 8
	Energy (Second Block):		
10	Average No. 6 Fuel Cost per Barrel	$55.47	
11	Efficiency Factor (kWh per Barrel)	630	
12	**Rate (Mills/kWh)**	**88.05**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Value of Newfoundland Power Thermal Generation Credit

Line No.	1 Description	2 Amount	3 Source
1	Island Interconnected System:		
2	Generation demand costs ($)	90,158,328	Sch 2.1A, C. 3, Ln 23
3	Coincident peak (kW)	1,307,505	Sch 3.1A, C. 3, Ln 13
4	Generation demand costs ($/kW)	68.95	Ln 2 / Ln 3
5	NP thermal generation capacity credit (kW)	37,826	(1)
6	Gross value of credit to NP ($)	2,608,103	Ln 4 x Ln 5
7	Less NP's cost share:		
8	Percentage	85.68%	Sch 3.1A, C. 5, Ln 14
9	Amount ($)	(2,234,687)	Ln 6 x Ln 8
10	Net value of credit to NP ($)	373,415	Ln 6 - Ln 9

(1)	NP gas turbine and diesel generation capacity (kW)	43,500
	÷ System reserve	1.15
	NP thermal generation capacity credit (kW)	37,826

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Calculation of Firming Up Charge

	1	2	3	4
Line No.	Description	Total	Gas Turbine	Transmission & Terminals
1	Operating & Maintenance	4,162,606	736,170	3,426,435
2	O&M Overhead	3,878,071	1,063,515	2,814,556
3	Depreciation	6,174,750	392,022	5,782,728
4	Return	12,318,127	401,010	11,917,117
5	**Total**	**26,533,554**	**2,592,717**	**23,940,836**
6	Capacity (kW)		118,000	1,591,600
7	Cost ($/kW)	$37.01	$21.97	$15.04
8	Rate ($/kWh)	$0.00841		

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Calculation of Transmission Wheeling Charge

Line No.	1 Description	2
1	Island Interconnected Transmission Revenue Requirement	24,007,117
2	Transmission Energy Output (MWh)	6,255,200
3	Rate ($/kWh)	$0.00384

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Expenses																	
1	Operating & Maintenance	74,191,098	28,469,639	22,282,632	6,240,991	2,799,864	911,835	4,470,871	1,107,840	239,117	423,257	622,510	684,480	359,274	263,110	104,490	2,349,260	1,395,085
2	Fuels-No. 6 Fuel	137,356,005	-	137,356,005	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	77,700	77,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	450,449	450,449	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	33,538,609	14,771,900	18,320,122	-	446,587	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	32,484,633	9,773,122	7,922,902	5,782,728	2,531,567	452,996	2,423,368	584,379	138,999	246,040	323,884	357,420	158,799	122,608	62,886	395,953	1,206,982
	Expense Credits																	
8	Sundry	(429,128)	(164,671)	(128,885)	(36,098)	(16,195)	(5,274)	(25,860)	(6,408)	(1,383)	(2,448)	(3,601)	(3,959)	(2,078)	(1,522)	(604)	(13,588)	(8,069)
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(27,730)	(10,641)	(8,329)	(2,333)	(1,047)	(341)	(1,671)	(414)	(89)	(158)	(233)	(256)	(134)	(98)	(39)	(878)	(521)
12	Pole Attachments	(1,015,264)	-	-	-	-	-	(587,176)	(200,669)	-	-	(103,931)	(123,489)	-	-	-	-	-
13	Secondary Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	(41,088)	-	-	(41,088)	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(13,296)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,296)	-
16	Meter Test Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Total Expense Credits**	**(1,526,507)**	**(175,312)**	**(137,213)**	**(79,519)**	**(17,241)**	**(5,615)**	**(614,707)**	**(207,491)**	**(1,472)**	**(2,606)**	**(107,764)**	**(127,704)**	**(2,212)**	**(1,620)**	**(643)**	**(27,762)**	**(8,591)**
18	**Subtotal Expenses**	**276,571,988**	**53,367,498**	**185,744,447**	**11,944,200**	**5,760,777**	**1,359,216**	**6,279,532**	**1,484,727**	**376,644**	**666,691**	**838,631**	**914,197**	**515,860**	**384,098**	**166,733**	**2,717,450**	**2,593,477**
19	Disposal Gain / Loss	1,256,000	439,216	492,378	145,800	72,032	9,468	35,691	8,852	2,490	4,407	4,863	5,360	2,402	1,586	1,188	2,369	27,898
20	**Subtotal Revenue Requirement Ex. Return**	**277,827,988**	**53,806,714**	**186,236,825**	**12,090,000**	**5,832,809**	**1,368,684**	**6,315,223**	**1,493,580**	**379,134**	**671,098**	**843,493**	**919,557**	**518,263**	**385,684**	**167,921**	**2,719,819**	**2,621,375**
21	Return on Debt	96,342,067	33,335,729	38,660,829	10,928,422	5,398,519	712,213	2,688,701	666,835	186,732	330,532	366,447	403,911	181,625	119,235	89,011	179,075	2,094,252
22	Return on Equity	7,691,694	3,015,885	3,497,647	988,695	-	-	-	-	-	-	-	-	-	-	-	-	189,467
23	**Total Revenue Reqmt**	**381,861,748**	**90,158,328**	**228,395,301**	**24,007,117**	**11,231,328**	**2,080,896**	**9,003,924**	**2,160,415**	**565,866**	**1,001,630**	**1,209,940**	**1,323,468**	**699,887**	**504,918**	**256,932**	**2,898,895**	**4,905,094**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment	21 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	902,862	563,981	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	(5,222)	(3,262)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
9	Building Rental Income	-	-	Prorated on Production, Transmission & Distribution Plant - Sch.2.2 L.34
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.30
11	Suppliers' Discounts	(337)	(211)	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**	**(5,560)**	**(3,473)**	
18	**Subtotal Expenses**	**897,302**	**560,508**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.40
20	**Subtotal Revenue Requirement Ex. Return**	**897,302**	**560,508**	
21	Return on Debt	-	-	Prorated on Rate Base - Sch.2.6 L.9
22	Return on Equity	-	-	Prorated on Rate Base - Sch.2.6 L.11
23	**Total Revenue Reqmt**	**897,302**	**560,508**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island 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 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	184,215,792	83,981,619	100,234,173	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	173,188,436	78,954,389	94,234,048	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	79,440,527	36,215,918	43,224,609	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	265,579,977	121,074,508	144,505,469	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	21,895,451	9,981,856	11,913,596	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	111,506,861	50,834,549	60,672,312	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Hydraulic	4,362,635	1,988,869	2,373,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**840,189,679**	**383,031,707**	**457,157,972**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Holyrood	192,489,488	113,896,030	78,593,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	24,061,741	24,061,741	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	7,774,361	7,774,361	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**1,064,515,269**	**528,763,839**	**535,751,430**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																	
14	Lines	248,532,374	-	-	140,987,795	80,832,739	-	152,972	-	-	-	-	-	-	-	-	-	26,558,869
15	Lines - Hydraulic	54,507,435	24,849,241	29,658,194	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	98,380,283	-	-	62,542,102	19,425,825	-	-	-	-	-	-	-	-	-	-	-	16,412,356
17	Term Stns - Hydraulic	30,451,015	13,882,227	16,568,787	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	8,217,618	4,862,365	3,355,254	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	699,572	699,572	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	9,005,980	-	-	-	-	9,005,980	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**146,754,467**	**19,444,164**	**19,924,041**	**62,542,102**	**19,425,825**	**9,005,980**	-	-	-	-	-	-	-	-	-	-	**16,412,356**
22	**Subtotal Transmission**	**449,794,277**	**44,293,405**	**49,582,235**	**203,529,897**	**100,258,564**	**9,005,980**	**152,972**	-	-	-	-	-	-	-	-	-	**42,971,225**
	Distribution																	
23	Substations	7,787,605	998,323	-	-	-	6,789,282	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	1,571,779	-	-	-	-	-	1,185,043	150,969	-	-	137,452	98,315	-	-	-	-	-
25	Poles	69,859,832	-	-	-	-	-	40,403,294	13,807,935	-	-	7,151,411	8,497,191	-	-	-	-	-
26	Primary Conductor & Eqpt	15,074,816	-	-	-	-	-	13,371,362	1,703,454	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	8,198,057	-	-	-	-	-	8,198,057	-	-	-	-	-	-	-	-	-	-
28	Transformers	9,364,486	-	-	-	-	-	-	-	3,380,579	5,983,907	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	2,593,532	-	-	-	-	-	-	-	-	-	1,512,029	1,081,503	-	-	-	-	-
30	Services	5,079,326	-	-	-	-	-	-	-	-	-	-	-	5,079,326	-	-	-	-
31	Meters	2,323,472	-	-	-	-	-	-	-	-	-	-	-	-	2,323,472	-	-	-
32	Street Lighting	1,477,259	-	-	-	-	-	-	-	-	-	-	-	-	-	1,477,259	-	-
33	**Subtotal Distribution**	**123,330,164**	**998,323**	-	-	-	**6,789,282**	**63,157,755**	**15,662,359**	**3,380,579**	**5,983,907**	**8,800,892**	**9,677,009**	**5,079,326**	**2,323,472**	**1,477,259**	-	-
34	**Subttl Prod, Trans, & Dist**	**1,637,639,710**	**574,055,567**	**585,333,665**	**203,529,897**	**100,258,564**	**15,795,262**	**63,310,727**	**15,662,359**	**3,380,579**	**5,983,907**	**8,800,892**	**9,677,009**	**5,079,326**	**2,323,472**	**1,477,259**	-	**42,971,225**
35	General	152,716,943	61,417,502	48,927,789	11,451,592	5,014,217	1,771,185	8,572,832	2,124,466	458,547	811,666	1,193,766	1,312,604	688,967	547,897	200,378	5,629,106	2,594,428
36	Telecontrol - Custmr & Spec	92,944	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92,944
37	Feasibility Studies	1,977,762	1,956,809	-	14,109	-	6,844	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	175,849	61,642	62,853	21,855	10,766	1,696	6,798	1,682	363	643	945	1,039	545	249	159	-	4,614
39	Software - General	2,531,957	887,548	904,985	314,678	155,010	24,421	97,885	24,216	5,227	9,252	13,607	14,962	7,853	3,592	2,284	-	66,438
40	**Total Plant**	**1,795,135,165**	**638,379,067**	**635,229,292**	**215,332,131**	**105,438,557**	**17,599,409**	**71,988,242**	**17,812,722**	**3,844,716**	**6,805,467**	**10,009,211**	**11,005,613**	**5,776,692**	**2,875,212**	**1,680,080**	**5,629,106**	**45,729,649**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Plant in Service for the Allocation of O&M Expense (CONT'D.)

Line No.	1 Description	19 Basis of Functional Classification
	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**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	141,789,163	64,639,862	77,149,301	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	164,896,366	75,174,140	89,722,226	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	72,389,009	33,001,222	39,387,788	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	257,372,697	117,332,914	140,039,783	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	20,804,841	9,484,660	11,320,181	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	110,740,995	50,485,401	60,255,595	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Small Hydraulic	2,917,398	1,330,004	1,587,393	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**770,910,469**	**351,448,203**	**419,462,266**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
9	Holyrood	41,379,832	24,484,447	16,895,385	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	3,197,101	3,197,101	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	1,310,445	1,310,445	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**816,797,846**	**380,440,195**	**436,357,651**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
14	Lines	180,967,991	-	-	106,609,373	55,209,004	-	151,372	-	-	-	-	-	-	-	-	-	18,998,241
15	Lines - Hydraulic	51,561,644	23,506,293	28,055,351	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	59,154,822	-	-	35,742,667	15,400,358	-	-	-	-	-	-	-	-	-	-	-	8,011,797
17	Term Stns - Hydraulic	20,753,485	9,461,248	11,292,237	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	1,759,842	1,041,299	718,544	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	520,819	520,819	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	6,325,807	-	-	-	-	6,325,807	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**88,514,776**	**11,023,365**	**12,010,781**	**35,742,667**	**15,400,358**	**6,325,807**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,011,797**
22	**Subtotal Transmission**	**321,044,410**	**34,529,658**	**40,066,132**	**142,352,040**	**70,609,363**	**6,325,807**	**151,372**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,010,038**
	Distribution																	
23	Substations	2,984,313	508,485	-	-	-	2,475,828	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	1,089,691	-	-	-	-	-	821,573	104,665	-	-	95,293	68,160	-	-	-	-	-
25	Poles	35,227,853	-	-	-	-	-	20,373,958	6,962,856	-	-	3,606,205	4,284,834	-	-	-	-	-
26	Primary Conductor & Eqpt	8,574,102	-	-	-	-	-	7,605,228	968,873	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	3,446,325	-	-	-	-	-	3,446,325	-	-	-	-	-	-	-	-	-	-
28	Transformers	6,424,600	-	-	-	-	-	-	-	2,319,281	4,105,320	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	1,203,193	-	-	-	-	-	-	-	-	-	701,461	501,731	-	-	-	-	-
30	Services	2,133,139	-	-	-	-	-	-	-	-	-	-	-	2,133,139	-	-	-	-
31	Meters	1,368,498	-	-	-	-	-	-	-	-	-	-	-	-	1,368,498	-	-	-
32	Street Lighting	1,114,740	-	-	-	-	-	-	-	-	-	-	-	-	-	1,114,740	-	-
33	**Subtotal Distribution**	**63,566,453**	**508,485**	**-**	**-**	**-**	**2,475,828**	**32,247,084**	**8,036,394**	**2,319,281**	**4,105,320**	**4,402,960**	**4,854,726**	**2,133,139**	**1,368,498**	**1,114,740**	**-**	**-**
34	**Subttl Prod, Trans, & Dist**	**1,201,408,709**	**415,478,337**	**476,423,783**	**142,352,040**	**70,609,363**	**8,801,635**	**32,398,456**	**8,036,394**	**2,319,281**	**4,105,320**	**4,402,960**	**4,854,726**	**2,133,139**	**1,368,498**	**1,114,740**	**-**	**27,010,038**
35	General	65,055,710	26,163,169	20,842,691	4,878,250	2,136,000	754,505	3,651,930	904,999	195,336	345,761	508,531	559,155	293,492	233,398	85,359	2,397,936	1,105,197
36	Telecontrol - Custmr & Spec	59,639	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,639
37	Feasibility Studies	1,977,762	1,956,809	-	14,109	-	6,844	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	97,344	33,664	38,602	11,534	5,721	713	2,625	651	188	333	357	393	173	111	90	-	2,188
39	Software - General	2,607,095	901,601	1,033,855	308,908	153,225	19,100	70,306	17,439	5,033	8,909	9,555	10,535	4,629	2,970	2,419	-	58,613
40	**Total Net Book Value**	**1,271,206,260**	**444,533,581**	**498,338,932**	**147,564,842**	**72,904,309**	**9,582,797**	**36,123,317**	**8,959,483**	**2,519,837**	**4,460,322**	**4,921,402**	**5,424,809**	**2,431,433**	**1,604,977**	**1,202,608**	**2,397,936**	**28,235,675**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
1	Hydraulic	8,416,619	3,837,029	4,579,590	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Holyrood / Thermal	19,338,023	11,442,308	7,895,715	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Gas Turbine	660,954	660,954	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Diesel	318,050	318,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other	2,488,528	1,236,096	1,252,431	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	**Subtotal Production**	**31,222,173**	**17,494,437**	**13,727,736**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																	
8	Transmission Lines	2,415,736	198,090	236,426	1,123,909	644,373	-	1,219	-	-	-	-	-	-	-	-	-	211,719
9	Terminal Stations	3,588,018	475,393	487,125	1,529,100	474,944	220,188	-	-	-	-	-	-	-	-	-	-	401,268
10	Other	1,709,247	168,318	188,416	773,426	380,989	34,223	581	-	-	-	-	-	-	-	-	-	163,293
11	**Subtotal Transmission**	**7,713,001**	**841,801**	**911,967**	**3,426,435**	**1,500,306**	**254,412**	**1,801**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**776,280**
	Distribution																	
12	Other	4,911,099	40,517	-	-	-	275,545	2,563,280	635,662	137,202	242,859	357,187	392,745	206,146	-	59,955	-	-
13	Meters	163,937	-	-	-	-	-	-	-	-	-	-	-	-	163,937	-	-	-
14	**Subtotal Distribution**	**5,075,035**	**40,517**	**-**	**-**	**-**	**275,545**	**2,563,280**	**635,662**	**137,202**	**242,859**	**357,187**	**392,745**	**206,146**	**163,937**	**59,955**	**-**	**-**
15	**Subttl Prod, Trans, & Dist**	**44,010,209**	**18,376,755**	**14,639,703**	**3,426,435**	**1,500,306**	**529,957**	**2,565,080**	**635,662**	**137,202**	**242,859**	**357,187**	**392,745**	**206,146**	**163,937**	**59,955**	**-**	**776,280**
16	Customer Accounting	1,684,287	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,684,287	-
	Administrative & General:																	
	Plant-Related:																	
17	Production	1,402,156	696,476	705,680	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Prod - Gas Turb & Diesel	867,152	867,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission	2,094,794	206,284	230,916	947,885	466,927	41,943	712	-	-	-	-	-	-	-	-	-	200,127
20	Distribution	1,389,913	11,251	-	-	-	76,514	711,779	176,513	38,099	67,438	99,185	109,058	57,243	26,185	16,649	-	-
21	Prod, Trans, Distn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Prod, Trans, Distn and General Plant	256,484	91,210	90,760	30,766	15,065	2,515	10,285	2,545	549	972	1,430	1,572	825	411	240	804	6,534
23	Prod, Trans, Distn, Excl Hydraulic & Holyrood	1,064,125	135,668	87,215	358,009	176,355	27,784	111,363	27,550	5,946	10,526	15,481	17,022	8,935	4,087	2,598	-	75,586
24	Property Insurance	1,017,455	452,874	448,408	54,878	18,126	13,028	6,358	1,576	340	602	885	974	511	406	149	4,175	14,165
	Revenue-Related:																	
25	Municipal Tax	902,862	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	PUB Assessment	563,981	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	All Expense-Related	17,905,544	7,200,994	5,736,617	1,342,660	587,900	207,665	1,005,135	249,086	53,763	95,165	139,965	153,898	80,779	64,239	23,494	659,994	304,188
28	Prod, Trans, and Distn Expense-Related	1,032,135	430,975	343,333	80,357	35,185	12,429	60,157	14,908	3,218	5,696	8,377	9,211	4,835	3,845	1,406	-	18,205
29	**Subtotal Admin & General**	**28,496,602**	**10,092,884**	**7,642,929**	**2,814,556**	**1,299,558**	**381,878**	**1,905,790**	**472,177**	**101,915**	**180,398**	**265,323**	**291,735**	**153,128**	**99,173**	**44,535**	**664,973**	**618,806**
30	**Total Operating & Maintenance Expenses**	**74,191,098**	**28,469,639**	**22,282,632**	**6,240,991**	**2,799,864**	**911,835**	**4,470,871**	**1,107,840**	**239,117**	**423,257**	**622,510**	**684,480**	**359,274**	**263,110**	**104,490**	**2,349,260**	**1,395,085**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Operating & Maintenance Expense (CONT'D.)

	1	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	**Subttl 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	902,862	-	Revenue-related
26	PUB Assessment	-	563,981	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**	**902,862**	**563,981**	
30	**Total Operating & Maintenance Expenses**	**902,862**	**563,981**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island 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 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
	Production																	
	Hydraulic																	
1	Bay D'Espoir	1,795,302	818,455	976,847	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Upper Salmon	827,379	377,191	450,187	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Hinds Lake	326,760	148,966	177,794	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Cat Arm	1,130,597	515,425	615,172	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Paradise River	133,586	60,900	72,686	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Granite Canal	223,649	101,959	121,690	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Small Hydraulic	100,886	45,993	54,893	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	**Subtotal Hydraulic**	**4,538,158**	**2,068,888**	**2,469,270**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Holyrood	2,906,848	1,719,982	1,186,866	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Gas Turbines	196,033	196,033	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Roddickton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Diesel	134,961	134,961	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	**Subtotal Production**	**7,776,000**	**4,119,863**	**3,656,136**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																	
14	Lines	5,351,003	-	-	2,871,086	1,919,231	-	2,578	-	-	-	-	-	-	-	-	-	558,108
15	Lines - Hydraulic	389,471	177,555	211,916	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Terminal Stations	2,541,445	-	-	1,932,439	186,155	-	-	-	-	-	-	-	-	-	-	-	422,851
17	Term Stns - Hydraulic	538,060	245,295	292,765	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Term Stns - Holyrood	414,799	245,437	169,363	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Term Stns - Gas Tur/Dsl	15,541	15,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Term Stns - Distribution	115,557	-	-	-	-	115,557	-	-	-	-	-	-	-	-	-	-	-
21	**Subtotal Term Stns**	**3,625,402**	**506,273**	**462,128**	**1,932,439**	**186,155**	**115,557**	-	-	-	-	-	-	-	-	-	-	**422,851**
22	**Subtotal Transmission**	**9,365,877**	**683,828**	**674,044**	**4,803,526**	**2,105,386**	**115,557**	**2,578**	-	-	-	-	-	-	-	-	-	**980,959**
	Distribution																	
23	Substations	231,395	31,553	-	-	-	199,842	-	-	-	-	-	-	-	-	-	-	-
24	Land & Land Improvements	40,666	-	-	-	-	-	30,660	3,906	-	-	3,556	2,544	-	-	-	-	-
25	Poles	1,865,991	-	-	-	-	-	1,079,192	368,817	-	-	191,018	226,964	-	-	-	-	-
26	Primary Conductor & Eqpt	420,816	-	-	-	-	-	373,264	47,552	-	-	-	-	-	-	-	-	-
27	Submarine Conductor	273,269	-	-	-	-	-	273,269	-	-	-	-	-	-	-	-	-	-
28	Transformers	285,720	-	-	-	-	-	-	-	103,145	182,575	-	-	-	-	-	-	-
29	Secondary Conductor&Eqpt	63,893	-	-	-	-	-	-	-	-	-	37,250	26,643	-	-	-	-	-
30	Services	106,615	-	-	-	-	-	-	-	-	-	-	-	106,615	-	-	-	-
31	Meters	81,234	-	-	-	-	-	-	-	-	-	-	-	-	81,234	-	-	-
32	Street Lighting	47,146	-	-	-	-	-	-	-	-	-	-	-	-	-	47,146	-	-
33	**Subtotal Distribution**	**3,416,746**	**31,553**	-	-	-	**199,842**	**1,756,385**	**420,275**	**103,145**	**182,575**	**231,824**	**256,151**	**106,615**	**81,234**	**47,146**	-	-
34	**Subttl Prod, Trans, & Dist**	**20,558,622**	**4,835,244**	**4,330,180**	**4,803,526**	**2,105,386**	**315,399**	**1,758,963**	**420,275**	**103,145**	**182,575**	**231,824**	**256,151**	**106,615**	**81,234**	**47,146**	-	**980,959**
35	General	10,742,152	4,320,124	3,441,594	805,508	352,701	124,586	603,015	149,436	32,254	57,093	83,970	92,329	48,462	38,539	14,095	395,953	182,493
36	Telecontrol - Custmr & Spec	9,294	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,294
37	Feasibility Studies	457,049	448,999	-	6,047	-	2,003	-	-	-	-	-	-	-	-	-	-	-
38	Feasibility Studies - General	35,170	8,272	7,408	8,217	3,602	540	3,009	719	176	312	397	438	182	139	81	-	1,678
39	Software - General	682,346	160,483	143,720	159,430	69,878	10,468	58,380	13,949	3,423	6,060	7,694	8,502	3,539	2,696	1,565	-	32,558
40	**Total Deprecn Expense**	**32,484,633**	**9,773,122**	**7,922,902**	**5,782,728**	**2,531,567**	**452,996**	**2,423,368**	**584,379**	**138,999**	**246,040**	**323,884**	**357,420**	**158,799**	**122,608**	**62,886**	**395,953**	**1,206,982**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Prod & Transmission Demand ($)	7 Distribution Substations Demand ($)	8 Distribution Primary Lines Demand ($)	9 Distribution Primary Lines Customer ($)	10 Distribution Line Transformers Demand ($)	11 Distribution Line Transformers Customer ($)	12 Distribution Secondary Lines Demand ($)	13 Distribution Secondary Lines Customer ($)	14 Distribution Services Customer ($)	15 Distribution Meters Customer ($)	16 Distribution Street Lighting Customer ($)	17 Accounting Customer ($)	18 Specifically Assigned Customer ($)
1	Average Net Book Value	1,271,206,260	444,533,581	498,338,932	147,564,842	72,904,309	9,582,797	36,123,317	8,959,483	2,519,837	4,460,322	4,921,402	5,424,809	2,431,433	1,604,977	1,202,608	2,397,936	28,235,675
2	Cash Working Capital	2,841,374	993,612	1,113,877	329,834	162,954	21,419	80,742	20,026	5,632	9,970	11,000	12,125	5,435	3,587	2,688	5,360	63,112
3	Fuel Inventory - No. 6 Fuel	23,102,757	-	23,102,757	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	74,057	74,057	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	1,334,313	1,334,313	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	18,160,934	6,458,321	6,426,456	2,178,461	1,066,696	178,049	728,287	180,207	38,896	68,849	101,261	111,341	58,441	29,088	16,997	56,948	462,635
7	Deferred Charges: Holyrood	7,936,000	4,695,731	3,240,269														
8	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	70,689,260	24,719,631	27,711,640	8,205,788	4,054,064	532,880	2,008,746	498,219	140,123	248,030	273,669	301,663	135,207	89,250	66,875	133,344	1,570,130
9	**Total Rate Base**	**1,395,344,955**	**482,809,247**	**559,933,930**	**158,278,926**	**78,188,022**	**10,315,146**	**38,941,092**	**9,657,935**	**2,704,489**	**4,787,170**	**5,307,332**	**5,849,938**	**2,630,516**	**1,726,902**	**1,289,168**	**2,593,589**	**30,331,553**
10	Less: Rural Asset Portion	(163,991,299)	-	-	-	(78,188,022)	(10,315,146)	(38,941,092)	(9,657,935)	(2,704,489)	(4,787,170)	(5,307,332)	(5,849,938)	(2,630,516)	(1,726,902)	(1,289,168)	(2,593,589)	-
11	Rate Base Available for Equity Return	**1,231,353,656**	**482,809,247**	**559,933,930**	**158,278,926**	-	-	-	-	-	-	-	-	-	-	-	-	**30,331,553**
12	Return on Debt	96,342,067	33,335,729	38,660,829	10,928,422	5,398,519	712,213	2,688,701	666,835	186,732	330,532	366,447	403,911	181,625	119,235	89,011	179,075	2,094,252
13	Return on Equity	7,691,694	3,015,885	3,497,647	988,695	-	-	-	-	-	-	-	-	-	-	-	-	189,467
14	Return on Rate Base	**104,033,761**	**36,351,613**	**42,158,475**	**11,917,117**	**5,398,519**	**712,213**	**2,688,701**	**666,835**	**186,732**	**330,532**	**366,447**	**403,911**	**181,625**	**119,235**	**89,011**	**179,075**	**2,283,719**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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: Holyrood	Production - Demand, Energy ratios Sch.4.1 L.3
8	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	Prorated on Average Net Book Value, L. 1
9	Total Rate Base	
10	Less: Rural Asset Portion	Rural Transmission and Distribution Rate Base
11	Rate Base Available for Equity Return	
12	Return on Debt	L.9 x Sch.1.1,p2,L.14
13	Return on Equity	L.11 x Sch.1.1,p2,L.17
14	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (1 CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Rural Prod & Transmission Demand (CP kW)	7 Distribution Substations Demand (CP kW)	8 Primary Lines Demand (CP kW)	9 Primary Lines Customer (Rural Cust)	10 Line Transformers Demand (CP kW)	11 Line Transformers Customer (Rural Cust)	12 Secondary Lines Demand (CP kW)	13 Secondary Lines Customer (Rural Cust)	14 Services Customer (Wtd Rural Cust)	15 Meters Customer (Wtd Rural Cust)	16 Street Lighting Customer (Wtd Rural Cust)	17 Accounting Customer (Rural Cust)	18 Specifically Assigned Customer
	Amounts																	
1	Newfoundland Power	-	1,114,887	5,080,638	1,118,582	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Industrial - Firm	-	108,492	922,411	105,280	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Industrial - Non-Firm	-	-	5,054	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
4	1.1 Domestic	-	28,365	122,467	27,525	27,525	26,017	26,017	12,418	23,791	12,418	23,791	12,418	12,418	12,418	-	12,418	-
5	1.12 Domestic All Electric	-	28,985	120,765	28,127	28,127	26,586	26,586	6,769	24,311	6,769	24,311	6,769	6,769	6,769	-	6,769	-
6	1.3 Special	-	77	199	75	75	71	71	1	64	1	64	1	1	1	-	1	-
7	2.1 GS 0-10 kW	-	2,884	16,623	2,799	2,799	2,645	2,645	1,936	2,419	1,936	2,419	1,936	3,872	3,872	-	1,936	-
8	2.2 GS 10-100 kW	-	13,643	63,528	13,239	13,239	12,514	12,514	883	11,425	883	11,425	883	7,127	7,127	-	883	-
9	2.3 GS 110-1,000 kVa	-	7,428	46,862	7,208	7,208	6,813	6,813	79	5,915	79	5,915	79	677	677	-	79	-
10	2.4 GS Over 1,000 kVa	-	1,893	30,499	1,837	1,837	1,736	1,736	6	1,457	6	1,457	6	51	51	-	6	-
11	4.1 Street and Area Lighting	-	851	3,378	826	826	781	781	834	714	834	714	834	-	-	1	834	-
12	**Subtotal Rural**	-	**84,125**	**404,323**	**81,635**	**81,635**	**77,163**	**77,163**	**22,926**	**70,095**	**22,926**	**70,095**	**22,926**	**30,916**	**30,916**	**1**	**22,926**	-
13	**Total**	-	**1,307,505**	**6,412,426**	**1,305,496**	**81,635**	**77,163**	**77,163**	**22,926**	**70,095**	**22,926**	**70,095**	**22,926**	**30,916**	**30,916**	**1**	**22,926**	-
	Ratios Excluding Return on Equity																	
14	Newfoundland Power	-	0.8527	0.7923	0.8568	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Industrial - Firm	-	0.0830	0.1438	0.0806	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Industrial - Non-Firm	-	-	0.0008	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
17	1.1 Domestic	-	0.0217	0.0191	0.0211	0.3372	0.3372	0.3372	0.5417	0.3394	0.5417	0.3394	0.5417	0.4017	0.4017	-	0.5417	-
18	1.12 Domestic All Electric	-	0.0222	0.0188	0.0215	0.3445	0.3445	0.3445	0.2953	0.3468	0.2953	0.3468	0.2953	0.2190	0.2190	-	0.2953	-
19	1.3 Special	-	0.0001	0.0000	0.0001	0.0009	0.0009	0.0009	0.0000	0.0009	0.0000	0.0009	0.0000	0.0000	0.0000	-	0.0000	-
20	2.1 GS 0-10 kW	-	0.0022	0.0026	0.0021	0.0343	0.0343	0.0343	0.0844	0.0345	0.0844	0.0345	0.0844	0.1252	0.1252	-	0.0844	-
21	2.2 GS 10-100 kW	-	0.0104	0.0099	0.0101	0.1622	0.1622	0.1622	0.0385	0.1630	0.0385	0.1630	0.0385	0.2305	0.2305	-	0.0385	-
22	2.3 GS 110-1,000 kVa	-	0.0057	0.0073	0.0055	0.0883	0.0883	0.0883	0.0034	0.0844	0.0034	0.0844	0.0034	0.0219	0.0219	-	0.0034	-
23	2.4 GS Over 1,000 kVa	-	0.0014	0.0048	0.0014	0.0225	0.0225	0.0225	0.0003	0.0208	0.0003	0.0208	0.0003	0.0017	0.0017	-	0.0003	-
24	4.1 Street and Area Lighting	-	0.0007	0.0005	0.0006	0.0101	0.0101	0.0101	0.0364	0.0102	0.0364	0.0102	0.0364	-	-	1.0000	0.0364	-
25	**Subtotal Rural**	-	**0.0643**	**0.0631**	**0.0625**	**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
2007 Forecast Cost of Service
Island Interconnected
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	20 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	Newfoundland Power	-	315,369,152
2	Industrial - Firm	-	46,553,585
3	Industrial - Non-Firm	-	677,472
	Rural		
4	1.1 Domestic	11,849,683	11,849,683
5	1.12 Domestic All Electric	10,610,964	10,610,964
6	1.3 Special	8,381	8,381
7	2.1 GS 0-10 kW	2,059,488	2,059,488
8	2.2 GS 10-100 kW	6,082,852	6,082,852
9	2.3 GS 110-1,000 kVa	3,889,519	3,889,519
10	2.4 GS Over 1,000 kVa	1,841,101	1,841,101
11	4.1 Street and Area Lighting	875,505	875,505
12	**Subtotal Rural**	**37,217,493**	**37,217,493**
13	**Total**	**37,217,493**	**399,817,702**
	Ratios Excluding Return on Equity		
14	Newfoundland Power	-	0.7888
15	Industrial - Firm	-	0.1164
16	Industrial - Non-Firm	-	0.0017
	Rural		
17	1.1 Domestic	0.3184	0.0296
18	1.12 Domestic All Electric	0.2851	0.0265
19	1.3 Special	0.0002	0.0000
20	2.1 GS 0-10 kW	0.0553	0.0052
21	2.2 GS 10-100 kW	0.1634	0.0152
22	2.3 GS 110-1,000 kVa	0.1045	0.0097
23	2.4 GS Over 1,000 kVa	0.0495	0.0046
24	4.1 Street and Area Lighting	0.0235	0.0022
25	**Subtotal Rural**	**1.0000**	**0.0931**
26	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Rural Prod & Transmission Demand	7 Distribution Substations Demand	8 Distribution Primary Lines Demand	9 Distribution Primary Lines Customer	10 Distribution Line Transformers Demand	11 Distribution Line Transformers Customer	12 Distribution Secondary Lines Demand	13 Distribution Secondary Lines Customer	14 Distribution Services Customer	15 Distribution Meters Customer	16 Distribution Street Lighting Customer	17 Accounting Customer	18 Specifically Assigned Customer
	Allocated Rev Reqmt Excl Return		($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
1	Newfoundland Power	206,304,715	45,880,062	147,557,552	10,359,013	-	-	-	-	-	-	-	-	-	-	-	-	2,065,969
2	Industrial - Firm	32,850,058	4,464,703	26,789,703	974,982	-	-	-	-	-	-	-	-	-	-	-	-	555,406
3	Industrial - Non-Firm	147,734	-	146,785	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
4	1.1 Domestic	13,760,708	1,167,275	3,556,830	254,904	1,966,665	461,483	2,129,321	809,024	128,680	363,512	286,287	498,094	208,172	154,919	-	1,473,238	-
5	1.12 Domestic All Electric	12,224,137	1,192,796	3,507,380	260,477	2,009,663	471,573	2,175,876	440,995	131,494	198,149	292,546	271,509	113,474	84,446	-	803,056	-
6	1.3 Special	23,619	3,164	5,789	691	5,331	1,251	5,772	65	349	29	776	40	17	12	-	119	-
7	2.1 GS 0-10 kW	1,788,853	118,683	482,786	25,917	199,961	46,921	216,499	126,129	13,084	56,673	29,108	77,654	64,909	48,305	-	229,682	-
8	2.2 GS 10-100 kW	5,507,513	561,431	1,845,052	122,603	945,918	221,962	1,024,152	57,527	61,794	25,848	137,479	35,418	119,477	88,913	-	104,757	-
9	2.3 GS 110-1,000 kVa	3,169,172	305,685	1,361,027	66,754	515,029	120,853	557,626	5,147	31,993	2,313	71,177	3,169	11,351	8,448	-	9,372	-
10	2.4 GS Over 1,000 kVa	1,360,170	77,882	885,800	17,008	131,219	30,791	142,071	391	7,879	176	17,529	241	862	642	-	712	-
11	4.1 Street and Area Lighting	691,309	35,032	98,120	7,650	59,023	13,850	63,905	54,302	3,862	24,399	8,592	33,432	-	-	167,921	98,884	-
12	**Subtotal Rural**	**38,525,481**	**3,461,949**	**11,742,785**	**756,005**	**5,832,809**	**1,368,684**	**6,315,223**	**1,493,580**	**379,134**	**671,098**	**843,493**	**919,557**	**518,263**	**385,684**	**167,921**	**2,719,819**	**-**
13	**Total**	**277,827,988**	**53,806,714**	**186,236,825**	**12,090,000**	**5,832,809**	**1,368,684**	**6,315,223**	**1,493,580**	**379,134**	**671,098**	**843,493**	**919,557**	**518,263**	**385,684**	**167,921**	**2,719,819**	**2,621,375**
	Allocated Return on Debt																	
14	Newfoundland Power	70,299,418	28,424,804	30,631,414	9,363,744	-	-	-	-	-	-	-	-	-	-	-	-	1,879,456
15	Industrial - Firm	9,423,456	2,766,088	5,561,264	881,308	-	-	-	-	-	-	-	-	-	-	-	-	214,796
16	Industrial - Non-Firm	30,471	-	30,471	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
17	1.1 Domestic	5,823,510	723,180	738,361	230,414	1,820,234	240,139	906,557	361,203	63,378	179,038	124,374	218,785	72,954	47,893	-	96,999	-
18	1.12 Domestic All Electric	5,458,683	738,992	728,096	235,451	1,860,031	245,389	926,378	196,890	64,764	97,593	127,093	119,259	39,767	26,106	-	52,874	-
19	1.3 Special	12,417	1,960	1,202	625	4,934	651	2,457	29	172	14	337	18	6	4	-	8	-
20	2.1 GS 0-10 kW	689,069	73,530	100,221	23,427	185,073	24,416	92,174	56,313	6,444	27,913	12,646	34,109	22,747	14,933	-	15,122	-
21	2.2 GS 10-100 kW	2,489,078	347,832	383,014	110,823	875,488	115,501	436,032	25,684	30,435	12,731	59,726	15,557	41,871	27,487	-	6,897	-
22	2.3 GS 110-1,000 kVa	1,367,955	189,386	282,535	60,341	476,682	62,887	237,409	2,298	15,757	1,139	30,922	1,392	3,978	2,612	-	617	-
23	2.4 GS Over 1,000 kVa	457,875	48,252	183,883	15,374	121,448	16,022	60,487	175	3,881	87	7,615	106	302	198	-	47	-
24	4.1 Street and Area Lighting	290,134	21,704	20,369	6,915	54,629	7,207	27,208	24,244	1,902	12,017	3,733	14,685	-	-	89,011	6,511	-
25	**Subtotal Rural**	**16,588,721**	**2,144,836**	**2,437,680**	**683,370**	**5,398,519**	**712,213**	**2,688,701**	**666,835**	**186,732**	**330,532**	**366,447**	**403,911**	**181,625**	**119,235**	**89,011**	**179,075**	**-**
26	**Total**	**96,342,067**	**33,335,729**	**38,660,829**	**10,928,422**	**5,398,519**	**712,213**	**2,688,701**	**666,835**	**186,732**	**330,532**	**366,447**	**403,911**	**181,625**	**119,235**	**89,011**	**179,075**	**2,094,252**
	Allocated Return on Equity																	
27	Newfoundland Power	6,359,992	2,571,593	2,771,225	847,138	-	-	-	-	-	-	-	-	-	-	-	-	170,034
28	Industrial - Firm	852,541	250,248	503,128	79,732	-	-	-	-	-	-	-	-	-	-	-	-	19,433
29	Industrial - Non-Firm	2,757	-	2,757	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
30	1.1 Domestic	153,071	65,426	66,800	20,846	-	-	-	-	-	-	-	-	-	-	-	-	-
31	1.12 Domestic All Electric	154,029	66,857	65,871	21,301	-	-	-	-	-	-	-	-	-	-	-	-	-
32	1.3 Special	343	177	109	57	-	-	-	-	-	-	-	-	-	-	-	-	-
33	2.1 GS 0-10 kW	17,839	6,652	9,067	2,119	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.2 GS 10-100 kW	76,146	31,468	34,651	10,026	-	-	-	-	-	-	-	-	-	-	-	-	-
35	2.3 GS 110-1,000 kVa	48,154	17,134	25,561	5,459	-	-	-	-	-	-	-	-	-	-	-	-	-
36	2.4 GS Over 1,000 kVa	22,392	4,365	16,636	1,391	-	-	-	-	-	-	-	-	-	-	-	-	-
37	4.1 Street and Area Lighting	4,432	1,964	1,843	626	-	-	-	-	-	-	-	-	-	-	-	-	-
38	**Subtotal Rural**	**476,405**	**194,043**	**220,537**	**61,825**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
39	**Total**	**7,691,694**	**3,015,885**	**3,497,647**	**988,695**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**189,467**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment
	Allocated Rev Reqmt Excl Return		($)
1	Newfoundland Power	-	442,119
2	Industrial - Firm	-	65,264
3	Industrial - Non-Firm	-	950
	Rural		
4	1.1 Domestic	285,692	16,612
5	1.12 Domestic All Electric	255,827	14,876
6	1.3 Special	202	12
7	2.1 GS 0-10 kW	49,654	2,887
8	2.2 GS 10-100 kW	146,656	8,528
9	2.3 GS 110-1,000 kVa	93,775	5,453
10	2.4 GS Over 1,000 kVa	44,388	2,581
11	4.1 Street and Area Lighting	21,108	1,227
12	**Subtotal Rural**	**897,302**	**52,176**
13	**Total**	**897,302**	**560,508**
	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
2007 Forecast Cost of Service
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount	3 Production Demand	4 Production and Transmission Energy	5 Transmission Demand	6 Rural Prod & Transmission Demand	7 Distribution Substations Demand	8 Distribution Primary Lines Demand	9 Distribution Primary Lines Customer	10 Distribution Line Transformers Demand	11 Distribution Line Transformers Customer	12 Distribution Secondary Lines Demand	13 Distribution Secondary Lines Customer	14 Distribution Services Customer	15 Distribution Meters Customer	16 Distribution Street Lighting Customer	17 Accounting Customer	18 Specifically Assigned Customer
	Total Revenue Requiremt	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
40	Newfoundland Power	282,964,125	76,876,460	180,960,191	20,569,896	-	-	-	-	-	-	-	-	-	-	-	-	4,115,459
41	Industrial - Firm	43,126,054	7,481,039	32,854,095	1,936,022	-	-	-	-	-	-	-	-	-	-	-	-	789,635
42	Industrial - Non-Firm	180,962	-	180,012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
43	1.1 Domestic	19,737,289	1,955,882	4,361,990	506,164	3,786,898	701,622	3,035,878	1,170,227	192,058	542,550	410,661	716,880	281,126	202,812	-	1,570,237	-
44	1.12 Domestic All Electric	17,836,849	1,998,644	4,301,347	517,230	3,869,694	716,962	3,102,254	637,886	196,257	295,742	419,639	390,768	153,241	110,552	-	855,930	-
45	1.3 Special	36,379	5,302	7,099	1,372	10,265	1,902	8,230	94	521	44	1,113	58	23	16	-	126	-
46	2.1 GS 0-10 kW	2,495,761	198,865	592,075	51,464	385,034	71,338	308,674	182,442	19,528	84,585	41,754	111,763	87,657	63,238	-	244,804	-
47	2.2 GS 10-100 kW	8,072,737	940,731	2,262,717	243,452	1,821,406	337,463	1,460,184	83,211	92,229	38,579	197,205	50,975	161,347	116,400	-	111,654	-
48	2.3 GS 110-1,000 kVa	4,585,280	512,205	1,669,123	132,554	991,711	183,740	795,034	7,445	47,750	3,452	102,099	4,561	15,330	11,059	-	9,989	-
49	2.4 GS Over 1,000 kVa	1,840,438	130,499	1,086,319	33,772	252,667	46,813	202,558	565	11,759	262	25,144	346	1,164	840	-	759	-
50	4.1 Street and Area Lighting	985,875	58,700	120,332	15,191	113,652	21,057	91,113	78,546	5,764	36,416	12,325	48,117	-	-	256,932	105,395	-
51	**Subtotal Rural**	**55,590,607**	**5,800,828**	**14,401,002**	**1,501,199**	**11,231,328**	**2,080,896**	**9,003,924**	**2,160,415**	**565,866**	**1,001,630**	**1,209,940**	**1,323,468**	**699,887**	**504,918**	**256,932**	**2,898,895**	**-**
52	**Total**	**381,861,748**	**90,158,328**	**228,395,301**	**24,007,117**	**11,231,328**	**2,080,896**	**9,003,924**	**2,160,415**	**565,866**	**1,001,630**	**1,209,940**	**1,323,468**	**699,887**	**504,918**	**256,932**	**2,898,895**	**4,905,094**
	Re-classification of Revenue-Related																	
53	Newfoundland Power	-	120,304	283,185	32,190	-	-	-	-	-	-	-	-	-	-	-	-	6,440
54	Industrial - Firm	-	11,338	49,794	2,934	-	-	-	-	-	-	-	-	-	-	-	-	1,197
55	Industrial - Non-Firm	-	-	950	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
56	1.1 Domestic	-	30,423	67,849	7,873	58,904	10,913	47,222	18,202	2,987	8,439	6,388	11,151	4,373	3,155	-	24,424	-
57	1.12 Domestic All Electric	0	30,800	66,286	7,971	59,634	11,049	47,807	9,830	3,024	4,558	6,467	6,022	2,362	1,704	-	13,190	-
58	1.3 Special	(0)	31	42	8	61	11	49	1	3	0	7	0	0	0	-	1	-
59	2.1 GS 0-10 kW	0	4,277	12,732	1,107	8,280	1,534	6,638	3,923	420	1,819	898	2,403	1,885	1,360	-	5,264	-
60	2.2 GS 10-100 kW	0	18,438	44,349	4,772	35,699	6,614	28,619	1,631	1,808	756	3,865	999	3,162	2,281	-	2,188	-
61	2.3 GS 110-1,000 kVa	-	11,330	36,920	2,932	21,936	4,064	17,586	165	1,056	76	2,258	101	339	245	-	221	-
62	2.4 GS Over 1,000 kVa	-	3,418	28,450	884	6,617	1,226	5,305	15	308	7	659	9	30	22	-	20	-
63	4.1 Street and Area Lighting	-	1,361	2,789	352	2,635	488	2,112	1,821	134	844	286	1,115	-	-	5,956	2,443	-
64	**Subtotal Rural**	**0**	**100,077**	**259,417**	**25,899**	**193,765**	**35,900**	**155,338**	**35,588**	**9,740**	**16,499**	**20,827**	**21,801**	**12,151**	**8,766**	**5,956**	**47,752**	**-**
65	**Total**	**0**	**231,720**	**593,346**	**61,023**	**193,765**	**35,900**	**155,338**	**35,588**	**9,740**	**16,499**	**20,827**	**21,801**	**12,151**	**8,766**	**5,956**	**47,752**	**7,637**
	Total Allocated Revenue Requirement																	
66	Newfoundland Power	282,964,125	76,996,764	181,243,376	20,602,085	-	-	-	-	-	-	-	-	-	-	-	-	4,121,900
67	Industrial - Firm	43,126,054	7,492,378	32,903,889	1,938,956	-	-	-	-	-	-	-	-	-	-	-	-	790,832
68	Industrial - Non-Firm	180,962	-	180,962	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																	
69	1.1 Domestic	19,737,289	1,986,305	4,429,839	514,037	3,845,802	712,535	3,083,100	1,188,429	195,046	550,990	417,048	728,030	285,499	205,967	-	1,594,662	-
70	1.12 Domestic All Electric	17,836,849	2,029,445	4,367,632	525,201	3,929,328	728,010	3,150,061	647,716	199,282	300,299	426,106	396,790	155,602	112,256	-	869,120	-
71	1.3 Special	36,379	5,333	7,141	1,380	10,326	1,913	8,278	95	524	44	1,120	58	23	16	-	127	-
72	2.1 GS 0-10 kW	2,495,761	203,141	604,807	52,571	393,314	72,872	315,312	186,365	19,948	86,404	42,652	114,167	89,542	64,598	-	250,069	-
73	2.2 GS 10-100 kW	8,072,737	959,170	2,307,066	248,224	1,857,105	344,077	1,488,803	84,842	94,037	39,335	201,070	51,974	164,509	118,682	-	113,842	-
74	2.3 GS 110-1,000 kVa	4,585,280	523,535	1,706,043	135,486	1,013,647	187,805	812,620	7,609	48,806	3,528	104,357	4,661	15,669	11,304	-	10,210	-
75	2.4 GS Over 1,000 kVa	1,840,438	133,917	1,114,769	34,656	259,284	48,039	207,863	580	12,067	269	25,803	355	1,195	862	-	779	-
76	4.1 Street and Area Lighting	985,875	60,060	123,121	15,543	116,287	21,545	93,225	80,367	5,898	37,260	12,610	49,233	-	-	262,888	107,838	-
77	**Subtotal Rural**	**55,590,607**	**5,900,906**	**14,660,420**	**1,527,098**	**11,425,093**	**2,116,797**	**9,159,262**	**2,196,003**	**575,606**	**1,018,129**	**1,230,767**	**1,345,269**	**712,039**	**513,685**	**262,888**	**2,946,647**	**-**
78	**Total**	**381,861,748**	**90,390,047**	**228,988,647**	**24,068,140**	**11,425,093**	**2,116,797**	**9,159,262**	**2,196,003**	**575,606**	**1,018,129**	**1,230,767**	**1,345,269**	**712,039**	**513,685**	**262,888**	**2,946,647**	**4,912,731**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	19 Revenue Related Municipal Tax	20 Revenue Related PUB Assessment	Basis of Proration
	Total Revenue Requiremt	($)	($)	
40	Newfoundland Power	-	442,119	
41	Industrial - Firm	-	65,264	
42	Industrial - Non-Firm	-	950	
	Rural			
43	1.1 Domestic	285,692	16,612	
44	1.12 Domestic All Electric	255,827	14,876	
45	1.3 Special	202	12	
46	2.1 GS 0-10 kW	49,654	2,887	
47	2.2 GS 10-100 kW	146,656	8,528	
48	2.3 GS 110-1,000 kVa	93,775	5,453	
49	2.4 GS Over 1,000 kVa	44,388	2,581	
50	4.1 Street and Area Lighting	21,108	1,227	
51	**Subtotal Rural**	**897,302**	**52,176**	
52	**Total**	**897,302**	**560,508**	
	Re-classification of Revenue-Related			
53	Newfoundland Power	-	(442,119)	Re-classification to demand, energy and customer is based on rate class revenue
54	Industrial - Firm	-	(65,264)	requirements excluding revenue-related items.
55	Industrial - Non-Firm	-	(950)	
	Rural			
56	1.1 Domestic	(285,692)	(16,612)	
57	1.12 Domestic All Electric	(255,827)	(14,876)	
58	1.3 Special	(202)	(12)	
59	2.1 GS 0-10 kW	(49,654)	(2,887)	
60	2.2 GS 10-100 kW	(146,656)	(8,528)	
61	2.3 GS 110-1,000 kVa	(93,775)	(5,453)	
62	2.4 GS Over 1,000 kVa	(44,388)	(2,581)	
63	4.1 Street and Area Lighting	(21,108)	(1,227)	
64	**Subtotal Rural**	**(897,302)**	**(52,176)**	
65	**Total**	**(897,302)**	**(560,508)**	
	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
2007 Forecast Cost of Service
Island Interconnected
Allocation of Specifically Assigned Amounts to Classes of Service

Line No.	1 Description	2 Total Amount ($)	3 OM&A Transmission Lines ($) (Plant)	4 OM&A Transmission Terminals ($) (Plant)	5 OM&A Administrative & General ($) (C3 & C4)	6 OM&A Other ($) (C3 & C4)	7 Depreciation Transmission Lines ($) (Direct)	8 Depreciation Transmission Terminals ($) (Direct)	9 Depreciation Telecontrol & Feasibility Study ($) (Direct)	10 Depreciation General ($) (Exp C3,4,6)	11 Expense Credits Rental Income ($) (Plant)	12 Expense Credits Other ($) (C6)	13 Gains/Losses ($) (NBV)	14 Subtotal Excluding Return ($)	15 Return on Debt ($) (NBV)	16 Return on Equity ($) (NBV)	17 Subtotal Excl Rev Related ($)	18 Revenue Related ($)
	Basis of Allocation - Amounts																	
1	Newfoundland Power		22,235,978	10,200,336	32,436,315	32,436,315	-	-	-	549,907	32,436,315	32,436,315	24,293,285	-	24,293,285	24,293,285	-	-
	Industrial																	
2	Abitibi Consolidated - S'ville		122,926	551,111	674,037	674,037	-	-	-	17,015	674,037	674,037	526,255	-	526,255	526,255	-	-
3	Abitibi Consolidated - GF		-	11,728	11,728	11,728	-	-	-	331	11,728	11,728	6,633	-	6,633	6,633	-	-
4	Corner Brook P& P - CB		-	3,271,616	3,271,616	3,271,616	-	-	-	92,421	3,271,616	3,271,616	1,714,194	-	1,714,194	1,714,194	-	-
5	Corner Brook P& P - DL		-	22,005	22,005	22,005	-	-	-	622	22,005	22,005	18,832	-	18,832	18,832	-	-
6	North Atlantic Refining Limited		-	1,101,024	1,101,024	1,101,024	-	-	-	31,103	1,101,024	1,101,024	510,477	-	510,477	510,477	-	-
7	Aur Resources		4,199,965	1,254,535	5,454,500	5,454,500	-	-	-	84,880	5,454,500	5,454,500	-	-	-	-	-	-
8	**Subtotal Industrial**		**4,322,891**	**6,212,019**	**10,534,910**	**10,534,910**	**-**	**-**	**-**	**226,372**	**10,534,910**	**10,534,910**	**2,776,392**	**-**	**2,776,392**	**2,776,392**	**-**	**-**
9	**Total**		**26,558,869**	**16,412,356**	**42,971,225**	**42,971,225**	**-**	**-**	**-**	**776,280**	**42,971,225**	**42,971,225**	**27,069,677**	**-**	**27,069,677**	**27,069,677**	**-**	**-**
10	**Basis of Allocation - Ratios**																	
11	Newfoundland Power		0.8372	0.6215	0.7548	0.7548	-	-	-	0.7084	0.7548	0.7548	0.8974	-	0.8974	0.8974	-	-
	Industrial																	
12	Abitibi Consolidated - S'ville		0.0046	0.0336	0.0157	0.0157	-	-	-	0.0219	0.0157	0.0157	0.0194	-	0.0194	0.0194	-	-
13	Abitibi Consolidated - GF		-	0.0007	0.0003	0.0003	-	-	-	0.0004	0.0003	0.0003	0.0002	-	0.0002	0.0002	-	-
14	Corner Brook P& P - CB		-	0.1993	0.0761	0.0761	-	-	-	0.1191	0.0761	0.0761	0.0633	-	0.0633	0.0633	-	-
15	Corner Brook P& P - DL		-	0.0013	0.0005	0.0005	-	-	-	0.0008	0.0005	0.0005	0.0007	-	0.0007	0.0007	-	-
16	North Atlantic Refining Ltd.		-	0.0671	0.0256	0.0256	-	-	-	0.0401	0.0256	0.0256	0.0189	-	0.0189	0.0189	-	-
17	Aur Resources		0.1581	0.0764	0.1269	0.1269	-	-	-	0.1093	0.1269	0.1269	-	-	-	-	-	-
18	**Subtotal Industrial**		**0.1628**	**0.3785**	**0.2452**	**0.2452**	**-**	**-**	**-**	**0.2916**	**0.2452**	**0.2452**	**0.1026**	**-**	**0.1026**	**0.1026**	**-**	**-**
19	**Total**		**1.0000**	**1.0000**	**1.0000**	**1.0000**	**-**	**-**	**-**	**1.0000**	**1.0000**	**1.0000**	**1.0000**	**-**	**1.0000**	**1.0000**	**-**	**-**
	Amounts Allocated																	
20	Newfoundland Power	4,121,900	177,258	249,389	467,098	123,260	556,154	320,729	-	153,528	-	(6,485)	25,037	2,065,969	1,879,456	170,034	4,115,459	6,440
	Industrial																	
21	Abitibi Consolidated - S'ville	104,730	980	13,474	9,706	2,561	1,954	17,046	9,294	4,751	-	(135)	542	60,174	40,714	3,683	104,572	158
22	Abitibi Consolidated - GF	1,245	-	287	169	45	-	86	-	92	-	(2)	7	683	513	46	1,243	2
23	Corner Brook P& P - CB	344,432	-	79,988	47,113	12,432	-	32,845	-	25,803	-	(654)	1,767	199,294	132,619	11,998	343,911	521
24	Corner Brook P& P - DL	3,011	-	538	317	84	-	291	-	174	-	(4)	19	1,418	1,457	132	3,007	5
25	North Atlantic Refining Ltd.	151,097	-	26,919	15,855	4,184	-	51,854	-	8,684	-	(220)	526	107,802	39,493	3,573	150,868	229
26	Aur Resources	186,317	33,481	30,672	78,547	20,727	-	-	-	23,698	-	(1,090)	-	186,035	-	-	186,035	282
27	**Subtotal Industrial**	**790,832**	**34,461**	**151,878**	**151,708**	**40,033**	**1,954**	**102,122**	**9,294**	**63,201**	**-**	**(2,106)**	**2,861**	**555,406**	**214,796**	**19,433**	**789,635**	**1,197**
28	**Total**	**4,912,731**	**211,719**	**401,268**	**618,806**	**163,293**	**558,108**	**422,851**	**9,294**	**216,729**	**-**	**(8,591)**	**27,898**	**2,621,375**	**2,094,252**	**189,467**	**4,905,094**	**7,637**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	5,164,946	2,033,031	1,959,457	-	-	423,914	130,579	37,252	65,938	100,079	101,486	86,962	17,293	17,894	156,801	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	1,966,395	-	1,966,395	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	121,384	-	121,384	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	753,520	334,463	326,652	-	-	37,158	11,743	3,617	6,402	8,462	8,790	8,620	2,971	1,634	3,008	-
	Expense Credits																
8	Sundry	(29,875)	(11,759)	(11,334)	-	-	(2,452)	(755)	(215)	(381)	(579)	(587)	(503)	(100)	(103)	(907)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(1,930)	(760)	(732)	-	-	(158)	(49)	(14)	(25)	(37)	(38)	(33)	(6)	(7)	(59)	-
12	Pole Attachments	(24,477)	-	-	-	-	(14,156)	(4,838)	-	-	(2,506)	(2,977)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(432)	-	-	-	-	-	-	-	-	-	-	-	-	-	(432)	-
16	Meter Test Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Total Expense Credits**	(56,714)	(12,519)	(12,066)	-	-	(16,767)	(5,642)	(229)	(406)	(3,122)	(3,602)	(536)	(106)	(110)	(1,398)	-
18	**Subtotal Expenses**	**7,949,530**	**2,354,975**	**4,361,822**	-	-	**444,305**	**136,680**	**40,639**	**71,935**	**105,419**	**106,673**	**95,046**	**20,157**	**19,418**	**158,412**	-
19	Disposal Gain / Loss	5,000	2,113	2,017	-	-	338	101	42	74	75	76	92	27	23	24	-
20	**Subtotal Revenue Requirement Ex. Return**	**7,954,530**	**2,357,088**	**4,363,839**	-	-	**444,643**	**136,780**	**40,681**	**72,009**	**105,494**	**106,749**	**95,138**	**20,184**	**19,440**	**158,435**	-
21	Return on Debt	674,400	279,192	279,826	-	-	44,883	13,359	5,520	9,771	9,958	10,107	12,081	3,578	2,990	3,134	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	**8,628,930**	**2,636,280**	**4,643,665**	-	-	**489,526**	**150,140**	**46,201**	**81,780**	**115,453**	**116,856**	**107,219**	**23,762**	**22,430**	**161,569**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	32,378	1,883	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	(187)	(11)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
9	Building Rental Income	-	-	Prorated on Production, Transmission & Distribution Plant - Sch.2.2 L.17
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
11	Suppliers' Discounts	(12)	(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**	**(199)**	**(12)**	
18	**Subtotal Expenses**	**32,179**	**1,871**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	**32,179**	**1,871**	
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**	**32,179**	**1,871**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
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 ($)	5 Transmissior Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
							Distribution										
	Production																
1	Diesel	12,075,970	6,029,090	6,046,879	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**12,075,970**	**6,029,090**	**6,046,879**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	240,282	240,282	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	23,253	-	-	-	-	17,532	2,233	-	-	2,034	1,454	-	-	-	-	-
8	Poles	1,874,543	-	-	-	-	1,084,138	370,507	-	-	191,893	228,004	-	-	-	-	-
9	Primary Conductor & Equipment	208,404	-	-	-	-	184,855	23,550	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	313,168	-	-	-	-	-	-	113,054	200,114	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	188,338	-	-	-	-	-	-	-	-	109,801	78,537	-	-	-	-	-
13	Services	263,920	-	-	-	-	-	-	-	-	-	-	263,920	-	-	-	-
14	Meters	78,161	-	-	-	-	-	-	-	-	-	-	-	78,161	-	-	-
15	Street Lighting	54,305	-	-	-	-	-	-	-	-	-	-	-	-	54,305	-	-
16	**Subtotal Distribution**	**3,244,375**	**240,282**	**-**	**-**	**-**	**1,286,525**	**396,290**	**113,054**	**200,114**	**303,728**	**307,996**	**263,920**	**78,161**	**54,305**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**15,320,345**	**6,269,372**	**6,046,879**	**-**	**-**	**1,286,525**	**396,290**	**113,054**	**200,114**	**303,728**	**307,996**	**263,920**	**78,161**	**54,305**	**-**	**-**
18	General	2,120,960	873,874	850,848	-	-	136,690	42,105	12,012	21,262	32,270	32,724	28,041	3,985	5,770	81,380	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	23,687	9,693	9,349	-	-	1,989	613	175	309	470	476	408	121	84	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**17,464,992**	**7,152,940**	**6,907,076**	**-**	**-**	**1,425,204**	**439,008**	**125,240**	**221,685**	**336,467**	**341,196**	**292,369**	**82,268**	**60,159**	**81,380**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
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.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
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	6,264,353	3,127,562	3,136,790	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**6,264,353**	**3,127,562**	**3,136,790**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	166,972	166,972	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	1,916	-	-	-	-	1,445	184	-	-	168	120	-	-	-	-	-
8	Poles	719,383	-	-	-	-	416,054	142,187	-	-	73,642	87,500	-	-	-	-	-
9	Primary Conductor & Equipment	125,663	-	-	-	-	111,463	14,200	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	188,407	-	-	-	-	-	-	68,015	120,392	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	72,650	-	-	-	-	-	-	-	-	42,355	30,295	-	-	-	-	-
13	Services	147,767	-	-	-	-	-	-	-	-	-	-	147,767	-	-	-	-
14	Meters	46,036	-	-	-	-	-	-	-	-	-	-	-	46,036	-	-	-
15	Street Lighting	37,294	-	-	-	-	-	-	-	-	-	-	-	-	37,294	-	-
16	**Subtotal Distribution**	**1,506,088**	**166,972**	**-**	**-**	**-**	**528,961**	**156,571**	**68,015**	**120,392**	**116,164**	**117,915**	**147,767**	**46,036**	**37,294**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**7,770,441**	**3,294,535**	**3,136,790**	**-**	**-**	**528,961**	**156,571**	**68,015**	**120,392**	**116,164**	**117,915**	**147,767**	**46,036**	**37,294**	**-**	**-**
18	General	1,098,035	452,410	440,490	-	-	70,765	21,798	6,219	11,007	16,707	16,941	14,517	2,063	2,987	42,131	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	16,862	7,149	6,807	-	-	1,148	340	148	261	252	256	321	100	81	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**8,885,338**	**3,754,094**	**3,584,087**	**-**	**-**	**600,874**	**178,709**	**74,381**	**131,661**	**133,123**	**135,112**	**162,605**	**48,199**	**40,362**	**42,131**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	1,997,196	997,127	1,000,069	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	354,017	176,748	177,269	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**2,351,213**	**1,173,875**	**1,177,338**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
7	Other	465,487	35,325	-	-	-	189,141	58,261	16,621	29,420	44,653	45,281	38,801	-	7,984	-	-
8	Meters	5,515	-	-	-	-	-	-	-	-	-	-	-	5,515	-	-	-
9	**Subtotal Distribution**	**471,001**	**35,325**	-	-	-	**189,141**	**58,261**	**16,621**	**29,420**	**44,653**	**45,281**	**38,801**	**5,515**	**7,984**	-	-
10	**Subttl Prod, Trans, & Dist**	**2,822,214**	**1,209,200**	**1,177,338**	-	-	**189,141**	**58,261**	**16,621**	**29,420**	**44,653**	**45,281**	**38,801**	**5,515**	**7,984**	-	-
11	Customer Accounting	112,608	-	-	-	-	-	-	-	-	-	-	-	-	-	112,608	-
	Administrative & General:																
	Plant-Related:																
12	Production	364,345	181,904	182,441	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	336,875	24,949	-	-	-	133,584	41,148	11,739	20,779	31,537	31,980	27,404	8,116	5,639	-	-
15	Prod, Trans, Distn Plant	266,031	108,865	105,001	-	-	22,340	6,881	1,963	3,475	5,274	5,348	4,583	1,357	943	-	-
16	Prod, Trans, Distn and Gen Plt	2,495	1,022	987	-	-	204	63	18	32	48	49	42	12	9	12	-
17	Property Insurance	9,910	4,903	4,735	-	-	94	29	8	15	22	22	19	3	4	56	-
	Revenue Related:																
18	Municipal Tax	32,378	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	1,883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	1,150,020	473,829	461,344	-	-	74,115	22,830	6,513	11,528	17,497	17,743	15,204	2,161	3,128	44,126	-
21	Prod, Trans, and Distn Expense-Related	66,187	28,358	27,611	-	-	4,436	1,366	390	690	1,047	1,062	910	129	187	-	-
22	**Subtotal Admin & General**	**2,230,124**	**823,831**	**782,119**	-	-	**234,773**	**72,318**	**20,631**	**36,518**	**55,426**	**56,205**	**48,162**	**11,778**	**9,910**	**44,193**	-
23	**Total Operating & Maintenance Expenses**	**5,164,946**	**2,033,031**	**1,959,457**	-	-	**423,914**	**130,579**	**37,252**	**65,938**	**100,079**	**101,486**	**86,962**	**17,293**	**17,894**	**156,801**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 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	**Subtl 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, Distn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn 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	32,378	-	Revenue-related
19	PUB Assessment	-	1,883	Revenue-related
20	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	**Subtotal Admin & General**	**32,378**	**1,883**	
23	**Total Operating & Maintenance Expenses**	**32,378**	**1,883**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmissior Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	570,588	284,874	285,714	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**570,588**	**284,874**	**285,714**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substn Struct & Eqpt	7,577	7,577	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	128	-	-	-	-	97	12	-	-	11	8	-	-	-	-	-
8	Poles	47,596	-	-	-	-	27,527	9,408	-	-	4,872	5,789	-	-	-	-	-
9	Primary Conductor & Equipment	3,889	-	-	-	-	3,449	439	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	8,507	-	-	-	-	-	-	3,071	5,436	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	3,691	-	-	-	-	-	-	-	-	2,152	1,539	-	-	-	-	-
13	Services	7,339	-	-	-	-	-	-	-	-	-	-	7,339	-	-	-	-
14	Meters	2,733	-	-	-	-	-	-	-	-	-	-	-	2,733	-	-	-
15	Street Lighting	1,375	-	-	-	-	-	-	-	-	-	-	-	-	1,375	-	-
16	**Subtotal Distribution**	**82,836**	**7,577**	-	-	-	**31,074**	**9,859**	**3,071**	**5,436**	**7,036**	**7,337**	**7,339**	**2,733**	**1,375**	-	-
17	**Subtotal Prod Tran & Dist**	**653,424**	**292,451**	**285,714**	-	-	**31,074**	**9,859**	**3,071**	**5,436**	**7,036**	**7,337**	**7,339**	**2,733**	**1,375**	-	-
18	General	78,408	32,306	31,454	-	-	5,053	1,557	444	786	1,193	1,210	1,037	147	213	3,008	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	21,687	9,707	9,483	-	-	1,031	327	102	180	234	244	244	91	46	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**753,520**	**334,463**	**326,652**	-	-	**37,158**	**11,743**	**3,617**	**6,402**	**8,462**	**8,790**	**8,620**	**2,971**	**1,634**	**3,008**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	8,885,338	3,754,094	3,584,087	-	-	600,874	178,709	74,381	131,661	133,123	135,112	162,605	48,199	40,362	42,131	-
2	Cash Working Capital	19,860	8,391	8,011	-	-	1,343	399	166	294	298	302	363	108	90	94	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	191,509	-	191,509	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	176,689	72,365	69,877	-	-	14,418	4,441	1,267	2,243	3,404	3,452	2,958	832	609	823	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	494,096	208,758	199,304	-	-	33,413	9,938	4,136	7,321	7,403	7,513	9,042	2,680	2,244	2,343	-
8	Total Rate Base	**9,767,492**	**4,043,607**	**4,052,788**	**-**	**-**	**650,049**	**193,487**	**79,951**	**141,519**	**144,227**	**146,379**	**174,968**	**51,820**	**43,305**	**45,391**	**-**
9	Less: Rural Portion	(9,767,492)	(4,043,607)	(4,052,788)	-	-	(650,049)	(193,487)	(79,951)	(141,519)	(144,227)	(146,379)	(174,968)	(51,820)	(43,305)	(45,391)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	674,400	279,192	279,826	-	-	44,883	13,359	5,520	9,771	9,958	10,107	12,081	3,578	2,990	3,134	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**674,400**	**279,192**	**279,826**	**-**	**-**	**44,883**	**13,359**	**5,520**	**9,771**	**9,958**	**10,107**	**12,081**	**3,578**	**2,990**	**3,134**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
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. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Energy
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.14
12	Return on Equity	L.10 x Sch.1.1,p2,L.17
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Distribution Substations Demand (CP kW)	7 Primary Lines Demand (CP kW)	8 Primary Lines Customer (Rural Cust)	9 Line Transformers Demand (CP kW)	10 Line Transformers Customer (Rural Cust)	11 Secondary Lines Demand (CP kW)	12 Secondary Lines Customer (Rural Cust)	13 Services Customer (Wtd Rural Cust)	14 Meters Customer	15 Street Lighting Customer (Rural Cust)	16 Accounting Customer (Rural Cust)	17 Specifically Assigned Customer
	Amounts																
1	1.2 Domestic Diesel	-	1,460	5,643	1,460	1,400	1,400	722	1,310	722	1,310	722	722	722	-	722	-
2	1.2G Government Domestic Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	154	861	154	148	148	102	138	102	138	102	204	204	-	102	-
5	2.2 GS 10-100 kW	-	179	927	179	172	172	12	161	12	161	12	97	97	-	12	-
6	2.3 GS 110-1,000 kVa	-	135	1,046	135	129	129	2	121	2	121	2	17	17	-	2	-
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	-	28	100	28	27	27	36	25	36	25	36	-	-	36	36	-
11	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**-**	**1,955**	**8,577**	**1,955**	**1,875**	**1,875**	**874**	**1,756**	**874**	**1,756**	**874**	**1,040**	**1,040**	**36**	**874**	**-**
	Ratios																
13	1.2 Domestic Diesel	-	0.7465	0.6580	0.7465	0.7465	0.7465	0.8261	0.7465	0.8261	0.7465	0.8261	0.6942	0.6942	-	0.8261	-
14	1.2G Government Domestic Diesel		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0787	0.1004	0.0787	0.0787	0.0787	0.1167	0.0787	0.1167	0.0787	0.1167	0.1962	0.1962	-	0.1167	-
17	2.2 GS 10-100 kW	-	0.0916	0.1081	0.0916	0.0916	0.0916	0.0137	0.0916	0.0137	0.0916	0.0137	0.0931	0.0931	-	0.0137	-
18	2.3 GS 110-1,000 kVa	-	0.0690	0.1219	0.0690	0.0690	0.0690	0.0023	0.0690	0.0023	0.0690	0.0023	0.0165	0.0165	-	0.0023	-
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	0.0116	0.0142	0.0142	0.0142	0.0412	0.0142	0.0412	0.0142	0.0412	-	-	1.0000	0.0412	-
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
2007 Forecast Cost of Service
Island Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.2 Domestic Diesel	671,606	671,606
2	1.2G Government Domestic Diesel	-	-
3	1.23 Churches, Schools & Com Halls	-	-
4	2.1 GS 0-10 kW	197,935	197,935
5	2.2 GS 10-100 kW	285,345	285,345
6	2.3 GS 110-1,000 kVa	143,250	143,250
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	36,541	36,541
11	4.1G Gov't Street and Area Lighting	-	-
12	**Total**	**1,334,677**	**1,334,677**
	Ratios		
13	1.2 Domestic Diesel	0.5032	0.5032
14	1.2G Government Domestic Diesel	-	-
15	1.23 Churches, Schools & Com Halls	-	-
16	2.1 GS 0-10 kW	0.1483	0.1483
17	2.2 GS 10-100 kW	0.2138	0.2138
18	2.3 GS 110-1,000 kVa	0.1073	0.1073
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	0.0274	0.0274
23	4.1G Gov't Street and Area Lighting	-	-
24	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Allocated Revenue Requirement Excluding Return																
1	1.2 Domestic Diesel	5,560,407	1,759,452	2,871,201	-	-	331,905	112,993	30,366	59,485	78,746	88,184	66,048	14,012	-	130,881	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	753,208	185,526	438,194	-	-	34,998	15,963	3,202	8,404	8,303	12,458	18,662	3,959	-	18,490	-
5	2.2 GS 10-100 kW	766,335	215,940	471,741	-	-	40,735	1,878	3,727	989	9,665	1,466	8,860	1,880	-	2,175	-
6	2.3 GS 110-1,000 kVa	742,076	162,715	531,935	-	-	30,695	313	2,808	165	7,283	244	1,568	333	-	363	-
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	132,504	33,455	50,767	-	-	6,311	5,634	577	2,966	1,497	4,397	-	-	19,440	6,526	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**7,954,530**	**2,357,088**	**4,363,839**	**-**	**-**	**444,643**	**136,780**	**40,681**	**72,009**	**105,494**	**106,749**	**95,138**	**20,184**	**19,440**	**158,435**	**-**
	Allocated Return on Debt																
13	1.2 Domestic Diesel	478,489	208,404	184,112	-	-	33,503	11,036	4,121	8,072	7,433	8,349	8,387	2,484	-	2,589	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	62,141	21,975	28,099	-	-	3,533	1,559	434	1,140	784	1,180	2,370	702	-	366	-
17	2.2 GS 10-100 kW	63,315	25,578	30,250	-	-	4,112	183	506	134	912	139	1,125	333	-	43	-
18	2.3 GS 110-1,000 kVa	57,891	19,273	34,110	-	-	3,098	31	381	22	687	23	199	59	-	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	12,563	3,963	3,255	-	-	637	550	78	402	141	416	-	-	2,990	129	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	**674,400**	**279,192**	**279,826**	**-**	**-**	**44,883**	**13,359**	**5,520**	**9,771**	**9,958**	**10,107**	**12,081**	**3,578**	**2,990**	**3,134**	**-**
	Allocated Return on Equity																
25	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.2 Domestic Diesel	16,192	942	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	4,772	277	
5	2.2 GS 10-100 kW	6,880	400	
6	2.3 GS 110-1,000 kVa	3,454	201	
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	881	51	
11	4.1G Gov't Street and Area Lighting	-	-	
12	**Total**	**32,179**	**1,871**	
	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
2007 Forecast Cost of Service
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Total Revenue Requirement																
26	1.2 Domestic Diesel	6,038,897	1,967,855	3,055,313	-	-	365,408	124,029	34,487	67,557	86,180	96,533	74,434	16,496	-	133,470	-
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	2.1 GS 0-10 kW	815,350	207,501	466,293	-	-	38,530	17,522	3,636	9,544	9,087	13,638	21,031	4,661	-	18,856	-
30	2.2 GS 10-100 kW	829,650	241,517	501,991	-	-	44,847	2,061	4,233	1,123	10,577	1,604	9,985	2,213	-	2,218	-
31	2.3 GS 110-1,000 kVa	799,967	181,988	566,045	-	-	33,793	344	3,189	187	7,970	267	1,767	392	-	370	-
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	145,067	37,418	54,023	-	-	6,948	6,184	656	3,369	1,639	4,813	-	-	22,430	6,655	-
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	**Total**	**8,628,930**	**2,636,280**	**4,643,665**	**-**	**-**	**489,526**	**150,140**	**46,201**	**81,780**	**115,453**	**116,856**	**107,219**	**23,762**	**22,430**	**161,569**	**-**
	Re-classification of Revenue-Related																
38	1.2 Domestic Diesel	-	5,599	8,693	-	-	1,040	353	98	192	245	275	212	47	-	380	-
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	2.1 GS 0-10 kW	0	1,293	2,906	-	-	240	109	23	59	57	85	131	29	-	118	-
42	2.2 GS 10-100 kW	(0)	2,138	4,444	-	-	397	18	37	10	94	14	88	20	-	20	-
43	2.3 GS 110-1,000 kVa	(0)	835	2,598	-	-	155	2	15	1	37	1	8	2	-	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)	242	349	-	-	45	40	4	22	11	31	-	-	145	43	-
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Total**	**0**	**10,107**	**18,990**	**-**	**-**	**1,877**	**522**	**177**	**284**	**443**	**406**	**439**	**97**	**145**	**562**	**-**
	Total Allocated Revenue Requirement																
50	1.2 Domestic Diesel	6,038,897	1,973,454	3,064,007	-	-	366,447	124,381	34,585	67,750	86,425	96,808	74,646	16,543	-	133,850	-
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	2.1 GS 0-10 kW	815,350	208,794	469,199	-	-	38,771	17,631	3,659	9,604	9,144	13,723	21,162	4,690	-	18,973	-
54	2.2 GS 10-100 kW	829,650	243,655	506,435	-	-	45,244	2,080	4,270	1,133	10,671	1,619	10,074	2,233	-	2,238	-
55	2.3 GS 110-1,000 kVa	799,967	182,824	568,643	-	-	33,948	345	3,204	188	8,007	269	1,775	393	-	371	-
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	145,067	37,660	54,372	-	-	6,993	6,224	660	3,390	1,649	4,844	-	-	22,575	6,698	-
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	**Total**	**8,628,930**	**2,646,387**	**4,662,655**	**-**	**-**	**491,403**	**150,662**	**46,378**	**82,064**	**115,895**	**117,262**	**107,658**	**23,859**	**22,575**	**162,131**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Island Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
26	1.2 Domestic Diesel	16,192	942	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	4,772	277	
30	2.2 GS 10-100 kW	6,880	400	
31	2.3 GS 110-1,000 kVa	3,454	201	
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	881	51	
36	4.1G Gov't Street and Area Lighting	-	-	
37	**Total**	**32,179**	**1,871**	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(16,192)	(942)	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	(4,772)	(277)	
42	2.2 GS 10-100 kW	(6,880)	(400)	
43	2.3 GS 110-1,000 kVa	(3,454)	(201)	
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	(881)	(51)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	**Total**	**(32,179)**	**(1,871)**	
	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
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Revenue Requirement

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 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	11,000,070	3,550,385	5,780,519	-	95,153	493,191	145,755	22,242	39,371	87,119	94,695	53,030	34,753	15,002	455,083	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	8,264,187	-	8,264,187	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	43,555	-	43,555	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	2,207,562	729,584	1,129,847	-	36,178	147,715	43,720	7,385	13,072	26,357	28,576	16,906	10,790	5,414	12,018	-
	Expense Credits																
8	Sundry	(63,625)	(20,536)	(33,435)	-	(550)	(2,853)	(843)	(129)	(228)	(504)	(548)	(307)	(201)	(87)	(2,632)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(4,111)	(1,327)	(2,161)	-	(36)	(184)	(54)	(8)	(15)	(33)	(35)	(20)	(13)	(6)	(170)	-
12	Pole Attachments	(94,924)	-	-	-	-	(54,899)	(18,762)	-	-	(9,717)	(11,546)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(2,160)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,160)	-
16	Meter Test Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Total Expense Credits**	**(164,821)**	**(21,863)**	**(35,596)**	**-**	**(586)**	**(57,936)**	**(19,659)**	**(137)**	**(242)**	**(10,254)**	**(12,129)**	**(327)**	**(214)**	**(92)**	**(4,962)**	**-**
18	**Subtotal Expenses**	**21,350,553**	**4,258,107**	**15,182,513**	**-**	**130,745**	**582,971**	**169,815**	**29,490**	**52,200**	**103,222**	**111,142**	**69,609**	**45,328**	**20,324**	**462,139**	**-**
19	Disposal Gain / Loss	55,000	16,781	25,533	-	1,519	5,198	1,525	310	548	931	1,003	775	355	210	313	-
20	**Subtotal Revenue Requirement Ex. Return**	**21,405,553**	**4,274,888**	**15,208,045**	**-**	**132,264**	**588,168**	**171,341**	**29,800**	**52,748**	**104,153**	**112,145**	**70,385**	**45,683**	**20,534**	**462,451**	**-**
21	Return on Debt	2,179,706	611,695	1,105,715	-	55,061	189,753	55,699	11,247	19,909	33,971	36,609	28,151	12,893	7,628	11,375	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	**23,585,259**	**4,886,583**	**16,313,760**	**-**	**187,325**	**777,921**	**227,040**	**41,047**	**72,657**	**138,124**	**148,755**	**98,536**	**58,576**	**28,162**	**473,826**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	126,420	7,351	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	(731)	(43)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
9	Building Rental Income	-	-	Prorated on Production, Transmission & Distribution Plant - Sch.2.2 L.17
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.23
11	Suppliers' Discounts	(47)	(3)	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**	**(778)**	**(45)**	
18	**Subtotal Expenses**	**125,642**	**7,306**	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	**125,642**	**7,306**	
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**	**125,642**	**7,306**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
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 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
							Distribution										
	Production																
1	Diesel	34,506,393	12,758,891	21,747,502	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**34,506,393**	**12,758,891**	**21,747,502**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	2,697,031	1,687,488	-	-	1,009,543	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	158,598	-	-	-	-	119,575	15,233	-	-	13,869	9,920	-	-	-	-	-
8	Poles	7,150,235	-	-	-	-	4,135,324	1,413,258	-	-	731,955	869,697	-	-	-	-	-
9	Primary Conductor & Equipment	1,146,770	-	-	-	-	1,017,185	129,585	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	658,630	-	-	-	-	-	-	237,765	420,864	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	318,100	-	-	-	-	-	-	-	-	185,453	132,648	-	-	-	-	-
13	Services	566,877	-	-	-	-	-	-	-	-	-	-	566,877	-	-	-	-
14	Meters	278,606	-	-	-	-	-	-	-	-	-	-	-	278,606	-	-	-
15	Street Lighting	160,368	-	-	-	-	-	-	-	-	-	-	-	-	160,368	-	-
16	**Subtotal Distribution**	**13,135,215**	**1,687,488**	**-**	**-**	**1,009,543**	**5,272,084**	**1,558,077**	**237,765**	**420,864**	**931,277**	**1,012,266**	**566,877**	**278,606**	**160,368**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**47,641,608**	**14,446,379**	**21,747,502**	**-**	**1,009,543**	**5,272,084**	**1,558,077**	**237,765**	**420,864**	**931,277**	**1,012,266**	**566,877**	**278,606**	**160,368**	**-**	**-**
18	General	5,804,235	1,914,522	3,146,247	-	41,083	214,547	63,406	9,676	17,127	37,898	41,194	23,069	16,455	6,526	272,484	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	73,659	22,336	33,624	-	1,561	8,151	2,409	368	651	1,440	1,565	876	431	248	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**53,519,502**	**16,383,237**	**24,927,373**	**-**	**1,052,187**	**5,494,783**	**1,623,891**	**247,809**	**438,642**	**970,615**	**1,055,025**	**590,822**	**295,492**	**167,142**	**272,484**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
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.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
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Distribution Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	16,997,344	6,284,843	10,712,501	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**16,997,344**	**6,284,843**	**10,712,501**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	1,561,128	841,982	-	-	719,145	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	105,161	-	-	-	-	79,286	10,101	-	-	9,196	6,578	-	-	-	-	-
8	Poles	3,239,751	-	-	-	-	1,873,704	640,343	-	-	331,647	394,057	-	-	-	-	-
9	Primary Conductor & Equipment	526,039	-	-	-	-	466,597	59,442	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	404,058	-	-	-	-	-	-	145,865	258,193	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	159,087	-	-	-	-	-	-	-	-	92,748	66,339	-	-	-	-	-
13	Services	366,018	-	-	-	-	-	-	-	-	-	-	366,018	-	-	-	-
14	Meters	164,096	-	-	-	-	-	-	-	-	-	-	-	164,096	-	-	-
15	Street Lighting	98,961	-	-	-	-	-	-	-	-	-	-	-	-	98,961	-	-
16	**Subtotal Distribution**	**6,624,299**	**841,982**	**-**	**-**	**719,145**	**2,419,586**	**709,886**	**145,865**	**258,193**	**433,591**	**466,975**	**366,018**	**164,096**	**98,961**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**23,621,643**	**7,126,825**	**10,712,501**	**-**	**719,145**	**2,419,586**	**709,886**	**145,865**	**258,193**	**433,591**	**466,975**	**366,018**	**164,096**	**98,961**	**-**	**-**
18	General	3,261,844	1,075,917	1,768,117	-	23,088	120,570	35,633	5,438	9,625	21,298	23,150	12,964	9,247	3,668	153,130	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	51,260	15,465	23,246	-	1,561	5,251	1,540	317	560	941	1,013	794	356	215	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**26,934,747**	**8,218,207**	**12,503,865**	**-**	**743,794**	**2,545,407**	**747,059**	**151,619**	**268,379**	**455,830**	**491,138**	**379,776**	**173,699**	**102,843**	**153,130**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	5,529,433	2,044,532	3,484,901	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	434,223	160,556	273,667	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**5,963,656**	**2,205,088**	**3,758,568**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
7	Other	625,023	82,037	-	-	49,079	256,302	75,746	11,559	20,460	45,274	49,211	27,559	-	7,796	-	-
8	Meters	19,658	-	-	-	-	-	-	-	-	-	-	-	19,658	-	-	-
9	**Subtotal Distribution**	**644,681**	**82,037**	-	-	**49,079**	**256,302**	**75,746**	**11,559**	**20,460**	**45,274**	**49,211**	**27,559**	**19,658**	**7,796**	-	-
10	**Subttl Prod, Trans, & Dist**	**6,608,336**	**2,287,125**	**3,758,568**	-	**49,079**	**256,302**	**75,746**	**11,559**	**20,460**	**45,274**	**49,211**	**27,559**	**19,658**	**7,796**	-	-
11	Customer Accounting	325,515	-	-	-	-	-	-	-	-	-	-	-	-	-	325,515	-
	Administrative & General:																
	Plant-Related:																
12	Production	439,195	162,394	276,801	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Distribution	233,117	29,949	-	-	17,917	93,566	27,652	4,220	7,469	16,528	17,965	10,061	4,945	2,846	-	-
15	Prod, Trans, Distn Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Prod, Trans, Distn and General Plt	357,735	109,509	166,620	-	7,033	36,728	10,854	1,656	2,932	6,488	7,052	3,949	1,975	1,117	1,821	-
17	Property Insurance	30,367	11,552	17,577	-	742	151	45	7	12	27	29	16	12	5	192	-
	Revenue Related:																
18	Municipal Tax	126,420	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	PUB Assessment	7,351	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	All Expense-Related	2,717,053	896,218	1,472,808	-	19,232	100,433	29,681	4,529	8,017	17,741	19,284	10,799	7,703	3,055	127,554	-
21	Prod, Trans, and Distn Expense-Related	154,980	53,638	88,147	-	1,151	6,011	1,776	271	480	1,062	1,154	646	461	183	-	-
22	**Subtotal Admin & General**	**4,066,219**	**1,263,260**	**2,021,952**	-	**46,074**	**236,890**	**70,009**	**10,683**	**18,911**	**41,845**	**45,484**	**25,471**	**15,095**	**7,206**	**129,568**	-
23	**Total Operating & Maintenance Expenses**	**11,000,070**	**3,550,385**	**5,780,519**	-	**95,153**	**493,191**	**145,755**	**22,242**	**39,371**	**87,119**	**94,695**	**53,030**	**34,753**	**15,002**	**455,083**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 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	**Subtl 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, Distn Plant	-	-	Prorated on Production, Transmission & Distribution Plant in Service - Sch.2.2 L.17
16	Prod, Trans, Distn 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	126,420	-	Revenue-related
19	PUB Assessment	-	7,351	Revenue-related
20	All Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution, Accounting Expenses - L.10, 11
21	Prod, Trans, and Distn Expense-Related	-	-	Prorated on Subtotal Production, Transmission, Distribution Expenses - L.10
22	**Subtotal Admin & General**	**126,420**	**7,351**	
23	**Total Operating & Maintenance Expenses**	**126,420**	**7,351**	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	1,522,012	562,771	959,241	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**1,522,012**	**562,771**	**959,241**	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substn Struct & Eqpt	94,909	61,647	-	-	33,262	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	4,167	-	-	-	-	3,142	400	-	-	364	261	-	-	-	-	-
8	Poles	181,993	-	-	-	-	105,255	35,971	-	-	18,630	22,136	-	-	-	-	-
9	Primary Conductor & Equipment	28,652	-	-	-	-	25,414	3,238	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	18,656	-	-	-	-	-	-	6,735	11,921	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	8,400	-	-	-	-	-	-	-	-	4,897	3,503	-	-	-	-	-
13	Services	15,378	-	-	-	-	-	-	-	-	-	-	15,378	-	-	-	-
14	Meters	9,741	-	-	-	-	-	-	-	-	-	-	-	9,741	-	-	-
15	Street Lighting	4,962	-	-	-	-	-	-	-	-	-	-	-	-	4,962	-	-
16	**Subtotal Distribution**	**366,857**	**61,647**	-	-	**33,262**	**133,811**	**39,609**	**6,735**	**11,921**	**23,892**	**25,900**	**15,378**	**9,741**	**4,962**	-	-
17	**Subtotal Prod Tran & Dist**	**1,888,869**	**624,418**	**959,241**	-	**33,262**	**133,811**	**39,609**	**6,735**	**11,921**	**23,892**	**25,900**	**15,378**	**9,741**	**4,962**	-	-
18	General	256,001	84,442	138,768	-	1,812	9,463	2,797	427	755	1,672	1,817	1,017	726	288	12,018	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	62,692	20,725	31,837	-	1,104	4,441	1,315	224	396	793	860	510	323	165	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**2,207,562**	**729,584**	**1,129,847**	-	**36,178**	**147,715**	**43,720**	**7,385**	**13,072**	**26,357**	**28,576**	**16,906**	**10,790**	**5,414**	**12,018**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	26,934,747	8,218,207	12,503,865	-	743,794	2,545,407	747,059	151,619	268,379	455,830	491,138	379,776	173,699	102,843	153,130	-
2	Cash Working Capital	60,204	18,369	27,948	-	1,663	5,689	1,670	339	600	1,019	1,098	849	388	230	342	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	2,535,021	-	2,535,021	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	541,443	165,745	252,184	-	10,645	55,589	16,429	2,507	4,438	9,819	10,673	5,977	2,989	1,691	2,757	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	1,497,788	456,998	695,315	-	41,361	141,545	41,542	8,431	14,924	25,348	27,311	21,119	9,659	5,719	8,515	-
8	Total Rate Base	**31,569,203**	**8,859,320**	**16,014,334**	-	**797,462**	**2,748,231**	**806,700**	**162,896**	**288,340**	**492,016**	**530,220**	**407,721**	**186,736**	**110,483**	**164,744**	-
9	Less: Rural Portion	(31,569,203)	(8,859,320)	(16,014,334)	-	(797,462)	(2,748,231)	(806,700)	(162,896)	(288,340)	(492,016)	(530,220)	(407,721)	(186,736)	(110,483)	(164,744)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	2,179,706	611,695	1,105,715	-	55,061	189,753	55,699	11,247	19,909	33,971	36,609	28,151	12,893	7,628	11,375	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**2,179,706**	**611,695**	**1,105,715**	-	**55,061**	**189,753**	**55,699**	**11,247**	**19,909**	**33,971**	**36,609**	**28,151**	**12,893**	**7,628**	**11,375**	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
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. 23
2	Cash Working Capital	Prorated on Average Net Book Value, L. 1
3	Fuel Inventory - No. 6 Fuel	
4	Fuel Inventory - Diesel	Production - Energy
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.14
12	Return on Equity	L.10 x Sch.1.1,p2,L.17
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Distribution Substations Demand (CP kW)	7 Primary Lines Demand (CP kW)	8 Primary Lines Customer (Rural Cust)	9 Line Transformers Demand (CP kW)	10 Line Transformers Customer (Rural Cust)	11 Secondary Lines Demand (CP kW)	12 Secondary Lines Customer (Rural Cust)	13 Services Customer (Wtd Rural Cust)	14 Meters Customer (Wtd Rural Cust)	15 Street Lighting Customer (Rural Cust)	16 Accounting Customer (Rural Cust)	17 Specifically Assigned Customer
	Amounts																
1	1.2 Domestic Diesel	-	4,223	19,016	4,223	4,092	4,092	1,929	3,894	1,929	3,894	1,929	1,929	1,929	-	1,929	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	-	541	3,386	541	524	524	372	499	372	499	372	744	744	-	372	-
5	2.2 GS 10-100 kW	-	1,481	8,760	1,481	1,435	1,435	119	1,366	119	1,366	119	961	961	-	119	-
6	2.3 GS 110-1,000 kVa	-	98	1,688	98	95	95	8	91	8	91	8	65	65	-	8	-
7	2.4 GS Over 1,000 kVa	-	50	2,565	50	49	49	1	46	1	46	1	9	9	-	1	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	-	73	284	73	71	71	91	67	91	67	91	-	-	91	91	-
11	4.1G Gov't Street and Area Lighting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**-**	**6,466**	**35,700**	**6,466**	**6,266**	**6,266**	**2,519**	**5,963**	**2,519**	**5,963**	**2,519**	**3,707**	**3,707**	**91**	**2,519**	**-**
	Ratios																
13	1.2 Domestic Diesel	-	0.6531	0.5327	0.6531	0.6531	0.6531	0.7658	0.6531	0.7658	0.6531	0.7658	0.5204	0.5204	-	0.7658	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	-	0.0837	0.0949	0.0837	0.0837	0.0837	0.1477	0.0837	0.1477	0.0837	0.1477	0.2007	0.2007	-	0.1477	-
17	2.2 GS 10-100 kW	-	0.2290	0.2454	0.2290	0.2290	0.2290	0.0472	0.2290	0.0472	0.2290	0.0472	0.2591	0.2591	-	0.0472	-
18	2.3 GS 110-1,000 kVa	-	0.0152	0.0473	0.0152	0.0152	0.0152	0.0030	0.0152	0.0030	0.0152	0.0030	0.0175	0.0175	-	0.0030	-
19	2.4 GS Over 1,000 kVa	-	0.0078	0.0719	0.0078	0.0078	0.0078	0.0004	0.0078	0.0004	0.0078	0.0004	0.0023	0.0023	-	0.0004	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	-	0.0113	0.0080	0.0113	0.0113	0.0113	0.0359	0.0113	0.0359	0.0113	0.0359	-	-	1.0000	0.0359	-
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
2007 Forecast Cost of Service
Labrador Isolated
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.2 Domestic Diesel	2,270,274	2,270,274
2	1.2G Government Domestic Diesel	-	-
3	1.23 Churches, Schools & Com Halls	-	-
4	2.1 GS 0-10 kW	750,337	750,337
5	2.2 GS 10-100 kW	1,735,564	1,735,564
6	2.3 GS 110-1,000 kVa	171,134	171,134
7	2.4 GS Over 1,000 kVa	193,805	193,805
8	2.5 GS Diesel	-	-
9	2.5G Gov't General Service Diesel	-	-
10	4.1 Street and Area Lighting	90,151	90,151
11	4.1G Gov't Street and Area Lighting	-	-
12	**Total**	**5,211,265**	**5,211,265**
	Ratios		
13	1.2 Domestic Diesel	0.4356	0.4356
14	1.2G Government Domestic Diesel	-	-
15	1.23 Churches, Schools & Com Halls	-	-
16	2.1 GS 0-10 kW	0.1440	0.1440
17	2.2 GS 10-100 kW	0.3330	0.3330
18	2.3 GS 110-1,000 kVa	0.0328	0.0328
19	2.4 GS Over 1,000 kVa	0.0372	0.0372
20	2.5 GS Diesel	-	-
21	2.5G Gov't General Service Diesel	-	-
22	4.1 Street and Area Lighting	0.0173	0.0173
23	4.1G Gov't Street and Area Lighting	-	-
24	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service

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 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
	Allocated Revenue Requirement Excluding Return																
1	1.2 Domestic Diesel	12,180,409	2,791,810	8,100,712	-	86,378	384,116	131,205	19,462	40,392	68,019	85,876	36,625	23,772	-	354,124	-
2	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2.1 GS 0-10 kW	2,032,160	357,750	1,442,529	-	11,069	49,222	25,302	2,494	7,790	8,716	16,561	14,126	9,168	-	68,291	-
5	2.2 GS 10-100 kW	5,018,255	978,907	3,731,622	-	30,287	134,685	8,094	6,824	2,492	23,850	5,298	18,237	11,836	-	21,846	-
6	2.3 GS 110-1,000 kVa	805,874	64,908	719,187	-	2,008	8,931	516	452	159	1,581	338	1,234	801	-	1,392	-
7	2.4 GS Over 1,000 kVa	1,138,219	33,209	1,092,843	-	1,027	4,569	68	231	21	809	45	163	106	-	184	-
8	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	4.1 Street and Area Lighting	230,636	48,304	121,151	-	1,495	6,646	6,156	337	1,895	1,177	4,029	-	-	20,534	16,614	-
11	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	**21,405,553**	**4,274,888**	**15,208,045**	**-**	**132,264**	**588,168**	**171,341**	**29,800**	**52,748**	**104,153**	**112,145**	**70,385**	**45,683**	**20,534**	**462,451**	**-**
	Allocated Return on Debt																
13	1.2 Domestic Diesel	1,293,861	399,481	588,970	-	35,959	123,922	42,652	7,345	15,245	22,186	28,034	14,649	6,709	-	8,710	-
14	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2.1 GS 0-10 kW	206,831	51,191	104,880	-	4,608	15,880	8,225	941	2,940	2,843	5,406	5,650	2,588	-	1,680	-
17	2.2 GS 10-100 kW	494,271	140,072	271,311	-	12,608	43,451	2,631	2,576	940	7,779	1,729	7,294	3,341	-	537	-
18	2.3 GS 110-1,000 kVa	67,072	9,288	52,289	-	836	2,881	168	171	60	516	110	494	226	-	34	-
19	2.4 GS Over 1,000 kVa	86,605	4,752	79,456	-	428	1,474	22	87	8	264	15	65	30	-	5	-
20	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	4.1 Street and Area Lighting	31,066	6,912	8,808	-	622	2,144	2,001	127	715	384	1,315	-	-	7,628	409	-
23	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total**	**2,179,706**	**611,695**	**1,105,715**	**-**	**55,061**	**189,753**	**55,699**	**11,247**	**19,909**	**33,971**	**36,609**	**28,151**	**12,893**	**7,628**	**11,375**	**-**
	Allocated Return on Equity																
25	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.2 Domestic Diesel	54,736	3,183	
2	1.2G Government Domestic Diesel	-	-	
3	1.23 Churches, Schools & Com Halls	-	-	
4	2.1 GS 0-10 kW	18,090	1,052	
5	2.2 GS 10-100 kW	41,844	2,433	
6	2.3 GS 110-1,000 kVa	4,126	240	
7	2.4 GS Over 1,000 kVa	4,673	272	
8	2.5 GS Diesel	-	-	
9	2.5G Gov't General Service Diesel	-	-	
10	4.1 Street and Area Lighting	2,174	126	
11	4.1G Gov't Street and Area Lighting	-	-	
12	**Total**	**125,642**	**7,306**	
	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
2007 Forecast Cost of Service
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Total Revenue Requirement																
26	1.2 Domestic Diesel	13,474,270	3,191,290	8,689,682	-	122,337	508,038	173,857	26,807	55,637	90,205	113,910	51,274	30,481	-	362,835	-
27	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	2.1 GS 0-10 kW	2,238,992	408,941	1,547,409	-	15,677	65,101	33,528	3,435	10,729	11,559	21,967	19,776	11,756	-	69,971	-
30	2.2 GS 10-100 kW	5,512,525	1,118,979	4,002,934	-	42,896	178,136	10,725	9,399	3,432	31,629	7,027	25,531	15,177	-	22,383	-
31	2.3 GS 110-1,000 kVa	872,946	74,196	771,477	-	2,844	11,812	683	623	219	2,097	448	1,728	1,027	-	1,426	-
32	2.4 GS Over 1,000 kVa	1,224,824	37,961	1,172,299	-	1,455	6,043	90	319	29	1,073	59	228	135	-	188	-
33	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4.1 Street and Area Lighting	261,702	55,216	129,960	-	2,117	8,790	8,157	464	2,610	1,561	5,344	-	-	28,162	17,023	-
36	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	**Total**	**23,585,259**	**4,886,583**	**16,313,760**	**-**	**187,325**	**777,921**	**227,040**	**41,047**	**72,657**	**138,124**	**148,755**	**98,536**	**58,576**	**28,162**	**473,826**	**-**
	Re-classification of Revenue-Related																
38	1.2 Domestic Diesel	0	13,777	37,513	-	528	2,193	751	116	240	389	492	221	132	-	1,566	-
39	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	2.1 GS 0-10 kW	0	3,526	13,344	-	135	561	289	30	93	100	189	171	101	-	603	-
42	2.2 GS 10-100 kW	0	9,060	32,412	-	347	1,442	87	76	28	256	57	207	123	-	181	-
43	2.3 GS 110-1,000 kVa	0	373	3,878	-	14	59	3	3	1	11	2	9	5	-	7	-
44	2.4 GS Over 1,000 kVa	(0)	154	4,751	-	6	24	0	1	0	4	0	1	1	-	1	-
45	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	4.1 Street and Area Lighting	0	490	1,152	-	19	78	72	4	23	14	47	-	-	250	151	-
48	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
49	**Total**	**0**	**27,380**	**93,051**	**-**	**1,050**	**4,359**	**1,203**	**230**	**385**	**774**	**788**	**608**	**362**	**250**	**2,510**	**-**
	Total Allocated Revenue Requirement																
50	1.2 Domestic Diesel	13,474,270	3,205,067	8,727,195	-	122,865	510,232	174,607	26,923	55,878	90,594	114,401	51,495	30,612	-	364,401	-
51	1.2G Government Domestic Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	1.23 Churches, Schools & Com Halls	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
53	2.1 GS 0-10 kW	2,238,992	412,467	1,560,753	-	15,812	65,663	33,817	3,465	10,822	11,659	22,156	19,946	11,858	-	70,575	-
54	2.2 GS 10-100 kW	5,512,525	1,128,040	4,035,346	-	43,243	179,579	10,812	9,476	3,460	31,885	7,084	25,737	15,300	-	22,564	-
55	2.3 GS 110-1,000 kVa	872,946	74,569	775,354	-	2,859	11,871	687	626	220	2,108	450	1,736	1,032	-	1,434	-
56	2.4 GS Over 1,000 kVa	1,224,824	38,115	1,177,051	-	1,461	6,068	90	320	29	1,077	59	229	136	-	189	-
57	2.5 GS Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58	2.5G Gov't General Service Diesel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	4.1 Street and Area Lighting	261,702	55,705	131,112	-	2,135	8,868	8,229	468	2,633	1,575	5,392	-	-	28,412	17,173	-
60	4.1G Gov't Street and Area Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	**Total**	**23,585,259**	**4,913,963**	**16,406,811**	**-**	**188,375**	**782,280**	**228,242**	**41,277**	**73,042**	**138,898**	**149,543**	**99,144**	**58,938**	**28,412**	**476,336**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Isolated
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
26	1.2 Domestic Diesel	54,736	3,183	
27	1.2G Government Domestic Diesel	-	-	
28	1.23 Churches, Schools & Com Halls	-	-	
29	2.1 GS 0-10 kW	18,090	1,052	
30	2.2 GS 10-100 kW	41,844	2,433	
31	2.3 GS 110-1,000 kVa	4,126	240	
32	2.4 GS Over 1,000 kVa	4,673	272	
33	2.5 GS Diesel	-	-	
34	2.5G Gov't General Service Diesel	-	-	
35	4.1 Street and Area Lighting	2,174	126	
36	4.1G Gov't Street and Area Lighting	-	-	
37	**Total**	**125,642**	**7,306**	
	Re-classification of Revenue-Related			
38	1.2 Domestic Diesel	(54,736)	(3,183)	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	(18,090)	(1,052)	
42	2.2 GS 10-100 kW	(41,844)	(2,433)	
43	2.3 GS 110-1,000 kVa	(4,126)	(240)	
44	2.4 GS Over 1,000 kVa	(4,673)	(272)	
45	2.5 GS Diesel	-	-	
46	2.5G Gov't General Service Diesel	-	-	
47	4.1 Street and Area Lighting	(2,174)	(126)	
48	4.1G Gov't Street and Area Lighting	-	-	
49	**Total**	**(125,642)**	**(7,306)**	
	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
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	1,188,123	582,410	-	-	1,303	249,135	74,849	7,405	13,108	42,439	47,190	11,943	12,429	3,109	100,147	-
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	160,542	-	160,542	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	1,530,455	-	1,530,455	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	443,627	179,467	-	-	75	140,214	43,019	4,558	8,068	24,260	27,176	5,328	4,760	1,792	4,909	-
	Expense Credits																
8	Sundry	(6,872)	(3,369)	-	-	(8)	(1,441)	(433)	(43)	(76)	(245)	(273)	(69)	(72)	(18)	(579)	-
9	Building Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(444)	(218)	-	-	(0)	(93)	(28)	(3)	(5)	(16)	(18)	(4)	(5)	(1)	(37)	-
12	Pole Attachments	(63,425)	-	-	-	-	(36,682)	(12,536)	-	-	(6,493)	(7,715)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(528)	-	-	-	-	-	-	-	-	-	-	-	-	-	(528)	-
16	Meter Test Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Total Expense Credits**	(71,269)	(3,586)	-	-	(8)	(38,216)	(12,997)	(46)	(81)	(6,754)	(8,005)	(74)	(77)	(19)	(1,145)	-
18	**Subtotal Expenses**	3,251,478	758,291	1,690,997	-	1,370	351,133	104,871	11,917	21,095	59,945	66,361	17,198	17,113	4,882	103,911	-
19	Disposal Gain / Loss	10,000	2,866	-	-	4	3,910	1,183	110	195	625	715	169	118	45	60	-
20	**Subtotal Revenue Requirement Ex. Return**	3,261,478	761,157	1,690,997	-	1,374	355,043	106,055	12,028	21,290	60,570	67,075	17,366	17,231	4,927	103,971	-
21	Return on Debt	462,525	132,704	2,007	-	203	179,588	54,357	5,076	8,985	28,735	32,846	7,773	5,411	2,064	2,776	-
22	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Revenue Requirement**	3,724,002	893,861	1,693,004	-	1,577	534,631	160,412	17,104	30,275	89,305	99,921	25,139	22,641	6,991	106,747	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Revenue Requirement (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	20 Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	40,313	2,344	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	(233)	(14)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
9	Building Rental Income	-	-	Prorated on Production, Transmission & Distribution Plant - Sch.2.2 L.17
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
11	Suppliers' Discounts	(15)	(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**	(248)	(14)	
18	**Subtotal Expenses**	40,065	2,330	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.23
20	**Subtotal Revenue Requirement Ex. Return**	40,065	2,330	
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**	40,065	2,330	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
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 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	4,295,532	4,295,532	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**4,295,532**	**4,295,532**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
6	Substation Structures & Equipment	86,194	63,690	-	-	22,504	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	38,776	-	-	-	-	29,235	3,724	-	-	3,391	2,425	-	-	-	-	-
8	Poles	6,155,827	-	-	-	-	3,560,210	1,216,712	-	-	630,160	748,746	-	-	-	-	-
9	Primary Conductor & Equipment	925,407	-	-	-	-	820,836	104,571	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	363,130	-	-	-	-	-	-	131,090	232,040	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	201,911	-	-	-	-	-	-	-	-	117,714	84,197	-	-	-	-	-
13	Services	211,417	-	-	-	-	-	-	-	-	-	-	211,417	-	-	-	-
14	Meters	116,260	-	-	-	-	-	-	-	-	-	-	-	116,260	-	-	-
15	Street Lighting	55,037	-	-	-	-	-	-	-	-	-	-	-	-	55,037	-	-
16	**Subtotal Distribution**	**8,153,960**	**63,690**	**-**	**-**	**22,504**	**4,410,282**	**1,325,007**	**131,090**	**232,040**	**751,265**	**835,368**	**211,417**	**116,260**	**55,037**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**12,449,492**	**4,359,222**	**-**	**-**	**22,504**	**4,410,282**	**1,325,007**	**131,090**	**232,040**	**751,265**	**835,368**	**211,417**	**116,260**	**55,037**	**-**	**-**
18	General	1,100,520	548,757	-	-	1,210	237,150	71,248	7,049	12,477	40,397	44,920	11,368	12,605	2,959	110,377	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	19,248	6,740	-	-	35	6,819	2,049	203	359	1,162	1,292	327	180	85	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Plant**	**13,569,259**	**4,914,719**	**-**	**-**	**23,749**	**4,654,251**	**1,398,304**	**138,342**	**244,876**	**792,823**	**881,579**	**223,112**	**129,045**	**58,082**	**110,377**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	1,565,695	1,565,695	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**1,565,695**	**1,565,695**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	19,160	17,018	-	-	2,142	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	25,069	-	-	-	-	18,900	2,408	-	-	2,192	1,568	-	-	-	-	-
8	Poles	3,296,245	-	-	-	-	1,906,377	651,509	-	-	337,430	400,929	-	-	-	-	-
9	Primary Conductor & Equipment	456,077	-	-	-	-	404,540	51,537	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	181,908	-	-	-	-	-	-	65,669	116,239	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	54,698	-	-	-	-	-	-	-	-	31,889	22,809	-	-	-	-	-
13	Services	100,262	-	-	-	-	-	-	-	-	-	-	100,262	-	-	-	-
14	Meters	68,476	-	-	-	-	-	-	-	-	-	-	-	68,476	-	-	-
15	Street Lighting	26,658	-	-	-	-	-	-	-	-	-	-	-	-	26,658	-	-
16	**Subtotal Distribution**	**4,228,551**	**17,018**	**-**	**-**	**2,142**	**2,329,817**	**705,454**	**65,669**	**116,239**	**371,511**	**425,306**	**100,262**	**68,476**	**26,658**	**-**	**-**
17	**Subttl Prod, Trans, & Dist**	**5,794,246**	**1,582,713**	**-**	**-**	**2,142**	**2,329,817**	**705,454**	**65,669**	**116,239**	**371,511**	**425,306**	**100,262**	**68,476**	**26,658**	**-**	**-**
18	General	368,484	183,739	-	-	405	79,404	23,856	2,360	4,178	13,526	15,040	3,806	4,221	991	36,957	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	12,574	3,435	-	-	5	5,056	1,531	143	252	806	923	218	149	58	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Net Book Value**	**6,175,304**	**1,769,887**	**-**	**-**	**2,552**	**2,414,277**	**730,841**	**68,171**	**120,669**	**385,843**	**441,269**	**104,286**	**72,845**	**27,707**	**36,957**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	300,212	300,212	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	54,669	54,669	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**354,881**	**354,881**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
4	Transmission Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	**Subtotal Transmission**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Distribution																
8	Other	281,261	2,229	-	-	787	154,328	46,366	4,587	8,120	26,289	29,232	7,398	-	1,926	-	-
9	Meters	8,203	-	-	-	-	-	-	-	-	-	-	-	8,203	-	-	-
10	**Subtotal Distribution**	**289,464**	**2,229**	**-**	**-**	**787**	**154,328**	**46,366**	**4,587**	**8,120**	**26,289**	**29,232**	**7,398**	**8,203**	**1,926**	**-**	**-**
11	**Subttl Prod, Trans, & Dist**	**644,345**	**357,109**	**-**	**-**	**787**	**154,328**	**46,366**	**4,587**	**8,120**	**26,289**	**29,232**	**7,398**	**8,203**	**1,926**	**-**	**-**
12	Customer Accounting	71,829	-	-	-	-	-	-	-	-	-	-	-	-	-	71,829	-
	Administrative & General:																
	Plant-Related:																
13	Production	68,967	68,967	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Distribution	54,940	429	-	-	152	29,716	8,928	883	1,563	5,062	5,629	1,424	783	371	-	-
16	Prod, Trans, Distn Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Prod,Trans, Distn & General Plt	1,939	702	-	-	3	665	200	20	35	113	126	32	18	8	16	-
18	Property Insurance	7,699	6,893	-	-	33	333	100	10	18	57	63	16	18	4	155	-
	Revenue Related:																
19	Municipal Tax	40,313	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	PUB Assessment	2,344	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	All Expense-Related	280,635	139,934	-	-	309	60,474	18,169	1,798	3,182	10,301	11,455	2,899	3,214	755	28,147	-
22	Prod, Trans, and Distn Expense-Related	15,111	8,375	-	-	18	3,619	1,087	108	190	617	686	174	192	45	-	-
23	**Subtotal Admin & General**	**471,949**	**225,301**	**-**	**-**	**515**	**94,807**	**28,483**	**2,818**	**4,988**	**16,150**	**17,958**	**4,545**	**4,226**	**1,183**	**28,317**	**-**
24	**Total Operating & Maintenance Expenses**	**1,188,123**	**582,410**	**-**	**-**	**1,303**	**249,135**	**74,849**	**7,405**	**13,108**	**42,439**	**47,190**	**11,943**	**12,429**	**3,109**	**100,147**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	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	40,313	-	Revenue-related
20	PUB Assessment	-	2,344	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**	40,313	2,344	
24	**Total Operating & Maintenance Expenses**	40,313	2,344	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Depreciation Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Diesel	149,013	149,013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Subtotal Production**	**149,013**	**149,013**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
3	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Terminal Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Subtotal Transmission**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Distribution																
6	Substation Structures & Equipment	1,087	1,067	-	-	20	-	-	-	-	-	-	-	-	-	-	-
7	Land & Land Improvements	729	-	-	-	-	550	70	-	-	64	46	-	-	-	-	-
8	Poles	182,153	-	-	-	-	105,348	36,003	-	-	18,647	22,156	-	-	-	-	-
9	Primary Conductor & Equipment	22,101	-	-	-	-	19,604	2,497	-	-	-	-	-	-	-	-	-
10	Submarine Conductor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Transformers	11,379	-	-	-	-	-	-	4,108	7,271	-	-	-	-	-	-	-
12	Secondary Conductors & Equipment	5,200	-	-	-	-	-	-	-	-	3,032	2,169	-	-	-	-	-
13	Services	4,668	-	-	-	-	-	-	-	-	-	-	4,668	-	-	-	-
14	Meters	4,065	-	-	-	-	-	-	-	-	-	-	-	4,065	-	-	-
15	Street Lighting	1,607	-	-	-	-	-	-	-	-	-	-	-	-	1,607	-	-
16	**Subtotal Distribution**	**232,989**	**1,067**	**-**	**-**	**20**	**125,501**	**38,570**	**4,108**	**7,271**	**21,742**	**24,370**	**4,668**	**4,065**	**1,607**	**-**	**-**
17	**Subtotal Prod Tran & Dist**	**382,002**	**150,080**	**-**	**-**	**20**	**125,501**	**38,570**	**4,108**	**7,271**	**21,742**	**24,370**	**4,668**	**4,065**	**1,607**	**-**	**-**
18	General	48,947	24,407	-	-	54	10,547	3,169	314	555	1,797	1,998	506	561	132	4,909	-
19	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Software - General	12,679	4,981	-	-	1	4,165	1,280	136	241	722	809	155	135	53	-	-
22	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	**Total Depreciation Expense**	**443,627**	**179,467**	**-**	**-**	**75**	**140,214**	**43,019**	**4,558**	**8,068**	**24,260**	**27,176**	**5,328**	**4,760**	**1,792**	**4,909**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lightin Customer ($)	16 Distribution Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	6,175,304	1,769,887	-	-	2,552	2,414,277	730,841	68,171	120,669	385,843	441,269	104,286	72,845	27,707	36,957	-
2	Cash Working Capital	13,803	3,956	-	-	6	5,396	1,634	152	270	862	986	233	163	62	83	-
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	29,073	-	29,073	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	137,277	49,721	-	-	240	47,086	14,146	1,400	2,477	8,021	8,919	2,257	1,306	588	1,117	-
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	343,396	98,420	-	-	142	134,253	40,641	3,791	6,710	21,456	24,538	5,799	4,051	1,541	2,055	-
8	Total Rate Base	**6,698,853**	**1,921,984**	**29,073**	**-**	**2,940**	**2,601,013**	**787,261**	**73,514**	**130,126**	**416,182**	**475,712**	**112,575**	**78,364**	**29,897**	**40,212**	**-**
9	Less: Rural Portion	(6,698,853)	(1,921,984)	(29,073)	-	(2,940)	(2,601,013)	(787,261)	(73,514)	(130,126)	(416,182)	(475,712)	(112,575)	(78,364)	(29,897)	(40,212)	-
10	Rate Base Available for Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Return on Debt	462,525	132,704	2,007	-	203	179,588	54,357	5,076	8,985	28,735	32,846	7,773	5,411	2,064	2,776	-
12	Return on Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Return on Rate Base	**462,525**	**132,704**	**2,007**	**-**	**203**	**179,588**	**54,357**	**5,076**	**8,985**	**28,735**	**32,846**	**7,773**	**5,411**	**2,064**	**2,776**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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	
4	Fuel Inventory - Diesel	Production - Energy
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.14
12	Return on Equity	L.10 x Sch.1.1,p2,L.17
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Basis of Allocation to Classes of Service

Line No.	1 Description	2 Total Amount	3 Production Demand (CP kW)	4 Production and Transmission Energy (MWh @ Gen)	5 Transmission Demand (CP kW)	6 Distribution Substations Demand (CP kW)	7 Primary Lines Demand (CP kW)	8 Primary Lines Customer (Rural Cust)	9 Line Transformers Demand (CP kW)	10 Line Transformers Customer (Rural Cust)	11 Secondary Lines Demand (CP kW)	12 Secondary Lines Customer (Rural Cust)	13 Services Customer (Wtd Rural Cust)	14 Meters Customer	15 Street Lightin Customer	16 Accounting Customer (Rural Cust)	17 Specifically Assigned Customer
	Amounts																
1	1.1 Domestic Diesel	-	1,369	6,146	1,369	1,296	1,296	630	1,188	630	1,188	630	630	630	-	630	-
2	1.12 Domestic All Electric	-	1,181	3,815	1,181	1,118	1,118	141	1,024	141	1,024	141	141	141	-	141	-
3	2.1 GS 0-10 kW	-	237	1,190	237	225	225	137	206	137	206	137	274	274	-	137	-
4	2.2 GS 10-100 kW	-	811	4,172	811	768	768	58	703	58	703	58	468	468	-	58	-
5	2.3 GS 110-1,000 kVa	-	112	1,441	112	106	106	4	97	4	97	4	34	34	-	4	-
6	4.1 Street and Area Lighting	-	30	119	30	28	28	27	26	27	26	27	-	-	1	27	-
7	**Total**	**-**	**3,740**	**16,884**	**3,740**	**3,540**	**3,540**	**997**	**3,244**	**997**	**3,244**	**997**	**1,547**	**1,547**	**1**	**997**	**0**
	Ratios																
8	1.1 Domestic Diesel	-	0.3661	0.3640	0.3661	0.3661	0.3661	0.6322	0.3661	0.6322	0.3661	0.6322	0.4073	0.4073	-	0.6322	-
9	1.12 Domestic All Electric	-	0.3157	0.2259	0.3157	0.3157	0.3157	0.1410	0.3157	0.1410	0.3157	0.1410	0.0908	0.0908	-	0.1410	-
10	2.1 GS 0-10 kW	-	0.0634	0.0705	0.0634	0.0634	0.0634	0.1375	0.0634	0.1375	0.0634	0.1375	0.1771	0.1771	-	0.1375	-
11	2.2 GS 10-100 kW	-	0.2168	0.2471	0.2168	0.2168	0.2168	0.0582	0.2168	0.0582	0.2168	0.0582	0.3026	0.3026	-	0.0582	-
12	2.3 GS 110-1,000 kVa	-	0.0299	0.0854	0.0299	0.0299	0.0299	0.0040	0.0299	0.0040	0.0299	0.0040	0.0222	0.0222	-	0.0040	-
13	4.1 Street and Area Lighting	-	0.0080	0.0071	0.0080	0.0080	0.0080	0.0271	0.0080	0.0271	0.0080	0.0271	-	-	1.0000	0.0271	-
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
2007 Forecast Cost of Service
L'Anse au Loup
Basis of Allocation to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	1.1 Domestic Diesel	573,622	573,622
2	1.12 Domestic All Electric	352,607	352,607
3	2.1 GS 0-10 kW	150,536	150,536
4	2.2 GS 10-100 kW	414,091	414,091
5	2.3 GS 110-1,000 kVa	136,478	136,478
6	4.1 Street and Area Lighting	34,442	34,442
7	**Total**	**1,661,776**	**1,661,776**
	Ratios		
8	1.1 Domestic Diesel	0.3452	0.3452
9	1.12 Domestic All Electric	0.2122	0.2122
10	2.1 GS 0-10 kW	0.0906	0.0906
11	2.2 GS 10-100 kW	0.2492	0.2492
12	2.3 GS 110-1,000 kVa	0.0821	0.0821
13	4.1 Street and Area Lighting	0.0207	0.0207
14	**Total**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmsn Demand ($)	6 Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
	Allocated Revenue Requirement Excluding Return																
1	1.1 Domestic Diesel	1,268,694	278,672	615,582	-	503	129,987	67,049	4,404	13,460	22,176	42,406	7,073	7,017	-	65,732	-
2	1.12 Domestic All Electric	812,029	240,323	382,043	-	434	112,099	14,953	3,798	3,002	19,124	9,457	1,577	1,565	-	14,659	-
3	2.1 GS 0-10 kW	245,666	48,292	119,163	-	87	22,526	14,581	763	2,927	3,843	9,222	3,076	3,052	-	14,294	-
4	2.2 GS 10-100 kW	714,357	165,044	417,886	-	298	76,985	6,173	2,608	1,239	13,134	3,904	5,256	5,215	-	6,051	-
5	2.3 GS 110-1,000 kVa	185,345	22,726	144,365	-	41	10,600	426	359	85	1,808	269	385	382	-	417	-
6	4.1 Street and Area Lighting	35,386	6,100	11,957	-	11	2,846	2,874	96	577	485	1,817	-	-	4,927	2,817	-
7	**Total**	**3,261,478**	**761,157**	**1,690,997**	**-**	**1,374**	**355,043**	**106,055**	**12,028**	**21,290**	**60,570**	**67,075**	**17,366**	**17,231**	**4,927**	**103,971**	**-**
	Allocated Return on Debt																
8	1.1 Domestic Diesel	195,454	48,585	731	-	74	65,750	34,365	1,858	5,680	10,521	20,765	3,166	2,204	-	1,755	-
9	1.12 Domestic All Electric	124,945	41,899	454	-	64	56,702	7,664	1,603	1,267	9,073	4,631	706	491	-	391	-
10	2.1 GS 0-10 kW	38,054	8,419	141	-	13	11,394	7,473	322	1,235	1,823	4,516	1,377	958	-	382	-
11	2.2 GS 10-100 kW	85,337	28,775	496	-	44	38,941	3,164	1,101	523	6,231	1,912	2,352	1,637	-	162	-
12	2.3 GS 110-1,000 kVa	11,200	3,962	171	-	6	5,362	218	152	36	858	132	172	120	-	11	-
13	4.1 Street and Area Lighting	7,535	1,064	14	-	2	1,439	1,473	41	243	230	890	-	-	2,064	75	-
14	**Total**	**462,525**	**132,704**	**2,007**	**-**	**203**	**179,588**	**54,357**	**5,076**	**8,985**	**28,735**	**32,846**	**7,773**	**5,411**	**2,064**	**2,776**	**-**
	Allocated Return on Equity																
15	All Classes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Revenue Requirement Excluding Return			
1	1.1 Domestic Diesel	13,830	804	
2	1.12 Domestic All Electric	8,501	494	
3	2.1 GS 0-10 kW	3,629	211	
4	2.2 GS 10-100 kW	9,984	581	
5	2.3 GS 110-1,000 kVa	3,290	191	
6	4.1 Street and Area Lighting	830	48	
7	**Total**	**40,065**	**2,330**	
	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
2007 Forecast Cost of Service
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmsn Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lightin Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Total Revenue Requirement																
16	1.1 Domestic Diesel	1,464,149	327,257	616,313	-	577	195,737	101,414	6,262	19,140	32,696	63,171	10,238	9,221	-	67,487	-
17	1.12 Domestic All Electric	936,974	282,222	382,497	-	498	168,801	22,617	5,400	4,269	28,197	14,088	2,283	2,056	-	15,051	-
18	2.1 GS 0-10 kW	283,719	56,711	119,305	-	100	33,920	22,054	1,085	4,162	5,666	13,737	4,453	4,010	-	14,676	-
19	2.2 GS 10-100 kW	799,693	193,819	418,382	-	342	115,926	9,337	3,709	1,762	19,364	5,816	7,608	6,852	-	6,213	-
20	2.3 GS 110-1,000 kVa	196,546	26,688	144,536	-	47	15,962	644	511	122	2,666	401	557	502	-	428	-
21	4.1 Street and Area Lighting	42,921	7,164	11,971	-	13	4,285	4,346	137	820	716	2,707	-	-	6,991	2,892	-
22	Total	**3,724,002**	**893,861**	**1,693,004**	**-**	**1,577**	**534,631**	**160,412**	**17,104**	**30,275**	**89,305**	**99,921**	**25,139**	**22,641**	**6,991**	**106,747**	**-**
	Re-classification of Revenue-Related																
23	1.1 Domestic Diesel	0	3,304	6,222	-	6	1,976	1,024	63	193	330	638	103	93	-	681	-
24	1.12 Domestic All Electric	(0)	2,736	3,708	-	5	1,636	219	52	41	273	137	22	20	-	146	-
25	2.1 GS 0-10 kW	0	778	1,637	-	1	465	303	15	57	78	188	61	55	-	201	-
26	2.2 GS 10-100 kW	-	2,595	5,601	-	5	1,552	125	50	24	259	78	102	92	-	83	-
27	2.3 GS 110-1,000 kVa	0	481	2,607	-	1	288	12	9	2	48	7	10	9	-	8	-
28	4.1 Street and Area Lighting	(0)	150	250	-	0	90	91	3	17	15	57	-	-	146	60	-
29	Total	**0**	**10,044**	**20,025**	**-**	**18**	**6,007**	**1,773**	**192**	**335**	**1,003**	**1,105**	**298**	**269**	**146**	**1,180**	**-**
	Total Allocated Revenue Requirement																
30	1.1 Domestic Diesel	1,464,149	330,561	622,535	-	583	197,713	102,438	6,325	19,333	33,026	63,809	10,342	9,314	-	68,168	-
31	1.12 Domestic All Electric	936,974	284,958	386,205	-	503	170,437	22,836	5,453	4,310	28,470	14,225	2,305	2,076	-	15,197	-
32	2.1 GS 0-10 kW	283,719	57,489	120,942	-	101	34,385	22,356	1,100	4,219	5,744	13,926	4,514	4,065	-	14,877	-
33	2.2 GS 10-100 kW	799,693	196,414	423,983	-	346	117,478	9,462	3,758	1,786	19,624	5,894	7,710	6,944	-	6,296	-
34	2.3 GS 110-1,000 kVa	196,546	27,169	147,143	-	48	16,250	656	520	124	2,714	408	567	511	-	436	-
35	4.1 Street and Area Lighting	42,921	7,314	12,222	-	13	4,374	4,437	140	837	731	2,764	-	-	7,137	2,953	-
36	Total	**3,724,002**	**903,905**	**1,713,029**	**-**	**1,594**	**540,638**	**162,185**	**17,296**	**30,609**	**90,309**	**101,026**	**25,438**	**22,910**	**7,137**	**107,927**	**-**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
L'Anse au Loup
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
16	1.1 Domestic Diesel	13,830	804	
17	1.12 Domestic All Electric	8,501	494	
18	2.1 GS 0-10 kW	3,629	211	
19	2.2 GS 10-100 kW	9,984	581	
20	2.3 GS 110-1,000 kVa	3,290	191	
21	4.1 Street and Area Lighting	830	48	
22	**Total**	**40,065**	**2,330**	
	Re-classification of Revenue-Related			
23	1.1 Domestic Diesel	(13,830)	(804)	Re-classification to demand, energy and customer is based on rate class revenue
24	1.12 Domestic All Electric	(8,501)	(494)	requirements excluding revenue-related items.
25	2.1 GS 0-10 kW	(3,629)	(211)	
26	2.2 GS 10-100 kW	(9,984)	(581)	
27	2.3 GS 110-1,000 kVa	(3,290)	(191)	
28	4.1 Street and Area Lighting	(830)	(48)	
29	**Total**	**(40,065)**	**(2,330)**	
	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
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Revenue Requirement

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Expenses																
1	Operating & Maintenance	4,747,780	733,052	-	579,189	380,260	678,255	181,615	98,085	173,619	112,551	119,168	96,330	123,849	29,776	1,119,392	171
2	Fuels	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Fuels-Diesel	24,276	24,276	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuels-Gas Turbine	136,073	136,073	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Power Purchases -CF(L)Co	2,537,795	1,012,531	1,525,264	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Power Purchases-Other	555,403	-	-	-	555,403	-	-	-	-	-	-	-	-	-	-	-
7	Depreciation	2,935,552	1,046,519	-	810,648	148,278	342,860	92,811	56,709	100,380	58,867	62,216	50,673	50,119	18,329	97,008	136
	Expense Credits																
8	Sundry	(27,462)	(4,240)	-	(3,350)	(2,199)	(3,923)	(1,050)	(567)	(1,004)	(651)	(689)	(557)	(716)	(172)	(6,475)	(1)
9	Building Rental Income	(6,829)	(2,184)	-	(1,834)	(554)	(985)	(264)	(142)	(252)	(163)	(173)	(140)	(94)	(43)	-	(0)
10	Tax Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(1,775)	(274)	-	(216)	(142)	(254)	(68)	(37)	(65)	(42)	(45)	(36)	(46)	(11)	(418)	(0)
12	Pole Attachments	(223,570)	-	-	-	-	(129,301)	(44,189)	-	-	(22,886)	(27,193)	-	-	-	-	-
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Application Fees	(12,480)	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,480)	-
16	Meter Test Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Total Expense Credits**	(272,115)	(6,698)	-	(5,400)	(2,895)	(134,463)	(45,571)	(746)	(1,321)	(23,743)	(28,100)	(733)	(857)	(227)	(19,373)	(1)
18	**Subtotal Expenses**	10,664,764	2,945,752	1,525,264	1,384,436	1,081,045	886,653	228,854	154,048	272,678	147,675	153,284	146,270	173,111	47,878	1,197,027	305
19	Disposal Gain / Loss	40,000	9,533	-	14,496	2,491	5,200	1,366	910	1,611	840	892	919	696	320	721	4
20	**Subtotal Revenue Requirement Ex. Return**	10,704,764	2,955,285	1,525,264	1,398,933	1,083,536	891,853	230,220	154,959	274,290	148,515	154,176	147,189	173,807	48,198	1,197,748	309
21	Return on Debt	3,172,574	771,162	-	1,137,964	197,870	411,520	108,123	71,766	127,031	66,486	70,627	72,421	54,784	25,157	57,343	318
22	Return on Equity	287,023	69,767	-	102,952	17,901	37,230	9,782	6,493	11,493	6,015	6,390	6,552	4,956	2,276	5,188	29
23	**Total Revenue Requirement**	14,164,360	3,796,215	1,525,264	2,639,848	1,299,308	1,340,604	348,125	233,217	412,814	221,016	231,193	226,162	233,547	75,631	1,260,279	656

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Revenue Requirement (CONT'D.)

	1	18	19	20
		Revenue Related		
Line		Municipal	PUB	
No.	Description	Tax	Assessment	Basis of Functional Classification
	Expenses			
1	Operating & Maintenance	298,026	24,442	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	(1,724)	(141)	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
9	Building Rental Income	-	-	Prorated on Production, Transmission & Distribution Plant - Sch.2.2 L.18
10	Tax Refunds	-	-	Prorated on Total Operating & Maintenance Expenses - Sch 2.4 L.24
11	Suppliers' Discounts	(111)	(9)	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**	(1,835)	(151)	
18	**Subtotal Expenses**	296,191	24,291	
19	Disposal Gain / Loss	-	-	Prorated on Total Net Book Value - Sch.2.3 L.24
20	**Subtotal Revenue Requirement Ex. Return**	296,191	24,291	
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**	296,191	24,291	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbines	22,489,284	22,489,284	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	3,372,686	3,372,686	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**25,861,970**	**25,861,970**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	16,449,131	-	-	16,449,131	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	5,703,966	-	-	5,364,323	334,590	-	-	-	-	-	-	-	-	-	-	5,054
6	**Subtotal Transmission**	**22,153,097**	-	-	**21,813,454**	334,590	-	-	-	-	-	-	-	-	-	-	**5,054**
	Distribution																
7	Substations	6,375,176	122,767	-	-	6,252,410	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	414,826	-	-	-	-	312,758	39,844	-	-	36,277	25,947	-	-	-	-	-
9	Poles	13,795,697	-	-	-	-	7,978,714	2,726,747	-	-	1,412,238	1,677,998	-	-	-	-	-
10	Primary Conductor & Eqpt	3,279,127	-	-	-	-	2,908,586	370,541	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	515,827	-	-	-	-	515,827	-	-	-	-	-	-	-	-	-	-
12	Transformers	4,693,298	-	-	-	-	-	-	1,694,281	2,999,018	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	850,163	-	-	-	-	-	-	-	-	495,645	354,518	-	-	-	-	-
14	Services	1,663,966	-	-	-	-	-	-	-	-	-	-	1,663,966	-	-	-	-
15	Meters	1,120,157	-	-	-	-	-	-	-	-	-	-	-	1,120,157	-	-	-
16	Street Lighting	514,336	-	-	-	-	-	-	-	-	-	-	-	-	514,336	-	-
17	**Subtotal Distribution**	33,222,574	122,767	-	-	6,252,410	11,715,885	3,137,133	1,694,281	2,999,018	1,944,159	2,058,464	1,663,966	1,120,157	514,336	-	-
18	**Subttl Prod, Trans, & Dist**	**81,237,641**	**25,984,737**	-	**21,813,454**	6,586,999	**11,715,885**	**3,137,133**	**1,694,281**	**2,999,018**	**1,944,159**	**2,058,464**	**1,663,966**	**1,120,157**	**514,336**	-	**5,054**
19	General	7,168,871	1,036,296	-	746,341	596,496	1,088,484	291,461	157,410	278,629	180,625	191,245	154,594	217,200	47,785	2,182,070	236
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	125,602	40,175	-	33,726	10,184	18,114	4,850	2,620	4,637	3,006	3,183	2,573	1,732	795	-	8
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Plant**	**88,532,114**	**27,061,208**	-	**22,593,520**	**7,193,679**	**12,822,483**	**3,433,444**	**1,854,310**	**3,282,283**	**2,127,791**	**2,252,891**	**1,821,133**	**1,339,088**	**562,916**	**2,182,070**	**5,298**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 - Sch2.4 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
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Net Book Value

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbines	8,762,162	8,762,162	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	933,417	933,417	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**9,695,579**	**9,695,579**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	11,136,170	-	-	11,136,170	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	4,245,552	-	-	3,933,850	307,495	-	-	-	-	-	-	-	-	-	-	4,207
6	**Subtotal Transmission**	**15,381,722**	-	-	**15,070,020**	**307,495**	-	-	-	-	-	-	-	-	-	-	**4,207**
	Distribution																
7	Substations	2,142,717	24,086	-	-	2,118,631	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	251,408	-	-	-	-	189,549	24,148	-	-	21,986	15,726	-	-	-	-	-
9	Poles	5,918,822	-	-	-	-	3,423,139	1,169,867	-	-	605,898	719,918	-	-	-	-	-
10	Primary Conductor & Eqpt	1,314,199	-	-	-	-	1,165,695	148,505	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	340,901	-	-	-	-	340,901	-	-	-	-	-	-	-	-	-	-
12	Transformers	2,514,495	-	-	-	-	-	-	907,733	1,606,762	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	337,908	-	-	-	-	-	-	-	-	197,000	140,908	-	-	-	-	-
14	Services	917,989	-	-	-	-	-	-	-	-	-	-	917,989	-	-	-	-
15	Meters	659,759	-	-	-	-	-	-	-	-	-	-	-	659,759	-	-	-
16	Street Lighting	321,612	-	-	-	-	-	-	-	-	-	-	-	-	321,612	-	-
17	**Subtotal Distribution**	**14,719,810**	**24,086**	-	-	**2,118,631**	**5,119,284**	**1,342,519**	**907,733**	**1,606,762**	**824,884**	**876,551**	**917,989**	**659,759**	**321,612**	-	-
18	**Subttl Prod, Trans, & Dist**	**39,797,111**	**9,719,665**	-	**15,070,020**	**2,426,126**	**5,119,284**	**1,342,519**	**907,733**	**1,606,762**	**824,884**	**876,551**	**917,989**	**659,759**	**321,612**	-	**4,207**
19	General	2,510,762	362,943	-	261,392	208,911	381,221	102,079	55,130	97,585	63,261	66,980	54,144	76,070	16,736	764,229	83
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	86,361	21,092	-	32,702	5,265	11,109	2,913	1,970	3,487	1,790	1,902	1,992	1,432	698	-	9
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Net Book Value**	**42,394,234**	**10,103,700**	-	**15,364,114**	**2,640,302**	**5,511,614**	**1,447,511**	**964,832**	**1,707,834**	**889,935**	**945,433**	**974,124**	**737,261**	**339,045**	**764,229**	**4,298**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbine / Diesel	288,510	288,510	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Other	84,426	84,426	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**372,936**	**372,936**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Transmission																
4	Transmission Lines	99,152	-	-	99,152	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	68,580	-	-	64,496	4,023	-	-	-	-	-	-	-	-	-	-	61
6	Other	109,610	-	-	107,930	1,656	-	-	-	-	-	-	-	-	-	-	25
7	**Subtotal Transmission**	**277,342**	**-**	**-**	**271,578**	**5,678**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**86**
	Distribution																
8	Other	1,085,281	4,150	-	-	211,374	396,077	106,057	57,278	101,387	65,726	69,590	56,253	-	17,388	-	-
9	Meters	79,035	-	-	-	-	-	-	-	-	-	-	-	79,035	-	-	-
10	**Subtotal Distribution**	**1,164,315**	**4,150**	**-**	**-**	**211,374**	**396,077**	**106,057**	**57,278**	**101,387**	**65,726**	**69,590**	**56,253**	**79,035**	**17,388**	**-**	**-**
11	**Subttl Prod, Trans, & Dist**	**1,814,594**	**377,087**	**-**	**271,578**	**217,052**	**396,077**	**106,057**	**57,278**	**101,387**	**65,726**	**69,590**	**56,253**	**79,035**	**17,388**	**-**	**86**
12	Customer Accounting	794,010	-	-	-	-	-	-	-	-	-	-	-	-	-	794,010	-
	Administrative & General:																
	Plant-Related:																
13	Production	22,229	22,229	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	66,688	-	-	65,666	1,007	-	-	-	-	-	-	-	-	-	-	15
15	Distribution	133,376	493	-	-	25,101	47,035	12,594	6,802	12,040	7,805	8,264	6,680	4,497	2,065	-	-
16	Prod, Trans, Distn Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Prod, Trans, Distn & General Plt	479,434	146,546	-	122,352	38,956	69,438	18,593	10,042	17,775	11,523	12,200	9,862	7,252	3,048	11,817	29
18	Property Insurance	50,234	30,090	-	6,805	7,999	1,212	325	175	310	201	213	172	242	53	2,430	6
	Revenue-Related:																
19	Municipal Tax	298,026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	PUB Assessment	24,442	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	All Expense-Related	1,022,190	147,763	-	106,419	85,053	155,204	41,559	22,445	39,729	25,755	27,269	22,043	30,970	6,814	311,136	34
22																	
	Prod,Trans & Distn Expense-Related	42,556	8,844	-	6,369	5,090	9,289	2,487	1,343	2,378	1,541	1,632	1,319	1,854	408	-	2
23	**Subtotal Admin & General**	**2,139,176**	**355,965**	**-**	**307,611**	**163,207**	**282,178**	**75,558**	**40,807**	**72,232**	**46,825**	**49,578**	**40,077**	**44,814**	**12,388**	**325,382**	**85**
24	**Total Operating & Maintenance Expenses**	**4,747,780**	**733,052**	**-**	**579,189**	**380,260**	**678,255**	**181,615**	**98,085**	**173,619**	**112,551**	**119,168**	**96,330**	**123,849**	**29,776**	**1,119,392**	**171**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Operating & Maintenance Expense (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax	19 Revenue Related PUB Assessment	20 Basis of Functional Classification
	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	298,026	-	Revenue-related
20	PUB Assessment	-	24,442	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**	298,026	24,442	
24	**Total Operating & Maintenance Expenses**	298,026	24,442	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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 Distribution Substations Demand ($)	7 Distribution Primary Lines Demand ($)	8 Distribution Primary Lines Customer ($)	9 Distribution Line Transformers Demand ($)	10 Distribution Line Transformers Customer ($)	11 Distribution Secondary Lines Demand ($)	12 Distribution Secondary Lines Customer ($)	13 Distribution Services Customer ($)	14 Distribution Meters Customer ($)	15 Distribution Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
	Production																
1	Gas Turbines	901,529	901,529	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Diesel	65,117	65,117	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Subtotal Production**	**966,646**	**966,646**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transmission																
4	Lines	598,839	-	-	598,839	-	-	-	-	-	-	-	-	-	-	-	-
5	Terminal Stations	158,199	-	-	153,653	4,425	-	-	-	-	-	-	-	-	-	-	121
6	**Subtotal Transmission**	**757,038**	-	-	**752,492**	**4,425**	-	-	-	-	-	-	-	-	-	-	**121**
	Distribution																
7	Substations	115,087	1,664	-	-	113,423	-	-	-	-	-	-	-	-	-	-	-
8	Land & Land Improvements	11,937	-	-	-	-	9,000	1,147	-	-	1,044	747	-	-	-	-	-
9	Poles	346,904	-	-	-	-	200,631	68,566	-	-	35,512	42,195	-	-	-	-	-
10	Primary Conductor & Eqpt	67,037	-	-	-	-	59,461	7,575	-	-	-	-	-	-	-	-	-
11	Submarine Conductor	15,918	-	-	-	-	15,918	-	-	-	-	-	-	-	-	-	-
12	Transformers	133,281	-	-	-	-	-	-	48,115	85,167	-	-	-	-	-	-	-
13	Secondary Conductor&Eqpt	21,695	-	-	-	-	-	-	-	-	12,648	9,047	-	-	-	-	-
14	Services	42,393	-	-	-	-	-	-	-	-	-	-	42,393	-	-	-	-
15	Meters	39,163	-	-	-	-	-	-	-	-	-	-	-	39,163	-	-	-
16	Street Lighting	15,684	-	-	-	-	-	-	-	-	-	-	-	-	15,684	-	-
17	**Subtotal Distribution**	**809,098**	**1,664**	-	-	**113,423**	**285,010**	**77,288**	**48,115**	**85,167**	**49,204**	**51,988**	**42,393**	**39,163**	**15,684**	-	-
18	**Subttl Prod, Trans, & Dist**	**2,532,782**	**968,310**	-	**752,492**	**117,848**	**285,010**	**77,288**	**48,115**	**85,167**	**49,204**	**51,988**	**42,393**	**39,163**	**15,684**	-	**121**
19	General	318,706	46,071	-	33,180	26,518	48,391	12,957	6,998	12,387	8,030	8,502	6,873	9,656	2,124	97,008	10
20	Telecontrol - Specific	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Feasibility Studies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Software - General	84,064	32,138	-	24,975	3,911	9,460	2,565	1,597	2,827	1,633	1,725	1,407	1,300	521	-	4
23	Software - Cust Acctng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	**Total Depreciation Expense**	**2,935,552**	**1,046,519**	-	**810,648**	**148,278**	**342,860**	**92,811**	**56,709**	**100,380**	**58,867**	**62,216**	**50,673**	**50,119**	**18,329**	**97,008**	**136**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Functional Classification of Rate Base

Line No.	1 Description	2 Total Amount ($)	3 Production Demand ($)	4 Production and Transmission Energy ($)	5 Transmission Demand ($)	6 Distribution Substations Demand ($)	7 Primary Lines Demand ($)	8 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
1	Average Net Book Value	42,394,234	10,103,700	-	15,364,114	2,640,302	5,511,614	1,447,511	964,832	1,707,834	889,935	945,433	974,124	737,261	339,045	764,229	4,298
2	Cash Working Capital	94,759	22,584	-	34,342	5,902	12,319	3,235	2,157	3,817	1,989	2,113	2,177	1,648	758	1,708	10
3	Fuel Inventory - No. 6 Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Fuel Inventory - Diesel	55,262	55,262	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Fuel Inventory - Gas Turbine	151,764	151,764	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Inventory/Supplies	895,657	273,771	-	228,573	72,777	129,722	34,735	18,760	33,206	21,526	22,792	18,424	13,547	5,695	22,075	54
7	Deferred Charges: Foreign Exchange Loss and Regulatory Costs	2,357,459	561,847	-	854,368	146,822	306,490	80,493	53,652	94,969	49,488	52,574	54,169	40,998	18,854	42,497	239
8	Total Rate Base	**45,949,135**	**11,168,928**	**-**	**16,481,397**	**2,865,803**	**5,960,145**	**1,565,975**	**1,039,401**	**1,839,826**	**962,938**	**1,022,912**	**1,048,895**	**793,454**	**364,352**	**830,510**	**4,600**
9	Less: Rural Portion	-															
10	Rate Base Available for Equity Return	**45,949,135**	**11,168,928**	**-**	**16,481,397**	**2,865,803**	**5,960,145**	**1,565,975**	**1,039,401**	**1,839,826**	**962,938**	**1,022,912**	**1,048,895**	**793,454**	**364,352**	**830,510**	**4,600**
11	Return on Debt	3,172,574	771,162	-	1,137,964	197,870	411,520	108,123	71,766	127,031	66,486	70,627	72,421	54,784	25,157	57,343	318
12	Return on Equity	287,023	69,767	-	102,952	17,901	37,230	9,782	6,493	11,493	6,015	6,390	6,552	4,956	2,276	5,188	29
13	Return on Rate Base	**3,459,597**	**840,930**	**-**	**1,240,915**	**215,772**	**448,751**	**117,905**	**78,258**	**138,524**	**72,501**	**77,017**	**78,973**	**59,741**	**27,433**	**62,531**	**346**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
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.14
12	Return on Equity	L.10 x Sch.1.1,p2,L.17
13	Return on Rate Base	

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Basis of Allocation to Classes of Service

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 Primary Lines Customer	9 Line Transformers Demand	10 Line Transformers Customer	11 Secondary Lines Demand	12 Secondary Lines Customer	13 Services Customer	14 Meters Customer	15 Street Lighting Customer	16 Accounting Customer	17 Specifically Assigned Customer
							Distribution										
	Amounts		(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)	
1	CFB - Goose Bay Secondary	-	-	87,373	-	-	-	1	-	1	-	1	-	-	-	1	1
2	IOCC Firm	-	69,858	346,106	62,000	-	-	-	-	-	-	-	-	-	-	-	-
3	IOCC Non-Firm	-	-	6,886	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
4	1.1Domestic	-	1,981	7,766	1,758	1,676	1,676	600	1,553	600	1,553	600	600	600	-	600	-
5	1.1A Domestic All Electric	-	71,413	309,195	63,380	60,415	60,415	7,332	55,999	7,332	55,999	7,332	7,332	7,332		7,332	
6	2.1GS 0-10 kW	-	912	5,343	809	771	771	400	715	400	715	400	800	800	-	400	-
7	2.2GS 10-100 kW	-	14,909	77,016	13,232	12,613	12,613	632	11,691	632	11,691	632	5,101	5,101	-	632	-
8	2.3GS 110-1,000 kVa	-	21,233	102,101	18,845	17,963	17,963	121	16,650	121	16,650	121	1,037	1,037	-	121	-
9	2.4GS Over 1,000 kVa	-	11,244	67,366	9,979	9,513	9,513	4	8,817	4	8,817	4	34	34	-	4	-
10	4.1Street and Area Lighting	-	474	1,847	421	401	401	308	372	308	372	308	-	-	1	308	-
11	**Subtotal Rural**		**122,167**	**570,634**	**108,425**	**103,353**	**103,353**	**9,397**	**95,797**	**9,397**	**95,797**	**9,397**	**14,905**	**14,905**	**1**	**9,397**	**-**
12	**Total Labrador Interconnected**		**192,025**	**1,011,000**	**170,425**	**103,353**	**103,353**	**9,398**	**95,797**	**9,398**	**95,797**	**9,398**	**14,905**	**14,905**	**1**	**9,398**	**1**
	Ratios																
13	CFB - Goose Bay Boiler	-	-	0.0864	-	-	-	0.0001	-	0.0001	-	0.0001	-	-	-	0.0001	1.0000
14	IOCC Firm	-	0.3638	0.3423	0.3638	-	-	-	-	-	-	-	-	-	-	-	-
15	IOCC Non-Firm	-	-	0.0068	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural																
16	1.1Domestic	-	0.0103	0.0077	0.0103	0.0162	0.0162	0.0638	0.0162	0.0638	0.0162	0.0638	0.0403	0.0403	-	0.0638	-
17	1.1A Domestic All Electric	-	0.3719	0.3058	0.3719	0.5846	0.5846	0.7802	0.5846	0.7802	0.5846	0.7802	0.4919	0.4919	-	0.7802	-
18	2.1GS 0-10 kW	-	0.0047	0.0053	0.0047	0.0075	0.0075	0.0426	0.0075	0.0426	0.0075	0.0426	0.0537	0.0537	-	0.0426	-
19	2.2GS 10-100 kW	-	0.0776	0.0762	0.0776	0.1220	0.1220	0.0673	0.1220	0.0673	0.1220	0.0673	0.3423	0.3423	-	0.0673	-
20	2.3GS 110-1,000 kVa	-	0.1106	0.1010	0.1106	0.1738	0.1738	0.0129	0.1738	0.0129	0.1738	0.0129	0.0696	0.0696	-	0.0129	-
21	2.4GS Over 1,000 kVa	-	0.0586	0.0666	0.0586	0.0920	0.0920	0.0004	0.0920	0.0004	0.0920	0.0004	0.0023	0.0023	-	0.0004	-
22	4.1Street and Area Lighting	-	0.0025	0.0018	0.0025	0.0039	0.0039	0.0327	0.0039	0.0327	0.0039	0.0327	-	-	1.0000	0.0327	-
23	**Subtotal Rural**		**0.6362**	**0.5644**	**0.6362**	**1.0000**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**-**
24	**Total Labrador Interconnected**		**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**
	Ratios Excluding IOCC																
25	CFB - Goose Bay Boiler	-	-	0.1328	-	-	-	0.0001	-	0.0001	-	0.0001	-	-	-	0.0001	1.0000
	Rural																
26	1.1Domestic	-	0.0162	0.0118	0.0162	0.0162	0.0162	0.0638	0.0162	0.0638	0.0162	0.0638	0.0403	0.0403	-	0.0638	-
27	1.1A Domestic All Electric	-	0.5846	0.4699	0.5846	0.5846	0.5846	0.7802	0.5846	0.7802	0.5846	0.7802	0.4919	0.4919	-	0.7802	-
28	2.1GS 0-10 kW	-	0.0075	0.0081	0.0075	0.0075	0.0075	0.0426	0.0075	0.0426	0.0075	0.0426	0.0537	0.0537	-	0.0426	-
29	2.2GS 10-100 kW	-	0.1220	0.1170	0.1220	0.1220	0.1220	0.0673	0.1220	0.0673	0.1220	0.0673	0.3423	0.3423	-	0.0673	-
30	2.3GS 110-1,000 kVa	-	0.1738	0.1552	0.1738	0.1738	0.1738	0.0129	0.1738	0.0129	0.1738	0.0129	0.0696	0.0696	-	0.0129	-
31	2.4GS Over 1,000 kVa	-	0.0920	0.1024	0.0920	0.0920	0.0920	0.0004	0.0920	0.0004	0.0920	0.0004	0.0023	0.0023	-	0.0004	-
32	4.1Street and Area Lighting	-	0.0039	0.0028	0.0039	0.0039	0.0039	0.0327	0.0039	0.0327	0.0039	0.0327	-	-	1.0000	0.0327	-
33	**Subtotal Rural**		**1.0000**	**0.8672**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**0.9999**	**1.0000**	**1.0000**	**1.0000**	**0.9999**	**-**
34	**Total Labrador Interconnected**		**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
2007 Forecast Cost of Service
Labrador Interconnected
Basis of Allocation to Classes of Service (CONT'D.)

Line No.		18 Revenue Related Municipal Tax (Prior Year (Rural Revenues)	19 Revenue Related PUB Assessment (Prior Year (Revenues + RSP)
	Amounts		
1	CFB - Goose Bay Secondary	-	4,214,154
2	IOCC Firm	-	-
3	IOCC Non-Firm	-	-
	Rural		
4	1.1Domestic	225,764	225,764
5	1.1A Domestic All Electric	7,280,168	7,280,168
6	2.1GS 0-10 kW	244,528	244,528
7	2.2GS 10-100 kW	1,831,968	1,831,968
8	2.3GS 110-1,000 kVa	2,179,087	2,179,087
9	2.4GS Over 1,000 kVa	301,197	1,129,036
10	4.1Street and Area Lighting	222,434	222,434
11	**Subtotal Rural**	**12,285,146**	**13,112,985**
12	**Total Labrador Interconnected**	**12,285,146**	**17,327,139**
	Ratios		
13	CFB - Goose Bay Boiler	-	0.2432
14	IOCC Firm	-	-
15	IOCC Non-Firm	-	-
	Rural		
16	1.1Domestic	0.0184	0.0130
17	1.1A Domestic All Electric	0.5926	0.4202
18	2.1GS 0-10 kW	0.0199	0.0141
19	2.2GS 10-100 kW	0.1491	0.1057
20	2.3GS 110-1,000 kVa	0.1774	0.1258
21	2.4GS Over 1,000 kVa	0.0245	0.0652
22	4.1Street and Area Lighting	0.0181	0.0128
23	**Subtotal Rural**	**1.0000**	**0.7568**
24	**Total Labrador Interconnected**	**1.0000**	**1.0000**
	Ratios Excluding IOCC		
25	CFB - Goose Bay Boiler	-	0.2432
	Rural		
26	1.1Domestic	0.0184	0.0130
27	1.1A Domestic All Electric	0.5926	0.4202
28	2.1GS 0-10 kW	0.0199	0.0141
29	2.2GS 10-100 kW	0.1491	0.1057
30	2.3GS 110-1,000 kVa	0.1774	0.1258
31	2.4GS Over 1,000 kVa	0.0245	0.0652
32	4.1Street and Area Lighting	0.0181	0.0128
33	**Subtotal Rural**	**1.0000**	**0.7568**
34	**Total Labrador Interconnected**	**1.0000**	**1.0000**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service

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 Primary Lines Customer ($)	9 Line Transformers Demand ($)	10 Line Transformers Customer ($)	11 Secondary Lines Demand ($)	12 Secondary Lines Customer ($)	13 Services Customer ($)	14 Meters Customer ($)	15 Street Lighting Customer ($)	16 Accounting Customer ($)	17 Specifically Assigned Customer ($)
						Distribution											
	Allocated Rev Reqmt Excl Return																
1	CFB - Goose Bay Boiler	138,232	-	131,817	-	-	-	24	-	29	-	16	-	-	-	127	309
2	IOCC Firm	2,106,206	1,075,120	522,159	508,926	-	-	-	-	-	-	-	-	-	-	-	-
3	IOCC Non-Firm	10,389	-	10,389	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
4	1.1Domestic	230,798	30,488	11,716	14,432	17,570	14,462	14,699	2,513	17,513	2,408	9,844	5,925	6,997	-	76,472	-
5	1.1A Domestic All Electric	5,209,948	1,099,059	466,473	520,258	633,386	521,337	179,619	90,582	214,003	86,815	120,289	72,407	85,501	-	934,492	-
6	2.1GS 0-10 kW	148,230	14,032	8,061	6,643	8,087	6,656	9,799	1,157	11,675	1,108	6,562	7,900	9,329	-	50,982	-
7	2.2GS 10-100 kW	1,013,807	229,449	116,192	108,614	132,231	108,839	15,483	18,911	18,447	18,124	10,369	50,376	59,486	-	80,551	-
8	2.3GS 110-1,000 kVa	1,133,424	326,785	154,037	154,689	188,326	155,010	2,964	26,933	3,532	25,813	1,985	10,242	12,094	-	15,422	-
9	2.4GS Over 1,000 kVa	576,719	173,050	101,633	81,916	99,729	82,086	98	14,262	117	13,669	66	339	400	-	510	-
10	4.1Street and Area Lighting	137,011	7,301	2,787	3,456	4,208	3,463	7,533	602	8,975	577	5,045	-	-	48,198	39,192	-
11	**Subtotal Rural**	**8,449,938**	**1,880,165**	**860,898**	**890,007**	**1,083,536**	**891,853**	**230,195**	**154,959**	**274,260**	**148,515**	**154,160**	**147,189**	**173,807**	**48,198**	**1,197,621**	**-**
12	**Total**	**10,704,764**	**2,955,285**	**1,525,264**	**1,398,933**	**1,083,536**	**891,853**	**230,220**	**154,959**	**274,290**	**148,515**	**154,176**	**147,189**	**173,807**	**48,198**	**1,197,748**	**309**
	Allocated Return on Debt																
13	CFB - Goose Bay Boiler	356	-	-	-	-	-	12	-	14	-	8	-	-	-	6	318
14	IOCC Firm	694,532	280,546	-	413,986	-	-	-	-	-	-	-	-	-	-	-	-
15	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
16	1.1Domestic	60,124	7,956	-	11,740	3,209	6,673	6,903	1,164	8,111	1,078	4,509	2,915	2,205	-	3,661	-
17	1.1A Domestic All Electric	1,492,923	286,792	-	423,204	115,666	240,556	84,359	41,951	99,111	38,865	55,104	35,626	26,950	-	44,739	-
18	2.1GS 0-10 kW	36,929	3,662	-	5,403	1,477	3,071	4,602	536	5,407	496	3,006	3,887	2,941	-	2,441	-
19	2.2GS 10-100 kW	307,423	59,873	-	88,352	24,147	50,221	7,271	8,758	8,543	8,114	4,750	24,786	18,750	-	3,856	-
20	2.3GS 110-1,000 kVa	354,577	85,272	-	125,832	34,391	71,525	1,392	12,473	1,636	11,556	909	5,039	3,812	-	738	-
21	2.4GS Over 1,000 kVa	181,051	45,156	-	66,635	18,212	37,876	46	6,605	54	6,119	30	167	126	-	24	-
22	4.1Street and Area Lighting	44,659	1,905	-	2,811	768	1,598	3,538	279	4,157	258	2,311	-	-	25,157	1,876	-
23	**Subtotal Rural**	**2,477,685**	**490,617**	**-**	**723,977**	**197,870**	**411,520**	**108,112**	**71,766**	**127,018**	**66,486**	**70,620**	**72,421**	**54,784**	**25,157**	**57,337**	**-**
24	**Total**	**3,172,574**	**771,162**	**-**	**1,137,964**	**197,870**	**411,520**	**108,123**	**71,766**	**127,031**	**66,486**	**70,627**	**72,421**	**54,784**	**25,157**	**57,343**	**318**
	Allocated Return on Equity																
25	CFB - Goose Bay Boiler	32	-	-	-	-	-	1	-	1	-	1	-	-	-	1	29
26	IOCC Firm	62,834	25,381	-	37,453	-	-	-	-	-	-	-	-	-	-	-	-
27	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
28	1.1Domestic	5,439	720	-	1,062	290	604	625	105	734	98	408	264	200	-	331	-
29	1.1A Domestic All Electric	135,065	25,946	-	38,287	10,464	21,763	7,632	3,795	8,967	3,516	4,985	3,223	2,438	-	4,048	-
30	2.1GS 0-10 kW	3,341	331	-	489	134	278	416	48	489	45	272	352	266	-	221	-
31	2.2GS 10-100 kW	27,813	5,417	-	7,993	2,185	4,543	658	792	773	734	430	2,242	1,696	-	349	-
32	2.3GS 110-1,000 kVa	32,079	7,715	-	11,384	3,111	6,471	126	1,128	148	1,045	82	456	345	-	67	-
33	2.4GS Over 1,000 kVa	16,380	4,085	-	6,028	1,648	3,427	4	598	5	554	3	15	11	-	2	-
34	4.1Street and Area Lighting	4,040	172	-	254	70	145	320	25	376	23	209	-	-	2,276	170	-
35	**Subtotal Rural**	**224,156**	**44,386**	**-**	**65,498**	**17,901**	**37,230**	**9,781**	**6,493**	**11,491**	**6,015**	**6,389**	**6,552**	**4,956**	**2,276**	**5,187**	**-**
36	**Total**	**287,023**	**69,767**	**-**	**102,952**	**17,901**	**37,230**	**9,782**	**6,493**	**11,493**	**6,015**	**6,390**	**6,552**	**4,956**	**2,276**	**5,188**	**29**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Allocated Rev Reqmt Excl Return			
1	CFB - Goose Bay Boiler	-	5,908	
2	IOCC Firm	-	-	
3	IOCC Non-Firm	-	-	
	Rural:			
4	1.1Domestic	5,443	316	
5	1.1A Domestic All Electric	175,523	10,206	
6	2.1GS 0-10 kW	5,895	343	
7	2.2GS 10-100 kW	44,168	2,568	
8	2.3GS 110-1,000 kVa	52,537	3,055	
9	2.4GS Over 1,000 kVa	7,262	1,583	
10	4.1Street and Area Lighting	5,363	312	
11	**Subtotal Rural**	**296,191**	**18,383**	
12	**Total**	**296,191**	**24,291**	
	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
2007 Forecast Cost of Service
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

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 Primary Lines Customer	9 Line Transformers Demand	10 Line Transformers Customer	11 Secondary Lines Demand	12 Secondary Lines Customer	13 Services Customer	14 Meters Customer	15 Street Lighting Customer	16 Accounting Customer	17 Specifically Assigned Customer
						Distribution											
	Total Revenue Requirement	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
37	CFB - Goose Bay Boiler	138,620	-	131,817	-	-	-	37	-	44	-	25	-	-	-	134	656
38	IOCC Firm	2,863,572	1,381,047	522,159	960,366	-	-	-	-	-	-	-	-	-	-	-	-
39	IOCC Non-Firm	10,389	-	10,389	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
40	1.1Domestic	296,361	39,163	11,716	27,234	21,069	21,739	22,227	3,782	26,357	3,584	14,761	9,104	9,402	-	80,465	-
41	1.1A Domestic All Electric	6,837,937	1,411,797	466,473	981,749	759,516	783,656	271,610	136,328	322,080	129,196	180,379	111,256	114,889	-	983,279	-
42	2.1GS 0-10 kW	188,500	18,025	8,061	12,535	9,697	10,005	14,818	1,741	17,571	1,650	9,841	12,139	12,536	-	53,643	-
43	2.2GS 10-100 kW	1,349,042	294,739	116,192	204,959	158,563	163,603	23,412	28,461	27,763	26,972	15,548	77,405	79,932	-	84,756	-
44	2.3GS 110-1,000 kVa	1,520,079	419,772	154,037	291,905	225,828	233,006	4,482	40,535	5,315	38,414	2,977	15,738	16,252	-	16,227	-
45	2.4GS Over 1,000 kVa	774,150	222,292	101,633	154,580	119,588	123,389	148	21,465	176	20,342	98	520	537	-	536	-
46	4.1Street and Area Lighting	185,710	9,379	2,787	6,522	5,045	5,206	11,391	906	13,508	858	7,565	-	-	75,631	41,238	-
47	**Subtotal Rural**	**11,151,779**	**2,415,168**	**860,898**	**1,679,482**	**1,299,308**	**1,340,604**	**348,088**	**233,217**	**412,770**	**221,016**	**231,168**	**226,162**	**233,547**	**75,631**	**1,260,145**	**-**
48	**Total**	**14,164,360**	**3,796,215**	**1,525,264**	**2,639,848**	**1,299,308**	**1,340,604**	**348,125**	**233,217**	**412,814**	**221,016**	**231,193**	**226,162**	**233,547**	**75,631**	**1,260,279**	**656**
	Re-classification of Revenue-Related																
49	CFB - Goose Bay Boiler	-	-	5,868	-	-	-	2	-	2	-	1	-	-	-	6	29
50	IOCC Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51	IOCC Non-Firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:																
52	1.1Domestic	(0)	776	232	540	418	431	441	75	522	71	293	180	186	-	1,595	-
53	1.1A Domestic All Electric	0	39,417	13,024	27,410	21,206	21,880	7,583	3,806	8,992	3,607	5,036	3,106	3,208	-	27,453	-
54	2.1GS 0-10 kW	-	617	276	429	332	342	507	60	601	56	337	415	429	-	1,836	-
55	2.2GS 10-100 kW	(0)	10,577	4,170	7,355	5,690	5,871	840	1,021	996	968	558	2,778	2,869	-	3,042	-
56	2.3GS 110-1,000 kVa	0	15,935	5,847	11,081	8,572	8,845	170	1,539	202	1,458	113	597	617	-	616	-
57	2.4GS Over 1,000 kVa	-	2,569	1,175	1,786	1,382	1,426	2	248	2	235	1	6	6	-	6	-
58	4.1Street and Area Lighting	(0)	296	88	206	159	164	359	29	426	27	238	-	-	2,384	1,300	-
59	**Subtotal Rural**	**(0)**	**70,187**	**24,811**	**48,807**	**37,759**	**38,959**	**9,902**	**6,777**	**11,742**	**6,423**	**6,576**	**7,083**	**7,315**	**2,384**	**35,848**	**-**
60	**Total**	**0**	**70,187**	**30,679**	**48,807**	**37,759**	**38,959**	**9,904**	**6,777**	**11,744**	**6,423**	**6,577**	**7,083**	**7,315**	**2,384**	**35,853**	**29**
	Total Allocated Revenue Requirement																
61	CFB - Goose Bay Boiler	138,620	-	137,685	-	-	-	39	-	46	-	26	-	-	-	140	685
62	IOCC Firm	2,863,572	1,381,047	522,159	960,366	-	-	-	-	-	-	-	-	-	-	-	-
63	IOCC Non-Firm	10,389	-	10,389	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rural:		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	1.1Domestic	296,361	39,939	11,949	27,773	21,487	22,169	22,667	3,857	26,879	3,655	15,053	9,285	9,588	-	82,060	-
65	1.1A Domestic All Electric	6,837,937	1,451,214	479,496	1,009,159	780,722	805,536	279,193	140,134	331,073	132,803	185,415	114,362	118,096	-	1,010,732	-
66	2.1GS 0-10 kW	188,500	18,642	8,337	12,964	10,029	10,348	15,325	1,800	18,173	1,706	10,177	12,555	12,965	-	55,479	-
67	2.2GS 10-100 kW	1,349,042	305,317	120,361	212,314	164,254	169,474	24,252	29,482	28,759	27,940	16,106	80,183	82,801	-	87,798	-
68	2.3GS 110-1,000 kVa	1,520,079	435,707	159,884	302,986	234,401	241,851	4,653	42,073	5,517	39,872	3,090	16,335	16,868	-	16,843	-
69	2.4GS Over 1,000 kVa	774,150	224,861	102,808	156,366	120,970	124,815	150	21,713	178	20,577	100	526	543	-	543	-
70	4.1Street and Area Lighting	185,710	9,674	2,875	6,727	5,204	5,370	11,750	934	13,934	885	7,803	-	-	78,014	42,538	-
71	**Subtotal Rural**	**11,151,779**	**2,485,355**	**885,710**	**1,728,290**	**1,337,067**	**1,379,563**	**357,990**	**239,995**	**424,512**	**227,439**	**237,745**	**233,246**	**240,862**	**78,014**	**1,295,992**	**-**
72	**Total**	**14,164,360**	**3,866,402**	**1,555,943**	**2,688,655**	**1,337,067**	**1,379,563**	**358,029**	**239,995**	**424,558**	**227,439**	**237,770**	**233,246**	**240,862**	**78,014**	**1,296,132**	**685**

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Labrador Interconnected
Allocation of Functionalized Amounts to Classes of Service (CONT'D.)

Line No.	1 Description	18 Revenue Related Municipal Tax ($)	19 Revenue Related PUB Assessment ($)	Basis of Proration
	Total Revenue Requirement			
37	CFB - Goose Bay Boiler	-	5,908	
38	IOCC Firm	-	-	
39	IOCC Non-Firm	-	-	
	Rural:			
40	1.1Domestic	5,443	316	
41	1.1A Domestic All Electric	175,523	10,206	
42	2.1GS 0-10 kW	5,895	343	
43	2.2GS 10-100 kW	44,168	2,568	
44	2.3GS 110-1,000 kVa	52,537	3,055	
45	2.4GS Over 1,000 kVa	7,262	1,583	
46	4.1Street and Area Lighting	5,363	312	
47	**Subtotal Rural**	**296,191**	**18,383**	
48	**Total**	**296,191**	**24,291**	
	Re-classification of Revenue-Related			
49	CFB - Goose Bay Boiler	-	(5,908)	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	(5,443)	(316)	
53	1.1A Domestic All Electric	(175,523)	(10,206)	
54	2.1GS 0-10 kW	(5,895)	(343)	
55	2.2GS 10-100 kW	(44,168)	(2,568)	
56	2.3GS 110-1,000 kVa	(52,537)	(3,055)	
57	2.4GS Over 1,000 kVa	(7,262)	(1,583)	
58	4.1Street and Area Lighting	(5,363)	(312)	
59	**Subtotal Rural**	**(296,191)**	**(18,383)**	
60	**Total**	**(296,191)**	**(24,291)**	
	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
2007 Forecast Cost of Service
Functionalization & Classification Ratios

Line No.	1 Description	2 Total Amount (%)	3 Production Demand (%)	4 Production & Transmission Energy (%)	5 Transmission Demand (%)	6 Rural Prod & Transmission Demand (%)	7 Distribution Substations Demand (%)	8 Primary Lines Demand (%)	9 Primary Lines Customer (%)	10 Line Transformers Demand (%)	11 Line Transformers Customer (%)	12 Secondary Lines Demand (%)	13 Secondary Lines Customer (%)	14 Services Customer (%)	15 Meters Customer (%)	16 Street Lighting Customer (%)	17 Accounting Customer (%)	18 Specifically Assigned Customer (%)
	Generation																	
1	Hydraulic	100%	45.59%	54.41%														
2	Hydraulic - GNP	100%	45.59%	54.41%		0.0%												
3	Holyrood	100%	59.17%	40.83%														
4	Gas Tur Island Interconctd	100%	100.00%	0.00%														
5	Diesel Island Interconctd - GNP	100%	100.00%	0.00%		0.0%												
6	Dsl / Gas Tur Island Isolated	100%	49.93%	50.07%														
7	Dsl / Gas Tur Labrador Isolated	100%	36.98%	63.02%														
8	Dsl / Gas Tur L'Anse au Loup	100%	100.00%	0.00%														
9	Dsl / Gas Tur Labrador Interconctd	100%	100.00%	0.00%														
	Fuel																	
10	No. 6 Fuel	100%	0.00%	100.00%														
11	Gas Tur Island Interconctd	100%	100.00%	0.00%														
12	Diesel Island Interconctd - GNP	100%	100.00%	0.00%		0.0%												
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 Interconctd	100%	100.00%	0.00%														
	Transmission Lines & Terminals																	
16	Lines	100%		0.00%	100%													
17	Lines - Hydraulic	100%	45.59%	54.41%														
18	Lines - Customer Specific	100%																100%
19	Terminal Stations	100%		0.00%	100%													
20	Term Stns - Hydraulic	100%	45.59%	54.41%														
21	Term Stns - Holyrood	100%	59.17%	40.83%														
22	Term Stns - Gas Tur	100%	100%															
23	Term Stns - Diesel GNP	100%	100.00%	0.00%		0.0%												
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
2007 Forecast Cost of Service
Functionalization & Classification Ratios (CONT'D.)

Line No.	1 Description	2 Total Amount (%)	3 Production Demand (%)	4 Production & Transmission Energy (%)	5 Transmission Demand (%)	6 Rural Prod & Transmission Demand (%)	7 Distribution Substations Demand (%)	8 Distribution Primary Lines Demand (%)	9 Distribution Primary Lines Customer (%)	10 Distribution Line Transformers Demand (%)	11 Distribution Line Transformers Customer (%)	12 Distribution Secondary Lines Demand (%)	13 Distribution Secondary Lines Customer (%)	14 Distribution Services Customer (%)	15 Distribution Meters Customer (%)	16 Distribution Street Lighting Customer (%)	17 Accounting Customer (%)	18 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
2007 Forecast Cost of Service

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)	6,412,426	8,577	35,700	16,884	1,011,000
2	Hours in Year	8,760	8,760	8,760	8,760	8,760
3	Average Demand (kW)	732,012	979	4,075	1,927	115,411
4	Coincident Peak at Generation (kW)	1,345,331	1,955	6,466	3,740	192,025
5	System Load Factor	54.41%	50.07%	63.02%	51.53%	60.10%

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Holyrood Capacity Factor

Line No.	1 Year	2 Net Production (kWh)	3 Net Capacity (MW)	4 Net Production Hours	5 Net Capacity Factor
1	2002 Actual	2,385,262,000	466	8,760	58.43%
2	2003 Actual	1,952,012,800	466	8,760	47.82%
3	2004 Actual	1,647,559,221	466	8,784	40.25%
4	2005 Actual	1,328,585,444	466	8,760	32.55%
5	2006 Forecast	1,024,179,500	466	8,760	25.09%
6	5-Year Average	1,667,519,793	466	8,765	40.83%

NEWFOUNDLAND & LABRADOR HYDRO
2007 Forecast Cost of Service
Total System
Power Purchases

Line No.	1	2 Total ($)	3 Production Demand ($)	4 Production & Transmission Energy ($)	5 Transmission Demand ($)	6 Rural Transmission Demand ($)	7 Distribution Demand ($)	Basis of Functional Classification
	Island Interconnected:							
1	DLP Secondary	-		-				Production - Energy (Same as RSP Sec Load Var)
2	AP Secondary	689,487		689,487				Production - Energy (Secondary)
3	Wheeling	446,587				446,587		Rural Transmission
4	Interruptible Demand	-	-	-				Production - Demand
5	Interruptible Energy	-		-				Production - Energy
6	Non-utility Generation	32,402,535	14,771,900	17,630,635				Energy: System Load Factor
7	**Subtotal**	**33,538,609**	**14,771,900**	**18,320,122**	**-**	**446,587**	**-**	
	Labrador Interconnected:							
8	CF(L)Co	2,537,795	1,012,531	1,525,264				Energy: System Load Factor
9	Other	555,403					555,403	
10	**Subtotal**	**3,093,198**	**1,012,531**	**1,525,264**	**-**	**-**	**555,403**	
	Isolated Systems:							
11	Mary's Harbour	43,555		43,555				Production - Energy
12	L'Anse au Loup	1,530,455		1,530,455				Production - Energy
13	Ramea Wind	121,384		121,384				Production - Energy
14	**Subtotal**	**1,695,394**	**0**	**1,695,394**	**0**	**0**	**0**	
15	**Total**	**38,327,201**	**15,784,432**	**21,540,779**	**-**	**446,587**	**555,403**	