

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 approval 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.

ISLAND INDUSTRIAL CUSTOMERS’ ISSUES LIST

In the Submission of the Industrial Customers, the following issues arise at this proceeding:

1. What is Hydro’s appropriate 2007 forecast rate base and what return should it be entitled to earn thereon?
2. What expenses should Hydro be properly entitled to recover?
3. Should Hydro’s return on rate base be subject to an annual adjustment formula?
4. Have proper steps been taken to isolate regulated from non-regulated activities of Hydro?
5. What is the appropriate hydraulic production forecast and thermal production forecast for the 2007 test year?
6. What is the appropriate conversion factor for No. 6 fuel at Holyrood for the 2007 test year?
7. Does the cost of service study properly allocate the expenses to customer classes consistent with methodologies approved by the Board and should the cost of service study include generation credits for any customers?

8. Such other issues as they appear from further material to be filed before the Board by Hydro.

This Issues List is subject to revision depending upon the outcomes of various negotiations with Hydro and other parties now pending.

DATED at St. John's, Newfoundland and Labrador this 10th day of October, 2006.

POOLE ALTHOUSE

Per: 
Joseph S. Hutchings, Q.C.

STEWART MCKELVEY

Per: 
Paul L. Coxworthy

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Attention: Board Secretary

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Attention: Ian Kelly, Q.C. and Peter Alteen,
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