1	Q.	Please explain in detail the basis for each of the estimated Specifically
2		Assigned amounts set out in the 2007 cost-of-service, as well as the basis for
3		each of the allocations to NP and each Industrial Customer.
4		
5		
6	A.	The detailed calculations for the specifically assigned amounts, by customer,
7		are attached. These calculations reflect the revisions to the specifically
8		assigned charges filed with IC 34 NLH.

 $Components\ of\ Specifically\ Assigned\ Charges$ 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically\ Assigned\ Calculations

		Corner Brook	Abitibi Co	Abitibi Consolidated		onsolidated North Atlant		Aur	Total	NF
		Pulp & Paper	S'ville	Grand Falls	Refining	Resources	Industrial	Power		
Summary	:									
(1)	Operating and Maintenance	142,403	27,190	507	47,655	166,841	384,595	1,033,862		
(2)	Depreciation	59,301	33,090	179	60,600	24,258	177,429	1,032,264		
(3)	Gain/Loss on Disposal of Fixed Assets	2,355	715	9	694	0	3,772	32,641		
(4)	Return on Debt	136,368	41,410	522	40,168	0	218,469	1,890,431		
(5)	Return on Equity	14,256	4,329	55	4,199	0	22,839	197,627		
(6)	Subtotal	354,682	106,734	1,272	153,317	191,099	807,104	4,186,825		
(7)	Revenue Credit Allocation:									
	Customer Specific Charges	354,682	106,734	1,272	153,317	191,099	807,104	4,186,825		
	Customer Revenue Requint	44,392,191	44,392,191	44,392,191	44,392,191	44,392,191	44,392,191	291,063,196		
	x Customer Revenue Credi	(34,787)	(34,787)	_ ` ′ ′	(34,787)	(34,787)	(34,787)	(228,085)		
		(278)	(64)	(1)	(120)	(130)	(032)	(3,281)		
(8)	Deficit Allocation:									
	Customer Specific Charges	354,682	106,734	<u>1,272</u>	153,317	<u>191,099</u>	807,104	4,186,825		
	Revenue Reqmnt	44,392,191	44,392,191	44,392,191	44,392,191	44,392,191	44,392,191	291,063,196		
	x Customer Deficit	0	0	0	0	0	0	36,332,854		
		0	0	0	0	0	0	522,633		
(9)	Total Specifically Assigned Charges	354,404	106,651	1,271	153,196	190,949	806,471	4,706,177		

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges
2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations
Corner Brook Pulp and Paper

					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	X	Transmission Lines O&M			
<u>0</u> 302,529,988	x	2,465,736		=	0
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	X	Terminal Stn O&M			
3,293,621 146,808,289	x	3,588,418		=	80,506
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	X	Transmission Other O&M			
<u>3,293,621</u> 449,338,277	x	1,821,259		=	13,350
(4) Administration & General Overheads: Administration & General O&M Overhead is determined by specifically assigned overheads and then prorating to customer plant ratios. The total of specifically assigned overheads and then prorating to customer plant ratios. The total of specifically assigned over sum of items (a) to (h) below.	omers	s using individual			
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	X	Transmission O&M Overhead			
<u>42,685,344</u> 449,338,277	X	2,095,013	=	199,018	3
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	X	Prod., Transmission & Distn O	&M O/H		
42,685,344 1,636,916,026	X	0	=	()
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	Х	Telecontrol O&M O/H			
92,944 92,944	X	0	=	()

142,403

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Corner Brook Pulp and Paper

Sp Assigned Charge (d) General Plant-related O&M Overhead: Total Specifically Assigned Plant x General Plt-Related O&M O/H **Total Plant** 45,513,202 256,458 6,487 1,799,223,632 (e) Prod, Trans, Distn Excl. Hydraulc& Hrood O&M OH: Total Customer Transmsn & Term Stn Plant x Productn & Transmsn O&M O/H Ttl Prod, Trans&Distn Plant Excl Hydro&Hrood Plt 42,685,344 1,073,720 75,805 604,607,656 (f) Property Insurance: Total Cust Term Stn Plant + Allocated Gen Plt x Property Insurance **Total Insured Plant** 19,180,770 1,228,317 17,138 1,374,704,722 (g) Expense-Related (GTDC) O&M Overhead: x Expense-Related (GTDC) O&M Overheads Total Direct Spec Assigned O&M Expense Total Direct O&M Expense 313,970 788,494 18,375,386 46,147,429 (h) Expense-Related (GTD) O&M Overhead: Total Direct Spec Assigned O&M Expense x Expense-Related (GTD) O&M Overheads Total Direct GTD O&M Expense 1,049,259 788,494 18,606 44,466,480 Total Specifically Assigned O&M Overheads 631,024 Customer Share of Overhead O&M Expense: Customer Trans Line & Terminal Stn Plant x Total Spec. Assigned O&M Overheads Total Customer Trans Line & Term Stn Plt 3,293,621 631,024 48,690 42,685,344 (4) Expense Credit Allocation: Rental Income 0 Other (664)(5) Revenue-Related 521

Total Operating & Maintenance Costs:

Calculation of Specifically Assigned Charges
2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations
Corner Brook Pulp and Paper

Corner	DIOC.	k ruip ailu rapei			Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					33,136
(3) Feasibility Studies					0
 (4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then procustomer ratios. The total of specifically assigned general c sum of items (a) and (b) below. (a) General Plant Depreciation Allocation: 	atin	g to customers using individual			
Specifically Assigned Direct O&M Expense Total Direct O&M Expense	X	Total Gen Plant Depreciation			
788,494 46,147,429	X	10,861,075	=	185,577	
(b) General Feas Studies & Software Depreciation Allocat <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciatio	n	
980,585 20,548,054	X	717,423	=	34,237	<u> </u>
Total Specifically Assigned General Depreciation				219,813	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation	n Exp	
<u>93.855</u> 788,494	x	219,813		=	26,165
Total Depreciation Expense					59,301

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Corner Brook Pulp and Paper

> Sp Assigned Charge

Gain/Loss on Disposal of Assets:

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

Total Net Book Value

28,020,067 1,657,000

1,275,062,144

36,413

Customer Share of Gain/Loss:

Customer NBV

x Total Specifically Assigned Gain/Loss on Disposal

Total Specifically Assigned Net Book Value

1,733,027

36,413

2,355

26,800,802

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base x Return on Debt

Total Rate Base for Debt

30,106,412 97,859,494 2,108,900

1,397,031,051

Customer Share of Return on Debt

Customer NBV x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

136,368 1,733,027 2,108,900

26,800,802

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

Total Specific Rate Base x Return on Equity

Total Rate Base for Equity

30,106,412 9.025,410 220,465 =

1.232,495,968

Customer Share of Return on Equity:

Customer NBV x Total Specifically Assigned Return on Equity

Total Specifically Assigned Net Book Value

1,733,027 220,465 14,256

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Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Stephenville

					Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	x	Transmission Lines O&M			
<u>122,926</u> 302,529,988	X	2,465,736		=	1,002
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
<u>551,111</u> 146,808,289	X	3,588,418		=	13,471
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	х	Transmission Other O&M			
<u>674,037</u> 449,338,277	Х	1,821,259		=	2,732
(4) Administration & General Overheads: Administration & General O&M Overhead is determined specifically assigned overheads and then prorating to cust customer plant ratios. The total of specifically assigned of sum of items (a) to (h) below.	omers	s using individual			
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	х	Transmission O&M Overhead			
<u>42.685,344</u> 449,338,277	X	2,095,013	=	199,0	18
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	х	Prod., Transmission & Distn C	0&M O/H		
42,685,344 1,636,916,026	Х	0	=		0
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	X	Telecontrol O&M O/H			
<u>92,944</u> 92,944	X	0	=		0

Calculation of Specifically Assigned Charges

2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Stephenville

Abi	tibi	Stephenville				
(d) General Plant-related O&M Overhead:					Sp Assigned Charge	
Total Specifically Assigned Plant Total Plant	X	General Plt-Related O&M (O/H			
<u>45,513,202</u> 1,799,223,632	X	256,458	=	6,487		
(e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt	x	Productn & Transmsn O&N	И О/Н			
42,685,344 604,607,656	X	1,073,720	=	75,805		
(f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant	x	Property Insurance				
19,180,770 1,374,704,722	X	1,228,317	=	17,138		
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTDC) (D&M Overheads			
788,494 46,147,429	X	18,375,386	=	313,970		
(h) Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	х	Expense-Related (GTD) O&M Overheads				
788,494 44,466,480	X	1,049,259	=	18,606	_	
Total Specifically Assigned O&M Overheads				631,024		
Customer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	x	Total Spec. Assigned O&M	[Overheads			
674,037 42,685,344	X	631,024		=	9,964	
Expense Credit Allocation: Rental Income Other					0 (136)	
Revenue-Related					157	
Total Operating & Maintenance Costs:					27,190	

(4)

(5)

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Stephenville

Aul	uoi	<u> Зерненуше</u>			Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					1,954
(2) Terminal Stations					17,046
(3) Feasibility Studies					9,294
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined by specifically assigned general plant allocations and then prorocustomer ratios. The total of specifically assigned general common sum of items (a) and (b) below.	atin	g to customers using individual			
(a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense	x	Total Gen Plant Depreciation			
788,494 46,147,429	X	10,861,075	=	185,577	
(b) General Feas Studies & Software Depreciation Allocated Spec Assigned Direct Feas Stu & Software Depn Exp Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation	n	
980,585 20,548,054	x	717,423	=	34,237	_
Total Specifically Assigned General Depreciation				219,813	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General I	Depreciation	Exp	
17.205 788,494	X	219,813		=	4,796
Total Depreciation Expense					33,090

36,413

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Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Stephenville

> Sp Assigned Charge

Gain/Loss on Disposal of Assets:

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

Total Net Book Value

<u>28,020,067</u> x 1,657,000

1,275,062,144

Customer Share of Gain/Loss:

<u>Customer NBV</u> x Total Specifically Assigned Gain/Loss on Disposal

Total Specifically Assigned Net Book Value

526,255 x 36,413 = 715

26,800,802

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base x Return on Debt

Total Rate Base for Debt

30,106,412 x 97,859,494 = 2,108,900

1,397,031,051

Customer Share of Return on Debt

<u>Customer NBV</u> x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

526,255 x 2,108,900 = 41,410

26,800,802

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

<u>Total Specific Rate Base</u> x Return on Equity

Total Rate Base for Equity

1,232,495,968

Customer Share of Return on Equity:

<u>Customer NBV</u> x Total Specifically Assigned Return on Equity

Total Specifically Assigned Net Book Value

526,255 x 220,465 = 4,329

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Grand Falls

Onewating and Maintananae (O.S.M. Coates					Charge Charge
Operating and Maintenance (O&M) Costs:					
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	X	Transmission Lines O&M			
<u>0</u> 302,529,988	x	2,465,736		=	0
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
11,728 146,808,289	X	3,588,418		=	287
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission Other O&M			
<u>11,728</u> 449,338,277	X	1,821,259		=	48
(4) Administration & General Overheads: Administration & General O&M Overhead is determined by first calculating total specifically assigned overheads and then prorating to customers using individual customer plant ratios. The total of specifically assigned overheads is the sum of items (a) to (h) below.					
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission O&M Overhead			
<u>42.685.344</u> 449,338,277	X	2,095,013	=	199,018	3
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&M O/H		
42.685,344 1,636,916,026	X	0	=	()
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	x	Telecontrol O&M O/H			
<u>92,944</u> 92,944	X	0	=	()

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Grand Falls

Sp Assigned Charge (d) General Plant-related O&M Overhead: Total Specifically Assigned Plant x General Plt-Related O&M O/H **Total Plant** 45,513,202 256,458 6,487 1,799,223,632 (e) Prod, Trans, Distn Excl. Hydraulc& Hrood O&M OH: Total Customer Transmsn & Term Stn Plant x Productn & Transmsn O&M O/H Ttl Prod, Trans&Distn Plant Excl Hydro&Hrood Plt 42,685,344 1,073,720 75,805 604,607,656 (f) Property Insurance: Total Cust Term Stn Plant + Allocated Gen Plt x Property Insurance **Total Insured Plant** 19,180,770 1,228,317 17,138 1,374,704,722 (g) Expense-Related (GTDC) O&M Overhead: x Expense-Related (GTDC) O&M Overheads Total Direct Spec Assigned O&M Expense Total Direct O&M Expense 313,970 788,494 18,375,386 46,147,429 (h) Expense-Related (GTD) O&M Overhead: Total Direct Spec Assigned O&M Expense x Expense-Related (GTD) O&M Overheads Total Direct GTD O&M Expense 1,049,259 788,494 18,606 44,466,480 Total Specifically Assigned O&M Overheads 631,024 Customer Share of Overhead O&M Expense: Customer Trans Line & Terminal Stn Plant x Total Spec. Assigned O&M Overheads Total Customer Trans Line & Term Stn Plt 631,024 173 11,728 42,685,344 (4) Expense Credit Allocation: Rental Income 0 Other (2) (5) Revenue-Related 2 Total Operating & Maintenance Costs: 507

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Grand Falls

Au	11101	Grand Pans			Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					86
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then procustomer ratios. The total of specifically assigned general sum of items (a) and (b) below.	ratin	g to customers using individual			
(a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense	X	Total Gen Plant Depreciation			
788,494 46,147,429	x	10,861,075	=	185,577	
(b) General Feas Studies & Software Depreciation Allocat <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation	n	
9 <u>80,585</u> 20,548,054	X	717,423	=	34,237	_
Total Specifically Assigned General Depreciation				219,813	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	X	Total Spec. Assigned General	Depreciation	Exp	
3 <u>34</u> 788,494	x	219,813		=	93
Total Depreciation Expense					179

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Abitibi Grand Falls

> Sp Assigned Charge

Gain/Loss on Disposal of Assets:

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

Total Net Book Value

28,020,067 1,275,062,144 1,657,000

36,413

Customer Share of Gain/Loss:

Customer NBV

Total Specifically Assigned Net Book Value

x Total Specifically Assigned Gain/Loss on Disposal

1 ... , ... ,

6,633 26,800,802 x 36,413

=

9

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base

x Return on Debt

Total Rate Base for Debt

30,106,412 1,397,031,051 x 97,859,494

2,108,900

Customer Share of Return on Debt

Customer NBV

x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

6,633 26,800,802 2,108,900

522

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

Total Specific Rate Base

x Return on Equity

Total Rate Base for Equity

30,106,412 1,232,495,968 9.025.410

220,465

Customer Share of Return on Equity:

Customer NBV

x Total Specifically Assigned Return on Equity

=

Total Specifically Assigned Net Book Value

6,633

x 220,465

55

Sp Assigned Charge

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations North Atlantic Refining Limited

Operating and Maintenance (O&M) Costs:					Charge
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	X	Transmission Lines O&M			
<u>0</u> 302,529,988	Х	2,465,736		=	0
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	Х	Terminal Stn O&M			
1,101,024 146,808,289	х	3,588,418		=	26,912
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	X	Transmission Other O&M			
1,101,024 449,338,277	X	1,821,259		=	4,463
(4) Administration & General Overheads: Administration & General O&M Overhead is determined specifically assigned overheads and then prorating to cust customer plant ratios. The total of specifically assigned o sum of items (a) to (h) below.	omers	s using individual			
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	х	Transmission O&M Overhead			
<u>42,685,344</u> 449,338,277	X	2,095,013	=	199,018	
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	X	Prod., Transmission & Distn O	&M O/H		
42,685,344 1,636,916,026	х	0	=	0	
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	X	Telecontrol O&M O/H			
<u>92,944</u> 92,944	X	0	=	0	

Calculation of Specifically Assigned Charges

2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations North Atlantic Refining Limited

North Atla	antı	c Refining Limited			
(d) General Plant-related O&M Overhead:					Sp Assigned Charge
Total Plant Total Plant	X	General Plt-Related O&	M O/H		
45,513,202 1,799,223,632	X	256,458	=	6,487	
(e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt	X	Productn & Transmsn C	0&M O/H		
<u>42,685,344</u> 604,607,656	X	1,073,720	=	75,805	
(f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant	x	Property Insurance			
1 <u>9,180,770</u> 1,374,704,722	X	1,228,317	=	17,138	
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTD0	C) O&M Overheads		
788,494 46,147,429	X	18,375,386	=	313,970	
(h) Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	x	Expense-Related (GTD)			
788,494 44,466,480	X	1,049,259	= .	18,606	_
Total Specifically Assigned O&M Overheads				631,024	
Customer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	x	Total Spec. Assigned O	&M Overheads		
1,101,024 42,685,344	X	631,024		=	16,277
Expense Credit Allocation: Rental Income Other					0 (222)
Revenue-Related					225
Total Operating & Maintenance Costs:					47,655

(4)

(5)

Calculation of Specifically Assigned Charges
2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations
North Atlantic Refining Limited

	ann	c Kerming Limited			Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					51,854
(3) Feasibility Studies					0
 (4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined by specifically assigned general plant allocations and then prorocustomer ratios. The total of specifically assigned general common sum of items (a) and (b) below. (a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> <u>Total Direct O&M Expense</u> 	atin lepro	g to customers using individual			
Total Direct O&M Expense 788,494 46,147,429	x	10,861,075	=	185,577	
(b) General Feas Studies & Software Depreciation Allocat <u>Spec Assigned Direct Feas Stu & Software Depn Exp</u> Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation	n	
980,585 20,548,054	X	717,423	=	34,237	
Total Specifically Assigned General Depreciation				219,813	_
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation	Exp	
31,375 788,494	x	219,813		=	8,747
Total Depreciation Expense					60,600

36,413

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations North Atlantic Refining Limited

> Sp Assigned Charge

> > 694

Gain/Loss on Disposal of Assets:

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

Total Net Book Value

<u>28,020,067</u> x 1,657,000

1,275,062,144

Customer Share of Gain/Loss:

Customer NBV

x Total Specifically Assigned Gain/Loss on Disposal

Total Specifically Assigned Net Book Value

<u>510,477</u> x 36,413

26,800,802

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base x Return on Debt

Total Rate Base for Debt

30,106,412 x 97,859,494 = 2,108,900

1,397,031,051

Customer Share of Return on Debt

<u>Customer NBV</u> x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

510,477 x 2,108,900 = 40,168

26,800,802

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

<u>Total Specific Rate Base</u> x Return on Equity

Total Rate Base for Equity

30,106,412 x 9,025,410 = 220,465

1,232,495,968

Customer Share of Return on Equity:

<u>Customer NBV</u> x Total Specifically Assigned Return on Equity

Total Specifically Assigned Net Book Value

510,477 x 220,465 = 4,199

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Aur Resources

1	Aur	Resources			Sp Assigned
Operating and Maintenance (O&M) Costs:					Charge
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	x	Transmission Lines O&M			
<u>4,200,000</u> 302,529,988	X	2,465,736		=	34,232
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
1,255,000 146,808,289	X	3,588,418		=	30,676
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission Other O&M			
<u>5,455,000</u> 449,338,277	x	1,821,259		=	22,110
(4) Administration & General Overheads: Administration & General O&M Overhead is determined be specifically assigned overheads and then prorating to custom customer plant ratios. The total of specifically assigned over sum of items (a) to (h) below.	ners	using individual			
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission O&M Overhead			
<u>42,685,344</u> 449,338,277	x	2,095,013	=	199,01	8
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&М О/Н		
<u>42.685,344</u> 1,636,916,026	x	0	=		0
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	x	Telecontrol O&M O/H			
<u>92,944</u> 92,944	X	0	=		0

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges

2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Aur Resources

					Charge
(d) General Plant-related O&M Overhead: <u>Total Specifically Assigned Plant</u> Total Plant	X	General Plt-Related O&M	О/Н		
45,513,202 1,799,223,632	x	256,458	=	6,487	
(e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH: <u>Total Customer Transmsn & Term Stn Plant</u> Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt	x	Productn & Transmsn O&N	И О/Н		
<u>42,685,344</u> 604,607,656	X	1,073,720	=	75,805	
(f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant	x	Property Insurance			
19,180,770 1,374,704,722	X	1,228,317	=	17,138	
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTDC) (D&M Overhead	s	
788,494 46,147,429	X	18,375,386	=	313,970	
(h) Expense-Related (GTD) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct GTD O&M Expense	X	Expense-Related (GTD) Od	&M Overheads		
788,494 44,466,480	X	1,049,259	=	18,606	
Total Specifically Assigned O&M Overheads				631,024	
Customer Share of Overhead O&M Expense: <u>Customer Trans Line & Terminal Stn Plant</u> Total Customer Trans Line & Term Stn Plt	X	Total Spec. Assigned O&M	I Overheads		
<u>5,455,000</u> 42,685,344	X	631,024		=	80,642
Expense Credit Allocation: Rental Income Other					0 (1,100)
) Revenue-Related					281
Total Operating & Maintenance Costs:				-	166,841

(4)

(5)

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Aur Resources

					Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					0
(2) Terminal Stations					0
(3) Feasibility Studies					0
(4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined by specifically assigned general plant allocations and then products customer ratios. The total of specifically assigned general customer for sum of items (a) and (b) below.	atin	g to customers using individual			
(a) General Plant Depreciation Allocation: <u>Specifically Assigned Direct O&M Expense</u> Total Direct O&M Expense	X	Total Gen Plant Depreciation			
788,494 46,147,429	X	10,861,075	=	185,577	
(b) General Feas Studies & Software Depreciation Allocated Spec Assigned Direct Feas Stu & Software Depn Exp Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciation		
980,585 20,548,054	x	717,423	=	34,237	_
Total Specifically Assigned General Depreciation				219,813	
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General I	Depreciation	Exp	
87.018 788,494	X	219,813		=	24,258
Total Depreciation Expense					24,258

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations

Aur Resources

Sp Assigned Charge

Gain/Loss	٥n	Disposal	οf	Assets:
Gaill/Luss	VII	Dispusai	υı	ASSCIS.

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

Total Net Book Value

28,020,067

1,657,000

36,413

Customer Share of Gain/Loss:

Customer NBV

1,275,062,144

Total Specifically Assigned Net Book Value

x Total Specifically Assigned Gain/Loss on Disposal

<u>0</u>

x 36,413

_

0

26,800,802

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base

x Return on Debt

Total Rate Base for Debt

30,106,412 1,397,031,051 x 97,859,494

2,108,900

Customer Share of Return on Debt

Customer NBV

x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

<u>(</u>

x 2,108,900

=

0

26,800,802

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

Total Specific Rate Base

x Return on Equity

Total Rate Base for Equity

30,106,412 1.232,495,968 9.025.410

220,465

Customer Share of Return on Equity:

Customer NBV

x Total Specifically Assigned Return on Equity

Total Specifically Assigned Net Book Value

0

220,465

=

0

Calculation of Specifically Assigned Charges 2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Newfoundland Power

New	/fou	ndland Power			Sp Assigned Charge
Operating and Maintenance (O&M) Costs:					Charge
(1) Transmission: <u>Customer Transmission Plant</u> Total Transmission Plant	x	Transmission Lines O&M			
<u>21,938,901</u> 302,529,988	X	2,465,736		=	178,810
(2) Terminal Stations: <u>Customer Terminal Stn Plant</u> Total Terminal Stn Plant	x	Terminal Stn O&M			
10,211,033 146,808,289	X	3,588,418		=	249,587
(3) Transmission Other: <u>Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	x	Transmission Other O&M			
<u>32,149,934</u> 449,338,277	x	1,821,259		=	130,310
(4) Administration & General Overheads: Administration & General O&M Overhead is determined be specifically assigned overheads and then prorating to custom customer plant ratios. The total of specifically assigned over sum of items (a) to (h) below.	ners	using individual			
(a) Transmission O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Transmsn & Term Stn Plant	X	Transmission O&M Overhead			
<u>42,685,344</u> 449,338,277	x	2,095,013	=	199,018	1
(b) Prod., Transmission & Distn O&M Overhead: <u>Total Customer Transmsn & Term Stn Plant</u> Total Prod., Trans & Distn Plant	x	Prod., Transmission & Distn O	&M O/H		
<u>42.685,344</u> 1,636,916,026	x	0	=	()
(c) Telecontrol O&M Overhead: <u>Total Customer Telecontrol Plant</u> Total Telecontrol Plant	x	Telecontrol O&M O/H			
9 <u>2,944</u> 92,944	x	0	=	()

NEWFOUNDLAND AND LABRADOR HYDRO

Calculation of Specifically Assigned Charges

2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Newfoundland Power

(d) General Plant-related O&M Overhead: <u>Total Specifically Assigned Plant</u>	x	General Plt-Related O&M (D/H		Charge
Total Plant <u>45,513,202</u>	x	256,458	=	6,487	
1,799,223,632 (e) Prod,Trans,Distn Excl. Hydraulc& Hrood O&M OH:					
Total Customer Transmsn & Term Stn Plant Ttl Prod,Trans&Distn Plant Excl Hydro&Hrood Plt		Productn & Transmsn O&N			
42,685,344 604,607,656	X	1,073,720	=	75,805	
(f) Property Insurance: <u>Total Cust Term Stn Plant + Allocated Gen Plt</u> Total Insured Plant	x	Property Insurance			
19,180,770 1,374,704,722	X	1,228,317	=	17,138	
(g) Expense-Related (GTDC) O&M Overhead: <u>Total Direct Spec Assigned O&M Expense</u> Total Direct O&M Expense	x	Expense-Related (GTDC) C	0&M Overhead	s	
788,494 46,147,429	х	18,375,386	=	313,970	
(h) Expense-Related (GTD) O&M Overhead: Total Direct Spec Assigned O&M Expense Total Direct GTD O&M Expense	X	Expense-Related (GTD) O&	kM Overheads		
788,494 44,466,480	X	1,049,259	=	18,606	
Total Specifically Assigned O&M Overheads Customer Share of Overhead O&M Expense:				631,024	
Customer Trans Line & Terminal Stn Plant Total Customer Trans Line & Term Stn Plt	X	Total Spec. Assigned O&M	Overheads		
<u>32,149,934</u> 42,685,344	X	631,024		=	475,277
Expense Credit Allocation: Rental Income					0
Other Revenue-Related					(6,484)
) NOVEHUC-NEIGHEU					6,360
Total Operating & Maintenance Costs:				;	1,033,862

(4)

(5)

Calculation of Specifically Assigned Charges
2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations
Newfoundland Power

New	'IOU	ndiand Power			Sp Assigned Charge
Depreciation Expense:					
(1) Transmission					555,765
(2) Terminal Stations					320,745
(3) Feasibility Studies					0
 (4) General Plant Depreciation Allocation: The allocation for general plant depreciation is determined specifically assigned general plant allocations and then products to customer ratios. The total of specifically assigned general customer items (a) and (b) below. (a) General Plant Depreciation Allocation: 	atin lepr	g to customers using individual eciation is the			
Specifically Assigned Direct O&M Expense Total Direct O&M Expense	Х	Total Gen Plant Depreciation			
788,494 46,147,429	X	10,861,075	=	185,577	,
(b) General Feas Studies & Software Depreciation Allocat Spec Assigned Direct Feas Stu & Software Depn Exp Total Direct Depreciation Expense		Total Feas Studies & Software	Depreciatio	n	
980,585 20,548,054	x	717,423	=	34,237	<u>, </u>
Total Specifically Assigned General Depreciation				219,813	i
Customer Share of General Depreciation Expense: <u>Customer Direct O&M Expense</u> Specifically Assigned Direct O&M Expense	x	Total Spec. Assigned General	Depreciation	n Exp	
<u>558,708</u> 788,494	X	219,813		=	155,754
Total Depreciation Expense					1,032,264

Calculation of Specifically Assigned Charges

2007 Forecast Cost of Service: July 06 Submission w/ Revised Specifically Assigned Calculations Newfoundland Power

> Sp Assigned Charge

Gain/Loss on Disposal of Assets:

Gain/Loss on Disposal determined by first calculating total specifically assigned Gain/Loss and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Gain/Loss on Disposal

Total Specific Net Book Value

x Gain/Loss on Disposal

1,657,000

Total Net Book Value

28,020,067

36,413

1,275,062,144

Customer Share of Gain/Loss:

Customer NBV

x Total Specifically Assigned Gain/Loss on Disposal

Total Specifically Assigned Net Book Value

24,024,410

36,413

32,641

26,800,802

Return on Debt:

Return on Debt is determined by first calculating total specifically assigned return on debt and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Debt:

Total Specific Rate Base Total Rate Base for Debt x Return on Debt

30,106,412

1,397,031,051

97,859,494

2,108,900

220,465

Customer Share of Return on Debt

Customer NBV

x Total Specifically Assigned Return on Debt

Total Specifically Assigned Net Book Value

24,024,410 26,800,802 2,108,900

1,890,431

Return on Equity:

Return on equity is determined by first calculating total specifically assigned return on equity and then prorating to customers using individual customer plant ratios:

Total Specifically Assigned Return on Equity:

Total Specific Rate Base

Total Rate Base for Equity

x Return on Equity

30,106,412 9.025,410 =

1,232,495,968

Customer Share of Return on Equity:

Customer NBV x Total Specifically Assigned Return on Equity

Total Specifically Assigned Net Book Value

24,024,410 220,465 197,627