

1    Q.    Please provide the detailed calculations supporting the figures in Table 4 of  
2           Mr. Mitchell's evidence including all billing determinants and rates. For RSP  
3           rates, please provide all calculations or pro-forma RSP reports in support of  
4           the rates.

5

6

7    A.    Please see attached. The detailed calculations supporting the figures in  
8           Table 4 are shown in Attachment 1. The detailed calculations in support of  
9           the RSP rates are shown in Attachment 2.

Newfoundland and Labrador Hydro  
Comparison of Revenues and RSP at Existing and Proposed Rates

Line No.	Dec. 31/06 Existing Rates	Jan 1/07 Proposed Rates Change	\$ Change	%	Reference
Newfoundland Power					
1 - Firm	\$260,909,378	\$330,014,512	\$69,105,134	26.50%	Page 2 of 4, Line 5
2 - RSP	80,218,240	33,655,920	-46,562,320		Page 2 of 4, Line 9
3 Total Firm NP	<u>\$341,127,618</u>	<u>\$363,670,432</u>	<u>\$22,542,814</u>	6.60%	
Industrial					
4 - Firm	\$33,146,380	\$44,256,819	\$11,110,439	33.50%	Page 2 of 4, Line 20
5 - RSP	13,816,935	6,564,162	-7,252,773		Page 2 of 4, Line 24
6 Total Firm Industrial	<u>\$46,963,315</u>	<u>\$50,820,981</u>	<u>\$3,857,666</u>	8.20%	
7 Industrial Non-Firm	494,768	494,768	0	0.00%	Page 2 of 4, Line 26
8 Industrial Wheeling	42,051	42,051	-		Page 2 of 4, Line 27
9 Rural Island Interconnected	\$37,974,760	\$39,721,329	\$1,746,569	4.60%	NP Net Increase applied to Revenue at Existing Rates
10 Rural Isolated Systems	\$7,677,758	\$8,711,047	\$1,033,289	13.50%	NP Net or Base Increase applied to Revenue at Existing Rates
11 L'Anse au Loup Rural Labrador Interconnected	\$1,716,347	\$1,795,300	\$78,953	4.60%	NP Net Increase applied to Revenue at Existing Rates
12 Domestic	\$7,698,115	\$8,473,218	\$775,103	10.10%	Page 4 of 4, Line 8
13 GS 2.1 0 - 10 kW	245,650	257,753	12,103	4.90%	Page 4 of 4, Line 16
14 GS 2.2 10 - 100 kW	1,892,158	2,068,026	175,868	9.30%	Page 4 of 4, Line 20
15 GS 2.3 110 - 1000 kVA	2,204,431	2,350,352	145,921	6.60%	Page 4 of 4, Line 24
16 GS 2.4 Over 1000 kVA	1,162,287	1,196,600	34,313	3.00%	Page 4 of 4, Line 29
17 Street & Area Lighting	223,942	228,172	4,230	1.90%	Various Rates per streetlight type
18 Labrador Interconnected Total	<u>\$13,426,583</u>	<u>\$14,574,121</u>	<u>\$1,147,538</u>	8.50%	
19 CFB Goose Bay - Secondary	<u>\$4,548,798</u>	<u>\$4,548,798</u>	<u>\$0</u>	0.00%	Page 4 of 4, Line 30
20 Total	<u><u>\$453,971,998</u></u>	<u><u>\$484,378,827</u></u>	<u><u>\$30,406,829</u></u>	6.70%	

Newfoundland and Labrador Hydro  
Comparison of Revenues and RSP at Existing and Proposed Rates

Line No.	Units	Existing Dec 31 2006			Proposed			Rate Source
		Rates		Revenues	Rates	Revenue Requirement		
Newfoundland Power								
1 Demand:	13,026,840 kW	5.64	\$/kW/mo.	73,471,378	7.49	\$/kW/mo.	97,571,032	Exhibit RDG-1, Schedule 1.4
2 Energy:								
3 First Block	3,000,000 MWh	31.71	mills/kWh	95,130,000	19.17	mills/kWh	57,510,000	Exhibit RDG-1, Schedule 1.4
4 Second Block	1,964,000 MWh	47.00	mills/kWh	92,308,000	89.07	mills/kWh	174,933,480	Exhibit RDG-1, Schedule 1.4
				<u>187,438,000</u>			<u>232,443,480</u>	
5 Demand and Energy				260,909,378			330,014,512	
6 RSP: Historical (Eff. Jul 1 - Annl Impact)	4,964,000 MWh	7.07	mills/kWh	35,095,480	7.07	mills/kWh	35,095,480	July 2006 approved RSP rate
7 RSP: Current (Eff. Jul 1 - Annl Impact)	4,964,000 MWh	(0.29)	mills/kWh	(1,439,560)	(0.29)	mills/kWh	(1,439,560)	July 2006 approved RSP rate
8 Fuel Rider	4,964,000 MWh	9.38	mills/kWh	46,562,320		mills/kWh	0	Fuel Rider eliminated in new test year
9 RSP and Fuel Rider				<u>80,218,240</u>			<u>33,655,920</u>	
10 Total (Includes RSP)				<u>341,127,618</u>			<u>363,670,432</u>	
Industrial Customers								
11 Demand:	1,401,000 kW	6.17	\$/kW/mo.	8,644,170	6.72	\$/kW/mo.	9,414,720	Rates per Exhibit RDG-1, Schedule 1.3, Pg 1 of 3, Billing Units reflect ACI planned shutdown in October
12 Energy:	894,300 MWh	26.75	mills/kWh	23,922,525	38.11	mills/kWh	34,081,773	Rates per Exhibit RDG-1, Schedule 1.3, Pg 1 of 3, Billing Units reflect ACI planned shutdown in October
Specifically Assigned:								
13 ACI - GFLS			1,968			1,282		Response to IC 35 NLH
14 ACI - SVL			77,264			80,435		Response to IC 35 NLH
15 CBPP - CBK			176,442			354,553		Response to IC 35 NLH
16 CBPP - DLK			-			3,100		Response to IC 35 NLH
17 NARL			174,011			154,282		Response to IC 35 NLH
18 AUR			<u>150,000</u>			<u>166,674</u>		Response to IC 35 NLH
19				<u>579,685</u>			<u>760,326</u>	
20 Subtotal				33,146,380			44,256,819	
21 RSP: Historical	894,300 MWh	10.14	mills/kWh	9,068,202	22.77	mills/kWh	20,363,211	Page 3 of 4, Line 5
22 RSP: Current Plan	894,300 MWh	(1.09)	mills/kWh	(974,787)	(15.43)	mills/kWh	(13,799,049)	Page 3 of 4, Line 10
23 Fuel Rider	894,300 MWh	6.40	mills/kWh	5,723,520			-	
24 RSP and Fuel Rider				<u>13,816,935</u>			<u>6,564,162</u>	
25 Total (Includes RSP)				<u>46,963,315</u>			<u>50,820,981</u>	
Island Industrial - Non Firm:								
26 Energy:								
Interruptible	4,900 MWh	100.97	mills/kWh	<u>494,768</u>	100.97	mills/kWh	<u>494,768</u>	
Island Industrial - Wheeling:								
27 Energy:	10,700 MWh	3.93	mills/kWh	<u>42,051</u>	3.93	mills/kWh	<u>42,051</u>	

NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN RECOVERY  
Industrial Customers

December, 2006 Forecast (Attachment 1)

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
	<u>Historic Plan Balance</u>		
1	December Balance	\$ 18,483,491	December RSP
2		divided by 1	
3	RSP to be recovered in 2007	\$ 18,483,491	Line 1/Line 2
4	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	811,862,386	December RSP
5	(mills per kWh)	22.77	Line 3/Line 4*1000
	<u>Current Plan</u>		
6	December Balance	\$ (12,023,400)	December RSP
7	Forecast Financing Costs to December 31, 2007	\$ (500,412)	Line 28
8	Total	\$ (12,523,812)	Line 6 plus Line 7
9	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	811,862,386	December RSP
10	(mills per kWh)	(15.43)	Line 8/Line 9*1000
11	Fuel Price Projection Rider		No fuel rider in test year
12	Industrial Fuel Price Projection		December RSP
13	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	811,862,386	Line 11/Line 12*1000
14	(mills per kWh)	-	
15	Total Current Plan (mills per kWh)	(15.43)	Line 10 plus Line 13
16	Industrial RSP Adjustment Rate	7.34	Line 14 plus Line 12

**Industrial Customer Forecast Financing Charges**  
2007

2004 Test Year Weighted Average Cost of Capital per annum 7.568%  
Nominal Financing Rate 7.318%

	2006 Sales kWh	Financing Costs	Adjustment	Total To Date Balance
15	Balance Forward			(12,023,400)
16	January	64,027,045	(73,323)	987,937
17	February	57,471,584	(67,745)	886,787
18	March	58,868,607	(62,750)	908,343
19	April	61,595,150	(57,594)	950,413
20	May	69,000,000	(52,149)	1,064,670
21	June	67,900,000	(45,974)	1,047,697
22	July	72,000,000	(39,865)	1,110,960
23	August	73,800,000	(33,333)	1,138,734
24	September	66,400,000	(26,592)	1,024,552
25	October	73,400,000	(20,506)	1,132,562
26	November	73,900,000	(13,725)	1,140,277
27	December	73,500,000	(6,855)	1,134,105
28	Total	811,862,386	(500,412)	12,527,037

Newfoundland and Labrador Hydro  
Labrador Interconnected Proposed Revenue

Line No	Happy Valley/ Goose Bay	Labrador West	Labrador Interconnected
<b>Domestic</b>			
1 Number of Bills	43,752	51,432	
2 Basic Charge per month	7.00	6.60	
3	\$ 306,264	\$ 339,451	\$ 645,715
4 Energy (kWh)	106,315,000	161,873,000	
5 Energy Rate (cents/kWh)	0.0325	0.0275	
6	\$ 3,455,238	\$ 4,443,414	\$ 7,898,651
7 Discount			\$ (71,149)
8 Net Revenue	\$ 3,761,502	\$ 4,782,865	\$ 8,473,218
<b>GS 2.1 0 - 10 kW</b>			
9 Number of Bills	3,012	1,788	
10 Basic Charge per month	9.10	9.10	
11	\$ 27,409	\$ 16,271	\$ 43,680
12 Energy (kWh)	2,970,000	1,551,000	
13 Energy Rate (cents/kWh)	0.0495	0.0454	
14	\$ 146,867	\$ 70,415	\$ 217,282
15 Discount			\$ (3,209)
16 Net Revenue	\$ 174,276	\$ 86,686	\$ 257,753
<b>GS 2.2 10 - 100 kW</b>			
	Quantity	Rate	Revenue
17 Energy	64,939,702 kWh	0.02477 cents/kWh	\$ 1,608,556
18 Demand	207,677 kWh	2.2 \$/kW	\$ 456,889
19 Other			\$ 2,580
20 Total			\$ 2,068,026
<b>GS 2.3 110 - 1000 kVA</b>			
21 Energy	86,076,204 kWh	0.0214 cents/kWh	\$ 1,842,031
22 Demand	259,459 kWh	2 \$/kW	\$ 518,918
23 Other			\$ (10,597)
24 Total			\$ 2,350,352
<b>GS 2.4 Over 1000 kVA</b>			
26 Energy	57,000,000 kWh	0.01779 cents/kWh	\$ 1,014,030
27 Demand	116,897 kWh	1.75 \$/kW	\$ 204,570
28 Other			\$ (22,000)
29 Total			\$ 1,196,600
<b>CFB Goose Bay Secondary Revenue</b>			
30 Energy	77,400,000 kWh	0.05877 cents/kWh	\$ 4,548,798

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Net Hydraulic Production Variation  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b> Cost of Service Net Hydraulic Production (kWh)	<b>B</b> Actual Net Hydraulic Production (kWh)	<b>C</b> Monthly Net Hydraulic Production Variance (kWh) <b>(A - B)</b>	<b>D</b> Cost of Service No. 6 Fuel Cost (\$/Can/bbl.)	<b>E</b> Net Hydraulic Production Variation (\$) <b>(C / O<sup>1</sup> X D)</b>	<b>F</b> Financing Charges (\$)	<b>G</b> Cumulative Variation and Financing Charges (\$) <b>(E + F)</b> <b>(to page 12)</b>
Opening balance							(10,625,444)
January	418,400,000	507,497,046	(89,097,046)	31.85	(4,504,351)	(64,797)	(15,194,592)
February	426,980,000	493,847,019	(66,867,019)	31.00	(3,290,282)	(92,662)	(18,577,536)
March	420,110,000	485,435,884	(65,325,884)	30.28	(3,139,790)	(113,292)	(21,830,618)
April	366,550,000	335,601,123	30,948,877	30.28	1,487,511	(133,130)	(20,476,237)
May	336,960,000	382,083,000	(45,123,000)	28.66	(2,052,738)	(124,871)	(22,653,846)
June	354,680,000	322,490,000	32,190,000	28.66	1,464,390	(138,151)	(21,327,607)
July	406,740,000	377,590,000	29,150,000	28.66	1,326,094	(130,063)	(20,131,576)
August	401,860,000	373,440,000	28,420,000	28.66	1,292,884	(122,769)	(18,961,461)
September	336,720,000	360,120,000	(23,400,000)	28.66	(1,064,514)	(115,633)	(20,141,608)
October	313,420,000	350,840,000	(37,420,000)	27.99	(1,662,517)	(122,830)	(21,926,955)
November	394,550,000	432,550,000	(38,000,000)	27.75	(1,673,810)	(133,718)	(23,734,483)
December	405,180,000	415,209,000	(10,029,000)	28.00	(445,733)	(144,741)	(24,324,957)
	<u>4,582,150,000</u>	<u>4,836,703,072</u>	<u>(254,553,072)</u>		<u>(12,262,856)</u>	<u>(1,436,657)</u>	<u>(24,324,957)</u>
Hydraulic Allocation <sup>2</sup>					5,722,075	1,436,657	7,158,732
Hydraulic variation at year end					<u>(6,540,781)</u>	<u>0</u>	<u>(17,166,225)</u>

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

(2) At year end 25% of the hydraulic variation balance and 100% of the annual financing charges are allocated to customers.

	<b>(from page 6)</b>			<b>(to pages 11 &amp; 12)</b>	
	12 month kWh	% of kWh to total	Allocation	Reallocate Rural	Net
Utility	4,793,285,734	80.1%	5,734,245	401,489	6,135,734
Industrial	811,862,386	13.6%	971,237		971,237
Rural	378,873,424	6.3%	453,250	(453,250)	-
Total	<u>5,984,021,544</u>	<u>100.0%</u>	<u>7,158,732</u>	<u>(51,761)</u>	<u>7,106,971</u>
Labrador Inteconnected (write-off to income)				51,761	51,761
				<u>-</u>	<u>7,158,732</u>

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
No. 6 Fuel Variation  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
	Actual Quantity No. 6 Fuel (bbl.)	Actual Quantity No. 6 Fuel for Non-Firm Sales (bbl.)	Net Quantity No. 6 Fuel (bbl.) <b>(A - B)</b>	Cost of Service No. 6 Fuel Cost (\$Can/bbl.)	Actual Average No. 6 Fuel Cost (\$Can/bbl.)	Cost Variance (\$Can/bbl.) <b>(E - D)</b>	No.6 Fuel Variation (\$) <b>(C X F)</b> <b>(to page 6)</b>
January	173,790	1,105	172,685	31.85	48.63	16.78	2,897,654
February	153,548	29	153,519	31.00	51.37	20.37	3,127,182
March	199,982	9	199,973	30.28	51.41	21.13	4,225,429
April	189,565	3	189,562	30.28	52.02	21.74	4,121,078
May	92,545	317	92,228	28.66	52.02	23.36	2,154,446
June	88,333	317	88,016	28.66	52.02	23.36	2,056,054
July	0	317	(317)	28.66	52.02	23.36	(7,405)
August	0	317	(317)	28.66	52.02	23.36	(7,405)
September	29,444	1,587	27,857	28.66	57.25	28.59	796,432
October	152,127	3,175	148,952	27.99	57.25	29.26	4,358,336
November	235,540	2,540	233,000	27.75	57.30	29.55	6,885,150
December	345,525	317	345,208	28.00	55.66	27.66	9,548,453
	<u>1,660,399</u>	<u>10,033</u>	<u>1,650,366</u>	<u>29.58</u>	<u>53.61</u>	<u>24.03</u>	<u>40,155,404</u>

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Allocation of Fuel Variance - Year-to-Date**  
**December 31, 2006 Forecast - 2% sulfur**

	A	B	C	D	E	F	G	H	I	J
	Twelve Months-to-Date				Year-to-Date Fuel Variance				Reallocate Rural Island Customers <sup>(1)</sup>	
	Utility	Industrial	Rural Island	Total	Utility	Industrial	Rural Island	Total	Utility	Labrador
	(kWh)	Customers	Customers	(kWh)	(A/D X H)	Customers	Interconnected	(H)	(G X 88.58%)	Interconnected
		(kWh)	(kWh)	(A+B+C)	(to page 7)	(B/D X H)	(C/D X H)	(from page 5)	(to page 7)	(G X 11.42%)
January	4,603,482,008	1,188,367,647	376,375,432	6,168,225,087	2,162,583	558,261	176,810	2,897,654	156,618	20,192
February	4,620,171,116	1,136,702,515	376,424,669	6,133,298,300	4,538,467	1,116,601	369,768	6,024,836	327,540	42,228
March	4,634,244,237	1,073,087,428	375,292,759	6,082,624,424	7,809,496	1,808,336	632,433	10,250,265	560,209	72,224
April	4,621,302,895	1,024,000,515	374,452,140	6,019,755,550	11,032,729	2,444,661	893,953	14,371,343	791,864	102,089
May	4,640,175,338	987,383,919	376,529,576	6,004,088,833	12,771,723	2,717,698	1,036,368	16,525,789	918,015	118,353
June	4,645,927,992	956,507,617	378,062,096	5,980,497,705	14,435,237	2,971,939	1,174,667	18,581,843	1,040,520	134,147
July	4,664,824,778	917,597,194	377,702,917	5,960,124,889	14,537,698	2,859,647	1,177,093	18,574,438	1,042,669	134,424
August	4,677,755,420	875,098,909	377,604,276	5,930,458,605	14,645,080	2,739,753	1,182,200	18,567,033	1,047,193	135,007
September	4,695,914,576	825,821,921	378,563,721	5,900,300,218	15,410,941	2,710,163	1,242,361	19,363,465	1,100,483	141,878
October	4,709,516,541	793,145,078	377,841,773	5,880,503,392	18,998,070	3,199,527	1,524,204	23,721,801	1,350,140	174,064
November	4,744,838,593	799,163,452	379,492,594	5,923,494,639	24,516,785	4,129,312	1,960,854	30,606,951	1,736,924	223,930
December	4,793,285,734	811,862,386	378,873,424	5,984,021,544	32,165,045	5,447,952	2,542,407	40,155,404	2,252,064	290,343

(1) The Fuel Variance initially allocated to Rural Island Interconnected is re-allocated between Utility and Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Cost of Service Study, which is 88.58% and 11.42% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).



**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Allocation of Fuel Variance - Monthly**  
**December 31, 2006 Forecast - 2% sulfur**

	A	B	C	D	E	F	G
	<b>Utility</b>					<b>Industrial</b>	
	<b>Fuel Variance</b>		<b>Rural Allocation</b>		<b>Total Fuel Variance</b>	<b>Fuel Variance</b>	
	<b>Year-to-Date</b>	<b>Current Month</b>	<b>Year-to-Date</b>	<b>Current Month</b>	<b>Activity for</b>	<b>Year-to-Date</b>	<b>Current Month</b>
	<b>Activity</b>	<b>Activity <sup>(1)</sup></b>	<b>Activity</b>	<b>Activity <sup>(1)</sup></b>	<b>the month</b>	<b>Activity</b>	<b>Activity <sup>(1)</sup></b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
	<b>(from page 6)</b>		<b>(from page 6)</b>		<b>(B + D)</b>	<b>(from page 6)</b>	<b>(to page 11)</b>
January	2,162,583	2,162,583	156,618	156,618	2,319,201	558,261	558,261
February	4,538,467	2,375,884	327,540	170,922	2,546,806	1,116,601	558,340
March	7,809,496	3,271,029	560,209	232,669	3,503,698	1,808,336	691,735
April	11,032,729	3,223,233	791,864	231,655	3,454,888	2,444,661	636,325
May	12,771,723	1,738,994	918,015	126,151	1,865,145	2,717,698	273,037
June	14,435,237	1,663,514	1,040,520	122,505	1,786,019	2,971,939	254,241
July	14,537,698	102,461	1,042,669	2,149	104,610	2,859,647	(112,292)
August	14,645,080	107,382	1,047,193	4,524	111,906	2,739,753	(119,894)
September	15,410,941	765,861	1,100,483	53,290	819,151	2,710,163	(29,590)
October	18,998,070	3,587,129	1,350,140	249,657	3,836,786	3,199,527	489,364
November	24,516,785	5,518,715	1,736,924	386,784	5,905,499	4,129,312	929,785
December	32,165,045	7,648,260	2,252,064	515,140	8,163,400	5,447,952	1,318,640
		<u>32,165,045</u>		<u>2,252,064</u>	<u>34,417,109</u>		<u>5,447,952</u>

(1) The current month activity is calculated by subtracting year-to-date activity for the prior month from year-to-date activity for the current month.

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Load Variation - Utility**  
**December 31, 2006 Forecast - 2% sulfur**

	A	B	C	D	E	F	G	H	I	J	K
	Firm Energy						Secondary Energy				
	Cost of Service Sales	Actual Sales	Sales Variance	Cost of Service No. 6 Fuel Cost	Firm Energy Rate <sup>(2)</sup>	Load Variation	Cost of Service Sales	Actual Sales	Firming Up Charge	Load Variation	Total Load Variation
	(kWh)	(kWh)	(kWh)	(\$/Can/bbl.)	(\$/kWh)	(\$)	(kWh)	(kWh)	(\$/kWh)	(\$)	(\$)
			(B - A)			$C \times \{(D/O^1) - E\}$				(G - H) x I	(F + J) (to page 10)
January	539,000,000	522,550,185	(16,449,815)	31.85	0.04700	(58,488)	0	0	0.00600	0	(58,488)
February	529,200,000	500,161,445	(29,038,555)	31.00	0.04700	(64,069)	0	2,789	0.00600	(17)	(64,086)
March	502,300,000	516,756,315	14,456,315	30.28	0.04700	15,374	0	74	0.00600	0	15,374
April	409,900,000	388,214,926	(21,685,074)	30.28	0.04700	(23,062)	0	0	0.00600	0	(23,062)
May	360,000,000	356,300,000	(3,700,000)	28.66	0.04700	5,579	0	0	0.00600	0	5,579
June	285,400,000	298,400,000	13,000,000	28.66	0.04700	(19,603)	0	0	0.00600	0	(19,603)
July	271,200,000	289,800,000	18,600,000	28.66	0.04700	(28,048)	0	0	0.00600	0	(28,048)
August	269,100,000	285,600,000	16,500,000	28.66	0.04700	(24,881)	0	0	0.00600	0	(24,881)
September	277,500,000	298,100,000	20,600,000	28.66	0.04700	(31,063)	0	0	0.00600	0	(31,063)
October	351,900,000	358,800,000	6,900,000	27.99	0.04700	(17,743)	0	0	0.00600	0	(17,743)
November	435,600,000	438,000,000	2,400,000	27.75	0.04700	(7,086)	0	0	0.00600	0	(7,086)
December	541,600,000	540,600,000	(1,000,000)	28.00	0.04700	2,556	0	0	0.00600	0	2,556
	<u>4,772,700,000</u>	<u>4,793,282,871</u>	<u>20,582,871</u>			<u>(250,534)</u>	<u>0</u>	<u>2,863</u>		<u>(17)</u>	<u>(250,551)</u>

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Load Variation - Industrial  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	Cost of Service Sales	Actual Sales	Sales Variance	Cost of Service No. 6 Fuel Cost	Firm Energy Rate	Load Variation
	(kWh)	(kWh)	(kWh)	(\$)	(\$/kWh)	(\$)
			<b>(B - A)</b>			<b>C x {(D/O<sup>1</sup>) - E}</b> <b>(to page 11)</b>
January	116,800,000	64,027,045	(52,772,955)	31.85	0.02675	(1,256,290)
February	109,500,000	57,471,584	(52,028,416)	31.00	0.02675	(1,168,368)
March	116,300,000	58,868,607	(57,431,393)	30.28	0.02675	(1,224,064)
April	111,500,000	61,595,150	(49,904,850)	30.28	0.02675	(1,063,647)
May	104,000,000	69,000,000	(35,000,000)	28.66	0.02675	(655,972)
June	113,500,000	67,900,000	(45,600,000)	28.66	0.02675	(854,638)
July	116,100,000	72,000,000	(44,100,000)	28.66	0.02675	(826,525)
August	116,100,000	73,800,000	(42,300,000)	28.66	0.02675	(792,789)
September	107,000,000	66,400,000	(40,600,000)	28.66	0.02675	(760,928)
October	103,300,000	73,400,000	(29,900,000)	27.99	0.02675	(528,589)
November	114,200,000	73,900,000	(40,300,000)	27.75	0.02675	(697,094)
December	106,500,000	73,500,000	(33,000,000)	28.00	0.02675	(583,917)
	<u>1,334,800,000</u>	<u>811,862,386</u>	<u>(522,937,614)</u>			<u>(10,412,821)</u>

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Utility Customer  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration <sup>(1)</sup>	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>(2)</sup>	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 8)	(from page 7)	(A + B + C)			(to page 12)	
Opening Balance							119,850
January	(58,488)	2,319,201	(359,591)	1,901,122	731	(2,659,780)	(638,077)
February	(64,086)	2,546,806	(319,217)	2,163,503	(3,891)	(2,545,836)	(1,024,301)
March	15,374	3,503,698	(298,606)	3,220,466	(6,247)	(2,630,290)	(440,372)
April	(23,062)	3,454,888	(290,452)	3,141,374	(2,686)	(1,976,014)	722,302
May	5,579	1,865,145	(162,970)	1,707,754	4,405	(1,813,567)	620,894
June	(19,603)	1,786,019	(157,748)	1,608,668	3,786	(1,518,856)	714,492
July	(28,048)	104,610	(287,096)	(210,534)	4,357	(2,634,282)	(2,125,967)
August	(24,881)	111,906	(273,564)	(186,539)	(12,965)	(2,596,104)	(4,921,575)
September	(31,063)	819,151	(269,143)	518,945	(30,013)	(2,709,729)	(7,142,372)
October	(17,743)	3,836,786	(282,651)	3,536,392	(43,557)	(3,261,492)	(6,911,029)
November	(7,086)	5,905,499	(309,311)	5,589,102	(42,146)	(3,981,420)	(5,345,493)
December	2,556	8,163,400	(337,678)	7,828,278	(32,599)	(4,914,054)	(2,463,868)
Year to date	(250,551)	34,417,109	(3,348,027)	30,818,531	(160,825)	(33,241,424)	(2,583,718)
Hydraulic allocation							(6,135,734)
(from page 4)							
Total	(250,551)	34,417,109	(3,348,027)	30,818,531	(160,825)	(33,241,424)	(8,599,602)

(1) The Rural Rate Alteration is allocated between Utility and Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Cost of Service Study, which is 88.58% and 11.42% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

(2) The RSP adjustment rate for Utility is 0.509 cents per kWh effective July 1, 2005 to June 30, 2006 and 0.909 cents per kWh effective July 1, 2006.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Industrial Customers  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	Load	Allocation	Subtotal	Financing		Cumulative
	Variation	Fuel Variance	Monthly	Charges	Adjustment <sup>(1)</sup>	Net
	(\$)	(\$)	Variances	(\$)	(\$)	Balance
			(A + B)			
	(from page 9)	(from page 7)				(to page 12)
Opening Balance						(1,295,593)
January	(1,256,290)	558,261	(698,029)	(7,901)	(339,923)	(2,341,446)
February	(1,168,368)	558,340	(610,028)	(14,279)	(305,174)	(3,270,927)
March	(1,224,064)	691,735	(532,329)	(19,947)	(312,592)	(4,135,795)
April	(1,063,647)	636,325	(427,322)	(25,221)	(327,070)	(4,915,408)
May	(655,972)	273,037	(382,935)	(29,976)	(366,390)	(5,694,709)
June	(854,638)	254,241	(600,397)	(34,728)	(360,549)	(6,690,383)
July	(826,525)	(112,292)	(938,817)	(40,800)	(382,320)	(8,052,320)
August	(792,789)	(119,894)	(912,683)	(49,106)	(391,878)	(9,405,987)
September	(760,928)	(29,590)	(790,518)	(57,361)	(352,584)	(10,606,450)
October	(528,589)	489,364	(39,225)	(64,682)	(389,754)	(11,100,111)
November	(697,094)	929,785	232,691	(67,692)	(392,409)	(11,327,521)
December	(583,917)	1,318,640	734,723	(69,079)	(390,285)	(11,052,162)
Year to date	(10,412,821)	5,447,952	(4,964,869)	(480,772)	(4,310,928)	(9,756,569)
Hydraulic allocation						(971,237)
(from page 4)						
Total	(10,412,821)	5,447,952	(4,964,869)	(480,772)	(4,310,928)	(12,023,399)

(1) The RSP adjustment rate for Industrial Customers is 0.531 cents per kWh effective January 1, 2006.

(2) In January Aur Resources came on line as an industrial customer and PUB Order P.U. 1(2006) allowed for its inclusion in the RSP with a recovery rate of 0.0466 cents per kWh effective January 20, 2006. P.U. 2 (2006) further directed that this rate increase to 0.531 cents as of January 27, 2006

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Overall Summary  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	Hydraulic Balance	Utility Balance	Industrial Balance	Total To Date
	(\$)	(\$)	(\$)	(\$)
	(from page 4)	(from page 10)	(from page 11)	(A + B + C)
December 2005	(10,625,444)	119,850	(1,295,593)	(11,801,187)
January	(15,194,592)	(638,077)	(2,341,446)	(18,174,115)
February	(18,577,536)	(1,024,301)	(3,270,927)	(22,872,764)
March	(21,830,618)	(440,372)	(4,135,795)	(26,406,785)
April	(20,476,237)	722,302	(4,915,408)	(24,669,343)
May	(22,653,846)	620,894	(5,694,709)	(27,727,661)
June	(21,327,607)	714,492	(6,690,383)	(27,303,498)
July	(20,131,576)	(2,125,967)	(8,052,320)	(30,309,863)
August	(18,961,461)	(4,921,575)	(9,405,987)	(33,289,023)
September	(20,141,608)	(7,142,372)	(10,606,450)	(37,890,430)
October	(21,926,955)	(6,911,029)	(11,100,111)	(39,938,095)
November	(23,734,483)	(5,345,493)	(11,327,521)	(40,407,497)
December	(17,166,225)	(8,599,602)	(12,023,399)	(37,789,226)

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Recovery of December 2003 Balance  
December 31, 2006 Forecast - 2% sulfur**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
	Utility Customer			Island Industrial Customers			Total To Date
	Recovery <sup>(1)</sup>	Financing Charges	Total To Date	Recovery <sup>(2)</sup>	Financing Charges	Total To Date	Due From (To) Customers
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
			<b>(A + B)</b>			<b>(D + E)</b>	<b>(C + F)</b>
Opening Balance			79,780,517.50			25,086,036.10	104,866,553.60
January <sup>(3)</sup>	(3,323,419.18)	486,528.19	76,943,626.51	(648,990.19)	152,983.01	24,590,028.92	101,533,655.43
February	(3,181,044.53)	469,227.88	74,231,809.86	(582,761.86)	149,958.19	24,157,225.25	98,389,035.11
March	(3,286,570.63)	452,690.32	71,397,929.55	(596,927.67)	147,318.81	23,707,616.39	95,105,545.94
April	(2,469,046.93)	435,408.37	69,364,290.99	(624,574.82)	144,576.95	23,227,618.52	92,591,909.51
May	(2,266,068.00)	423,006.57	67,521,229.56	(699,660.00)	141,649.76	22,669,608.28	90,190,837.84
June	(1,897,824.00)	411,766.96	66,035,172.52	(688,506.00)	138,246.83	22,119,349.11	88,154,521.63
July	(2,048,886.00)	402,704.49	64,388,991.01	(730,080.00)	134,891.16	21,524,160.27	85,913,151.28
August	(2,019,192.00)	392,665.53	62,762,464.54	(748,332.00)	131,261.50	20,907,089.77	83,669,554.31
September	(2,107,567.00)	382,746.43	61,037,643.97	(673,296.00)	127,498.40	20,361,292.17	81,398,936.14
October	(2,536,716.00)	372,227.90	58,873,155.87	(744,276.00)	124,169.95	19,741,186.12	78,614,341.99
November	(3,096,660.00)	359,028.13	56,135,524.00	(749,346.00)	120,388.33	19,112,228.45	75,247,752.45
December	(3,822,042.00)	342,333.14	52,655,815.14	(745,290.00)	116,552.74	18,483,491.19	71,139,306.33
Total	(32,055,036.27)	4,930,333.91	52,655,815.14	(8,232,040.54)	1,629,495.63	18,483,491.19	71,139,306.33

(1) The recovery rate for Utility is 0.636 cents per kWh effective July 1, 2005 to June 30, 2006 and 0.707 cents per kWh effective July 1, 2006

(2) The recovery rate for Industrial is 1.014 cents per kWh effective January 1, 2006.

(3) In January Aur Resources came on line as an industrial customer and PUB Order P.U. 1(2006) allowed for its inclusion in the RSP with a recovery rate of 0.0751 cents per kWh effective January 20, 2006. P.U. 2 (2006) further directed that this rate increase to 1.014 cents as of January 27, 2006