

1 Q. Complete the following table assuming there are no secondary sales to CFB
2 Goose Bay in 2007.

3

	CFB Goose Bay Credit (\$)	
	Existing Approach	Proposed Approach
Regulated Revenue	-	-
Non-Regulated Revenue	-	-
Total	-	-

4

5

6 A. Using the existing approach, if there are no secondary sales to CFB Goose
7 Bay in 2007, Hydro's regulated net income would be negatively impacted by
8 the forecast credit of \$4.4 million (Exhibit RDG-1, Page 8 of 108). Using the
9 proposed approach, Hydro's regulated net income would be negatively
10 impacted by the forecast credit of \$1.3 million applied to firm regulated
11 Labrador Interconnected customers (Exhibit RDG-1, Page 8 of 108).
12 In both cases, the regulated revenue from the CFB secondary sales would
13 be zero.