

On a bar graph (similar to the bar graph found on page 49 in the 2003 General Rate Application), please provide the following:

Q. Please provide the average rate base per full time equivalent employee for the years 1993 to the present forecast rate base for 2003 and for 2004. Please provide a corresponding table.

A. Graph 1 provides the average rate base per full time equivalent employee (FTE) for the years 1993 through to forecast 2004. The corresponding data can be found in Table 1.

From 2001 through 2003, Newfoundland Power's capital expenditures, and in turn, average rate base increased as a result of the purchase of joint use support structures from Aliant Telecom Inc. ("Aliant"). This extraordinary transaction was approved by the Board in Order No. P.U. 17 (2001-2002).

Graph 1 provides the rate base per FTE on two bases: (1) including the impact of the extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant, and (2) excluding the impact of extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant.

Excluding the impact of the extraordinary additional capital expenditures related to the purchase of joint use support structures from Aliant provides a more comparable year over year presentation of average rate base per FTE. All costs, including capital costs, of the Aliant support structures are more than fully recovered from increased third party rentals.

Graph 1 indicates the Company's improved productivity over the period.

Graph 2
Average Rate Base per FTE: 1993 to 2004F

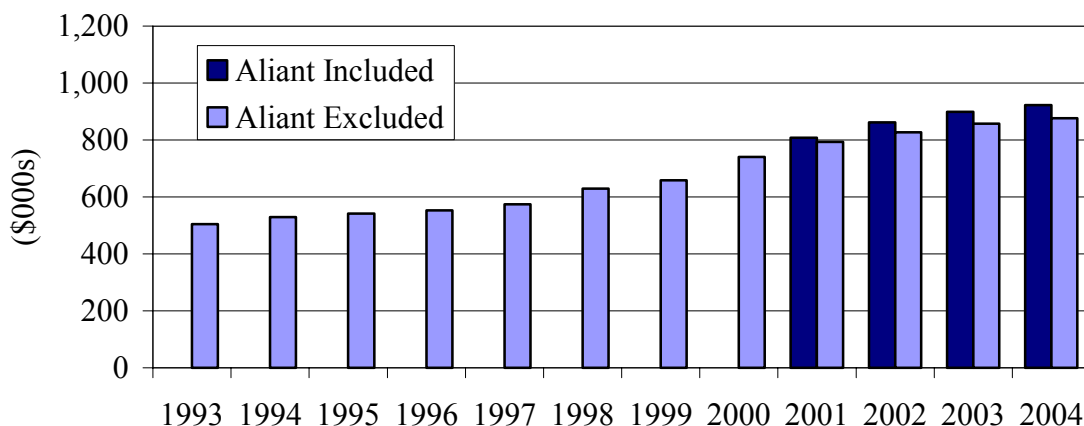


Table 1
Average Rate Base per FTE: 1993 to 2004F

Year	Average Rate Base (\$000s)		FTE	Average Rate Base per FTE (\$000s)	
		Excluding Aliant			Excluding Aliant
1993	459,560		910	505	
1994	465,334		879	529	
1995	469,676		867	542	
1996	473,122		856	553	
1997	477,419		832	574	
1998	488,204		776	629	
1999	505,688		768	658	
2000	520,979		704	740	
2001	545,162	535,435	675	808	793
2002 (forecast)	573,094	550,165	665	862	827
2003 (forecast)	594,222	566,453	661	899	857
2004 (forecast)	609,589	579,179	661	922	876