

1 Q. Provide all RSP monthly reports from January 2007 to date.

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4 A. Please see the attached annual RSP reports, which include the monthly balances,

5 for the years 2007, 2008 and 2009 to date.

**NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN REPORT  
DECEMBER, 2007**

## RATE STABILIZATION PLAN REPORT

### Summary of Key Facts

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro), as amended by Board Order No. P.U. 40 (2003) and Order No. P.U. 8 (2007), is established for Hydro's Utility customer, Newfoundland Power, and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- Customer load (Utility and Island Industrial); and
- Rural rates.

The Test Year Cost of Service Study was approved by Board Order No. P.U. 8 (2007) and is based on projections of events and costs that are forecast to happen during a test year. Finance charges are calculated on the balances using the test year Weighted Average Cost of Capital which is currently 7.529% per annum. Holyrood's operating efficiency is 630 kWh/barrel.

	2007 Test Year Cost of Service			
	Net Hydraulic	No. 6 Fuel	Utility	Industrial
	Production	Cost	Load	Load
	(kWh)	(\$Can/bbl.)	(kWh)	(kWh)
January	427,100,000	54.17	574,800,000	78,300,000
February	388,680,000	54.73	518,600,000	70,900,000
March	415,080,000	55.46	524,700,000	76,600,000
April	355,520,000	55.46	429,200,000	75,600,000
May	324,240,000	55.46	358,700,000	69,500,000
June	328,500,000	54.49	298,400,000	73,800,000
July	386,790,000	54.49	293,400,000	77,500,000
August	379,140,000	54.49	287,000,000	77,900,000
September	363,560,000	54.49	297,700,000	73,000,000
October	340,510,000	54.56	360,200,000	74,400,000
November	364,390,000	54.56	439,300,000	74,100,000
December	398,560,000	58.98	543,800,000	72,700,000
Total	<u>4,472,070,000</u>		<u>4,925,800,000</u>	<u>894,300,000</u>

Plan Highlights

Hydraulic Production

Year-to-date hydraulic production is 217.4 GWh more than the Cost of Service production of 4,472.1 GWh resulting in a fuel savings of \$20,884,529 in the hydraulic variation account. (See page 4)

No. 6 Fuel Cost

The No.6 fuel cost for the month of December was \$66.01, \$7.03 more than the Cost of Service. Lower year-to-date average fuel costs have resulted in a year-to-date amount of \$5,771,537 due to Customers. (See page 5)

Customer Load

Utility sales are up 64.5 GWh year-to-date compared with the Cost of Service Sales of 4,925.8 GWh resulting in \$253,840 due from the utility customer. (See page 8)

Industrial sales are down 123.1 GWh year-to-date compared with the Cost of Service Sales of 894.3 GWh resulting in \$6,262,077 due to industrial customers. (See page 9)

Rural Rates

A net amount of \$42,585 assigned to Labrador Interconnected Customers is removed from the plan and written off to Hydro's net income (loss). This year-to-date amount is calculated as follows:

Rural rate alteration (RRA)	\$ 1,861,804	charge <sup>(1)</sup>
Less RRA to utility customer	<u>1,658,868</u>	charge (see page 10)
RRA to Labrador Interconnected	202,936	charge
Fuel variance to Labrador Interconnected	(40,840)	savings (see page 6)
Hydraulic variance allocation adjustment	<u>(118,398)</u>	savings (see schedule A)
Net Labrador Interconnected	\$ <u>43,698</u>	net charge

<sup>(1)</sup> Beginning January 2007, the RRA includes a monthly amount of \$92,560. This amount relates to the phase in of the application of the credit from secondary energy sales to CFB Goose Bay to the Rural deficit as stated in Section B, Clause 1.3(b) of the approved Rate Stabilization Plan Regulations which received final approval in Order No. P.U. 14 (2007) issued August 17, 2007.

**Plan Highlights Continued**

**Current Plan Summary**

Balances below from utility and industrial customers are expected to be recovered in one year. In addition, at December 31, 25% of the hydraulic variance and 100% of the related financing charges was allocated between industrial (\$758,949 due to Customers) and utility customers (\$5,262,203 due to Customers) and to be repaid in one year. The balances are comprised of the following:

Utility Customer	\$ (9,397,169)	due to customer <sup>(3)</sup>
Utility Customer – 25% Hydraulic balance	<u>(5,262,203)</u>	due to customer
<b>Sub-total Utility</b>	<b>(14,659,372)</b>	
Industrial Customers	(6,687,095)	due to customer
Industrial Customers – 25% Hydraulic variance	(758,949)	due to customer
Industrial Customers: - 2003 balance	<u>(1,382,924)</u>	due to customers <sup>(4)</sup>
<b>Sub-total Industrial</b>	<b>(8,828,968)</b>	
Hydraulic Balance:	<u>(14,820,468)</u>	fuel savings <sup>(2)</sup>
<b>Total Plan Balance:</b>	<b><u><u>\$ (38,308,808)</u></u></b>	

**December 2003 Plan Balance**

The plan balances as at December 31, 2003 were consolidated and are being recovered over four years. Year-to-date recoveries for utility and industrial customers are \$24,093,414 and \$8,746,071 respectively. As of December 31, 2007 the balance of \$1,382,924 due to Industrial Customers has been transferred to the current plan in accordance with Section E of the Rate Stabilization Plan rules. The remaining balance of \$12,053,450<sup>3</sup> is due from the Utility Customer.

- (2) The amount represents the hydraulic balance for the current year to-date as the hydraulic balance at December 31, 2006 was allocated to industrial and utility customers as per P.U. 8. (2007).
- (3) December 2006 balances were adjusted in accordance with the provisions of the special adjustment to the RSP Hydraulic Production Variation as set out in Schedule B attached to Order P.U. 8 (2007).
- (4) The balance of the December 2003 Plan related to industrial customers will be recovered during 2008 as a component of the Current Plan in accordance with Section E of the Rate Stabilization Plan rules.

**NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN**

**December 2007**

**Net Hydraulic Production Variation**

	<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) (A - B)	<b>D</b> Cost of Service No. 6 Fuel Cost (\$Can/bbl.)	<b>E</b> Net Hydraulic Production Variation (\$) (C / O <sup>1</sup> X D)	<b>F</b> Financing Charges (\$)	<b>G</b> Cumulative Variation and Financing Charges (\$) (E + F) (to page 12)
Opening balance <sup>(3)</sup>							0
January	427,100,000	531,972,339	(104,872,339)	54.17	(9,017,357)	0	(9,017,357)
February	388,680,000	490,775,513	(102,095,513)	54.73	(8,869,345)	(54,713)	(17,941,415)
March	415,080,000	467,302,785	(52,222,785)	55.46	(4,597,263)	(108,860)	(22,647,538)
April	355,520,000	400,656,711	(45,136,711)	55.46	(3,973,463)	(137,414)	(26,758,415)
May	324,240,000	335,838,684	(11,598,684)	55.46	(1,021,052)	(162,357)	(27,941,824)
June	328,500,000	281,234,508	47,265,492	54.49	4,088,090	(169,537)	(24,023,271)
July	386,790,000	275,130,963	111,659,037	54.49	9,657,621	(145,761)	(14,511,411)
August	379,140,000	344,850,651	34,289,349	54.49	2,965,757	(88,048)	(11,633,702)
September	363,560,000	355,535,026	8,024,974	54.49	694,097	(70,587)	(11,010,192)
October	340,510,000	322,786,684	17,723,316	54.56	1,534,895	(66,804)	(9,542,101)
November	364,390,000	371,392,165	(7,002,165)	54.56	(606,410)	(57,897)	(10,206,408)
December	398,560,000	511,957,801	(113,397,801)	58.98	(10,616,194)	(61,927)	(20,884,529)
	<u>4,472,070,000</u>	<u>4,689,433,830</u>	<u>(217,363,830)</u>		<u>(19,760,624)</u>	<u>(1,123,905)</u>	<u>(20,884,529)</u>
Hydraulic Allocation <sup>2</sup>					4,940,156	1,123,905	6,064,061
Hydraulic variation at year end					<u>(14,820,468)</u>	<u>-</u>	<u>(14,820,468)</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	4,990,718,593	81.0%	4,911,447	350,756	5,262,203
Industrial	771,198,558	12.5%	758,949		758,949
Rural	400,018,423	6.5%	393,665	(393,665)	-
Total	<u>6,161,935,574</u>	<u>100.0%</u>	<u>6,064,061</u>	<u>(42,909)</u>	<u>6,021,152</u>
Labrador Inteconnected (write-off to income)				42,909	42,909
				<u>-</u>	<u>6,064,061</u>

(3) In accordance with PUB Order P.U. 8 (2007), the December 31, 2006 Hydraulic Variation balance was allocated to the Industrial and Utility Customers as detailed in Schedule A of this report.

NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

No. 6 Fuel Variation

	A	B	C	D	E	F	G
	Actual Quantity No. 6 Fuel (bbl.)	Actual Quantity No. 6 Fuel for Non-Firm Sales (bbl.)	Net Quantity No. 6 Fuel (bbl.)	Cost of Service No. 6 Fuel Cost (\$Can/bbl.)	Actual Average No. 6 Fuel Cost (\$Can/bbl.)	Cost Variance (\$Can/bbl.)	No.6 Fuel Variation (\$)
			(A - B)			(E - D)	(C X F) (to page 6)
January	211,209	184	211,025	54.17	46.53	(7.64)	(1,612,231)
February	231,852	585	231,267	54.73	46.25	(8.48)	(1,961,147)
March	269,147	1,901	267,246	55.46	46.60	(8.86)	(2,367,797)
April	222,349	2,320	220,029	55.46	47.47	(7.99)	(1,758,031)
May	215,328	6,409	208,919	55.46	51.73	(3.73)	(779,268)
June	170,607	6,259	164,348	54.49	52.65	(1.84)	(302,399)
July	124,765	2,786	121,979	54.49	54.85	0.36	43,912
August	17,736	1,429	16,307	54.49	54.90	0.41	6,686
September	231	145	86	54.49	56.10	1.61	139
October	154,238	18	154,220	54.56	56.11	1.55	239,041
November	181,235	0	181,235	54.56	60.03	5.47	991,357
December	245,950	118	245,832	58.98	66.01	7.03	1,728,201
	<u>2,044,648</u>	<u>22,154</u>	<u>2,022,494</u>	<u>55.47</u>	<u>52.51</u>	<u>(2.96)</u>	<u>(5,771,537)</u>

**NEWFOUNDLAND AND LABRADOR HYDRO**  
**RATE STABILIZATION PLAN**  
**Allocation of Fuel Variance – Year-to-Date**

**December 2007**

	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 Customers	Rural Island Customers	Total	Utility	Industrial Customers	Rural Island Interconnected	Total	Utility	Labrador Interconnected
	(kWh)	(kWh)	(kWh)	(kWh)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
				(A+B+C)	(A/D X H)	(B/D X H)	(C/D X H)		(G X 88.58%)	(G X 11.42%)
					(to page 7)			(from page 5)	(to page 7)	
January	4,661,863,479	749,734,721	374,020,081	5,785,618,281	(1,299,083)	(208,922)	(104,226)	(1,612,231)	(92,865)	(11,361)
February	4,699,613,239	756,787,987	375,955,265	5,832,356,491	(2,879,367)	(463,670)	(230,341)	(3,573,378)	(205,234)	(25,107)
March	4,715,725,889	773,537,749	379,723,680	5,868,987,318	(4,773,729)	(783,052)	(384,394)	(5,941,175)	(342,495)	(41,899)
April	4,779,221,431	780,435,589	382,343,048	5,942,000,068	(6,192,563)	(1,011,231)	(495,412)	(7,699,206)	(441,412)	(54,000)
May	4,834,932,413	792,423,226	386,603,082	6,013,958,721	(6,816,284)	(1,117,158)	(545,032)	(8,478,474)	(485,624)	(59,408)
June	4,868,431,946	795,936,264	390,313,494	6,054,681,704	(7,060,500)	(1,154,316)	(566,057)	(8,780,873)	(504,357)	(61,700)
July	4,881,848,366	796,326,557	391,675,595	6,069,850,518	(7,026,947)	(1,146,235)	(563,779)	(8,736,961)	(502,327)	(61,452)
August	4,878,879,744	804,630,152	393,535,158	6,077,045,054	(7,008,992)	(1,155,931)	(565,352)	(8,730,275)	(503,729)	(61,623)
September	4,890,302,421	802,684,146	394,303,282	6,087,289,849	(7,013,467)	(1,151,176)	(565,493)	(8,730,136)	(503,854)	(61,639)
October	4,915,887,352	792,629,130	394,486,611	6,103,003,093	(6,839,463)	(1,102,783)	(548,849)	(8,491,095)	(489,024)	(59,825)
November	4,945,742,586	777,878,124	396,548,060	6,120,168,770	(6,060,580)	(953,222)	(485,936)	(7,499,738)	(432,969)	(52,967)
December	4,990,718,593	771,198,558	400,018,423	6,161,935,574	(4,674,524)	(722,338)	(374,675)	(5,771,537)	(333,835)	(40,840)

(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 89.10% and 10.90% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).



NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

Allocation of Fuel Variance - Monthly

	A	B	C	D	E	F	G
	Utility					Industrial	
	Fuel Variance		Rural Allocation		Total Fuel Variance	Fuel Variance	
	Year-to-Date	Current Month	Year-to-Date	Current Month	Activity for	Year-to-Date	Current Month
	Activity	Activity <sup>(1)</sup>	Activity	Activity <sup>(1)</sup>	the month	Activity	Activity <sup>(1)</sup>
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 6)		(from page 6)		(B + D) (to page 10)	(from page 6)	(to page 11)
January	(1,299,083)	(1,299,083)	(92,865)	(92,865)	(1,391,948)	(208,922)	(208,922)
February	(2,879,367)	(1,580,284)	(205,234)	(112,369)	(1,692,653)	(463,670)	(254,748)
March	(4,773,729)	(1,894,362)	(342,495)	(137,261)	(2,031,623)	(783,052)	(319,382)
April	(6,192,563)	(1,418,834)	(441,412)	(98,917)	(1,517,751)	(1,011,231)	(228,179)
May	(6,816,284)	(623,721)	(485,624)	(44,212)	(667,933)	(1,117,158)	(105,927)
June	(7,060,500)	(244,216)	(504,357)	(18,733)	(262,949)	(1,154,316)	(37,158)
July	(7,026,947)	33,553	(502,327)	2,030	35,583	(1,146,235)	8,081
August	(7,008,992)	17,955	(503,729)	(1,402)	16,553	(1,155,931)	(9,696)
September	(7,013,467)	(4,475)	(503,854)	(125)	(4,600)	(1,151,176)	4,755
October	(6,839,463)	174,004	(489,024)	14,830	188,834	(1,102,783)	48,393
November	(6,060,580)	778,883	(432,969)	56,055	834,938	(953,222)	149,561
December	(4,674,524)	1,386,056	(333,835)	99,134	1,485,190	(722,338)	230,884
		<u>(4,674,524)</u>		<u>(333,835)</u>	<u>(5,008,359)</u>		<u>(722,338)</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

December 2007

RATE STABILIZATION PLAN

Load Variation - Utility

	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 x {(D/O <sup>1</sup> ) - E}				(G - H) x I	(F + J)
											(to page 10)
January	574,800,000	567,548,424	(7,251,576)	54.17	0.08805	14,981	0	928	0.00841	(8)	14,973
February	518,600,000	537,906,741	19,306,741	54.73	0.08805	(22,724)	0	7,253	0.00841	(61)	(22,785)
March	524,700,000	532,869,039	8,169,039	55.46	0.08805	(149)	0	0	0.00841	0	(149)
April	429,200,000	451,710,468	22,510,468	55.46	0.08805	(411)	0	0	0.00841	0	(411)
May	358,700,000	381,600,871	22,900,871	55.46	0.08805	(418)	0	0	0.00841	0	(418)
June	298,400,000	310,533,933	12,133,933	54.49	0.08805	(18,904)	0	0	0.00841	0	(18,904)
July	293,400,000	284,654,277	(8,745,723)	54.49	0.08805	13,625	0	0	0.00841	0	13,625
August	287,000,000	264,188,089	(22,811,911)	54.49	0.08805	35,540	0	0	0.00841	0	35,540
September	297,700,000	285,046,055	(12,653,945)	54.49	0.08805	19,714	0	364,212	0.00841	(3,063)	16,651
October	360,200,000	370,753,163	10,553,163	54.56	0.08805	(15,269)	0	6,332	0.00841	(53)	(15,322)
November	439,300,000	422,560,646	(16,739,354)	54.56	0.08805	24,219	0	1,334	0.00841	(11)	24,208
December	543,800,000	580,955,987	37,155,987	58.98	0.08805	206,923	0	10,841	0.00841	(91)	206,832
	4,925,800,000	4,990,327,693	64,527,693			257,127	0	390,900		(3,287)	253,840

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

NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

Load Variation - Industrial

	A	B	C	D	E	F
	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 - A)			$C \times \{(D/O^1) - E\}$ (to page 11)
January	78,300,000	64,661,303	(13,638,697)	54.17	0.03676	(671,353)
February	70,900,000	64,524,850	(6,375,150)	54.73	0.03676	(319,478)
March	76,600,000	75,618,369	(981,631)	55.46	0.03676	(50,330)
April	75,600,000	68,492,990	(7,107,010)	55.46	0.03676	(364,389)
May	69,500,000	75,131,721	5,631,721	55.46	0.03676	288,748
June	73,800,000	72,593,859	(1,206,141)	54.49	0.03676	(59,984)
July	77,500,000	71,183,392	(6,316,608)	54.49	0.03676	(314,138)
August	77,900,000	72,987,173	(4,912,827)	54.49	0.03676	(244,325)
September	73,000,000	56,815,786	(16,184,214)	54.49	0.03676	(804,874)
October	74,400,000	49,072,646	(25,327,354)	54.56	0.03676	(1,262,396)
November	74,100,000	46,331,086	(27,768,914)	54.56	0.03676	(1,384,091)
December	72,700,000	53,785,383	(18,914,617)	58.98	0.03676	(1,075,467)
	894,300,000	771,198,558	(123,101,442)			(6,262,077)

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

**NEWFOUNDLAND AND LABRADOR HYDRO**  
**RATE STABILIZATION PLAN**  
**Summary of Utility Customer**

**December 2007**

	<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 <sup>(3)</sup>							(13,541,887)
January	14,973	(1,391,948)	104,050	(1,272,925)	(82,165)	164,589	(14,732,388)
February	(22,785)	(1,692,653)	102,324	(1,613,114)	(89,389)	155,995	(16,278,896)
March	(149)	(2,031,623)	100,826	(1,930,946)	(98,772)	154,532	(18,154,082)
April	(411)	(1,517,751)	101,241	(1,416,921)	(110,150)	130,996	(19,550,157)
May	(418)	(667,933)	99,708	(568,643)	(118,621)	110,664	(20,126,757)
June	(18,904)	(262,949)	100,834	(181,019)	(122,119)	90,055	(20,339,840)
July	13,625	35,583	119,807	169,015	(123,412)	990,597	(19,303,640)
August	35,540	16,553	182,434	234,527	(117,125)	919,375	(18,266,863)
September	16,651	(4,600)	180,937	192,988	(110,834)	993,228	(17,191,481)
October	(15,322)	188,834	174,219	347,731	(104,309)	1,290,243	(15,657,816)
November	24,208	834,938	191,024	1,050,170	(95,004)	1,470,516	(13,232,134)
December	206,832	1,485,190	201,464	1,893,486	(80,286)	2,021,765	(9,397,169)
Year to date	253,840	(5,008,359)	1,658,868	(3,095,651)	(1,252,186)	8,492,555	4,144,718
Hydraulic allocation (from page 4)							(5,262,203)
Total	253,840	(5,008,359)	1,658,868	(3,095,651)	(1,252,186)	8,492,555	(14,659,372)

(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 89.10% and 10.90% 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 0.029 cents per kWh effective January 1, 2007 to June 30, 2007 and 0.348 per kWh effective July 1, 2007.

(3) In accordance with Board Order P.U. 8 (2007), the December 31, 2006 Hydraulic Variation balance was allocated to the Industrial and Utility Customers as detailed in Schedule A of this report. This resulted in an adjustment of \$5,726,000 to the opening balance due to Utility Customer.

NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

Summary of Industrial Customers

	A	B	C	D	E	F
	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						(14,406,474)
January	(671,353)	(208,922)	(880,275)	(87,411)	1,293,226	(14,080,934)
February	(319,478)	(254,748)	(574,226)	(85,436)	1,291,104	(13,449,492)
March	(50,330)	(319,382)	(369,712)	(81,605)	1,512,367	(12,388,442)
April	(364,389)	(228,179)	(592,568)	(75,167)	1,369,860	(11,686,317)
May	288,748	(105,927)	182,821	(70,907)	1,502,634	(10,071,769)
June	(59,984)	(37,158)	(97,142)	(61,110)	1,451,877	(8,778,144)
July	(314,138)	8,081	(306,057)	(53,261)	1,423,668	(7,713,794)
August	(244,325)	(9,696)	(254,021)	(46,803)	1,459,743	(6,554,875)
September	(804,874)	4,755	(800,119)	(39,772)	1,136,316	(6,258,450)
October	(1,262,396)	48,393	(1,214,003)	(37,973)	981,453	(6,528,973)
November	(1,384,091)	149,561	(1,234,530)	(39,615)	926,622	(6,876,496)
December	(1,075,467)	230,884	(844,583)	(41,724)	1,075,708	(6,687,095)
Year to date	(6,262,077)	(722,338)	(6,984,415)	(720,784)	15,424,578	7,719,379
Hydraulic allocation - page 4						(758,949)
2003 industrial plan balance Note 2						(1,382,924)
Total	(6,262,077)	(722,338)	(6,984,415)	(720,784)	15,424,578	(8,828,968)

(1) The RSP adjustment rate for Industrial Customers is 2.000 cents per kWh effective January 1, 2007.

(2) The balance of the December 2003 Plan related to Industrial customers will be recovered during 2008 as a component of the Current Plan in accordance with the Section E of the Rate Stabilization Plan Rules.

**NEWFOUNDLAND AND LABRADOR HYDRO**

**December 2007**

**RATE STABILIZATION PLAN**

**Overall Summary**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	Hydraulic	Utility	Industrial	Total
	Balance	Balance	Balance	To Date
	(\$)	(\$)	(\$)	(\$)
				<b>(A + B + C)</b>
	<b>(from page 4)</b>	<b>(from page 10)</b>	<b>(from page 11)</b>	
December 2006 <sup>(1)</sup>	0	(13,541,887)	(14,406,474)	(27,948,361)
January	(9,017,357)	(14,732,388)	(14,080,934)	(37,830,679)
February	(17,941,415)	(16,278,896)	(13,449,492)	(47,669,803)
March	(22,647,538)	(18,154,082)	(12,388,442)	(53,190,062)
April	(26,758,415)	(19,550,157)	(11,686,317)	(57,994,889)
May	(27,941,824)	(20,126,757)	(10,071,769)	(58,140,350)
June	(24,023,271)	(20,339,840)	(8,778,144)	(53,141,255)
July	(14,511,411)	(19,303,640)	(7,713,794)	(41,528,845)
August	(11,633,702)	(18,266,863)	(6,554,875)	(36,455,440)
September	(11,010,192)	(17,191,481)	(6,258,450)	(34,460,123)
October	(9,542,101)	(15,657,816)	(6,528,973)	(31,728,890)
November	(10,206,408)	(13,232,134)	(6,876,496)	(30,315,038)
December	(14,820,468)	(14,659,372)	(8,828,968)	(38,308,808)

(1) In accordance with Board Order P.U. 8 (2007), the December 31, 2006 Hydraulic Variation balance was allocated to the Industrial and Utility Customers as detailed in Schedule A of this report. This resulted in an adjustment of \$5,726,000 to the current plan opening utility balance and a reduction of the hydraulic balance to 0.

NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

Recovery of December 2003 Balance

	A	B	C	D	E	F	G
	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
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
			(A + B)			(D + E)	(C + F)
Opening Balance <sup>(3) (4)</sup>			34,393,834.05			7,144,242.96	41,538,077.01
January	(2,576,674.06)	208,684.59	32,025,844.58	(745,993.86)	43,347.69	6,441,596.79	38,467,441.37
February	(2,442,129.53)	194,316.81	29,778,031.86	(736,593.78)	39,084.39	5,744,087.40	35,522,119.26
March	(2,419,225.44)	180,678.21	27,539,484.63	(863,002.68)	34,852.25	4,915,936.97	32,455,421.60
April	(2,050,765.52)	167,095.82	25,655,814.93	(783,103.27)	29,827.45	4,162,661.15	29,818,476.08
May	(1,732,467.95)	155,666.66	24,079,013.64	(858,888.60)	25,256.95	3,329,029.50	27,408,043.14
June	(1,409,824.06)	146,099.42	22,815,289.00	(832,875.91)	20,198.89	2,516,352.48	25,331,641.48
July	(1,477,355.70)	138,431.77	21,476,365.07	(811,381.30)	15,267.97	1,720,239.15	23,196,604.22
August	(1,371,136.18)	130,307.85	20,235,536.74	(834,554.27)	10,437.55	896,122.43	21,131,659.17
September	(1,481,279.29)	122,779.12	18,877,036.57	(638,450.06)	5,437.22	263,109.59	19,140,146.16
October	(1,924,241.78)	114,536.42	17,067,331.21	(537,998.83)	1,596.42	(273,292.82)	16,794,038.39
November	(2,193,096.68)	103,556.03	14,977,790.56	(507,122.64)	(1,658.20)	(782,073.66)	14,195,716.90
December	(3,015,217.84)	90,877.74	12,053,450.46	(596,105.35)	(4,745.23)	(1,382,924.24)	10,670,526.22
Plan Expiry <sup>(5)</sup>						1,382,924.24	
Total	(24,093,414.03)	1,753,030.44	12,053,450.46	(8,746,070.55)	218,903.35	0.00	12,053,450.46

(1) The recovery rate for Utility is 0.454 cents per kWh effective January 1, 2007 to June 30, 2007 and 0.519 per kWh effective July 1, 2007.

(2) The recovery rate for Industrial Customers is 1.215 cents per kWh effective January 1, 2007.

(3) In accordance with Board Order P.U. 8 (2007), the December 31, 2006 Hydraulic Variation balance was allocated to the Industrial and Utility Customers as detailed in Schedule A of this report. This resulted in a reduction of \$19,499,507 to the opening Utility Customer balance and a reduction of \$2,085,787 to the Industrial Customers balance.

(4) In accordance with Board Order P.U. 1 (2007) AUR Resources was granted exclusion from the Historical Plan Balance effective January 20, 2006. The 2007 opening balance has been increased by \$129,103.36 to reflect a refund of \$125,726.59 to AUR Resources for amounts collected from January 20 to December 31, 2006 and the associated financing charges of \$3,376.77.

(5) The balance in plan for industrial customers will be recovered during 2008 as a component of the current plan in accordance with Section E of the Rate Stabilization Plan rules.

NEWFOUNDLAND AND LABRADOR HYDRO

December 2007

RATE STABILIZATION PLAN

RATE STABILIZATION PLAN, DECEMBER 31, 2006 ADJUSTMENTS'

Line No.		Balance		Revised Balance	Comments - Adjustment
		December 2006 RSP Report	Adjustment		
1	Hydraulic Production Variation Balance	(15,977,692)	15,977,692	-	Line 6
2	Summary of Utility Customer	(19,267,887)	5,726,000	(13,541,887)	Hydraulic allocation moved to Historic Plan
3	Summary of Industrial Customers	(14,406,474)		(14,406,474)	No Change
4	Recovery of December 2003 Balance - Utility	53,893,341	(19,499,507)	34,393,834	Line 2 Adjustment plus Line 7 Net
5	Recovery of December 2003 Balance - Industrial Customers	9,100,931	(2,085,787)	7,015,143	Line 8 Net
<b>Hydraulic Production Variation Balance Adjustment</b>					
6	Balance December 31, 2006	15,977,692			
	Allocation:				
		12 month (Dec 2006 ) kWh	% of kWh to total	Allocation	Reallocate Rural Net
7	Utility	4,616,864,312	80.5%	12,855,149	918,358 13,773,507
8	Industrial	749,100,463	13.1%	2,085,787	2,085,787
9	Rural	372,345,900	6.5%	1,036,756	(1,036,756) -
10		5,738,310,675	100.0%	15,977,692	(118,398) 15,859,294
11	Labrador Interconnected (write-off to income)				118,398 118,398
12					- 15,977,692



**NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN REPORT  
December 31, 2008**

# Newfoundland and Labrador Hydro

## Rate Stabilization Plan Report

### December 31, 2008

#### Summary of Key Facts

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro), as amended by Board Order No. P.U. 40 (2003) and Order No. P.U. 8 (2007), is established for Hydro's utility customer, Newfoundland Power, and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- Customer load (Utility and Island Industrial); and
- Rural rates.

The Test Year Cost of Service Study was approved by Board Order No. P.U. 8 (2007) and is based on projections of events and costs that are forecast to happen during a test year. Finance charges are calculated on the balances using the test year Weighted Average Cost of Capital which is currently 7.529% per annum. Holyrood's operating efficiency is 630 kWh/barrel.

2007 Test Year Cost of Service				
	Net Hydraulic Production	No. 6 Fuel Cost	Utility Load	Industrial Load
	(kWh)	(\$Can/bbl.)	(kWh)	(kWh)
January	427,100,000	54.17	574,800,000	78,300,000
February	388,680,000	54.73	518,600,000	70,900,000
March	415,080,000	55.46	524,700,000	76,600,000
April	355,520,000	55.46	429,200,000	75,600,000
May	324,240,000	55.46	358,700,000	69,500,000
June	328,500,000	54.49	298,400,000	73,800,000
July	386,790,000	54.49	293,400,000	77,500,000
August	379,140,000	54.49	287,000,000	77,900,000
September	363,560,000	54.49	297,700,000	73,000,000
October	340,510,000	54.56	360,200,000	74,400,000
November	364,390,000	54.56	439,300,000	74,100,000
December	398,560,000	58.98	543,800,000	72,700,000
Total	<u>4,472,070,000</u>		<u>4,925,800,000</u>	<u>894,300,000</u>

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Plan Highlights  
December 31, 2008**

	<b>Actual</b>	<b>Cost of Service</b>	<b>Variance</b>	<b>Year-to-Date Due (To) From customers</b>	<b>Reference</b>
<b>Hydraulic production year-to-date</b>	4,771. GWh	4,472.1 GWh	299. GWh	\$ (26,383,315)	Page 4
<b>No 6 fuel cost - Current month</b>	\$ 59.25	\$ 58.98	\$ 0.27	\$ 27,745,268	Page 5
<b>Year-to-date customer load - Utility</b>	4,959.7 GWh	4,925.8 GWh	33.9 GWh	\$ (26,253)	Page 8
<b>Year-to-date customer load - Industrial</b>	690.2 GWh	894.3 GWh	-204.1 GWh	\$ (10,315,182)	Page 9
				<u>\$ (8,979,482)</u>	
<b>Rural rates</b>					
Rural Rate Alteration (RRA) <sup>(1)</sup>	\$ (245,481)				
Less : RRA to utility customer	<u>\$ (218,723)</u>				Page 10
RRA to Labrador interconnected	(26,758)				
Fuel variance to Labrador interconnected	<u>\$ 205,395</u>				Page 6
Net Labrador interconnected	<u><u>\$ 178,637</u></u>				
<b>Current plan summary</b>					
<b>One year recovery</b>					
Due (to) from utility customer	\$ (10,329,890)				Page 10
Due (to) from Industrial customers	<u>\$ (11,994,442)</u>				Page 11
Sub total	(22,324,333)				
<b>Four year recovery</b>					
Hydraulic balance	<u>\$ (30,902,837)</u>				Page 4
Total plan balance	<u><u>\$ (53,227,170)</u></u>				

<sup>(1)</sup> Beginning January 2008, the RRA includes a monthly amount of \$32,433. This amount relates to the phase in of the application of the credit from secondary energy sales to CFB Goose Bay to the Rural deficit as stated in Section B, Clause 1.3(b) of the approved Rate Stabilization Plan Regulations which received final approval in Order No. P.U. 33 (2007) issued December 21, 2007.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Net Hydraulic Production Variation  
December 31, 2008**

	<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							(14,820,468)
January	427,100,000	477,077,144	(49,977,144)	54.17	(4,297,241)	(89,923)	(19,207,632)
February	388,680,000	437,972,596	(49,292,596)	54.73	(4,282,196)	(116,542)	(23,606,370)
March	415,080,000	503,744,129	(88,664,129)	55.46	(7,805,258)	(143,232)	(31,554,860)
April	355,520,000	390,350,281	(34,830,281)	55.46	(3,066,170)	(191,459)	(34,812,489)
May	324,240,000	347,865,812	(23,625,812)	55.46	(2,079,821)	(211,225)	(37,103,535)
June	328,500,000	358,079,359	(29,579,359)	54.49	(2,558,380)	(225,126)	(39,887,041)
July	386,790,000	353,156,726	33,633,274	54.49	2,909,011	(242,015)	(37,220,045)
August	379,140,000	354,560,633	24,579,367	54.49	2,125,920	(225,833)	(35,319,958)
September	363,560,000	355,244,466	8,315,534	54.49	719,228	(214,304)	(34,815,034)
October	340,510,000	395,269,826	(54,759,826)	54.56	(4,742,375)	(211,240)	(39,768,649)
November	364,390,000	357,071,095	7,318,905	54.56	633,840	(241,296)	(39,376,105)
December	398,560,000	440,644,093	(42,084,093)	58.98	(3,939,873)	(238,915)	(43,554,893)
	<u>4,472,070,000</u>	<u>4,771,036,160</u>	<u>(298,966,160)</u>		<u>(26,383,315)</u>	<u>(2,351,110)</u>	<u>(43,554,893)</u>
Hydraulic Allocation <sup>2</sup>					10,300,946	2,351,110	12,652,056
Hydraulic variation at year end					<u>(16,082,369)</u>	<u>-</u>	<u>(30,902,837)</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	4,959,752,852	81.8%	10,352,198	765,618	11,117,816
Industrial	690,182,871	11.4%	1,440,578		1,440,578
Rural	411,682,211	6.8%	859,280	(859,280)	-
Total	<u>6,061,617,934</u>	<u>100.0%</u>	<u>12,652,056</u>	<u>(93,662)</u>	<u>12,558,394</u>
Labrador Inteconnected (write-off to income)				93,662	93,662
				<u>-</u>	<u>12,652,056</u>

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**No. 6 Fuel Variation**  
**December 31, 2008**

	<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	315,296	1,267	314,029	54.17	69.17	15.00	4,710,435
February	278,439	3,118	275,321	54.73	70.34	15.61	4,297,761
March	231,653	1,240	230,413	55.46	71.09	15.63	3,601,351
April	169,327	583	168,744	55.46	71.52	16.06	2,710,036
May	134,027	329	133,698	55.46	71.52	16.06	2,147,194
June	26,533	258	26,275	54.49	79.33	24.84	652,660
July	339	337	2	54.49	89.89	35.40	55
August	0	408	(408)	54.49	89.89	35.40	(14,443)
September	135	369	(234)	54.49	89.95	35.46	(8,296)
October	102,573	256	102,317	54.56	90.06	35.50	3,632,242
November	215,331	1	215,330	54.56	82.18	27.62	5,947,416
December	255,028	2	255,026	58.98	59.25	0.27	68,857
	<u>1,728,681</u>	<u>8,168</u>	<u>1,720,513</u>	55.47	71.59	16.12	<u>27,745,268</u>

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Allocation of Fuel Variance - Year-to-Date**  
**December 31, 2008**

	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)	(\$)	Customers	Interconnected	(\$)	(\$)	Interconnected
		(kWh)	(kWh)	(A+B+C)	(A/D X H)	(B/D X H)	(C/D X H)	(from page 5)	(G X 88.58%)	(G X 11.42%)
					(to page 7)			(to page 7)		
January	5,013,930,402	757,617,115	402,636,925	6,174,184,442	3,825,249	578,004	307,182	4,710,435	273,699	33,483
February	5,010,687,516	745,479,713	405,359,469	6,161,526,698	7,325,661	1,089,897	592,638	9,008,196	528,040	64,598
March	5,037,540,915	725,101,495	407,923,188	6,170,565,598	10,294,212	1,481,744	833,591	12,609,547	742,730	90,861
April	5,021,579,114	715,981,053	407,769,144	6,145,329,311	12,518,206	1,784,857	1,016,520	15,319,583	905,719	110,801
May	5,010,732,890	698,078,679	407,998,011	6,116,809,580	14,308,334	1,993,390	1,165,053	17,466,777	1,038,062	126,991
June	4,998,998,529	681,489,225	409,750,041	6,090,237,795	14,872,825	2,027,540	1,219,072	18,119,437	1,086,193	132,879
July	4,991,379,950	667,970,308	410,477,609	6,069,827,867	14,900,137	1,994,008	1,225,347	18,119,492	1,091,784	133,563
August	5,008,640,188	651,211,542	411,239,047	6,071,090,777	14,936,636	1,942,026	1,226,387	18,105,049	1,092,711	133,676
September	5,010,044,656	648,919,073	411,961,865	6,070,925,594	14,934,385	1,934,355	1,228,013	18,096,753	1,094,160	133,853
October	5,012,364,843	661,618,615	412,275,567	6,086,259,025	17,895,007	2,362,093	1,471,895	21,728,995	1,311,458	160,437
November	5,004,210,952	684,182,648	412,005,514	6,100,399,114	22,703,203	3,104,013	1,869,195	27,676,411	1,665,453	203,742
December	4,959,752,852	690,182,871	411,682,211	6,061,617,934	22,701,806	3,159,108	1,884,354	27,745,268	1,678,959	205,395

(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 89.10% and 10.90% 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, 2008**

	A	B	C	D	E	F	G
	<b>Utility</b>					<b>Industrial</b>	
	Fuel Variance		Rural Allocation		Total Fuel Variance	Fuel Variance	
	Year-to-Date	Current Month	Year-to-Date	Current Month	Activity for	Year-to-Date	Current Month
	Activity	Activity <sup>(1)</sup>	Activity	Activity <sup>(1)</sup>	the month	Activity	Activity <sup>(1)</sup>
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 6)		(from page 6)		(B + D) (to page 10)	(from page 6)	(to page 11)
January	3,825,249	3,825,249	273,699	273,699	4,098,948	578,004	578,004
February	7,325,661	3,500,412	528,040	254,341	3,754,753	1,089,897	511,893
March	10,294,212	2,968,551	742,730	214,690	3,183,241	1,481,744	391,847
April	12,518,206	2,223,994	905,719	162,989	2,386,983	1,784,857	303,113
May	14,308,334	1,790,128	1,038,062	132,343	1,922,471	1,993,390	208,533
June	14,872,825	564,491	1,086,193	48,131	612,622	2,027,540	34,150
July	14,900,137	27,312	1,091,784	5,591	32,903	1,994,008	(33,532)
August	14,936,636	36,499	1,092,711	927	37,426	1,942,026	(51,982)
September	14,934,385	(2,251)	1,094,160	1,449	(802)	1,934,355	(7,671)
October	17,895,007	2,960,622	1,311,458	217,298	3,177,920	2,362,093	427,738
November	22,703,203	4,808,196	1,665,453	353,995	5,162,191	3,104,013	741,920
December	22,701,806	(1,397)	1,678,959	13,506	12,109	3,159,108	55,095
		<u>22,701,806</u>		<u>1,678,959</u>	<u>24,380,765</u>		<u>3,159,108</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, 2008**

	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	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 x {(D/O) <sup>1</sup> - E}				(G - H) x I	(F + J)
											(to page 10)
January	574,800,000	590,752,934	15,952,934	54.17	0.08805	(32,957)	0	8,227	0.00841	(69)	(33,026)
February	518,600,000	534,671,108	16,071,108	54.73	0.08805	(18,915)	0	0	0.00841	0	(18,915)
March	524,700,000	559,719,845	35,019,845	55.46	0.08805	(639)	0	2,593	0.00841	(22)	(661)
April	429,200,000	435,748,667	6,548,667	55.46	0.08805	(120)	0	0	0.00841	0	(120)
May	358,700,000	370,754,647	12,054,647	55.46	0.08805	(220)	0	0	0.00841	0	(220)
June	298,400,000	298,799,572	399,572	54.49	0.08805	(623)	0	0	0.00841	0	(623)
July	293,400,000	276,980,859	(16,419,141)	54.49	0.08805	25,580	0	54,839	0.00841	(461)	25,119
August	287,000,000	281,448,327	(5,551,673)	54.49	0.08805	8,649	0	0	0.00841	0	8,649
September	297,700,000	286,814,735	(10,885,265)	54.49	0.08805	16,959	0	0	0.00841	0	16,959
October	360,200,000	373,078,329	12,878,329	54.56	0.08805	(18,633)	0	1,353	0.00841	(11)	(18,644)
November	439,300,000	414,408,089	(24,891,911)	54.56	0.08805	36,014	0	0	0.00841	0	36,014
December	543,800,000	536,495,923	(7,304,077)	58.98	0.08805	(40,677)	0	12,805	0.00841	(108)	(40,785)
	<u>4,925,800,000</u>	<u>4,959,673,035</u>	<u>33,873,035</u>			<u>(25,582)</u>	<u>0</u>	<u>79,817</u>		<u>(671)</u>	<u>(26,253)</u>

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



**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Load Variation - Industrial**  
**December 31, 2008**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	Cost of Service Sales (kWh)	Actual Sales (kWh)	Sales Variance (kWh)	Cost of Service No. 6 Fuel Cost (\$)	Firm Energy Rate (\$/kWh)	Load Variation (\$)
			<b>(B - A)</b>			<b>C x {(D/O<sup>1</sup>) - E}</b> <b>(to page 11)</b>
January	78,300,000	51,079,860	(27,220,140)	54.17	0.03676	(1,339,888)
February	70,900,000	52,387,448	(18,512,552)	54.73	0.03676	(927,720)
March	76,600,000	55,240,151	(21,359,849)	55.46	0.03676	(1,095,157)
April	75,600,000	59,372,548	(16,227,452)	55.46	0.03676	(832,010)
May	69,500,000	57,229,347	(12,270,653)	55.46	0.03676	(629,138)
June	73,800,000	56,004,405	(17,795,595)	54.49	0.03676	(885,012)
July	77,500,000	57,664,475	(19,835,525)	54.49	0.03676	(986,462)
August	77,900,000	56,228,407	(21,671,593)	54.49	0.03676	(1,077,773)
September	73,000,000	54,523,317	(18,476,683)	54.49	0.03676	(918,884)
October	74,400,000	61,772,188	(12,627,812)	54.56	0.03676	(629,410)
November	74,100,000	68,895,119	(5,204,881)	54.56	0.03676	(259,428)
December	72,700,000	59,785,606	(12,914,394)	58.98	0.03676	(734,300)
	<u>894,300,000</u>	<u>690,182,871</u>	<u>(204,117,129)</u>			<u>(10,315,182)</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, 2008**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration <sup>(1)</sup>	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>(2)</sup>	Transfer from Old Plan	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		(\$)
	(from page 8)	(from page 7)		(A + B + C)				(to page 12)
Opening Balance <sup>(3)</sup>								(14,652,165)
January	(33,026)	4,098,948	126,133	4,192,055	(88,902)	2,055,849		(8,493,163)
February	(18,915)	3,754,753	42,481	3,778,319	(51,532)	1,860,655		(2,905,721)
March	(661)	3,183,241	42,112	3,224,692	(17,630)	1,947,834		2,249,175
April	(120)	2,386,983	59,898	2,446,761	13,647	1,516,405		6,225,988
May	(220)	1,922,471	64,030	1,986,281	37,776	1,290,226		9,540,271
June	(623)	612,622	57,595	669,594	57,886	1,039,823		11,307,574
2003 Utility plan balance <sup>(4)</sup>							(2,238,025)	9,069,549
July	25,119	32,903	8,966	66,988	55,029	(2,083,308)		7,108,258
August	8,649	37,426	(115,302)	(69,227)	43,129	(2,116,491)		4,965,669
September	16,959	(802)	(110,476)	(94,319)	30,129	(2,156,847)		2,744,632
October	(18,644)	3,177,920	(108,416)	3,050,860	16,653	(2,805,559)		3,006,586
November	36,014	5,162,191	(127,946)	5,070,259	18,242	(3,116,349)		4,978,738
December	(40,785)	12,109	(157,798)	(186,474)	30,208	(4,034,546)		787,926
Year to date	(26,253)	24,380,765	(218,723)	24,135,789	144,635	(6,602,308)	(2,238,025)	15,440,091
Hydraulic allocation (from page 4)								(11,117,816)
Total	(26,253)	24,380,765	(218,723)	24,135,789	144,635	(6,602,308)	(2,238,025)	(10,329,890)

(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 89.10% and 10.90% 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 0.348 cents per kWh effective July 1, 2007 to June 30, 2008 and \$0.752 effective July 1, 2008.

(3) The December 2007 closing balance of \$14,659,375 payable was reduced by \$7,210 related to a Rural Rate Alteration adjustment in July 2007.

(4)  
The balance in plan for utility customers will be recovered as a component of the current plan in accordance with Section E of the Rate Stabilization Plan.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Industrial Customers  
December 31, 2008**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>(1)</sup>	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 9)	(from page 7)	(A + B)			(to page 12)
Opening Balance						(8,828,968)
January	(1,339,888)	578,004	(761,884)	(53,570)	462,206	(9,182,216)
February	(927,720)	511,893	(415,827)	(55,713)	468,080	(9,185,676)
March	(1,095,157)	391,847	(703,310)	(55,734)	499,003	(9,445,717)
April	(832,010)	303,113	(528,897)	(57,312)	529,906	(9,502,020)
May	(629,138)	208,533	(420,605)	(57,654)	514,376	(9,465,903)
June	(885,012)	34,150	(850,862)	(57,434)	502,326	(9,871,873)
July	(986,462)	(33,532)	(1,019,994)	(59,898)	510,304	(10,441,461)
August	(1,077,773)	(51,982)	(1,129,755)	(63,354)	497,280	(11,137,290)
September	(918,884)	(7,671)	(926,555)	(67,576)	482,977	(11,648,444)
October	(629,410)	427,738	(201,672)	(70,677)	551,743	(11,369,050)
November	(259,428)	741,920	482,492	(68,982)	608,393	(10,347,147)
December	(734,300)	55,095	(679,205)	(62,782)	535,270	(10,553,864)
Year to date	(10,315,182)	3,159,108	(7,156,074)	(730,686)	6,161,864	(1,724,896)
Hydraulic allocation - page 4						(1,440,578)
						0
Total	(10,315,182)	3,159,108	(7,156,074)	(730,686)	6,161,864	(11,994,442)

(1) The RSP adjustment rate for Industrial Customers excluding Teck Cominco is 0.785 cents per kWh effective January 1, 2008. The rate for Teck Cominco is 2.000 cents per kWh.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Overall Summary  
December 31, 2008**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	Hydraulic	Utility	Industrial	Total
	Balance	Balance	Balance	To Date
	(\$)	(\$)	(\$)	(\$)
				<b>(A + B + C)</b>
	<b>(from page 4)</b>	<b>(from page 10)</b>	<b>(from page 11)</b>	
December 2007	(14,820,468)	(14,652,165)	(8,828,968)	(38,301,602)
January	(19,207,632)	(8,493,163)	(9,182,216)	(36,883,012)
February	(23,606,370)	(2,905,721)	(9,185,676)	(35,697,768)
March	(31,554,860)	2,249,175	(9,445,717)	(38,751,403)
April	(34,812,489)	6,225,988	(9,502,020)	(38,088,522)
May	(37,103,535)	9,540,271	(9,465,903)	(37,029,168)
June	(39,887,041)	11,307,574	(9,871,873)	(38,451,341)
July	(37,220,045)	7,108,258	(10,441,461)	(40,553,249)
August	(35,319,958)	4,965,669	(11,137,290)	(41,491,580)
September	(34,815,034)	2,744,632	(11,648,444)	(43,718,847)
October	(39,768,649)	3,006,586	(11,369,050)	(48,131,114)
November	(39,376,105)	4,978,738	(10,347,147)	(44,744,515)
December	(30,902,837)	(10,329,890)	(11,994,442)	(53,227,170)

# **RATE STABILIZATION REPORT**

Newfoundland and Labrador Hydro

June 2009



**Newfoundland and Labrador Hydro  
Rate Stabilization Plan Report  
June 30, 2009**

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**June 30, 2009**

**Summary of Key Facts**

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro), as amended by Board Order No. P.U. 40 (2003) and Order No. P.U. 8 (2007), is established for Hydro's utility customer, Newfoundland Power, and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- Customer load (Utility and Island Industrial); and
- Rural rates.

The Test Year Cost of Service Study was approved by Board Order No. P.U. 8 (2007) and is based on projections of events and costs that are forecast to happen during a test year. Finance charges are calculated on the balances using the test year Weighted Average Cost of Capital which is currently 7.529% per annum. Holyrood's operating efficiency is 630 kWh/barrel.

	2007 Test Year Cost of Service			
	Net Hydraulic	No. 6 Fuel	Utility	Industrial
	Production	Cost	Load	Load
	(kWh)	(\$Can/bbl.)	(kWh)	(kWh)
January	427,100,000	54.17	574,800,000	78,300,000
February	388,680,000	54.73	518,600,000	70,900,000
March	415,080,000	55.46	524,700,000	76,600,000
April	355,520,000	55.46	429,200,000	75,600,000
May	324,240,000	55.46	358,700,000	69,500,000
June	328,500,000	54.49	298,400,000	73,800,000
July	386,790,000	54.49	293,400,000	77,500,000
August	379,140,000	54.49	287,000,000	77,900,000
September	363,560,000	54.49	297,700,000	73,000,000
October	340,510,000	54.56	360,200,000	74,400,000
November	364,390,000	54.56	439,300,000	74,100,000
December	398,560,000	58.98	543,800,000	72,700,000
Total	<u>4,472,070,000</u>		<u>4,925,800,000</u>	<u>894,300,000</u>

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Plan Highlights**  
**June 30, 2009**

	Actual	Cost of Service	Variance	Year-to-Date Due (To) From customers	Reference
<b>Hydraulic production year-to-date</b>	2,244.4 GWh	2,239.1 GWh	5.3 GWh	\$ (318,652)	Page 4
<b>No 6 fuel cost - Current month</b>	\$ 46.40	\$ 54.49	\$ (8.09)	\$ (7,195,510)	Page 5
<b>Year-to-date customer load - Utility</b>	2,797.5 GWh	2,704.4 GWh	93.1 GWh	\$ (214,514)	Page 8
<b>Year-to-date customer load - Industrial</b>	203.1 GWh	444.7 GWh	-241.57 GWh	\$ (12,229,095)	Page 9
				<u>\$ (19,957,771)</u>	
<b>Rural rates</b>					
Rural Rate Alteration (RRA) <sup>(1)</sup>	\$ (1,439,716)				
Less : RRA to utility customer	<u>\$ (1,282,787)</u>				Page 10
RRA to Labrador interconnected	(156,929)				
Fuel variance to Labrador interconnected	<u>\$ (54,055)</u>				Page 6
Net Labrador interconnected	<u>\$ (210,984)</u>				
<b>Current plan summary</b>					
<b>One year recovery</b>					
Due (to) from utility customer	\$ (40,288,689)				Page 10
Due (to) from Industrial customers	<u>\$ (23,505,651)</u>				Page 11
Sub total	(63,794,341)				
<b>Four year recovery</b>					
Hydraulic balance	<u>\$ (32,611,927)</u>				Page 4
Total plan balance	<u>\$ (96,406,268)</u>				

<sup>(1)</sup> Beginning January 2009, the RRA includes a monthly credit of \$5,766. This amount relates to the phase in of the application of the credit from secondary energy sales to CFB Goose Bay to the Rural deficit as stated in Section B, Clause 1.3(b) of the approved Rate Stabilization Plan Regulations which received final approval in Order No. P.U. 34 (2008) issued December 22, 2008.



**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Net Hydraulic Production Variation  
June 30, 2009**

	<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							(30,902,837)
January	427,100,000	511,622,865	(84,522,865)	54.17	(7,267,625)	(187,503)	(38,357,965)
February	388,680,000	425,437,286	(36,757,286)	54.73	(3,193,216)	(232,737)	(41,783,918)
March	415,080,000	429,499,125	(14,419,125)	55.46	(1,269,341)	(253,524)	(43,306,783)
April	355,520,000	299,936,291	55,583,709	55.46	4,893,131	(262,764)	(38,676,416)
May	324,240,000	292,689,277	31,550,723	55.46	2,777,465	(234,669)	(36,133,620)
June	328,500,000	285,248,235	43,251,765	54.49	3,740,934	(219,241)	(32,611,927)
July							
August							
September							
October							
November							
December							
	<u>2,239,120,000</u>	<u>2,244,433,079</u>	<u>(5,313,079)</u>		<u>(318,652)</u>	<u>(1,390,438)</u>	<u>(32,611,927)</u>
Hydraulic Allocation <sup>2</sup>							
Hydraulic variation at year end					<u>(318,652)</u>	<u>(1,390,438.00)</u>	<u>(32,611,927)</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.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
No. 6 Fuel Variation  
June 30, 2009**

	<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.)	No.6 Fuel Variation (\$) <b>(C X F)</b> <b>(to page 6)</b>
January	310,422	690	309,732	54.17	50.53	(3.64)	(1,127,424)
February	256,185	2,424	253,761	54.73	46.99	(7.74)	(1,964,110)
March	238,388	1,139	237,249	55.46	47.52	(7.94)	(1,883,757)
April	163,842	0	163,842	55.46	46.37	(9.09)	(1,489,324)
May	59,632	0	59,632	55.46	46.37	(9.09)	(542,058)
June	23,342	0	23,342	54.49	46.40	(8.09)	(188,837)
July							
August							
September							
October							
November							
December							
	<u>1,051,811</u>	<u>4,253</u>	<u>1,047,558</u>				<u>(7,195,510)</u>

**Newfoundland and Labrador Hydro**  
**Rate Stabilization Plan**  
**Allocation of Fuel Variance – Year-to-Date**  
**June 30, 2009**

	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)	(S)	Customers	Interconnected	(S)	(S)	Interconnected
		(kWh)	(kWh)	(A+B+C)	(A/D X H)	(B/D X H)	(C/D X H)	(S)	(G X 88.58%)	(S)
					(to page 7)			(from page 5)	(to page 7)	(G X 11.42%)
January	5,005,151,512	689,749,882	414,470,780	6,109,372,174	(923,651)	(127,286)	(76,487)	(1,127,424)	(68,150)	(8,337)
February	5,010,856,454	680,296,222	412,537,210	6,103,689,886	(2,538,011)	(344,572)	(208,951)	(3,091,534)	(186,175)	(22,776)
March	5,003,195,483	666,365,030	412,541,893	6,082,102,406	(4,092,722)	(545,101)	(337,468)	(4,975,291)	(300,684)	(36,784)
April	4,989,239,677	625,317,933	413,558,514	6,028,116,124	(5,350,513)	(670,598)	(443,504)	(6,464,615)	(395,162)	(48,342)
May	4,968,395,779	587,975,854	413,195,928	5,969,567,561	(5,831,566)	(690,126)	(484,981)	(7,006,673)	(432,118)	(52,863)
June	4,973,908,918	562,003,055	409,782,881	5,945,694,854	(6,019,450)	(680,139)	(495,921)	(7,195,510)	(441,866)	(54,055)
July										
August										
September										
October										
November										
December										

(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 89.10% and 10.90% 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  
June 30, 2009**

	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	(923,651)	(923,651)	(68,150)	(68,150)	(991,801)	(127,286)	(127,286)
February	(2,538,011)	(1,614,360)	(186,175)	(118,025)	(1,732,385)	(344,572)	(217,286)
March	(4,092,722)	(1,554,711)	(300,684)	(114,509)	(1,669,220)	(545,101)	(200,529)
April	(5,350,513)	(1,257,791)	(395,162)	(94,478)	(1,352,269)	(670,598)	(125,497)
May	(5,831,566)	(481,053)	(432,118)	(36,956)	(518,009)	(690,126)	(19,528)
June	(6,019,450)	(187,884)	(441,866)	(9,748)	(197,632)	(680,139)	9,987
July							
August							
September							
October							
November							
December							
		<u>(6,019,450)</u>		<u>(441,866)</u>	<u>(6,461,316)</u>		<u>(680,139)</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 Variance – Utility  
June 30, 2009**

	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	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	574,800,000	636,159,821	61,359,821	54.17	0.08805	(126,762)	0	0	0.00841	0	(126,762)
February	518,600,000	540,373,649	21,773,649	54.73	0.08805	(25,627)	0	2,401	0.00841	(20)	(25,647)
March	524,700,000	552,059,084	27,359,084	55.46	0.08805	(499)	0	2,383	0.00841	(20)	(519)
April	429,200,000	421,770,620	(7,429,380)	55.46	0.08805	136	0	22,241	0.00841	(187)	(51)
May	358,700,000	347,556,066	(11,143,934)	55.46	0.08805	203	0	2,354,683	0.00841	(19,803)	(19,600)
June	298,400,000	299,536,918	1,136,918	54.49	0.08805	(1,771)	0	4,775,793	0.00841	(40,164)	(41,935)
July											
August											
September											
October											
November											
December											
	2,704,400,000	2,797,456,158	93,056,158			(154,320)	0	7,157,501		(60,194)	(214,514)

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

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Load Variance – Industrial  
June 30, 2009**

	<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	78,300,000	50,646,871	(27,653,129)	54.17	0.03676	(1,361,201)
February	70,900,000	42,933,788	(27,966,212)	54.73	0.03676	(1,401,471)
March	76,600,000	41,308,959	(35,291,041)	55.46	0.03676	(1,809,433)
April	75,600,000	18,325,451	(57,274,549)	55.46	0.03676	(2,936,566)
May	69,500,000	19,887,268	(49,612,732)	55.46	0.03676	(2,543,731)
June	73,800,000	30,031,606	(43,768,394)	54.49	0.03676	(2,176,693)
July						
August						
September						
October						
November						
December						
	<u>444,700,000</u>	<u>203,133,943</u>	<u>(241,566,057)</u>			<u>(12,229,095)</u>

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

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Utility Customer  
June 30, 2009**

	A	B	C	D	E	F	G	H
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration <sup>(1)</sup>	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>(2)</sup>	Transfer from Old Plan	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		(\$)
	(from page 8)	(from page 7)		(A + B + C)				(to page 12)
Opening Balance <sup>(3)</sup>								(10,329,890)
January	(126,762)	(991,801)	(260,611)	(1,379,174)	(62,677)	(4,783,922)		(16,555,663)
February	(25,647)	(1,732,385)	(319,568)	(2,077,600)	(100,451)	(4,063,628)		(22,797,342)
March	(519)	(1,669,220)	(207,444)	(1,877,183)	(138,323)	(4,151,502)		(28,964,350)
April	(51)	(1,352,269)	(192,147)	(1,544,467)	(175,741)	(3,171,882)		(33,856,440)
May	(19,600)	(518,009)	(160,450)	(698,059)	(205,424)	(2,631,329)		(37,391,252)
June	(41,935)	(197,632)	(142,567)	(382,134)	(226,871)	(2,288,432)		(40,288,689)
2003 Utility plan balance <sup>(4)</sup>								(40,288,689)
July								
August								
September								
October								
November								
December								
Year to date	(214,514)	(6,461,316)	(1,282,787)	(7,958,617)	(909,487)	(21,090,695)	0	(29,958,799)
Hydraulic allocation								0
(from page 4)								
Total	(214,514)	(6,461,316)	(1,282,787)	(7,958,617)	(909,487)	(21,090,695)	0	(40,288,689)

(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 89.10% and 10.90% 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 \$0.752 effective July 1, 2008.

(3) The balance in plan for utility customers will be recovered as a component of the current plan in accordance with Section E of the Rate Stabilization Plan.

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Industrial Customers  
June 30, 2009**

	<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						(11,994,442)
January	(1,361,201)	(127,286)	(1,488,487)	(72,776)	466,209	(13,089,496)
February	(1,401,471)	(217,286)	(1,618,757)	(79,421)	398,964	(14,388,710)
March	(1,809,433)	(200,529)	(2,009,962)	(87,303)	388,867	(16,097,108)
April	(2,936,566)	(125,497)	(3,062,063)	(97,669)	208,165	(19,048,675)
May	(2,543,731)	(19,528)	(2,563,259)	(115,578)	222,774	(21,504,738)
June	(2,176,693)	9,987	(2,166,706)	(130,480)	296,273	(23,505,651)
July						
August						
September						
October						
November						
December						
Year to date	(12,229,095)	(680,139)	(12,909,234)	(583,227)	1,981,252	(11,511,209)
Hydraulic allocation - page 4						0
Total	(12,229,095)	(680,139)	(12,909,234)	(583,227)	1,981,252	(23,505,651)

(1) The RSP adjustment rate for Industrial Customers excluding Teck Cominco is 0.785 cents per kWh effective January 1, 2008. The rate for Teck Cominco is 2.000 cents per kWh.



**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Overall Summary  
June 30, 2009**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>
	Hydraulic	Utility	Industrial	Total
	Balance	Balance	Balance	To Date
	(\$)	(\$)	(\$)	(\$)
				<b>(A + B + C)</b>
	<b>(from page 4)</b>	<b>(from page 10)</b>	<b>(from page 11)</b>	
December 2007	(30,902,837)	(10,329,890)	(11,994,442)	(53,227,170)
January	(38,357,965)	(16,555,663)	(13,089,496)	(68,003,125)
February	(41,783,918)	(22,797,342)	(14,388,710)	(78,969,971)
March	(43,306,783)	(28,964,350)	(16,097,108)	(88,368,242)
April	(38,676,416)	(33,856,440)	(19,048,675)	(91,581,532)
May	(36,133,620)	(37,391,252)	(21,504,738)	(95,029,611)
June	(32,611,927)	(40,288,689)	(23,505,651)	(96,406,268)
July				
August				
September				
October				
November				
December				