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DELIVERED BY HAND

September 4, 2008


Board of Commissioners of Public Utilities  
P.O. Box 21040  
120 Torbay Road  
St. John's, NF A1A 5B2

Attention: G. Cheryl Blundon  
Director of Corporate Services  
and Board Secretary

Ladies and Gentlemen:

**Re: Newfoundland Power's 2009 Capital Budget Application**

Please find enclosed the original and 8 copies of Newfoundland Power's revision to Schedule E.

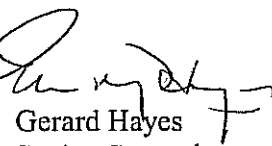
The principal purpose of the revision is to correct a clerical error that was identified subsequent to the filing of the Application. Changes to the July 11, 2008 filing to correct our error are indicated by shading as follows: .

For convenience, the revision is provided on three-hole punched paper.

A copy of this letter, together with enclosures, has been forwarded directly to Geoffrey Young, of Newfoundland & Labrador Hydro and Mr. Thomas J. Johnson, the Consumer Advocate.

If you have any questions regarding the enclosed, please contact the undersigned at your convenience.

Yours very truly,

  
Gerard Hayes  
Senior Counsel

Enclosures

c. Geoffrey Young  
Newfoundland & Labrador Hydro

Thomas Johnson  
O'Dea Earle Law Offices



Join us in the fight against cancer.

**Rate Base**

**Newfoundland Power Inc.  
2009 Capital Budget  
Rate Base  
(000s)**

	<b>Historical Data</b>	
	<b>2006</b>	<b>2007</b>
Plant Investment	\$1,186,614	\$1,239,186
<u>Deduct:</u>		
Accumulated Depreciation	494,851	516,478
Contributions in Aid of Construction	23,142	24,217
Weather Normalization Reserve	(11,808)	(10,516)
Purchase Power Unit Cost Variance Reserve	1,342	1,650
	<u>507,527</u>	<u>531,829</u>
	679,087	707,357
Add - Contributions Country Homes	<u>1,001</u>	<u>1,346</u>
Balance - Current Year	680,088	708,703
Balance - Previous Year	<u>659,797</u>	<u>680,088</u>
Average	<u>669,943</u>	694,396
Deferred Energy Replacement Cost	-	574
Deferred Regulatory Cost	-	8,690
Cash Working Capital Allowance	5,522	6,669
Materials and Supplies	4,510	4,393
Average Deferred Charges	94,338	96,784
Average Unrecognized 2005 Unbilled Revenue	<u>(21,396)</u>	<u>(17,803)</u>
Average Rate Base at Year End	<u>\$752,917</u>	<u>\$793,703</u>