

IN THE MATTER OF the *Public Utilities Act*,  
R.S.N.L. 1990, Chapter P-47, as amended (the  
"Act"); and

IN THE MATTER OF a General Rate  
Application by Newfoundland Power Inc. to  
establish customer rates for 2010

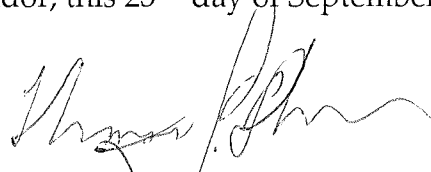
**CONSUMER ADVOCATE'S ISSUES LIST**  
(Submitted September 23, 2009)

The Consumer Advocate states the following to be issues as at this time. The Consumer Advocate reserves the right to take issue with other relevant matters that may arise.

1. The Company's request that the Board discontinue the use of the Automatic Adjustment Formula for setting the allowed rate of return on rate base;
2. The Company's request that the Board should permit it an increase in the rate of return on common equity for ratemaking purposes to 11%;
3. The Company's request that the Board approve, with effect from January 1, 2010, the adoption of the accrual method of accounting for other post employment benefits as set out in the Application;
4. The extent to which ratepayers ought to bear the burden of other post employment benefits expense (including liability for the transitional obligation) in all of the circumstances including the fact that post-age 65 retirees are not required to make any contribution to the premiums costs;

5. The Company's request that the Board approve amortizations with effect from January 1, 2010, to recover over one year an estimated \$750,000 in Board and Consumer Advocate costs related to the Application;
6. Executive Compensation;
7. Inter-corporate transactions;
8. Whether operational cost reductions and efficiencies should be considered;
9. The appropriate treatment of the gain from the sale of the Kenmount Road property;
10. Whether a deferral account should be established to capture the liabilities and benefits associated with the litigation and ultimate resolution of the Mobile River Watershed dispute with the City of St. John's.

**DATED** at St. John's, Newfoundland & Labrador, this 23<sup>rd</sup> day of September, 2009.



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To: Newfoundland and Labrador Hydro  
Attention: Mr. Geoffrey Young

To: Newfoundland Power Inc.  
Attention: Mr. Ian Kelly, Q.C./Mr. Gerard Hayes