

- 1   **Q.    Please provide copies of NP’s Media Releases of May 10, 2007 and May 10, 2009**  
2       **entitled “Newfoundland Power files for rate changes” and “Power Connection”**  
3       **dated June of 1999.**  
4  
5    A.   Copies of Newfoundland Power’s Media Releases of May 10, 2007 and May 28, 2009  
6       both entitled “Newfoundland Power files for rate changes” and “Power Connection”  
7       dated June 2009 are attached as Attachments A, B and C, respectively.

**Newfoundland Power Inc.**  
**Media Release**  
**May 10, 2007**

55 Kenmount Road  
P.O. Box 8910  
St. John's, NL  
A1B 3P6

## Newfoundland Power files for rate changes

For immediate release:

May 10, 2007

(St. John's, NL): Newfoundland Power Inc. (TSX:FTS) today filed two applications with the Newfoundland and Labrador Board of Commissioners of Public Utilities (the "PUB") proposing changes to electricity rates for its customers on July 1, 2007 and January 1, 2008. If approved by the PUB, the net impact of the proposed rate changes will be an overall average increase to current electricity rates of approximately 2.4%.

### **Proposed July 1, 2007 rate decrease**

For July 1, 2007, the Company is proposing an overall average decrease to current electricity rates of 2.9%.

This proposed decrease results from the annual review of the Rate Stabilization Account (the "RSA"). The RSA provides for adjustment to electricity rates each year on July 1 to reflect the price and amount of oil used by Newfoundland and Labrador Hydro in the generation of electricity.

"The price and amount of oil required for generation over the past year were lower than forecast, which results in a 2.9% rate decrease for our customers this coming July," said Earl Ludlow, President and Chief Executive Officer, Newfoundland Power Inc. "Rising oil costs have been placing upward pressure on electricity rates, so a rate decrease this July is positive news for our customers."

Newfoundland Power expects that the PUB will consider and rule on this application in the next month or so to allow an appropriate rate adjustment to be implemented on July 1, 2007.

### **Proposed January 1, 2008 rate increase**

For January 1, 2008, the Company is proposing an overall average increase to current electricity rates of 5.3%.

This proposed increase results from a full review of Newfoundland Power's costs and customer rates which has been filed as part of its 2008 General Rate Application ("GRA"). As a regulated utility, Newfoundland Power periodically files GRAs with the PUB. It has been five years since the Company last filed a GRA.

"Newfoundland Power works hard to manage its controllable operating costs, and as a result, we have reduced our operating cost per customer by 13% over the past five years on an inflation adjusted basis," indicated Ludlow. "There are, however, several cost drivers behind the proposed rate increase, one of the main ones being depreciation costs."

"Over the past five years alone, we have invested approximately \$290 million in capital projects. Our investments have benefited customers through a 39% decrease in the number of outages per customer over the same period."

The other principal cost drivers of this GRA relate to changes in accounting practices for retirement costs and the Company's return on equity.

Based on a detailed review of costs and customer usage patterns, Newfoundland Power is proposing in this GRA that the rate increase vary across each of its customer categories. The proposed increase ranges from 1.3% to 5.3% for commercial categories and will average 6.4% for residential customers.

"When setting electricity rates, it is important that the cost of providing service is fairly allocated and reflects the actual cost of providing electricity to customers in each category," added Ludlow.

Newfoundland Power expects that its GRA will be subject to a thorough public review by the PUB over the coming months.

"We recognize that any rate increase is significant for our customers," concluded Ludlow.

"However, even after the proposed rate changes, our electricity rates for residential customers will remain the lowest in Atlantic Canada. We will continue to help all of our customers manage their energy usage and provide easy, practical tips on how to reduce their electricity bills through our *Bright Ideas* campaign."

Visit [www.newfoundlandpower.com](http://www.newfoundlandpower.com) for more information on ways to reduce your energy usage in an effort to better manage your electricity bill, or to review Newfoundland Power's 2008 GRA.

*With a customer base of over 230,000 accounts, Newfoundland Power is dedicated to providing the highest level of customer service and reliability of electricity in the most cost-efficient manner possible. For more information on Newfoundland Power's programs, services and community partnerships, please visit [www.newfoundlandpower.com](http://www.newfoundlandpower.com).*

-30-

For further information, please contact:

Bob Pike, Manager, Corporate Services

Newfoundland Power Inc.

Phone: (709) 737-5674 / Cellular: (709) 685-4242

**Newfoundland Power Inc.**  
**Media Release**  
**May 28, 2009**

55 Kenmount Road  
P.O. Box 8910  
St. John's, NL  
A1B 3P6

## Newfoundland Power files for rate changes

For Immediate Release:

May 28, 2009

(St. John's, NL): Newfoundland Power Inc. today filed two applications with the Newfoundland and Labrador Board of Commissioners of Public Utilities ("PUB") proposing changes to electricity rates for its customers on July 1, 2009 and January 1, 2010. If approved by the PUB, the net impact of the proposed rate changes will be an overall average decrease to current electricity rates of approximately 0.5%. Therefore, electricity rates in January 2010 will be, on average, similar to those in January 2009.

### **Proposed July 1, 2009 rate decrease**

For July 1, 2009, the Company is proposing an overall average decrease to current electricity rates of 6.6%.

This proposed decrease results from the annual review of the Rate Stabilization Account ("RSA"). The RSA provides for adjustment to electricity rates each year on July 1 to reflect the price and amount of oil used by Newfoundland and Labrador Hydro in the generation of electricity.

"The price and amount of oil required for generation over the past year were lower than forecast, which results in a 6.6% rate decrease for our customers this coming July," said Earl Ludlow, President and Chief Executive Officer, Newfoundland Power Inc.

Newfoundland Power expects that the PUB will consider and rule on this application over the next several weeks to allow an appropriate rate adjustment to be implemented on July 1, 2009.

### **Proposed January 1, 2010 rate increase**

For January 1, 2010, the Company is proposing an overall average increase to current electricity rates of 6.1%.

This proposed increase results from a review of Newfoundland Power's costs and customer rates which have been filed as part of its 2010 General Rate Application ("GRA"). As a regulated utility, Newfoundland Power periodically files GRAs with the PUB.

"We work hard to reduce the impact of rate increases on our customers. This is balanced with the need to maintain and extend the electricity system to continue to provide our customers with safe, reliable service," indicated Ludlow. "Over the past five years alone, we have invested over \$300 million in our provincial electricity system. Reasonable future returns on this investment is one component of this rate increase."

Another driver behind the GRA is the cost associated with the delivery of electricity, a significant portion of which is the result of connecting a growing number of new homes to the electricity system and delivering more electricity to our customers. The other principal cost driver relates to changes in accounting practices for retirement costs.

"In addition, we are experiencing increased costs related to the recruitment and development of our workforce to ensure we can provide customers with service over the long term," said Ludlow.

Based on a detailed review of costs and customer usage patterns, Newfoundland Power is proposing in this GRA that the rate increase vary across each of its customer categories. The proposed average increase ranges from 4.1% to 6.1% for commercial categories and 6.8% for residential customers.

When setting electricity rates, it is important that the cost of providing service is fairly allocated and reflects the actual cost of providing electricity to customers in each category,” added Ludlow.

Newfoundland Power expects that its GRA will be subject to a thorough public review by the PUB over the coming months.

“We recognize that any rate increase is significant for our customers,” concluded Ludlow.

“However, even after the proposed rate changes, our electricity rates for residential customers will still remain the lowest in Atlantic Canada. We are committed to helping all of our customers use energy wisely with enhanced programs and practical tips on how to save energy and save money with our new energy efficiency partnership with Newfoundland and Labrador Hydro, takeCHARGE – Saving Energy Starts Here!”

A new website, [takechargenl.ca](http://takechargenl.ca), provides more information on ways electricity consumers can reduce their energy usage and save money on their electricity bill. Visit [newfoundlandpower.com](http://newfoundlandpower.com) to review Newfoundland Power’s 2010 GRA.

*With a customer base of over 237,000 accounts, Newfoundland Power is committed to safety and dedicated to providing the highest level of customer service and reliability of electricity in the most cost-efficient manner possible. For more information on Newfoundland Power’s programs, services and community partnerships, please visit [newfoundlandpower.com](http://newfoundlandpower.com).*

-30-

For further information, please contact:

Bob Pike, Manager, Corporate Relations

Newfoundland Power Inc.

Phone: (709) 737-5674 / Cellular: (709) 685-4242

**Newfoundland Power Inc.**  
**Power Connection**  
**June 2009**



# POWERConnection

A newsletter for customers of Newfoundland Power

June 2009

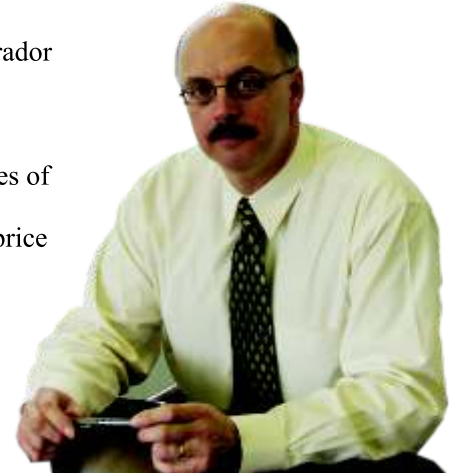
## Proposed changes to electricity rates

On May 28, 2009, Newfoundland Power filed two applications with the Newfoundland and Labrador Board of Commissioners of Public Utilities ("PUB") proposing changes to electricity rates on July 1, 2009 and January 1, 2010.

For July 1, 2009, the Company is proposing an overall average decrease to current electricity rates of 6.6%. This proposed decrease results from the annual review of the Rate Stabilization Account ("RSA"). The RSA provides for adjustment to electricity rates each year on July 1 to reflect the price and amount of oil used by Newfoundland and Labrador Hydro in the generation of electricity.

The price and amount of oil required for generation over the past year were lower than forecast, which results in a rate decrease for our customers this coming July. Rising oil costs have been placing upward pressure on electricity rates in recent years, so a rate decrease this July is positive news for our customers.

For January 1, 2010, the Company is proposing an overall average increase to current electricity rates of 6.1%. This increase is proposed in our 2010 General Rate Application ("GRA"), which will involve a full review of Newfoundland Power's costs and customer rates. As a regulated utility, Newfoundland Power is required to periodically file a GRA with the PUB.



**Earl Ludlow**  
President & Chief Executive Officer

We have worked hard to manage our controllable operating costs in an effort to minimize our impact on electricity rates while balancing the need to maintain and improve the provincial electricity system to continue to provide you with safe, reliable, least-cost service. Over the past five years alone, we have invested over \$300 million in capital projects, resulting in a 25% decrease in the number of outages per customer over the same period. Although we have been able to maintain the same level of operating costs for the past five years, current market conditions are placing upward pressure on our costs. The main cost drivers behind this GRA include an increase in the costs associated with the delivery of electricity to our customers, changes in accounting practices for retirement costs and the Company's return on equity.

**The net impact of the proposed rate changes will be an overall average decrease to current electricity rates of approximately 0.5%. Therefore, electricity rates in January 2010 will be, on average, similar to those in January 2009. However, even after the proposed rate changes, our electricity rates for residential customers will still remain the lowest in Atlantic Canada.**

Based on a detailed review of costs and customer usage patterns, we are proposing in this GRA that the rate increase vary across each of our customer categories. The reason we are proposing this is to ensure fairness so that rates reflect the actual cost of providing electricity to customers in each category.







We are committed to continuing to help you use energy wisely with enhanced programs and practical tips on how to save energy and save money throughout your homes and businesses with our new energy efficiency partnership with Newfoundland and Labrador Hydro, takeCHARGE – Saving Energy Starts Here! I encourage you to learn more about saving energy and money at [takecharginl.ca](http://takecharginl.ca) and to visit our website to review our GRA. A copy of our GRA is also available for your review at each of our Area Offices.

### Proposed rate changes by customer category

Customer Category	July 1, 2009 average rate decrease	January 1, 2010 average rate increase
Domestic/Residential	-6.6%	6.8%
General Service 0 - 10 kW	-5.0%	4.1%
General Service 10 - 100 kW (110 kVA)	-6.3%	4.1%
General Service 110 - 1000 kVA	-7.5%	5.1%
General Service 1000 kVA & over	-8.7%	6.1%
Street & Area Lighting	-1.9%	6.1%

*The actual impact of the proposed rate changes on individual customers will vary depending on customer usage.*

# Put Safety First

-  Obey the signs: Keep Out! Entering a substation yard, climbing a substation fence or damaging electrical equipment are dangerous activities.
-  Never fly kites near power lines or try to retrieve a kite that has become tangled in a power line.
-  Don't swim near hydroelectric facilities. These facilities are automatically controlled, and water levels and flows can change quickly, resulting in injury or death.
-  Never climb poles or towers! Climbing poles or transmission towers are dangerous activities that can cause serious harm.
-  Never build a tree house in trees near power lines or climb trees growing near power lines.
-  Visit **KidZone** to learn more about electrical safety in your home, school and neighbourhood.



## Call before you dig!

Planning a project that requires digging or excavating? Call us first to find out if and where it is safe for you to dig. There is danger below if underground power lines are located on your property. Contact with energized power lines can cause serious injury or death.

**Safety is our priority. Make it yours too!**



**Save energy. Save money.  
It's in your hands!**



**take!**  
**CHARGE!**  
Saving Energy Starts Here 

**takechargenl.ca**