

**Q. Please provide a table showing the forecast revenue from existing rates and the revenue from proposed rates for 2010 for each rate class.**

**A.** Table 1 shows forecast total revenue from existing and adjusted proposed rates for 2010 for each rate class.<sup>1</sup> The total revenue from existing and adjusted proposed rates reflects the July 1, 2009 Rate Stabilization and Municipal Tax Adjustments.<sup>2</sup>

**Table 1**  
**2010 Total Revenue from Existing and the Adjusted Proposed Rates**  
**(includes July 1, 2009 RSA and MTA)**  
**(\$000s)**

<b>Rate Class</b>	<b>Existing</b>	<b>Adjusted Proposed</b>	<b>Average Rate Change %</b>
Domestic	322,441	346,057	7.3
General Service 0-10 kW	12,181	12,740	4.6
General Service 10-100 kW	66,848	69,914	4.6
General Service 110-1000 kVA	77,577	81,911	5.6
General Service 1000 kVA & Over	32,391	34,526	6.6
Street and Area Lighting	13,290	14,166	6.6
Forfeited Discounts	2,704	2,863	5.9
<b>Total</b>	<b>527,432</b>	<b>562,177</b>	<b>6.6</b>

Table 1 shows an average increase in rates of 6.6%. This compares to the 6.1% included in the Application which reflected the RSA and MTA factors in effect at the time of the application (i.e. May 28, 2009). The change in the RSA and MTA factors on July 1, 2009 *reduced* the total revenue forecast from existing rates by approximately 6.6%. This resulted in the proposed increase in revenue from rates being applied to *lower* existing total revenue. Consequently, the proposed change in rates *increased* from 6.1% to 6.6%.

Exhibit 10 to the Application provides the calculation of the 6.1%. Attachment A provides an adjusted Exhibit 10 showing the calculation of the 6.6%.

<sup>1</sup> Total revenue includes billings from the Rate Stabilization Adjustment (the “RSA”) and the Municipal Tax Adjustment (the “MTA”),

<sup>2</sup> The adjusted proposed rates are provided in information request CA-NP-71, Attachment A.

**Exhibit 10 Adjusted**

## Newfoundland Power Inc.

2010 Average Rate Change<sup>1</sup>  
(\$000s)

	Existing <sup>2</sup>	Proposed <sup>3</sup>	Difference	Price Elasticity <sup>4</sup>	Proposed Increase <sup>5</sup>
	A	B	C	D	E
1 Revenue From Rates	514,817	545,312	30,495	3,424	33,919
2					
3 RSA Charges	3,546	3,520	(26)	26	-
4					
5 MTA Charges	12,603	13,345	742	84	826
6					
7 Total	530,966	562,177	31,211	3,534	34,745
8					
9 <b>Customer Rate Change<sup>6</sup></b>					6.6%

<sup>1</sup> The average rate change provides the estimated proposed change relative to customer rates in effect after the 2009 annual RSA & MTA factor change (i.e., effective July 1, 2009).

<sup>2</sup> 2010 Revenue from existing rates based on *base* rates effective July 1, 2008. RSA & MTA charges based on July 1, 2009 RSA & MTA factors.

<sup>3</sup> Revenue from proposed rates, reflecting elasticity effects of proposed increase, from Exhibit 7. RSA & MTA charges based on July 1, 2009 RSA & MTA factors.

<sup>4</sup> Elasticity impacts represent revenue reductions from reduced customer usage as a result of the proposed rate increase.

<sup>5</sup> Difference between existing and proposed forecasts plus additional revenue requirement to offset price elasticity impact (Column C plus Column D).

<sup>6</sup> Total of Column E expressed as percentage of (Column A less Column D).