

1    Q.    **2013 General Rate Application, Rural Rates**

2            Further to PUB-NLH-85, compare each category of the 2007 revenue requirement  
3            with that proposed for 2013 as set out in Exhibit 13, Schedule 1.1, page 1 of 2.

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6    A.    Please see PUB-NLH-086 Attachment 1 (Revision 1), which presents the increases /  
7            decreases in each category proposed for 2015 as set out in Exhibit 13, Schedule 1.1,  
8            page 1 of 2, when compared to the 2007 revenue requirement.

## NEWFOUNDLAND &amp; LABRADOR HYDRO

## Forecast Cost of Service

## Total System

## Revenue Requirement Increase / (Decrease) From 2007 Test Year to 2015 Test Year

Line No.	Description	2015 (\$)	2007 (\$)	Increase / (Decrease) (\$)	Basis of Proration
<b>Expenses</b>					
1	Operating, Maintenance and Admin.	139,566,670	96,292,017	43,274,653	Detailed Analysis
2	Fuels - No. 6 Fuel	245,426,358	137,356,005	108,070,353	Detailed Analysis
3	Fuels - Diesel	18,754,061	10,493,100	8,260,961	Detailed Analysis
4	Fuels - Gas Turbine	3,672,993	586,522	3,086,471	
5	Fuel Supply Deferral	1,991,280		1,991,280	
5 & 6	Power Purchases -CF(L)Co	1,856,851	2,537,795	(680,944)	Detailed Analysis
6 & 7	Power Purchases - Other	61,396,916	35,789,406	25,607,510	Detailed Analysis
7 & 9	Depreciation	64,339,518	38,824,894	25,514,624	Detailed Analysis
<b>Expense Credits:</b>					
8 & 10	Sundry	(664,680)	(556,962)	(107,718)	Total O&M Expenses
9 & 11	Building Rental Income	(17,472)	(6,829)	(10,643)	Detailed Analysis
10 & 12	Tax Refunds	-	-	-	Total O&M Expenses
11 & 13	Suppliers' Discounts	(103,548)	(35,991)	(67,557)	Total O&M Expenses
12 & 14	Pole Attachments	(1,718,482)	(1,421,660)	(296,822)	Detailed Analysis
13 & 15	Secondary Energy Revenues	-	-	-	Island Interconnected
14 & 16	Wheeling Revenues	-	(41,088)	41,088	Island Interconnected
15 & 17	Application Fees	(26,544)	(28,896)	2,352	Detailed Analysis
16 & 18	Meter Test Revenues	(3,400)	0	(3,400)	Weighted Customers
17 & 19	<b>Total Expense Credits</b>	<b>(2,534,126)</b>	<b>(2,091,426)</b>	<b>(442,700)</b>	
18 & 20	<b>Subtotal Expenses</b>	<b>534,470,521</b>	<b>319,788,313</b>	<b>214,682,208</b>	
19 & 21	Disposal Gain/Loss	4,074,381	1,366,000	2,708,381	Detailed Analysis
20 & 22	<b>Subtotal Rev Req't Excl Return</b>	<b>538,544,902</b>	<b>321,154,313</b>	<b>217,390,589</b>	
21 & 23	Return on Debt	88,982,245	102,831,271	(13,849,027)	Rate Base
22 & 24	Return on Equity	33,867,524	7,978,717	25,888,807	Rate Base
23 & 25	<b>Total Revenue Requirement</b>	<b>661,394,670</b>	<b>431,964,301</b>	<b>229,430,370</b>	