Q. In reference to the RSP Adjustment of (1.101) cents per kWh presented in the Monthly Rates of the Utility Rate Schedule provided with the GRA Application (page 3 of 47), provide all related data and work papers and explain in detail how this rate was calculated and the elements of the RSP balance that it is intended to cover.

A. The RSP Adjustment of (1.101) cents per kWh presented in the Monthly Rates of the Utility Rate Schedule is the current plan portion of the RSP Adjustment rate currently in effect for NP[1]. Please see PUB-NLH-347 Attachment 1 for a copy of the application related to this RSP Adjustment, which shows the calculation of the (1.101).

[1] Approved in Order No. P.U. 17(2013).

newfoundland labrador hydro
a nalcor energy company

Hydro Place. 500 Columbus Drive.
P.O. Box 12400. St. John's. NL
Canada A1B 4K7
t. 709.737.1400 f. 709.737.1800
www.nlh.nl.ca

April 12, 2013

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

ATTENTION: Ms. Cheryl Blundon
Director of Corporate Services & Board Secretary

Dear Ms. Blundon:

Re: Rate Stabilization Plan – Fuel Price Projection

By Order No. P.U. 40(2003), the Board approved amendments to Hydro's Rate Stabilization Plan (RSP). The provisions of the RSP include an annual requirement that Hydro, by the 10th working day of April, report to the Board, Newfoundland Power and the Industrial Customers, Hydro's RSP Fuel Price Projection for Newfoundland Power. Please find enclosed an original and eight copies of Hydro's calculation of its RSP fuel rider, attached hereto as Schedule A, which has been prepared in the format set out in the RSP, as amended. The fuel rider becomes effective July 1st of each year.

By Order No. P.U. 11(2008) and Order No. P.U. 22(2009) the Board approved a modification to the calculation of the Newfoundland Power Fuel Price Projection such that the 2007 Test Year barrels of No. 6 fuel forecast to be consumed at the Holyrood Thermal Generating Station was reduced by 589,208 based on the reduction in forecast Island Industrial Customer load caused by the shutdown of one of the paper machines at Corner Brook Pulp and Paper (CBPP) and the shutdown of Abitibi Consolidated (Grand Falls).

As is shown on Schedule A, page 1 of 2, the estimated fuel rider for Newfoundland Power is 16.34 mills/kWh. This value is based upon a forecasted fuel price of $105.80/bbl ($Can) as shown on page 2 of the attached Schedule A. This forecasted fuel price reflects an increase of $50.40/bbl ($Can) over the 2007 Test Year and a reduction of $13.00/bbl ($Can) to the price of fuel included in the fuel rider currently in effect.

Aside from the fuel rider calculation, Schedule A also indicates the rate for the March Balance of the RSP for Newfoundland Power as this also factors into the RSP Adjustment Rate effective July 1st, 2013.

In summary, the following table outlines the RSP rate, including the fuel rider, for Newfoundland Power to become effective July 1st, 2013.

Newfoundland Power	**Existing RSP Rate (mills/kWh)**	**New RSP Rate (mills/kWh)**
March 31st Balance	(5.01)	(11.01)
Fuel Rider	20.56	16.34
Total RSP Rate	15.55	5.33

At this time, Hydro is applying to the Board for approval of these rates to Newfoundland Power. The attached Schedule B (Utility) is to be implemented as of July 1st, 2013. The March RSP report is also enclosed for consideration in this Application.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO

Geoffrey P. Young
Senior Legal Counsel

GPY/jc

cc: Gerard Hayes – Newfoundland Power
Paul Coxworthy – Stewart McKelvey Stirling Scales
Dean Porter – Poole Althouse
Thomas Johnson – Consumer Advocate

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the *EPCA*) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the *Act*) and regulations thereunder;

AND IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for the approval, pursuant to Section 70 (1) of the Act, of the Rate Stabilization Plan component of the rates to be charged to Newfoundland Power.

TO: The Board of Commissioners of Public Utilities (the Board)

THE APPLICATION OF NEWFOUNDLAND AND LABRADOR HYDRO (Hydro) STATES THAT:

1. Hydro is a corporation continued and existing under the *Hydro Corporation Act*, 2007, is a public utility within the meaning of the *Act* and is also subject to the provisions of the *Electrical Power Control Act, 1994*.

2. Order No. P.U. 40(2003) sets out the manner by which the Rate Stabilization Plan (RSP) is calculated and applied to the rates charged by Hydro to Newfoundland Power and to its Island Industrial Customers. Under that Order, Hydro is required to provide a Newfoundland Power fuel price projection to the Board, to Newfoundland Power and to Hydro's Industrial Customers by the tenth working day of April of each year.

3. In accordance with Order No. P.U. 40(2003), the RSP is calculated using the assumptions as to fuel consumption that were approved by the Board for Hydro's 2007 Test Year and that were amended in Order No. P.U. 11(2008) and Order No. P.U. 22(2009) to adjust the 2007 Test Year barrels of No. 6 fuel forecast to be consumed at the Holyrood Thermal Generating Station to reflect the substantial reduction in load applicable to the shutdown of one of the paper machines at

Corner Brook Pulp and Paper and the shutdown of Abitibi Consolidated (Grand Falls).

4. Hydro hereby requests that the Board make an Order approving the RSP rate to be charged by Hydro to Newfoundland Power, as calculated in Schedule A and as set out in Schedule B to this application, to be effective for electrical consumption on or after July 1, 2013.

DATED AT St. John's in the Province of Newfoundland and Labrador this 12th day of April 2013.

Geoffrey P. Young
Counsel for the Applicant
Newfoundland and Labrador Hydro,
500 Columbus Drive, P.O. Box 12400
St. John's, Newfoundland, A1B 4K7
Telephone: (709) 737-1277
Facsimile: (709) 737-1782

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the *EPCA*) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the *Act*) as amended, and their subordinate regulations;

AND IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for the approval, pursuant to Section 70 (1) of the Act, of the Rate Stabilization Plan component of the rates to be charged to Newfoundland Power.

AFFIDAVIT

I, Derrick F. Sturge, Chartered Accountant, of St. John's in the Province of Newfoundland and Labrador, make oath and say as follows:

1. I am Vice-President, Finance and Chief Financial Officer, of Newfoundland and Labrador Hydro, the Applicant named in the attached Application.

2. I have read and understand the foregoing Application.

3. I have personal knowledge of the facts contained therein, except where otherwise indicated, and they are true to the best of my knowledge, information and belief.

SWORN at St. John's in the Province of Newfoundland and Labrador this 12th day of April 2013, before me:)

Barrister – Newfoundland and Labrador

Derrick F. Sturge

(DRAFT ORDER)
NEWFOUNDLAND AND LABRADOR
AN ORDER OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

NO. **P.U. __ (2013)**

IN THE MATTER OF the *Electrical Power Control Act*, RSNL 1994, Chapter E-5.1 (the *"EPCA"*) and the *Public Utilities Act*, RSNL 1990, Chapter P-47 (the "*Act*") and regulations thereunder;

AND

IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for the approval, pursuant to Section 70 (1) of the Act, of the Rate Stabilization Plan (RSP) component of the rates to be charged to Newfoundland Power Inc.

WHEREAS Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the *Act* and is also subject to the provisions of the *EPCA*; and

WHEREAS on April 12, 2013, in accordance with Order No. P.U. 40 (2003), Hydro provided written notice to the Board, to Newfoundland Power and to its Industrial Customers as to the forecast fuel price change, the resulting fuel rider, and the Rate Stabilization Plan (the "RSP") rate to be applied to Newfoundland Power's rates, effective July 1, 2013; and

WHEREAS on April 12, 2013, Hydro filed an application (the "Application") with supporting information seeking approval of the RSP components of the rates to be charged to Newfoundland Power Inc. ("Newfoundland Power"); and

WHEREAS Order No. P.U. 40(2003) sets out the manner by which the RSP is calculated and applied to the rates charged by Hydro to Newfoundland Power and to its Island Industrial Customers; and

WHEREAS notice of the application was sent to Newfoundland Power, the Industrial Customers and the Consumer Advocate on , 2013; and

WHEREAS Order No. P.U. 39(2010) approved, on an interim basis:

(i) The rates, tolls and charges to be effective for consumption by Newfoundland Power as at January 1, 2011; and
(ii) The Rate Stabilization Plan rules; and

WHEREAS Order No. P.U. 1(2011) approved modifications to the RSP rules and approved, on an interim basis, the RSP rules; and

WHEREAS the Board has considered the application and the information and calculations contained therein and is satisfied that the proposed forecast fuel variance, the resulting fuel rider and the RSP rate to be applied to Newfoundland Power's rates are in accordance with the methodology of the interim RSP previously approved by the Board.

IT IS THEREFORE ORDERED THAT:

1. The rates to be charged by Hydro to Newfoundland Power, as set out in Schedule "A" to this Order, to be effective for electrical consumption on or after July 1, 2013, are approved on an interim basis

2. Hydro shall pay the expenses of the Board incurred in connection with this matter.

Dated at St. John's, Newfoundland and Labrador, this day of 2013.

Andrew Wells
Chair & Chief Executive Officer

Darlene Whalen, P. Eng.
Vice Chair

Dwanda Newman, LL.B.
Commissioner

G. Cheryl Blundon
Board Secretary

Schedule "A"

Order No. P. U. __(2013)

SCHEDULE A
Page 1 of 2

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN FUEL PRICE PROJECTION RIDER
No. 6 0.7% Sulphur Fuel Price Projection
Utility Customer

Line No	Customer Allocation	Amount	Comments
1	March Fuel Price Projection	$ 105.80	From Page 2
2	2007 Test Year Fuel Forecast Price	$ 55.40	
3	Forecast Fuel Price Variance	$ 50.40	Line 1 - Line 2
4	2007 Test Year No. 6 Barrels Consumed	1,878,188	From Line 41
5	Forecast Fuel Variance	$ 94,660,675	Line 3 x Line 4
6	Utility Customer Allocation Ratio for March	92.88%	From Line 8
7	Utility Customer Allocation	$ 87,920,835	Line 5 x Line 6

	Calculation of Customer Allocation	kWh	Percent of Total	Allocation of Rural	Total
8	12 months to date (Apr 2012-Mar 2013) Utility Sales	5,379,834,205	86.49%	6.39%	92.88%
9	12 months to date (Apr 2012-Mar 2013) Industrial Customer Sales	394,061,387	6.34%	0.00%	6.34%
10	12 months to date (Apr 2012-Mar 2013) Bulk Rural Energy	446,084,468	7.17%	-7.17%	0.00%
11	Total	6,219,980,060			

	Calculation of Utility Customer RSP Rate	Amount	Comments
	Rate Rider		
12	Utility Allocation March	$ 87,920,835	From Line 7
13	12 months to date Utility Sales (kWh)	5,379,834,205	From Line 8
14	Fuel Projection Rider (mills per kWh)	16.34	Line 12/Line 13 x 1000
15	March Balance	$ (61,498,387)	March RSP
16	Forecast Financing Costs	$ (3,473,592)	From Line 38
17	Forecast Recovery to June 30	$ 5,766,343	Lines 23 to 25
18	Total to be recovered	$ (59,205,636)	Lines 15 to 17
19	12 months to date (Apr 2012-Mar 2013) Utility Sales	5,379,834,205	From Line 8
20	Balance Rate (mills per kWh)	(11.01)	Line 18/Line 19 x 1000
21	RSP Adjustment Rate (mills per kWh)	5.33	Line 14 + Line 20

Utility Forecast Recovery
2012 - 2013

	2007 Test Year Weighted Average Cost of Capital per annum	7.529%
	Nominal Financing Rate	7.281%

		Sales kWh	Financing Costs	Adjustment	Total To Date Balance
22	Balance Forward				$ (61,498,387)
23	April	441,536,421	$ (373,141)	$ 2,212,097	(59,659,431)
24	May	373,354,613	(361,984)	1,870,507	(58,150,908)
25	June	336,075,643	(352,831)	1,683,739	(56,820,000)
26	July	304,953,721	(344,755)	3,356,047	(53,808,708)
27	August	308,703,287	(326,484)	3,397,312	(50,737,880)
28	September	288,424,033	(307,852)	3,174,137	(47,871,596)
29	October	378,470,480	(290,461)	4,165,107	(43,996,949)
30	November	453,290,480	(266,951)	4,988,509	(39,275,392)
31	December	611,252,024	(238,303)	6,726,892	(32,786,803)
32	January	703,822,928	(198,934)	7,745,645	(25,240,092)
33	February	607,306,570	(153,144)	6,683,472	(18,709,764)
34	March	572,644,005	(113,521)	6,302,007	(12,521,279)
35	April	441,536,421	(75,973)	4,859,154	(7,738,097)
36	May	373,354,613	(46,951)	4,108,806	(3,676,242)
37	June	336,075,643	(22,306)	3,698,547	(0)
38	Total		$ (3,473,592)	$ 64,971,979	

2007 Test Year Barrels Adjusted for Reduction in Corner Brook Pulp and Paper Limited (CBPP) and Abitibi Consolidated (Grand Falls) Load

39	2007 Test Year Barrels of No. 6 Fuel forecast to be consumed at Holyrood	2,467,396
40	Less: Reduction in Test Year Barrels of No. 6 Fuel approved in Board Order No. P.U. 11 (2008) to reflect reduction in CBPP load and in compliance with Board Order No. P.U.22 (2009).	(589,208)
41	Adjusted 2007 Test Year Barrels of No. 6 Fuel forecast to be consumed at Holyrood	1,878,188

NEWFOUNDLAND AND LABRADOR HYDRO
Fuel Price Projection
As at March 31, 2013

SCHEDULE A
Page 2 of 2

	$/bbl
PIRA Forecast $ US/bbl [1]	
July	108.45
August	109.20
September	107.50
October	108.35
November	109.20
December	105.90
January	98.80
February	98.80
March	98.80
April	98.80
May	98.80
June	98.80
Average $US/bbl [2]	103.45
NLH Test Year Contract Discount ($US/bbl)	(0.218)
	$103.23
Can$/US$ Noon Exchange Rate [3]	1.0247
NLH Fuel Price Projection ($Can/bbl) [2]	$105.80

Notes:

(1) The forecast for July to December is based on the PIRA monthly short-term forecast dated March 25, 2013. The forecast for January to June is based on the PIRA annual long-term forecast dated April 2, 2013.

(2) Price per barrel is rounded to the nearest $0.05.

(3) Monthly average of the Bank of Canada Can$/US$ Noon Exchange Rate for the month of March 2013, rounded to 4 decimal places.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (INTERIM)

Availability:

This rate is applicable to service to Newfoundland Power (NP).

Definitions:

"Billing Demand"

In the Months of January through March, billing demand shall be the greater of:

(a) the highest Native Load less the Generation Credit, beginning in the previous December and ending in the current Month; and
(b) the Minimum Billing Demand.

In the Months of April through December, billing demand shall be the greater of:

(a) the Weather-Adjusted Native Load less the Generation Credit, plus the Weather Adjustment True-up; and
(b) the Minimum Billing Demand.

"Generation Credit" refers to NP's net generation capacity less allowance for system reserve, as follows:

	kW
Hydraulic Generation Credit	80,104
Thermal Generation Credit	37,826
Total Generation Credit	117,930

In order to continue to avail of the Generation Credit, NP must demonstrate the capability to operate its generation to the level of the Generation Credit. This will be verified in a test by operating the generation at a minimum of this level for a period of one hour as measured by the generation demand metering used to determine the Native Load. The test will be carried out at a mutually agreed time between December 1 and March 31 each year. If the level is not sustained, Newfoundland Power will be provided an opportunity to repeat the test at another mutually agreed time during the same December 1 to March 31 period. If the level is not sustained in the second test, the Generation Credit will be reduced in calculating the associated billing demands for January to December to the highest level that could be sustained.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (INTERIM) (continued)

"Maximum Native Load" means the maximum Native Load of NP in the four-Month period beginning in December of the preceding year and ending in March of the current year.

"Minimum Billing Demand" means ninety-nine percent (99%) of:

NP's test year Native Load less the Generation Credit.

"Month" means for billing purposes, the period commencing at 12:01 hours on the last day of the previous month and ending at 12:00 hours on the last day of the month for which the bill applies.

"Native Load" is the sum of:

(a) the amount of electrical power, delivered at any time and measured in kilowatts, supplied by Hydro to NP, averaged over each consecutive period of fifteen minutes duration, commencing on the hour and ending each fifteen minute period thereafter; and

(b) the total generation by NP averaged over the same fifteen-minute periods.

"Weather-Adjusted Native Load" means the Maximum Native Load adjusted to normal weather conditions, calculated as:

Maximum Native Load
plus (Weather Adjustment, rounded to 3 decimal places, x 1000)

Weather Adjustment is further described and defined in the Weather Adjustment section.

"Weather Adjustment True-up" means one-ninth of the difference between:

(a) the greater of:
- the Weather Adjusted Native Load less the Generation Credit, times three; and
- the Minimum Billing Demand, times three; and

(b) the sum of the actual billed demands in the Months of January, February and March of the current year.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (INTERIM) (continued)

Monthly Rates:

Billing Demand Charge:
Billing Demand, as set out in the Definitions section, shall be charged at the following rate:

$4.00 per kW of billing demand

Energy Charge:
First 250,000,000 kilowatt-hours* ..... @ 3.246 ¢ per kWh
All excess kilowatt-hours* ..... @ 8.805 ¢ per kWh

Firming-up Charge:
Secondary energy supplied by
Corner Brook Pulp and Paper Limited* ..... @ 0.841 ¢ per kWh

RSP Adjustment:
Current Plan ..... @ (1.101) ¢ per kWh
Fuel Rider ..... @ 1.634 ¢ per kWh

Total RSP Adjustment – All kilowatt-hours ..... @ 0.533 ¢ per kWh

***Subject to RSP Adjustment:**

RSP Adjustment refers to all applicable adjustments arising from the operation of Hydro's Rate Stabilization Plan, which levelizes variations in hydraulic production, fuel cost, load and rural rates.

Adjustment for Losses:

If the metering point is on the load side of the transformer, either owned by the customer or specifically assigned to the customer, an adjustment for losses as determined in consultation with the customer prior to January 31 of each year, shall be applied to metered demand and energy.

Adjustment for Station Services and Step-Up Transformer Losses:

If the metering point is not on the generator output terminals of NP's generators, an adjustment for Newfoundland Power's power consumption between the generator output terminals and the metering point as determined in consultation with the customer prior to the implementation of the metering, shall be applied to the metered demand.

NEWFOUNDLAND AND LABRADOR HYDRO

UTILITY (INTERIM) (continued)

Weather Adjustment: This section outlines procedures and calculations related to the weather adjustment applied to NP's Maximum Native Load.

(a) Weather adjustment shall be undertaken for NP's actual Maximum Native Load.

(b) Weather adjustment shall be derived from Hydro's NP native peak demand model.

(c) By September 30th of each year, Hydro shall provide NP with updated weather adjustment coefficient incorporating the latest year of actuals.

(d) The underlying temperature and wind speed data utilized to derive weather adjustment shall be sourced to weather station data for the St. John's, Gander, and Stephenville airports reported by Environment Canada. NP's regional energy sales shall be used to weight regional weather data. Hydro shall consult with NP to resolve any circumstances arising from the availability of, or revisions to, weather data from Environment Canada and/or wind chill formulation.

(e) The primary definition for the temperature weather variable is the average temperature for the peak demand hour and the preceding seven hours. The primary definition for the wind weather data is the average wind speed for the peak demand hour and the preceding seven hours. Hydro will consult with NP should data anomalies indicate a departure from the primary definition on underlying weather data.

(f) Subject to the availability of weather data from Environment Canada, Hydro shall prepare a preliminary estimate of the Weather-Adjusted Native Load by March 15th of each year, and a final calculation of Weather-Adjusted Native Load by April 5th of each year.

General:

This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

With respect to all matters where the customer and Hydro consult on resolution but are unable to reach mutual agreement, the billing will be based on Hydro's best estimate.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN REPORT
March 31, 2013

Newfoundland and Labrador Hydro

Rate Stabilization Plan Report
March 31, 2013

Summary of Key Facts

The Rate Stabilization Plan of Newfoundland and Labrador Hydro (Hydro), as amended by Board Order No. P.U. 40 (2003) and Order No. P.U. 8 (2007), is established for Hydro's utility customer, Newfoundland Power, and Island Industrial customers to smooth rate impacts for variations between actual results and Test Year Cost of Service estimates for:

- Hydraulic production;
- No. 6 fuel cost used at Hydro's Holyrood generating station;
- Customer load (Utility and Island Industrial); and
- Rural rates.

The Test Year Cost of Service Study was approved by Board Order No. P.U. 8 (2007) and is based on projections of events and costs that are forecast to happen during a test year. Finance charges are calculated on the balances using the test year Weighted Average Cost of Capital which is currently 7.529% per annum. Holyrood's operating efficiency is set, for RSP purposes, at 630 kWh/barrel regardless of the actual conversion rate experienced.

	2007 Test Year Cost of Service			
	Net Hydraulic Production	No. 6 Fuel Cost	Utility Load	Industrial Load
	(kWh)	($Can/bbl.)	(kWh)	(kWh)
January	427,100,000	54.17	574,800,000	78,300,000
February	388,680,000	54.73	518,600,000	70,900,000
March	415,080,000	55.46	524,700,000	76,600,000
April	355,520,000	55.46	429,200,000	75,600,000
May	324,240,000	55.46	358,700,000	69,500,000
June	328,500,000	54.49	298,400,000	73,800,000
July	386,790,000	54.49	293,400,000	77,500,000
August	379,140,000	54.49	287,000,000	77,900,000
September	363,560,000	54.49	297,700,000	73,000,000
October	340,510,000	54.56	360,200,000	74,400,000
November	364,390,000	54.56	439,300,000	74,100,000
December	398,560,000	58.98	543,800,000	72,700,000
Total	4,472,070,000		4,925,800,000	894,300,000

Rate Stabilization Plan
Plan Highlights
March 31, 2013

	Actual	Cost of Service	Variance	Year-to-Date Due (To) From customers	Reference
Hydraulic production year-to-date	1,462.1 GWh	1,230.9 GWh	231.3 GWh	$ (20,035,423)	Page 4
No 6 fuel cost - Current month	$ 111.07	$ 55.46	$ 55.61	$ 39,520,844	Page 5
Year-to-date customer load - Utility	1,883.8 GWh	1,618.1 GWh	265.7 GWh	$ (385,057)	Page 8
Year-to-date customer load - Industrial	88.4 GWh	225.8 GWh	-137.4 GWh	$ (6,895,260)	Page 9
				$ 12,205,104	
Rural rates					
Rural Rate Alteration (RRA) [1]	$ (2,773,253)				
Less : RRA to utility customer	$ (2,470,968)				Page 10
RRA to Labrador interconnected	(302,285)				
Fuel variance to Labrador interconnected	$ 308,945				Page 6
Net Labrador interconnected	$ 6,660				
Current plan summary [2]					
One year recovery					
Due (to) from utility customer [2]	$ (61,498,387)				Page 10
Due (to) from Industrial customers [2]	$ (109,475,008)				Page 11
Sub total	(170,973,395)				
Four year recovery					
Hydraulic balance	$ (53,469,728)				Page 4
Total plan balance	$ (224,443,123)				

[1] Beginning January 2011, the RRA includes a monthly credit of $98,295. This amount relates to the phase in of the application of the credit from secondary energy sales to CFB Goose Bay to the Rural deficit as stated in Section B, Clause 1.3(b) of the approved Rate Stabilization Plan Regulations which received final approval in Order No. P.U. 33 (2010) issued December 15, 2010.

[2] Disposition of the load variation is one of the issues to be considered by the Public Utilities Board in a pending hearing. This may impact the balances owing to customers in the current plan.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Net Hydraulic Production Variation
March 31, 2013

	A Cost of Service Net Hydraulic Production (kWh)	B Actual Net Hydraulic Production (kWh)	C Monthly Net Hydraulic Production Variance (kWh) **(A - B)**	D Cost of Service No. 6 Fuel Cost ($Can/bbl.)	E Net Hydraulic Production Variation ($) **(C / O[1] X D)**	F Financing Charges ($)	G Cumulative Variation and Financing Charges ($) **(E + F)** **(to page 12)**
Opening balance							(32,675,763)
January	427,100,000	537,465,293	(110,365,293)	54.17	(9,489,663)	(198,260)	(42,363,686)
February	388,680,000	473,366,259	(84,686,259)	54.73	(7,356,951)	(257,042)	(49,977,679)
March	415,080,000	451,303,396	(36,223,396)	55.46	(3,188,809)	(303,240)	(53,469,728)
April							
May							
June							
July							
August							
September							
October							
November							
December							
	1,230,860,000	1,462,134,948	(231,274,948)		(20,035,423)	(758,542)	(53,469,728)
Hydraulic Allocation [2]							
Hydraulic variation at year end					(20,035,423)	(758,542.00)	(53,469,728)

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

(2) At year end 25% of the hydraulic variation balance and 100% of the annual financing charges are allocated to customers.

	(from page 6) 12 month kWh	% of kWh to total	Allocation	Reallocate Rural	**(to pages 11 & 12)** Net
Utility		0.0%	-	-	-
Industrial		0.0%	-		-
Rural		0.0%	-	-	-
Total	0	100.0%	-	-	-
Labrador Inteconnected (write-off to income)				-	-
				-	-

Newfoundland and Labrador Hydro

Rate Stabilization Plan
No. 6 Fuel Variation
March 31, 2013

	A	B	C	D	E	F	G
	Actual Quantity No. 6 Fuel	Actual Quantity No. 6 Fuel for Non-Firm Sales	Net Quantity No. 6 Fuel	Cost of Service No. 6 Fuel Cost	Actual Average No. 6 Fuel Cost	Cost Variance	No.6 Fuel Variation
	(bbl.)	(bbl.)	(bbl.) **(A - B)**	($Can/bbl.)	($Can/bbl.)	($Can/bbl.) **(E - D)**	($) **(C X F) (to page 6)**
January	297,603	0	297,603	54.17	105.89	51.72	15,392,012
February	242,076	6	242,070	54.73	108.00	53.27	12,895,076
March	202,010	0	202,010	55.46	111.07	55.61	11,233,756
April							
May							
June							
July							
August							
September							
October							
November							
December							
	741,688	6	741,682				39,520,844

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Allocation of Fuel Variance - Year-to-Date
March 31, 2013

	A	B	C	D	E	F	G	H	I	J
	Twelve Months-to-Date				Year-to-Date Fuel Variance				Reallocate Rural Island Customers [1]	
	Utility	Industrial Customers	Rural Island Customers	Total	Utility	Industrial Customers	Rural Island Interconnected	Total	Utility	Labrador Interconnected
	(kWh)	(kWh)	(kWh)	(kWh)	($)	($)	($)	($)	($)	($)
				(A+B+C)	**(A/D X H)**	**(B/D X H)**	**(C/D X H)**		**(G X 89.10%)**	**(G X 10.90%)**
					(to page 7)			**(from page 5)**	**(to page 7)**	
January	5,417,867,263	408,268,165	449,267,696	6,275,403,124	13,288,689	1,001,381	1,101,942	15,392,012	981,830	120,112
February	5,419,401,011	401,459,126	448,779,138	6,269,639,275	24,451,020	1,811,286	2,024,782	28,287,088	1,804,081	220,701
March	5,379,834,205	394,061,387	446,084,468	6,219,980,060	34,182,680	2,503,808	2,834,356	39,520,844	2,525,411	308,945
April										
May										
June										
July										
August										
September										
October										
November										
December										

(1) The Fuel Variance initially allocated to Rural Island Interconnected is re-allocated between Utility and Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Cost of Service Study, which is 89.10% and 10.90% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Allocation of Fuel Variance - Monthly
March 31, 2013

	A	B	C	D	E	F	G
	Utility					Industrial	
	Fuel Variance		Rural Allocation		Total Fuel Variance Activity for the month	Fuel Variance	
	Year-to-Date Activity	Current Month Activity [1]	Year-to-Date Activity	Current Month Activity [1]		Year-to-Date Activity	Current Month Activity [1]
	($)	($)	($)	($)	($)	($)	($)
					(B + D)		
	(from page 6)		(from page 6)		(to page 10)	(from page 6)	(to page 11)
January	13,288,689	13,288,689	981,830	981,830	14,270,519	1,001,381	1,001,381
February	24,451,020	11,162,331	1,804,081	822,251	11,984,582	1,811,286	809,905
March	34,182,680	9,731,660	2,525,411	721,330	10,452,990	2,503,808	692,522
April							
May							
June							
July							
August							
September							
October							
November							
December							
		34,182,680		2,525,411	36,708,091		2,503,808

(1) The current month activity is calculated by subtracting year-to-date activity for the prior month from year-to-date activity for the current month.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Load Variation - Utility
March 31, 2013

	A	B	C	D	E	F	G	H	I	J	K
	Firm Energy						Secondary Energy				
	Cost of Service Sales (kWh)	Actual Sales (kWh)	Sales Variance (kWh) **(B - A)**	Cost of Service No. 6 Fuel Cost ($Can/bbl.)	Firm Energy Rate ($/kWh)	Load Variation ($) **C x {(D/O[1]) - E}**	Cost of Service Sales (kWh)	Actual Sales (kWh)	Firming Up Charge ($/kWh)	Load Variation ($) **(G - H) x I**	Total Load Variation ($) **(F + J)** **(to page 10)**
January	574,800,000	702,723,435	127,923,435	54.17	0.08805	(264,274)	0	1,099,493	0.00841	(9,247)	(273,521)
February	518,600,000	606,876,717	88,276,717	54.73	0.08805	(103,900)	0	429,853	0.00841	(3,615)	(107,515)
March	524,700,000	572,269,039	47,569,039	55.46	0.08805	(868)	0	374,966	0.00841	(3,153)	(4,021)
April											
May											
June											
July											
August											
September											
October											
November											
December											
	1,618,100,000	1,881,869,191	263,769,191			(369,042)	0	1,904,312		(16,015)	(385,057)

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Load Variation - Industrial
March 31, 2013

	A	B	C	D	E	F
	Cost of Service Sales	Actual Sales	Sales Variance	Cost of Service No. 6 Fuel Cost	Firm Energy Rate	Load Variation
	(kWh)	(kWh)	(kWh)	($)	($/kWh)	($)
			(B - A)			**C x {(D/O[1]) - E}**
						(to page 11)
January	78,300,000	31,612,740	(46,687,260)	54.17	0.03676	(2,298,140)
February	70,900,000	25,864,750	(45,035,250)	54.73	0.03676	(2,256,852)
March	76,600,000	30,955,597	(45,644,403)	55.46	0.03676	(2,340,268)
April						
May						
June						
July						
August						
September						
October						
November						
December						
	225,800,000	88,433,087	(137,366,913)			(6,895,260)

(1) O is the Holyrood Operating Efficiency of 630 kWh/barrel.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Summary of Utility Customer
March 31, 2013

	A	B	C	D	E	F	G
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration [1]	Subtotal Monthly Variances	Financing Charges	Adjustment [2]	Cumulative Net Balance
	($)	($)	($)	($)	($)	($)	($)
				(A + B + C)			
	(from page 8)	**(from page 7)**					**(to page 12)**
Opening Balance							(64,905,401)
January	(273,521)	14,270,519	(849,811)	13,147,187	(393,814)	(10,944,447)	(63,096,475)
February	(107,515)	11,984,582	(877,767)	10,999,300	(382,838)	(9,443,617)	(61,923,630)
March	(4,021)	10,452,990	(743,390)	9,705,579	(375,722)	(8,904,614)	(61,498,387)
April							
May							
June							
July							
August							
September							
October							
November							
December							
Year to date	(385,057)	36,708,091	(2,470,968)	33,852,066	(1,152,374)	(29,292,678)	3,407,014
Hydraulic allocation **(from page 4)**							0
Total	(385,057)	36,708,091	(2,470,968)	33,852,066	(1,152,374)	(29,292,678)	(61,498,387)

(1) The Rural Rate Alteration is allocated between Utility and Labrador Interconnected customers in the same proportion which the Rural Deficit was allocated in the approved Cost of Service Study, which is 89.10% and 10.90% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

(2) The RSP adjustment rate for Utility is 1.555 cents per kwh effective July 1, 2012 to June 30, 2013.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Summary of Industrial Customers
March 31, 2013

	A	B	C	D	E	F
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment [1]	Cumulative Net Balance
	($)	($)	($)	($)	($)	($)
			(A + B)			
	(from page 9)	**(from page 7)**				**(to page 12)**
Opening Balance						(104,079,983) [2]
January	(2,298,140)	1,001,381	(1,296,759)	(631,505)	323,546	(105,684,701)
February	(2,256,852)	809,905	(1,446,947)	(641,242)	275,249	(107,497,641)
March	(2,340,268)	692,522	(1,647,746)	(652,242)	322,621	(109,475,008)
April						
May						
June						
July						
August						
September						
October						
November						
December						
Year to date	(6,895,260)	2,503,808	(4,391,452)	(1,924,989)	921,416	(5,395,025)
Hydraulic allocation **(from page 4)**						0
Total	(6,895,260)	2,503,808	(4,391,452)	(1,924,989)	921,416	(109,475,008)

(1) The RSP adjustment rate for Industrial Customers excluding Teck Resources and Vale is 0.785 cents per kWh effective January 1, 2008. The rate for Teck Resources is 2.000 cents per kWh.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Overall Summary
March 31, 2013

	A	B	C	D
	Hydraulic Balance	Utility Balance	Industrial Balance	Total To Date
	($)	($)	($)	($) (A + B + C)
	(from page 4)	**(from page 10)**	**(from page 11)**	
Opening Balance	(32,675,763)	(64,905,401)	(104,079,983)	(201,661,147)
January	(42,363,686)	(63,096,475)	(105,684,701)	(211,144,862)
February	(49,977,679)	(61,923,630)	(107,497,641)	(219,398,950)
March	(53,469,728)	(61,498,387)	(109,475,008)	(224,443,123)
April				
May				
June				
July				
August				
September				
October				
November				
December				