

1 Q. Provide an update to the 2015 Test Year Rate Stabilization Plan, including all
2 relevant schedules, to reflect the actual balances in the 2014 Financial Statements.

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5 A. The 2015 Test Year Rate Stabilization Plan balances provided in the Finance
6 Evidence, Schedule 1, Page 7 of 11 in Hydro's Amended Application have been
7 revised to reflect the actual balances in the 2014 Financial Statements. In its
8 Amended Application, Hydro proposed an adjustment to the credit balance in the
9 RSP Hydraulic Variation Account to offset the \$45.9 million 2014 revenue shortfall.
10 As the Board has not approved this proposal, no adjustment to the RSP Hydraulic
11 Variation Account is reflected in the 2014 year-end actual RSP balance.

(\$000s)	As Filed	2014 Actuals	Difference
Hydraulic	(8,629)	(32,519)	(23,890)
Utility	(4,601)	(21,446)	(16,845)
Industrial	8,592	6,014	(2,578)
Segregated Load Variation	(35,351)	(37,877)	(2,526)
Utility Surplus	(132,468)	(132,468)	0
Industrial Surplus	(11,783)	(11,635)	148
Total	(184,240)	(229,931)	(45,691)

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14 Please see PUB-NLH-482 Attachment 1 for the relevant RSP schedules.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Net Hydraulic Production Variation
Forecast December 31, 2015

	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							(43,358,639)
January	503,640,000	503,640,000	0	95.91	0	(238,942)	(43,597,581)
February	457,830,000	457,830,000	0	94.08	0	(240,259)	(43,837,840)
March	438,830,000	438,830,000	0	93.40	0	(241,583)	(44,079,423)
April	370,790,000	370,790,000	0	93.40	0	(242,914)	(44,322,337)
May	312,990,000	312,990,000	0	92.98	0	(244,253)	(44,566,590)
June	323,000,000	323,000,000	0	92.98	0	(245,599)	(44,812,189)
July	330,220,000	330,220,000	0	92.98	0	(246,953)	(45,059,142)
August	330,170,000	330,170,000	0	92.98	0	(248,313)	(45,307,455)
September	326,980,000	326,980,000	0	92.98	0	(249,682)	(45,557,137)
October	348,360,000	348,360,000	0	93.38	0	(251,058)	(45,808,195)
November	400,160,000	400,160,000	0	92.35	0	(252,441)	(46,060,636)
December	460,598,000	460,598,000	0	90.76	0	(253,832)	(46,314,468)
	<u>4,603,568,000</u>	<u>4,603,568,000</u>	<u>0</u>		<u>0</u>	<u>(2,955,829)</u>	<u>(46,314,468)</u>
Hydraulic Allocation ⁽²⁾					<u>10,839,660</u>	<u>2,955,829</u>	<u>13,795,489</u>
Hydraulic variation at year end					<u>10,839,660</u>	<u>-</u>	<u>(32,518,979)</u>

⁽¹⁾ O is the Holyrood Operating Efficiency of 607 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	Net
Utility	5,924,100,000	84.5%	11,659,465	878,691	12,538,156
Industrial	621,400,000	8.9%	1,223,003		1,223,003
Rural	463,900,000	6.6%	913,021	(913,021)	-
Total	<u>7,009,400,000</u>	<u>100.0%</u>	<u>13,795,489</u>	<u>(34,330)</u>	<u>13,761,159</u>
Labrador Interconnected (write-off to income)				<u>34,330</u>	<u>34,330</u>
				<u>-</u>	<u>13,795,489</u>

Newfoundland and Labrador Hydro

**Rate Stabilization Plan
Summary of Utility Customer
Forecast December 31, 2015**

	A	B	C	D	E	F	H
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration ⁽¹⁾	Subtotal Monthly Variances	Financing Charges	Adjustment ⁽²⁾	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 8)	(from page 7)		(A + B + C)			(to page 12)
Opening Balance							(39,004,557)
January		0	0	0	(214,948)	4,018,443	(35,201,062)
February		0	0	0	(193,987)	3,650,375	(31,744,674)
March		0	0	0	(174,940)	3,622,274	(28,297,340)
April		0	0	0	(155,942)	2,835,446	(25,617,836)
May		0	0	0	(141,176)	2,330,730	(23,428,282)
June		0	0	0	(129,109)	1,918,031	(21,639,360)
July		0	0	0	(119,251)	1,617,558	(20,141,053)
August		0	0	0	(110,994)	1,616,530	(18,635,517)
September		0	0	0	(102,697)	1,733,722	(17,004,492)
October		0	0	0	(93,709)	2,141,838	(14,956,363)
November		0	0	0	(82,422)	2,703,640	(12,335,145)
December		0	0	0	(67,977)	3,495,200	(8,907,922)
Year to date	0	0	0	0	(1,587,152)	31,683,787	30,096,635
Hydraulic allocation (from page 4)							(12,538,156)
Total	0	0	0	0	(1,587,152)	31,683,787	(21,446,078)

⁽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 96.24% and 3.76% respectively. The Labrador Interconnected amount is then removed from the plan and written off to net income (loss).

⁽²⁾ The RSP adjustment rate for the Utility is 0.551 cents per kwh effective July 1, 2014 to June 30, 2015 and 0.514 cents per kwh effective July 1, 2015 to June 30, 2016.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Summary of Industrial Customers
Forecast January - December 2015

	A	B	C	D	E	F
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 9)	(from page 7)	(A + B)			(to page 12)
Opening Balance						6,774,833
January		0	0	37,335	0	6,812,168
February		0	0	37,541	0	6,849,709
March		0	0	37,748	0	6,887,457
April		0	0	37,956	0	6,925,413
May		0	0	38,165	0	6,963,578
June		0	0	38,375	0	7,001,953
July		0	0	38,587	0	7,040,540
August		0	0	38,799	0	7,079,339
September		0	0	39,013	0	7,118,352
October		0	0	39,228	0	7,157,580
November		0	0	39,444	0	7,197,024
December		0	0	39,662	0	7,236,686
Year to date		0	0	461,853	0	461,853
Hydraulic allocation (from page 4)						(1,223,003)
Total		0	0	461,853	0	6,013,683

Newfoundland and Labrador Hydro

**Rate Stabilization Plan
Load Variation
Forecast January to December 2015**

	A	B	C	D	E	F	G
	Utility Customer			Island Industrial Customers			Total To Date ⁽¹⁾
	Load Variation	Financing Charges	Total To Date	Load Variation	Financing Charges	Total To Date	
		(\$)	(\$)		(\$)	(\$)	(\$)
	(from page 8)		(A + B)	(from page 9)		(D + E)	(C + F)
							(to page 15)
Opening Balance			519,908			(35,979,573)	(35,459,665)
January	-	2,865	522,773	-	(198,277)	(36,177,850)	(35,655,077)
February	-	2,881	525,654	-	(199,370)	(36,377,220)	(35,851,566)
March	-	2,897	528,551	-	(200,469)	(36,577,689)	(36,049,138)
April	-	2,913	531,464	-	(201,574)	(36,779,263)	(36,247,799)
May	-	2,929	534,393	-	(202,684)	(36,981,947)	(36,447,554)
June	-	2,945	537,338	-	(203,801)	(37,185,748)	(36,648,410)
July	-	2,961	540,299	-	(204,924)	(37,390,672)	(36,850,373)
August	-	2,977	543,276	-	(206,054)	(37,596,726)	(37,053,450)
September	-	2,994	546,270	-	(207,189)	(37,803,915)	(37,257,645)
October	-	3,010	549,280	-	(208,331)	(38,012,246)	(37,462,966)
November	-	3,027	552,307	-	(209,479)	(38,221,725)	(37,669,418)
December	-	3,044	555,351	-	(210,634)	(38,432,359)	(37,877,008)
Total	-	35,443	555,351	-	(2,452,786)	(38,432,359)	(37,877,008)

¹ Per Board Order No. P.U. 29(2013), the load variation from the Industrial and Utility Customers as of September 1, be held in a separate account until its disposition.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Utility RSP Surplus
Forecast January to December 2015

	A	B	C	D
	Industrial Customer Adjustment	Utility Payout	Financing Charges	Cumulative Balance
	(\$)	(\$)	(\$)	(\$)
	(from page 10)			(to page 15)
Opening Balance				(124,013,626)
January			(683,418)	(124,697,044)
February			(687,185)	(125,384,229)
March			(690,972)	(126,075,201)
April			(694,779)	(126,769,980)
May			(698,608)	(127,468,588)
June		-	(702,458)	(128,171,046)
July			(706,329)	(128,877,375)
August			(710,222)	(129,587,597)
September			(714,136)	(130,301,733)
October			(718,071)	(131,019,804)
November			(722,028)	(131,741,832)
December			(726,007)	(132,467,839)
Year to date	-	-	(8,454,213)	(8,454,213)
Total	-	-	(8,454,213)	(132,467,839)

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Industrial RSP Surplus
Forecast January to December 2015

	A	B	C	D	E
	Industrial Surplus	Teck Allocation ⁽¹⁾	Industrial Drawdown	Financing Charges	Cumulative Balance
	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 11)		(from page 11)		(to page 15)
Opening Balance					(10,892,683)
January		-		(60,028)	(10,952,711)
February		-		(60,359)	(11,013,070)
March		-		(60,691)	(11,073,761)
April		-		(61,026)	(11,134,787)
May		-		(61,362)	(11,196,149)
June		-		(61,700)	(11,257,849)
July		-		(62,040)	(11,319,889)
August		-		(62,382)	(11,382,271)
September		-		(62,726)	(11,444,997)
October		-		(63,071)	(11,508,068)
November		-		(63,419)	(11,571,487)
December		-		(63,769)	(11,635,256)
Year to date	0	0	0	(742,573)	(742,573)
Total	0	0	0	(742,573)	(11,635,256)

⁽¹⁾ Per Board Order No. P.U. 29(2013), the RSP drawdown adjustment rate for Teck Resources is 1.111 cents per kwh effective September 1, 2013.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Overall Summary
Forecast January to December 2015

	A	B	C	D	E	F	G
	Hydraulic Balance	Utility Balance	Industrial Balance	Segregated Load Balance	Utility RSP Surplus	Industrial RSP Surplus	Total To Date
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 4)	(from page 10)	(from page 11)	(from page 12)	(from page 13)	(from page 14)	(A + B + C + D + E + F)
Opening Balance	(43,358,639)	(39,004,557)	6,774,833	(35,459,665)	(124,013,626)	(10,892,683)	(245,954,337)
January	(43,597,581)	(35,201,062)	6,812,168	(35,655,077)	(124,697,044)	(10,952,711)	(243,291,307)
February	(43,837,840)	(31,744,674)	6,849,709	(35,851,566)	(125,384,229)	(11,013,070)	(240,981,670)
March	(44,079,423)	(28,297,340)	6,887,457	(36,049,138)	(126,075,201)	(11,073,761)	(238,687,406)
April	(44,322,337)	(25,617,836)	6,925,413	(36,247,799)	(126,769,980)	(11,134,787)	(237,167,326)
May	(44,566,590)	(23,428,282)	6,963,578	(36,447,554)	(127,468,588)	(11,196,149)	(236,143,585)
June	(44,812,189)	(21,639,360)	7,001,953	(36,648,410)	(128,171,046)	(11,257,849)	(235,526,901)
July	(45,059,142)	(20,141,053)	7,040,540	(36,850,373)	(128,877,375)	(11,319,889)	(235,207,292)
August	(45,307,455)	(18,635,517)	7,079,339	(37,053,450)	(129,587,597)	(11,382,271)	(234,886,951)
September	(45,557,137)	(17,004,492)	7,118,352	(37,257,645)	(130,301,733)	(11,444,997)	(234,447,652)
October	(45,808,195)	(14,956,363)	7,157,580	(37,462,966)	(131,019,804)	(11,508,068)	(233,597,816)
November	(46,060,636)	(12,335,145)	7,197,024	(37,669,418)	(131,741,832)	(11,571,487)	(232,181,494)
December	(32,518,979)	(21,446,078)	6,013,683	(37,877,008)	(132,467,839)	(11,635,256)	(229,931,477)