

1 Q. **Reference: Rates and Regulation Evidence**

2 For each of the Provincial electrical systems, provide the detailed reasons (and
3 related dollar impacts) for the annual changes in the rural deficit for the period
4 from 2007 to 2012 and forecast 2013, 2014, 2015 and 2016. (Rates and Regulation
5 Evidence, page 4.4, lines 3 to 4)

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8 A. The rural deficit is the difference between revenue and revenue requirement in the
9 rural deficit areas. The change in the rural deficit is explained by an analysis of the
10 change in costs associated with the relevant group of customers. Please see NP-
11 NLH-099 Attachment 1 for an analysis of the revenue requirement by system.
12 Reasons for the change are detailed in Section 2.4 of Hydro's evidence. Data for
13 2014 to 2016 will not be available until Hydro's five-year plan is complete. Hydro
14 will update its response as soon as practicable.

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F	G	H
		2007				2008			
		Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	78,320,831	4,518,109	11,351,168	995,109	76,879,029	4,384,877	11,808,835	1,054,211
2	Fuels - No. 6 Fuel	107,729,017	-	-	-	124,224,025	-	-	-
3	Fuels - Diesel	140,423	1,896,005	8,155,458	289,557	59,247	2,671,018	11,556,881	708,678
4	Fuels - Gas Turbine	329,463	-	-	-	1,418,407	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	33,945,515	60,273	17,730	1,584,685	36,332,836	101,101	-	2,254,341
7	Depreciation	31,816,736	764,106	2,273,391	462,265	33,421,067	811,312	2,423,686	479,196
	Expense Credits:								
8	Sundry	(343,642)	(19,824)	(49,805)	(4,366)	(494,573)	(28,209)	(75,968)	(6,782)
9	Building Rental Income	(2,632)	-	-	-	(2,655)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(74,450)	(4,295)	(10,790)	(946)	(77,152)	(4,400)	(11,851)	(1,058)
12	Pole Attachments	(1,041,430)	(23,624)	(93,928)	(62,382)	(1,047,696)	(24,291)	(94,280)	(63,103)
13	Secondary Energy Revenues	-	-	-	-	(2,979)	-	-	-
14	Wheeling Revenues	(40,854)	-	-	-	(40,228)	-	-	-
15	Application Fees	(11,872)	(376)	(2,100)	(392)	(11,368)	(424)	(1,848)	(272)
16	Meter Test Revenues	-	-	-	-	-	-	-	-
17	Total Expense Credits	(1,514,880)	(48,119)	(156,623)	(68,086)	(1,676,652)	(57,324)	(183,946)	(71,215)
18	Subtotal Expenses	250,767,105	7,190,374	21,641,124	3,263,531	270,657,959	7,910,984	25,605,456	4,425,211
19	Disposal Gain/Loss	581,707	73,196	149,555	1,812	1,773,132	5,434	720,513	17,107
20	Subtotal Rev Req't Excl Return	251,348,812	7,263,570	21,790,679	3,265,343	272,431,091	7,916,418	26,325,969	4,442,318
21	Return on Debt	101,666,304	688,099	2,216,570	471,635	92,445,893	598,506	2,102,900	422,167
22	Return on Equity	(2,495,069)	-	-	-	(2,513,166)	-	-	-
23	Total Revenue Requirement	350,520,047	7,951,669	24,007,249	3,736,978	362,363,818	8,514,923	28,428,869	4,864,484

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2007-2008 Change	2007-2008 Change	Percentage of Total Revenue Requirement Change	2007-2008 Change	2007-2008 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	(1,441,802)	-2%	-12%	(133,232)	-3%	-24%
2	Fuels - No. 6 Fuel	16,495,009	15%	139%	-		
3	Fuels - Diesel	(81,176)	-58%	-1%	775,013	41%	138%
4	Fuels - Gas Turbine	1,088,943	331%	9%	-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	2,387,321	7%	20%	40,828	68%	7%
7	Depreciation	1,604,331	5%	14%	47,206	6%	8%
	Expense Credits:	-			-		
8	Sundry	(150,932)	44%	-1%	(8,385)	42%	-1%
9	Building Rental Income	(23)	1%	0%	-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(2,702)	4%	0%	(106)	2%	0%
12	Pole Attachments	(6,266)	1%	0%	(667)	3%	0%
13	Secondary Energy Revenues	(2,979)			-		
14	Wheeling Revenues	626	-2%	0%	-		
15	Application Fees	504	-4%	0%	(48)	13%	0%
16	Meter Test Revenues	-			-		
17	Total Expense Credits	(161,772)	11%	-1%	(9,205)	19%	-2%
18	Subtotal Expenses	19,890,854	8%	168%	720,610	10%	128%
19	Disposal Gain/Loss	1,191,425	205%	10%	(67,762)	-93%	-12%
20	Subtotal Rev Req Excl Return	21,082,279	8%	178%	652,848	9%	116%
21	Return on Debt	(9,220,411)	-9%	-78%	(89,593)	-13%	-16%
22	Return on Equity	(18,096)	1%	0%	-		
23	Total Revenue Requirement	11,843,772	3%	100%	563,255	7%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F
		Labrador Isolated			L'anse au Loup		
	Description	2007-2008 Change	2007-2008 Change	Percentage of Total Revenue Requirement Change	2007-2008 Change	2007-2008 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	457,668	4%	10%	59,101	6%	5%
2	Fuels - No. 6 Fuel	-			-		
3	Fuels - Diesel	3,401,423	42%	77%	419,121	145%	37%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	(17,730)	-100%	0%	669,656	42%	59%
7	Depreciation	150,295	7%	3%	16,931	4%	2%
	Expense Credits:	-			-		
8	Sundry	(26,163)	53%	-1%	(2,416)	55%	0%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(1,061)	10%	0%	(112)	12%	0%
12	Pole Attachments	(352)	0%	0%	(721)	1%	0%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	252	-12%	0%	120	-31%	0%
16	Meter Test Revenues	-		0%	-		
17	Total Expense Credits	(27,323)	17%	-1%	(3,129)	5%	0%
18	Subtotal Expenses	3,964,332	18%	90%	1,161,680	36%	103%
19	Disposal Gain/Loss	570,958	382%	13%	15,295	844%	1%
20	Subtotal Rev Reqt Excl Return	4,535,290	21%	103%	1,176,975	36%	104%
21	Return on Debt	(113,670)	-5%	-3%	(49,468)	-10%	-4%
22	Return on Equity	-			-		
23	Total Revenue Requirement	4,421,620	18%	100%	1,127,507	30%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F	G	H
		2008				2009			
	Description	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	76,879,029	4,384,877	11,808,835	1,054,211	78,664,640	5,521,260	10,527,338	1,230,137
2	Fuels - No. 6 Fuel	124,224,025	-	-	-	80,973,375	-	-	-
3	Fuels - Diesel	59,247	2,671,018	11,556,881	708,678	106,084	2,010,309	10,144,271	367,496
4	Fuels - Gas Turbine	1,418,407	-	-	-	852,611	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	36,332,836	101,101	-	2,254,341	42,674,365	93,585	-	1,643,937
7	Depreciation	33,421,067	811,312	2,423,686	479,196	34,567,994	835,364	2,343,379	490,858
	Expense Credits:								
8	Sundry	(494,573)	(28,209)	(75,968)	(6,782)	(450,032)	(31,587)	(60,226)	(7,037)
9	Building Rental Income	(2,655)	-	-	-	(12,529)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(77,152)	(4,400)	(11,851)	(1,058)	(85,389)	(5,993)	(11,427)	(1,335)
12	Pole Attachments	(1,047,696)	(24,291)	(94,280)	(63,103)	(1,087,334)	(25,334)	(97,990)	(65,126)
13	Secondary Energy Revenues	(2,979)	-	-	-	(267,118)	-	-	-
14	Wheeling Revenues	(40,228)	-	-	-	(4,198)	-	-	-
15	Application Fees	(11,368)	(424)	(1,848)	(272)	(11,372)	(392)	(1,840)	(456)
16	Meter Test Revenues	-	-	-	-	-	-	-	-
17	Total Expense Credits	(1,676,652)	(57,324)	(183,946)	(71,215)	(1,917,972)	(63,306)	(171,483)	(73,955)
18	Subtotal Expenses	270,657,959	7,910,984	25,605,456	4,425,211	235,921,097	8,397,212	22,843,506	3,658,474
19	Disposal Gain/Loss	1,773,132	5,434	720,513	17,107	1,691,252	6,309	(448,770)	6,021
20	Subtotal Rev Reqt Excl Return	272,431,091	7,916,418	26,325,969	4,442,318	237,612,349	8,403,521	22,394,736	3,664,495
21	Return on Debt	92,445,893	598,506	2,102,900	422,167	74,912,542	481,534	1,699,718	348,443
22	Return on Equity	(2,513,166)	-	-	-	20,877,024	-	-	-
23	Total Revenue Requirement	362,363,818	8,514,923	28,428,869	4,864,484	333,401,914	8,885,055	24,094,454	4,012,938

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2008-2009 Change	2008-2009 Change	Percentage of Total Revenue Requirement Change	2008-2009 Change	2008-2009 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	1,785,611	2%	-6%	1,136,383	26%	307%
2	Fuels - No. 6 Fuel	(43,250,650)	-35%	149%	-		
3	Fuels - Diesel	46,837	79%	0%	(660,709)	-25%	-179%
4	Fuels - Gas Turbine	(565,796)	-40%	2%	-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	6,341,530	17%	-22%	(7,516)	-7%	-2%
7	Depreciation	1,146,927	3%	-4%	24,052	3%	6%
	Expense Credits:	-			-		
8	Sundry	44,542	-9%	0%	(3,378)	12%	-1%
9	Building Rental Income	(9,874)	372%	0%	-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(8,237)	11%	0%	(1,593)	36%	0%
12	Pole Attachments	(39,638)	4%	0%	(1,043)	4%	0%
13	Secondary Energy Revenues	(264,139)	8867%	1%	-		
14	Wheeling Revenues	36,030	-90%	0%	-		
15	Application Fees	(4)	0%	0%	32	-8%	0%
16	Meter Test Revenues	-			-		
17	Total Expense Credits	(241,321)	14%	1%	(5,982)	10%	-2%
18	Subtotal Expenses	(34,736,862)	-13%	120%	486,228	6%	131%
19	Disposal Gain/Loss	(81,880)	-5%	0%	875	16%	0%
20	Subtotal Rev Req Excl Return	(34,818,742)	-13%	120%	487,103	6%	132%
21	Return on Debt	(17,533,351)	-19%	61%	(116,972)	-20%	-32%
22	Return on Equity	23,390,189	-931%	-81%	-		0%
23	Total Revenue Requirement	(28,961,904)	-8%	100%	370,131	4%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Labrador Isolated			L'anse au Loup		
		2008-2009 Change	2008-2009 Change	Percentage of Total Revenue Requirement Change	2008-2009 Change	2008-2009 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	(1,281,497)	-11%	30%	175,926	17%	-21%
2	Fuels - No. 6 Fuel	-			-		0%
3	Fuels - Diesel	(1,412,610)	-12%	33%	(341,182)	-48%	40%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	-			(610,405)	-27%	72%
7	Depreciation	(80,306)	-3%	2%	11,663	2%	-1%
	Expense Credits:	-			-		
8	Sundry	15,742	-21%	0%	(256)	4%	0%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	424	-4%	0%	(277)	26%	0%
12	Pole Attachments	(3,710)	4%	0%	(2,023)	3%	0%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	8	0%	0%	(184)	68%	0%
16	Meter Test Revenues	-			-		
17	Total Expense Credits	12,464	-7%	0%	(2,739)	4%	0%
18	Subtotal Expenses	(2,761,950)	-11%	64%	(766,737)	-17%	90%
19	Disposal Gain/Loss	(1,169,283)	-162%	27%	(11,086)	-65%	1%
20	Subtotal Rev Reqt Excl Return	(3,931,233)	-15%	91%	(777,823)	-18%	91%
21	Return on Debt	(403,183)	-19%	9%	(73,723)	-17%	9%
22	Return on Equity	-			-		
23	Total Revenue Requirement	(4,334,416)	-15%	100%	(851,547)	-18%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F	G	H
		2009				2010			
		Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	78,664,640	5,521,260	10,527,338	1,230,137	76,937,033	4,849,647	11,203,326	1,110,757
2	Fuels - No. 6 Fuel	80,973,375	-	-	-	101,620,510	-	-	-
3	Fuels - Diesel	106,084	2,010,309	10,144,271	367,496	71,597	1,959,867	10,132,714	153,960
4	Fuels - Gas Turbine	852,611	-	-	-	1,063,326	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	42,674,365	93,585	-	1,643,937	39,347,859	114,333	-	2,054,396
7	Depreciation	34,567,994	835,364	2,343,379	490,858	36,177,493	845,580	2,433,285	448,070
	Expense Credits:								
8	Sundry	(450,032)	(31,587)	(60,226)	(7,037)	(461,804)	(29,109)	(67,246)	(6,667)
9	Building Rental Income	(12,529)	-	-	-	(15,653)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(85,389)	(5,993)	(11,427)	(1,335)	(78,670)	(4,959)	(11,456)	(1,136)
12	Pole Attachments	(1,087,334)	(25,334)	(97,990)	(65,126)	(977,250)	(25,709)	(251,274)	(67,987)
13	Secondary Energy Revenues	(267,118)	-	-	-	95,998	-	-	-
14	Wheeling Revenues	(4,198)	-	-	-	-	-	-	-
15	Application Fees	(11,372)	(392)	(1,840)	(456)	(12,144)	(416)	(1,784)	(392)
16	Meter Test Revenues	-	-	-	-	(2,601)	(93)	(315)	(138)
17	Total Expense Credits	(1,917,972)	(63,306)	(171,483)	(73,955)	(1,452,123)	(60,286)	(332,076)	(76,319)
18	Subtotal Expenses	235,921,097	8,397,212	22,843,506	3,658,474	253,765,695	7,709,141	23,437,249	3,690,864
19	Disposal Gain/Loss	1,691,252	6,309	(448,770)	6,021	589,013	1,547	77,017	9,116
20	Subtotal Rev Req't Excl Return	237,612,349	8,403,521	22,394,736	3,664,495	254,354,708	7,710,688	23,514,266	3,699,980
21	Return on Debt	74,912,542	481,534	1,699,718	348,443	80,908,990	482,414	1,972,686	366,738
22	Return on Equity	20,877,024	-	-	-	6,627,918	-	-	-
23	Total Revenue Requirement	333,401,914	8,885,055	24,094,454	4,012,938	341,891,615	8,193,102	25,486,952	4,066,718

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2009-2010 Change	2009-2010 Change	Percentage of Total Revenue Requirement Change	2009-2010 Change	2009-2010 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	(1,727,607)	-2%	-20%	(671,613)	-12%	97%
2	Fuels - No. 6 Fuel	20,647,135	25%	243%	-		
3	Fuels - Diesel	(34,487)	-33%	0%	(50,441)	-3%	7%
4	Fuels - Gas Turbine	210,715	25%	2%	-		
5	Power Purchases - CF(L)Co	-			-		
6	Power Purchases - Other	(3,326,507)	-8%	-39%	20,747	22%	-3%
7	Depreciation	1,609,500	5%	19%	10,217	1%	-1%
	Expense Credits:	-			-		
8	Sundry	(11,772)	3%	0%	2,477	-8%	0%
9	Building Rental Income	(3,123)	25%	0%	-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	6,719	-8%	0%	1,034	-17%	0%
12	Pole Attachments	110,084	-10%	1%	(375)	1%	0%
13	Secondary Energy Revenues	363,116			-		
14	Wheeling Revenues	4,198	-100%	0%	-		
15	Application Fees	(772)	7%	0%	(24)	6%	0%
16	Meter Test Revenues	(2,601)	n/a		(93)	n/a	
17	Total Expense Credits	465,849	-24%	5%	3,020	-5%	0%
18	Subtotal Expenses	17,844,598	8%	210%	(688,070)	-8%	99%
19	Disposal Gain/Loss	(1,102,239)	-65%	-13%	(4,762)	-75%	1%
20	Subtotal Rev Req Excl Return	16,742,359	7%	197%	(692,832)	-8%	100%
21	Return on Debt	5,996,448	8%	71%	880	0%	0%
22	Return on Equity	(14,249,106)	-68%	-168%	-		0%
23	Total Revenue Requirement	8,489,701	3%	100%	(691,952)	-8%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F
		Labrador Isolated			L'anse au Loup		
	Description	2009-2010 Change	2009-2010 Change	Percentage of Total Revenue Requirement Change	2009-2010 Change	2009-2010 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	675,988	6%	49%	(119,380)	-10%	-222%
2	Fuels - No. 6 Fuel	-			-		
3	Fuels - Diesel	(11,557)	0%	-1%	(213,537)	-58%	-397%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	-			410,460	25%	763%
7	Depreciation	89,906	4%	6%	(42,788)	-9%	-80%
	Expense Credits:	-			-		
8	Sundry	(7,021)	12%	-1%	370	-5%	1%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(28)	0%	0%	200	-15%	0%
12	Pole Attachments	(153,285)	156%	-11%	(2,861)	4%	-5%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	56	-3%	0%	64	-14%	0%
16	Meter Test Revenues	(315)	n/a		(138)	n/a	
17	Total Expense Credits	(160,593)	94%	-12%	(2,365)	3%	-4%
18	Subtotal Expenses	593,743	3%	43%	32,391	1%	60%
19	Disposal Gain/Loss	525,787	-117%	38%	3,095	51%	6%
20	Subtotal Rev Reqt Excl Return	1,119,530	5%	80%	35,486	1%	66%
21	Return on Debt	272,968	16%	20%	18,295	5%	34%
22	Return on Equity	-			-		
23	Total Revenue Requirement	1,392,498	6%	100%	53,780	1%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F	G	H
		2010				2011			
		Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	76,937,033	4,849,647	11,203,326	1,110,757	82,294,692	5,143,221	12,190,283	1,301,573
2	Fuels - No. 6 Fuel	101,620,510	-	-	-	135,733,368	-	-	-
3	Fuels - Diesel	71,597	1,959,867	10,132,714	153,960	407,232	2,472,893	12,674,162	495,258
4	Fuels - Gas Turbine	1,063,326	-	-	-	285,954	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	39,347,859	114,333	-	2,054,396	46,728,445	108,123	-	2,889,737
7	Depreciation	36,177,493	845,580	2,433,285	448,070	37,694,333	814,554	2,646,012	451,198
	Expense Credits:								
8	Sundry	(461,804)	(29,109)	(67,246)	(6,667)	(432,225)	(27,013)	(64,025)	(6,836)
9	Building Rental Income	(15,653)	-	-	-	(15,278)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(78,670)	(4,959)	(11,456)	(1,136)	(78,646)	(4,915)	(11,650)	(1,244)
12	Pole Attachments	(977,250)	(25,709)	(251,274)	(67,987)	(1,173,096)	(24,384)	(104,637)	(70,190)
13	Secondary Energy Revenues	95,998	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-
15	Application Fees	(12,144)	(416)	(1,784)	(392)	(12,016)	(248)	(1,888)	(384)
16	Meter Test Revenues	(2,601)	(93)	(315)	(138)	(10,318)	(280)	(906)	(544)
17	Total Expense Credits	(1,452,123)	(60,286)	(332,076)	(76,319)	(1,721,579)	(56,841)	(183,107)	(79,199)
18	Subtotal Expenses	253,765,695	7,709,141	23,437,249	3,690,864	301,422,446	8,481,949	27,327,350	5,058,567
19	Disposal Gain/Loss	589,013	1,547	77,017	9,116	628,876	106,464	67,408	13,529
20	Subtotal Rev Req't Excl Return	254,354,708	7,710,688	23,514,266	3,699,980	302,051,322	8,588,413	27,394,758	5,072,095
21	Return on Debt	80,908,990	482,414	1,972,686	366,738	85,225,259	498,410	2,319,480	438,285
22	Return on Equity	6,627,918	-	-	-	18,430,856	-	-	-
23	Total Revenue Requirement	341,891,615	8,193,102	25,486,952	4,066,718	405,707,437	9,086,823	29,714,238	5,510,380

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2010-2011 Change	2010-2011 Change	Percentage of Total Revenue Requirement Change	2010-2011 Change	2010-2011 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	5,357,659	7%	8%	293,574	6%	33%
2	Fuels - No. 6 Fuel	34,112,858	34%	53%	-		
3	Fuels - Diesel	335,635	469%	1%	513,025	26%	57%
4	Fuels - Gas Turbine	(777,372)	-73%	-1%	-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	7,380,586	19%	12%	(6,210)	-5%	-1%
7	Depreciation	1,516,840	4%	2%	(31,026)	-4%	-3%
	Expense Credits:	-			-		
8	Sundry	29,579	-6%	0%	2,096	-7%	0%
9	Building Rental Income	375	-2%	0%	-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	24	0%	0%	44	-1%	0%
12	Pole Attachments	(195,845)	20%	0%	1,324	-5%	0%
13	Secondary Energy Revenues	(95,998)			-		
14	Wheeling Revenues	-			-		
15	Application Fees	128	-1%	0%	168	-40%	0%
16	Meter Test Revenues	(7,717)	297%	0%	(188)	203%	0%
17	Total Expense Credits	(269,455)	19%	0%	3,445	-6%	0%
18	Subtotal Expenses	47,656,751	19%	75%	772,808	10%	86%
19	Disposal Gain/Loss	39,863	7%	0%	104,917	6782%	12%
20	Subtotal Rev Req Excl Return	47,696,614	19%	75%	877,725	11%	98%
21	Return on Debt	4,316,270	5%	7%	15,995	3%	2%
22	Return on Equity	11,802,938	178%	18%	-		0%
23	Total Revenue Requirement	63,815,822	19%	100%	893,720	11%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F
		Labrador Isolated			L'anse au Loup		
	Description	2010-2011 Change	2010-2011 Change	Percentage of Total Revenue Requirement Change	2010-2011 Change	2010-2011 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	986,957	9%	23%	190,816	17%	13%
2	Fuels - No. 6 Fuel	-			-		
3	Fuels - Diesel	2,541,448	25%	60%	341,298	222%	24%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	-			835,340	41%	58%
7	Depreciation	212,727	9%	5%	3,128	1%	0%
	Expense Credits:	-			-		
8	Sundry	3,221	-5%	0%	(169)	3%	0%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(194)	2%	0%	(108)	10%	0%
12	Pole Attachments	146,637	-58%	3%	(2,204)	3%	0%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	(104)	6%	0%	8	-2%	0%
16	Meter Test Revenues	(591)	187%	0%	(407)	296%	0%
17	Total Expense Credits	148,969	-45%	4%	(2,880)	4%	0%
18	Subtotal Expenses	3,890,101	17%	92%	1,367,703	37%	95%
19	Disposal Gain/Loss	(9,609)	-12%	0%	4,413	48%	0%
20	Subtotal Rev Reqt Excl Return	3,880,492	17%	92%	1,372,115	37%	95%
21	Return on Debt	346,795	18%	8%	71,547	20%	5%
22	Return on Equity	-			-		
23	Total Revenue Requirement	4,227,286	17%	100%	1,443,662	35%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F	G	H
		2011				2012			
	Description	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	82,294,692	5,143,221	12,190,283	1,301,573	83,561,949	4,969,008	12,529,533	1,553,142
2	Fuels - No. 6 Fuel	135,733,368	-	-	-	164,506,232	-	-	-
3	Fuels - Diesel	407,232	2,472,893	12,674,162	495,258	96,631	2,360,205	13,072,496	358,248
4	Fuels - Gas Turbine	285,954	-	-	-	633,681	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	46,728,445	108,123	-	2,889,737	51,334,564	296,162	-	2,931,180
7	Depreciation	37,694,333	814,554	2,646,012	451,198	42,819,974	431,544	1,799,927	329,048
	Expense Credits:								
8	Sundry	(432,225)	(27,013)	(64,025)	(6,836)	(605,683)	(36,017)	(90,818)	(11,258)
9	Building Rental Income	(15,278)	-	-	-	(18,035)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(78,646)	(4,915)	(11,650)	(1,244)	(68,121)	(4,051)	(10,214)	(1,266)
12	Pole Attachments	(1,173,096)	(24,384)	(104,637)	(70,190)	(767,236)	(22,361)	(105,569)	(66,927)
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-
15	Application Fees	(12,016)	(248)	(1,888)	(384)	(11,240)	(200)	(1,472)	(352)
16	Meter Test Revenues	(10,318)	(280)	(906)	(544)	(3,810)	(101)	(334)	(201)
17	Total Expense Credits	(1,721,579)	(56,841)	(183,107)	(79,199)	(1,474,125)	(62,730)	(208,408)	(80,003)
18	Subtotal Expenses	301,422,446	8,481,949	27,327,350	5,058,567	341,478,906	7,994,189	27,193,548	5,091,615
19	Disposal Gain/Loss	628,876	106,464	67,408	13,529	3,775,612	228,819	473,008	(16,546)
20	Subtotal Rev Req't Excl Return	302,051,322	8,588,413	27,394,758	5,072,095	345,254,518	8,223,008	27,666,556	5,075,069
21	Return on Debt	85,225,259	498,410	2,319,480	438,285	84,626,281	534,752	2,477,261	505,787
22	Return on Equity	18,430,856	-	-	-	14,100,999	-	-	-
23	Total Revenue Requirement	405,707,437	9,086,823	29,714,238	5,510,380	443,981,798	8,757,759	30,143,818	5,580,856

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2011-2012 Change	2011-2012 Change	Percentage of Total Revenue Requirement Change	2011-2012 Change	2011-2012 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	1,267,257	2%	3%	(174,213)	-3%	53%
2	Fuels - No. 6 Fuel	28,772,864	21%	75%	-		
3	Fuels - Diesel	(310,601)	-76%	-1%	(112,687)	-5%	34%
4	Fuels - Gas Turbine	347,727	122%	1%	-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	4,606,119	10%	12%	188,039	174%	-57%
7	Depreciation	5,125,641	14%	13%	(383,010)	-47%	116%
	Expense Credits:	-			-		
8	Sundry	(173,458)	40%	0%	(9,004)	33%	3%
9	Building Rental Income	(2,757)	18%	0%	-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	10,525	-13%	0%	864	-18%	0%
12	Pole Attachments	405,860	-35%	1%	2,023	-8%	-1%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	776	-6%	0%	48	-19%	0%
16	Meter Test Revenues	6,508	-63%	0%	179	-64%	0%
17	Total Expense Credits	247,453	-14%	1%	(5,889)	10%	2%
18	Subtotal Expenses	40,056,460	13%	105%	(487,761)	-6%	148%
19	Disposal Gain/Loss	3,146,736	500%	8%	122,355	115%	-37%
20	Subtotal Rev Req Excl Return	43,203,196	14%	113%	(365,406)	-4%	111%
21	Return on Debt	(598,978)	-1%	-2%	36,342	7%	-11%
22	Return on Equity	(4,329,857)	-23%	-11%	-		0%
23	Total Revenue Requirement	38,274,361	9%	100%	(329,063)	-4%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.		A	B	C	D	E	F
		Labrador Isolated			L'anse au Loup		
	Description	2011-2012 Change	2011-2012 Change	Percentage of Total Revenue Requirement Change	2011-2012 Change	2011-2012 Change	Percentage of Total Revenue Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	339,250	3%	79%	251,569	19%	357%
2	Fuels - No. 6 Fuel	-			-		
3	Fuels - Diesel	398,334	3%	93%	(137,010)	-28%	-194%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	-			41,444	1%	59%
7	Depreciation	(846,085)	-32%	-197%	(122,150)	-27%	-173%
	Expense Credits:	-			-		
8	Sundry	(26,793)	42%	-6%	(4,422)	65%	-6%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	1,435	-12%	0%	(22)	2%	0%
12	Pole Attachments	(932)	1%	0%	3,264	-5%	5%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	416	-22%	0%	32	-8%	0%
16	Meter Test Revenues	572	-63%	0%	344	-63%	0%
17	Total Expense Credits	(25,301)	14%	-6%	(805)	1%	-1%
18	Subtotal Expenses	(133,802)	0%	-31%	33,048	1%	47%
19	Disposal Gain/Loss	405,600	602%	94%	(30,075)	-222%	-43%
20	Subtotal Rev Reqt Excl Return	271,798	1%	63%	2,973	0%	4%
21	Return on Debt	157,781	7%	37%	67,502	15%	96%
22	Return on Equity	-			-		
23	Total Revenue Requirement	429,579	1%	100%	70,476	1%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F	G	H
		2012				2013TY			
		Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)	Island Interconnected (\$)	Island Isolated (\$)	Labrador Isolated (\$)	L'Anse au Loup (\$)
	Revenue Requirement								
	Expenses								
1	Operating, Maintenance and Admin.	83,561,949	4,969,008	12,529,533	1,553,142	89,425,968	5,339,758	13,492,944	1,321,586
2	Fuels - No. 6 Fuel	164,506,232	-	-	-	200,692,615	-	-	-
3	Fuels - Diesel	96,631	2,360,205	13,072,496	358,248	111,816	2,558,555	14,697,487	533,749
4	Fuels - Gas Turbine	633,681	-	-	-	606,127	-	-	-
5	Power Purchases -CF(L)Co	-	-	-	-	-	-	-	-
6	Power Purchases - Other	51,334,564	296,162	-	2,931,180	52,417,542	244,656	-	3,353,241
7	Depreciation	42,819,974	431,544	1,799,927	329,048	46,731,192	479,097	1,981,176	335,840
	Expense Credits:								
8	Sundry	(605,683)	(36,017)	(90,818)	(11,258)	(488,035)	(29,141)	(73,637)	(7,212)
9	Building Rental Income	(18,035)	-	-	-	(15,744)	-	-	-
10	Tax Refunds	-	-	-	-	-	-	-	-
11	Suppliers' Discounts	(68,121)	(4,051)	(10,214)	(1,266)	(77,337)	(4,618)	(11,669)	(1,143)
12	Pole Attachments	(767,236)	(22,361)	(105,569)	(66,927)	(1,149,732)	(23,664)	(102,972)	(68,280)
13	Secondary Energy Revenues	-	-	-	-	-	-	-	-
14	Wheeling Revenues	-	-	-	-	-	-	-	-
15	Application Fees	(11,240)	(200)	(1,472)	(352)	(11,624)	(228)	(1,668)	(368)
16	Meter Test Revenues	(3,810)	(101)	(334)	(201)	(3,907)	(132)	(486)	(197)
17	Total Expense Credits	(1,474,125)	(62,730)	(208,408)	(80,003)	(1,746,380)	(57,783)	(190,432)	(77,200)
18	Subtotal Expenses	341,478,906	7,994,189	27,193,548	5,091,615	388,238,880	8,564,283	29,981,175	5,467,216
19	Disposal Gain/Loss	3,775,612	228,819	473,008	(16,546)	1,005,645	141,781	137,281	(179)
20	Subtotal Rev Req't Excl Return	345,254,518	8,223,008	27,666,556	5,075,069	389,244,525	8,706,064	30,118,456	5,467,037
21	Return on Debt	84,626,281	534,752	2,477,261	505,787	80,235,295	581,432	2,440,180	476,336
22	Return on Equity	14,100,999	-	-	-	31,575,197	228,812	960,290	187,454
23	Total Revenue Requirement	443,981,798	8,757,759	30,143,818	5,580,856	501,055,017	9,516,308	33,518,926	6,130,827

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	A	B	C	D	E	F
		Island Interconnected			Island Isolated		
		2012-2013TY	2012-2013TY	Percentage of Total Revenue	2012-2013TY	2012-2013TY	Percentage of Total Revenue
		Change	Change	Requirement Change	Change	Change	Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	5,864,019	7%	10%	370,750	7%	49%
2	Fuels - No. 6 Fuel	36,186,383	22%	63%	-		
3	Fuels - Diesel	15,185	16%	0%	198,350	8%	26%
4	Fuels - Gas Turbine	(27,554)	-4%	0%	-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	1,082,978	2%	2%	(51,506)	-17%	-7%
7	Depreciation	3,911,218	9%	7%	47,553	11%	6%
	Expense Credits:	-					
8	Sundry	117,648	-19%	0%	6,876	-19%	1%
9	Building Rental Income	2,290	-13%	0%	-		
10	Tax Refunds	-		0%	-		
11	Suppliers' Discounts	(9,215)	14%	0%	(567)	14%	0%
12	Pole Attachments	(382,496)	50%	-1%	(1,303)	6%	0%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	(384)	3%	0%	(28)	14%	0%
16	Meter Test Revenues	(98)	3%	0%	(31)	30%	0%
17	Total Expense Credits	(272,254)	18%	0%	4,947	-8%	1%
					-		
18	Subtotal Expenses	46,759,974	14%	82%	570,094	7%	75%
					-		
					-		
19	Disposal Gain/Loss	(2,769,967)	-73%	-5%	(87,038)	-38%	-11%
					-		
20	Subtotal Rev Reqt Excl Return	43,990,007	13%	77%	483,056	6%	64%
					-		
21	Return on Debt	(4,390,987)	-5%	-8%	46,680	9%	6%
22	Return on Equity	17,474,198	124%	31%	228,812	n/a	30%
					-		
23	Total Revenue Requirement	57,073,219	13%	100%	758,549	9%	100%

Newfoundland and Labrador Hydro
Revenue Requirement Variance Analysis

Line No.	Description	Labrador Isolated			L'anse au Loup		
		A	B	C	D	E	F
		2012-2013TY	2012-2013TY	Percentage of Total Revenue	2012-2013TY	2012-2013TY	Percentage of Total Revenue
		Change	Change	Requirement Change	Change	Change	Requirement Change
		(\$)	(%)	(%)	(\$)	(%)	(%)
	Revenue Requirement						
	Expenses						
1	Operating, Maintenance and Admin.	963,411	8%	29%	(231,557)	-15%	-42%
2	Fuels - No. 6 Fuel	-			-		
3	Fuels - Diesel	1,624,991	12%	48%	175,502	49%	32%
4	Fuels - Gas Turbine	-			-		
5	Power Purchases -CF(L)Co	-			-		
6	Power Purchases - Other	-			422,061	14%	77%
7	Depreciation	181,249	10%	5%	6,792	2%	1%
	Expense Credits:	-					
8	Sundry	17,181	-19%	1%	4,045	-36%	1%
9	Building Rental Income	-			-		
10	Tax Refunds	-			-		
11	Suppliers' Discounts	(1,455)	14%	0%	123	-10%	0%
12	Pole Attachments	2,597	-2%	0%	(1,353)	2%	0%
13	Secondary Energy Revenues	-			-		
14	Wheeling Revenues	-			-		
15	Application Fees	(196)	13%	0%	(16)	5%	0%
16	Meter Test Revenues	(153)	46%	0%	4	-2%	0%
17	Total Expense Credits	17,976	-9%	1%	2,803	-4%	1%
		-			-		
18	Subtotal Expenses	2,787,626	10%	83%	375,601	7%	68%
19	Disposal Gain/Loss	(335,727)	-71%	-10%	16,367	-99%	3%
20	Subtotal Rev Reqt Excl Return	2,451,899	9%	73%	391,968	8%	71%
21	Return on Debt	(37,082)	-1%	-1%	(29,451)	-6%	-5%
22	Return on Equity	960,290	n/a	28%	187,454	n/a	34%
23	Total Revenue Requirement	3,375,108	11%	100%	549,971	10%	100%