1	Q.	Reference: Transcript January 16, 2013
2		Page 16, Line 11 to 17
3		
4		Please provide the reports from Mercer that provides the proposed 2013 and 2014
5		test year OPEBs Expense.
6		
7	A.	Attachment A is the actuarial report from Mercer that provides the OPEBs cost used to
8		determine the proposed 2013 and 2014 test year OPEBs Expense.
9		
10		Table 1 provides the calculation of the proposed 2013 and 2014 test year OPEBs Expense
11		from the information provided by Mercer.
12		
13		

Table 1Newfoundland PowerCalculation of the 2013 and 2014 test year OPEBs Expense(\$000)

	2013E	2014E
U.S. GAAP Cost ¹	5,991	5,984
Amortization OPEBs Regulatory Asset ²	4,932	4,932
Less: amount Capitalized ³	(462)	(480)
Total ⁴	10,461	10,436

¹ This is the net periodic benefit cost (income) shown in Attachment A.

² This is the amortization of the regulatory asset associated with the adoption of the accrual method of accounting for OPEBs cost on January 1, 2011 and the regulatory asset associated with the adoption of U.S. GAAP on January 1, 2012. The adoption of the accrual method of accounting for OPEBs cost was approved in Order No. P.U. 31 (2010). The adoption of U.S. GAAP was approved in Order No. P.U. 27 (2011).

³ This is 44% of the current service cost (employer) shown in Attachment A

⁴ See Volume 1, Application and Company Evidence, Section 3.2.3 Employee Future Benefits, page 3-9, Table 3-6.

Undertaking: Newfoundland Power

Attachment A

Newfoundland Power Inc.

Amount of displantin a displantin displantin displantin displantin displanti	Year From To	2009 1/1/2009 12/31/2009	2010 1/1/2010 12/31/2010	2011 1/1/2011 12/31/2011	2012 1/1/2012 12/31/2012	2013 1/1/2013 12/31/2013	2014 1/1/2014 12/31/2014	2015 1/1/2015 12/31/2015	2016 1/1/2016 12/31/2016	2017 1/1/2017 12/31/2017
program program <t< td=""><td>Current service cost (employer)</td><td>1,008 000</td><td>1,032,000</td><td>889,000</td><td>945.000</td><td>1,049,000</td><td>1.091.000</td><td>1,135,000</td><td>1,180,000</td><td>97,402,000 1,228,000 4,716,000</td></t<>	Current service cost (employer)	1,008 000	1,032,000	889,000	945.000	1,049,000	1.091.000	1,135,000	1,180,000	97,402,000 1,228,000 4,716,000
Anderson directions 0	Plan amendments Benefits paid	0 1,004,000 (1,304,000)	0 (15,191,000) (1,696,000)	0 464.000 (2.200.000)	0 489.000 (2.512.000)	0 0 (3.035.000)	0 0 (3 306.000)	0 (3 905.000)	0 0 (4.620,000)	0 0 (4.788,000)
Attance 448/200 12/24/00 4/87/200 0/2/2000 <	Acquisitions (divestitures) Increase (decrease) in obligation due to curtailment Obligation being settled	0	0	0 0	0 0	0 0	0 0 0	0	0	0
Mundari use of parsonal - not group entries 0 0 0 0	Actuarial loss (gain)	4,838,000	10,749,000	4,987,000	9,374,000	0	0	ō	0	0 0 98.558,000
Encloyer continuing 1.300 COD 1.000 COD 2.000 COD 2.010 COD 2.010 COD 2.010 COD 2.010 COD 2.000 COD	Adjustment for change in measurement date	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0 N/A
Actual classical processes Column Classical Processes <th< td=""><td>Employer contributions Employee contributions</td><td>1,304,000</td><td>1,696.000 0</td><td>2,200,000</td><td>2.512.000 0</td><td>3,035.000 0</td><td>3,306,000 0</td><td>3,905,000 0</td><td>4,620.000</td><td>4,788 000 0</td></th<>	Employer contributions Employee contributions	1,304,000	1,696.000 0	2,200,000	2.512.000 0	3,035.000 0	3,306,000 0	3,905,000 0	4,620.000	4,788 000 0
Bender slagetion - and Market value (right) stands, and Market value (right) Market value (right) stands, and Market value (right) Market value (right)	Actual plan expenses	0	0	0	0	0	0	0	0	(4,788,000) 0 0
Markards Operating of the statement of financial position consist of markards position in the statement of financial position consist of markards position in the statement of financial position consist of markards position in the statement of financial position in the state financial position in the statement of financial posit		69,667,000 0	69,234.000 0	77,371,000 0	89,713.000 0		94,370,000 0	96.184,000 0	97,402,000	98,558.000 0
Interpretations 0		(69,667.000)	(69,234,000)	(77.371.000)	(89,713.000)		(94,370.000)	(96,184,000)	(97,402,000)	(98.558,000)
Current (liabilities) (1.660 000) (2.2000) (2.635 000) (3.985 000) (3.985 000) (4.788 000) (5.748 000) (5.748 000) (7.788 000) <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0 N/A</td>										0 N/A
Number of a fer elected in respirate level in solution of the second state included in comparison association astructure astructure associatio astructure astructure associati	Current (Ilabilities) Noncurrent (liabilities)	(1.696.000) (67,971,000)	(2.200.000) (67.034.000)	(2.512,000) (74,859,000)	(3,035,000) (86,678,000)	(3,306,000) (88,794,000)	(3,905,000) (90,465,000)	(4.620,000) (91,564,000)	(4,788.000) (92,614,000)	(5.047.000) (93,511,000)
Transitional asset (obligation) (3713 000) (2280 00) (2280 00) (2280 00) (2280 00) (2280 00) (2280 00) (2280 00) (2280 00) (2180 00) (2180 00) (12180 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00) (1130 00)<	Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income (AOCI):									
Accumulated prior completentives income (loss) style=rend (15 610.000) (13.073.000) (21.071.000) (21.187.000) <t< td=""><td>Transitional asset (obligation) Past service credit (cost)</td><td>(1,004.000)</td><td>14.301,000</td><td>12,478.000</td><td>10,631.000</td><td>9.318,000</td><td>8.005,000</td><td>6.692,000</td><td>5,379,000</td><td>0 4.066.000 (25.875.000)</td></t<>	Transitional asset (obligation) Past service credit (cost)	(1,004.000)	14.301,000	12,478.000	10,631.000	9.318,000	8.005,000	6.692,000	5,379,000	0 4.066.000 (25.875.000)
Current strong cost (including provision for plan supenses) 1,008,000 1,028,000 1,098,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 5,998,000 1,008,000 1,008,000 1,008,000 1,008,000 1,008,000 1,008,000 1,008,000 1,008,000 1,008,000 1,000,00 1,000,00 1,00	Accumulated other comprehensive income (loss) at year-end Cumulative employer contributions in excess of net periodic benefit cost	(53,857,000)	(9,531,000) (59,703,000)	(63,398,000)	(66,528,000)	(69,484,000)	(72,162,000)	(74,237,000)	(75,584,000)	(21.809.000) (76,749.000) (98.558.000)
Expected return on plan sasts 0	Components of net periodic benefit cost Current service cost (including provision for plan expenses)									1.228,000
Amortzation of met actualitations (gam) 22,000 28,000 1,622,000 1,622,000 1,622,000 1,622,000 1,622,000 1,622,000 1,622,000 5,954,000 1,441,000 1,420,000 1,420,000 1,420,000 1,420,000 1,420,000 1,420,000 1,420,000 1,420,000 1,313,000 1,313,000 1,313,000 1,313,000 1	Expected return on plan assets Amortization of transitional obligation (asset)	0 1,428,000	0 1,428.000	0 1.428.000	0 857,000	0	0	0	0	0
Increase (decrease) in additional minimum liability N/A N/A N/A N/A N/	Amortization of net actuarial loss (gain)	22,000	295,000	940,000	1,152,000	1,882,000	1,721,000	1,574,000	1,441,000	(1,313 000) 1,323,000 5.954,000
Transition (asset)(billigation failing during the penod 0										N/A
Amorization of transitional isset(bilingation) (1,428,000) (1,313,000) (1,322,000) (1,313,000) (1,313,000)	Transition (asset)/obligation arising during the period	0 1,004,000	0 (15,191 000)	0 464 000	0 469.000	0	0 Q	0	0	0
Amortization of net statural gain(floss) [22,000] (28,000) (1,52,000) (1,62,000) (1,721,000) (1,524,000) (1,441,000) (1,323,000) Total changes recognized in other comprehensive loss (income) 10.668,000 (442,000) 9,212,000 (488,000) (1,21,000) (1,224,000) (1,441,000) (1,323,000) (1,420,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,230,000) (1,330,000) (1,313,000) <t< td=""><td>Amortization of transitional asset/(obligation)</td><td>(1,428,000)</td><td>(1,428,000)</td><td>(1.428,000)</td><td>(857,000)</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0 0 1.313.000</td></t<>	Amortization of transitional asset/(obligation)	(1,428,000)	(1,428,000)	(1.428,000)	(857,000)	0	0	0	0	0 0 1.313.000
comprehensive Income Into net periodic benefit cost over the next fiscal year Transitional bigation (aset) 1.428 000 1.428 000 1.428 000 1.359,000 0 <td>Amortization of net actuanal gain/(loss)</td> <td>(22,000)</td> <td>(295,000)</td> <td>(940.000)</td> <td>(1,152,000)</td> <td>(1,882,000)</td> <td>(1,721,000)</td> <td>(1,574,000)</td> <td>(1,441,000)</td> <td>(1,323,000) (10,000)</td>	Amortization of net actuanal gain/(loss)	(22,000)	(295,000)	(940.000)	(1,152,000)	(1,882,000)	(1,721,000)	(1,574,000)	(1,441,000)	(1,323,000) (10,000)
Pest service cost (credit) 114 000 (1.359,000) (1.359,000) (1.313,000)	Estimated amounts that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next fiscal year Transitional obligation (assat)	1 428 000	1 428 000	857 000	0	0	0	0	٥	0
Assumptions At beginning of period Discount rate Rate of compensation increase Health care inflation - Select Paint of period Expected rate of rotum on plan assets 0.0000 in rate Rate of compensation increase 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% Health care inflation - Ultimate 4.50% Expected rate of rotum on plan assets 0.00% 0.00% 0.00% Atte of compensation increase 6.70% Rate of compensation increase 6.70% Atte of compensation increase 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% Autor of denoted position 0.00% Resonalisation - Ultimate 4.55% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00% 4.00%	Past service cost (credit) Net actuarial loss (gain)	114,000 295,000	(1,359,000) 940,000	(1.359,000) 1,152,000	1,882,000	1,721,000	1,574,000	1,441,000	1,323,000	(1,337,000) 1,214,000 (123,000)
Discount rate 7 50% 6 70% 5 75% 5 25% 4 90%										
Heatth care inflation - Ultimate 4 50% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 55% 4 50%										1 0004
Discount rate 670% 575% 525% 4 90%	At beginning of period Discount rate Rate of compensation increase	4 00%	4 00%	4 00%	4 00%	4 00%	4 00%	4 00%	4 00%	4 00%
Health care inflation - Select 8 09% 7 98% 7 90% 7 62% 7 46% 7 22% 6 62% 6 68% 6 429 Health care inflation - Utimate 4 55% 4 55% 4 55% 4 50% <t< td=""><td>At beginning of period Discount rate Rate of compensation increase Health care inflation - Select Health care inflation - Ultimate Expected rate of return on plan assots</td><td>4 00% 9 33% 4 50%</td><td>4 00% 8 09% 4 55%</td><td>4 00% 7 98% 4 55%</td><td>4 00% 7 90% 4 55%</td><td>4 00% 7 62% 4 50%</td><td>4 00% 7 46% 4 50%</td><td>4 00% 7 22% 4 50%</td><td>4 00% 6 92% 4 50%</td><td></td></t<>	At beginning of period Discount rate Rate of compensation increase Health care inflation - Select Health care inflation - Ultimate Expected rate of return on plan assots	4 00% 9 33% 4 50%	4 00% 8 09% 4 55%	4 00% 7 98% 4 55%	4 00% 7 90% 4 55%	4 00% 7 62% 4 50%	4 00% 7 46% 4 50%	4 00% 7 22% 4 50%	4 00% 6 92% 4 50%	
Net accrued benefit asset (liability) at beginning of period (69.667.000) (69.234.000) (77.371.000) (97.13.000) (94.370.000) (95.184.000) (97.402.000) Benefits Paid 1.696.000 2.200,000 2.512.000 3.306.000 3.906.000 4.768.0000 69.640.000) (97.402.000) (98.184.000) 4.768.000 0.96.000 4.768.000 1.966.000 2.512.000 3.306.000 3.906.000 4.768.0000 1.966.000) 1.966.000 2.61.000 1.966.000) 1.966.000 1.976.000 1.966.000 1.966.000 1.966.000 1.966.000 1.966.000 1.966.000 1.976.000 1.976.000 1.966.000 1.976.000 1.	At beginning of period Discount rate Rate of componsation increase Health care inflation - Select Health care inflation - Ultimate Expected rate of return on plan assets. At end of period Discount rate	4 00% 9 33% 4 50% 0.00% 6.70%	4 00% 8 09% 4 55% 0 00% 5 75%	4 00% 7 98% 4 55% 0.00% 5 25%	4 00% 7 90% 4 55% 0 00% 4 90%	4 00% 7 62% 4 50% 0 00% 4 90%	4 00% 7 46% 4 50% 0 00% 4.90%	4 00% 7 22% 4 50% 0 00% 4 90%	4 00% 6 92% 4 50% 0 00% 4 90%	4 00% 6 68% 4 50%
Expense (7,542,000) (5,891,000) (5,981,000) (9,971,200) (9,9	At beginning of period Discount rate Rate of compensation increase Heath care inflation - Select Expected rate of relum on plan assets. At end of period Discount rate Rate of compensation increase Heath care inflation - Select	4 00% 9 33% 4 50% 0.00% 6.70% 4 00% 8 09%	4 00% 8 09% 4 55% 0 00% 5 75% 4 00% 7 98%	4 00% 7 98% 4 55% 0 00% 5 25% 4 00% 7 90%	4 00% 7 90% 4 55% 0 00% 4 90% 4 90% 7 62%	4 00% 7 62% 4 50% 0 00% 4 90% 4 00% 7 46%	4 00% 7 46% 4 50% 0 00% 4.90% 4 00% 7 22%	4 00% 7 22% 4 50% 0 00% 4 90% 4 00% 6 92%	4 00% 6 92% 4 50% 0 00% 4 90% 4 90% 6 68%	4 00% 6 68% 4 50% 0 00% 4 90%
Net accrued benefit asset (liability) at end of period - (69.234.000) (77.371.000) (89.712.000) (92.100.000) (94.370.000) (94.370.000) (97.402.000) (98.558.000 Reconciliation of Accumulated Other Comprehensive Income (Loss) (AOCI) AOCI at the end of prior year - (15.810.000) (95.31.000) (13.973.000) (22.616.000) (22.208.000) (21.947.000) (21.947.000) (21.819.000) Other comprehensive income (loss) 6.279.000 (4.442.000) (9.212.000) 569.000 498.000 226.000 12.8000 10.0000	At beginning of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Ultimate Expected rate of return on plan assets. At end of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Ultimate Reconciliation of funded position Net accrue benefit asset (liability) at beginning of period	4 00% 9 33% 4 50% 0.00% 6.70% 4 00% 8 09%	4 00% 8 09% 4 55% 0 00% 5 75% 4 00% 7 98% 4 55% (69.667.000)	4 00% 7 98% 4 55% 0.00% 5 25% 4 00% 7 90% 4 55% (69.234,000)	4 00% 7 90% 4 55% 0 00% 4 90% 4 00% 7 62% 4.50% (77,371.000)	4 00% 7 62% 4 50% 0 00% 4 90% 4 00% 7 46% 4 50% (89,713,000)	4 00% 7 46% 4 50% 0 00% 4 90% 4 00% 7 22% 4 50% (92,100,000)	4 00% 7 22% 4 50% 0 00% 4 90% 4 00% 6 92% 4 50% (94 370,000)	4 00% 6 92% 4 50% 0 00% 4 90% 6 68% 4 50% (96.184 000)	4 00% 6 68% 4 50% 0 00% 4 90% 4 00% 6 42% 4 50% (97,402,000)
ACC1 at the end of prior year (15.810.000) (9.531.000) (23.973.000) (23.185.000) (22.2616.000) (22.947.000) (21.947.000) (21.919.000) (At beginning of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Utimate Expected rate of return on plan assets. At end of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Select Health care inflation - Utimate Reconciliation of funded position Net accrued benefit asset (lability) at beginning of period Combutions Benefits Paid Expense	4 00% 9 33% 4 50% 0.00% 6.70% 4 00% 8 09%	4 00% 8 09% 4 55% 0 00% 5 75% 4 00% 7 93% 4 55% (69.667.000) 1.696.000 (7.542.000)	4 00% 7 98% 4 55% 0 00% 5 25% 4 00% 7 90% 4 55% (69.234.000) 2.200.000 (5.895.000)	4 00% 7 90% 4 55% 0 00% 4 00% 7 62% 4 50% (77,371,000) 2.512,000 (5.641,000)	4 00% 7 62% 4 50% 4 00% 7 48% 4 00% 7 48% 4 50% (89,713,000) 3.035,000 (5,991,000)	4 00% 7 45% 4 50% 4 00% 4 00% 7 22% 4 50% (92,100,000) 3 306,000	4 00% 7 22% 4 50% 0 00% 4 90% 4 00% 6 92% 4 50% (94 370,000) 3.905,000	4 00% 6 92% 4 50% 0 00% 4 90% 4 00% 6 68% 4 50% (96 184 000) 4 620,000	4 00% 6 68% 4 50% 9 00% 4 90% 4 00% 6 42% 4 50% (97 402,000) 4,788,000 (5,954,000)
	At beginning of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Utimate Expected rate of return on plan assets. At end of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Select Health care inflation - Utimate Reconciliation of funded position Net accrued benefit asset (liability) at beginning of period Contributions Benefits Paid Expense OCI change	4 00% 9 33% 4 50% 0.00% 6.70% 4 00% 8 09%	4 00% 8 09% 4 55% 0 00% 5 75% 4 00% 4 55% (69,667,000) 1,696,000 (7,542,000) 6,279,000	4 00% 7 98% 4 55% 0 00% 5 25% 4 00% 4 55% (69,234,000) 2,200,000 (5,895,000) (4,442,000)	4 00% 7 90% 4 55% 0 00% 4 90% 4 00% 4 00% 7 62% 4 50% (77,371,000) 2.512,000 (5.641,000) (9,212,000)	4 00% 7 62% 4 50% 0 00% 4 90% 4 00% 4 00% 4 50% (89,713,000) 3.035 000 (5,991,000) 589,000	4 00% 7 45% 4 50% 4 90% 4 00% 7 22% 4 50% (92,100,000) 	4 00% 7 22% 4 55% 0 00% 4 90% 4 00% 6 92% 4 50% (94 370,000) 	4 00% 6 92% 4 50% 6 00% 4 90% 4 90% 6 68% 4 50% (96.184 000) 4 620 000 (5 966 000) 128,000	4 00% 6 68% 4 50% 6 00% 4 90% 6 42% 4 50% (97 402,000) 4,788,000
	At beginning of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Utimate Expected rate of return on plan assets. At end of period Discourt rate Rate of compensation increase Health care inflation - Select Health care inflation - Utimate Reconciliation of funded position Net accrued benefit asset (lablity) at beginning of period Controlutions Benefits Paid Expense OCI change Net accrued benefit asset (lablity) at end of period Reconciliation of Accumulated Other Comprehensive Income (Loss) (AOCI) AOCI at the end of prior year.	4 00% 9 33% 4 50% 0.00% 6.70% 4 00% 8 09%	4 00% 8 09% 4 55% 0 00% 5 75% 4 00% 7 98% 4 55% (69.667.000) 1.696.000 (7.542.000) (69.234.000) (15.810.000)	4 00% 7 98% 4 55% 0 00% 5 25% 4 00% 7 90% 4 55% (69.234.000) 2.200.00 (5.895.000) (4.442.000) (77.371.000)	4 00% 7 90% 4 65% 0 00% 4 90% 4 00% 7 62% 4 50% (77,371,000) 2.512,000 (5.641,000) (9.212,000) (89,712,000) (13,973,000)	4 00% 7 62% 4 50% 0 00% 4 90% 4 00% 7 46% 4 50% (89,713,000) 3.035 00 (5,991,000) (92,100,000) (23,185,000)	4 00% 7 45% 4 50% 0 00% 4 90% 4 00% 7 22% 4 50% (92,100,000) 3 306,000 (94,370,000) (94,370,000) (22,616,000)	4 00% 7 22% 4 50% 0 00% 4 90% 4 00% 6 92% 4 50% (94 370,000) 3.905,000 (5.980,000) 261,000 (96,184,000)	4 00% 6 92% 4 50% 4 50% 4 00% 6 68% 4 50% (96.184 000) 4 620.000 (5 966 000) 128.000 (97.402,000) (21.947,000)	4 00% 6 68% 4 50% 0 00% 4 90% 6 42% 4 50% 6 42% 4 50% (97,402,000) 10,000 (98,558,000) (21,819,000)