

June 6, 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: An Application by Newfoundland and Labrador Hydro (Hydro) pursuant to Section 70 (1) of the Act for approval of a change in rates for the supply of power and energy to Island Interconnected customers (excluding Burgeo school and library) and Isolated Rural customers (excluding Government departments) to be effective July 1.

Please find enclosed the original and eight copies of the above-noted Application, plus supporting affidavit and draft order

In Order No. P.U. 14(2007) the Board approved Hydro's revision to its Rules and Regulations including Section 16 – Policies for Automatic Rate Changes, which allows Hydro to automatically adjust its rates as Newfoundland Power changes its rates. Newfoundland Power filed a Compliance Application on May 16, 2013 for rate changes that reflect both: (i) the Rate Stabilization Adjustment and Municipal Tax Adjustment factors effective July 1, 2013; and (ii) the Board's determinations as set out in Order No. P.U. 13(2013). Hydro is therefore applying for the automatic changes to Rural Rates and Rural Rate structure, which will follow changes in Newfoundland Power's rates and rate structure.

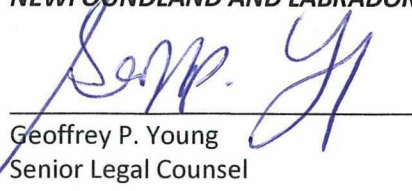
The following supporting schedules, which are enclosed with the Application, assume that the Board approves the rates proposed by Newfoundland Power:

- Schedule A – Island Interconnected Customers (Pages 1-6), and Isolated Rural Customers (Pages 7-11) Rates; and
- Schedule B – Calculation of Isolated Rural Customer Rates (other than those which are the same as Newfoundland Power's).
- Schedule C - Summary of Rate Structure Changes by System and Customer Class.

Should you have any questions, please contact the undersigned.

Yours truly,

NEWFOUNDLAND AND LABRADOR HYDRO



Geoffrey P. Young
Senior Legal Counsel

cc: Gerard Hayes – Newfoundland Power
Paul Coxworthy – Stewart McKelvey Stirling Scales

Thomas Johnson – Consumer Advocate
Dean Porter – Poole Althouse

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 pursuant to Section 70 (1) of the *Act*, for the approval of a change in rates to be charged for the supply of power and energy to Island Interconnected customers (excluding Burgeo school) and Isolated Rural customers (excluding Government departments).

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

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

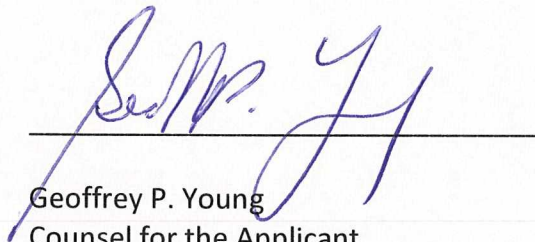
1. Hydro is a corporation continued and existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the *Act* and is subject to the provisions of the *Electrical Power Control Act, 1994*.
2. By Order No. P.U. 14 (2007) the Board approved Hydro's revisions to the Rules and Regulations which includes Policies for Automatic Rate Changes (Section 16) so that as Newfoundland Power Inc. (Newfoundland Power) changes its rates, Hydro will automatically adjust certain rates for the Island Interconnected System, the L'Anse au Loup System, and the Isolated System.

3. On April 12, 2013, Hydro filed an Application seeking approval of the Rate Stabilization Plan components of the rates to be charged to Newfoundland Power.
4. In Order No. P.U. 17 (2013) the Board approved the rates to be charged by Hydro to Newfoundland Power to be effective for consumption on or after July 1, 2013.
5. On April 17, 2013, the Board issued Order No. P.U. 13 (2013) setting out its determination in respect of the proposals in Newfoundland Power's General Rate Application and ordering, among other things, that Newfoundland Power file for the approval of the Board revised rates, tolls and charges effective for service provided on and after July 1, 2013.
6. On May 16, 2013, Newfoundland Power filed a Compliance Application for an Order approving, among other things, revised rates, tolls and charges to be applied to electricity consumption on and after July 1, 2013 that reflect both:
(i) the Rate Stabilization Adjustment and Municipal Tax Adjustment factors effective July 1, 2013; and (ii) the Board's determinations as set out in Order No. P.U. 13 (2013).

7. Hydro proposes that the new rates for the sale of power and energy to Island Interconnected customers (Rate Class 1.1, 1.1S, 2.1, 2.3, 2.4 and 4.1), Isolated Rural Domestic customers (Rate Class 1.2D), excluding Government departments, for the Basic Customer Charges and First Block consumption, and also Isolated Rural Street and Area Lighting (Rate Class 4.1D) as outlined in the attached Schedule A, and the rate structure changes outlined in the attached Schedule C, be implemented as of July 1, 2013. The proposed rates are based on the rates filed by Newfoundland Power on May 16, 2013.
8. Pursuant to Order No. P.U. 8 (2007) and Order No. P.U. 14 (2007), rates for the sale of power and energy to Isolated Rural Domestic customers (Rate Class 1.2D), excluding Government departments, for consumption greater than the lifeline block and Isolated Rural General Service customers (Rate Class 2.1D and 2.2D) are also to be revised based on the average rates of change proposed by Newfoundland Power. Hydro therefore proposes that, based on the July 1, 2013 average rate of change proposed by Newfoundland Power on May 16, 2013 as calculated in Schedule B, the rates for these customers as outlined in the attached Schedule A, and the rate structure changes outlined in the attached Schedule C, be implemented as of July 1, 2013.

9. Therefore, Hydro requests that the Board make an Order approving, pursuant to Section 70 (1) of the Act, the rates as set out in the attached Schedule A for Island Interconnected customers (Rate Class 1.1, 1.1S, 2.1, 2.3, 2.4 and 4.1) and Isolated Rural customers (Rate Class 1.2D, 2.1D, 2.2D and 4.1D) to be implemented July 1, 2013.

DATED AT St. John's in the Province of Newfoundland and Labrador this 6th day of June, 2012.



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) 737-1462
Facsimile: (709) 737-1782

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1

DOMESTIC

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Not Exceeding 200 Amp Service.....	\$15.68 per month
Exceeding 200 Amp Service.....	\$20.68 per month

Energy Charge:

All kilowatt-hours @ 10.945 ¢ per kWh

Minimum Monthly Charge:

Not Exceeding 200 Amp Service.....	\$15.68 per month
Exceeding 200 Amp Service.....	\$20.68 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.1S

DOMESTIC - OPTIONAL

Availability:

Available upon request for Service to Customers served under Rate 1.1 Domestic Service who have a minimum of 12 months of uninterrupted billing history at their current Serviced Premises.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

The Energy Charges provided for in Rate 1.1 Domestic Service Rate shall apply, subject to the following adjustments:

Winter Season Premium Adjustment (Billing months of December through April):

All kilowatt-hours @ 0.953¢ per kWh

Non-Winter Season Premium Adjustment (Billing months of May through November):

All kilowatt-hours @ (1.297)¢ per kWh

Special Conditions:

1. An application for Service under this rate option shall constitute a binding contract between the Customer and the Company with an initial term of 12 months commencing the day after the first meter reading date following the request by the customer, and renewing automatically on the anniversary date thereof for successive 12-month terms.
2. To terminate participation on this rate option on the renewal date, the Customer must notify the Company either in advance of the renewal date or no later than 60 days after the anniversary/renewal date. When acceptable notice of termination is provided to the Company, the Customer's billing may require an adjustment to reverse any seasonal adjustments applied to charges for consumption after the automatic renewal date.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.1

GENERAL SERVICE 0 - 100 kW (110 kVA)

Availability¹:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$21.91 per month

Demand Charge:

\$8.68 per kW of billing demand in the months of December, January, February and March and \$6.18 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month in excess of 10 kW.

Energy Charge:

First 3,500 kilowatt-hours @ 10.927 ¢ per kWh

All excess kilowatt-hours @ 8.336 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.739 cents per kWh plus the Basic Customer Charge, but not less than Minimum Monthly Charge.

Minimum Monthly Charge:

Single Phase \$21.91 per month

Three Phase: \$36.00 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.3

GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability¹:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$50.02 per month

Demand Charge:

\$7.54 per kVA of billing demand in the months of December, January, February and March and \$5.04 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 50,000 kilowatt-hours @ 9.649 ¢ per kWh
All excess kilowatt-hours @ 7.878 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.739 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 2.4

GENERAL SERVICE 1000 kVA AND OVER

Availability¹:

For Service where the maximum demand occurring in the 12 month period ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$85.03 per month

Billing Demand Charge:

\$7.12 per kVA of billing demand in the months of December, January, February and March and \$4.62 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 75,000 kilowatt-hours @ 9.126 ¢ per kWh

All excess kilowatt-hours @ 7.644 ¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.739 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

¹ This rate is also available to fish plants in Isolated Rural Systems with a connected load of 30kW or greater.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1

STREET AND AREA LIGHTING SERVICE

Availability:

For Street and Area Lighting Service in the Rural Island Interconnected area and the L'Anse au Loup system, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate: (Including Municipal Tax and Rate Stabilization Adjustment)

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	\$21.31
HIGH PRESSURE SODIUM ¹	
100W (8,600 lumens)	16.83
150W (14,400 lumens)	21.31
250W (23,200 lumens)	30.34
400W (45,000 lumens)	41.98

¹ For all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... \$7.23

General:

Details regarding conditions of service are provided in the Rules and Regulations.

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

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 1.2D

DOMESTIC DIESEL

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for service to a domestic unit or to buildings or facilities which are on the same Serviced premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately. All churches, schools, and community halls in the diesel service areas are also subject to this rate.

Rate: (Including Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$15.68 per month
Exceeding 200 Amp Service: \$20.68 per month

Energy Charge:

First Block (See Table Below) kilowatt-hours per month @ 10.945 ¢ per kWh
Second Block (See Table Below) kilowatt-hours per month..... @ 12.373 ¢ per kWh
All kWh over 1000 kilowatt-hours per month @ 16.776 ¢ per kWh

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
<i>First Block</i>	1000	1000	900	900	800	800	700	700	700	800	900	1000
<i>Second Block</i>	0	0	100	100	200	200	300	300	300	200	100	0

Minimum Monthly Charge..... \$15.68
Exceeding 200 Amp Service: \$20.68

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

Rate Stabilization Clause:

This Rate is subject to the Rate Stabilization Adjustment arising from the operation of the Rate Stabilization Clause which forms part of the Schedule of Rates. The adjustment is applicable only to the first block kWh per month.

Municipal Tax Clause:

This Rate is subject to the Municipal Tax Adjustment arising from the operation of the Municipal Tax Clause which forms part of the Schedule or Rates.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 1.2DS

DOMESTIC DIESEL (Non-Government First Block) - OPTIONAL

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments), available upon request for Service to Customers served under Rate 1.2 Domestic Diesel Service (First Block consumption only) who have a minimum of 12 months of uninterrupted billing history at their current Serviced Premises.

Rate:

The Energy Charges provided for in Rate 1.2D Domestic Diesel Service Rate shall apply, subject to the following adjustments:

Winter Season Premium Adjustment (Billing months of December through April):

First Block Only
All kilowatt-hours @ 0.953¢ per kWh

Non-Winter Season Premium Adjustment (Billing months of May through November):

First Block Only
All kilowatt-hours @ (1.297)¢ per kWh

Special Conditions:

1. An application for Service under this rate option shall constitute a binding contract between the Customer and the Company with an initial term of 12 months commencing the day after the first meter reading date following the request by the customer, and renewing automatically on the anniversary date thereof for successive 12-month terms.
2. To terminate participation on this rate option on the renewal date, the Customer must notify the Company either in advance of the renewal date or no later than 60 days after the anniversary/renewal date. When acceptable notice of termination is provided to the Company, the Customer's billing may require an adjustment to reverse any seasonal adjustments applied to charges for consumption after the automatic renewal date.

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.1D

GENERAL SERVICE DIESEL 0-10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is less than 10 kilowatts.

Rate:

Basic Customer Charge: \$19.64 per month

Energy Charge:

All kilowatt-hours @ 16.738 ¢ per kWh

Minimum Monthly Charge: Single Phase \$19.64

Three Phase \$36.01

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE 2.2D

GENERAL SERVICE DIESEL OVER 10 kW

Availability:

For all the Island and Labrador diesel service areas of Hydro (excluding Government Departments) for non-domestic services where the maximum demand occurring in the 12 months ending with the current month is 10 kilowatts or greater.

Rate:

Basic Customer Charge: \$28.87 per month

Demand Charge:

The maximum demand registered on the meter in the current month..... @ \$12.82 per kW

Energy Charge:

All kilowatt-hours..... @ 16.290¢ per kWh

Minimum Monthly Charge: Single Phase..... \$28.87

Three Phase \$62.96

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales tax (HST) which applies to electricity bills.**

NEWFOUNDLAND AND LABRADOR HYDRO

RATE No. 4.1D

STREET AND AREA LIGHTING SERVICE DIESEL

Availability:

For Street and Area Lighting Service (excluding Government Departments) throughout the Island and Labrador diesel service areas of Hydro, where the electricity is supplied by Hydro and all fixtures, wiring and controls are provided, owned and maintained by Hydro.

Monthly Rate: (Including Municipal Tax and Rate Stabilization Adjustment)

	SENTINEL / STANDARD
MERCURY VAPOUR	
250W (9,400 lumens)	\$21.31
HIGH PRESSURE SODIUM ¹	
100W (8,600 lumens)	16.83
150W (14,400 lumens)	21.31
250W (23,200 lumens)	30.34
400W (45,000 lumens)	41.98

¹ For all new installations and replacements.

Special poles used exclusively for lighting service

Wood..... \$7.23

General:

Details regarding conditions of service are provided in the Rules and Regulations.
This rate schedule does not include the Harmonized Sales Tax (HST) which applies to electricity bills.

Newfoundland and Labrador Hydro
Calculation of Isolated System Rates
(other than those which are the same as Newfoundland Power's)

	<i>Current Rate</i> <i>1-Jan-13</i>	<i>% Increase</i> <i>1-Jul-13¹</i>	<i>Revised Rate</i> <i>1-Jul-13</i>
Rate 1.2 D Domestic Diesel			
Energy			
Second Block (cents per kWh)	12.600	-1.800%	12.373
Third Block (cents per kWh)	17.083	-1.800%	16.776
Rate 2.1 D General Service Diesel (0-10 kW)			
Basic Customer Charge (per month)	\$21.61	-9.100%	\$19.64
Energy (cents per kWh)	18.414	-9.100%	16.738
Minimum			
Single Phase (per month)	\$21.61	-9.100%	\$19.64
Three Phase (per month)	\$39.61	-9.100%	\$36.01
Rate 2.2 D General Service Diesel (over 10 kW)			
Basic Customer Charge (per month)	\$31.31	-7.800%	\$28.87
Demand (dollars per kW)	13.90	-7.800%	12.82
Energy (cents per kWh)	17.668	-7.800%	16.290
Minimum			
Single Phase (per month)	\$31.31	-7.800%	\$28.87
Three Phase (per month)	\$68.29	-7.800%	\$62.96

¹ Source: Newfoundland Power Inc.: Projected Customer Billing Impacts of July 1, 2013 GRA/RSA/MTA, (%) Billing Change: Appendix D, pg 1 of 1 in the NP Compliance Filing.

Summary of Rate Structure Changes by System and Customer Class

Island Interconnected System and L'Anse au Loup System

Rate Class 1.1 and 1.1S

- Implementation of a separate basic customer charge for customers requiring an electrical service in excess of 200 Amps.
- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$1 minimum monthly discount.

Rate Class 2.1 and 2.2

- Merger of Rate 2.1 and Rate 2.2 into a single rate class, Rate2.1; the merged Rate 2.1 will consist of a basic customer charge, a higher-priced energy charge for the first 3,500 kWh of consumption, a lower-priced energy charge for consumption above 3,500 kWh and a demand charge for the demand in excess of 10 kW. The Maximum Charge, which limits the unit cost on a per kWh basis, will continue to apply.
- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$1 minimum monthly discount.

Rate Class 2.3

- Increase to the upper limit of the first energy block from 30,000 kWh per month to 50,000 kWh per month.
- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$500 maximum monthly discount.

Rate Class 2.4

- Decrease of the first energy block size from 100,000 kWh per month to 75,000 kWh per month.
- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$500 maximum monthly discount.

Isolated Diesel Systems – Non-government

Rate Class 1.2D

- Implementation of a separate basic customer charge for customers requiring an electrical service in excess of 200 Amps.
- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$1 minimum monthly discount.

Rate Class 2.1D

- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$1 minimum monthly discount.

Rate Class 2.2D

- Modification of the provision for an early payment discount so that all customers receive the same 1.5% discount, while eliminating the \$1 minimum monthly discount.

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

AN ORDER OF THE BOARD

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 an Application by Newfoundland and Labrador Hydro (“Hydro”) for the approval of a change in rates to be charged for the supply of power and energy to Island Interconnected customers (excluding Burgeo School and Library) and Isolated Rural customers (excluding Government departments) (the “Application”), pursuant to Section 70(1) of the Act.

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

WHEREAS by Order No. P.U. 14 (2007) the Board of Commissioners of Public Utilities (the “Board”) approved Hydro’s revisions to the Rules and Regulations which includes Policies for Automatic Rate Changes (Section 16) so that as Newfoundland Power Inc. (“Newfoundland Power”) changes its rates, Hydro will automatically adjust certain rates for the Island Interconnected System, the L’Anse au Loup System, and the Isolated System; and

WHEREAS on April 12, 2013, Hydro filed an Application seeking approval of the Rate Stabilization Plan components of the rates to be charged to Newfoundland Power; and

WHEREAS by Order No. P.U. 17 (2013) the Board approved the rates to be charged by Hydro to Newfoundland Power to be effective for consumption on or after July 1, 2013.

WHEREAS on April 17, 2013, the Board issued Order No. P.U. 13 (2013) setting out its determination in respect of the proposals in Newfoundland Power’s General Rate Application and ordering, among other things, that Newfoundland Power file for the approval of the Board revised rates, tolls and charges effective for service provided on and after July 1, 2013; and

1 **WHEREAS** on May 16, 2013, Newfoundland Power filed a Compliance Application for
2 an Order approving, among other things, revised rates and rate structures, tolls and
3 charges to be applied to electricity consumption on and after July 1, 2013 that reflect
4 both: (i) the Rate Stabilization Adjustment and Municipal Tax Adjustment factors
5 effective July 1, 2013 and (ii) the Board's determinations as set out in Order No. P.U. 13
6 (2013).

7
8 **WHEREAS** by Order No. P.U. ____ (2013) the Board approved Newfoundland Power's
9 revised rates, as proposed in the May 16, 2013 Compliance Application; and

10
11 **WHEREAS** in accordance with previous Orders of the Board the rates proposed for
12 Island Interconnected customers (excluding the Burgeo School and Library) conform to
13 those of Newfoundland Power customers; and

14
15 **WHEREAS** in accordance with previous Orders of the Board the rates proposed for
16 Isolated Rural customers (excluding Government departments) for the lifeline block
17 conform to those of Newfoundland Power customers and other rates for these customers
18 change by the same average percentage as those of similar classes of Newfoundland
19 Power customers; and

20
21 **WHEREAS** the Board is satisfied that the rates as proposed by Hydro for Island
22 Interconnected customers (excluding Burgeo School and Library) and Isolated Rural
23 customers (excluding Government departments) are based on the rates approved by the
24 Board for Newfoundland Power in Order No. P.U. ____ (2013) and, in accordance with
25 Order No. P.U. 14 (2007), should be approved as filed.

26
27 **IT IS THEREFORE ORDERED THAT:**

- 28
29 1. The rates proposed by Hydro to be effective for all electrical consumption on
30 or after July 1, 2012 for its Island Interconnected customers (Rate Classes 1.1,
31 1.1S, 2.1, 2.3, 2.4 and 4.1) and Isolated Rural customers, excluding
32 Government (Rate Classes 1.2D, 1.2DS, 2.1D, 2.2D and 4.1D), as set out in
33 Schedule A to this Order, are approved.
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35 2. The Applicant shall pay the expenses of the Board incurred in connection with
36 this Application.
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38 **DATED** at St. John's, Newfoundland and Labrador, this _____ day of _____, _____.
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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;

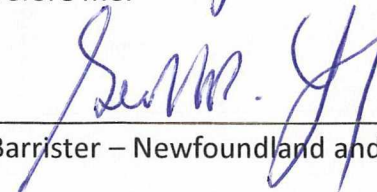
AND IN THE MATTER OF an Application by Newfoundland and Labrador Hydro pursuant to Section 70 (1) of the Act, for the approval of a change in rates to be charged for the supply of power and energy to Island Interconnected customers (excluding Burgeo school) and Isolated Rural customers (excluding Government departments).

AFFIDAVIT

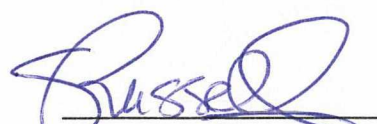
I, Carla L. Russell, Chartered Accountant, of St. John's in the Province of Newfoundland and Labrador, make oath and say as follows:

1. I am Manager, Rates and Regulation Department, 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 6th day of June 2013,)
before me:)



Barrister – Newfoundland and Labrador



Carla L. Russell