Q. Please provide the most recent RSP monthly Report. Please provide the same data for the additional months between last actual RSP report to August 31, 2013 using forecast values.

A. Please see the attached actual RSP Report for August 2013.

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

Newfoundland and Labrador Hydro

Rate Stabilization Plan Report
August 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
August 31, 2013

	Actual	Cost of Service	Variance	Year-to-Date Due (To) From customers	Reference
Hydraulic production year-to-date	3,102.4 GWh	3,005.1 GWh	97.3 GWh	$ (8,568,065)	Page 4
No 6 fuel cost - Current month	$ 104.90	$ 54.49	$ 50.41	$ 53,303,186	Page 5
Year-to-date customer load - Utility	3,696.4 GWh	3,284.8 GWh	411.6 GWh	$ (475,181)	Page 8
Year-to-date customer load - Industrial	230.5 GWh	600.1 GWh	-369.6 GWh	$ (18,568,716)	Page 9
				$ 25,691,224	
Rural rates					
Rural Rate Alteration (RRA) [1]	$ (5,694,755)				
Less : RRA to utility customer	$ (5,074,027)				Page 10
RRA to Labrador interconnected	(620,728)				
Fuel variance to Labrador interconnected	$ 419,617				Page 6
Net Labrador interconnected	$ (201,111)				
Current plan summary					
One year recovery					
Due (to) from utility customer	$ (75,187,032)				Page 10
Due (to) from Industrial customers	$ (122,620,182)				Page 11
Sub total	(197,807,214)				
Four year recovery					
Hydraulic balance	$ (43,723,433)				Page 4
Total plan balance	$ (241,530,647)				

[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.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Net Hydraulic Production Variation
August 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	355,520,000	406,276,108	(50,756,108)	55.46	(4,468,149)	(324,428)	(58,262,305)
May	324,240,000	351,332,533	(27,092,533)	55.46	(2,385,003)	(353,507)	(61,000,815)
June	328,500,000	310,817,215	17,682,785	54.49	1,529,421	(370,122)	(59,841,516)
July	386,790,000	281,274,794	105,515,206	54.49	9,126,228	(363,088)	(51,078,376)
August	379,140,000	290,520,764	88,619,236	54.49	7,664,861	(309,918)	(43,723,433)
September							
October							
November							
December							
	3,005,050,000	3,102,356,362	(97,306,362)		(8,568,065)	(2,479,605)	(43,723,433)
Hydraulic Allocation [2]							
Hydraulic variation at year end					(8,568,065)	(2,479,605.00)	(43,723,433)

(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.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
No. 6 Fuel Variation
August 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	153,817	0	153,817	55.46	107.83	52.37	8,055,421
May	67,271	0	67,271	55.46	104.90	49.44	3,325,862
June	45,659	0	45,659	54.49	104.90	50.41	2,301,664
July	1,972	0	1,972	54.49	104.90	50.41	99,395
August	0	0	0	54.49	104.90	50.41	0
September							
October							
November							
December							
	1,010,407	6	1,010,401				53,303,186

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Allocation of Fuel Variance - Year-to-Date
August 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	5,432,108,667	383,415,551	447,485,136	6,263,009,354	41,264,419	2,912,574	3,399,272	47,576,265	3,028,751	370,521
May	5,446,666,862	378,526,004	449,016,540	6,274,209,406	44,188,345	3,070,949	3,642,833	50,902,127	3,245,764	397,069
June	5,448,313,745	372,407,301	449,800,851	6,270,521,897	46,227,563	3,159,782	3,816,446	53,203,791	3,400,453	415,993
July	5,441,806,520	361,925,730	449,368,015	6,253,100,265	46,387,490	3,085,157	3,830,539	53,303,186	3,413,010	417,529
August	5,427,809,237	353,170,019	450,019,502	6,230,998,758	46,432,287	3,021,199	3,849,700	53,303,186	3,430,083	419,617
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
August 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	41,264,419	7,081,739	3,028,751	503,340	7,585,079	2,912,574	408,766
May	44,188,345	2,923,926	3,245,764	217,013	3,140,939	3,070,949	158,375
June	46,227,563	2,039,218	3,400,453	154,689	2,193,907	3,159,782	88,833
July	46,387,490	159,927	3,413,010	12,557	172,484	3,085,157	(74,625)
August	46,432,287	44,797	3,430,083	17,073	61,870	3,021,199	(63,958)
September							
October							
November							
December							
		46,432,287		3,430,083	49,862,370		3,021,199

(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
August 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	429,200,000	493,252,447	64,052,447	55.46	0.08805	(1,169)	0	558,436	0.00841	(4,696)	(5,865)
May	358,700,000	387,603,409	28,903,409	55.46	0.08805	(528)	0	309,399	0.00841	(2,602)	(3,130)
June	298,400,000	337,722,526	39,322,526	54.49	0.08805	(61,262)	0	0	0.00841	0	(61,262)
July	293,400,000	298,446,496	5,046,496	54.49	0.08805	(7,862)	0	0	0.00841	0	(7,862)
August	287,000,000	294,706,004	7,706,004	54.49	0.08805	(12,005)	0	0	0.00841	0	(12,005)
September											
October											
November											
December											
	3,284,800,000	3,693,600,073	408,800,073			(451,868)	0	2,772,147		(23,313)	(475,181)

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

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Load Variation - Industrial
August 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	75,600,000	32,198,035	(43,401,965)	55.46	0.03676	(2,225,295)
May	69,500,000	31,721,670	(37,778,330)	55.46	0.03676	(1,936,961)
June	73,800,000	27,547,154	(46,252,846)	54.49	0.03676	(2,300,249)
July	77,500,000	21,332,877	(56,167,123)	54.49	0.03676	(2,793,307)
August	77,900,000	29,286,623	(48,613,377)	54.49	0.03676	(2,417,644)
September						
October						
November						
December						
	600,100,000	230,519,446	(369,580,554)			(18,568,716)

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

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Summary of Utility Customer
August 31, 2013

	A	B	C	D	E	F	G	H
	Load Variation	Allocation Fuel Variance	Allocation Rural Rate Alteration [1]	Subtotal Monthly Variances	Financing Charges	Adjustment [2]	August Adjustments [3]	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	(5,865)	7,585,079	(652,666)	6,926,548	(373,141)	(7,678,759)		(62,623,739)
May	(3,130)	3,140,939	(559,777)	2,578,032	(379,970)	(6,032,044)		(66,457,721)
June	(61,262)	2,193,907	(548,049)	1,584,596	(403,232)	(5,251,585)		(70,527,942)
July	(7,862)	172,484	(395,725)	(231,103)	(427,928)	(1,590,720)		(72,777,693)
August	(12,005)	61,870	(446,842)	(396,977)	(441,579)	(1,570,783)		(75,187,032)
August Adjustments - remove load variation							823,770	(74,363,262)
August Adjustments - RSP Surplus Allocation							(112,573,325)	(186,936,587)
September								
October								
November								
December								
Year to date	(475,181)	49,862,370	(5,074,027)	44,313,162	(3,178,224)	(51,416,569)	(111,749,555)	(122,031,186)
Hydraulic allocation								0
(from page 4)								
Total	(475,181)	49,862,370	(5,074,027)	44,313,162	(3,178,224)	(51,416,569)	(111,749,555)	(186,936,587)

(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 the Utility is 0.533 cents per kwh effective July 1, 2013 to June 30, 2014.

(3) Per Board Order No. P.U. 26(2013), $49 million of the January 1, 2007 to August 31, 2013 accumulated Load Variation component of the RSP has been credited to the Industrial Customer balance as at August 31, 2013, and the remaining balance has been transferred to the Utility customer balance.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Summary of Industrial Customers
August 31, 2013

	A	B	C	D	E	F	G
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment [1]	August Adjustments [2]	Cumulative Net Balance
	($)	($)	($)	($)	($)	($)	($)
			(A + B)				
	(from page 9)	**(from page 7)**					**(to page 12)**
Opening Balance							(104,079,983)
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	(2,225,295)	408,766	(1,816,529)	(664,240)	327,497		(111,628,280)
May	(1,936,961)	158,375	(1,778,586)	(677,305)	324,664		(113,759,507)
June	(2,300,249)	88,833	(2,211,416)	(690,236)	287,558		(116,373,601)
July	(2,793,307)	(74,625)	(2,867,932)	(706,097)	232,954		(119,714,676)
August	(2,417,644)	(63,958)	(2,481,602)	(726,369)	302,465		(122,620,182)
August Adjustments - remove load variation						160,749,555	38,129,373
August Adjustments - RSP Surplus Allocation						(49,000,000)	(10,870,627)
September							
October							
November							
December							
Year to date	(18,568,716)	3,021,199	(15,547,517)	(5,389,236)	2,396,554	111,749,555	93,209,356
Hydraulic allocation **(from page 4)**							0
Total	(18,568,716)	3,021,199	(15,547,517)	(5,389,236)	2,396,554	111,749,555	(10,870,627)

(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 and Vale is 2.000 cents per kWh.

(2) Per Board Order No. P.U. 26(2013), $49 million of the January 1, 2007 to August 31, 2013 accumulated Load Variation component of the RSP has been credited to the Industrial Customer balance as at August 31, 2013, and the remaining balance has been transferred to the Utility customer balance.

Newfoundland and Labrador Hydro

Rate Stabilization Plan
Overall Summary
August 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	(58,262,305)	(62,623,739)	(111,628,280)	(232,514,324)
May	(61,000,815)	(66,457,721)	(113,759,507)	(241,218,043)
June	(59,841,516)	(70,527,942)	(116,373,601)	(246,743,059)
July	(51,078,376)	(72,777,693)	(119,714,676)	(243,570,745)
August	(43,723,433)	(75,187,032)	(122,620,182)	(241,530,647)
September				
October				
November				
December				