Q. Please provide a copy of NP's most recent Cost of Service study based on the methodology approved in P.U. 19 (2003).

A. Attachment A is a copy of Newfoundland Power's 2005 Cost of Service Study which is based on the methodology approved in Order No. P.U. 19 (2003).

Newfoundland Power's 2005 Cost of Service Study

Newfoundland Power Inc.
2005 Cost of Service Study

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1 - Within the Schedules rows and columns may not add due to rounding.

Newfoundland Power Inc.
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FUNCTIONAL CLASSIFICATION OF THE TOTAL COST OF SERVICE (Excluding RSA, MTA and Rural Subsidy)
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution										Customer Acc. & Cust. Serv.	Customer Specific
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting		
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer		
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Purchase Power	221,752	90,508	131,244	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Operating and Maintenance	52,648	3,648	3,522	5,304	4,328	6,147	3,028	1,439	532	1,537	757	3,785	1,294	2,366	14,916	45
3	Depreciation	32,143	2,330	1,730	4,218	2,244	6,382	3,143	1,704	630	1,595	786	1,769	770	1,066	3,736	40
	Expense Credits																
	Wheeling Revenues																
4	Transmission	321	0	0	321	0	0	0	0	0	0	0	0	0	0	0	0
5	Distribution	117	0	0	0	0	78	39	0	0	0	0	0	0	0	0	0
6	Joint Use Revenue	8,238	0	0	0	0	4,416	2,175	0	0	1,104	544	0	0	0	0	0
7	Revenue from Temp. Service and Reconnects	110	0	0	0	0	0	0	0	0	0	0	110	0	0	0	0
8	Customer Service Fees	282	0	0	0	0	0	0	0	0	0	0	0	0	0	282	0
9	Total Expense Credits	9,068	0	0	321	0	4,494	2,213	0	0	1,104	544	110	0	0	282	0
10	Subtotal Expenses	297,475	96,485	136,496	9,201	6,573	8,034	3,957	3,143	1,163	2,028	999	5,444	2,065	3,432	18,370	85
11	Return and Taxes	79,462	6,074	6,550	9,107	6,307	17,617	8,617	4,977	1,828	4,404	2,154	2,998	1,505	2,675	4,557	89
12	Total Cost of Service (Excluding RSA, MTA, Rural Subsidy)	376,937	102,560	143,046	18,308	12,880	25,652	12,575	8,120	2,991	6,433	3,153	8,442	3,569	6,107	22,928	173

Newfoundland Power Inc.
Cost of Service Study

FUNCTIONAL CLASSIFICATION OF THE TOTAL COST OF SERVICE (Excluding RSA, MTA and Rural Subsidy)

Line No.	Category	
1	Purchase Power	Taken from Schedule 3.2, Line 4. (Excludes the Rural Deficit of $34,202,229.)
2	Operating and Maintenance	Taken from Schedule 3.2, Line 29 less Line 4. (Excludes non-regulated expenses of $1,407,757.)
3	Depreciation	Taken from Schedule 3.3, Line 20
	Expense Credits	
	Wheeling Revenues	
4	Transmission	Allocated based on functional classification of Transmission O&M expenses excluding specifically assigned (Schedule 3.2, Line 7).
5	Distribution	Based on the functional classification of Primary Distribution (Schedule 3.2, Line 12, Colmuns F & G).
6	Joint Use Revenue	Based on the functional classification of Poles, Lines and Fittings (Schedule 3.2, Line 12).
7	Revenue from Temp. Service and Reconnects	Based on functional classification of Services (Schedule 3.2, Line 13).
8	Customer Service Fees	Functional Classification based on 100% Customer Service/ Customer Accounting.
9	Total Expense Credits	Sum of lines 4 through 8.
10	Subtotal Expenses	Total of Lines 1, 2, and 3, less Line 9. (See Schedule 5.2 for the reconcillation to Total Company Expenses as Reported.)
11	Return and Taxes	Functional Classification based on Total Average Rate Base, Schedule 2.4, Line 34. (See Schedule 5.4 for the reconcillation to total Company Return and Taxes as Reported.)
12	Total Cost of Service (Excluding RSA, MTA, Rural Surcharge)	Total of Lines 10 and 11.

ALLOCATION OF THE TOTAL COST OF SERVICE TO CLASS OF SERVICE
Total Cost of Service excludes RSA, MTA and Rural Surcharge (All numbers are times $1,000)

Line No.	Class of Service	Rate Code	Total	Produced & Purchased Demand A	Produced & Purchased Energy B	Transmission Demand C	Distribution: Substation Demand D	Distribution: Primary Demand E	Distribution: Primary Customer F	Distribution: Transformers Demand G	Distribution: Transformers Customer H	Distribution: Secondary Demand I	Distribution: Secondary Customer J	Distribution: Services Customer K	Distribution: Meters Customer L	Distribution: St. Lighting Customer M	Customer Acc. & Cust. Serv. N	Customer Specific O
	Allocation Factors Used ⟹			Transmission 1CP	Transmission Energy	Transmission 1CP	Primary NCP	Primary NCP	Weighted Customers	Secondary NCP	Weighted Customers	Secondary NCP	Weighted Customers	Weighted Customers	Weighted Customers		Weighted Customers	
	DOMESTIC																	
1	Domestic Regular	1.1	72,343	17,092	22,893	3,051	2,403	4,786	4,678	1,631	1,113	1,292	1,174	3,178	707	0	8,345	0
2	Domestic All Electric	1.1	173,716	51,713	62,578	9,231	5,896	11,743	6,186	4,001	1,472	3,170	1,552	4,203	935	0	11,034	0
3	Total Domestic	1.1	246,059	68,805	85,471	12,282	8,299	16,529	10,864	5,632	2,585	4,461	2,726	7,381	1,643	0	19,379	0
	GENERAL SERVICES																	
4	(0-10 kW)	2.1	8,847	1,645	2,773	294	246	490	666	167	158	132	167	452	232	0	1,425	0
5	(10-100 kW)	2.2	40,826	11,326	17,483	2,022	1,500	2,988	449	1,018	107	806	113	366	965	0	1,683	0
	(110-1000 kVA)	2.3																
6	Primary (110-350 kVA)		1,247	351	623	63	49	98	2	0	0	0	0	0	54	0	7	0
7	Secondary (110-350 kVA)		23,475	6,404	11,327	1,143	902	1,796	42	612	10	485	10	186	388	0	170	0
8	Transmission (350-1000 kVA)		103	27	49	5	0	0	0	0	0	0	0	0	8	0	0	13
9	Primary (350-1000 kVA)		5,835	1,701	3,022	304	240	477	3	0	0	0	0	0	78	0	10	0
10	Secondary (350-1000 kVA)		19,481	5,443	9,626	972	766	1,526	11	520	3	412	3	50	104	0	46	0
11	Total (110-1000 kVA)	2.3	50,141	13,926	24,648	2,486	1,957	3,897	57	1,132	13	897	13	236	632	0	234	13
	(1000 kVA and Over)	2.4																
12	Transmission		326	75	146	13	0	0	0	0	0	0	0	0	2	0	0	89
13	Primary		16,851	4,766	9,210	851	625	1,245	2	0	0	0	0	0	72	0	9	71
14	Secondary		4,379	1,188	2,285	212	156	310	1	106	0	84	0	6	25	0	6	0
15	Total (1000 kVA and Over)	2.4	21,556	6,029	11,641	1,076	781	1,555	3	106	0	84	0	6	99	0	15	161
16	**STREET LIGHTING**	4.1	9,510	830	1,030	148	97	193	535	66	127	52	134	0	0	6,107	191	0
17	Total		376,937	102,560	143,046	18,308	12,880	25,652	12,575	8,120	2,991	6,433	3,153	8,442	3,569	6,107	22,928	173

ALLOCATION OF THE TOTAL COST OF SERVICE TO CLASS OF SERVICE

NOTES:

Line
No. Category

17 Total — Total Cost of Service shown in Schedule 1.1, Line 12.

Col.

A	Produced and Purchased Demand	Transmission demand Allocator for 1CP taken From Schedule 4.6
B	Produced and Purchased Energy	Transmission Energy Allocator taken From Schedule 4.4
C	Transmission Demand	Transmission demand Allocator for 1CP taken From Schedule 4.6
D	Distribution Substation Demand	Primary demand Allocator for NCP taken from Schedule 4.5
E	Distribution Primary Demand	Primary demand Allocator for NCP taken from Schedule 4.5
F	Distribution Primary Customer	Primary Lines Customer Allocator taken from Schedule 4.3
G	Distribution Transformer Demand	Secondary demand Allocator for NCP taken from Schedule 4.5
H	Distribution Transformer Customer	Transformer Customer Allocator taken from Schedule 4.3
I	Distribution Secondary Demand	Secondary demand Allocator for NCP taken from Schedule 4.5
J	Distribution Secondary Customer	Secondary Lines Customer Allocator taken from Schedule 4.3
K	Distribution Services Customer	Service Drop Allocator taken from Schedule 4.3
L	Distribution Meters Customer	Meters Allocator taken from Schedule 4.3
M	Distribution Street Lighting Customer	All Allocated to Street Lighting Rate Class
N	Cust. Accounting and Cust. Services	Customer Allocator taken from Schedule 4.3
O	Specifically Assigned	Total cost are allocated to class based on the amount of fixed plant dedicated to supplying single customers and the class which those customers belong.

Newfoundland Power Inc.
2005 Cost of Service Study

REVENUE BY CLASS OF SERVICE
(All dollars are times 1,000)

Line No.	Class of Service	Rate Code	Revenue from Base Rates		Allocation of Other Revenue	Remove Rural Subsidy	Total
			Base Rates A	Forfeited Discounts B	C	D	E
	DOMESTIC						
1	Domestic Regular	1.1	70,910	534	578	-6,564	65,457
2	Domestic All Electric	1.1	172,942	1,261	1,409	-15,762	159,850
3	Total Domestic		243,852	1,795	1,986	-22,327	225,307
	GENERAL SERVICE						
4	(0-10 kW)	2.1	11,510	95	94	-803	10,896
5	(10-100 kW)	2.2	52,853	323	430	-3,704	49,901
	(110-1000 kVA)	2.3					
6	Primary (110-350 kVA)		1,550	6	13	-113	1,455
7	Secondary (110-350 kVA)		30,092	142	244	-2,130	28,349
8	Transmission (350-1000 kVA)		114	1	1	-9	107
9	Primary (350-1000 kVA)		6,797	31	55	-529	6,354
10	Secondary (350-1000 kVA)		22,579	108	183	-1,768	21,102
11	Total (110-1000 kVA)	2.3	61,132	288	497	-4,550	57,367
	(1000 kVA and Over)	2.4					
12	Transmission		336	0	3	-30	309
13	Primary		18,918	20	153	-1,529	17,562
14	Secondary		5,175	21	42	-397	4,841
15	Total (1000 kVA and Over)	2.4	24,429	41	198	-1,956	22,712
16	**STREET LIGHTING**	4.1	11,524	0	93	-863	10,754
17	Total		405,300	2,541	3,298	-34,202	376,937

REVENUE BY CLASS OF SERVICE

NOTE:

Column

A - From Booked Revenue and Bill Frequency Analysis

B - From Booked Revenue and Bill Frequency Analysis

C - Total Allocated to Customer Class based on the Totals for Column A plus B

D - The rural deficit cost is removed from revenue by allocating the cost to each customer class based on class cost as shown on Schedule 1.5 Column E.

E - Total of Columns A through D. (See Schedule 5.3 for the reconcillation to Total Company Revenue as Reported.)

Newfoundland Power Inc.
2005 Cost of Service Study

REVENUE TO COST RATIO
Excluding RSA, MTA and Rural Subsidy
(All dollars are times 1,000)

Line No.	Class of Service	Rate Code	Revenue A	Costs B	Revenue to Cost Ratio C
			Schedule 1.3 Total Column	Schedule 1.2 Total Column	A/B
1	**DOMESTIC**	1.1	225,307	246,059	91.6%
	GENERAL SERVICE				
2	(0-10 kW)	2.1	10,896	8,847	123.2%
3	(10-100 kW)	2.2	49,901	40,826	122.2%
4	(110 - 1000 kVA)	2.3	57,367	50,141	114.4%
5	(1000 kVA and Over)	2.4	22,712	21,556	105.4%
6	**STREET LIGHTING**	4.1	10,754	9,510	113.1%
7	Total		376,937	376,938	100.0%

COST BY CLASS OF SERVICE DETAILED BY COST FOR ENERGY, DEMAND, AND CUSTOMER COST
(All dollars are times 1,000)

Line No.	Class of Service	Rate Code	Energy A	Demand B	Customer C	Street Lighting D	Specifically assigned E	Total before Rural Deficit F	Allocated Rural Deficit G	Total Cost to Serve H
	DOMESTIC									
1	Domestic Regular	1.1	22,893	30,254	19,196	0	0	72,343	6,564	78,907
2	Domestic All Electric	1.1	62,578	85,755	25,383	0	0	173,716	15,762	189,479
3	Total Domestic	1.1	85,471	116,009	44,579	0	0	246,059	22,327	268,386
	GENERAL SERVICE									
4	(0-10 kW)	2.1	2,773	2,973	3,100	0	0	8,847	803	9,649
5	(10-100 kW)	2.2	17,483	19,660	3,683	0	0	40,826	3,704	44,530
	(110-1000 kVA)	2.3								
6	Primary (110-350 kVA)		623	561	62	0	0	1,247	113	1,360
7	Secondary (110-350 kVA)		11,327	11,342	806	0	0	23,475	2,130	25,605
8	Transmission (350-1000 kVA)		49	32	9	0	13	103	9	112
9	Primary (350-1000 kVA)		3,022	2,722	91	0	0	5,835	529	6,364
10	Secondary (350-1000 kVA)		9,626	9,639	216	0	0	19,481	1,768	21,249
11	Total (110-1000 kVA)	2.3	24,648	24,295	1,185	0	13	50,141	4,550	54,691
	(1000 kVA and Over)	2.4								
12	Transmission		146	88	2	0	89	326	30	355
13	Primary		9,210	7,487	83	0	71	16,851	1,529	18,381
14	Secondary		2,285	2,055	39	0	0	4,379	397	4,776
15	Total (1000 kVA and Over)	2.4	11,641	9,630	124	0	161	21,556	1,956	23,512
16	**STREET LIGHTING**	4.1	1,030	1,386	987	6,107	0	9,510	863	10,373
17	Total		143,046	173,953	53,658	6,107	174	376,938	34,202	411,140

COST BY CLASS OF SERVICE DETAILED BY COST FOR ENERGY, DEMAND, AND CUSTOMER COST

NOTES:

Column

A Energy cost taken from Schedule 1.2, Column B.
B Demand cost taken from Schedule 1.2, as the sum of Columns A, C, D, E, G and I.
C Customer cost taken from Schedule 1.2, as the sum of Columns F, H, J, K, L and N.
D Direct Street Lighting Cost taken from Schedule 1.2, Column M.
E Specifically assigned cost taken from Schedule 1.2, Column O.
F Sum of Columns A through E.
G Rural Surcharge allocated to Class based on total cost before Rural Deficit, Column F.
H Sum of Columns F and G.

UNIT COSTS BY ENERGY, DEMAND AND CUSTOMER COSTS

Line No.	Class of Service	Rate Code	Billing Statistics From Schedule 4.1 Energy Sales MWh A	Average Number of Customers B	Total Billing Demands kW - kVA C	Unit Energy Costs cent/kWh D	Unit Demand Costs By Energy Sales cent/kWh E	Unit Demand Costs By Billing Demand $/kW - $/kVA F	Unit Customer Costs By Energy Sales cent/kWh G	Unit Customer Costs By Number of Customers $/Cust/month H	Specifically Assigned / Street Lighting Cost by Sales cent/kWh I	Hydro Rural Deficit Cost by Sales cent/kWh J	Total Cost by Sales cent/kWh K
	DOMESTIC												
1	Domestic Regular	1.1	799,968	84,039	0	2.862	3.782	0.00	2.400	19.04	0.000	0.821	9.864
2	Domestic All Electric	1.1	2,186,726	111,123	0	2.862	3.922	0.00	1.161	19.04	0.000	0.721	8.665
3	Total Domestic	1.1	2,986,694	195,162	0	2.862	3.884	0.00	1.493	19.04	0.000	0.748	8.986
	GENERAL SERVICE												
4	(0-10 kW)	2.1	96,908	11,959	0	2.862	3.068	0.00	3.199	21.60	0.000	0.828	9.957
5	(10-100 kW)	2.2	610,924	8,072	2,181,835	2.862	3.218	9.01	0.603	38.03	0.000	0.606	7.289
	(110-1000 kVA)	2.3											
6	Primary (110-350 kVA)		22,023	31	61,370	2.829	2.547	9.14	0.284	167.95	0.000	0.514	6.174
7	Secondary (110-350 kVA)		395,816	746	1,284,173	2.862	2.865	8.83	0.204	90.09	0.000	0.538	6.469
8	Transmission (350-1000 kVA)		1,763	2	4,225	2.771	1.818	7.59	0.499	366.36	0.761	0.531	6.379
9	Primary (350-1000 kVA)		106,839	45	286,706	2.829	2.547	9.49	0.085	167.95	0.000	0.496	5.957
10	Secondary (350-1000 kVA)		336,384	200	989,318	2.862	2.865	9.74	0.064	90.09	0.000	0.525	6.317
11	Total (110-1000 kVA)	2.3	862,825	1,024	2,625,793	2.857	2.816	9.25	0.137	96.40	0.002	0.527	6.339
	(1000 kVA and Over)	2.4											
12	Transmission		5,269	1	19,111	2.771	1.671	4.61	0.039	169.93	1.699	0.561	6.740
13	Primary		325,565	36	786,930	2.829	2.300	9.51	0.025	192.17	0.022	0.470	5.646
14	Secondary		79,842	23	244,849	2.862	2.574	8.39	0.048	140.26	0.000	0.498	5.982
15	Total (1000 kVA and Over)	2.4	410,676	60	1,050,890	2.835	2.345	9.16	0.030	171.90	0.039	0.476	5.725
16	**STREET LIGHTING**	4.1	35,996	9,608	0	2.862	3.850	0.00	2.742	8.56	16.965	2.397	28.816
17	Total		5,004,023	225,885	5,858,518	2.859	3.476		1.072	19.80	0.126	0.683	8.216

FUNCTIONAL CLASSIFICATION OF AVERAGE FIXED ASSETS
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution											
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting	Cust. Acc. &	Specifically
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Cust. Serv.	Assigned
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Hydro Electric Production	111,789	47,175	64,614	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Other Generation	20,377	20,377	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Transmission	88,121	0	0	87,414	0	0	0	0	0	0	0	0	0	0	0	707
	Substations																
4	Hydro Electric Production	4,518	1,907	2,612	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Other Production	731	731	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Transmission	40,596	0	0	40,425	0	0	0	0	0	0	0	0	0	0	0	171
7	Distribution	78,601	0	0	0	78,237	0	0	0	0	0	0	0	0	0	0	364
	Distribution																
8	Land and Land Clearing	781	0	0	0	0	401	198	0	0	100	49	0	0	32	0	0
9	Conductors, Poles and Fittings	471,303	0	0	0	0	242,159	119,272	0	0	60,540	29,818	0	0	19,514	0	0
10	Transformers	83,942	0	0	0	0	0	0	61,277	22,664	0	0	0	0	0	0	0
11	Services	66,343	0	0	0	0	0	0	0	0	0	0	66,343	0	0	0	0
12	Meters	20,744	0	0	0	0	0	0	0	0	0	0	0	20,744	0	0	0
13	Street lighting	17,951	0	0	0	0	0	0	0	0	0	0	0	0	17,951	0	0
14	Total Direct Utility Plant	1,005,797	70,189	67,226	127,839	78,237	242,560	119,470	61,277	22,664	60,640	29,867	66,343	20,744	37,498	0	1,242
	General Utility Plant																
15	Land and Land Clearing	5,046	147	141	706	313	970	478	245	91	242	119	265	83	150	1,089	6
16	Buildings	31,866	1,374	1,316	5,208	1,882	5,835	2,874	1,474	545	1,459	718	1,596	499	902	6,138	45
17	Computer Equipment	38,736	1,033	990	1,930	688	2,134	1,051	539	199	533	263	584	182	330	28,264	16
18	Misc Equipment	15,235	421	403	2,341	1,008	3,124	1,539	789	292	781	385	855	267	483	2,527	21
19	Transportation	21,109	424	406	2,741	1,808	5,605	2,760	1,416	524	1,401	690	1,533	479	866	429	27
20	Tele-communications	13,122	1,545	1,480	3,211	590	1,828	900	462	171	457	225	500	156	283	1,290	25
21	Total General Utility Plant	125,113	4,945	4,736	16,136	6,288	19,495	9,602	4,925	1,822	4,874	2,401	5,332	1,667	3,014	39,737	140
22	Total	1,130,910	75,134	71,961	143,975	84,525	262,055	129,072	66,202	24,486	65,514	32,268	71,675	22,411	40,512	39,737	1,383

FUNCTIONAL CLASSIFICATION OF AVERAGE FIXED ASSETS

Line No.	Category	Basis for Functional Classification
1	Hydro Electric Production	Classified based on factors shown in Schedule 5.1 Line 4.
2	Other Generation	Classified based on factors shown in Schedule 5.1 Line 5.
3	Transmission	Functional split based on Schedule 5.1 line 19. Classified based on the transmission general as shown on Schedule 5.1 Line 6.
	Substations	
4	Hydro Electric Production	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 4.
5	Other Production	Functional splits on based schedule 5.1 line 20 and classified as shown in schedule 5.1 line 5.
6	Transmission	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 6.
7	Distribution	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 7.
	Distribution	
8	Land and Land Clearing	Functional splits based on schedule 5.1 line 30 and classified as shown in schedule 5.1 lines 8, 9 & 10.
9	Conductors, Poles and Fittings	Functional splits based on schedule 5.1 line 31 and classified as shown in schedule 5.1 lines 11, 12 & 13.
10	Transformers	Classified as shown in schedule 5.1 line 14.
11	Services	Classified as shown in schedule 5.1 line 15.
12	Meters	Classified as shown in schedule 5.1 line 16.
13	Street lighting	Classified as shown in schedule 5.1 line 17.
14	Total Direct Fixed Plant	Total of Lines 1 through 13.
	General Plant	
15	Land and Land Clearing	Functionalized based on general property land and land use (See Schedule 5.1 line 21). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
16	Buildings	Functionalized based on buildings (See Schedule 5.1 line 22). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
17	Computer Equipment	Functionalized based on Computer Equipment (See Schedule 5.1 line 23). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
18	Miscellaneous Equipment	Functionalized based on General Property Equipment (See Schedule 5.1 line 24). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
19	Transportation	Functionalized based on Transportation (See Schedule 5.1 line 25). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
20	Tele-communications	Functionalized based on Total Communications (See Schedule 5.1 line 26). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
21	Total General Property	Total of Lines 15 through 20.
22	Total	Total of Lines 14 and 21.

FUNCTIONAL CLASSIFICATION OF AVERAGE ACCUMULATED DEPRECIATION
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission Demand	Distribution											
						Substation Demand	Primary Demand	Primary Customer	Transformers Demand	Transformers Customer	Secondary Demand	Secondary Customer	Services Customer	Meters Customer	St. Lighting Customer	Cust. Acc. & Cust. Serv.	Specifically Assigned
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Hydro Electric Production	35,467	14,967	20,500	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Other Generation	6,384	6,384	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Transmission	45,906	0	0	45,538	0	0	0	0	0	0	0	0	0	0	0	369
	Substations																
4	Hydro Electric Production	1,734	732	1,002	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Other Production	280	280	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Transmission	15,581	0	0	15,516	0	0	0	0	0	0	0	0	0	0	0	65
7	Distribution	30,168	0	0	0	30,028	0	0	0	0	0	0	0	0	0	0	140
	Distribution																
8	Land and Land Clearing	540	0	0	0	0	277	136	0	0	69	34	0	0	23	0	0
9	Conductors, Poles and Fittings	184,774	0	0	0	0	94,816	46,701	0	0	23,704	11,675	0	0	7,877	0	0
10	Transformers	27,682	0	0	0	0	0	0	20,208	7,474	0	0	0	0	0	0	0
11	Services	47,375	0	0	0	0	0	0	0	0	0	0	47,375	0	0	0	0
12	Meters	9,337	0	0	0	0	0	0	0	0	0	0	0	9,337	0	0	0
13	Street lighting	9,330	0	0	0	0	0	0	0	0	0	0	0	0	9,330	0	0
	General Plant																
14	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Buildings	12,033	519	497	1,967	711	2,203	1,085	557	206	551	271	603	188	341	2,318	17
16	Computer Equipment	18,581	496	475	926	330	1,023	504	259	96	256	126	280	88	158	13,558	8
17	Misc. Equipment	6,938	192	184	1,066	459	1,423	701	359	133	356	175	389	122	220	1,151	9
18	Transportation	9,269	186	178	1,204	794	2,461	1,212	622	230	615	303	673	210	380	189	12
19	Tele-communications	8,563	1,009	966	2,095	385	1,193	587	301	111	298	147	326	102	184	842	16
20	Total	469,942	24,764	23,802	68,310	32,706	103,397	50,927	22,305	8,250	25,849	12,732	49,646	10,047	18,514	18,057	636

FUNCTIONAL CLASSIFICATION OF AVERAGE ACCUMULATED DEPRECIATION

Line No.	Category	Basis for Functional Classification
1	Hydro Electric Production	Classified based on factors shown in Schedule 5.1 Line 4.
2	Other Generation	Classified based on factors shown in Schedule 5.1 Line 5.
3	Transmission	Functional split based on Schedule 5.1 line 19. Classified based on the transmission general as shown on Schedule 5.1 Line 6.
	Substations	
4	Hydro Electric Production	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 4.
5	Other Production	Functional splits on based schedule 5.1 line 20 and classified as shown in schedule 5.1 line 5.
6	Transmission	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 6.
7	Distribution	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 7.
	Distribution	
8	Land and Land Clearing	Functional splits based on schedule 5.1 line 30 and classified as shown in schedule 5.1 lines 8, 9 & 10.
9	Conductors, Poles and Fittings	Functional splits based on schedule 5.1 line 31 and classified as shown in schedule 5.1 lines 11, 12 & 13.
10	Transformers	Classified as shown in schedule 5.1 line 14.
11	Services	Classified as shown in schedule 5.1 line 15.
12	Meters	Classified as shown in schedule 5.1 line 16.
13	Street lighting	Classified as shown in schedule 5.1 line 17.
	General Plant	
14	Land and Land Clearing	Functionalized based on general property land and land use (See Schedule 5.1 line 21). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
15	Buildings	Functionalized based on buildings (See Schedule 5.1 line 22). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
16	Computer Equipment	Functionalized based on Computer Equipment (See Schedule 5.1 line 23). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
17	Miscellaneous Equipment	Functionalized based on General Property Equipment (See Schedule 5.1 line 24). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
18	Transportation	Functionalized based on Transportation (See Schedule 5.1 line 25). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
19	Tele-communications	Functionalized based on Total Communications (See Schedule 5.1 line 26). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
20	Total	Total of Lines 1 through 19.

FUNCTIONAL CLASSIFICATION OF AVERAGE NET CONTRIBUTIONS IN AID OF CONSTRUCTION
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution											
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting	Cust. Acc. & Cust. Serv.	Specifically Assigned
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer		
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Hydro Electric Production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Other Generation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Transmission	1,504	0	0	1,492	0	0	0	0	0	0	0	0	0	0	0	12
	Substations																
4	Hydro Electric Production	36	15	21	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Other Production	6	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Transmission	327	0	0	326	0	0	0	0	0	0	0	0	0	0	0	1
7	Distribution	634	0	0	0	631	0	0	0	0	0	0	0	0	0	0	3
	Distribution																
8	Land and Land Clearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Conductors, Poles and Fittings	16,142	0	0	0	0	8,294	4,085	0	0	2,074	1,021	0	0	668	0	0
10	Transformers	1,137	0	0	0	0	0	0	830	307	0	0	0	0	0	0	0
11	Services	612	0	0	0	0	0	0	0	0	0	0	612	0	0	0	0
12	Meters	468	0	0	0	0	0	0	0	0	0	0	0	468	0	0	0
13	Street lighting	287	0	0	0	0	0	0	0	0	0	0	0	0	287	0	0
	General Plant																
14	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Computer Equipment	(311)	(8)	(8)	(15)	(6)	(17)	(8)	(4)	(2)	(4)	(2)	(5)	(1)	(3)	(227)	(0)
17	Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Transportation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Tele-communications	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total	20,844	13	13	1,803	626	8,277	4,077	825	305	2,069	1,019	608	467	953	(227)	16

FUNCTIONAL CLASSIFICATION OF AVERAGE NET CONTRIBUTIONS IN AID OF CONSTRUCTION

Line No.	Category	Basis for Functional Classification
1	Hydro Electric Production	Classified based on factors shown in Schedule 5.1 Line 4.
2	Other Generation	Classified based on factors shown in Schedule 5.1 Line 5.
3	Transmission	Functional split based on Schedule 5.1 line 19. Classified based on the transmission general as shown on Schedule 5.1 Line 6.
	Substations	
4	Hydro Electric Production	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 4.
5	Other Production	Functional splits on based schedule 5.1 line 20 and classified as shown in schedule 5.1 line 5.
6	Transmission	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 6.
7	Distribution	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 7.
	Distribution	
8	Land and Land Clearing	Functional splits based on schedule 5.1 line 30 and classified as shown in schedule 5.1 lines 8, 9 & 10.
9	Conductors, Poles and Fittings	Functional splits based on schedule 5.1 line 31 and classified as shown in schedule 5.1 lines 11, 12 & 13.
10	Transformers	Classified as shown in schedule 5.1 line 14.
11	Services	Classified as shown in schedule 5.1 line 15.
12	Meters	Classified as shown in schedule 5.1 line 16.
13	Street lighting	Classified as shown in schedule 5.1 line 17.
	General Plant	
14	Land and Land Clearing	Functionalized based on general property land and land use (See Schedule 5.1 line 21). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
15	Buildings	Functionalized based on buildings (See Schedule 5.1 line 22). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
16	Computer Equipment	Functionalized based on Computer Equipment (See Schedule 5.1 line 23). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
17	Miscellaneous Equipment	Functionalized based on General Property Equipment (See Schedule 5.1 line 24). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
18	Transportation	Functionalized based on Transportation (See Schedule 5.1 line 25). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
19	Tele-communications	Functionalized based on Total Communications (See Schedule 5.1 line 26). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
20	Total	Total of Lines 1 through 19.

FUNCTIONAL CLASSIFICATION OF AVERAGE RATE BASE
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution											
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting	Cust. Acc. &	Specifically
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Cust. Serv.	Assigned
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Hydro Electric Production	76,322	32,208	44,114	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Other Generation	13,992	13,992	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Transmission	42,215	0	0	41,876	0	0	0	0	0	0	0	0	0	0	0	339
	Substations																
4	Hydro Electric Production	2,784	1,175	1,609	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Other Production	450	450	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Transmission	25,015	0	0	24,910	0	0	0	0	0	0	0	0	0	0	0	105
7	Distribution	48,434	0	0	0	48,209	0	0	0	0	0	0	0	0	0	0	225
	Distribution																
8	Land and Land Clearing	241	0	0	0	0	124	61	0	0	31	15	0	0	9	0	0
9	Conductors, Poles and Fittings	286,530	0	0	0	0	147,343	72,572	0	0	36,836	18,143	0	0	11,637	0	0
10	Transformers	56,260	0	0	0	0	0	0	41,070	15,190	0	0	0	0	0	0	0
11	Services	18,968	0	0	0	0	0	0	0	0	0	0	18,968	0	0	0	0
12	Meters	11,407	0	0	0	0	0	0	0	0	0	0	0	11,407	0	0	0
13	Street lighting	8,622	0	0	0	0	0	0	0	0	0	0	0	0	8,622	0	0
14	Total Direct Net Utility Plant	591,240	47,825	45,723	66,786	48,209	147,467	72,633	41,070	15,190	36,867	18,158	18,968	11,407	20,268	0	669
	General Plant																
15	Land and Land Rights	5,046	147	141	706	313	970	478	245	91	242	119	265	83	150	1,089	6
16	Buildings	19,832	855	819	3,242	1,171	3,632	1,789	917	339	908	447	993	311	561	3,820	28
17	Computer Equipment	20,156	538	515	1,004	358	1,110	547	280	104	278	137	304	95	172	14,707	9
18	Misc. Equipment	8,297	229	220	1,275	549	1,702	838	430	159	425	210	465	146	263	1,376	11
19	Transportation	11,840	238	228	1,537	1,014	3,144	1,548	794	294	786	387	860	269	486	241	15
20	Tele-communications	4,558	537	514	1,115	205	635	313	160	59	159	78	174	54	98	448	9
21	Total General Plant	69,729	2,544	2,436	8,879	3,610	11,192	5,512	2,827	1,046	2,798	1,378	3,061	957	1,730	21,680	78
22	Total Net Utility Plant	660,969	50,369	48,160	75,665	51,819	158,659	78,145	43,897	16,236	39,665	19,536	22,029	12,364	21,998	21,680	746
	Deductions from Rate Base																
23	Contributions in Aid of Construction	20,844	13	13	1,803	626	8,277	4,077	825	305	2,069	1,019	608	467	953	(227)	16
24	Deferred Income Taxes	1,438	110	105	165	113	345	170	96	35	86	43	48	27	48	47	2
25	Weather Normalization (hydro equal.)	(6,915)	0	(6,915)	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Weather Normalization (Degree Day Norm.)	(3,374)	(362)	(346)	(544)	(373)	(1,141)	0	(316)	0	(285)	0	0	0	0	0	(5)
27	Total Deductions	11,993	(240)	(7,143)	1,423	366	7,481	4,247	605	341	1,870	1,062	656	494	1,000	(180)	13
	Additions to Rate Base																
28	Contributions - Country Homes	572	0	0	0	64	195	96	54	20	49	24	27	15	27	0	0
29	Cash Working Capital Allowance	5,514	382	369	556	453	644	317	151	56	161	79	396	136	248	1,562	5
30	Materials And Supplies	4,322	113	108	1,397	285	883	435	223	83	221	109	242	76	137	0	11
31	Total Additions	10,408	495	477	1,952	802	1,722	848	428	158	431	212	665	226	411	1,562	16
32	Total Rate Base Before Deferred Charges	659,383	51,104	55,780	76,194	52,255	152,900	74,747	43,720	16,054	38,225	18,687	22,038	12,097	21,409	23,422	750
33	Average Deferral Charges	86,063	5,881	5,668	9,242	6,914	12,371	6,093	2,970	1,098	3,093	1,523	6,086	2,021	3,688	19,332	81
34	Total Rate Base	745,446	56,986	61,449	85,436	59,170	165,272	80,840	46,690	17,152	41,318	20,210	28,124	14,118	25,097	42,754	831

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FUNCTIONAL CLASSIFICATION OF AVERAGE RATE BASE

Line No.	Category	Basis for Functional Classification
1	Hydro Electric Production	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
2	Other Generation	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
3	Transmission	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
	Substations	
4	Hydro Electric Production	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
5	Other Production	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
6	Transmission	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
7	Distribution	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
	Distribution	
8	Land and Land Clearing	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
9	Conductors, Poles and Fittings	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
10	Transformers	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
11	Services	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
12	Meters	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
13	Street lighting	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
14	Total Direct Plant	Total of Line 1 to 13.
	General Plant	
15	Land and Land Rights	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
16	Buildings	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
17	Computer Equipment	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
18	Misc. Equipment	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
19	Transportation	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
20	Tele-communications	Difference Between the Allocated Fixed assets (Schedule 2.1) and the Accumulated Depreciation (Schedule 2.2)
21	Total General Plant	Total of Lines 15 to 20.
22	Total Net Book Value	Total of Line 14 and Line 20.
	Deductions from Rate Base	
23	Contributions in Aid of Construction	Taken from totals shown on Schedule 2.3.
24	Deferred Income Taxes	Functional Classification based on Total Net Utility Plant (Line 22).
25	Weather Normalization (hydro equal.)	Classified 100% to Energy
26	Weather Normalization (Degree Day Norm.)	Functional Classification split based on Total Net Utility Plant (Line 22) excluding Customer Classification Functions
27	Total Deductions	Total of Lines 23 through 26.
	Additions to Rate Base	
28	Contributions - Country Homes	Functional Classification based on Total Net Utility Plant for Distribution (Line 22, Columns E to N).
29	Cash Working Capital Allowance	Functional Classification based on total operating and maintenance shown on Schedule 1.1, line 2.
30	Materials And Supplies	Functionalized based on Year End Inventory (See Schedule 5.1 Line 29). Classification based on total direct utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned (Schedule 2.1).
31	Total Additions	Total of Lines 28 through 30.
32	Total Rate Base Before Deferred Charges	Line 22 less Line 27 plus Line 31.
33	Average Deferred Charges	Functional Classification based on the Weighted Split for Administration and General.
34	Total Rate Base	Line 32 plus Line 33

LIST OF OPERATING EXPENSES NET OF GEC (Excluding RSA and MTA)
(All numbers are times $1,000)

Expense Category Code	Description	Including Non-Regulated Expenses Total	Labour	Non-Labour	Non-Regulated Expenses	Excluding Non-Regulated Expenses Total Excl.	Labour Excl.	Non-Labour Excl.
	PURCHASED POWER WEATHER ADJUSTED							
PPH	Nfld. Hydro - Firm	255,942	-	255,942	-	255,942	-	255,942
PPDL	Nfld. Hydro - Secondary	12	-	12	-	12	-	12
	TOTAL PURCHASED POWER	255,954	-	255,954	-	255,954	-	255,954
	PRODUCTION							
Hydro	Hydro - Direct Operating and Maintenance	1,680	1,241	439	-	1,680	1,241	439
Hydro	Hydro - Water and Fuel - Lubricants	91	-	91	-	91	-	91
Hydro	Hydro - Supervision and misc.	448	309	138	-	448	309	138
Hydro	Hydro - Dam safety evaluations	33	8	25	-	33	8	25
Oth Prod	Other Production - Direct operating and Maintenance	369	275	93	-	369	275	93
Oth Prod	Other Production - Fuel and Lubricants	26	-	26	-	26	-	26
	TOTAL PRODUCTION	2,646	1,833	813	-	2,646	1,833	813
Gen Sys Opr	SYSTEM OPERATIONS	947	906	41	-	947	906	41
Gen PTD	TOOLS, SAFETY, EQUIPMENT REPAIR & RUBBER GLOVE TESTING	501	37	464	-	501	37	464
Gen PTD	GENERAL OPERATIONS	3,483	2,829	653		3,483	2,829	653
	TOTAL MISC TECHNICAL OPERATING COSTS	4,931	3,772	1,158	-	4,931	3,772	1,158
Gen PTD	ENVIRONMENTAL COST	462	249	213	-	462	249	213
	SUBSTATIONS							
Subs	Direct O&M	2,462	1,598	863	-	2,462	1,598	863
	TRANSMISSION							
Transm	Direct O&M	524	239	284	-	524	239	284
	DISTRIBUTION							
CPF	Direct O&M - Lines/poles/fittings	1,884	1,751	132	-	1,884	1,751	132
Services	Direct O&M - Services	1,405	1,384	21	-	1,405	1,384	21
Strlgts	Direct O&M - Street Lights	898	778	120	-	898	778	120
Transf.	Direct O&M - Transformers	260	228	33	-	260	228	33
Meters	Direct O&M - Meters	489	373	115	-	489	373	115
Gen D	Direct O&M - Vegetation Management	976	167	809	-	976	167	809
Gen D	Pre Issues	375	-	375	-	375	-	375
	TOTAL DISTRIBUTION	6,287	4,681	1,606	-	6,287	4,681	1,606

LIST OF OPERATING EXPENSES NET OF GEC (Excluding RSA and MTA)
(All numbers are times $1,000)

Expense Category Code	Description	Including Non-Regulated Expenses			Non-Regulated Expenses	Excluding Non-Regulated Expenses		
		Total	Labour	Non-Labour		Total Excl.	Labour Excl.	Non-Labour Excl.
	COMMUNICATIONS							
Gen Comm	Direct O&M - General	1,556	117	1,438	-	1,556	117	1,438
Gen D	Power Quality	48	46	2	-	48	46	2
Gen Comm	Direct O&M - Supervisory Contol Systems	47	46	2	-	47	46	2
	TOTAL COMMUNICATIONS	1,651	208	1,442	-	1,651	208	1,442
	CUSTOMER SERVICE							
Cust Acc	Customer Service Administration, Billing & Meter Reading	3,467	3,093	374	-	3,467	3,093	374
Cust Acc	Credit, Collections & Cash Control	2,777	1,280	1,497		2,777	1,280	1,497
Cust Acc	Inquiry	2,376	2,356	21		2,376	2,356	21
Cust Acc	Uncollectable Bills	1,158	-	1,158	-	1,158	-	1,158
A&G	Energy Services - General CDM Programs	853	349	503		853	349	503
	TOTAL CUSTOMER SERVICE	10,631	7,078	3,553	-	10,631	7,078	3,553
	FINANCE							
A&G	Finance	1,143	890	253		1,143	890	253
Labour Rela	Company Pension Scheme	4,752	-	4,752	-	4,752	-	4,752
Labour Rela	Retirement Allowances	1,060	-	1,060	-	1,060	-	1,060
Ins & Dam.	Risk Management	90	84	5	-	90	84	5
	TOTAL FINANCE	7,044	974	6,070	-	7,044	974	6,070
	CORPORATE COMMUNICATIONS							
A&G	Corporate Communications Supervision, Misc. and General Advertisments	495	406	89	31	464	380	83
Cust Acc	Corporate Communications - Safety Advertisements	171	-	171	-	171	-	171
	TOTAL CORPORATE COMMUNICATIONS	666	406	260	31	635	380	255
	MANAGEMENT INFORMATION SYSTEMS							
A&G	Supervision & Misc.	330	184	146	-	330	184	146
A&G	Computer Operations	470	433	38	-	470	433	38
A&G	Systems Development and Support	1,897	683	1,214	-	1,897	683	1,214
	TOTAL MIS	2,698	1,300	1,398	-	2,698	1,300	1,398
	HUMAN RESOURCE AND EMPLOYEE RELATED COSTS							
A&G	Human Resources Division	1,132	802	330	-	1,132	802	330
A&G	Employee Welfare & Coffee & Lunchroom Supplies	297	59	238	-	297	59	238
	TOTAL HUMAN RESOURCE AND EMPLOYEE RELATED COSTS	1,428	861	567	-	1,428	861	567
	ADMINSTRATION & MISCELLANEOUS							
A&G	Administration, Support Staff and Internal Audit	6,249	3,842	2,407	272	5,977	3,675	2,302
A&G	Misc. Costs - General	851	280	571	1,105	(254)	(84)	(171)
Ins & Dam.	Misc. Costs - Property Insurace & Public Liability (Not Insured)	1,817	3	1,813	-	1,817	3	1,813
Cust Acc	Mail Room	122	-	122	-	122	-	122

LIST OF OPERATING EXPENSES NET OF GEC (Excluding RSA and MTA)
(All numbers are times $1,000)

Expense Category Code	Description	Including Non-Regulated Expenses Total	Labour	Non-Labour	Non-Regulated Expenses	Excluding Non-Regulated Expenses Total Excl.	Labour Excl.	Non-Labour Excl.
A&G	PUB Assessments	489	-	489	-	489	-	489
A&G	Property Maintenance	1,295	141	1,154	-	1,295	141	1,154
A&G	Printing Services	308	196	113	-	308	196	113
	TOTAL ADMINISTRATION & MISCELLANEOUS	11,131	4,462	6,669	1,377	9,754	3,932	5,822
Vehicles	VEHICLE MAINTENANCE	1,496	-	1,496	-	1,496	-	1,496
	TOTAL OPERATING AND MAINTENANCE EXPENSES Net of GEC & (Excluding RSA & MTA Expense)	310,010	27,661	282,349	1,408	308,602	27,105	281,496

Expense Category Code	Cost of Service Expense Category
A&G	Administration and General (Excluding Labour Related Costs).
Curtail	Curtailable Credits Paid Customers.
CPF	Operating expenses directly associated with Conductors, Poles and Fittings.
Cust Acc	Operating Expenses associated with Customer Accounting and Customer Service.
Gen Comm	Communication Expenses Related to the VHS/Mobile radio system.
Gen D	General expenses to be split over the categories within distribution.
Gen PTD	General expenses to be split over Production, Transmission and Distribution.
Gen Sys Opr	General expenses associated with the Systems Control Centre.
Gen TD	General expenses to be split over Transmission and Distribution.
Hydro	Operating expenses associated with Hydraulic Generation.
Labour Rela	Administration and general Expenses directly related to Labour.
Meters	Operating expenses directly associated with Meters.
Oth Prod	Operating expenses associated with Diesel and Gas Turbine Generation.
Ins & Dam.	Property Insurance, Public Liability, Risk Management.
PPDL	Purchase Power Costs for Secondary Energy from Deer Lake Power Firmed up by Hydro.
PPH	Purchase Power Costs from Hydro for Firm Energy.
Services	Operating expenses directly associated with Services.
Strlgts	Operating expenses directly associated with Street Lighting.
Subs	Operating expenses directly associated with Substations.
Transf.	Operating expenses directly associated with Transformers.

FUNCTIONAL CLASSIFICATION OF OPERATING AND MAINTENANCE EXPENSES
(All numbers are times $1000)

Line No.	Catagory	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution										Customer Acc. & Cust. Serv.	Specifically Assigned
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting		
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer		
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
	Purchase Power Expense																
1	Purchases from Hydro - Production related	196,461	65,225	131,236	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Purchases from Hydro - Transmission related	25,278	25,278	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Deer Lake Power Secondary	12	4	8	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Sub Total	221,752	90,508	131,244	0	0	0	0	0	0	0	0	0	0	0	0	0
	Direct Operating & Maintenance Costs																
5	Hydraulic Production	2,251	950	1,301	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Other Production	394	394	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Transmission	524	0	0	519	0	0	0	0	0	0	0	0	0	0	0	4
	Substations																
8	Hydarulic Plants	89	38	52	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Other Production	14	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Transmission	803	0	0	800	0	0	0	0	0	0	0	0	0	0	0	3
11	Distribution	1,555	0	0	0	1,548	0	0	0	0	0	0	0	0	0	0	7
	Distribution																
12	Lines/poles/fittings	1,884	0	0	0	0	1,010	497	0	0	252	124	0	0	0	0	0
13	Services	1,405	0	0	0	0	0	0	0	0	0	0	1,405	0	0	0	0
14	Street Lights	898	0	0	0	0	0	0	0	0	0	0	0	0	898	0	0
15	Transformers	260	0	0	0	0	0	0	190	70	0	0	0	0	0	0	0
16	Meters	489	0	0	0	0	0	0	0	0	0	0	0	489	0	0	0
17	Customer Accounting	10,072	0	0	0	0	0	0	0	0	0	0	0	0	0	10,072	0
18	Subtotal Direct O&M	20,639	1,397	1,353	1,319	1,548	1,010	497	190	70	252	124	1,405	489	898	10,072	15
	General System Expenses																
19	Related to Distribution	1,399	0	0	0	227	356	175	84	31	89	44	201	67	123	0	1
20	Related to Prod, Trans. & Distribution	4,445	438	423	572	489	765	377	180	67	191	94	433	145	265	0	6
21	Related to Vehicles	1,496	30	29	194	128	397	196	100	37	99	49	109	34	61	30	2
22	System Control Centre Expenses	947	125	121	394	50	78	39	18	7	20	10	44	15	27	0	0
23	General Communication Expenses	1,603	131	126	436	113	178	88	42	16	44	22	101	34	62	211	0
24	Subtotal General System Expenses	9,890	724	699	1,596	1,007	1,774	874	425	157	444	218	887	295	538	242	9
	Administration and General																
25	Insurance, Injuries & Damages	1,906	145	139	218	149	458	225	127	47	114	56	64	36	63	63	2
26	Labour Related	5,812	397	383	624	467	835	411	201	74	209	103	411	136	249	1,305	5
27	Other Administration And General Expenses	14,401	984	948	1,546	1,157	2,070	1,020	497	184	518	255	1,018	338	617	3,235	14
28	Subtotal Administration and General Expenses	22,119	1,527	1,470	2,389	1,773	3,363	1,656	824	305	841	414	1,493	510	930	4,603	21
29	Total O&M	274,400	94,155	134,766	5,304	4,328	6,147	3,028	1,439	532	1,537	757	3,785	1,294	2,366	14,916	45
	(less RSA, MTA and Rural Subsidy)																

FUNCTIONAL CLASSIFICATION OF OPERATING AND MAINTENANCE EXPENSES

Line No.	Category	Basis for Functional Classification
	Purchase Power Expense	Excludes the rural deficit of $34,202,229.
1	Purchases from Hydro - Production related	Based on functional classification splits shown in Schedule 5.1, Line 1. Split between Hydro-Production and Hydro-Transmission based on split shown in Schedule 5.1, line 18.
2	Purchases from Hydro - Transmission related	Based on functional classification splits shown in Schedule 5.1, Line 1. Split between Hydro-Production and Hydro-Transmission based on split shown in Schedule 5.1, line 18.
3	Deer Lake Power Secondary	Based on functional classification splits shown in Schedule 5.1, Line 3.
4	Sub Total	Total of Lines 1 and 2.
	Direct Operating & Maintenance Costs	
5	Hydraulic Production	Based on classification splits shown in Schedule 5.1, Line 4.
6	Other Production	Based on classification splits shown in Schedule 5.1, Line 5.
7	Transmission	Functional split based on Schedule 5.1 line 19. Classified based on the transmission general as shown on Schedule 5.1 Line 6.
	Substations	
8	Hydarulic Plants	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 4.
9	Other Production	Functional splits on based schedule 5.1 line 20 and classified as shown in schedule 5.1 line 5.
10	Transmission	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 6.
11	Distribution	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 7.
	Distribution	
12	Lines/poles/fittings	Functional splits based on schedule 5.1 line 31 (excluding street lighting) and classified as shown in schedule 5.1 lines 11 & 12.
13	Services	Classified as shown in schedule 5.1 line 15.
14	Street Lights	Classified as shown in schedule 5.1 line 17.
15	Transformers	Classified as shown in schedule 5.1 line 14.
16	Meters	Classified as shown in schedule 5.1 line 16.
17	Customer Accounting	Classified 100% to Customer Accounting (Customer)
18	Subtotal Direct O&M	Total of all Categories between line 5 and 17.
	General System Expenses	Functional Classification based on a weighted average total of the splits for fixed assets (Schedule 2.1, Line 22) and O&M (Schedule 3.2 Line 18). The weighting used is: 62.6% operating, and 37.4% capital.

					Distribution											
		Produced & Purchased	Produced & Purchased		Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting	Cust. Acc. &	Specifically
	Total	Demand	Energy	Transmission Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Cust. Serv.	Assigned
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Weighted Splits	100.0%	6.7%	6.5%	8.8%	7.5%	11.7%	5.8%	2.8%	1.0%	2.9%	1.4%	6.6%	2.2%	4.1%	31.9%	0.1%

19	Related to Distribution	Functional Classification based on the weighted split shown for Columns E through N & the distribution portion of Specifically Assigned (Column P).
20	Related to Prod, Trans. & Distribution	Functional Classification based on the weighted split shown for Columns B through N & P.
21	Related to Vehicles	Functional Classification based on splits for vehicle fixed assets (see schedule 2.4 line 19).
22	System Control Centre Expenses	Functionalized based on a study of SCADA plant (see Schedule 5.1). Classification based on functional categories shown for general system expenses in columns B through O.
23	General Communications	Functionalized based on a study of Communications Expenses (see Schedule 5.1). Classification based on functional categories shown for general system expenses in columns B through O.
24	Subtotal General System Expenses	Total of all Lines 19 to 23.
	Administration and General Expenses	Functional Classification based on a weighted average total of the splits for fixed assets (Schedule 2.1, Line 22) and O&M (Schedule 3.2 Lines 18 plus 24). The weighting used is: 62.6% operating, and 37.4% capital.

					Distribution											
		Produced & Purchased	Produced & Purchased		Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting	Cust. Acc. &	Specifically
	Total	Demand	Energy	Transmission Demand	Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer	Cust. Serv.	Assigned
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Weighted Splits	100.0%	6.8%	6.6%	10.7%	8.0%	14.4%	7.1%	3.5%	1.3%	3.6%	1.8%	7.1%	2.3%	4.3%	22.5%	0.1%

25	Insurance, Injuries & Damages	Functional Classification based on Net Utility Plant in Service (See Schedule 2.4, Line 22)
26	Labour Related Overheads	Functional Classification based on the Weighted Split for Administration and General.
27	Administration And General Expenses	Functional Classification based on the Weighted Split for Administration and General. transmission and distribution based on total direct functional cost including purchase power.
28	Subtotal Administration and General	Total for Lines 25 to 27.
29	Total O&M	Totals of Lines 4, 18, 24 and 28.

FUNCTIONAL CLASSIFACTION OF DEPRECIATION EXPENSE (NET OF AMORTIZED CIAC)
(All numbers are times $1,000)

Line No.	Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission	Distribution											Cust. Acc. & Cust. Serv.	Specifically Assigned
						Substation	Primary		Transformers		Secondary		Services	Meters	St. Lighting			
						Demand	Demand	Customer	Demand	Customer	Demand	Customer	Customer	Customer	Customer			
		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
1	Hydro Electric Production	2,373	1,001	1,372	0	0	0	0	0	0	0	0	0	0	0	0	0	
2	Other Generation	956	956	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Transmission	2,379	0	0	2,360	0	0	0	0	0	0	0	0	0	0	0	19	
	Substations																	
4	Hydro Electric Production	111	47	64	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Other Production	18	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Transmission	994	0	0	990	0	0	0	0	0	0	0	0	0	0	0	4	
7	Distribution	1,924	0	0	0	1,915	0	0	0	0	0	0	0	0	0	0	9	
	Distribution																	
8	Land and Land Clearing	4	0	0	0	0	2	1	0	0	1	0	0	0	0	0	0	
9	Conductors, Poles and Fittings	10,431	0	0	0	0	5,359	2,640	0	0	1,340	660	0	0	432	0	0	
10	Transformers	1,982	0	0	0	0	0	0	1,447	535	0	0	0	0	0	0	0	
11	Services	1,490	0	0	0	0	0	0	0	0	0	0	1,490	0	0	0	0	
12	Meters	683	0	0	0	0	0	0	0	0	0	0	0	683	0	0	0	
13	Street lighting	476	0	0	0	0	0	0	0	0	0	0	0	0	476	0	0	
	General Plant																	
14	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	Buildings	1,241	54	51	203	73	227	112	57	21	57	28	62	19	35	239	2	
16	Computer Equipment	4,507	120	115	224	80	248	122	63	23	62	31	68	21	38	3,288	2	
17	Misc. Equipment	650	18	17	100	43	133	66	34	12	33	16	36	11	21	108	1	
18	Transportation	1,133	23	22	147	97	301	148	76	28	75	37	82	26	47	23	1	
19	Tele-communications	792	93	89	194	36	110	54	28	10	28	14	30	9	17	78	1	
20	Total	32,143	2,330	1,730	4,218	2,244	6,382	3,143	1,704	630	1,595	786	1,769	770	1,066	3,736	40	

FUNCTIONAL CLASSIFACTION OF DEPRECIATION EXPENSE (NET OF AMORTIZED CIAC)

Line No.	Category	Basis for Functional Classification
1	Hydro Electric Production	Classified based on factors shown in Schedule 5.1 Line 4.
2	Other Generation	Classified based on factors shown in Schedule 5.1 Line 5.
3	Transmission	Functional split based on Schedule 5.1 line 19. Classified based on the transmission general as shown on Schedule 5.1 Line 6.
	Substations	
4	Hydro Electric Production	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 4.
5	Other Production	Functional splits on based schedule 5.1 line 20 and classified as shown in schedule 5.1 line 5.
6	Transmission	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 6.
7	Distribution	Functional splits based on schedule 5.1 line 20 and classified as shown in schedule 5.1 line 7.
	Distribution	
8	Land and Land Clearing	Functional splits based on schedule 5.1 line 30 and classified as shown in schedule 5.1 lines 8, 9 & 10.
9	Conductors, Poles and Fittings	Functional splits based on schedule 5.1 line 31 and classified as shown in schedule 5.1 lines 11, 12 & 13.
10	Transformers	Classified as shown in schedule 5.1 line 14.
11	Services	Classified as shown in schedule 5.1 line 15.
12	Meters	Classified as shown in schedule 5.1 line 16.
13	Street lighting	Classified as shown in schedule 5.1 line 17.
	General Plant	
14	Land and Land Clearing	Functionalized based on general property land and land use (See Schedule 5.1 line 21). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
15	Buildings	Functionalized based on buildings (See Schedule 5.1 line 22). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
16	Computer Equipment	Functionalized based on Computer Equipment (See Schedule 5.1 line 23). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
17	Miscellaneous Equipment	Functionalized based on General Property Equipment (See Schedule 5.1 line 24). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
18	Transportation	Functionalized based on Transportation (See Schedule 5.1 line 25). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
19	Tele-communications	Functionalized based on Total Communications (See Schedule 5.1 line 26). Classification based on total direct Utility plant for each functional category: Production, Transmission, Distribution, Customer Accounting & Customer Service and Specifically Assigned.
20	Total	Total of Lines 1 through 19.

CUSTOMER STATISTICS

Line No.	Class of Service	Rate Class	BILLING INFORMATION: Number of Customers At Year End 2004	Number of Customers At Year End 2005	Number of Customers Average	2005 Energy Sales kWh	2005 Total Billing Demands kW \ kVA	Non-coincident Maximum Class Demands (NCP): Estimated Class Load Factor	Non-coincident Maximum Class Demands (NCP): Class NCP Demand kW	Class Demand Coincident with System Peak (1CP): Estimated Class Load Factor	Class Demand Coincident with System Peak (1CP): Class 1CP Demand kW
			A	B	C	D	E	F	G	H	I
	DOMESTIC										
1	Domestic Regular	1.1	84,359	83,719	84,039	799,968,000	0	43.0%	212,373	52%	176,294
2	Domestic All Electric	1.1	109,553	112,693	111,123	2,186,726,000	0	47.9%	521,140	47%	533,389
	GENERAL SERVICE										
3	(0-10 kW)	2.1	11,872	12,046	11,959	96,908,000	0	50.9%	21,734	65%	16,967
4	(10-100 kW)	2.2	8,029	8,114	8,072	610,924,000	2,181,835	52.6%	132,586	60%	116,818
	(110-350 kVA)	2.3									
5	Primary		31	31	31	22,023,490	61,370	56.7%	4,434	68%	3,676
6	Secondary		739	752	746	395,815,510	1,284,173	56.7%	79,690	68%	66,059
	(350-1000 kVA)	2.3									
7	Transmission		2	2	2	1,763,199	4,225	56.7%	355	68%	294
8	Primary		45	44	45	106,839,207	286,706	56.7%	21,510	68%	17,831
9	Secondary		197	202	200	336,383,595	989,318	56.7%	67,725	68%	56,140
	(1000 kVA and Over)	2.4									
10	Transmission		1	1	1	5,269,000	19,111	66.2%	909	74%	808
11	Primary		36	36	36	325,565,000	786,930	66.2%	56,140	74%	49,953
12	Secondary		21	24	23	79,842,000	244,849	66.2%	13,768	74%	12,251
13	**STREET LIGHTING**	4.1	9,579	9,637	9,608	35,996,000	0	48.0%	8,561	48%	8,561
14	Total		224,464	227,301	225,885	5,004,023,000	5,858,518	50.1%	1,140,926	53.9%	1,059,041

Newfoundland Power
2005 Cost of Service Study

2005 ENERGY AND DEMAND LOSS FACTORS

(Losses as a percentage of delivered)

Demand Loss Factors

Transmission	1.8491%
Primary	3.2311%
Secondary	3.1348%

Energy Loss Factors

Transmission	1.1466%
Primary	2.0994%
Secondary	2.6744%

DEVELOPMENT OF CUSTOMER COST ALLOCATORS

Line No.	Class of Service	Rate Code	Average Number of Customers	Customer Related Costs			Primary Lines			Secondary Lines			Transformers			Service Drops			Meters		
				Weighting Factor	Weighted Number of Customer	Allocation Factors	Weighting Factor	Weighted Number of Customer	Allocation Factors	Weighting Factor	Weighted Number of Customer	Allocation Factors	Weighting Factor	Weighted Number of Customer	Allocation Factors	Weighting Factor	Weighted Number of Customer	Allocation Factors	Weighting Factor	Weighted Number of Customer	Allocation Factors
			A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	DOMESTIC																				
1	Domestic Regular	1.1	84,039	1.0	84,039	36.397%	1.0	84,039	37.205%	1.0	84,039	37.223%	1.0	84,039	37.223%	1.0	84,039	37.651%	1.0	84,039	19.816%
2	Domestic All Electric	1.1	111,123	1.0	111,123	48.127%	1.0	111,123	49.195%	1.0	111,123	49.220%	1.0	111,123	49.220%	1.0	111,123	49.786%	1.0	111,123	26.202%
	GENERAL SERVICE																				
3	(0-10 kW)	2.1	11,959	1.2	14,351	6.215%	1.0	11,959	5.294%	1.0	11,959	5.297%	1.0	11,959	5.297%	1.0	11,959	5.358%	2.3	27,506	6.486%
4	(10-100 kW)	2.2	8,072	2.1	16,951	7.341%	1.0	8,072	3.574%	1.0	8,072	3.575%	1.0	8,072	3.575%	1.2	9,686	4.340%	14.2	114,622	27.028%
	(110-350 kVA)	2.3																			
5	Primary		31	2.3	71	0.031%	1.0	31	0.014%	-	-	0.000%	-	-	0.000%	-	-	0.000%	205.7	6,377	1.504%
6	Secondary		746	2.3	1,716	0.743%	1.0	746	0.330%	1.0	746	0.330%	1.0	746	0.330%	6.6	4,924	2.206%	61.8	46,103	10.871%
	(350-1000 kVA)	2.3																			
7	Transmission		2	2.3	5	0.002%	0.0	-	0.000%	-	-	0.000%	-	-	0.000%	-	-	0.000%	495.2	990	0.234%
8	Primary		45	2.3	104	0.045%	1.0	45	0.020%	-	-	0.000%	-	-	0.000%	-	-	0.000%	205.7	9,257	2.183%
9	Secondary		200	2.3	460	0.199%	1.0	200	0.089%	1.0	200	0.089%	1.0	200	0.089%	6.6	1,320	0.591%	61.8	12,360	2.914%
	(1000 kVA and Over)	2.4																			
10	Transmission		1	2.6	3	0.001%	0.0	-	0.000%	-	-	0.000%	-	-	0.000%	-	-	0.000%	211.6	212	0.050%
11	Primary		36	2.6	94	0.041%	1.0	36	0.016%	-	-	0.000%	-	-	0.000%	-	-	0.000%	236.7	8,521	2.009%
12	Secondary		23	2.6	60	0.026%	1.0	23	0.010%	1.0	23	0.010%	1.0	23	0.010%	6.6	152	0.068%	129.8	2,985	0.704%
13	**STREET LIGHTING**	4.1	9,608	0.2	1,922	0.832%	1.0	9,608	4.254%	1.0	9,608	4.256%	1.0	9,608	4.256%	-	-	0.000%	-	-	0.000%
14	Total		225,885		230,897	100.0%		225,882	100.0%		225,770	100.0%		225,770	100.0%		223,203	100.0%		424,095	100.0%

NOTES:

Column

A - See Schedule 4.1

B - Weighting Factors estimated based on general review of Customer accounting and Customer service activities.

C - Column A times B

D - Class weighted number of customers divided by the total number of weighted customers for Column C.

E - Equal weighting assigned to all Customers supplied through primary lines.

F - Column A times E

G - Class weighted number of customers divided by the total number of weighted customers for Column F.

H - Equal weighting assigned to all Customers supplied through secondary lines.

I - Column A times H

J - Class weighted number of customers divided by the total number of weighted customers for Column I.

K - Equal weighting assigned to all Customers supplied through distribution transformers.

L - Column A times K

M - Class weighted number of customers divided by the total number of weighted customers for Column L.

N - Based on typical costs to provide Service Drops for customers within each class.

O - Column A times N

P - Class weighted number of customers divided by the total number of weighted customers for Column O.

Q - Based on typical cost to provide metering for customers within each class..

R - Column A times Q

S - Class weighted number of customers divided by the total number of weighted customers for Column R.

DEVELOPMENT OF ENERGY ALLOCATORS

Line No.	Class of Service	Rate Code	Secondary Energy Allocator: Load at Meter kWh A	Secondary Energy Loss Factor B	Load at Secondary Input kWh C	Secondary Allocation Factor D	Primary Energy Allocator: Load at Primary Output kWh E	Primary Energy Loss Factor F	Load at Primary Input kWh G	Primary Allocation Factor H	Transmission Energy Allocator: Load at Transmission Output kWh I	Transmission Energy Loss Factor J	Load at Transmission Input kWh K	Transmission Allocation Factor L
	DOMESTIC													
1	Domestic Regular	1.1	799,968,000	0.026744	821,362,344	17.610%	821,362,344	0.020994	838,606,025	16.026%	838,606,025	0.011466	848,221,482	16.004%
2	Domestic All Electric	1.1	2,186,726,000	0.026744	2,245,207,800	48.139%	2,245,207,800	0.020994	2,292,343,693	43.806%	2,292,343,693	0.011466	2,318,627,705	43.747%
	GENERAL SERVICE													
3	(0-10 kW)	2.1	96,908,000	0.026744	99,499,708	2.133%	99,499,708	0.020994	101,588,604	1.941%	101,588,604	0.011466	102,753,419	1.939%
4	(10-100 kW)	2.2	610,924,000	0.026744	627,262,551	13.449%	627,262,551	0.020994	640,431,301	12.239%	640,431,301	0.011466	647,774,487	12.222%
	(110-350 kVA)	2.3												
5	Primary		-	0.026744	-	0.000%	22,353,843	0.020994	22,823,139	0.436%	22,823,139	0.011466	23,084,829	0.436%
6	Secondary		395,815,510	0.026744	406,401,200	8.713%	406,401,200	0.020994	414,933,186	7.929%	414,933,186	0.011466	419,690,810	7.919%
	(350-1000 kVA)	2.3												
7	Transmission		-	0.026744	-	0.000%	-	0.020994	-	0.000%	1,789,647	0.011466	1,810,167	0.034%
8	Primary		-	0.026744	-	0.000%	108,441,795	0.020994	110,718,422	2.116%	110,718,422	0.011466	111,987,919	2.113%
9	Secondary		336,383,595	0.026744	345,379,837	7.405%	345,379,837	0.020994	352,630,742	6.739%	352,630,742	0.011466	356,674,006	6.730%
	(1000 kVA and Over)	2.4												
10	Transmission		-	0.026744	-	0.000%	-	0.020994	-	0.000%	5,348,035	0.011466	5,409,356	0.102%
11	Primary		-	0.026744	-	0.000%	330,448,475	0.020994	337,385,910	6.447%	337,385,910	0.011466	341,254,377	6.439%
12	Secondary		79,842,000	0.026744	81,977,294	1.758%	81,977,294	0.020994	83,698,326	1.599%	83,698,326	0.011466	84,658,011	1.597%
13	**STREET LIGHTING**	4.1	35,996,000	0.026744	36,958,677	0.792%	36,958,677	0.020994	37,734,587	0.721%	37,734,587	0.011466	38,167,252	0.720%
14	Total		4,542,563,104	0.026744	4,664,049,412	100.00%	5,125,293,525	0.020994	5,232,893,937	100.000%	5,240,031,618	0.011466	5,300,113,821	100.000%

DEVELOPMENT OF ENERGY ALLOCATORS

NOTES:

A - See Schedule 4.1, 2005 Energy Sales.

B - See Schedule 4.2.

C - Estimated Load at Secondary Input including losses. It is equal to Columns A times (one plus the loss factor).

D - Class load relative to the Total Load for Column C.

E - Equal to Column C and includes customers that are supplied at primary level as shown in Schedule 4.1. 2005 Energy Sales for primary customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

F - See Schedule 4.2.

G - Estimated Load at Primary Input including losses. It is equal to Columns E times (one plus the loss factor from Column F).

H - Class load relative to the Total Load for Column G.

I - Equal to Column G but includes customers that are supplied at transmission level as shown in Schedule 4.1. 2005 Energy Sales for transmission customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

J - See Schedule 4.2.

K - Estimated Load at Transmission Input including losses. It is equal to Columns I times (one plus the loss factor from Column J).

L - Class load relative to the Total Load for Column K.

DEVELOPMENT OF NON-COINCIDENT PEAK (NCP) DEMAND ALLOCATORS

Line No.	Class of Service	Rate Code	Secondary Demand Allocator: Load at Meter kW A	Secondary Demand Loss Factor B	Load at Secondary Input kW C	Secondary Allocation Factor D	Primary Demand Allocator: Load at Primary Output kW E	Primary Demand Loss Factor F	Load at Primary Input kW G	Primary Allocation Factor H	Transmission Demand Allocator: Load at Transmission Output kW I	Transmission Demand Loss Factor J	Load at Transmission Input kW K	Transmission Allocation Factor L
	DOMESTIC													
1	Domestic Regular	1.1	212,373	0.031348	219,031	20.081%	219,031	0.032311	226,108	18.656%	226,108	0.018491	230,289	18.636%
2	Domestic All Electric	1.1	521,140	0.031348	537,477	49.277%	537,477	0.032311	554,844	45.780%	554,844	0.018491	565,103	45.732%
	GENERAL SERVICE													
3	(0-10 kW)	2.1	21,734	0.031348	22,415	2.055%	22,415	0.032311	23,139	1.909%	23,139	0.018491	23,567	1.907%
4	(10-100 kW)	2.2	132,586	0.031348	136,742	12.537%	136,742	0.032311	141,160	11.647%	141,160	0.018491	143,771	11.635%
	(110-350 kVA)	2.3												
5	Primary		-	0.031348	-	0.000%	4,501	0.032311	4,646	0.383%	4,646	0.018491	4,732	0.383%
6	Secondary		79,690	0.031348	82,188	7.535%	82,188	0.032311	84,844	7.000%	84,844	0.018491	86,413	6.993%
	(350-1000 kVA)	2.3												
7	Transmission		-	0.031348	-	0.000%	-	0.032311	-	0.000%	360	0.018491	367	0.030%
8	Primary		-	0.031348	-	0.000%	21,833	0.032311	22,538	1.860%	22,538	0.018491	22,955	1.858%
9	Secondary		67,725	0.031348	69,848	6.404%	69,848	0.032311	72,105	5.949%	72,105	0.018491	73,438	5.943%
	(1000 kVA and Over)	2.4												
10	Transmission		-	0.031348	-	0.000%	-	0.032311	-	0.000%	922	0.018491	939	0.076%
11	Primary		-	0.031348	-	0.000%	56,983	0.032311	58,824	4.854%	58,824	0.018491	59,911	4.848%
12	Secondary		13,768	0.031348	14,200	1.302%	14,200	0.032311	14,658	1.209%	14,658	0.018491	14,929	1.208%
13	**STREET LIGHTING**	4.1	8,561	0.031348	8,829	0.809%	8,829	0.032311	9,114	0.752%	9,114	0.018491	9,283	0.751%
14	Total		1,057,577	0.031348	1,090,730	100.00%	1,174,046	0.032311	1,211,981	100.000%	1,213,263	0.018491	1,235,698	100.000%

DEVELOPMENT OF NON-COINCIDENT PEAK (NCP) DEMAND ALLOCATORS

NOTES:

A - See Schedule 4.1, 2005 Class NCP Demand.

B - See Schedule 4.2.

C - Estimated Load at Secondary Input including losses. It is equal to Columns A times (one plus the loss factor from column B).

D - Class load relative to the Total Load for Column C.

E - Equal to Column C but includes customers that are supplied at primary level as shown in Schedule 4.1. 2005 Class NCP Demand for primary customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

F - See Schedule 4.2.

G - Estimated Load at Primary Input including losses. It is equal to Columns E times (one plus the loss factor from Column F).

H - Class load relative to the Total Load for Column G.

I - Equal to Column G but includes customers supplied at transmission level as shown in Schedule 4.1. 2005 Class NCP Demand for transmission transmission customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

J - See Schedule 4.2.

K - Estimated Load at Transmission Input including losses. It is equal to Columns I times (one plus the loss factor from Column J).

L - Class load relative to the Total Load for Column K.

DEVELOPMENT OF SINGLE COINCIDENT PEAK (1CP) DEMAND ALLOCATORS

Line No.	Class of Service	Rate Code	Secondary Demand Allocator: Load at Meter kW A	Secondary Demand Loss Factor B	Load at Secondary Input kW C	Secondary Allocation Factor D	Primary Demand Allocator: Load at Primary Output kW E	Primary Demand Loss Factor F	Load at Primary Input kW G	Primary Allocation Factor H	Transmission Demand Allocator: Load at Transmission Output kW I	Transmission Demand Loss Factor J	Load at Transmission Input kW K	Transmission Allocation Factor L
	DOMESTIC													
1	Domestic Regular	1.1	176,294	0.031348	181,821	17.871%	181,821	0.032311	187,696	16.682%	187,696	0.018491	191,166	16.665%
2	Domestic All Electric	1.1	533,389	0.031348	550,110	54.070%	550,110	0.032311	567,885	50.472%	567,885	0.018491	578,385	50.422%
	GENERAL SERVICE													
3	(0-10 kW)	2.1	16,967	0.031348	17,499	1.720%	17,499	0.032311	18,064	1.606%	18,064	0.018491	18,398	1.604%
4	(10-100 kW)	2.2	116,818	0.031348	120,480	11.842%	120,480	0.032311	124,373	11.054%	124,373	0.018491	126,672	11.043%
	(110-350 kVA)	2.3												
5	Primary		-	0.031348	-	0.000%	3,731	0.032311	3,851	0.342%	3,851	0.018491	3,922	0.342%
6	Secondary		66,059	0.031348	68,130	6.696%	68,130	0.032311	70,331	6.251%	70,331	0.018491	71,632	6.245%
	(350-1000 kVA)	2.3												
7	Transmission		-	0.031348	-	0.000%	-	0.032311	-	0.000%	299	0.018491	304	0.027%
8	Primary		-	0.031348	-	0.000%	18,098	0.032311	18,683	1.660%	18,683	0.018491	19,028	1.659%
9	Secondary		56,140	0.031348	57,900	5.691%	57,900	0.032311	59,771	5.312%	59,771	0.018491	60,876	5.307%
	(1000 kVA and Over)	2.4												
10	Transmission		-	0.031348	-	0.000%	-	0.032311	-	0.000%	821	0.018491	836	0.073%
11	Primary		-	0.031348	-	0.000%	50,702	0.032311	52,340	4.652%	52,340	0.018491	53,308	4.647%
12	Secondary		12,251	0.031348	12,635	1.242%	12,635	0.032311	13,043	1.159%	13,043	0.018491	13,284	1.158%
13	**STREET LIGHTING**	4.1	8,561	0.031348	8,829	0.868%	8,829	0.032311	9,114	0.810%	9,114	0.018491	9,283	0.809%
14	Total		986,479	0.031348	1,017,404	100.00%	1,089,935	0.032311	1,125,152	100.000%	1,126,271	0.018491	1,147,097	100.000%

DEVELOPMENT OF SINGLE COINCIDENT PEAK (1CP) DEMAND ALLOCATORS

NOTES:

A - See Schedule 4.1, 2005 Class 1CP Demand.

B - See Schedule 4.2.

C - Estimated Load at Secondary Input including losses. It is equal to Columns A times (one plus the loss factor from Column C).

D - Class load relative to the Total Load for Column C.

E - Equal to Column C but includes customers that are supplied at primary level as shown in Schedule 4.1. 2005 Class 1CP Demand for primary customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

F - See Schedule 4.2.

G - Estimated Load at Primary Input including losses. It is equal to Columns E times (one plus the loss factor from Column F).

H - Class load relative to the Total Load for Column G.

I - Equal to Column G but includes customers that are supplied at transmission level as shown in Schedule 4.1. 2005 Class 1CP Demand for transmission transmission customers are increased by 1.5% due to reported energy sales being based at secondary sales levels.

J - See Schedule 4.2.

K - Estimated Load at Transmission Input including losses. It is equal to Columns I times (one plus the loss factor from Column J).

L - Class load relative to the Total Load for Column K.

CLASSIFICATION SPLITS

Scenarios

Line No.	Utility Plant Category	Total	Produced & Purchased Demand	Produced & Purchased Energy	Transmission Demand	Substation Demand	Primary Demand	Primary Customer	Distribution Transformers Demand	Distribution Transformers Customer	Secondary Demand	Secondary Customer	Services Customer	Meters Customer	St. Lighting Customer
		A	B	C	D	E	F	G	H	I	J	K	L	M	N
	PURCHASED POWER														
1	Purchased from Nfld. & Lab. Hydro - Production	100.0%	33.2%	66.8%											
2	Purchased from Nfld. & Lab. Hydro - Transmission	100.0%	100.0%	0.0%											
3	Purchased from Deer Lake Power - Secondary	100.0%	33.2%	66.8%											
	PRODUCTION														
4	Hydro	100.0%	42.2%	57.8%											
5	Other Production	100.0%	100.0%												
	TRANSMISSION														
6	General	100.0%			100.0%										
	DISTRIBUTION														
7	Substations	100.0%				100.0%									
	Land and Land Use														
8	Primary	100.0%					67.0%	33.0%							
9	Secondary	100.0%									67.0%	33.0%			
10	Street Lighting	100.0%													100.0%
	Conductors, Poles and Fixtures														
11	Primary	100.0%					67.0%	33.0%							
12	Secondary	100.0%									67.0%	33.0%			
13	Street Lighting	100.0%													100.0%
14	Transformers	100.0%							73.0%	27.0%					
15	Services	100.0%											100.0%		
16	Meters	100.0%												100.0%	
17	Street Lights	100.0%													100.0%

MISCELLANEOUS FUNCTIONAL COST ASSIGNMENT FACTORS

Line No.	Utility Plant Category	Total	Production	Transmission
18	Purchased from Nfld. & Labrador Hydro	100.0%	88.6%	11.4%

			Production						Cust. Acc.	Distribution	Transmission
			Steam	Hydro	Other	Total	Transmission	Distribution	Cust. Serv.	Spec. Assign.	Spec. Assign.
19	Transmission	100.0%					99.20%				0.80%
20	Substations	100.0%	0.00%	3.63%	0.59%	4.22%	32.48%	62.87%	0.00%	0.29%	0.14%
21	Gen. Prop. Land and Land Rights	100.0%				5.71%	14.09%	58.62%	21.57%		
22	Gen. Prop. Buildings and Structures	100.0%				8.44%	16.46%	55.84%	19.26%		
23	Computer Hardware and Software	100.0%				5.22%	5.02%	16.80%	72.97%		
24	Gen. Prop. Other Equipment	100.0%				5.41%	15.47%	62.54%	16.58%		
25	Transportation	100.0%				3.93%	13.07%	80.96%	2.03%		
26	Communication - Total	100.0%				23.06%	24.64%	42.47%	9.83%		
27	Communication - Scada	100.0%				25.97%	41.59%	32.44%	0.00%		
28	Communication - Total Expenses	100.0%				16.02%	27.22%	43.57%	13.19%		
29	Inventory	100.0%				5.13%	32.54%	62.33%	0.00%		

			Distribution				Distribution Acc. Depreciation Only		
			Primary	Secondary	St. Lighting		Primary	Secondary	St. Lighting
	Distribution								
30	Land and Land Use	100.0%	76.69%	19.17%	4.14%	100.0%	76.59%	19.15%	4.26%
31	Conductors, Poles and Fixtures	100.0%	76.69%	19.17%	4.14%	100.0%	76.59%	19.15%	4.26%

Newfoundland Power
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CLASSIFICATION SPLITS

Line No.	Utility Plant Category	Reason for Functional Classification
1	Purchased from Nfld. & Lab. Hydro - Production	Classified based on the results ,before deficit allocation, of NLH COS Results for 2004 Forecast (Test Year PU 14 (2004))- May 2004.
2	Purchased from Nfld. & Lab. Hydro - Transmission	Classified based on the results ,before deficit allocation, of NLH COS Results for 2004 Forecast (Test Year PU 14 (2004))- May 2004.
3	Purchased from Deer Lake Power - Secondary	Assumed same classification as Nfld. and Lab. Hydro Production related purchased power allocated to NP.
	PRODUCTION	
4	Hydro	Classified based on system load factor from Schedule F, page 105 of 107, of NLH COS for 2004 Forecast (Test Year PU 14 (2004))- May 2004.
5	Other Production	Classified 100% to Demand
	TRANSMISSION	
6	General	Classified 100% to Demand
	DISTRIBUTION	
7	Substation excluding specifically assigned.	Classified 100% to Demand
	Land and Land Use	
8	Primary	Classified between Demand and Customer Based on a minimum system analysis.
9	Secondary	Classified between Demand and Customer Based on a minimum system analysis.
10	Street Lighting	Classified 100% to direct Street Lighting costs.
	Conductors, Poles and Fixtures	
11	Primary	Classified between Demand and Customer Based on a minimum system analysis.
12	Secondary	Classified between Demand and Customer Based on a minimum system analysis.
13	Street Lighting	Classified 100% to direct Street Lighting costs.
14	Transformers	Classified between Demand and Customer Based on a zero intercept method.
15	Services	Classified 100% to Customer
16	Meters	Classified 100% to Customer
17	Street Lights	Classified 100% to Direct Street Lighting.

MISCELLANEOUS FUNCTIONAL COST ASSIGNMENT FACTORS

Line No.	Utility Plant Category	
18	Purchased from Nfld. & Labrador Hydro	Split between production and transmission related purchased power based on results ,before deficit allocation, of Nfld. & Lab. Hydro 2004 Cost of Service Study taken from the NLH COS Results for 2004 Forecast (Test Year PU 14 (2004))- May 2004.
19	Transmission	Based on an analysis of 2005 year end fixed plant.
20	Substations	Based on an analysis of 2003 year end fixed plant.
21	Gen. Prop. Land and Land Rights	Based on a 2002 General Property Fixed Plant Allocation Study
22	Gen. Prop. Buildings and Structures	Based on a 2002 General Property Fixed Plant Allocation Study
23	Computer Hardware and Software	Based on a 2002 General Property Fixed Plant Allocation Study
24	Gen. Prop. Other Equipment	Based on a 2002 General Property Fixed Plant Allocation Study
25	Transportation	Based on a 2002 General Property Fixed Plant Allocation Study
26	Communication - Total	Based on a 2002 General Property Fixed Plant Allocation Study
27	Communication - Scada	Based on a 2002 General Property Fixed Plant Allocation Study
28	Communication - Total Expenses	Based on a 2002 General Property Fixed Plant Allocation Study
29	Inventory	Based on an allocation of the year end inventory for 2005.
	Distribution	
30	Land and Land Use	Split between the different functional groups are based on the split for Conductors Poles and Fittings.
31	Conductors, Poles and Fixtures	Functional split based on a study of fixed assets.

Newfoundland Power
2005 Cost of Service Study

RECONCILIATION OF EXPENSES WITH ANNUAL REPORT TO BOARD
(All dollars are times 1,000)

Total Reported Company Expenses	$309,766	(Return 12)

The total expenses shown on Schedule 1.1, includes depreciation, non-regulated expenses, and expense credits for the rural surcharge and certain expense associated with revenue not obtained through rates.

Deduct non-regulated expenses[1]	($1,408)	
Expense Credits		
Rural Surcharge	($34,202)	
Wheeling Revenues	($438)	
Joint Use Revenues	($8,238)	
Revenue from Temp. Services and Reconnects	($110)	
Customer Service Fees	($282)	
Total Expense Credits	($43,270)	
Curtailable Credits	$244	
Depreciation Expense	$32,143	(Return 18)
Total expense before Return and Taxes on Schedule 1.1 Excluding RSA, MTA and the Hydro Rural deficit	$297,475	

1 - Non Deductable Expenses - Net of Income Tax (Return 10) + associated tax adjustment shown in Schedule 5.4.

Newfoundland Power
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RECONCILIATION OF REVENUE WITH ANNUAL REPORT TO BOARD
(All dollars are times 1,000)

Total Revenue on Statements			
Revenue from Rates		$407,597	(Return 11)
Other Revenue		$12,366	(Return 11)
Total Reported Company Revenue		$419,963	
Add back Curtailable Credit		$244	
Revenue adjusted to reflect Curtailable Credit		$420,207	

The total revenue shown on Schedule 1.3 does not include the total other revenue, some is deducted directly from expenses. Also, the total in Schedule 1.3 includes the flow through revenue items RSA and MTA.

Revenue Deducted from expenses in the Cost of service Study			
Wheeling Revenue	$438		(Schedule 1.1)
Joint Use Revenue	$8,238		(Schedule 1.1)
Revenue from temp. Connections & Reconnects	$110		(Schedule 1.1)
Customer Service Fees	$282		(Schedule 1.1)
Total	$9,068	($9,068)	
Less Funding Rural Deficit		($34,202)	
Total revenue reported in Schedule 1.3		$376,937	

Newfoundland Power
2005 Cost of Service Study

RECONCILIATION OF RETURN AND TAXES WITH ANNUAL REPORT TO BOARD
(All dollars are times 1,000)

Return and Taxes From Annual Report to Board

Return on Rate Base (Regulated Earning)	$63,601	(Return 10A)
Total Income Tax	$15,368	(Return 18)
Total Return and Taxes	$78,969	
The Cost of Service Study deducts non-regulated expenses from total expense and the income tax must be adjusted to reflect the increase in taxes that would occur if the non-regulated expenses did not occur.		
Tax Adjustment for non-regulated expenses[1].	$493	(Return 10)
Adjustments for rounding		
Adjusted Return and Taxes (Schedule 1.1)	$79,462	

Notes: 1 - Taxes adjustment associated with non-regulated expenses. This is equal to:

$$\frac{\text{After Tax Adjustment (Return 10)}}{(1 - \text{Tax Rate (0.35)})} \times \text{Tax Rate (0.35)}$$