

Financial Performance: 2002 to 2008**Newfoundland Power Inc.****Financial Performance
2002 - 2008
Statements of Income
(\$000s)**

	<u>Historical Results</u>		<u>Forecast 2007</u>	<u>Existing 2008</u>	<u>Amended 2008</u>
	<u>2005</u>	<u>2006</u>			
1 Electricity Sales (GWh)	5,004	4,995	5,112	5,233	5,215
2					
3 Revenue From Rates	407,597	407,689	479,168	485,692	498,226
4 Amortization of the 2005 Unbilled Revenue	-	3,086	2,714	-	7,210
5 Amortization of the MTA Regulatory Liability	-	-	-	-	1,362
6	407,597	410,775	481,882	485,692	506,798
7 Purchased Power Expense	254,222	255,425	328,653	336,819	335,173
8 Deferred Recovery of Replacement Energy Costs	-	-	(1,795)	-	-
9 Amortization of the Replacement Energy Costs	-	-	-	-	598
10 Amortization of Supply Cost Reserve	-	-	-	-	(688)
11 Amortization of Weather Normalization Reserve	1,732	1,732	1,732	-	2,076
12	255,954	257,157	328,590	336,819	337,159
13					
14 Contribution	151,643	153,618	153,292	148,873	169,639
15					
16 Other Revenue	12,366	10,489	10,455	11,083	12,122
17					
18 Other Expenses:					
19 Operating Expenses	47,443	46,653	46,999	48,533	47,700
20 Pension and Early Retirement Costs	6,369	7,343	5,513	3,348	3,348
21 Cost Recovery Deferral	-	(5,793)	(5,793)	-	-
22 OPEB Costs	-	-	-	-	-
23 Amortization of Deferred Cost Recoveries	-	-	-	-	3,862
24 Depreciation	32,143	38,922	40,127	41,002	40,208
25 Finance Charges	31,369	32,677	33,760	33,680	34,772
26	117,324	119,802	120,606	126,563	129,890
27					
28 Income Before Income Taxes	46,685	44,305	43,141	33,393	51,871
29 Income Taxes	15,368	13,639	13,066	13,841	19,568
30					
31 Net Income	31,317	30,666	30,075	19,552	32,303
32 Dividends on Preference Shares	588	588	586	586	586
33					
34 Earnings Applicable to Common Shares	30,729	30,078	29,489	18,966	31,717
35					
36 Rate of Return and Credit Metrics					
37 Return on Rate Base (percent)	8.53	8.57	8.20	6.64	8.37
38 Regulated Return on Common Equity (percent)	9.60	9.46	8.80	5.56	8.95
39 Interest Coverage (times)	2.4	2.3	2.2	1.9	2.5
40 Cash Flow Interest Coverage (times)	2.9	2.7	2.8	2.7	2.9
41 Cash Flow Debt Coverage (percent)	15.7	14.1	13.6	12.6	14.9