

1 **Volume 1, Section 4 – Customer Rates and Regulations**  
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3 **Q. (page 118, lines 1-2) Over what period of time does NP intend to bring all customer**  
4 **classes within its target revenue to cost ratio range of 90 percent to 110 percent**  
5 **(page 117, lines 7-8)?**

6  
7 A. Newfoundland Power's current plan is to propose bringing all customer classes within its  
8 target revenue to cost ratio range at its next general rate proceeding. The rates proposals  
9 in the Application, if approved by the Board, will advance approximately half way the  
10 goal of bringing all customer classes within the target range.

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12 Table 1 provides the revenue to cost ratios from the Cost of Service Study based on  
13 existing rates and the *pro forma* revenue to cost ratios reflecting the proposed rate  
14 changes by class.  
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**Table 1**  
**Revenue to Cost Ratios by Class (%)**

<b>Rate</b>	<b>Class</b>	<b>Existing</b>	<b>Proposed</b>
1.1	Domestic	93.7	94.6
2.1	General Service 0-10 kW	119.8	115.0
2.2	General Service 10-100 kW (110 kVA)	116.8	113.3
2.3	General Service 110-1000 kVA	110.5	109.4
2.4	General Service 1000 kVA and Over	103.9	103.9
4.1	Street and Area Lighting	101.5	101.5

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