

- 1 **Q. Reference: CA-NP-8: Attachment G Newfoundland Power Inc. 2006**
2 **Annual report to PUB at p. 2 where it states:**
3
4 *"Although electricity rates for our customers have been increasing largely as a result*
5 *of rising oil prices, the net contribution of the Company's costs to customer electricity*
6 *rates has declined by approximately 2% over the past 10 years. This reflects our*
7 *continued focus on effective cost management".*
8
9 **Please update this statement to reflect the contribution of NP's costs to the total cost**
10 **of electricity on a KWh basis updated to include forecast 2008 under proposed rates**
11 **as referenced at CA-NP-15.**
12
13 **A.** The net contribution of the Company's costs to customer electricity rates will have been
14 an increase of approximately 3% over the past 11 years.¹

¹ The Company's 2006 Annual Report referenced the 10 year period to January 1, 2007. As the proposed rate increase would be effective January 1, 2008 the updated time period is 11 years.