

1 **Q. By Order No. P.U. 25 (1999-2000) the Board approved a revised definition of an**
2 **excess revenue account for Newfoundland Power. Please provide all previous**
3 **definitions prior to P.U. 25 (1999-2000).**
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5 A. Prior to the issuance of Board Order P.U. 36 (1998-99) on January 15, 1999, the definition
6 of the Company's Excess Revenue Account was as follows:
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8 *This account shall be credited with any revenue in excess of the maximum return on*
9 *common equity determined by the Board at the previous rate hearing to be refunded to*
10 *customers or used for such purposes as the Board may order.*
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12 This definition was last approved by Board letter dated March 24, 1998.
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14 Paragraph 9(c) of Order P.U. 36 (1998-99) stated that:
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16 *Approval of the definition of "excess earnings" in the company's system of accounts be*
17 *hereby rescinded and the definition be replaced with earnings above the maximum of the*
18 *allowed range of rate of return on rate base.*
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20 The revised definition of the Excess Earnings Account, as approved in Order No. P.U. 37
21 (1998-99), dated January 29, 1999 was as follows:
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23 *This account shall be credited with any revenue in excess of the upper limit of*
24 *the allowed range of return on rate base as determined by the Board.*
25 *Disposition of any balance in this account shall be as determined by the Board.*
26 *For 1998 all earnings in excess of 9.99% rate of return on rate base and for*
27 *1999 and subsequent years all earnings in excess of 10.16% rate of return on*
28 *rate base shall, unless otherwise ordered by the Board, be credited to this*
29 *account.*
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31 The above definition of the Excess Revenue Account was subsequently revised through
32 Order No. P.U. 25 (1999-2000).