

Notice to Customers
September 2002
Advising Customers of Rate Increase

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Changes to electrical rates resulting from Newfoundland and Labrador Hydro's rate increase to Newfoundland Power, effective September 1, 2002

Newfoundland and Labrador Hydro (Hydro) has been granted approval by the Newfoundland and Labrador Board of Commissioners of Public Utilities (PUB) to increase the rate Hydro charges to Newfoundland Power for the purchase of power, effective September 1, 2002. As a result of Hydro's increase in the cost of power to Newfoundland Power, electrical rates for customers will increase to reflect this additional cost.

On August 28, 2002, the PUB approved an increase in Newfoundland Power's electrical rates of approximately 3.68 per cent effective September 1, 2002. The rate change will only recover the increase in the costs associated with the purchase of power from Hydro.

As a result, customers will experience the following rate changes for electrical service delivered on and after September 1, 2002:

Residential Customers

The residential electrical rate will increase from 6.711 cents per kilowatt hour to 6.951 cents per kilowatt hour. The basic customer charge will increase from \$16.21 per month to \$16.81 per month.

General Service/Commercial Customers - Rate 2.1

The Rate 2.1 electrical rate will increase from 8.782 cents per kilowatt hour to 9.097 cents per kilowatt hour. The basic customer charge will increase from \$18.46 per month to \$19.13 per month.

General Service/Commercial Customers - Rate 2.2, 2.3 and 2.4

Rate 2.2, 2.3 and 2.4 customers will experience an increase of approximately 3.68 per cent in their demand charge, basic customer charge and energy charge.

Street and Area Lighting

Monthly rates for lighting fixtures, poles and underground wiring will increase by approximately 3.68 per cent.

Newfoundland Power

is dedicated to providing you, our customers, with safe, reliable electrical service in the most cost-efficient manner possible.

If you would like more information on electrical rates, please contact us at 737-2802 or 1-800-663-2802 and one of our

Customer Account Representatives will be pleased to assist you.

You may also visit us on-line at www.newfoundlandpower.com.