

1   **Q.     RATE BASE**

2  
3       **PUB 36.0 (RE: Report on Deferred Charges and Rate Base – Volume I)**

4  
5       **PUB 36.2**

6       **As per footnote 1, p. 5 of the report, confirm that NP does not intend to review the**  
7       **reconciling items that constitute the difference between Rate Base and Invested**  
8       **Capital until its next General Rate Application (See: Board Order in PU 19 (2003) -**  
9       **NP to conduct such a review “no later than its next general rate application”, p.71).**

10  
11   **A.**   In compliance with Order No. P.U. 19 (2003), Newfoundland Power will review the  
12       remaining reconciling items that constitute the difference between Rate Base and Invested  
13       Capital no later than its next General Rate Application (GRA).

14  
15       Newfoundland Power expects that the matters related to reconciling the differences  
16       between Rate Base and Invested Capital will be publicly reviewed within the context of  
17       its next GRA as they are integral to the establishment of tested rates. This understanding  
18       seems to be consistent with the Board’s indication in Order No. P.U. 19 (2003) that  
19       “...these issues will be a subject of the NP’s next general rate hearing, at which time the  
20       evidence of all parties will be heard.” (p.71).