

- 1 Q. What are Hydro's projections of the RSP portion of the rates to be charged to
2 Industrial Customers up to and including 2011
3 (a) based on the assumption that Hydro's Application is granted?
4 (b) based on the assumption that Hydro's Application is granted except in respect of
5 the change in rates sought for Teck Resources Limited (formerly Teck Cominco
6 Limited)?
7 (c) based on the assumption set out in IC-NLH-5?
8
9
- 10 A. (a) Based on the assumption that Hydro's Application is granted, the RSP portion of
11 the rates to be charged to Industrial Customers will remain at (0.785) ¢ per kWh in
12 2010 and is projected to be (8.816) ¢ per kWh in 2011 (assuming 2011 is a Test Year
13 in which the RSP rate does not include a Fuel Rider component) as shown in
14 Attachment 1.
15
- 16 (b) Based on the Assumption that Hydro's Application is granted except in respect
17 of the change in rates sought for Teck Resources Limited (formerly Teck Cominco
18 Limited), the RSP portion of the rates to be charged to Industrial Customers
19 (excluding Teck Resources Limited) will remain at (0.785) ¢ per kWh in 2010. Teck
20 Resources Limited will remain at (2.000) ¢ per kWh in 2010. The RSP portion of the
21 rates to be charged to Industrial Customers is projected to be (8.597) ¢ per kWh in
22 2011 (assuming 2011 is a Test Year in which the RSP rate does not include a Fuel
23 Rider component) as shown in Attachment 2. The rate to be charged to Teck
24 Resources Limited will be the same as that of the other Industrial Customers in
25 2011.

RSP Components to be charged to Industrial Customers

1 (c) Based on the assumption set out in IC-NLH-5, the RSP portion of the rates to be
2 charged to Industrial Customers is projected to be (8.782) ¢ per kWh in 2010 as
3 shown in Attachment 3 and (0.359) ¢ per kWh in 2011 (assuming 2011 is a Test Year
4 in which the RSP rate does not include a Fuel Rider component) as shown in
5 Attachment 4.

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN RECOVERY
Industrial Customers

December, 2010

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
	Current Plan		
	<u>December Balance</u>	\$ (47,765,465)	
1	Forecast Financing Costs to December 31, 2011	<u>\$ (1,902,260)</u>	Line
2	Total	\$ (49,667,725)	Line 1 plus Line 2
3	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	563,400,000	divided by
4	(mills per kWh)	(88.16)	Line 3/Line 4*1000

Industrial Customer Forecast Financing Charges
2011

2007 Test Year Weighted Average Cost of Capital per annum 7.529%
Nominal Financing Rate 7.281%

	2010 Sales kWh	Financing Costs	Adjustment	Total To Date Balance
Balance Forward				(47,765,465)
5 January	48,600,000	(289,817)	4,284,576	(43,770,706)
6 February	43,800,000	(265,579)	3,861,408	(40,174,877)
7 March	48,700,000	(243,761)	4,293,392	(36,125,246)
8 April	46,500,000	(219,190)	4,099,440	(32,244,996)
9 May	48,000,000	(195,647)	4,231,680	(28,208,963)
10 June	46,400,000	(171,158)	4,090,624	(24,289,496)
11 July	47,600,000	(147,377)	4,196,416	(20,240,457)
12 August	47,600,000	(122,809)	4,196,416	(16,166,850)
13 September	44,800,000	(98,092)	3,949,568	(12,315,374)
14 October	48,400,000	(74,724)	4,266,944	(8,123,154)
15 November	46,300,000	(49,287)	4,081,808	(4,090,633)
16 December	46,700,000	(24,820)	4,117,072	1,619
17 Total	<u>563,400,000</u>	<u>(1,902,260)</u>	<u>49,669,344</u>	

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN RECOVERY
Industrial Customers

December, 2010

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
	Current Plan		
	<u>December Balance</u>	\$ (46,581,109)	
1	Forecast Financing Costs to December 31, 2011	<u>\$ (1,855,171)</u>	Line
2	Total	\$ (48,436,280)	Line 1 plus Line 2
3	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	563,400,000	
4	(mills per kWh)	(85.97)	Line 3/Line 4*1000

Industrial Customer Forecast Financing Charges
2011

2007 Test Year Weighted Average Cost of Capital per annum 7.529%
Nominal Financing Rate 7.281%

	2010 Sales kWh	Financing Costs	Adjustment	Total To Date Balance
				(46,581,109)
5	January	48,600,000	(282,631)	4,178,142
6	February	43,800,000	(258,995)	3,765,486
7	March	48,700,000	(237,719)	4,186,739
8	April	46,500,000	(213,759)	3,997,605
9	May	48,000,000	(190,800)	4,126,560
10	June	46,400,000	(166,920)	3,989,008
11	July	47,600,000	(143,729)	4,092,172
12	August	47,600,000	(119,772)	4,092,172
13	September	44,800,000	(95,670)	3,851,456
14	October	48,400,000	(72,881)	4,160,948
15	November	46,300,000	(48,077)	3,980,411
16	December	46,700,000	(24,218)	4,014,799
17	Total	<u>563,400,000</u>	<u>(1,855,171)</u>	<u>48,435,498</u>

NEWFOUNDLAND AND LABRADOR HYDRO
RATE STABILIZATION PLAN RECOVERY
Industrial Customers

December, 2009

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
	<u>Current Plan</u>		
	December Balance	\$ (36,401,981)	
1	Forecast Financing Costs to December 31, 2010	\$ (1,417,011)	Line
2	Total	<u>\$ (37,818,992)</u>	Line 1 plus Line 2
3	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	407,433,943	
4	Less forecast reduction in Abitibi sales	(6,579,470)	
5		<u>divided by 400,854,473</u>	
6	(mills per kWh)	(94.35)	Line 3/Line 6*1000
7	Fuel Price Projection Rider		
8	Industrial Fuel Price Projection	\$ 2,618,964	
9	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	divided by 400,854,473	
10	(mills per kWh)	<u>6.53</u>	Line 9/Line 10*1000
11	Total Current Plan (mills per kWh)	<u><u>(87.82)</u></u>	Line 7 plus Line 11

Industrial Customer Forecast Financing Charges
2010

2007 Test Year Weighted Average Cost of Capital per annum 7.529%
Nominal Financing Rate 7.281%

	2009 Sales ¹ kWh	Financing Costs	Adjustment	Total To Date Balance
Balance Forward				(36,401,981)
12 January	46,749,798	(220,869)	4,410,843	(32,212,006)
13 February	40,414,948	(195,446)	3,813,150	(28,594,302)
14 March	41,145,402	(173,496)	3,882,069	(24,885,730)
15 April	18,325,451	(150,994)	1,729,006	(23,307,718)
16 May	19,887,268	(141,420)	1,876,364	(21,572,773)
17 June	30,031,606	(130,893)	2,833,482	(18,870,184)
18 July	34,100,000	(114,495)	3,217,335	(15,767,344)
19 August	34,000,000	(95,668)	3,207,900	(12,655,112)
20 September	32,700,000	(76,785)	3,085,245	(9,646,652)
21 October	34,900,000	(58,531)	3,292,815	(6,412,368)
22 November	34,300,000	(38,907)	3,236,205	(3,215,070)
23 December	34,300,000	(19,507)	3,236,205	1,627
24 Total	<u>400,854,473</u>	<u>(1,417,011)</u>	<u>37,820,620</u>	

2009 Sales adjusted for Abitibi GF shut down as follows:

1	January	3,897,073
	February	2,518,840
	March	163,557
		6,579,470

NEWFOUNDLAND AND LABRADOR HYDRO
 RATE STABILIZATION PLAN RECOVERY
 Industrial Customers

December, 2010

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
	<u>Current Plan</u>		
	December Balance	\$ (1,946,931)	
1	Forecast Financing Costs to December 31, 2011	\$ (77,602)	Line
2	Total	\$ (2,024,533)	Line 1 plus Line 2
3	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	563,400,000	divided by
4	(mills per kWh)	(3.59)	Line 3/Line 4*1000

Industrial Customer Forecast Financing Charges
 2011

2007 Test Year Weighted Average Cost of Capital per annum 7.529%
 Nominal Financing Rate 7.281%

	2010 Sales kWh	Financing Costs	Adjustment	Total To Date Balance
Balance Forward				(1,946,931)
5 January	48,600,000	(11,813)	174,474	(1,784,270)
6 February	43,800,000	(10,826)	157,242	(1,637,854)
7 March	48,700,000	(9,938)	174,833	(1,472,959)
8 April	46,500,000	(8,937)	166,935	(1,314,961)
9 May	48,000,000	(7,979)	172,320	(1,150,619)
10 June	46,400,000	(6,981)	166,576	(991,025)
11 July	47,600,000	(6,013)	170,884	(826,154)
12 August	47,600,000	(5,013)	170,884	(660,282)
13 September	44,800,000	(4,006)	160,832	(503,457)
14 October	48,400,000	(3,055)	173,756	(332,755)
15 November	46,300,000	(2,019)	166,217	(168,557)
16 December	46,700,000	(1,023)	167,653	(1,927)
17 Total	<u>563,400,000</u>	<u>(77,602)</u>	<u>2,022,606</u>	