

1 Q. Please provide the Rate Stabilization Plan adjustments that would have become  
2 effective on January 1, 2008 and January 1, 2009 if interim rates had not been  
3 implemented on those dates, and if the approved methodology had been used.

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6 A. Had interim rates not been implemented, the Rate Stabilization Plan adjustment  
7 that would have come into effect on January 1, 2008 is shown on page 2 of 5 and  
8 the Rate Stabilization Plan adjustment that would have come into effect on January  
9 1, 2009 is shown on page 4 of 5. The attached calculations assume that Teck  
10 Resources Ltd. would have been paying the same current plan rate as the other  
11 Industrial Customers effective January 1, 2008 upon cessation of the Historical Plan.

NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN RECOVERY  
Industrial Customers

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December, 2007

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
<u>Current Plan</u>			
1	December Balance	\$ (8,828,968)	Page 3 of 5
2	Forecast Financing Costs to December 31, 2008	\$ (342,742)	Line 25
3	Total	\$ (9,171,710)	Line 1 plus Line 2
4	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	771,198,558	December RSP, Page 9
5	Less: Forecast reduction in CBPP sales <sup>(1)</sup>	(165,300,000)	
6		divided by 605,898,558	
7	Current Plan (mills per kWh)	(15.14)	Line 3/Line 6*1000
<u>Fuel Price Projection Rider</u>			
8	Industrial Fuel Price Projection	\$ 760,412	PUB-NLH-2 Page 2 of 5, Line 14
9	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	divided by 605,898,558	Line 6
10	Fuel Rider (mills per kWh)	1.26	Line 8/Line 9*1000
11	Industrial RSP Adjustment Rate (mills per kWh)	(13.88)	Line 7 plus Line 10

Industrial Customer Forecast Financing Charges  
2008

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

	2007Month Sales kWh <sup>(1)</sup>	Financing Costs	Adjustment	Total To Date Balance
12	Balance Forward			(8,828,968)
13	January	47,761,303	(53,570)	723,106
14	February	48,724,850	(49,507)	737,694
15	March	58,718,369	(45,332)	888,996
16	April	52,192,990	(40,213)	790,202
17	May	58,231,721	(35,662)	881,628
18	June	56,293,859	(30,529)	852,289
19	July	54,283,392	(25,543)	821,851
20	August	56,087,173	(20,712)	849,160
21	September	41,315,785	(15,685)	625,521
22	October	32,172,646	(11,985)	487,094
23	November	46,331,086	(9,102)	701,453
24	December	53,785,383	(4,901)	814,311
25	Total	605,898,557	(342,742)	9,173,304

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Industrial Customers  
December 31, 2007**

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	A	B	C	D	E	F
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>(1)</sup>	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	(from page 9)	(from page 7)	(A + B)			(to page 12)
Opening Balance						(14,406,474)
January	(671,353)	(208,922)	(880,275)	(87,411)	1,293,226	(14,080,934)
February	(319,478)	(254,748)	(574,226)	(85,436)	1,291,104	(13,449,492)
March	(50,330)	(319,382)	(369,712)	(81,605)	1,512,367	(12,388,442)
April	(364,389)	(228,179)	(592,568)	(75,167)	1,369,860	(11,686,317)
May	288,748	(105,927)	182,821	(70,907)	1,502,634	(10,071,769)
June	(59,984)	(37,158)	(97,142)	(61,110)	1,451,877	(8,778,144)
July	(314,138)	8,081	(306,057)	(53,261)	1,423,668	(7,713,794)
August	(244,325)	(9,696)	(254,021)	(46,803)	1,459,743	(6,554,875)
September	(804,874)	4,755	(800,119)	(39,772)	1,136,316	(6,258,450)
October	(1,262,396)	48,393	(1,214,003)	(37,973)	981,453	(6,528,973)
November	(1,384,091)	149,561	(1,234,530)	(39,615)	926,622	(6,876,496)
December	(1,075,467)	230,884	(844,583)	(41,724)	1,075,708	(6,687,095)
Year to date	(6,262,077)	(722,338)	(6,984,415)	(720,784)	15,424,578	7,719,379
Hydraulic allocation - page 4						(758,949)
2003 industrial plan balance Note 2						(1,382,924)
<b>Total</b>	<b>(6,262,077)</b>	<b>(722,338)</b>	<b>(6,984,415)</b>	<b>(720,784)</b>	<b>15,424,578</b>	<b>(8,828,968)</b>

(1) The RSP adjustment rate for Industrial Customers is 2.000 cents per kWh effective January 1, 2007.

(2) The balance of the December 2003 Plan related to Industrial customers will be recovered during 2008 as a component of the Current Plan in accordance with the Section E of the Rate Stabilization Plan Rules.

NEWFOUNDLAND AND LABRADOR HYDRO  
RATE STABILIZATION PLAN RECOVERY  
Industrial Customers

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December, 2008

Line No	Calculation of Industrial Customer RSP Rate	Amount	Comments
<u>Current Plan</u>			
1	December Balance	\$ (8,464,900)	Page 5
2	Forecast Financing Costs to December 31, 2009	\$ (347,725)	Line 23
3	Total	\$ (8,812,625)	Line 1 plus Line 2
4	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	690,182,871	December RSP, Page 9
5	Current Plan (mills per kWh)	(12.77)	Line 3/Line 4*1000
<u>Fuel Price Projection Rider</u>			
6	Industrial Fuel Price Projection	\$ 10,128,754	PUB-NLH-2 Page 4 of 5, Line 14
7	12 months to date (Jan - Dec) Industrial Customer Sales (kWh)	690,182,871	Line 4
8	Fuel Rider (mills per kWh)	14.68	Line 6/Line 7*1000
9	Industrial RSP Adjustment Rate	1.91	Line 5 plus Line 8

**Industrial Customer Forecast Financing Charges**  
2009

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

		2008 Month			
		Sales kWh	Financing Costs	Adjustment	Total To Date Balance
10	Balance Forward				(8,464,900)
11	January	51,079,860	(51,361)	652,290	(7,863,971)
12	February	52,387,448	(47,715)	668,988	(7,242,698)
13	March	55,240,151	(43,945)	705,417	(6,581,226)
14	April	59,372,548	(39,932)	758,187	(5,862,970)
15	May	57,229,347	(35,574)	730,819	(5,167,725)
16	June	56,004,405	(31,355)	715,176	(4,483,904)
17	July	57,664,475	(27,206)	736,375	(3,774,735)
18	August	56,228,407	(22,903)	718,037	(3,079,601)
19	September	54,523,317	(18,685)	696,263	(2,402,024)
20	October	61,772,188	(14,574)	788,831	(1,627,767)
21	November	68,895,119	(9,876)	879,791	(757,853)
22	December	59,785,606	(4,598)	763,462	1,011
23	Total	<u>690,182,871</u>	<u>(347,725)</u>	<u>8,813,635</u>	

**Newfoundland and Labrador Hydro  
Rate Stabilization Plan  
Summary of Industrial Customers  
Dec-08**

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	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
	Load Variation	Allocation Fuel Variance	Subtotal Monthly Variances	Financing Charges	Adjustment <sup>1</sup>	Cumulative Net Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
	<b>(from page 9)</b>	<b>(from page 7)</b>	<b>(A + B)</b>			<b>(to page 12)</b>
Opening Balance						(8,828,968)
January	(1,339,888)	578,004	(761,884)	(53,570)	708,988	(8,935,434)
February	(927,720)	511,893	(415,827)	(54,216)	727,138	(8,678,339)
March	(1,095,157)	391,847	(703,310)	(52,656)	766,733	(8,667,572)
April	(832,010)	303,113	(528,897)	(52,590)	824,091	(8,424,968)
May	(629,138)	208,533	(420,605)	(51,118)	794,343	(8,102,347)
June	(885,012)	34,150	(850,862)	(49,161)	777,341	(8,225,029)
July	(986,462)	(33,532)	(1,019,994)	(49,905)	800,383	(8,494,545)
August	(1,077,773)	(51,982)	(1,129,755)	(51,541)	780,450	(8,895,391)
September	(918,884)	(7,671)	(926,555)	(53,973)	756,784	(9,119,135)
October	(629,410)	427,738	(201,672)	(55,330)	857,398	(8,518,739)
November	(259,428)	741,920	482,492	(51,687)	956,264	(7,131,670)
December	(734,300)	55,095	(679,205)	(43,271)	829,824	(7,024,322)
Year to date	(10,315,182)	3,159,108	(7,156,074)	(619,018)	9,579,738	1,804,646
Hydraulic allocation						(1,440,578)
2003 industrial plan balance Note 2						0
<b>Total</b>	<b>(10,315,182)</b>	<b>3,159,108</b>	<b>(7,156,074)</b>	<b>(619,018)</b>	<b>9,579,738</b>	<b>(8,464,900)</b>

(1) The RSP adjustment rate for Industrial Customers is 1.388 cents per kWh effective January 1, 2008.