

PUB-NLH-055  
**2013 NLH General Rate Application**

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1    Q.    **2013 General Rate Application, Finance**

2        What is the impact on the 2013 revenue requirement if all rural assets are excluded  
3        from rate base, assuming a return on equity of 8.80%?

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6    A.    Please see PUB-NLH-055 Attachment 1<sup>1</sup>.

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<sup>1</sup> Assumes rural assets to be excluded does not include Labrador Interconnected assets.

**Newfoundland and Labrador Hydro**  
**2013 Test Year Cost of Service**  
**Analysis of Changes**

Line No.	Description	Total Revenue Requirement		
		2013 Test Year	2013 No return on rural assets	Increase (Decrease)
		ROE 8.8%		
Revenue Requirement				
<b>1</b>	<b>Operating, Maintenance and Admin.</b>	<b>115,928,303</b>	<b>115,928,303</b>	<b>-</b>
<b>2</b>	<b>Fuels - No. 6 Fuel</b>	<b>200,692,615</b>	<b>200,692,615</b>	<b>-</b>
<b>3</b>	<b>Fuels - Diesel</b>	<b>17,978,931</b>	<b>17,978,931</b>	<b>-</b>
<b>4</b>	<b>Fuels - Gas Turbine</b>	<b>802,435</b>	<b>802,435</b>	<b>-</b>
<b>5</b>	<b>Power Purchases -CF(L)Co</b>	<b>2,363,382</b>	<b>2,363,382</b>	<b>-</b>
<b>6</b>	<b>Power Purchases - Other</b>	<b>56,310,580</b>	<b>56,310,580</b>	<b>-</b>
<b>7</b>	<b>Depreciation</b>	<b>52,366,908</b>	<b>52,366,908</b>	<b>-</b>
<b>Expense Credits:</b>				
<b>8</b>	<b>Sundry</b>	<b>(632,669)</b>	<b>(632,669)</b>	<b>-</b>
<b>9</b>	<b>Building Rental Income</b>	<b>(15,744)</b>	<b>(15,744)</b>	<b>-</b>
<b>10</b>	<b>Tax Refunds</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11</b>	<b>Suppliers' Discounts</b>	<b>(100,257)</b>	<b>(100,257)</b>	<b>-</b>
<b>12</b>	<b>Pole Attachments</b>	<b>(1,594,680)</b>	<b>(1,594,680)</b>	<b>-</b>
<b>13</b>	<b>Secondary Energy Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14</b>	<b>Wheeling Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15</b>	<b>Application Fees</b>	<b>(26,868)</b>	<b>(26,868)</b>	<b>-</b>
<b>16</b>	<b>Meter Test Revenues</b>	<b>(6,720)</b>	<b>(6,720)</b>	<b>-</b>
<b>17</b>	<b>Total Expense Credits</b>	<b>(2,376,938)</b>	<b>(2,376,938)</b>	<b>-</b>
<b>18</b>	<b>Subtotal Expenses</b>	<b>444,066,215</b>	<b>444,066,215</b>	<b>-</b>
<b>19</b>	<b>Disposal Gain/Loss</b>	<b>1,303,697</b>	<b>1,303,697</b>	<b>-</b>
<b>20</b>	<b>Subtotal Rev Reqt Excl Return</b>	<b>445,369,912</b>	<b>445,369,912</b>	<b>-</b>
<b>21</b>	<b>Return on Debt</b>	<b>87,868,604</b>	<b>87,868,604</b>	<b>-</b>
<b>22</b>	<b>Return on Equity</b>	<b>34,579,153</b>	<b>29,012,811</b>	<b>(5,566,342)</b>
<b>23</b>	<b>Total Revenue Requirement</b>	<b>567,817,669</b>	<b>562,251,327</b>	<b>(5,566,342)</b>