

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

2 What is the increase in the 2013 revenue requirement due to increasing the return
3 on equity to 8.80% instead of Hydro's marginal cost of debt and including all rural
4 assets, previously excluded, in the calculation of rate base?

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7 A. Please see PUB-NLH-056 Attachment 1¹.

¹ 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)	
Revenue Requirement					
Expenses					
1	Operating, Maintenance and Admin.	115,928,303	115,928,303	-	
2	Fuels - No. 6 Fuel	200,692,615	200,692,615	-	
3	Fuels - Diesel	17,978,931	17,978,931	-	
4	Fuels - Gas Turbine	802,435	802,435	-	
5	Power Purchases -CF(L)Co	2,363,382	2,363,382	-	
6	Power Purchases - Other	56,310,580	56,310,580	-	
7	Depreciation	52,366,908	52,366,908	-	
Expense Credits:					
8	Sundry	(632,669)	(632,669)	-	
9	Building Rental Income	(15,744)	(15,744)	-	
10	Tax Refunds	-	-	-	
11	Suppliers' Discounts	(100,257)	(100,257)	-	
12	Pole Attachments	(1,594,680)	(1,594,680)	-	
13	Secondary Energy Revenues	-	-	-	
14	Wheeling Revenues	-	-	-	
15	Application Fees	(26,868)	(26,868)	-	
16	Meter Test Revenues	(6,720)	(6,720)	-	
17	Total Expense Credits	(2,376,938)	(2,376,938)	-	
18	Subtotal Expenses	444,066,215	444,066,215	-	
19	Disposal Gain/Loss	1,303,697	1,303,697	-	
20	Subtotal Rev Reqt Excl Return	445,369,912	445,369,912	-	
21	Return on Debt	87,868,604	87,868,604	-	
22	Return on Equity	34,579,153	13,642,615	(20,936,538)	
23	Total Revenue Requirement	567,817,669	546,881,132	(20,936,538)	