

PRESS RELEASE
June 14, 2013

Public Utilities Board Approves a Decrease in Rates for Customers of Newfoundland Power and Certain Customer Classes of Newfoundland and Labrador Hydro

The Board of Commissioners of Public Utilities today issued Order No. P.U. 23(2013) approving, effective July 1, 2013, an overall average decrease in Newfoundland Power customer rates of 3.1%. This decrease reflects the net impact on customer rates of both a 4.8% increase in rates associated with Newfoundland Power's recent general rate application and a 7.9% decrease in rates as a result of the annual rate stabilization and municipal tax adjustments.

The Board also today issued Order No. P.U. 24(2013) approving, effective July 1, 2013, an overall average decrease of 3.0% in rates for customers of Newfoundland and Labrador Hydro whose rates are based on Newfoundland Power's rates. Rates for Newfoundland and Labrador Hydro's Island Interconnected customers and Isolated Rural customers will decrease but the rates for Labrador Interconnected customers will not be affected.

On May 16, 2013 Newfoundland Power filed an application for approval of a revised Schedule of Rates, Tolls and Charges, effective July 1, 2013, to reflect the findings of the Board in Order No. P.U. 13(2013) issued in relation to Newfoundland Power's general rate application. The approximate average impact on existing rates to Newfoundland Power's customers associated with the general rate application is an increase of 4.8%.

The application also requests approval of the annual rate stabilization and municipal tax adjustments. These adjustments are made on July 1 each year to reflect variations in certain Newfoundland Power costs, the most significant being purchased power costs from Newfoundland and Labrador Hydro. In Order No. P.U. 17(2013), issued May 13, 2013, the Board approved a decrease in the rate Newfoundland and Labrador Hydro charges to Newfoundland Power to reflect a decrease in fuel costs associated with the production of thermal energy at the Holyrood Thermal Generating Station. The approximate average impact on existing rates to Newfoundland Power's customers resulting from this year's Rate Stabilization Adjustment and the Municipal Tax Adjustment is a decrease of 7.9%.

The specific impact of Order No. P.U. 23(2013) and Order No. P.U. 24(2013) on electricity customers' bills will vary depending on the class of service and amount of electricity purchased.

For example the estimated average decrease in rates for Newfoundland Power's residential customers is 1.8%. Excluding discounts and taxes, the bill for a Newfoundland Power residential customer using 1,000 kWh will be reduced by \$2.26, while the bill for a customer using 2,000 kWh will be reduced by \$4.52. Additional information on the rates and customer impacts is set out in the attached schedules. Specific rate enquiries should be directed to Newfoundland Power.

Copies of Order Nos. P.U. 13(2013), P.U. 17(2013), P.U. 23(2013) and P.U. 24(2013) can be viewed on the Board's website at www.pub.nl.ca.

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Schedule 1

COMPARISON OF AVERAGE MONTHLY RESIDENTIAL ELECTRICITY BILLS

Order Nos. P.U. 23(2013) and P.U. 24(2013)

	Average Monthly Consumption*	Newfoundland Power Inc. and Newfoundland and Labrador Hydro Island Interconnected	Newfoundland and Labrador Hydro Isolated Rural**	Newfoundland and Labrador Hydro Labrador Interconnected ***
Current Rates	1000 kWh	\$ 127.39	\$ 131.68	\$ 39.95
	2000 kWh	\$ 239.10	\$ 302.51	\$ 72.75
New Rates July 1, 2013	1000 kWh	\$ 125.13	\$ 129.41	\$ 39.95
	2000 kWh	\$234.58	\$ 297.17	\$ 72.75

* 1000 kWh - Average usage per month for customers without electric heat; includes basic customer charge, excludes Early Payment Discount & HST.

2000 kWh - Average usage per month for customers with electric heat; includes basic customer charge, excludes Early Payment Discount & HST.

Calculations are based on customers with service not exceeding 200 Amps.

** Calculations are based on a lifeline block of 700 kWh and a 2nd block of 300 kWh with anything over 1,000 kWh in the 3rd block.

***These rates are not affected by Order Nos. P.U. 23(2013) and P.U. 24(2013).

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Schedule 2

COMPARISON OF ELECTRICITY RATES FOR RESIDENTIAL CUSTOMERS

Order Nos. P.U. 23(2013) and P.U. 24(2013)

CUSTOMER CLASS		CURRENT RATES	NEW RATES July 1, 2013
Newfoundland Power Inc. and Newfoundland and Labrador Hydro Island Interconnected	Basic Monthly Charge <i>Not exceeding 200 Amp Service</i>	\$15.68	\$15.68
	<i>Exceeding 200 Amp Service</i>	\$15.68	\$20.68
	Energy Rate (per kWh)	11.171¢	10.945¢
Newfoundland and Labrador Hydro Hydro Isolated Rural	Basic Monthly Charge <i>Not exceeding 200 Amp Service</i>	\$15.68	\$15.68
	<i>Exceeding 200 Amp Service</i>	\$15.68	\$20.68
	Energy Rate (per kWh) <i>Usage per/month</i>		
	<i>First Block</i>	11.171¢	10.945¢
	<i>Second Block</i>	12.600¢	12.373¢
	<i>Over 1000 kWh</i>	17.083¢	16.776¢
Newfoundland and Labrador Hydro Labrador Interconnected*	Basic Monthly Charge	\$ 7.15	\$ 7.15
	Energy Rate (per kWh)	3.280¢	3.280¢

*Rates for these customers are not affected by Orders Nos. P.U. 23(2013) and P.U. 24(2013).