



**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
NEWFOUNDLAND AND LABRADOR**

NOTICE OF APPLICATION

**NEWFOUNDLAND POWER INC.
2007 AMORTIZATION AND COST DEFERRALS APPLICATION**

TAKE NOTICE that on September 13, 2006 the Newfoundland and Labrador Board of Commissioners of Public Utilities (the “Board”) received an application (the “Application”) from Newfoundland Power Inc. (“Newfoundland Power”) requesting an Order of the Board pursuant to Sections 58, 78 and 80 of the *Public Utilities Act* (the “Act”):

- 1) Approving the amortization of \$2,714,000 of the 2005 Unbilled Revenue as revenue for regulatory purposes in 2007; and
- 2) Approving the deferred recovery, until a further Order of the Board, of \$5,793,000 in 2007 related to the conclusion of the Depreciation True-Up in 2005;
- 3) Approving the deferred recovery, until a further Order of the Board, of the net impact of \$1,147,000 of the forecast 2007 replacement energy cost of \$1,795,000; and
- 4) Approving a 2007 forecast value for rate base of \$785,271,000 and a 2007 forecast value for invested capital of \$787,990,000, subject to a Board Order approving the Company’s 2007 Capital Budget Application, to be used in the automatic adjustment formula for calculating Newfoundland Power’s 2007 rate of return on rate base.

TAKE FURTHER NOTICE that all customers of Newfoundland Power as well as customers of Newfoundland and Labrador Hydro whose rates are based on the rate schedules of Newfoundland Power may be affected by the outcome of the Application.

TAKE FURTHER NOTICE that anyone interested in participating in this Application must submit a Notice of Intention to participate to the Board **before 4:00 p.m., Thursday, October 5, 2006**. The Notice can be in the form of a letter and should clearly state the intended participant’s interests, issues and concerns. Notices of Intention to participate must include contact

information, including address and telephone number. Further communication as to the application process and timing will be made directly with participants.

Notices of Intention to participate, requests for information, and other correspondences should be addressed to the Board Secretary as set out below:

Office: Suite E210, Prince Charles Building, 120 Torbay Road, St. John's

By mail: P.O. Box 21040, St. John's, NL, A1A 5B2

By telephone: 709-726-8600; 1-866-782-0006

By facsimile: 709-726-9604

By e-mail: ito@pub.nl.ca

Copies of the Application, and supporting documentation filed to date, along with the Board's legislation and regulations, are available for viewing on the Board's website at www.pub.nl.ca or by request to the Board Secretary.

Dated at St. John's, Newfoundland and Labrador, this 19th day of September 2006.

Cheryl Blundon
Board Secretary