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ANNUAL REPORT

1983/84

**The New Brunswick Electric
Power Commission**

Highlights

Total generation and purchases of energy was 16 299 213 045 kW.h, an increase of 34% and a record for NB Power.

The Point Lepreau Nuclear Generating Station produced 5.5 billion kilowatt hours of electricity and accounted for 33.7% of total supply.

Revenue amounted to \$768.7 million with interconnection revenue increasing by \$140.2 million and in-province revenue by \$82.9 million.

Excellent nuclear performance and above average water flows accounted for \$33.0 million being allocated to the Generation Equalization Reserve.

Net income amounted to \$2.0 million, reflecting higher than expected fuel and purchased power costs.

Industrial sales increased by 25.6% during the year due to recovery and growth, especially in the pulp and paper sector. Residential sales increased by 11.7%.



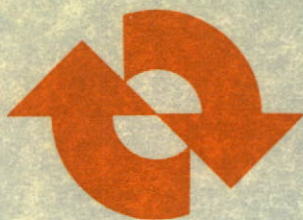
New Brunswickers and industry representatives from around the world celebrated the official opening of the Point Lepreau Generating Station on June 25, 1983.

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COVER

NB Power's transportation fleet colours will be changed over the next five years to light cream with striping and the prominent orange NB Power symbol as shown on the cover.



June 25, 1984

To His Honour G.F. Stanley
*Lieutenant Governor of
New Brunswick*

May it please your Honour:

The New Brunswick Electric Power Commission begs leave to submit, in accordance with the Electric Power Act, Chapter E-5, of the revised Statutes of New Brunswick 1973, the following report for the twelve month period ended March 31, 1984.

Respectfully submitted,

Leland W. McGaw, Chairman
*The New Brunswick
Electric Power Commission*



The New Brunswick Electric Power Commission

June 22, 1967

The Honorable C. F. Martin
Minister of the Environment
Ottawa, Ontario

Dear Mr. Martin:

The New Brunswick Electric Power Commission has been advised in a letter dated June 15, 1967, from the Honorable C. F. Martin, Minister of the Environment, that the Commission's application for a license to operate the proposed New Brunswick Hydroelectric Project, located on the Miramichi River, is being referred to the Miramichi River Commission for their consideration.

Very respectfully,

/s/ John A. McLean, Chairman
The New Brunswick
Electric Power Commission



Comments

Exceptional performance of the Point Lepreau Generating Station, improved in-province sales and record electricity exports led to a positive net income and offset increased net interest and depreciation expenses and unexpected cost increases for fuel and purchased power during the 1983/84 fiscal year.

Revenue for the year increased by \$223.1 million to \$768.7 million due primarily to a 75.8% increase in energy exports and a 15.9% recovery and growth in in-province sales along with an 8.8% rate increase implemented in April 1983. Exports accounted for over 40% of total revenue with roughly half coming from participation contracts in connection with Point Lepreau and Coleson Cove generating stations and half from economy sales to interconnected Maritime and New England utilities.

Net income was affected by higher than expected fuel and purchased power costs arising from a combination of changing heavy fuel and crude oil market conditions and an accord between Alberta and the Federal government on Canadian oil prices. This added about \$35 million to the operating costs of NB Power. Through good performance of the nuclear plant, above average water conditions, increased sales and active management control, expenses were reduced and revenues increased yielding a small year-end surplus of \$2.0 million.

With the completion of the major capital construction program started in the early 1970's, the utility has undergone a significant change in direction and staff reorganization with increased emphasis on productivity and efficiency improvements and a renewed thrust in domestic and export marketing.

A highlight of the fiscal year was the official opening of the Point Lepreau Generating Station, held June 25, 1983. Industry representatives from around the world gathered to commemorate the successful start-up and commercial operation of Atlantic Canada's first nuclear generating station. The unit achieved a 92.2% capacity factor during the fiscal year producing about one-third of all generation and purchases. This exceptional performance has permitted the utility to derive security of energy supply through sound Canadian CANDU technology and stability of price considering the vagaries of the world oil market.

While less than 6% of in-province supply is now generated from oil, much of the purchased energy is tied to the price of oil, and efforts are being intensified to find economic means of converting existing oil-fired units to coal. A Federal Government/NB Power study to evaluate the potential conversion of the Coleson Cove Generating Station is in its final phase.

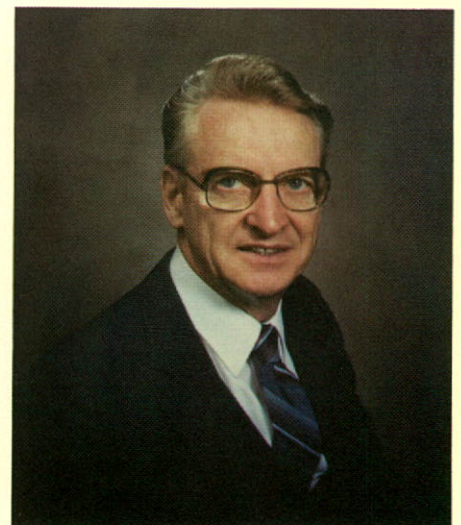
Priority was given to advancing work on new interconnection facilities with Hydro-Québec and upgrading the interconnection with New England enabling NB Power to import and in the near future export additional energy.

Work continued towards increasing the operating level of the Mactaquac headpond by three feet in early summer 1984. The utility also participated in several innovative alternate fuel and waste heat research and development projects.

Sound management, the coming to fruition of past strategies, and new directions for the future will enable the provincially-owned utility to take advantage of opportunities that are now available. The mandate to supply the electrical needs of the people of New Brunswick through efficient and productive operation of the provincial utility continues to be a primary goal; the efforts of the Commission, its Management and staff to achieve this important objective are to be commended.



Hon. Leland W. McGaw
Chairman



Arthur J. O'Connor
General Manager

Operations

The economic recovery in New Brunswick was a determining factor in the 15.9% increase in NB Power's in-province electricity sales following two years of recessionary impact. Overall demand for electricity increased in all customer classifications with a solid recovery experienced in the industrial sector, especially the pulp and paper industry, which had suffered significant reductions in capacity utilization during the recession. Modernization and expansion at New Brunswick International Paper Company and Consolidated Bathurst, and production start-up at two new mines, Potash Company of America and Mount Pleasant, accounted for a significant part of the industrial sales growth. Total industrial sales increased by 25.6% during the year.

Sales to residential, wholesale and general service customers showed respective increases of 11.7%, 8.3% and 3.7% for the year. Conversion of over 6000 residences from oil to electric space heating and the addition of over 5000 new residential customers in the Province were largely responsible for residential and wholesale sales growth with the balance attributed to colder weather conditions in comparison to the previous year. Currently, about 71 500 homes use electricity as a principal heating source, representing over 30% of all homes in New Brunswick.

Sales of energy to interconnected utilities totalled 6 272 884 000 kW.h, a 75.8% increase over the previous year. The sharp increase in export sales was due to the export of capacity and energy from Point Lepreau to various New England utilities under the terms of Unit Participation Agreements that went into effect during 1983, and an increase in economy sales to Prince Edward Island, Nova Scotia and New England utilities.

On July 6, 1983, the National Energy Board approved the sale of 25 MW from Point Lepreau to Commonwealth Electric Company of Wareham, Massachusetts, bringing the total contracted sales approved by the National Energy Board from Point Lepreau to 230 MW. Later in September, the Board also approved an agreement for the supply of system power and associated energy to Central Maine Power. The agreement came into effect on November 1, 1983 to supply 100 MW until October 31, 1984, increasing to 150 MW on November 1, 1984 and remaining at that level until October 31, 1991.

Economy sales to New England increased 15.5% to 2 665 118 000 kW.h. Sales to Nova Scotia increased from 125 942 000 kW.h. to 770 048 000 kW.h for the 1983/84 fiscal year, while sales to Prince Edward Island increased by just over 7% to 433 771 000 kW.h. Subsequent to year end, NB Power concluded an agreement with Bangor Hydro for 30 MW of system power and associated energy similar to that with Central Maine Power. The agreement will take effect when all necessary regulatory approvals have been received in the United States and in Canada.

Total generation and purchases of energy from all sources was 16 299 213 045 kW.h, an increase of 34% from the previous year and a record for NB Power. Purchases of energy totalled 4 420 656 545 kW.h, an increase of 17.3% over last year, with Hydro-Québec supplying the bulk of energy purchases and the balance coming from other interconnected utilities and from in-province industries.

Energy production by NB Power's thermal generating units decreased by 18.7% with oil-produced energy decreasing by 29.2% and coal-produced energy increasing by 5.3%. Hydro generation increased by 8.5% due to favourable water conditions experienced during the fiscal year. Production from the Point Lepreau

nuclear generating station was almost 5.5 billion kW.h and accounted for 33.7% of total supply.

A record peak demand by in-province customers of 1 702 100 kW occurred on December 20, 1983, 18.4% higher than that experienced last year. A new gross peak demand, including exports, of 2 632 000 kW was reached on February 9, 1984, a 10.1% increase over the previous year's high.

At March 31, 1984, the Commission was directly serving 235 877 customers, an increase of 5128 over last year, and indirectly serving 37 617 customers through wholesale sales to municipal utilities in the cities of Saint John and Edmundston. Average annual electrical consumption per residential customer supplied directly was 11 589 kW.h compared to 10 611 kW.h the year before, reflecting the increased number of electrically heated homes.

In-province loads were supplied from the following sources: nuclear 33.5%, hydro 28.9%, purchases 23.2%, coal 8.6% and oil 5.8%.

Finance

Revenue amounted to \$768.7 million, an increase of \$223.1 million over the previous year. Interconnection revenue increased by \$140.2 million and in-province revenue by \$82.9 million. The increase in interconnection revenue was primarily due to the first full year of export sales from the Point Lepreau Generating Station and an increase of approximately 32% from economy sales on the interconnections. The in-province revenue increase was due to an improvement of 15.9% in energy sales coupled with an 8.8% rate increase which became effective in April 1983, and the proceeds from the sale of surplus heavy fuel oil.

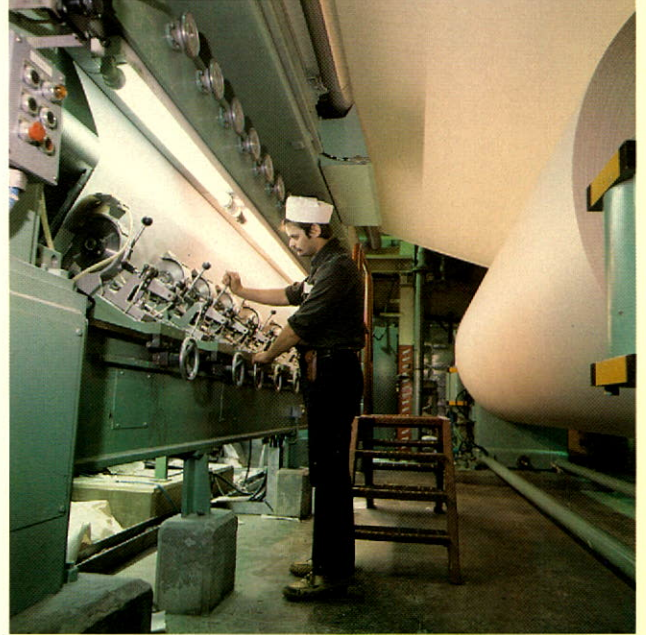
The total cost of fuel and purchased power increased by \$35.0 million to



McCain Foods of Florenceville, N.B. is one of the world's largest producers of food products.

Modernization and expansion at the New Brunswick International Paper Company in Dalhousie nearly doubled electrical requirements.

Market Square, a \$100 million downtown Saint John complex, situated on the site of the former Dock Street Generating Station.



\$290.8 million. This was primarily due to an increase of \$31.3 million in the cost of power purchases which were impacted by the increase in fuel oil prices early in the year. Operation, maintenance and general expenses increased \$1.9 million to \$135.3 million, depreciation increased \$26.9 million to \$69.5 million and net interest expense increased \$143.4 million to \$236.9 million. The increase in depreciation and net interest expense was mainly due to the first full year of commercial operation of the Point Lepreau Generating Station.

The Commission has had a policy to equalize fluctuations in generation costs caused by unpredictable variations from average water flows. The addition to the system of the Point Lepreau Generating Station introduced another element where similar, largely unpredictable variations may occur affecting generation costs. As a result the Commission now operates a Generation Equalization Reserve which will account for fluctuations in the performance of the nuclear unit as well as water flows. River flows were well above average and the performance of the nuclear unit exceeded expectations during the year resulting in \$33.0 million being charged to operations and credited to the Generation Equalization Reserve as compared to \$3.6 million credited last year.

Economy sales to neighbouring utilities provided \$14.4 million over forecast earnings during the year. Amortization of unanticipated increases in earnings from economy sales from previous years amounted to \$13.2 million. The net result was a transfer of \$1.2 million to the Economy Sales Stabilization Account from income during the year.

Net income for the year was \$2.0 million, \$19.4 million lower than the previous year. Earnings Invested in the Business amounts to \$89.0 million after

an appropriation of \$1.0 million to the Generation Equalization Reserve. Accumulated appropriations to this reserve now amount to \$112.0 million.

Total capital expenditures for the fiscal year fell to \$74.4 million from \$196.6 million due to the completion of the Point Lepreau Generating Station, the last of the major projects started during the past decade.

As a consequence of an increase in funds generated from operations, a reduced construction program and no large debt maturities, there was no requirement for long-term borrowings.

Directions

NB Power has undergone a significant change in direction with the completion of the major capital construction program. Special effort is being devoted to improving the performance in all areas of operations. The organizational structure has been tailored to fit this operating mode, including a reduction in the levels of management and supervision, and every effort has been made to take advantage of new and improved facilities and high technology to achieve real gains in productivity and efficiency. Priority has been given to improve customer relations and service, to support a new marketing thrust for domestic and export sales and to encourage a high degree of communication throughout the organization.

During the fall of 1983, the Head Office of the utility was moved to the new Bank of Montreal office complex which was jointly planned and is constructed on NB Power property. The move consolidated head office staff under one roof with resulting support staff reductions and productivity and communications improvements. Similar gains were achieved with the construction of a new central stores building which

reduced the number of storing locations, consolidated inventories and improved services and management control.

A new records management system was implemented within head office which reduced storage space by up to 90%. Planning is underway to further integrate and computerize records management through the development of a corporate file code and new information systems for property records, drawing records, and technical information.

The Commission has approved a long-range plan for computer systems development.

In support of corporate objectives to improve productivity, the Commission has approved a long-range plan for computer systems development. A new computerized internal accounting system and a new payroll/personnel system has successfully been placed in service. The continued development of a computerized materials management system has seen an on-line inventory system developed. During the past year, the initial phases of a management information system was implemented. Several other computer-related systems are scheduled to be in service during the coming year including enhancements to the customer information system, a new automated purchasing system, computer aided design system and remote entry meter reading. All of these projects are bringing the organization to the forefront with current systems technology and are designed to enhance management capabilities and hence improve efficiency.

NB Power's Head Office was moved to the new Bank of Montreal office building.

NB Power's new transportation fleet colours.

Engineering staff now use Computer Aided Design (CAD) systems to prepare technical drawings and compile design data.



Emphasis is being placed on retraining staff.

Staff reductions were initiated as a result of the reduced capital program, with some layoffs related to seasonal work such as line construction and brushwork. The Commission also approved an Accelerated Retirement Program in the fall of 1983 which was offered to regular employees who were 55 years of age and over; a total of 101 employees took advantage of the program. At year end, there were 2 491 regular and temporary employees, a decrease of 6.5% from the previous year. Overall reductions in staff will continue through attrition, with new hires limited to those with the quality of excellence required by the organization. Emphasis is being placed on retraining staff and a number of programs focusing on retraining and critical skills upgrading, including computer literacy, communications and writing were implemented during the year to assist employees in adapting to technological changes affecting the work environment.

NB Power's energy education program continues to be well received by students and teachers throughout the province and liaison maintained with the Department of Education, Council of Maritime Premiers and Atomic Energy of Canada Limited in coordinating a variety of energy-related programs. Survey research on a number of energy matters continues to help NB Power better understand and meet the needs of its customers. NB Power continues to work closely with the provincial Emergency Measures Organization to fulfill its role under the Point Lepreau Off-Site Emergency Plan.

The Commission has approved a renewed thrust in both domestic and export marketing.

The Commission has approved a renewed thrust in both domestic and export marketing. The potential for economic substitution of electricity for oil is considerable in all sectors using conventional and new electrical technologies. Considerable substitution has already been achieved in the residential sector. The thrust now is to develop a better understanding of energy utilization, to determine conservation and conversion potential of customers in all sectors, and to upgrade the level of technical advice and service to these customers.

Efforts are continuing to upgrade and add interconnection facilities.

Over the years, the development of interconnections with neighbouring utilities in Canada and the United States has become increasingly important to NB Power from both a financial and reliability perspective. Benefits derived from the purchase and sale of large quantities of energy over these interconnections each year has effectively subsidized in-province customers by as much as 15-20% in any given year. External marketing will continue to be a high priority and efforts are continuing to upgrade and add interconnection facilities.

Work on a second major interconnection with Hydro-Québec was advanced during the fiscal year. The first phase of this interconnection was completed in April, 1983 when a temporary 138 kV radial feed was energized providing 50 MW of supply to northwestern New Brunswick directly from the Québec system. A permanent radial feed, operating at 315 kV, will be placed in service in late 1984 increasing the capacity to 150 MW. This, along with the completion of Hydro-Québec's 350 MW High Voltage Direct Current converter station and NB Power's associated 345 kV transmission lines in early 1985 will double total interconnection capacity with Québec to 1000 MW, and provide additional energy for in-province and export sales.

The increased Hydro-Québec tie capability combined with in-province capabilities has led NB Power to complete an agreement with the Maine Electric Power Company to increase the capability of the present interconnection with New England from 600 MW to 700 MW by late 1984. This will enable NB Power to export more electricity into the New England market when the opportunity exists. Discussions and environmental studies are underway with respect to a second 345 kV interconnection with New England; this facility would expand future export options and permit additional sales to the New England market.

NB Power is continuing its marketing efforts respecting Point Lepreau 2 on behalf of Maritime Nuclear. Letters indicating an interest to proceed to contract negotiations have been received for a portion of the output of a second Point Lepreau unit. In order to satisfy both Federal and Provincial environmental requirements, an Environmental Impact Statement compiled by NB Power and other consultants on behalf of Maritime Nuclear was in the final stages of preparation at year end.

The third and final phase of the study to evaluate the potential conversion of the oil-fired Coleson Cove Generating Station commenced during the fiscal year. This \$900 000 engineering study, funded on a 75/25 split between the Federal government and NB Power, is investigating the conversion of the station to coal while retaining the flexibility to burn other fuels.



NB Power service representatives provided customers with advice on energy conservation and conversion options.

Aerial thermography displays attracted several thousand New Brunswickers to special energy clinics.



During the year, work continued on increasing the level of the Mactaquac headpond by three feet, which will enable the station to produce three percent more energy, or an additional 65 million kilowatt hours of energy. The project follows successful negotiations with the towns of Woodstock and Hartland and residents along the Saint John river and takes advantage of provisions made in the initial development.

At the Mactaquac hydro plant, a fish rearing facility utilizing the warm water from generator cooling systems has been commissioned by the federal Department of Fisheries and Oceans to accelerate the egg incubation and early rearing of salmon. This new facility offers an opportunity to improve overall salmon rearing efficiency and provides environmental and economic benefits. At the Grand Lake thermal plant, warm water from the condenser

is poured over the outside of a glass greenhouse used to grow market tomatoes. This warm-water blanket offers energy savings of up to 50% compared to a conventionally heated greenhouse. These projects are part of NB Power's objective of utilizing low-grade waste heat at its installations.

Projects in support of oil substitution and further development and use of New Brunswick resources continue.

Research and development projects in support of oil substitution and further development and use of New Brunswick resources continue to be carried out at NB Power's Chatham Generating Station. During the year, a low ash, low sulphur coal and water mixture called Carbogel, prepared by the Cape Breton Development Corporation in Nova Scotia, was tested. Preliminary combustion trials have generally been positive and

additional test burns are scheduled in the summer of 1984 to evaluate equipment performance, combustion efficiency and economics. A second project involving circulating fluidized-bed combustion, utilizing New Brunswick coal and oil shale, has received \$1 million in Federal government funding for an initial technical and economic feasibility study; an additional \$35 million of funding is earmarked pending results of the Phase I study. This concept could allow New Brunswick resources to be used in an economic and environmentally acceptable manner in future thermal generating stations.

Given past development strategies and current directions, NB Power should be able to enhance its financial position during the 1980's so as to facilitate the raising of new capital when needed to build additional facilities.

The New Brunswick Electric Power Commission



Leland W. McGaw
Chairman



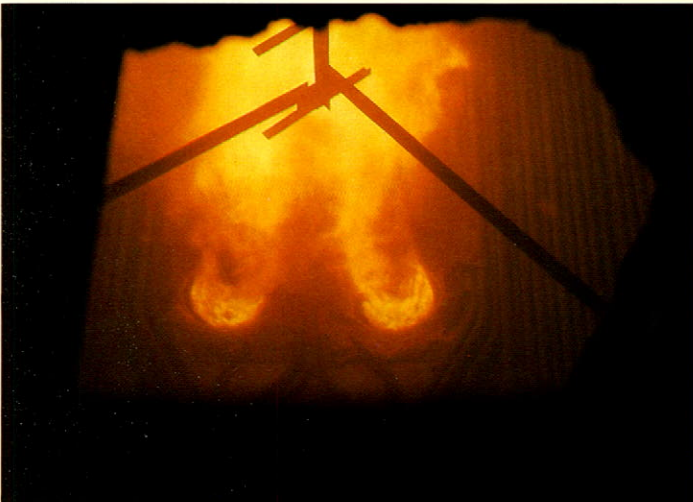
Arthur J. O'Connor
General Manager



Tower construction on NB Power's second major interconnection with Hydro-Québec.

A special coal and water mixture was tested at NB Power's Chatham Generating Station.

Low-grade waste heat from the Grand Lake thermal plant is being used to grow market tomatoes.

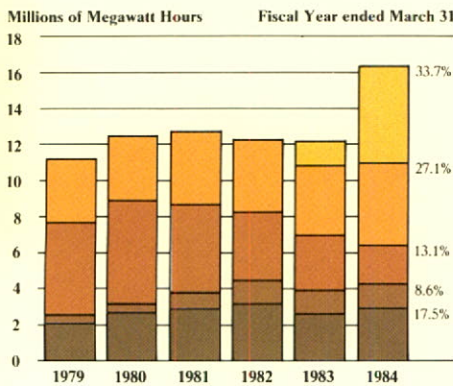
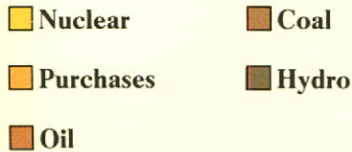


Graphical Review

The New Brunswick Electric Power Commission

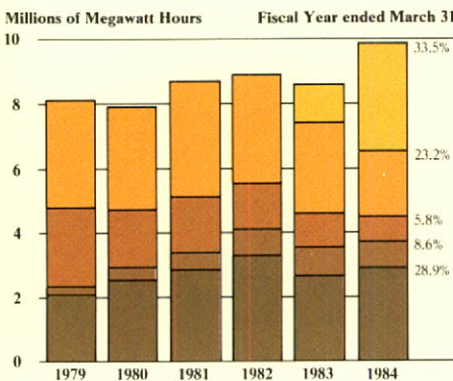
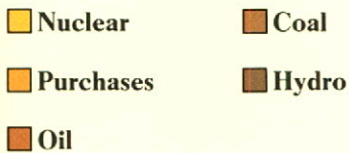
Total Supply

Total generation and purchases increased by 34% in fiscal year 1983/84, a record for NB Power, with nuclear generation the largest single source of supply.



In-Province Supply

Oil-fired generation for in-province supply has been reduced to 5.8% in 1983/84 from a high of 31.1% in 1978/79.

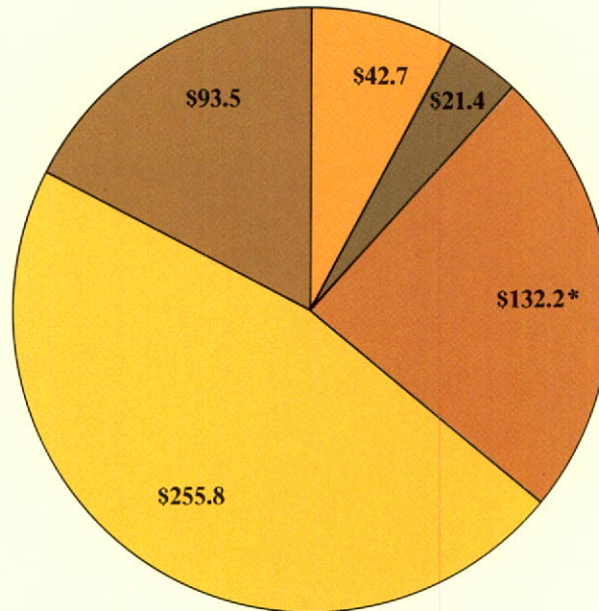


Distribution of Revenue (In Millions of Dollars)

Distribution of revenue for fiscal year 1983/84 reflects increased costs due to the first full year of commercial operation of the Point Lepreau Generating Station, higher than

expected oil prices and the charge to operations with a credit to reserves as a result of the exceptional performance of the nuclear unit and above average water flows.

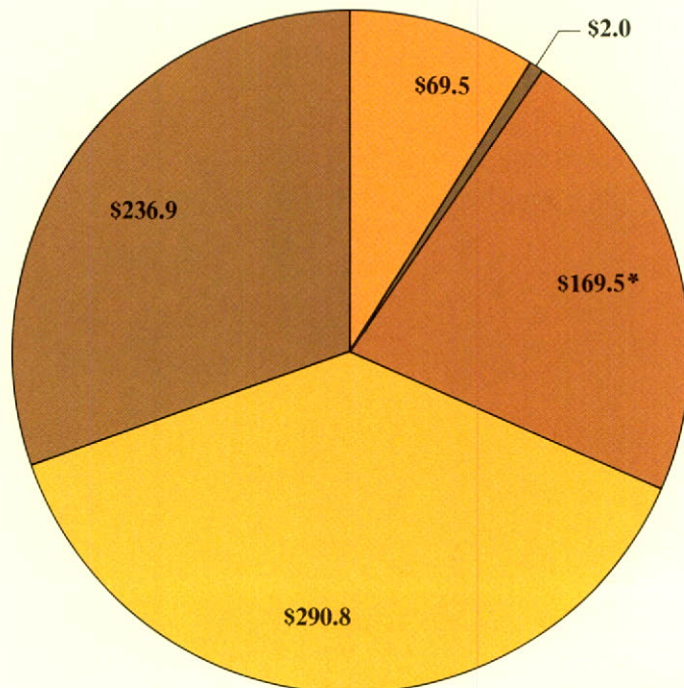
1982/83



1983/84

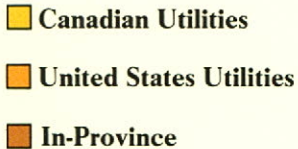
Fuel and Purchased Power
Operations and Maintenance and other expenses including adjustments*

Interest
Depreciation
Reserves and Equity



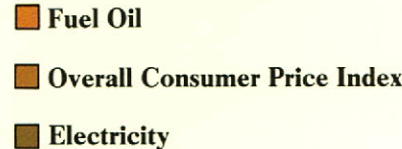
Sources of Revenue

Revenue from electricity exports to Canadian and U.S. utilities approached \$1 million per day in fiscal year 1983/84 and represented 43.3% of total revenue.



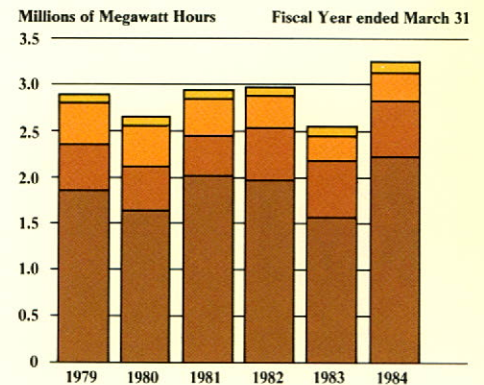
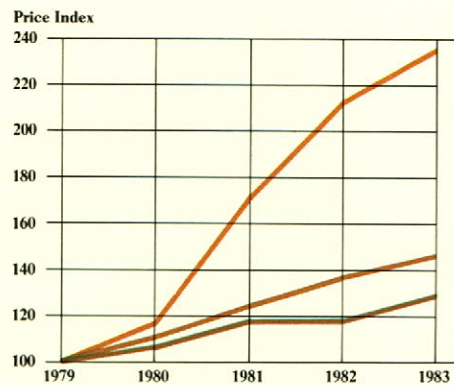
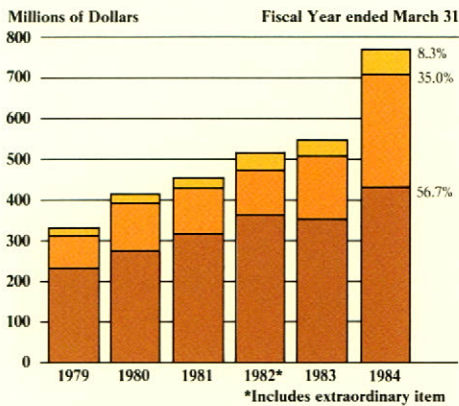
Comparative Cost Index

New marketing thrusts reflect the growing recognition by the public of the competitive advantages of electricity. Over the past four years, rate increases have averaged 6.5% per year and have been lower than the consumer price index.



Energy Consumption By Industrial Sector

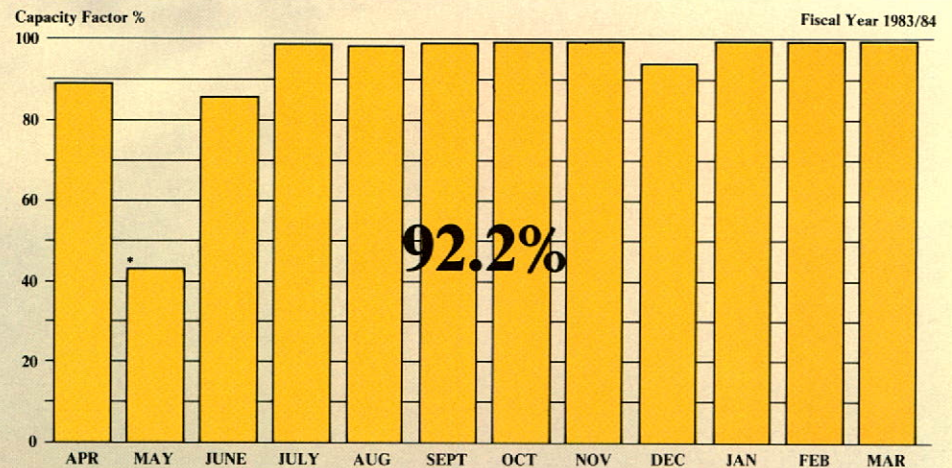
Industrial sales increased by 25.6% during fiscal year 1983/84 due to recovery and growth, especially in the pulp and paper sector.



Point Lepreau Performance

The Point Lepreau Generating Station operated at essentially full output during 1983/84 with the exception of the annual planned maintenance inspection early in the fiscal year.

*Annual Maintenance Inspection



Corporate Information

Commission



Hon. Leland W. McGaw, Chairman



Louis E. Landry, Vice-Chairman



Jean C. Chiasson



Peter J. Dykeman, Q.C.



Harry Williston



Gaétan Bossé



William K. Cleghorn



Eric C. Garland



Donna K. Young

Managing Officers

Arthur J. O'Connor,
General Manager

Frank C. MacLoon,
*Assistant General Manager,
Engineering & Operations*

Richard A. Toner,
*Assistant General Manager,
Administration*

G. Linwood Titus,
*Assistant General Manager,
Planning & Development*

Paul S. Creaghan, Q.C.
Secretary & General Counsel

Lloyd M. Totten,
Chief Financial Officer

Terrence S. Thompson,
Manager, Public Affairs

Frank H. Ryder,
*Manager, Corporate Economic
Studies*

Financial Statements

The New Brunswick Electric Power Commission

Auditors' Report

Touche Ross & Co.

Chartered Accountants

The Honourable Richard B. Hatfield,
Premier of the Province of New Brunswick,
Fredericton, New Brunswick.

Sir:

We have examined the balance sheet of The New Brunswick Electric Power Commission as at 31 March 1984 and the related statements of income, earnings invested in the business, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at 31 March 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Chartered Accountants

Fredericton, N.B.
June 25, 1984.

Balance Sheet

as at 31 March 1984

Assets

	1984	1983
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Fixed assets

Land, buildings, plant and equipment, at cost, less accumulated depreciation, and construction in progress (Note 2)	\$2,359,378,894	\$2,359,207,325
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Current assets

Cash and short-term investments	20,750,231	8,685,971
Accounts receivable	90,267,239	81,909,326
Material, supplies and fuel, at cost	64,455,755	68,584,572
Prepaid expenses	2,418,695	2,239,675
	177,891,920	161,419,544

Deferred charges

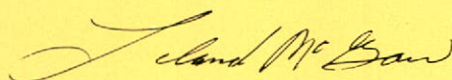
Unrealized foreign exchange differences less amounts amortized (Note 3)	129,445,496	117,035,546
Nuclear unit decommissioning (Note 1.h.)	69,900,000	71,700,000
Debenture and note discount and issue expenses, less amounts amortized	22,327,490	25,463,911
Survey, engineering and training expenses in connection with expansion of facilities	1,731,337	928,417
Other	138,777	157,465
	223,543,100	215,285,339

Funds held for specified purposes

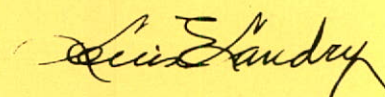
Insurance fund	7,667,312	7,614,879
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	\$2,768,481,226	\$2,743,527,087
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On behalf of The New Brunswick Electric Power Commission



Leland W. McGaw, Chairman



Louis E. Landry, Vice-Chairman

Liabilities

	1984	1983
Long-term debt (Note 4)		
Guaranteed by the Province of New Brunswick		
Debentures and notes issued by the Commission	\$1,818,410,683	\$1,855,731,210
Note payable to Atomic Energy of Canada Limited	350,000,000	350,000,000
Loans from Northern Canada Power Commission	47,072,094	48,615,850
Loan from the Province of New Brunswick	643,896	882,553
Other long-term debt	7,325,646	7,448,908
Obligation under capital lease	11,259,385	—
	2,234,711,704	2,262,678,521
Less payments due within one year	131,688,357	49,148,465
	2,103,023,347	2,213,530,056
Current liabilities		
Bank indebtedness (Note 5)	2,669,516	7,689,427
Accounts payable and accruals	51,762,156	52,133,742
Accrued interest on debentures and notes issued by the Commission	93,891,273	75,193,249
Accrued interest on loan from the Province of New Brunswick	9,182	18,185
Current portion of long-term debt	131,688,357	49,148,465
Holdbacks on contracts in progress	2,584,056	5,410,653
Service deposits	1,143,205	942,011
	283,747,745	190,535,732
Deferred liabilities		
Customers' advances in aid of construction	464,349	464,349
Economy sales stabilization account (Note 6)	27,370,000	26,175,000
Irradiated fuel management and nuclear unit decommissioning (Note 7)	79,460,930	73,360,329
	107,295,279	99,999,678
Reserves (Note 8)	185,450,974	151,450,235
Earnings invested in the business	88,963,881	88,011,386
	\$2,768,481,226	\$2,743,527,087

Statement of Income

For The Year Ended 31 March 1984

	1984	1983
Revenue		
Sales of power (Note 9)	\$747,330,838	\$534,539,326
Sales of steam	6,892,843	4,648,217
Miscellaneous (Note 10)	14,454,605	6,448,904
	768,678,286	545,636,447
Expenditure		
Purchased power	133,239,162	101,907,906
Generated power		
Fuel	157,574,972	153,906,447
Other	64,281,827	66,525,632
Operations, maintenance, administration and general	70,975,289	66,914,043
Depreciation	69,532,299	42,664,515
	495,603,549	431,918,543
Income before interest and exchange	273,074,737	113,717,904
Interest and exchange	247,364,724	220,880,115
Amortization of debenture discount and expense	3,144,197	3,129,522
Amortization of unrealized foreign exchange (Note 11)	11,086,181	7,102,193
	261,595,102	231,111,830
Less		
Income from sinking funds and other investments	22,910,053	26,003,851
Interest capitalized	1,758,546	111,592,995
	24,668,599	137,596,846
	236,926,503	93,514,984
Net operating income for the year before the following items	36,148,234	20,202,920
Generation equalization adjustment	33,000,739	3,572,244
Transfer to (from) economy sales stabilization account	1,195,000	(4,748,000)
	34,195,739	(1,175,756)
Net income for the year	\$ 1,952,495	\$ 21,378,676

Statement of Earnings Invested in The Business

For The Year Ended 31 March 1984

	1984	1983
Balance at beginning of year	\$88,011,386	\$76,632,710
Net income for the year	1,952,495	21,378,676
	89,963,881	98,011,386
Appropriation to generation equalization reserve	1,000,000	10,000,000
Balance at end of year	\$88,963,881	\$88,011,386

Statement of Changes in Financial Position

For The Year Ended 31 March 1984

	1984	1983
Source of funds		
From operations		
Net income for the year	\$ 1,952,495	\$ 21,378,676
Amounts charged or credited to operations but not requiring an outlay of funds		
Irradiated fuel management and nuclear unit decommissioning	7,900,601	1,660,329
Provision for depreciation of buildings, plant and equipment	69,532,299	42,664,515
Vehicle depreciation	1,511,300	1,529,235
Amortization of debenture discount and expense	3,144,197	3,129,522
Amortization of unrealized foreign exchange	11,086,181	7,102,193
Transfer to (from) economy sales stabilization account	1,195,000	(4,748,000)
Generation equalization adjustment	33,000,739	3,572,244
Survey, engineering and training expenses written off	182,136	48,864
	129,504,948	76,337,578
Proceeds from notes and debentures issued less discount and expense	—	97,787,549
Obligation under capital lease	11,259,385	—
Contributions in aid of construction	2,798,615	499,065
Proceeds from sale of assets	374,154	84,815
Decrease in other deferred charges	18,688	18,529
	\$143,955,790	\$174,727,536
Application of funds		
Expenditure on fixed assets	\$ 74,387,937	\$196,604,318
Redemption of Commission debentures (net of available sinking funds)	20,486,867	52,287,221
Sinking fund deposits	40,628,656	33,670,626
Increase in deferred survey, engineering and training expense	985,056	—
Repayment of loan from Northern Canada Power Commission	1,543,757	1,458,724
Decrease in other long-term debt	123,262	112,783
Increase (decrease) in working capital exclusive of changes in current portion of long-term debt	5,800,255	(109,406,136)
	\$143,955,790	\$174,727,536

Notes to Financial Statements

31 March 1984

1. Summary of significant accounting policies

The financial statements, which have been prepared in conformity with generally accepted accounting principles as established in Canada, give effect to the Commission's mandate to set power rates.

a. Fixed asset additions and retirements

The cost of additions to fixed assets is the original cost of contracted services, direct labour and material, interest on funds used during construction and indirect charges for administration and other expenses, less credits for the value of power generated during commissioning. Administration and other expenses are capitalized during construction by applying a portion of such overheads to direct construction costs incurred each month.

Interest during construction is capitalized monthly based on the cost of long-term borrowings.

The cost of repairs and maintenance is charged to income while the cost of improvements is capitalized. For property replaced or renewed, the original cost plus removal cost less salvage and accumulated depreciation is charged or credited to depreciation expense in the statement of income.

Contributions in aid of construction include amounts received from customers as well as government grants in respect of new facilities and are netted against the cost of plant financed thereby. Amounts received from customers are being amortized over the estimated service lives of the related assets, and the resulting credit is offset against the corresponding provision for depreciation.

Depreciation is provided for all assets sufficient to amortize the cost of such assets, less estimated salvage value where applicable, over their estimated service lives. The nuclear generating station is depreciated using an escalating charge method with annual increases based upon a 3% factor. All other assets are depreciated on a straight-line basis. Depreciation is provided on the net cost of fixed assets in respect of which government grants have been provided. The estimated service lives of the main categories of fixed assets, which are reviewed periodically, are currently as follows:

<i>Assets</i>	<i>Years</i>
Hydro Generating Stations	68
Thermal Generating Stations	30
Nuclear Generating Station	30
Gas Turbine Generating Station	25
Diesel Generating Station	20
Terminals and Substations	30
Transmission System	40
Distribution System	28
Buildings — general	40
Building under capital lease	50

b. Inventories

Inventories of materials and supplies are valued at average cost. Fuel is valued at cost using the first-in, first-out method.

c. Debenture and note discount and issue expenses

The Commission amortizes debenture and note discounts or premiums and the expenses of issues over the lives of the issues to which they pertain.

d. Survey, engineering and training expenses in connection with expansion of facilities

Survey and engineering expenses relating to construction projects being considered are deferred until a project is authorized for construction by the Commission. Such costs together with certain training costs are then amortized against future income either directly or by annual depreciation charges resulting from certain of the items being capitalized. If a project is discontinued, all applicable costs are charged to income in that year.

e. Foreign exchange transactions

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at rates of exchange prevailing at the balance sheet date except where such items have been hedged by the acquisition of a forward exchange contract, in which case the rate established by the terms of the contract is used in the translation. Unrealized losses or gains arising on translation of long-term items are amortized to income on a straight-line basis over the remaining life of the related monetary assets or liabilities, except that amounts associated with the financing of major construction projects still in progress are deferred until the project is completed before being amortized over the then remaining life of the related monetary liabilities. The unamortized balance of the deferred exchange gains or losses are accumulated in an unrealized foreign exchange account which is shown on the balance sheet under deferred charges.

Exchange gains or losses resulting from transactions affecting current operations are reflected in income as realized.

f. Revenue

Billings to residential and general service customers are rendered monthly on a cyclical basis. All other customers are billed at the end of each month. The Commission does not accrue revenue in respect of items not billed at the end of a fiscal period.

g. Deferred costs or revenues

The Commission's power rates are established annually to recover its operating costs and a return on its investment consistent with prudent financial management. Each year certain factors, relating to water flow conditions, nuclear operating performance and economy sales transactions, which are largely outside the control of the Commission may result in costs or revenues which vary from those originally included in the calculation of revenue requirements. The Commission accounts for such variations through a Generation Equalization Adjustment and an Economy Sales Stabilization Account.

Generation Equalization Adjustment

In order to equalize the fluctuations in generating costs caused by variations from average water flow conditions and nuclear operating performance, the Commission annually charges or credits income with an amount calculated to adjust such costs to an average value. The offsetting debit or credit is included in the generation equalization reserve account. The calculation of the adjustment is based on historical water flow data compiled over a period of 35 years and on the performance expectations of the nuclear generating station developed from comparable industry statistics and the operating experience of the nuclear unit itself.

Economy Sales Stabilization Account

The Commission annually charges or credits income with the difference between actual and forecast earnings on economy sales transactions with neighbouring utilities. The offsetting debit or credit is included in the Economy Sales Stabilization Account. Amounts so deferred are brought into the calculation of future revenue requirements in equal amounts over a period of three years and are amortized to the income statement on this basis.

h. Irradiated fuel management and nuclear unit decommissioning

In order to provide for the estimated future costs of permanently disposing of irradiated nuclear fuel and decommissioning the nuclear generating station to return the site to a state of unrestricted use, the Commission annually charges income with amounts calculated to be adequate, together with investment income, to cover the total cost of these activities as they occur. The future cost estimates are based on a detailed study which takes into account various assumptions regarding the method and timing of dismantlement of the nuclear facility, the cost of transportation of nuclear material to permanent disposal facilities, and estimates of future interest and inflation rates. The calculation of the annual charge for disposal of irradiated nuclear fuel is based on the amount of nuclear fuel consumed during the year. The charge for decommissioning is calculated by amortizing the total estimated cost of this activity as of the date the unit was brought into service in equal annual amounts over the life of the facility. The unamortized balance of this estimated cost is recorded on the balance sheet under deferred charges and represents the amount to be collected from customers over the remaining life of the facility.

The deferred liability account for irradiated fuel management and nuclear unit decommissioning represents the initially estimated liability to decommission the nuclear generating station as of the date the facility was brought into service, together with an annual addition for the estimated liability for disposal of irradiated nuclear fuel consumed during the year. Compounded annual interest on total amounts collected from customers, imputed at the rate of the Commission's Canadian long-term borrowings, is charged to income and added to the liability account.

In view of potential advances in the technology of decommissioning and irradiated fuel management, and because of the various assumptions and estimates inherent in the calculations, the Commission intends to review the study periodically, making adjustments to the various assumptions, estimates and calculation as may be required on a prospective basis.

2. Fixed assets

	1984	1983
Land, buildings, plant and equipment, at cost		
Power generating stations	\$2,180,325,984	\$2,158,668,180
Transmission system	130,465,066	127,445,632
Substations	170,304,020	166,252,320
Distribution system	244,668,915	220,720,491
Other properties*	25,719,692	9,511,879
Communications equipment	4,320,123	4,311,303
Motor vehicles and miscellaneous equipment	26,481,894	24,104,621
	2,782,285,694	2,711,014,426
Less contributions in aid of construction	10,922,712	8,124,098
Government grants — Mactaquac and HVDC facility	22,500,000	22,500,000
	33,422,712	30,624,098
	2,748,862,982	2,680,390,328
Less accumulated depreciation	415,100,166	346,407,214
	2,333,762,816	2,333,983,114
Construction in progress	25,616,078	25,224,211
	\$2,359,378,894	\$2,359,207,325

*Includes \$11,259,385 being the gross amount of assets under capital lease.

3. Unrealized foreign exchange differences, less amounts amortized

	1984	1983
Exchange adjustment at balance sheet date on debentures and notes issued by the Commission		
Payable in Swiss francs	\$ 27,447,900	\$ 26,521,250
Payable in United States dollars	168,079,919	133,209,825
Exchange adjustment at balance sheet date on loan from the Province of New Brunswick	283,412	474,817
Exchange premium on assets denominated in foreign currencies held in sinking funds maintained by the Province of New Brunswick		
Sinking fund for debentures and notes issued by the Commission	(31,288,323)	(17,523,755)
Sinking fund for loan from the Province of New Brunswick	(25,726)	(56,241)
Exchange premium on assets held in the insurance fund	(167,312)	(114,879)
	164,329,870	142,511,017
Less accumulated amortization	34,884,374	25,475,471
	\$ 129,445,496	\$ 117,035,546

4. Long-term debt

Debentures and notes issued by the Commission

<i>Date of maturity</i>	<i>Interest rate %</i>	1984	1983
Payable in Canadian dollars			
1985 17 March	13¼	\$ 75,000,000	\$ 75,000,000
1985 15 May	13¾	75,000,000	75,000,000
1987 15 March	5½	2,650,000	2,650,000
1988 1 November	5½	2,000,000	2,000,000
1989 15 October	8½	228,000	228,000
1990 10 January	11¼	50,000,000	50,000,000
1990 1 August	9	293,000	293,000
1991 1 July	5¾	5,000,000	5,000,000
1992 15 March	5½	7,350,000	7,350,000
1993 8 February	11¾	100,000,000	100,000,000
1993 1 November	5½	6,000,000	6,000,000
1994 15 June	5½	10,000,000	10,000,000
1994 31 December	5½	3,790,000	3,790,000
1995 1 May	6¼	15,000,000	15,000,000
1995 15 May	10¾	20,000,000	20,000,000
1995 15 October	5¾	7,500,000	7,500,000
1996 1 January	6	13,800,000	13,800,000
1996 1 March	6	4,000,000	4,000,000
1996 1 October	6½	6,100,000	6,100,000
1996 15 November	7⅞	20,000,000	20,000,000
1997 15 October	8¾	20,000,000	20,000,000
1998 15 November	8½	25,000,000	25,000,000
1999 1 October	11	24,674,000	24,674,000
1999 31 December	5½	8,210,000	8,210,000
2000 1 March	10	50,000,000	50,000,000
2000 25 August	11⅞	35,000,000	35,000,000
2003 21 December	10¼	75,000,000	75,000,000
2005 10 January	11¼	50,000,000	50,000,000

711,595,000 711,595,000

Payable in Swiss francs

1985 20 April (SFr100,000,000)	4¼	60,815,000	60,815,000
1991 28 September (SFr76,000,000)	6	29,761,600	29,761,600
1992 30 August (SFr74,500,000)	5¼	33,532,450	34,207,600
1993 30 March (SFr90,000,000)	3¾	51,401,700	54,257,350

Canadian dollars at date of issue	175,510,750	179,041,550
Exchange adjustment at balance sheet date	27,447,900	26,521,250
	202,958,650	205,562,800

<i>Date of maturity</i>	<i>Interest rate %</i>		1984		1983
Payable in United States dollars					
1986 2 January	5¼	US\$	2,110,000	US\$	3,086,000
1986 1 November	5¼		1,265,000		1,265,000
1987 1 September	5¼		1,778,000		2,820,000
1988 1 October	17		60,000,000		60,000,000
1989 1 March	16¼		75,000,000		75,000,000
1990 15 April	5		8,041,000		8,746,000
1991 1 May	5½		9,259,000		9,890,000
1991 1 May	15		100,000,000		100,000,000
1991 15 November	6		17,500,000		17,500,000
1992 15 October	6½		15,000,000		15,000,000
1993 15 February	6⅞		15,000,000		15,000,000
1994 1 February	7¾		10,000,000		10,000,000
1994 1 March	9¾		58,900,000		62,000,000
1995 1 October	10½		75,000,000		75,000,000
1997 15 February	9		87,500,000		93,750,000
1998 1 April	7⅞		37,125,000		38,700,000
2001 1 May	9⅜		100,000,000		100,000,000
2004 1 April	8¾		50,000,000		50,000,000
2005 15 January	10		75,000,000		75,000,000
2007 1 August	8¾		75,000,000		75,000,000
United States dollars			873,478,000		887,757,000
Exchange premium at date of issue		CDN\$	73,436,748	CDN\$	74,436,537
Exchange adjustment at balance sheet date			168,079,919		133,209,825
			1,114,994,667		1,095,403,362
			2,029,548,317		2,012,561,162
Less sinking fund assets held in trust by the Province of New Brunswick					
Book value			179,849,311		139,306,197
Exchange premium on assets denominated in foreign currencies			31,288,323		17,523,755
			211,137,634		156,829,952
			\$1,818,410,683		\$1,855,731,210
Atomic Energy of Canada Limited					
Note payable in 25 equal annual instalments of principal and interest at 9.7064% per annum, commencing 1 April 1984					
			\$350,000,000		\$350,000,000
Loans from Northern Canada Power Commission					
Repayable in annual instalments of principal and interest at rates varying from 4½% to 8½% to the year 2011					
			\$ 47,072,094		\$ 48,615,850

	1984	1983
Loan from the Province of New Brunswick		
For which debentures have been issued by the Province to provide funds for the Commission (payable in United States dollars)	US\$ 1,025,000	US\$ 2,030,000
Exchange adjustment at balance sheet date	CDN\$ 283,412	CDN\$ 474,817
	1,308,412	2,504,817
Less sinking fund assets held by the Province relating to such debentures		
Book value	638,790	1,566,023
Exchange premium on assets denominated in foreign currencies	25,726	56,241
	664,516	1,622,264
	\$ 643,896	\$ 882,553
Other long-term debt		
City of Campbellton — in respect of the purchase of distribution system; payable, together with interest at 9¼% per annum, in equal annual instalments to the year 1993	\$ 1,008,557	\$ 1,078,738
Government of Canada — in respect of the construction of a transmission line from Coleson Cove to Salisbury; payable, together with interest at rates varying from 9¼% to 9½% per annum, in equal annual instalments of principal and interest to the year 2011	6,317,089	6,370,170
	\$ 7,325,646	\$ 7,448,908

Obligation under capital lease

The Commission has entered into a 50-year lease arrangement with respect to its head office building in Fredericton. The lease requires sharing of capital and operating costs in general proportion to floor space occupied by the tenants. Interest charges vary with bank prime rate, and amortization of the lease obligation is on a sinking fund basis over 45 years beginning in the sixth year. The Commission has options to purchase the building at specified times and prices during the term of the lease. The principal amount of capital lease obligation outstanding amounts to \$11,259,385, of which the first repayments under the sinking fund arrangement, amounting to \$14,565, become due in the year ending 31 March 1989.

Long-term debt payments

Long-term debt maturities (after deducting available sinking funds) and sinking fund requirements in respect of debt outstanding at 31 March 1984, excluding payments under capital lease, are as follows for the five years ending 31 March 1989:

	Canadian dollars	U.S. dollars	Swiss francs
Year ending 31 March 1985	\$88,124,954	\$ 27,060,000	SFr 13,000,000
Year ending 31 March 1986	90,594,101	27,772,000	113,000,000
Year ending 31 March 1987	17,160,253	26,819,000	13,000,000
Year ending 31 March 1988	17,139,687	26,489,000	13,000,000
Year ending 31 March 1989	18,146,841	160,950,000	13,000,000

Sinking funds

The Minister of Finance of the Province of New Brunswick, as Trustee for the Commission, maintains a sinking fund for all debenture issues requiring same. Sinking fund investments are carried at cost, and the earnings are reflected in the Commission's income. Commission debentures held in the fund are not cancelled until maturity.

Issues of debentures of the Commission requiring annual redemption for sinking fund purposes provide that the Commission may satisfy its obligation by purchasing outstanding debentures of the respective issues at any time at prices not exceeding 100% of the principal amount thereof. The debentures so used to satisfy sinking fund obligations are cancelled with notification to the Minister of Finance and are not reissued. Any profit or loss resulting from such transactions is reflected in income.

5. Short-term line of credit

The Commission has bank lines of credit guaranteed by the Province of New Brunswick for short-term borrowings totalling \$130,000,000. The amount of such short-term borrowings at 31 March 1984 was \$200,000 (1983 — \$100,000) and is reflected on the balance sheet, together with outstanding cheques, under the caption "Bank Indebtedness".

6. Economy Sales Stabilization Account

	1984	1983
Balance at beginning of year	\$26,175,000	\$30,923,000
Excess of actual over forecast earnings from economy sales for year	14,393,000	\$8,637,000
	40,568,000	39,560,000
Less amount amortized	13,198,000	13,385,000
Balance at end of year	\$27,370,000	\$26,175,000

7. Irradiated fuel management and nuclear unit decommissioning

	1984	1983
Liability at beginning of year	\$73,360,329	\$ —
Initially estimated liability for cost of decommissioning	—	72,000,000
Estimated liability for cost of disposal of nuclear fuel consumed during the year	5,475,283	1,360,329
Interest imputed during the year	625,318	—
Liability at end of year	\$79,460,930	\$73,360,329

Charges for irradiated fuel management and nuclear unit decommissioning are brought into the calculation of revenue requirements each year and collected from in-province and interconnected customers through sales of power. The total amount so collected is represented by the net of the liability account and the deferred receivable balance for nuclear unit decommissioning. This amount is currently being utilized by the Commission as a source of funds.

	1984	1983
Liability for irradiated fuel management and nuclear unit decommissioning	\$79,460,930	\$73,360,329
Less: Deferred receivable for nuclear unit decommissioning	69,900,000	71,700,000
Total amount collected from customers	\$ 9,560,930	\$ 1,660,329

8. Reserves

	1984	1983
Generation equalization	\$177,950,974	\$143,950,235
Insurance	7,500,000	7,500,000
	\$185,450,974	\$151,450,235

Generation equalization reserve

In addition to the annual adjustment to generation cost described in Note 1.g, the Commission, as it deems advisable, increases the generation equalization reserve by appropriations from earnings invested in the business. Total appropriations to the reserve amounted to \$112,000,000 at 31 March 1984 (1983 - \$111,000,000).

Insurance reserve

This reserve has been established by appropriations from earnings invested in the business and serves as a self-insurance fund to complement the insurance coverage maintained with insurance companies.

9. Sales of power

Sales of power include \$269,349,529 (1983 — \$148,403,687) to utilities in the United States.

The price of these sales includes incremental fuel and operating costs plus a margin of net benefit to the Commission.

10. Miscellaneous revenue

Miscellaneous revenue includes \$6,717,515, being the proceeds on sale of surplus heavy fuel oil, less the cost of acquisition of this oil.

The heavy fuel oil was acquired in 1979 for potential use in the dual coal/oil fired Dalhousie Unit No. 2. The unit is currently being operated exclusively using New Brunswick coal and the surplus oil was therefore sold.

11. Amortization of unrealized foreign exchange

During the fiscal year ended 31 March 1984, the Commission calculated the amount of unrealized foreign exchange to be amortized each month, based on the remaining life in months of the related monetary asset or liability. The annual amortization accordingly represents the sum of each month's calculation, rather than, as previously, one annual

amount based on exchange rates in effect at the year end. The monthly method has been adopted because it allows for more realistic forecasting of the annual amortization being less susceptible to a significant variation caused by an unexpected movement in year end exchange rates. Had the previous method of calculation been applied in the fiscal year ended 31 March 1984, the total amount amortized for the year would have been greater by \$4,350,837.

12. Capital commitments

It is estimated that during the fiscal year ending 31 March 1985, a total of approximately \$139,596,000 will be expended on all capital projects.

13. Contingent liability

The Commission, to be assured of an adequate supply of coal, has guaranteed payments of N.B. Coal Limited, a corporation controlled and owned by the Crown in right of the Province, under a loan obligation and lease agreement for the acquisition of a dragline for use in mining coal. The maximum potential exposure over the 16 year remaining life of the lease is \$32,300,000. In exchange for its guarantee, the Commission is entitled to the total coal production at cost and to an assignment of the dragline and associated mining rights should N.B. Coal Limited default under any terms of the lease agreement. During the fiscal year ended 31 March 1984, total coal purchases from N.B. Coal Limited amounted to \$30,595,112 (1983 - \$27,019,612). At 31 March 1984, the Commission owed N.B. Coal Limited \$2,628,319 (1983 - \$4,782,321) with respect to current shipments.

14. Maritime Nuclear

The Commission has entered into a memorandum of understanding with Atomic Energy of Canada Limited establishing Maritime Nuclear, which is charged with examining the feasibility of constructing a second nuclear unit at Point Lepreau. The Commission has no financial exposure with respect to the activities of Maritime Nuclear.

Statement of Generation and Sales

For Fiscal Year Ended 31 March, 1984

	1984 Kilowatt Hours	1983 Kilowatt Hours	Difference Kilowatt Hours	% + —
Generation				
Hydro	2 852 627 800	2 628 080 000	+ 224 547 800	+ 8.5%
Thermal	3 532 076 000	4 343 347 000	— 811 271 000	— 18.7%
Nuclear	5 493 774 000	1 421 287 000	+ 4 072 487 000	+ 286.5%
Diesel	78 700	19 100	+ 59 600	+ 312.0%
Purchases	4 420 656 545	3 768 953 435	+ 651 703 110	+ 17.3%
Gross Generation and Purchases	16 299 213 045	12 161 686 535	+ 4 137 526 510	+ 34.0%
Station Service	766 165 909	624 271 160	+ 141 894 749	+ 22.7%
Net Generation and Purchases	15 533 047 136	11 537 415 375	+ 3 995 631 761	+ 34.6%
Losses — Transformer and Transmission	654 228 150	542 144 026	+ 112 084 124	+ 20.7%
Losses % of Net Generation and Purchases	4.2%	4.7%		
Total Energy Distribution	14 878 818 986	10 995 271 349	+ 3 883 547 637	+ 35.3%
Sales				
Wholesale	743 384 814	686 429 916	+ 57 154 898	+ 8.3%
Industrial Power	3 865 386 058	3 077 833 566	+ 787 552 492	+ 25.6%
General Service	1 227 162 254	1 183 524 809	+ 43 637 445	+ 3.7%
Residential	2 485 627 752	2 225 459 662	+ 260 168 090	+ 11.7%
Average Annual kW.h per Residential Customer	11 589	10 611		
Street Lights	53 372 110	52 094 571	+ 1 277 539	+ 2.5%
<i>Total In-Province Sales</i>	<i>8 375 132 988</i>	<i>7 225 342 524</i>	<i>+ 1 149 790 464</i>	<i>+ 15.9%</i>
Interconnections	6 272 884 000	3 568 044 000	+ 2 704 840 000	+ 75.8%
<i>Grand Total</i>	<i>14 648 106 988</i>	<i>10 793 386 524</i>	<i>+ 3 854 630 464</i>	<i>+ 35.7%</i>
Station and Internal Use	766 539 234	624 593 844	+ 141 945 390	+ 22.7%
<i>Total Losses</i>	<i>884 656 823</i>	<i>743 706 167</i>	<i>+ 140 950 656</i>	<i>+ 19.0%</i>
Gross Generation and Purchases	16 299 213 045	12 161 686 535	+ 4 137 526 510	+ 34.0%

Statement of Operating and Physical Statistics

	31 March 1984	31 March 1983	31 March 1982	31 March 1981	31 March 1980
Plant Nameplate Capacity — kW	3 136 576	3 136 576	2 506 576	2 526 576	2 526 576
Gross Generation — Purchases kW.h	16 299 213 045	12 161 686 535	12 288 083 650	12 543 699 255	12 451 364 990
Total Energy Distributed — kW.h	14 878 818 986	10 995 271 349	11 210 412 580	11 523 189 151	11 474 798 912
Total Revenue	\$ 768 678 286	\$ 545 636 447	\$ 514 640 146*	\$ 453 031 722**	\$ 409 957 872
Total Expenditures and Appropriations	\$ 767 725 791	\$ 534 257 771	\$ 502 186 714	\$ 449 247 252**	\$ 410 297 381**
Fixed Assets, Including Work in Progress	\$ 2 774 479 060	\$ 2 705 614 539	\$ 2 511 221 676	\$ 2 344 262 161	\$ 2 063 974 786
Current Assets	\$ 177 891 920	\$ 161 419 544	\$ 273 381 451	\$ 154 761 706	\$ 247 109 259
Current Liabilities	\$ 283 747 745	\$ 190 535 732	\$ 221 093 012	\$ 230 849 430**	\$ 172 609 560
Inventories	\$ 64 455 755	\$ 68 584 572	\$ 33 621 120	\$ 42 626 242	\$ 35 312 833
Long Term Debt-Net	\$ 2 103 023 347	\$ 2 213 530 056	\$ 2 190 964 432	\$ 1 961 663 406	\$ 1 928 402 135
Sinking Fund Assets	\$ 211 802 150	\$ 158 452 216	\$ 122 889 965	\$ 94 797 121	\$ 73 274 713
Accumulated Depreciation	\$ 415 100 166	\$ 346 407 214	\$ 303 841 039	\$ 269 119 450	\$ 236 337 582
Other Reserves and Earnings Retained In The Business	\$ 274 414 855	\$ 239 461 621	\$ 214 510 701	\$ 169 462 349**	\$ 135 206 911**
Reserves, Earnings Retained In The Business and Accumulated Depreciation	\$ 689 515 021	\$ 585 868 835	\$ 518 351 740	\$ 438 581 799**	\$ 371 544 493**
Total Reserves, Earnings Retained In The Business As Percentage of Fixed Assets	24.9%	21.7%	20.6%	18.7%	18.0%
Kilometres Transmission Lines	5 805	5 721	5 714	5 702	5 698
Kilometres Distribution Circuits	22 986	22 236	21 718	21 168	20 873
Number Residential Customers	214 478	209 731	206 410	204 134	201 240
Number Industrial Customers	1 450	1 413	1 373	1 377	1 319
Number General Service Customers	17 804	17 506	17 268	17 088	16 609
Number Street Light Customers	2 145	2 099	2 079	2 045	2 036
Total Customers	235 877	230 749	227 130	224 644	221 204

*Includes extraordinary item **Restated

Business of NB Power

The New Brunswick Electric Power Commission is a publicly owned Provincial Crown Corporation established in 1920 under the Electric Power Act of the Provincial Legislature.

NB Power directly provides electricity for nearly 236 000 customers and indirectly serves an additional 37 000 customers through sales to municipal utilities. The utility employs about 2 500 regular and temporary staff at various locations throughout the Province. Total assets of over \$2.7 billion include 3136 MW of installed capacity at fourteen generating facilities and related transmission and distribution equipment.

NB Power is electrically interconnected with neighbouring utilities in Québec, Nova Scotia, Prince Edward Island and New England. Interconnections provide significant business opportunities for participating utilities while strengthening the security of supply for all NB Power customers. Benefits derived from the purchase and sale of large amounts of energy over these interconnections have enabled NB Power to keep electric power rates in New Brunswick 15-20% lower in recent years than otherwise possible.

For English copies of this report contact:

The New Brunswick Electric Power Commission
Public Affairs
P.O. Box 2000,
Fredericton, N.B.
E3B 4X1

Pour recevoir des exemplaires en français du rapport, veuillez communiquer avec:

La Commission d'énergie électrique du Nouveau-Brunswick
Affaires publiques
C.P. 2000
Fredericton, N.-B.
E3B 4X1

Generating Station Data

	No. of Units	Nameplate Capacity kW
Hydro		
Mactaquac	6	600 000
Beechwood	3	115 000
Grand Falls	4	63 000
Tobique	2	20 000
Sisson	1	10 000
Milltown	7	3 900
<i>Total Hydro</i>	23	811 900
Nuclear		
Point Lepreau	1	630 000
<i>Total Nuclear</i>	1	630 000
Oil/Coal		
Coleson Cove (Oil)	3	1 005 000
Courtenay Bay (Oil)	4	263 365
Dalhousie (Oil/Coal)	2	280 000
Grand Lake 2 (Coal)	4	85 000
Chatham (Coal/Oil)	2	32 500
<i>Total Oil/Coal</i>	15	1 665 865
Gas Turbine		
Moncton	1	25 000
<i>Total Gas Turbine</i>	1	25 000
Diesel		
Grand Manan	5	3 811
<i>Total Diesel</i>	5	3 811
Grand Total	45	3 136 576

