

1 Q. In 1995, the Board recommended “that the prudence of costs associated with
2 the St. Anthony/Roddickton interconnection be reviewed at the next Hydro
3 rate referral, following the interconnection, for the purpose of determining
4 recoverable costs.” Provide all evidence available to Hydro as to why this
5 interconnection was undertaken, and that the costs were prudently incurred
6 and in the best interest of customers on the Island Interconnected System.

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9 A. The prudence of costs associated with the St. Anthony/Roddickton
10 interconnection was dealt with at Hydro’s 2001 General Rate Application as
11 directed in 1995. In Board Order P.U. 7(2002-2003) the Board gave direction
12 on the assignment of these costs for the 2002 rates and directed Hydro to
13 complete further analysis concerning the proper cost of service assignment
14 of the Great Northern Peninsula transmission and generation assets. The
15 question of prudence is therefore not material or relevant to this hearing.