1 2		NLH 20 CA 2006 NLH General Rate Application
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7	0	D. D. A.F. 24 27 JEJEWAN 1 THE 1 D. A
8 9	Q:	Re: Page 2, lines 34 – 37 and Exhibit MGB-1, Table 1, Page 3.
9 10		(a) Is it Dr. Cannon's proposal that the cost rate applied to equity would be adjusted
11		annually during the term of the Automated Adjustment Mechanism?
12		amidally during the term of the Automated Augustinent Mechanism.
13		(b) If the answer to (a) above is yes, on what basis would that rate be adjusted?
14		(c,
15		(c) If the answer to (a) above is no, is Dr. Cannon then suggesting that the cost rate
16		applied to equity would be preset in year one for each year of the four-year term?
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22 23	۸.	(a) Dr. Cannon has filed no evidence and made no proposal with respect to the
24	A.	mechanism to be used to adjust the "cost rate applied to equity", or the allowed
25		return on common equity, during the term of the Automatic Adjustment
26		Mechanism. Nor has Dr. Cannon expressed any objection to Hydro's proposals in
27		this regard.
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29		(b) See answer to (a).
30		
31		(c) See answer to (a).
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