

1 Q. (Reference 2017 GRA Volume I, page 1.7 and correspondence to the PUB dated  
2 August 23, 2017 from Hydro) With the July 1<sup>st</sup> 6.6% increase in retail rates,  
3 combined with the forecast 6.4% increase on January 1, 2017 and the 8.2% increase  
4 on July 1, 2018, the customer retail rate will have increased by 22.7% in one year.  
5 Has Hydro projected how the 22.7% one-year increase will reduce customers'  
6 demand? If so, by how much? Has Hydro studied the impact of the one-year 22.7%  
7 increase in rates on low income consumers in particular?  
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10 A. Hydro's original request<sup>1</sup> for interim rates would have resulted in an estimated  
11 domestic retail increase on January 1, 2018 of 6.6%, and a final rate increase of  
12 6.4% on January 1, 2019.

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14 There is material uncertainty with respect to the forecast RSP adjustments for July  
15 1, 2018, as well as the level of general rate increase required as a result of recent  
16 downward trend in the price of No. 6 fuel.<sup>2</sup> As such, Hydro has not studied the  
17 potential impact on customer demand.

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<sup>1</sup> See Hydro's letter to the Board dated October 4, 2017.

<sup>2</sup> As noted in Hydro's correspondence of August 23, 2017 "Hydro recognizes that projected customer rate impacts are material. However, the rate impact projections in Table 1 do not include any rate change impacts that will result from the normal operation of the RSP, which may provide offsetting impacts from savings from the reduced cost of No. 6 fuel."