

1 Q. Further to the response to PUB-NLH-016, lines 12-16 and 18-32, which states that
2 off-island purchase costs “can be disclosed after they have occurred so the PUB and
3 the parties will be able to review and consider them,” and transmissions costs are
4 exempt, explain the process to review power purchase costs and whether such
5 costs require approval by the Board.

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8 A. While Hydro’s ability to enter into power purchase agreements does not require
9 Board approval, the parties will be able to review power purchase costs in the
10 context of Hydro’s recovery of and disposition of the Off-Island Purchases Deferral
11 Account, which falls within the purview of the Board to approve.