

1 Q. **Reference: Schedule 1: Evidence**

2 Page 17, lines 4-6 states that Hydro is proposing to transfer the balance in the RSP Hydraulic
3 Production Variation component to the Holyrood TGS Fuel Costs component of the proposed
4 Supply Cost Variance Deferral Account upon the approved effective date. Will Hydro allocate
5 25% of the balance in the RSP Hydraulic Production Variation component to the Newfoundland
6 Power and Industrial Customer RSP Current Plan balances, similar to what is now done at the
7 end of the year, before the balance is transferred? If not, please explain.

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10 A. Newfoundland and Labrador Hydro (“Hydro”) is not proposing to allocate 25% of the balance in
11 the Rate Stabilization Plan (“RSP”) Hydraulic Production Variation component to the
12 Newfoundland Power and Industrial Customer RSP Current Plan balances prior to transferring
13 the total component balance to the Holyrood Thermal Generating Station (“Holyrood TGS”) fuel
14 cost component of the Supply Cost Variance Deferral Account. Please refer to Hydro’s response
15 to PUB-NLH-008 with respect to the development of a recovery plan for Holyrood TGS fuel costs
16 currently owed from customers.