

1 **TOPIC:** **TESTIMONY REFERENCES**

2 **PREAMBLE:**

3 Page 11: “...reallocating past and ongoing residual IC RSP balances to NP has no basis in the
4 RSP principles, as agreed to by customer groups and approved by the Board.”

5 **QUESTION:**

6 Does Mr. Bowman agree that the interim approval of customer rates generally results in a further
7 review of their appropriateness by the Board, prior to the provision of final approval of customer
8 rates by the Board? If not, why not?

9 **RESPONSE:**

10 Yes. However it is important to note that while the RSP rate (meaning the amounts charged or
11 credited to customers towards balances in the RSP) may have been approved on an interim basis,
12 to the best of Mr. P. Bowman’s knowledge the RSP terms (the rules for calculating the amounts
13 Hydro charges to or credits to the RSP each month) were not. The current balances in the RSP
14 arise primarily as a result of the terms of the RSP (only a portion of the balances arises from
15 continuing to charge the non-Teck ICs for amortization of balances that were long ago paid
16 down).