

1   **Q.     Reference: Section 4.0 Cost Recovery Alternatives**

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3       **Please confirm that the option outlined in CA-NP-08 would (i) eliminate the need for**  
4       **the OPEBs Cost Variance Deferral Account, (ii) would smooth the impact of**  
5       **changes in Plan benefits and actuarial assumptions that would affect both the**  
6       **Regulatory Asset and the value of the annual accrual of OPEBs costs. If this is not**  
7       **correct, please explain.**

8  
9   **A.**   Newfoundland Power is unable to provide the confirmation requested. Please refer to the  
10       Response to Request for Information CA-NP-08.