

1 Q. **Reference: Application for Approval of RSP Rules and Refunds to**
2 **Newfoundland Power and Hydro Rural Customers**

3 Has Hydro had any conversations with the Provincial Government concerning how
4 the Newfoundland Power RSP surplus might be used to mitigate Hydro's increase in
5 capital spending required in future years to finance either (i) Hydro's proposed
6 230kV transmission line from Bay D'Espoir to Western Avalon; (ii) Hydro's proposed
7 60 MW gas turbine to be installed at Holyrood; or (iii) any other material
8 expenditure required to ensure security of supply until Muskrat Falls is fully
9 operational? If not, why not?
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12 A. Hydro has not had any conversations with the Provincial Government regarding the
13 scenarios proposed. It is Hydro's view that the NP RSP Surplus funds which have
14 accumulated over the period January 1, 2007 to August 31, 2013 be refunded to
15 customers in an expeditious manner in accordance with the current Government
16 directives.