

1 Q. If it is found that Order in Council OC2013-089 as amended by OC2013-207 does
2 not include the funding of refunds to Hydro's Rural Customers from the RSP Surplus
3 Fund, does Hydro maintain that the refunds should nevertheless proceed and how
4 would these refunds be funded?

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7 A. Funding of refunds to Hydro's Rural Customers from the RSP Surplus Fund is
8 proposed by Hydro and is described as the Proactive Approach in Hydro's Evidence,
9 Page 16. If it is found that Order in Council OC2013-089 as amended by OC2013-
10 207 does not allow the funding of the refund to Hydro's Rural Customers from the
11 RSP Surplus Fund, it is Hydro's opinion that the application of Section B, 1.3, Rural
12 Rate Alteration, of Hydro's RSP rules would apply and is described as the Current
13 Approach in Hydro's Evidence, Pages 15 – 16. In this case, the refund to Rural
14 Customers would be collected from Newfoundland Power customers through the
15 RSP based on the RSP Section B, 1.3 mechanism.