

1 Q. Re: Capital Plan, p. A3:
2 There is a dramatic increase in spending on capital forecasted for 2014 to 2017.
3 What are the anticipated customer rate impacts of these increases?
4

5 A. Table 1 provides *pro forma* estimates of the annual revenue requirement impacts
6 directly associated with Hydro's forecasted capital spending for the period 2014 to
7 2017. Customer rate impacts would be determined during the applicable rate
8 applications.
9

10 **Table 1: Pro Forma Revenue Requirement**
***Pro Forma* Revenue Requirement**
2014-2017
(\$000's)

Year	Revenue Requirement
2014	\$7,264
2015	\$22,794
2016	\$39,321
2017	\$55,207

11 The *pro forma* impacts include depreciation expense and return on debt and equity.
12 Depreciation was calculated using the useful lives of the applicable functional asset
13 group. All assets were assumed to go into service in the current year. Half year
14 treatment was applied to current year net plant additions. The 2007 approved Test
15 Year was used for the rate of return on debt and equity, along with any other
16 underlying assumptions.