

1    Q.    **Re: IN-NLH-098**

2            “The revenue earned and expenses incurred by Hydro for Sheshatshiu are included  
3            in determining Hydro's regulated income, with the exception of bad debts and  
4            interest on overdue accounts, which are not included in the regulated revenue  
5            requirement.”

6            Please explain how bad debts and interest on overdue accounts are handled for  
7            Sheshatshiu and for other communities.

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10   A.    Hydro charges uncollected amounts (bad debt), including finance charges,  
11           pertaining to Sheshatshiu customer accounts to non-regulated business. This  
12           occurs because Hydro believes this should not be a ratepayer cost as it was  
13           determined that these accounts would not be collected.

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15           For all other communities Hydro records uncollected amounts, including finance  
16           charges, to regulated business.