

1 **Q. Mr. Brockman stated on page 5 of his evidence: “In light of the impending major**  
2 **changes, I believe it is preferable not to do things on a piecemeal basis. We don’t**  
3 **want to address a problem today with a solution that may not make sense when**  
4 **circumstances change, as I believe they are about to.” Please provide Mr. Bowman’s**  
5 **view regarding this statement with respect to the future allocation of the Rural**  
6 **Deficit in the cost of service study.**  
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A. Mr. Doug Bowman does not believe that impending changes are an excuse for not taking action on the rural deficit today. The Muskrat Falls and associated transmission project is expected to be commissioned in 2017. Hydro is proposing to conduct studies on marginal costs, rate design and cost of service, and submit a GRA in 2017 (see CA-NLH-340). We are unable to anticipate the outcome of these studies, and evidence has not been filed to suggest that either the proposed or the current rural deficit allocation methodology will not make sense in the future.