

1    Q.    Further to response to Request for Information NP-NLH-184:  
2            Given the proposed rates are to be in effect for 2014, please describe how Hydro's  
3            General Rate Application reconciles the requirement that rates should reasonably  
4            reflect costs for 2014 and the use of a 2013 Test Year with no adjustments for  
5            known differences in costs between 2013 and 2014.

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8    A.    The Government direction provided with respect to this Application was for rates to  
9            be based on the forecast 2013 costs of provision of service (2013 Test Year). As  
10           with any year beyond a test year upon which rates are set, the rates so derived will  
11           not reflect the costs of a future year.