

1 Q. In Order No. P.U. 1 (2015) the Board states:

2 *“As a result of the filing of the amended general rate application on November 10,*
3 *2014 it is likely that the proceeding, which began with the filing of the original*
4 *general rate application on July 30, 2013, will not conclude until late 2015 at the*
5 *earliest.”*

6 Considering that rates arising out of this proceeding appear unlikely to be in effect
7 until early 2016, please explain why Hydro has not provided 2016 forecast
8 information with the November 10, 2014 amended general rate application.

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11 A. Hydro filed its Amended Application in November 2014 to derive customer rates
12 based upon 2015 Test Year costs (i.e., a forecast test year) and has provided
13 detailed cost information for 2015 to support the proposed customer rates. Hydro
14 has not yet undertaken its 2016 budget process and does not have detailed
15 operating costs available for 2016. Hydro does not believe detailed 2016 costs are
16 required for the Board to test 2015 Test Year costs.

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18 In Hydro's response to NP-NLH-020, Hydro has provided its forecast financial results
19 for 2016 assuming the proposed rates for 2015 are in effect for 2015 and 2016. The
20 assumptions supporting the 2016 financial forecast are provided in Hydro's
21 response to NP-NLH-020.