

1 **Q. Does Mr. Brockman agree that Hydro's proposal to establish a deferral and**  
2 **recovery mechanism for Isolated systems diesel costs and power purchases**  
3 **variations should be approved? If yes, explain in detail why. If no, explain in detail**  
4 **why not.**

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6 A. Mr. Brockman's evidence in this proceeding addresses matters related to cost of service  
7 and rate design.

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9 Mr. Brockman has not studied, or provided evidence related to, Hydro's business risk or  
10 cost of capital. Hydro's business risk and/or cost of capital appear to be the bases upon  
11 which the Board might consider approval of a deferral and recovery mechanism for  
12 Isolated systems diesel costs and power purchases variations as proposed in this  
13 proceeding.

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15 Accordingly, Mr. Brockman is not in a position to provide the opinion requested.