Q. **Application, July 2013 Rate Stabilization Plan Evidence, page 1/17-19, Hydro states that: "Funding of $49 million will be drawn from the January 1, 2007 to August 31, 2013 accumulated load variation component of the RSP (RSP Surplus) and will be credited to the IC RSP on August 31, 2013 for the IC rate phase-in;"**

In the event that the Industrial Customer rates approved by the Board as a result of Hydro's General Rate Application are not identical to those proposed by Hydro, and since this issue is addressed in the OCs only in the case of Teck, how does Hydro intend to address the variances in the amounts deducted from the $49 million to allow the phase-in of the new rates?

A. The actual drawdown of the $49 million will vary as a result of a number of factors, including final Board-approved IC rates based on the 2013 Test Year, stated in the response to PUB-NLH-7. Please refer to Page 2 of 2.