

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

5
6 OC2013-089 and OC2013-090 state that "No further adjustments will be made to
7 these amounts credited." In the event that the final rates approved by the Board as
8 a result of Hydro's General Rate Application cause the proposed phase-in to require
9 more or less than \$49 million to meet Hydro's revenue requirements for each of the
10 years over which the rates are being phased in, how does Hydro propose to deal
11 with any variance?

12
13
14 A. As stated on Page RSP-10 of Schedule B (the proposed RSP rules) to the Application,
15 Hydro is proposing that at the end of the phase-in period any remaining balance will
16 be added to the Industrial Customer plan then in effect. This is the same treatment
17 as was approved for the Historical Plan in the RSP. Please refer to Page 2 of 2 of the
18 response to PUB-NLH-7.