Q. **2013 General Rate Application, Rates**

Page 4.16, Table 4.4 - The increase in the firm rate for Newfoundland Power from existing rates to the proposed rate is stated to be 18.7%. Confirm that the RSP credit shown in Table 4.4 for Newfoundland Power which reduces the base rate is a one time adjustment and state what the impact will be on Newfoundland Power's firm rate in the following year when this RSP credit is not available.

A. The RSP credit shown in Table 4.4 for Newfoundland Power is the credit resulting from the operation of the RSP on which the July 1, 2013 RSP adjustment to NP was based. It is a one-time credit, in that the fuel rider was removed, as the Test Year base rates include the current fuel price. There will be another RSP adjustment effective July 1, 2014, in accordance with the RSP rules, or earlier depending upon when Hydro receives approval of its base rates. Please see Hydro's response to NP-NLH-032 for the July 1, 2014 RSP forecast.