

1 Q. Please confirm that an interim order of the Board that approves only (a) a \$2.1
2 million allocation of the deferred load variation provision to the IC, (b) the one-time
3 transfers of IC phase-in funds as proposed by Hydro, and (c) a suspension of the NP
4 RSP fuel rider as of March 1, 2015, gives the same rate impact outcomes as sought
5 by Hydro with fewer allocation commitments by the Board at this time.

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8 A. Approval of the proposals provided above would not provide the same customer
9 rate impacts as the proposals included in the 2015 Interim Rates Application. For
10 example, the suspension of the Newfoundland Power (NP) fuel rider does not
11 suspend the update to the RSP recovery rider. Hydro also proposed disposition of
12 the balance in the RSP segregated load variation balance effective December 31,
13 2014. Approval of the proposed disposition would result in a credit of
14 approximately \$33 million to the NP RSP current balance. The proposed transfer
15 would permit the existing RSP recovery adjustment to continue until the end of
16 June 2016 without resulting in a large RSP balance owing from customers.

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18 Hydro believes the Board should follow a principled approach in making decisions
19 on the proposals provided in the 2015 Interim Rates Application. Hydro respectfully
20 submits that the Board should consider the reasonableness of the end result when
21 evaluating the proposals in the 2015 Interim Rates Application.