

1 Q. Assuming that the Board approves, effective July 1, 2015, a 10% base rate increase
2 for Island Industrial customers on an interim basis, and the use of only the RSP
3 Surplus to partially offset this increase for an effective rate increase to Island
4 Industrial customers of 2.7%, and assuming approval of no other changes what
5 would be the impact on the IC RSP Surplus?

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8 A. Assuming the Board does not approve the Interim Rate Application as proposed by
9 Hydro, in order to achieve an annualized rate increase effective July 1, 2015 of 2.7%
10 assuming a 10% base rate increase, the impact to the IC RSP Surplus would be a
11 drawdown of \$2.3 million for the period July 1, 2015 to December 31, 2015.