

1 Q. Please explain in detail the consideration, if any, that Hydro gave *prior* to the filing
2 of its 2013 General Rate Application to the scheduling of the processes associated
3 with that application and the potential impact of that scheduling upon the
4 implementation of rates.

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7 A. Subsequent to a GRA filing, the scheduling of the processes associated with the
8 application and the potential impact of that scheduling upon the implementation of
9 rates is a matter that is not entirely within the control of the utility. Hydro believes
10 that the lack of control over the timing of these processes would be something that
11 would not be unfamiliar to NP as well, as outlined in response to IR-NP-NLH-012, in
12 relation to its experience in its last GRA.

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14 The timing of this GRA filing, and the related RSP and IC Rates filing, were largely
15 influenced by directions from Government. OC2011-116 dated April 19, 2011
16 directs the Board “to defer the consideration of all matters currently before the
17 Board pertaining to Industrial Customer rates and rate adjustments and to consider
18 those matters in the context of the General Rate Application process”¹.

19 Subsequently OC2013-089, OC2013-090 and OC2013-091, as amended², directed
20 the distribution of the RSP Surplus and the phase-in of IC rates. In response to the
21 Government directives, on July 30, 2013, Hydro filed its General Rate Application
22 along with a separate filing related to the Rate Stabilization Plan and rates to be
23 charged to Industrial Customers.

¹ Refer to CA-NLH-024, Attachments 6, 8, 9, 10, 12, 13 and 14.

² Refer to Appendix C of the Interim Rates Evidence.

- 1 Hydro has and will continue to be guided by the objectives of:
- 2 (i) facilitating the smooth implementation of IC rates;
- 3 (ii) passing along rate decreases and the NP RSP Surplus refund to the vast
- 4 majority of customers, including all the customers of NP; and
- 5 (iii) creating an opportunity to earn a return on rate base that is closer to that
- 6 which results from the Government directed ROE for the 2013 Test Year.