

1 Q. Further to the response to IR-NP-NLH-007, provide the impact on Hydro's 2014
2 return on equity and Hydro's return on rate base assuming the Board approves only
3 the proposed Island Industrial customers' rates as of January 1, 2014 and the
4 proposed phase-in of such Industrial customers' rate increases. Explain any
5 concerns that should be addressed if this approval is taken.

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8 A. Hydro does not believe that such a proposal can be implemented due to the RSP.
9 The RSP requires Island Interconnected System hydrology, fuel and load
10 assumptions for a Test Year. These are inextricably linked, and implementation of
11 base rates for only one customer group would render the RSP incalculable.