

1 Q. (page 5, lines 15 to 17 of Second Interim Rates Application Evidence) The evidence
2 states *"The current forecast of net income loss in 2014 (based upon existing rates)*
3 *combined with the uncertainty of whether a final rate order will be issued prior to*
4 *year-end creates uncertainty of Hydro's opportunity to earn a reasonable return in*
5 *2014"*. Would this uncertainty be alleviated if the Board were to provide assurance
6 that it will issue a final rate order prior to year-end?

7

8

9 A. Hydro plans to file an amended application in the fall of 2014 as outlined in its letter
10 to the Board dated June 6, 2014. Given the timing of the amended application,
11 Hydro does not believe it is reasonable to expect the Board to issue a final rate
12 order prior to year-end. In the current circumstances, the uncertainty concerning
13 Hydro's opportunity to earn a reasonable return in 2014 can be alleviated only if the
14 Board provides an interim order approving either cost deferral or revenue
15 recognition in 2014.