

SIR-IC-NLH-010
NLH 2013 Second Interim Rates Application

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1 Q. Please confirm, as indicated in the June 19, 2014 Interim Rates technical
2 conference, that Hydro's current intention is to finalize the 2014 RSP based on the
3 2007 GRA variables, rather than ultimately restating the 2014 RSP year based on
4 updated 2014 test year variables.

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7 A. It is so confirmed.

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9 The amended application to be filed in the fall of 2014 will include a 2014 Test Year
10 forecast for the Board to determine 2014 Test Year Revenue requirement. For the
11 purpose of establishing rates for 2015, Hydro will be filing a 2015 Test Year forecast
12 and a 2015 Test Year Cost of Service Study.

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14 The 2015 Test Year Cost of Service Study will include the forecast variables for use
15 in operation of the RSP beginning in 2015 until the approval of a new test year cost
16 of service study. The 2015 Test Year Cost of Service Study will also include an
17 allocation of the 2014 net income shortfall among customer classes.