

1    Q.    At page 11 of the Evidence, Hydro states that “addressing Hydro’s 2014 forecast net  
2    income shortfall prior to conclusion of the GRA will enable Hydro to forecast  
3    reasonable cost recovery in 2014 and provide more certainty to lenders and other  
4    stakeholders that it will have an opportunity to earn a reasonable return in 2014”.  
5    If the Board were to deny Hydro the interim relief proposed in the Application, and  
6    indicate in its order that it would approve deferred recovery of a 2014 revenue  
7    shortfall only following proof thereof in the GRA, what impact would this have on  
8    the costs of Hydro that are to be borne by its ratepayers? Please provide details of  
9    all forecast impacts based on this scenario.

10

11

12    A.    Hydro is not aware of any direct costs that would be borne by ratepayers in the  
13    near-term. However, the impact of the 2014 results on Hydro’s creditworthiness  
14    needs to be considered over the longer-term. For discussion of this matter, please  
15    see Hydro's response to SIR-CA-NLH-001.