

SIR-PUB-NLH-007
NLH 2013 Second Interim Rates Application

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1 Q. Please explain why Hydro is not proposing that the revenue shortfall be set aside in
2 a deferral account with recovery to be determined later.

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5 A. Board approval to set aside the shortfall in a deferral account with recovery to be
6 determined later is also a reasonable alternative to enable Hydro to forecast, and
7 subsequently achieve, improved financial results for 2014. In its Application, Hydro
8 proposed that the Board approve use of an existing deferral account balance rather
9 than creating a new deferral account.