

1 Q. What are the implications for Hydro and for customers if the Board were to
2 consider at this time rates for January 1, 2014, July 1, 2014 and September 1, 2014
3 for Island Industrial customers and defer consideration of rates changes for other
4 customers until the conclusion of the general rate application?

5

6

7 A. Hydro is planning to file an amended application in the fall of 2014 as outlined in its
8 letter to the Board dated June 6, 2014. It is presently anticipated that a final rate
9 order will not be issued until 2015. Hydro believes it is important to deal with the
10 phase-in of IC rates as proposed in its Second Interim Rates Application. Hydro also
11 believes it is appropriate, at this time, for the Board to address the forecast net
12 income shortfall for 2014 that has resulted from the delayed implementation of
13 customers' rates to recover 2014 costs.