

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

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1    Q.    Reference: Evidence, section 3. 3.2 Hydraulic Component, page 7, lines 4-6  
2        Is the accumulation of \$68.8 million in the hydraulic component of the RSP strictly  
3        due to above average precipitation? If not, what are the other contributing factors?

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6    A.    The \$68.8 million credit balance in the RSP Hydraulic component is due to Holyrood  
7        fuel savings (based upon \$55 per barrel of No. 6 fuel) that have accumulated since  
8        January 1, 2007 as a result of hydraulic production exceeding the average hydraulic  
9        production which was assumed in setting customer rates in 2007.