

1 Q. Reference: June 19 presentation entitled Settlement Discussions - Second Interim
2 Rate Application, slide 9
3 Hydro has stated that, along with a general rate application based on a 2015 test
4 year, Hydro will file a 2014 test year with the Board and seek to recover any
5 shortfall in revenues necessary for Hydro to earn what it deems a fair rate of return
6 in 2014. Will Hydro seek to recover any portion of its shortfall from individual
7 customers as opposed to from customer groups?

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10 A. The allocation of the net income shortfall will be by system and then by customer
11 class. Options available to the Board in approving the recovery of the net income
12 shortfall include an amortization to be recovered through customer rates or
13 through the use of RSP balances due to customers.