

1 **Q. Page 3 of NP's Application indicates that the company is seeking to set rates in 2013**  
2 **and 2014 that will recover the forecast revenue requirement in 2013 and 2014. This**  
3 **application therefore proposes to adopt a two-year test period for this application.**

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5 **Please confirm that the company's proposals do not include recognizing interest, or**  
6 **the equivalent thereof, for the excess revenues collected from customers in 2013.**

7  
8 **A. It is *not* confirmed.**  
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10 The proposed rates, if implemented on March 1, 2013, will provide Newfoundland Power  
11 the opportunity to recover its 2013 forecast revenue requirement in 2013 and its 2014  
12 forecast revenue requirement in 2014.<sup>1</sup>  
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14 See responses to Requests for Information CA-NP-388, CA-NP-389, CA-NP-390 and  
15 CA-NP-391.

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<sup>1</sup> The forecast revenue requirement for each year reflects a proposed regulatory amortization to recover, over the period March 2013 to December 2015, a \$980,000 revenue shortfall for 2013 due to the timing of the March 1<sup>st</sup> rate change implementation date. See *Volume 1, Application and Company Evidence, Section 3.5.4 2013 Revenue Shortfall*, page 3-55 *et seq.*, and *Section 4.3 2013 and 2014 Revenue Requirements*, page 4-5, Table 4-5.