

1 Q. Why is Hydro applying for deferral of the costs associated with Unit 2 but not
2 Unit 1 which costs exceed \$500,000?

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5 A. At the time of making its application, Hydro lacked certainty as to whether the
6 additional costs associated with Unit 1 would be incurred in 2006. It is now
7 apparent that it will not be until 2007 that these costs are incurred. Greater
8 certainty as to the scope and final cost associated with these repairs is
9 required, following which, Hydro will consider making a similar application in
10 respect to them in 2007.