

1   **Q.     Please confirm that you believe that there would be a net benefit to future**  
2         **ratepayers of restating “the reserve to reflect lower interest rates due to**  
3         **refinancing of high-cost debt and to reflect the WACC after the completion of**  
4         **Hydro’s first General Rate Application before the Board”, as stated on pg. 19, lines**  
5         **12-14, despite the fact that “such analysis would require massive levels of human**  
6         **resources and data, and numerous assumptions”, from pg. 19, lines 23-24, and**  
7         **that a past under-collection of revenue may also be collected from future**  
8         **ratepayers.**

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10   **A.     As noted in response to PUB-CA-8, 11, 12, and 13, there has not been a past under**  
11         **collection of depreciation revenue requirements, and thus no corresponding action is**  
12         **required from that standpoint. However, Mr. Pous confirms that the correction of historic**  
13         **reserve levels will result in future lower base rates due to a lower rate base and also a**  
14         **lower remaining life depreciation amount than would be otherwise the situation.**