

1 Q. **Evidence - Application for Deferral and Recovery of 2014 Capacity-Related Supply**
2 **Costs, page 4, lines 18-21.**

3 Please describe each circumstance where Hydro has been granted deferrals and/or
4 cost recovery for gas turbine and diesel generation costs.

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7 A. Hydro is not aware of other circumstances where it has sought deferrals and/or
8 cost recovery specifically for gas turbine and diesel generation costs. However, the
9 gas turbine and diesel generation costs incurred in 2014 were of an order of
10 magnitude significantly greater than those which Hydro has previously seen (see
11 Hydro's response to NP-NLH-007), and were incurred to ensure reliable supply of
12 power to Hydro's system. In the past, Hydro has not faced a circumstance where it
13 sought to recover unforecasted gas turbine and diesel generation costs. As
14 discussed in this application, Hydro submits that this recovery is analogous to the
15 situation of Major Extraordinary Repairs.