

1 Q. In reference to the following statements at page 5, lines 4-8 in Exhibit 3 of the GRA  
2 Compliance Application:

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4 *Therefore, it would be inappropriate to reflect actual No. 6 fuel costs to determine*  
5 *the revenue deficiency for 2014 as the variances between forecast No. 6 fuel costs*  
6 *reflected in the 2014 Test Year and the 2014 actuals have already been disposed of*  
7 *through the operation of the RSP. As such, Hydro proposes that, for the purposes of*  
8 *calculating the 2014 revenue deficiency, no adjustments be made to reflect actual*  
9 *No.6 fuel costs for 2014.*

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11 Please confirm that the 2014 RSP operated in the same way as for 2013 in terms of  
12 reflecting fuel and load variations, i.e., based on 2007 test year inputs as compared  
13 to actuals.

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16 A. The 2013 and 2014 Rate Stabilization Plans were both calculated using the Board  
17 approved factors from the 2007 Test Year. Please see Hydro's response to IC-NLH-  
18 005.