

1 Q. Further to IC-NLH-5, please explain in detail how the “*variances between forecast*
2 *No. 6 fuel costs reflected in the 2014 Test Year and the 2014 actuals have already*
3 *been disposed of through the operation of the RSP*” when the 2014 RSP operated
4 based on 2007 test year inputs.

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7 A. Hydro’s 2014 Test Year forecast, as filed, reflected the continued operation of the
8 RSP using the 2007 Test Year. Further, the 2014 Test Year forecast was based on the
9 assumption that the actual RSP balances at the end of 2014 would be disposed of
10 through the normal operation of the RSP. These dispositions occurred in 2015. As a
11 result, variances between 2014 Actual and 2014 Test Year fuel costs and revenues
12 that flow through the RSP do not impact Hydro’s 2014 Test Year revenue
13 requirement.