

1 Q. (Reference response to CA-NLH-6) The response indicates that Hydro “advised the
2 Provincial Government and Nalcor of its deferral account proposal”. It does not
3 indicate that either party agreed to the proposal. Is it accurate to say that neither
4 Nalcor nor the Government has endorsed Hydro’s proposed rate mitigation
5 mechanism that significantly over-collects revenues in the years leading up to
6 Muskrat Falls?

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9 A. There has been no correspondence between the parties that indicates
10 disagreement with Hydro’s application for its proposed Off-Island Purchases
11 Deferral Account.

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13 Please refer to Hydro’s response CA-NLH-042. Hydro considers its approach to
14 determining its Test Year revenue requirements to be reasonable for establishing
15 customer rates that are fair, consistent with intergenerational equity principles and
16 consistent with the objective of providing customer rate stability.