

1 Q. Can Hydro undertake a survey now to determine whether customers would prefer  
2 using either fuel cost savings due to off-island purchases of electricity for rate  
3 mitigation in 2018 and 2019 or using those savings for the post-Muskrat Falls'  
4 mitigation.

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7 A. Hydro values the opinions of its customers and the insight that customer  
8 research can provide. A survey into customer preferences regarding fuel cost  
9 savings from off-island purchases could be conducted. Hydro believes that  
10 this present matter can be well addressed in the present proceeding, which  
11 includes intervenors representing a range of customers.

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13 As indicated in Hydro's response to CA-NLH-042, Hydro considers it fair to set  
14 aside the savings from off-island purchases achieved during the  
15 commissioning period in a deferral account and use those savings to help  
16 mitigate the increase in rates required to provide recovery of Muskrat Falls  
17 Project costs. Hydro also considers its approach to determining its Test Year  
18 revenue requirements to be reasonable for establishing customer rates that  
19 are fair, consistent with intergenerational equity principles and consistent  
20 with the objective of providing customer rate stability.