

1 Q. **Reference: John T. Browne Evidence, Page 3 and response to Request for**
2 **Information PUB-NLH-009**

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4 In the response to Request for Information PUB-NLH-009 it is indicated that “Hydro
5 believes that its proposal is not contrary to OC2013-343 because Hydro will not be
6 recovering amounts in rates from customers with respect to these assets until after
7 commissioning of the Muskrat Falls generating station project”.

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9 At page 3 of JT Browne evidence it is indicated that *“none of the amounts are to be*
10 *included in customer rates until the MFP is commissioned, or nearing*
11 *commissioning, and Hydro is receiving services from the MFP.”*

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13 Please explain in detail Mr. Browne’s view of the reasonableness of Hydro’s belief
14 that the proposed Off-Island Purchase Deferral Account (“OPDA”) would not result
15 in Hydro *“...recovering amounts in rates from customers with respect to these assets*
16 *until after commissioning of the Muskrat Falls generating station project”*.

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19 A. This response has been provided by JT Browne Consulting.

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21 Based on information provided by Hydro, Mr. Browne believes Hydro’s belief (as
22 summarized above) is reasonable. Hydro is not proposing to include the costs
23 related to the Labrador-Island Link and the Labrador Transmission Assets in its
24 revenue requirements prior to the commissioning of the Muskrat Falls
25 Project. These costs will be debited to the Off-Island Purchases Deferral Account
26 and deferred until sometime after the commissioning of the Muskrat Falls Project.