

1 Q. **2017 General Rate Application - Operations**

2 Page 3.38, footnote 78 – How did Management determine the amount of the
3 productivity allowance and how is it anticipated it will be achieved? Provide any
4 instructions or guidelines that were issued to staff with respect to this allowance.

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7 A. There is no calculation underlying the productivity allowance for the 2018 and 2019
8 Test Years of \$1.1 million. It is a self-imposed target set by Hydro’s Executive to
9 reflect actions being taken to manage costs. There were no specific guidelines
10 issued to staff with respect to this allowance.