

1 Q. In the compliance application Hydro proposed to recover past revenue deficiencies
2 attributed to the Industrial Customers by transferring funds from the segregated
3 load variation component of the RSP. Provide an explanation in relation to whether,
4 in Hydro's opinion, the table presented on page 4 of the April 10, 2017 letter from
5 NARL Refining Limited Partnership accurately and fairly illustrates the potential
6 impacts for individual industrial customers.

7

8

9 A. Hydro does not take issue with the mathematical accuracy of the calculations
10 provided in the table presented by NARL Refining Limited Partnership (NARL).
11 However, Hydro does not agree NARL is fairly representing the impact on individual
12 customers.

13

14 NARL's approach assumes the class revenue deficiency and the class RSP load
15 variation component balance should be allocated by customer to determine a fair
16 approach. Hydro does not accept the implied ownership of the RSP Load Variation
17 balance by customer. No individual customer has an entitlement to the RSP
18 balance. If an Island Industrial Customer leaves the system, the remaining
19 customers would be responsible for the balance.

20

21 Hydro does not consider it unfair to any individual customer to use the balance in
22 the Industrial Customers Class RSP Load Variation component to provide recovery
23 of the Industrial Customer Class cumulative revenue deficiency for the period 2014
24 to 2017.