

1 Q. **Reference: Section 4.7.2: Proposed Deferral and Recovery Mechanisms.**

2 Please confirm Hydro is not seeking approval of any power purchase cost variance
3 deferral for the Island Interconnected System. Please provide the rationale (i.e., if
4 not, why not?).

5

6

7 A. Hydro is seeking approval of a power purchase cost variance deferral for the Island
8 Interconnected System within the Rate Stabilization Plan. Please refer to Hydro's
9 Evidence, Section 4.6: Rate Stabilization Plan for the details of this Energy Supply
10 provision.