

1 Q. Provide the annual rate increase required to fully collect costs and eliminate the estimated
2 revenue deficiency from Hydro Rural customers on the Labrador Interconnected System if there
3 were equal increases implemented using (i) 2 years, (ii) 3 years and (iii) 4 years.

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6 A. The annual rate increases required to fully collect costs and eliminate the estimated revenue
7 deficiency from Hydro Rural customers on the Labrador Interconnected System if there were
8 equal increases using (i) two years, (ii) three years and (iii) four years are approximately 7.2%,
9 4.9% and 4.3%, respectively.