

AMPCO INTERROGATORY #10

Issue: 6.3 Deferral and Variance Accounts

- Is the proposed disposition of the various Deferral and Variance Accounts reasonable and appropriate?
- Are the proposed Deferral and Variance Accounts appropriate?

INTERROGATORY

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Preamble: OPA requests the establishment of a 2014 GPCDA in order to be able to record any unanticipated amounts that may arise during the course of the year.

- a) Is OPA's proposal for a new account or the continuation of an existing account. Please confirm.

RESPONSE

The OPA has previously used the above mentioned account - Government Procurement Costs Deferral Account ("GPCDA") to record government transfer costs associated with section 25.18 of the *Electricity Act, 1998*. This account was last used in 2005-2007 and has had a zero balance since that time.

Therefore, this request is for a continuation of an existing account. The OPA has requested continuation of the account every year in case the OPA should need to reimburse the government for services provided or costs it incurred related to procurement activities.