

**Hearst Power Distribution Company Limited
EB-2019-0040**

Staff Question-10

Ref: Staff Question 4

The following questions are regarding the 2017 and 2018 adjustments.

- a) Please confirm that the 2017 and 2018 adjustments are also to true-up the cost of power in the RPP settlement true-up, similar to the 2019 adjustment.

Hearst Power confirms the 2017 and 2018 adjustments are the same as 2019

- b) If yes, please confirm that the 2017 and 2018 adjustments is to Account 1588 only.

Hearst Power confirms the adjustments are for Account 1588 only.

- c) If part a) is not confirmed, please explain what the adjustment is for.

N/A

- d) Please provide a calculation showing the 2017 and 2018 adjustments.

<u>Month/Year</u>	TOTAL
	<u>Cost of Power</u> <u>Correction</u>
Jan-17	\$4,591.30
Feb-17	\$3,612.95
Mar-17	\$317.43
Apr-17	\$7,836.34
May-17	\$2,907.23
Jun-17	\$667.74
Jul-17	-\$6,012.94
Aug-17	-\$2,548.00
Sep-17	\$1,936.43
Oct-17	-\$73.75
Nov-17	\$2,118.99
Dec-17	\$6,240.22
Jan-18	\$3,777.99
Feb-18	\$2,339.67
Mar-18	\$999.12
Apr-18	-\$2,035.62
May-18	-\$4,036.08
Jun-18	-\$5,860.35
Jul-18	-\$5,495.18
Aug-18	-\$11,769.13
Sep-18	-\$8,237.05
Oct-18	\$4,968.68
Nov-18	\$6,185.67
Dec-18	\$7,862.11

Staff Question-11

Ref: Staff Question 7a

In the second table, there is only one true-up for the month of May.

- a) There is no true-up for the month of April included in the July 4th submission. Please confirm that for each calendar month, only one true-up is performed in the subsequent month.

On the July 4th submission, there is no true-up for April, only true-ups for May and estimates for June.

On page 22 of 37 of the Manager's Summary, only the true-up for the GA was shown as the question was : "*Please describe how the initial RPP related GA is determined for settlement forms submitted by day 4 after the month-end*". The Cost of Power true-up table, which is completed and submitted at the same time of the GA true-up was not shown in this answer.

Hearst Power confirms that every month, there is a true-up for the GA and one for the Cost of Power.

- b) If yes, please confirm that Hearst Power has completed all billings and has the actual consumption by the subsequent month (i.e. all billings pertaining to consumption in May is completed before July 4th).

Yes, Hearst Power has completed all billings and has the actual consumption by the subsequent month (ie: all billing pertaining to consumption in May is completed before July 4th)

- c) If not, please explain why there is only one true-up in the second table.

Please refer to a)

Staff Question-12

Ref: Staff Question 9

For the December 2017 true-up of (\$22,794), please confirm that this amount was initially recorded in the January 2018 GL then subsequently reversed, and recorded in the December 2017 GL.

Hearst Power confirms the above statement to be true.

If not, not confirmed, please explain how the amounts identified as a principal adjustment in the 2017 balance of the 2019 rate application was recorded in the GL.

Staff Question-13

Ref: Staff Question 9

It appears that the three 2017 adjustments totalling (\$55,878) was recorded in the 2017 GL. In the 2019 rate application's DVA Continuity Schedule for the 2017 balance, the (\$55,878) was recorded as a principal adjustment because they were not initially reflected in the 2017 balance in the GL.

- a) Please explain whether Hearst Power re-opened its 2017 GL during the 2019 rate application to record these adjustments.

Yes, Hearst Power re-opened its 2017 GL during the 2019 rate application to record these adjustments as described in EB-2018-0038 Follow-up Questions.

- b) If not, please explain how the (\$55,878) would have been principal adjustments when they were already recorded in the 2017 GL.

N/A