**PUC Distribution Inc.**

**EB-2024-0051**

**January 28, 2025**

**Staff Question-1**

**Ref 1:** EB-2024-0051,2025 IRM Application, Manager’s Summary, Section 13

**Ref 2:** EB-2022-0059, 2023 Decision and Rate Order, , Section 4, Table 4.2A

**Ref 2:** PUC 2025 Rate Generator Model, Continuity Schedule, Tab 3

**Preamble:**

Section 13 of the Manager’s Summary, notes that in the 2023 Decision and Rate Order, PUC was approved a rate rider for a one-year disposition of the LRAMVA for lost revenue for the 2018 and 2019 program years. “Table 5 – LRAM Disposition” confirms the amount to be $198,189, which is reflected in the 2023 Decision and Rate Order Section 4, Table 4.2A.

Table 5 also confirms the amount recovered to date as $171,531, leaving a remaining balance of $33,463 (including carrying costs) to be recovered.

The IRM Rate Generator Model Continuity Schedule confirms the remaining amount to be recovered (Cell BT46). The 2022, 2023, and 2024 account details for Row46 of the Continuity Schedule do not reconcile with the Table 5.

**Question(s):**

1. Please reconcile the difference on the Continuity Schedule between the remaining costs to be recovered, the amounts recovered to date, and the previous approved amount to be recovered.

Updated balances in Table 5 with actual collected riders of December 31, 2024 and projected carrying costs to April 30, 2025.



Continuity Schedule – update

Principal Disposition during 2024 (Cell BM46) $67,191

Total Claim (Cell BT46) $33,471

The update results in a difference of $104 increase to PUC, however, the rate riders remained the same.

**Staff Question-2**

**Ref 1:**EB-2024-0051, 2025 IRM Application, Manager’s Summary, Section 7

**Preamble:**

Section 7 notes that there is a variance of $7,615 for the LRAM account that is due to an error in PUC Distribution’s audited financial statement mapping for carrying costs.

**Question(s):**

1. Please provide additional information relating to this error.

The variance for the Lost Revenue Adjustment Mechanism (“LRAM”) account is due to an error in our audited financial statement mapping for carrying costs. Our auditors mistakenly grouped this account in the Income Statement with other interest expenses. It should have been grouped with the DVA accounts on the Balance Sheet. KPMG acknowledged the error, but Financial Statements were already issued and they could not adjust or re-issue them, as a small variance.