

1 Q. Explain why Hydro's accounting system cannot provide the Transmission
2 and Distribution Department's equipment maintenance costs by function.
3 (NP-11 NLH)

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6 A. As stated in NP 11 NLH, the allocation factors developed for the Cost of
7 Service are based on a department's total costs, and are not determined
8 separately for each component. This analysis is performed independently of
9 the accounting system, as part of the Cost of Service process. Factors have
10 not been developed to allocate system equipment maintenance costs
11 independently from other costs in a department.