

Office of the Consumer Advocate

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May 14, 2018

Board of Commissions of Public Utilities
120 Torbay Road, P.O. Box 2140
St. John's, NL A1A 5B2

**Attention: G. Cheryl Blundon, Director of
Corporate Services / Board Secretary**

Dear Ms. Blundon:

**Re: Hydro's Application regarding a Motion for the Deferral of Cost of Service
Methodology Issues Raised in the 2017 General Rate Application to the
Cost of Service Methodology Review Hearing**

In response to Hydro's correspondence dated May 10, 2018, objecting to the Consumer Advocate's submission dated May 7, the Consumer Advocate submits as follows.

The Consumer Advocate has duly complied with each and every scheduled deadline in relation to this particular GRA. In the context of Hydro's objection to the Consumer Advocate's letter to the Board dated May 7 it is worthwhile repeating paragraph two at page 2 of the Consumer Advocate's submission dated April 30, 2018 in relation to this issue:

2. With respect to "regulatory efficiency", it is important to consider that Hydro filed its 2017 GRA with the Board on July 28, 2017, and then filed a revised application on September 15, 2017, and then filed another revised application on October 16, 2017, and then filed another revised application on October 27, 2017, and then filed another revised application on November 27, 2017 (see clause 10 of Application). In addition to these five submissions, Hydro has filed three cost of service studies, two of which do not reflect its Expected Supply Scenario, and has filed another application for interim rates on April 13, 2018. This does not appear to be consistent with regulatory efficiency.

The Consumer Advocate submits that it is Hydro's "start and stop" approach to this GRA and their failure to bring all relevant information before the Board in the first place, thus necessitating P.U. 2 (2018), that has caused a multiplicity of deadlines, which the Board has been required to impose to accommodate Hydro's various re-filings.

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It is also worthwhile noting that on the very day that Hydro takes the position that strict adherence to the Board schedule is required, Hydro itself seeks an extension of time to file its' Generation Adequacy Report which it had been ordered to file by May 15, to May 22.

If the Board decides that the Consumer Advocate's correspondence of May 7 can be entered on the record, this would amount to the granting of an extension similar to the extension which Hydro seeks in relation to its Generation Adequacy Report.

The Consumer Advocate is fully cognizant of the overriding principle that regulatory efficiency requires structured timelines, however, in certain circumstances (such as Hydro's request for an extension to file its Generation Adequacy Report), if the request for extension causes no prejudice to any Intervenor, and the purpose of the request is to more fully inform the Board and the Intervenors, the request should be granted.

The Consumer Advocate submits that his letter of May 7, while filed beyond the timeframes scheduled by the Board, poses a realistic, possible resolution of the cost of service issue and was filed in the spirit of contributing to regulatory efficiency and causes no significant prejudice to any of the intervenors.

The Consumer Advocate therefore requests that the timeframe scheduled by the Board for Intervenors to reply to Hydro's Application regarding their Motion for a Deferral of Cost of Service Methodology Issues be retroactively extended to allow the Consumer Advocate's letter of May 7, 2018, to be entered on the record of these proceedings.

Yours truly,



Stephen Fitzgerald
Counsel for the Consumer Advocate

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