

1 Q. **Reference: Grant Thornton, Financial Consultants Report – Newfoundland and Labrador**
2 **Hydro Compliance Application, August 23, 2019, Page 26, Lines 30 - 40.**

3 “Instead Hydro is proposing the following:

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5 In light of the advanced stage of the 2017 GRA Compliance Application, and
6 the limited time remaining to allow for the implementation of final
7 customer rates on October 1, 2019, Hydro is proposing to proceed with a
8 one-time adjustment to each respective customers’ RSP current plan
9 account effective April 1, 2019. By posting the adjustment on April 1, 2019
10 there will be no impact on the rates and transfers included in the 2017 GRA
11 Compliance Application. This adjustment would then be reflected in
12 customers 2020 RSP Adjustment factors.”

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14 Hydro submits that this approach will allow the continuation of the 2017
15 GRA Compliance Application process while correcting the financing error.”

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17 Is Hydro aware of any other instance where an error in a compliance application was
18 corrected by using a one-time adjustment to the RSP or by any means other than a revision
19 to the compliance application? If so, please provide details, including the date of the
20 occurrence and the size of the error that required correcting.

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23 A. Newfoundland and Labrador Hydro (“Hydro”) notes that the Grant Thornton Consultants
24 Financial Report did not identify any errors in the 2017 GRA Compliance Application in the
25 computation of either Hydro’s 2018 or 2019 Test Year revenue requirements. The proposed
26 adjustment will correct a data input error in the calculation of the Rate Stabilization Plan
27 interest for the first quarter of 2019. The past treatment of similar Rate Stabilization Plan
28 balance adjustments is discussed in Hydro’s response to PUB-NLH-009.