

1 **Q. McShane Evidence - Newfoundland Power has the Weather Normalization Reserve,**  
2 **Rate Stabilization Account, Demand Management Incentive Account, Pension**  
3 **Expense Variance Deferral Account, and Other Post-Employments costs deferral**  
4 **account. Please name all companies in the U.S. sample of low risk utilities that Ms.**  
5 **McShane considers to have more deferral/recovery mechanism protection than**  
6 **Newfoundland Power does, less deferral/recovery mechanisms protection than**  
7 **Newfoundland Power does and equal deferral/recovery mechanism protection as**  
8 **does Newfoundland Power. The question requests a company-by-company reply.**  
9

10 A. Appendix B to Ms. McShane's testimony provides a list of the principal areas in which  
11 each of the companies in her sample has specific mechanisms for recovery of costs or  
12 regulatory assurance that costs incurred in the past will be recovered in rates in the future.  
13 "CA-NP-335 Attachment 1.xls" provides a company by company summary. The  
14 documentation required to determine which companies in the sample have more, less or  
15 equal regulatory deferral/recovery protection than Newfoundland Power is not readily  
16 available. The companies operate in multiple states and the various deferral/recovery  
17 mechanisms differ among the states. Some of the mechanisms that are in place for the  
18 sample companies are ones that are not applicable to Newfoundland Power. Moody's  
19 rating factor "Ability to Recover Costs and Earn Returns" reflects Moody's assessment of  
20 the cost recovery provisions that are available to utilities. As indicated in response to  
21 CA-NP-342, Moody's gives the same rating ("A") on this factor to nine of the 13  
22 companies in Ms. McShane's sample as it does to Newfoundland Power. The remaining  
23 four companies are assigned one rating lower. The utilities with the same rating on this  
24 factor as Newfoundland Power are listed in response to CA-NP-342.



**CA-NP-335 Attachment 1.xls**



	<u>AGL Resources</u>	<u>Allete</u>	<u>Alliant Energy</u>	<u>Atmos Energy</u>	<u>Consolidated Edison</u>	<u>Integrus Energy Group</u>	<u>Northwest Natural Gas</u>	<u>Piedmont Natural Gas</u>	<u>Southern Company</u>	<u>Vectren Corp.</u>	<u>WGL Holdings</u>	<u>Wisconsin Energy</u>	<u>Xcel Energy</u>
<u>Bad Debt</u>	X			X	X	X		X		X		X	
<u>Conservation</u>		X	X			X		X		X	X		X
<u>CWIP in Rate Base</u>		X	X	X	X	X		X	X		X	X	X
<u>Decoupling</u>	X		X		X	X	X	X		X	X		
<u>Electric Transmission Costs</u>		X	X									X	X
<u>Environmental Remediation</u>	X		X	X	X	X	X	X	X	X		X	X
<u>Fixed Cost Recovery Rate Design</u>	X			X					X	X	X		
<u>Generating Plant Outage Costs</u>									X				X
<u>Infrastructure Cost Recovery/</u>													
<u>Pipeline Integrity Expense</u>	X		X	X		X	X	X	X	X	X		X
<u>Lost and Unaccounted for Gas</u>	X	X	X	X	X	X	X	X	X	X	X	X	X
<u>Gas/Fuel Cost Recovery</u>	X	X	X	X	X	X	X	X	X	X	X	X	X
<u>OPEB</u>	X	X	X	X	X	X	X	X	X	X	X	X	X
<u>Pension</u>	X	X	X	X	X	X	X	X	X	X	X	X	X
<u>Rate Stabilization Mechanism</u>								X	X				
<u>Removal Costs</u>	X	X	X	X	X	X	X	X	X	X	X	X	X
<u>Storm Damage</u>					X	X	X		X				
<u>Weather Normalization</u>	X			X	X		X	X		X	X		