

- 1 **Q. Reference: Report on Newfoundland Power’s Deferral Accounts, April 24, 2024, page**
2 **15.**
3
4 **a. Would Brattle agree that utilities across Canada have differing supply cost**
5 **mechanisms that permit each utility to fully recover its supply costs? If not,**
6 **why not?**
7 **b. Please provide a listing of each utility surveyed by Brattle, indicating if they**
8 **have an incentive mechanism that may not necessarily allow the utility to**
9 **recover all of their supply costs. Please indicate the amount of regulated**
10 **generation owned by each utility for those that have an incentive.**
11
12 **A. a)** While we have not surveyed all Canadian utilities, those included in the Report
13 have cost supply mechanisms that permit the recovery of variances in their
14 supply costs. However, it is important to note that the recoverability of all costs,
15 including power supply costs, in these jurisdictions are subject to review by
16 either a used and useful or prudently incurred standard and is the regulatory
17 jurisdiction’s determination.
18
19 b) Of the utilities surveyed within the Report, (FortisBC Inc., AUC-regulated
20 electricity distribution utilities, OEB-regulated electricity distribution
21 companies, Nova Scotia Power Inc., and the Maritime Electric Company), there
22 are no specific incentive mechanisms that may not necessarily allow the utility
23 to recover all of their supply costs. However, as noted above, the recovery of
24 these costs is always subject to a regulatory review and determination.