

1 Q. (Reference 2017 GRA Volume I, page 4.11) It is stated (lines 2 to 4) “Hydro is
 2 forecast to incur approximately \$1.2 million in 2018 in external regulatory costs with
 3 respect to the current Application. Hydro is proposing to defer and amortize these
 4 costs over a three year period commencing in 2018 consistent with past regulatory
 5 practice of the Board.” What were the external regulatory costs of the 2013 GRA
 6 and the Amended 2013 GRA, and what amount did the Board allow Hydro to
 7 recover in rates and over what period of time?

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10 A. Please refer to Table 1 for a summary of the Amended 2013 GRA Hearing Costs.¹

Table 1 – Amended 2013 GRA Hearing Costs (\$000s)

			2014	2015	2016	2017	
Cost Type	Description	Proceeding	Actual	Actual	Actual	Forecast	Total
PUB Costs	External Hearing	2013 GRA	2,930	3,175	-	-	6,105
Consultants	External Hearing	2013 GRA	-	2,199	-	-	2,199
Other Income	GRA Deferrals	2013 GRA	-	(750)	-	-	(750)
PUB Costs	GRA Amortization	2013 GRA	-	-	500	250	750
Amended 2013 GRA External Hearing Costs			2,930	4,624	500	250	8,304

11 As per Board Order P.U. 49(2016), the Board stated that Hydro’s approach to the
 12 Amended GRA, “including multiple time between filings, contributed to much of the
 13 higher than normal general rate application costs over the course of the
 14 proceedings.” As a result, the Board approved the deferral of \$0.75 million to be
 15 recovered over a three year period.

¹ The Amended 2013 GRA external hearing costs include external Phase 1 outage costs.

1 In the 2017 GRA, Hydro applied for the deferral of \$1.2M which would be recovered
2 over a three year period. Due to the length of the Amended 2013 GRA proceeding,
3 Hydro determined the Amended 2013 GRA would not be a reasonable benchmark
4 to use for the estimated external costs. Hydro based the estimated external costs
5 upon Newfoundland Power's GRA external costs of \$1.0M approved by the Board in
6 Order P.U. 18(2016) and increased the total by \$0.2 million as Hydro's GRA
7 traditionally has more intervenors than Newfoundland Power's GRA and is
8 generally more complex in nature.