

1 Q. (Summary Report – Additional Cost of Service Information, page 9, Section 3.4.1)
2 Please provide a table showing each category of cost included in specifically-
3 assigned O&M costs. Please include columns showing the account number, the
4 account category/name, a brief explanation of the types of activities covered in the
5 account, the amount allocated to the account for collection in the cost of service
6 study for the 2019 test year, and an opinion of whether the costs in the account
7 vary significantly with the age of assets. Please provide the source for the opinion.

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10 A. Please refer to Hydro’s response to NP-NLH-259 which provides the methodology to
11 allocate direct operating and maintenance expenses as well as administrative and
12 general expenses to specifically assigned assets (see Tables 1, 2, and 3 in Hydro’s
13 response to NP-NLH-259). Hydro’s response to NP-NLH-259 provides the costs and
14 the methodology for the 2018 Test Year. Hydro’s response to NP-NLH-263 provides
15 the data in comparable tables for the 2019 Test Year.

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17 To provide the additional detail requested by account and the analysis requested by
18 account category beyond what has already been provided would be unduly onerous
19 and is not required in the Board’s evaluation of the fairness of the existing
20 methodology versus the proposed methodology.

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22 Beginning in 2018, Hydro has modified its processes to enable the tracking of actual
23 operating and maintenance costs related to specifically assigned assets for use in
24 direct cost assignment to customers. Hydro will provide details of the results of its
25 operating cost tracking for specifically assigned assets in its next General Rate
26 Application. Please refer to Hydro’s response to PUB-NLH-078.