

1 Q. **2018 Cost Deferral and Interim Rates Evidence - Revision 2, November 14, 2018**  
2 Evidence, Schedule 1, page 13 of 81, Table 4 and page 16 of 81, Table 6 - The 2018  
3 and 2019 revenue deficiencies shown in Table 4 are \$7.3 million and \$9.7 million.  
4 The total amount for the deficiencies in 2018 and 2019 are shown in Table 6 to be  
5 \$14 million. Please reconcile the total deficiency amount from Table 4 of \$17.0  
6 million with the \$14 million in Table 6.

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9 A. The \$7.3 million and \$9.7 million referenced in the question are total deficiency  
10 values for all customer classes shown in Table 4. This table computes revenue  
11 deficiency relative to existing rates for all of 2018 and 2019. For Newfoundland  
12 Power only, the deficiencies are \$9.4 million in 2018 and \$9.0 million in 2019, for a  
13 total projected revenue deficiency of \$18.4 million for the two years combined.  
14 Table 4 assumes no rate change in 2019.

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16 Table 6 from Hydro's evidence shows the forecast revenue deficiency from  
17 Newfoundland Power of \$14.1 million assuming final GRA rates are implemented  
18 on July 1, 2019. The difference of \$4.3 million is the reduction in revenue deficiency  
19 resulting from additional revenue recovered in 2019 as a result of implementation  
20 of final GRA rates effective July 1, 2019.

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The requested reconciliation is provided in Table 1.

**Table 1: Reconciliation of Revenue Deficiency Amounts (\$ Millions)**

<b>Particulars</b>	<b>2018</b>	<b>2019</b>	<b>Total</b>
Table 4 – Newfoundland Power	(-9.4)	(-9.0)	(-18.4)
Table 6 – Newfoundland Power	(-9.4)	(-4.7)	(-14.1)
<b>Difference</b>	<b>0.0</b>	<b>(-4.3)</b>	<b>(-4.3)</b>