

1 **Section 2: Customer Operation/Operating Costs**  
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3 **Q. (Exhibit 7, pages 1 of 2 and 2 of 2)**

4 a) Please identify and explain what causes the Operating Costs to be higher in 2025  
 5 and 2026 in the “Proposed” case as compared to “Existing” case.

6 b) Please identify and explain the changes in Other Transfers to RSA for 2025 and  
 7 2026.

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 9 A. a) See the 2025/2026 General Rate Application, Volume 1, Application, Company  
 10 Evidence and Exhibits, Section 4: Rate Base and Revenue Requirement, page 4-4.

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 12 b) The changes in Other Transfers to RSA for 2025 and 2026 proposed compared to  
 13 existing are a result of the rebasing of the Pension Expense Variance Deferral  
 14 Account (“PEVDA”) and Other Post-Employment Benefits Cost Variance Deferral  
 15 Account (“OPEBVDA”), and the amortization of Electrification deferral costs.

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 17 Table 1 provides a breakdown of the amounts in Other Transfers to RSA.

**Table 1:**  
**Other Transfers to RSA - Existing vs Proposed**  
**2025 to 2026**  
**(\$000s)**

	2025			2026		
	Existing	Changes	Proposed	Existing	Changes	Proposed
CDM Amortization	(5,345)	-	(5,345)	(5,658)	-	(5,658)
PEVDA	(5,955)	5,955	-	(2,838)	2,838	-
OPEBVDA	853	(853)	-	4,239	(4,239)	-
Electrification Amortization	-	(309)	(309)	-	(384)	(384)
<b>Other Transfers to RSA</b>	<b>(10,447)</b>	<b>4,793</b>	<b>(5,654)</b>	<b>(4,257)</b>	<b>(1,785)</b>	<b>(6,042)</b>