

Board Staff Interrogatories
Oshawa PUC Networks Inc.
2012 Electricity Distribution Rates Application
EB-2011-0073

DEFERRAL AND VARIANCE ACCOUNTS (EXHIBIT 9)

Issue 9.1 Are the account balances, cost allocation methodology and disposition period appropriate?

71 Reference: Exhibit 9 Deferral and Variance Accounts
Accounting Procedures Handbook Article 490

In regards to OPUCN's December 31, 2010 balances for Account 1518 RCVA_{Retail} and Account 1548 RCVA_{STR}:

- a) Please confirm whether or not the applicant has followed Article 490, Retail Services and Settlement Variances of the Accounting Procedures Handbook for Account 1518 RCVA_{Retail} and Account 1548 RCVA_{STR}. In other words, please confirm that the higher of, the relevant revenues (i.e. Account 4082 Retail Services Revenue and/or Account 4084 STR Revenue) and the incremental expenses in the associated expense accounts (i.e. Account 5315 Customer Billing, and possibly Account 5305 Supervision and Account 5340 Miscellaneous Customer Accounts Expenses) is reduced (i.e. revenues debited or expenses credited) at the end of each period, with an offsetting entry to the variance account.
- b) If the applicant has not followed Article 490, please explain the reasons for not following Article 490, and quantify what the variance would be if OPUCN had followed Article 490.