



February 13, 2014

Ontario Energy Board
PO Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli,

**Re: Board File EB-2013-0169
2014 IRM Distribution Rate Application
Rideau St. Lawrence Distribution Inc. ("RSL")**

RSL has reviewed the Staff Submission issued on January 29, 2014 in respect of the Board File noted above.

In the Staff Submission, reference is made to an audit conducted on accounts 1588 - RSVA Power, 1589 - RSVA GA, and 1595 - Recoveries, by the Board's Regulatory Audit and Accounting Group ("Regulatory Audit"), authorized in proceeding EB-2011-0274. In the course of this audit, it was found that RSL over-collected on a GA rate rider by basing the charge on metered consumption uplifted by the loss factor. RSL agrees that the over-collected amount is \$64,632.

Board Staff has noted that Section 7.7.1 of the Retail Settlement Code ("RSC") outlines actions that a distributor should undertake with respect to billing errors:

"Where a distributor has over billed a customer or retailer by an amount that is equal or exceeds the customer's or retailer's average monthly billing amount, determined in accordance with section 7.7.5, the distributor shall, within 10 days of determination of the error, notify the customer or retailer of the over billing and advise that the customer or retailer may elect to have the full amount credited to their account or repaid in full by cheque, within 11 days of requesting payment by cheque. Where the customer or retailer has not requested payment by cheque within 10 days of notification of the error by the distributor, the distributor may credit the full amount to the account."

RSL has reviewed the over-collection, and has reconciled the amount of the over-collection with the individual affected customers. In no case does the amount of the overcharge equal or exceed the customer's monthly billing amount, as referenced in section 7.7.5 of the RSC.

RSL believes that Section 7.7.2 of the RSC is appropriate under the circumstances:

"Where a distributor has over billed a customer or retailer by an amount that is less than the customer's or retailer's average monthly billing amount, determined in accordance with section 7.7.5, the distributor shall credit the account in the next regularly scheduled bill issued to the customer or retailer."

Normally, as per the RSC, RSL would refund the customers as soon as possible. In this case, the error was detected during the audit, and the audit report was included in our IRM application. RSL was unclear if it should refund the amounts immediately, or wait for the Board Decision. Based on the recommendations by Board Staff in the Submission, RSL intends to apply a credit adjustment to each affected customer account prior to their next regular billing.

We have identified 958 accounts to be refunded. Of those accounts, 643 of the refunds are for less than \$10. There are 10 customers whose refund will be more than \$1,000. In each case, the refund is a small percentage of their average monthly bill.

RSL agrees that the calculations for a revised rate rider (without the \$64,632 adjustment) should be provided to the Board at the time that RSL files its Draft Rate Order.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Peter Soules".

Peter Soules CMA
Chief Financial Officer
psoules@rslu.ca