

January 11, 2019

Ontario Energy Board Attention: Kirsten Walli, Board Secretary 2300 Yonge Street 27th Floor, P.O. Box 2319 Toronto, ON M4P 1E4

Rideau St. Lawrence Distribution Inc. 2019 Incentive Rate Mechanism Adjustment Application Ontario Energy Board File Number EB-2018-0065

Dear Ms. Walli,

In the IRM application filed October 15, 2018, Rideau St. Lawrence Distribution Inc. ("RSL") requested the creation of a new Deferral and Variance Account to track lost revenues associated with Collection of Account Charges.

On October 29, 2018, RSL filed a letter with the OEB to remove the request for the Deferral and Variance Account, due to the expectation that the Collection of Account charge issue would be dealt with on a sector-wide basis as part of the Customer Service Rules review. This was noted in the March 22, 2018 Decision and Order for Burlington Hydro Inc.

On March 22, 2018, the OEB issued a Decision and Order for File Number EB-2017-0029 for Burlington Hydro Inc., in which the utility had requested the same type of Deferral and Variance Account. In its decision, the OEB noted that "The OEB is currently reviewing non-payment of account service charges, including the Collection of Account charge, as part of its customer service rules review for electricity and gas. As such, the OEB will likely deal with this charge on a sector-wide basis."

On December 18, 2018, the OEB issued a Notice of Proposal to Amend Codes and A Rule concerning the Customer Service Rules review (EB-2017-0183). In the Notice of Proposal, there was not a sector-wide solution to allow recovery of lost Collection of Account charge revenues. The Proposal noted that distributors could apply for a deferral and variance account.

By way of this letter, RSL wishes to reinstate its request to create the new Deferral and Variance Account.

Yours truly,

RIDEAU ST. LAWRENCE DISTRIBUTION INC.

Peter Soules, CPA, CMA Chief Financial Officer