

Draft Accounting Order

Account 1508 – Other Regulatory Assets – Sub-Account Lost Revenue – Collection of Account Charges

Rideau St. Lawrence Distribution Inc. (“RSL”) requests a new deferral and variance account, 1508 – Other Regulatory Assets – Sub-Account Lost Revenue – Collection of Account Charges. The account will capture the lost revenues related to the previously approved moratorium on winter disconnections (EB-2017-0101 and EB-2017-0318) and the potential elimination of all Collection of Account charges as described in the Notice of Proposal to Amend Codes and a Rule (EB-2017-0183).

RSL proposes that the deferral and variance account have an effective date of February 23, 2017, which corresponds with the effective date of the initial winter disconnection moratorium. Alternatively, RSL proposes that the account have an effective date of May 1, 2019, to capture lost revenues beginning January 1, 2019. RSL asks that consideration be given to the recovery of lost revenues accumulated from February 23, 2017 to December 31, 2018.

Disposition of the balances recorded in the proposed deferral and variance account is subject to future prudence review at the time of RSL’s next Cost of Service application, and is expected to be achieved through a rate rider applicable to affected customer classes.

Accounting Entry:

*Debit – Account 1508 – Other Regulatory Assets – Sub-Account Lost Revenue –
Collection of Account Charges*

Credit – Account 4235 – Specific Service Charges

The entry to the deferral and variance account is to record the difference between the actual collection charges from affected customer classes and the amount for the same period embedded in the Board-approved Collection of Account Charges.

Carrying charges, at the Board’s Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.