

Draft Accounting Order

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

Rideau St. Lawrence Distribution Inc. ("RSL") shall establish a new deferral and variance account, effective May 1, 2019, to record the difference between the Collection of Account Charges revenue included in RSL's Cost of Service application (EB-2015-0100) and the revenue recorded during the months of the winter disconnection moratorium (EB-2017-0101 and EB-2017-0318). The variance account will also record the difference in revenue resulting from the elimination of all Collection of Account charges as described in the Notice of Proposal to Amend Codes and a Rule (EB-2017-0183).

RSL seeks recovery of:

- Revenues lost due to the winter disconnection moratorium (Residential accounts).
- Revenues lost due to the elimination of the collection of account charge (all customer classes).

This account will accrue interest based on the OEB prescribed interest rates.

Disposition of the balances recorded in the Group 2 deferral and variance account is subject to 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. The revenue variance will be calculated individually for each affected customer class.

Accounting Entry:

- a) Each month, the monthly Collection of Account revenue included in RSL's 2016 Cost of Service application will be compared with the actual revenue recorded for customer classes affected by the winter disconnection moratorium and/or the elimination of all Collection of Account charges as proposed in EB-2017-0183. In the case where the actual monthly revenue is lower than the amount in the Cost of Service application, the journal entry will be:*

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

Credit – Account 4235 – Specific Service Charges

- b) In the case where the actual monthly revenue is greater than the amount included in the Cost of Service application, based on the same criteria in paragraph a), the journal entry will be:*

Debit – Account 4235 – Specific Service Charges

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