

**Ontario Energy Board Staff Questions  
IRM 2021 Update – EPCOR Natural Gas LP- Aylmer  
EB-2020-0234**

Received - November 20, 2020

\*Please note responses to OEB staff questions, including supporting documentation, must not include personal information unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

**OEB Staff.1 – Inclusion of Putnam to Culloden**

Ref: 2021 Incentive Rate Adjustment Application, page 17  
EB-2018-0336, Decision and Interim Rate Order, July 4, 2019, Schedule C,  
Appendix G EB-2019-0276, Decision and Order on Motion, March 5, 2020,  
page 7-8

ENGLP stated "The Board approved in the Phase 2 Motion Decision the inclusion of the Putnam to Culloden project in rate base as of January 1, 2020. The 2020 revenue requirement for this project is being recorded in the 2016-2017 System Integrity Capital Deferral Account (the "SICDA"). To avoid the additional administration required to continue to track and dispose of the annual revenue requirement through this deferral account beyond 2020, EPCOR proposes to include the revenue requirement for the Putnam to Culloden project in the 2021 rates as part of this Application."

OEB staff notes that in the SICDA accounting order, there are four specific capital projects that can be placed into the deferral account. OEB staff understands that two of the four projects are already included in the rate base and ENGLP is requesting the remaining two be put into the rate base.

ENGLP has stated that the 2020 revenue requirement for the Putnam to Culloden is being recorded in SICDA.

OEB issued a Decision and Order on the Motion indicating that "The SICDA can record the 2020 revenue requirement impact of the Project [Putnam to Culloden] and the resulting balance can be disposed of in the annual rate adjustment." Furthermore, the decision also states, "EPCOR Natural Gas can file the balances in the SICDA in the next rate proceeding."

- a) Please provide the accounting order for SICDA.

**ENGLP Response:** Refer to Schedule 1-a further in this submission (excerpt from Decision and Interim Rate Order - EB-2018-0336 issued July 4, 2019 'Appendix G' - pages 39-40).

- b) Please identify which projects are currently in SICDA and the recorded amounts for each project with interest calculated to December 31, 2020 broken out.

**ENGLP Response:** Currently the only project in the SICDA is the Putnam to Culloden line. Please refer to the Table below for the amounts recorded for this project.

**Table Staff.1-1**  
**SICDA 2020 Balances - Putnam to Culloden**

	Unit	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Opening	\$	-	3,681	7,368	11,062	14,763	18,470	22,184	25,875	29,568	33,262	36,959	40,657
Revenue Requirement	\$	3,681	3,681	3,681	3,681	3,681	3,681	3,681	3,681	3,681	3,681	3,681	3,681
Disposal	\$	-	-	-	-	-	-	-	-	-	-	-	-
Interest	\$	-	7	13	20	27	33	10	12	14	16	17	19
Closing	\$	3,681	7,368	11,062	14,763	18,470	22,184	25,875	29,568	33,262	36,959	40,657	44,357
Interest Rate	%	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%	0.57%	0.57%	0.57%	0.57%	0.57%	0.57%

- c) Please confirm that ENGLP is not seeking to dispose of the 2020 balances relating to the Putnam and Culloden project? If so, please provide the rationale and indicate when does ENGLP plan to apply for the disposition of the 2020 revenue requirement related to the Putnam to Culloden project.

**ENGLP Response:** ENGLP is not currently seeking to dispose of the 2020 SICDA balances as part of this application. As the fiscal year is still in progress at the time of filing, ENGLP intends to wait until deferral and variance accounts are audited before disposition. Accordingly, ENGLP intends to request disposition of the balance of the SICDA account in the IRM filing for rates effective January 1, 2022.

- d) It is OEB staff's understanding of the Decision and Order on the Motion that ENGLP is to record the revenue requirement impacts of the current year into SICDA and is to dispose of it in the following year and upon rebasing, the remaining balance of the project can be requested to be placed into rate base. Please confirm if this is also ENGLP's understanding.

**ENGLP Response:** In the Decision and Order on motion to review and vary the OEB Phase 2 decision<sup>1</sup> in EB-2018-0336, ENGLP was granted approval to track the 2020 revenue requirement related to the Putnam-Culloden project in the SICDA. The OEB did not agree with ENGLP's proposal to adjust the final rate order indicating that it not find that another rate change at that point was warranted. This Decision and Order was published on March 5, 2020 and as new rates had already been in effect and billed to customers since January 1, making a further adjustment to implement the revenue requirement for the Putnam-Culloden project into rates did not make practical sense at that time.

As part of this 2021 IRM application, when the utility is already proposing to adjust rates, ENGLP is proposing to implement the recovery of the revenue requirement for the Putnam-Culloden project directly into rates and eliminate the requirement to track the amounts in the SICDA for years subsequent to 2020. This proposed method aligns with the treatment of the revenue requirement for the Springwater Pipeline which the OEB approved for inclusion in rates in the rate year following the year ENGLP moved to a fully market based supply of gas, as part of the motion to review, and is a more accurate and precise recovery method. Furthermore, despite the fact that the administrative burden to ENGLP, staff and interveners associated with tracking, reporting on, auditing and reviewing the balances in the SICDA (noted in question Staff-1e below) is relatively minor, this burden would still be avoided by implementing the revenue requirements into rates as ENGLP is proposing.

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<sup>1</sup> EB-2019-0276 Decision and Order on Motion to Review and Vary the OEB Phase 2 Decision, March 5, 2020, pg. 7-8

- e) Please elaborate on the administrative burden associated with tracking and disposing of balances in the SICDA until such time that the amount can be included in ratebase. Please identify any incremental costs that would be incurred.

**ENGLP Response:** The administrative burden associated with using the SICDA to track the revenue requirement for the Putnam-Culloden project includes the time for ENGLP staff to track and report on the balances and manage the audit of and disposal of the balances, as well as the time for OEB staff and interveners to review the balances which are reported quarterly and brought forward for disposition annually. The only potential incremental cost associated with these activities could be in respect of the audit fees paid by ENGLP to have the balance audited on an annual basis.

- f) Please fill out the attached excel spreadsheet relating to Putnam to Culloden project.

**ENGLP Response:** Please refer to schedule Staff 1-f & 2-b further in this submission.

- g) For the proposed 2021 delivery charge rate increases, please break down the bill impacts by each component (i.e. Price Cap Adjustment, Putnam to Culloden project and Springwater Pipeline project) for each rate class. See below for a similar table.

**ENGLP Response:** The amounts requested have been provided in the Table below.

**Table Staff.1-2**  
**Delivery Charge Rate Increase by Component**

Rate Class	Change due to PCA	Change due to Putnam to Culloden	Change due to Springwater	Change due to Rebalancing (1)	Total Change
Rate 1 - Residential	8.64	3.51	1.83	2.00	15.98
Rate 1 - Commercial	29.02	18.80	9.79	(23.87)	33.73
Rate 1 - Industrial	71.47	51.98	27.06	(77.83)	72.68
Rate 2	57.37	24.90	12.96	0.00	95.24
Rate 3	412.95	412.24	214.59	0.00	1,039.78
Rate 4	114.57	72.02	37.49	0.00	224.08
Rate 5	309.95	176.04	91.64	0.00	577.63
Rate 6	13,225.66	-	-	-	13,225.66

**(1)** As noted on page 7 of the EB-2020-0234 application, distribution rates are being adjusted in accordance with the settlement proposal and IR Plan approved in the Decision, including:

- i. increasing the monthly fixed charge for Rate 1 by \$1.00;
- ii. Increasing the volumetric charges for Rate Class 1 to achieve a total projected revenue for 2021 for Rate Class 1 equivalent to the prior year OEB approved revenue for Rate Class 1 (adjusted for the rate base as noted above) increased by the approved Price Cap Adjustment formula;

For Rate 1 customers, the monthly service charge increase by \$1.00/cx/mth, is higher than 1.80% inflationary increase. Therefore, volumetric rates will need to be decreased as result of the rebalancing. The rebalancing is completed for all Rate 1 customers (Residential, Commercial and Industrial). Compared to Rate 1 – Commercial and Industrial customers, Rate 1 – Residential customers' volume per customer per year is much less. Therefore, its bill impact due to the increase in Monthly Service Charge outweighs that of the decrease in volumetric charge.

## **OEB Staff.2 – Inclusion of Springwater Pipeline**

Ref: 2021 Incentive Rate Adjustment Application, page 17  
EB-2018-0336, Decision and Rate Order- Phase 2, October 24, 2019, page 13

In ENGLP Aylmer Decision and Rate Order, the OEB approved “the inclusion of Springwater Pipeline project in rate base for the rate year following the transition to a fully market based supply of gas”. ENGLP has proposed to stop purchasing locally produced gas at a premium on September 30, 2020.

- a) Please confirm ENGLP has stopped purchasing locally produced gas at a premium (\$8.486 per mcf).

**ENGLP Response:** ENGLP confirms this to be accurate.

- b) Please fill out the attached excel spreadsheet relating to Springwater Pipeline project.

**ENGLP Response:** Please refer to schedule Staff 1-f & 2-b further in this submission.

**OEB Staff.3- REDA**

Ref: 2021 Incentive Rate Adjustment Application,  
page 20 Appendix D, Exhibit 9, page 2

ENGLP has proposed to dispose of the REDA balances as of December 31, 2019. There are a number of proceedings in the REDA. Staff notes that for the EB-2017-0108 proceeding (Overlapping CPCN), the cost is \$80,959.

a) Please provide the accounting order for REDA.

**ENGLP Response:** Refer to Schedule 3-a further in this submission (excerpt from EB-2018-0336, Exhibit 1, Tab 2, Schedule 1, filed 2019-01-31, pages 5-6 ).

b) Please provide the balances for REDA including interest to March 31, 2021. - Finance

**ENGLP Response:** Please see the Table below.

**Table Staff.3-1**  
**2019 REDA Balance with Interest to March 31, 2021**

	Deferral	Interest	Total
2019 Ending	\$ 85,929	\$ 377	\$ 86,307
2020 Interest		\$ 1,182	
Q1 2021 Interest *		\$ 122	
<b>Total</b>	<b>\$ 85,929</b>	<b>\$ 1,681</b>	<b>\$ 87,611</b>

\* Estimated based on Q4 2020 Prescribed Interest Rates

(2019 monthly values can be found in Appendix D of the original application)

- c) Please provide the total cost of EB-2017-0108, including any amounts that were disposed of in proceeding EB-2018-0336.

**ENGLP Response:** Please see the Table below for a breakdown of the total cost of EB-2017-0108 of \$152,097.

**Table Staff.3-2**  
**Total Costs for EB-2017-0108**

Year	Amount	Notes
2018	\$ 61,810	Disposed of in EB-2018-0336
2019	\$ 80,959	Disposal requested in current application
2020	\$ 9,328	Includes all remaining costs
<b>Total</b>	<b>\$ 152,097</b>	

- a. Please provide a short description of the role of ENGLP in EB-2017-0108 including the expenses of Osler, Hoskin & Harcourt LLP.

**ENGLP Response:** On February 24, 2017, Union Gas Limited (now Enbridge Gas Inc.) filed an application for the Board to amend and reissue Certificates of Public Convenience and Necessity (“CPCNs”) in areas that impacted the interests of Natural Resource Gas Limited (“NRG”). EPCOR applied for and was granted intervenor status in that proceeding (the “Overlapping CPCN Proceeding”).

At the time, EPCOR had entered into an Asset Purchase Agreement with NRG, which was the subject of a merger, acquisition, amalgamation and divestiture (“MAAD”) application before the Board. EPCOR monitored the Overlapping CPCN Proceeding until the MAAD application was approved and the asset purchase was completed. On September 6, 2017, NRG’s participation in the proceeding transitioned to EPCOR. Osler, Hoskin & Harcourt LLP (“Osler”), who had previously acted for NRG, commenced acting on behalf of EPCOR. EPCOR was thereafter an active participant in the Overlapping CPCN Proceeding, including (a) filing correspondence, interrogatories, submissions, and (b) participating in settlement conferences and a technical conference.

Osler’s expenses from the period January 1, 2019 to December 31, 2019, totaled \$80,959.00. These costs are reflective of the extent of EPCOR’s active participation in the Overlapping CPCN Proceeding during the same time period. The costs include expenses for:

- Corresponding with and advising ENGLP staff;
- Email and telephone correspondence with the Board, Board Staff and Union Gas/Enbridge;
- Drafting and revising CPCNs and accompanying maps;
- Preparing and filing submissions;



- Preparing and filing Replies to submissions of Board Staff and Union Gas/Enbridge;
- Preparing supplementary submissions;
- Preparing joint submission;
- Correspondence, preparation for and participation in technical conference;
- Responding to procedural order action items; and,
- Review of Board Decision and correspondence regarding revised OEB Decision

**OEB Staff.4- PGTV**

Ref: 2021 Incentive Rate Adjustment Application, page 6  
and 20 Appendix D- Auditor's Report, Exhibit 9, page 1

ENGLP has proposed to dispose of the PGTV balances as of December 31, 2019 including interest as of the same date. In the Auditor's Report for the PGTV Rates 1-5, the monthly transportation cost for Enbridge demand was \$52,217 from January 2019 to October 2019, and \$55,857 from November 2019 onwards.

a) Please provide the balances for PGTV including interest to March 31, 2021.

**ENGLP Response:** Please see the Table below.

**Table Staff.4-1**  
**2019 PGTV Balance with Interest to March 31, 2021**

	Deferral	Interest	Total
2019 Ending	\$ 96,183	\$ 700	\$ 96,883
2020 Interest		\$ 1,323	
Q1 2021 Interest *		\$ 137	
Total	\$ 96,183	\$ 1,323	\$ 98,343

\*Estimated based on Q4 2020 Prescribed Interest  
Rates

(2019 monthly values can be found in Appendix D of the original application)

b) Please explain the monthly increase to \$55,857 from November 2019 onwards.

**ENGLP Response:** The monthly increase to \$55,857 in November 2019 and on is because the Enbridge M9 demand rate increased from \$0.235428/m<sup>3</sup> to \$0.2518420 effective November 1, 2019.

c) Please explain the nature of the adjustments in December 2019 for the Lagasco contract and how each of these adjustments were calculated.

**ENGLP Response:** The Lagasco amounts for December 2019 are not adjustments, they are demand and delivery costs, similar to the Enbridge M9 costs. The Lagasco gas began to flow on Dec. 23, 2019. The demand and delivery charges are equal to the Enbridge M9 demand and delivery charges, with adjustments for heat content difference and the application of a 5% discount to the M9 rates. The demand charge was prorated for the 9 days that gas was received in the month.

**OEB Staff.5- ADVADA**

Ref: 2021 Incentive Rate Adjustment Application, page 23

ENGLP has proposed to dispose of the ADVADA balances as of December 31, 2019 including all carrying charges as of the date.

a) Please provide the balances for ADVADA including interest to March 31, 2021.

**ENGLP Response:** Please see the Table below.

**Table Staff.5-1**  
**2019 ADVADA Balance with Interest to March 31, 2021**

	Deferral	Interest	Total
2019 Ending	\$ 60,392	\$ -2,418	\$ 57,974
2020 Interest		\$ 830	
Q1 2021 Interest *		\$ 86	
Total	\$ 60,392	\$ - 1,502	\$ 58,890

\* Estimated based on Q4 2020 Prescribed Interest Rates

(2019 monthly values can be found in Appendix D of the original application)

- b) Please provide the OEB approved amounts for disposition and the actual amounts refunded/ recovered. What are the main drivers for the differences?

**ENGLP Response:** Please see the Table below for details on the amounts for Amounts for Disposition and Refunded/Recovered. The main driver for differences is consumption variances between volumes use to calculate the approved rate-riders (2017 volumes) and actual 2019 volumes. Usage on average had increased by 20% for Rate Classes 1-5.

**Table Staff.5-2**  
**Amounts for Disposition and Refunded/Recovered**

Account	Total Approved Balance	Refunded/Recovered	Variance
<b>REDA (Pre Oct 1, 2017)</b> <i>EB-2018-0335 Decision &amp; Rate Order pg. 22 of 171, Issued December 6, 2018</i>	<b>\$158,275</b>	<b>\$161,035</b>	<b>(\$2,760)</b>
<b>PGTVA R1-5 (Pre Oct 1, 2017)</b> <i>EB-2018-0335 Decision &amp; Rate Order pg. 35 of 171, Issued December 6, 2018</i>	<b>(\$428,920)</b>	<b>(\$476,676)</b>	<b>\$47,756</b>
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 1)	\$39,665	\$41,147	(\$1,482)
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 2)	(\$2,956)	(\$4,011)	\$1,055
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 3)	(\$2,854)	(\$1,617)	(\$1,237)
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 4)	(\$3,980)	(\$7,298)	\$3,318
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 5)	(\$1,469)	(\$1,711)	\$242
Cap & Trade GGEIDA/GGECO - Customer/GGECO - Facility - (Rate 6)	<u>\$32,788</u>	<u>\$21,705</u>	<u>\$11,083</u>
<b>Cap &amp; Trade Total</b> <i>EB-2018-0331 Decision &amp; Rate Order pg. 48 of 68, Issued September 12, 2019</i>	<b>\$61,194</b>	<b>\$48,215</b>	<b>\$12,979</b>

**OEB Staff.6- GDP IPI**

Ref: OEB letter, Re: 2021 Inflation Parameters, November 9, 2020

The OEB calculated the 2021 inflation factor for electricity distributors to be 2.2%. The OEB issued a letter providing all utilities the discretion of electing the calculated IPI level per the OEB-approved methodology (offset by the applicable stretch factor and other adjustments for some plans) or a lower value or forgo the inflationary increase entirely.

- a) Has ENGLP considered electing a lower inflation factor for its Aylmer operation?

**ENGLP Response:** ENGLP considered the OEB's allowance to select a lower value than the OEB calculated 2.2% as set out in its letter dated November 9, 2020, in the context of its operational cost pressures, measures implemented to assist customers who were not able to pay their utility bills and the current status of the COVID-19 including recent news of vaccines expected in Canada in early 2021. ENGLP continues to closely monitor its pandemic related costs, as well as the overall impacts on customers.

- I. If so, please provide an inflation factor that ENGLP is electing. Please update the model as required.

**ENGLP Response:** After consideration as noted above, ENGLP is electing to use the OEB-approved IPI rate of 2.2% less the stretch factor of 0.4% resulting in a net price cap adjustment of 1.80%. A revised rate model and management summary has been included as part of this submission to reflect the adjustments.

## **Schedule 1-a - SICDA Accounting Order**

## **APPENDIX G**

### **Accounting Order**

#### **2016-2017 System Integrity Capital Deferral Account**

The 2016-2017 System Integrity Capital Deferral Account (“SICDA”) is to record monthly, in accordance with the Settlement Proposal for EB-2018-0336, as of January 1, 2020 one twelfth of the revenue requirement associated with the 2020 net book value of the four capital projects incurred by Natural Resource Gas Limited in 2016 and 2017 to address specified system integrity issues. The specific capital projects (“the Capital Projects”) and their 2020 net book value are as follows:

1. \$402,639 for the Enbridge Gas (formerly Union Gas) Bradley Station Project.
2. \$748,383 for the pipeline from the Bradley Station to the Wilson Line project.
3. \$498,922 for the pipeline from the existing Putnam Station to Colloden Line project.
4. \$265,015 for the extension of the Springwater Road pipeline from south of Orwell to John Wise Line project.

The Parties to the Settlement Proposal in proceeding EB-2018-0336 agreed that pending the provision of further information to support these expenditures the above noted amounts for the Capital Projects were to be included in the 2020 Test Year rate base for the purposes of determining the revenue requirement and setting rates for 2020 through 2024 in EPCOR Natural Gas Limited Partnership’s (“ENGLP”) rate application EB-2018-0336. Accordingly, one-twelfth of the associated 2020 Test Year revenue requirement shall be recorded monthly in the SICDA pending the review of evidence in support of establishing prudence of the Capital Projects by the Board in a future proceeding.

The balance in the SCIDA will be addressed through a separate proceeding wherein the Board will determine the prudence of the Capital Projects, establish a methodology for the disposition or discontinuation of the deferral account and if deemed imprudent determine the appropriate mechanism for ENGLP to refund to ratepayers the revenue requirement for the Capital Projects for the remaining term of the 2020-2024 application.

Simple interest will be computed monthly on the opening balance in the SICDA in accordance with the methodology approved by the Board in EB-2006-0117.

### Accounting Entries<sup>7</sup>

To record effective January 1, 2020 the monthly revenue requirement associated with the 2020 net book value of the Capital Projects incurred by Natural Resource Gas Limited in 2016 and 2017 to address system integrity issues:

Debit Account No. 300 Operating Revenue

Credit Account No. 179.78 2016-2017 System Integrity Capital Projects Deferral Account  
("SICDA")

To record simple interest on the opening monthly balance of the SICDA:

Debit Account No. 323 Other Interest Expense

Credit Account No. 179.79 Interest on 2016-2017 System Integrity Capital Deferral  
Account

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<sup>7</sup> Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the *Ontario Energy Board Act*.



## **Schedule Staff 1-f & Staff 2-b - Simple Revenue Requirement Model**

<b>Springwater Pipeline</b>		
	\$000s	\$000s
<b>Rate Base</b>		
	Beginning of Year (January 1, 2020)	End of Year (December 31, 2020)
Fixed Assets	292	292
Less:		
Accumulated Depreciation	-24	-30
Net Book Value of Fixed Assets	268	262
Average Net Fixed Assets		265
<b>Net Fixed Asset Additions to Rate Base</b>		
Return on Rate Base		16
Deemed Debt		60%
Deemed Equity		40%
Weighted Debt Rate		4.04%
Equity Rate		8.98%
<b>Return on Rate Base</b>		
Amortization Expenses		7
Revenue Requirement before Taxes		23
Calculation of Income for Tax Purposes		
Depreciation Expense		-15
Interest Expense		-6
Income for Tax Purposes		2
Grossed up Taxes		0
Revenue Requirement Before Taxes		23
Grossed up Taxes		0
End of Period Revenue Requirement		23

Putnam to Culloden Pipeline		
Rate Base	\$000s	\$000s
	Beginning of Year (January 1, 2020)	End of Year (December 31, 2020)
Fixed Assets	570	570
Less:		
Accumulated Depreciation	-65	-78
Net Book Value of Fixed Assets	505	492
Average Net Fixed Assets		499
<b>Net Fixed Asset Additions to Rate Base</b>		
Return on Rate Base		30
Deemed Debt		60%
Deemed Equity		40%
Weighted Debt Rate		4.04%
Equity Rate		8.98%
<b>Return on Rate Base</b>		
Amortization Expenses		13
Revenue Requirement before Taxes		43
Calculation of Income for Tax Purposes		
Depreciation Expense		-28
Interest Expense		-12
Income for Tax Purposes		5
Grossed up Taxes		-1
Revenue Requirement Before Taxes		43
Grossed up Taxes		1
End of Period Revenue Requirement		44

## **Schedule 3-a - REDA Accounting Order**

## **Accounting Order**

### **Deferral Account to Record**

#### **Regulatory Expense Deferral Account**

Note: Account numbers are in accordance with the Uniform System of Accounts for Gas Utilities, Class A, prescribed under the Ontario Energy Board Act.

#### **Accounting Entries for Regulatory Expense Deferral Account (REDA)**

To record monthly as a debit (credit) in Deferral Account No. 179-21 (REDA) the cost for participating in generic proceedings and Union Gas proceedings, including a main rates case.

Debit/Credit Account No. 179-21 Regulatory Expense Deferral Account (REDA)

Credit/Debit - Account No. 251 Accounts Payable

To record, as a debit (credit) in Deferral Account No. 179-22, interest on the balance in Deferral Account

Debit/Credit - Account No. 179-22 Regulatory Expense Deferral Account (REDA)

Credit/Debit - Account No. 323 Other Interest Expense

Simple interest will be computed monthly on the opening balance in the said account in accordance with the methodology approved by the Board in EB-2006-0117.

To record the collection of the balance recorded in the account as of September 30, 2009 from REDA Rate Rider:

Credit Account No. 179-21 Regulatory Expense Deferral Account (REDA) by REDA Rate Rider to collect \$172,801

Debit Account No. 140 Accounts Receivable - Customers

To record the collection of the balance of associated carrying charges as of September 30, 2009 from REDA Rate Rider:

Credit Account No. 179-22 Other Interest Expense by REDA Rate Rider to collect \$1,106

Debit Account No. 140 Accounts Receivable – Customers