

K14.3

Ontario
Energy
Board

Commission
de l'Énergie
de l'Ontario



Accounting Procedures Handbook

For

Electric Distribution Utilities

Ontario Energy Board
FILE No. <u>EB-2007-0905</u>
EXHIBIT No. <u>K14.3</u>
DATE <u>June/08</u>
08/99

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Revised: July 31, 2007

Uniform System of Accounts

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shall be recorded in this account when directed by the Board.

- D. Carrying charge amounts shall be calculated using simple interest applied to the monthly opening debit or credit balances in the account (exclusive of accumulated interest) and recorded in a separate sub-account of this account. For the period up to April 30, 2006, the distributor shall use a rate of interest equal to its deemed debt rate set out in Chapter 3 of the 2000 Electricity Distribution Rate Handbook, Table 3-1. Effective May 1, 2006, the rate of interest shall be the rate prescribed by the Board for the respective quarterly period.
- E. Records supporting the entries in this account shall be maintained in sufficient detail as to permit review by the Board.

1592 PILs and Tax Variances for 2006 and Subsequent Years

- A. For the period starting May 1, 2006, the distributor shall use this account to record the tax impact of any of the following differences:
 - 1. any differences that result from a legislative or regulatory change to the tax rates or rules assumed in the 2006 OEB Tax Model.
 - 2. any differences that result from a change in, or a disclosure of, a new assessing or administrative policy that is published in the public tax administration or interpretation bulletins by relevant federal or provincial tax authorities.
 - 3. any differences in 2006 PILs that result in changes in a distributor's "opening" 2006 balances for tax accounts due to changes in debits and credits to those accounts arising from a tax re-assessment:
 - a) received by the distributor after its 2006 rate application is filed, and before May 1, 2007; or
 - b) relating to any tax year ending prior to May 1, 2006.
- B. Carrying charge amounts shall be calculated using simple interest applied to the monthly opening debit or credit balances in the account (exclusive of accumulated interest) and recorded in a separate sub-account of this account. Effective May 1, 2006, the rate of interest shall be the rate prescribed by the Board for the respective quarterly period.
- C. Records shall be maintained at a detail level to support entries in this account. Disposition of the account balance will be subject to Board review.

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Note: For the purposes of Account 1592, additional Board instructions include the PILs requirements of Chapter 7 of the Board's 2006 Electricity Distribution Rate Handbook, Report of the Board (on the handbook), applicable accounting guidance (i.e. Frequently Asked Questions) and other requirements the Board may specify. Account 1562 relates to the rate periods that ended on or before April 30, 2006.