

Accounting Treatment

All Monthly Service and Distribution Volumetric Rate Charges to customers are accumulated in USofA account 4080 “Distribution Services Revenue”. As the recalculations only impact the Distribution Service and Volumetric rates, ORPC proposes the introduction of a USofA 1508 “Other Regulatory Assets”, sub-account Lost Revenues, with Carrying Charges to be calculated monthly at the OEB-prescribed interest rate on any balance held within the USofA 1508 Other Regulatory Assets”, sub- account Lost Revenues, with the offsetting entries to be recorded in USofA Account 4080 Distribution Services Revenue. Below are illustrative examples of the proposed accounting treatment along with an example entry of the collection from customers with the duration of the account to be determined:

Date	Account	Description	Debit	Credit
Jun-25	4080	Distribution Services Revenue	-	10,000
	1508	Other Regulatory Assets	10,000	-
Billing journal entries to record incremental lost revenues				
30-Jun-25	1508	Other Regulatory Assets - Carrying Charges	200	-
	4405	Interest Income	-	200
To record carrying charges on balances from customers at month end				
TBD	1508	Other Regulatory Assets	-	2
	1100	Accounts Receivable	2	-
To record the collection from customers of the lost revenue charge				