

# Changes to Cost of Service Deferral Requests

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Webinar on Proposed Revisions to Filing  
Requirements for Small Utilities

December 7, 2021

# Changes align with Top Quartile Regulator attributes



## CERTAINTY

Documenting how deferrals will be reviewed and evaluated



## EFFECTIVENESS

Changes represent continuous improvement based on learnings thus far



## EFFICIENCY

Reducing DSP burden and providing relief for MAAD deferrals

# There are three changes for cost of service deferrals

<b>Once for 1, 2, or 3 years</b>	<b>No ICM</b>	<b>No DSP</b>
<p>One time deferral request per rate-setting term, option for multiple years</p> <p>No subsequent deferrals. Interim Rates if not ready to file at end of deferral</p>	<p>No availability for an ICM during deferral period</p> <p>Distributor would have to file a CoS application, with a DSP</p>	<p>No requirement to file a DSP during a CoS deferral period</p> <p>DSP would be filed with the subsequent cost of service application</p>

- Maintain Performance Analytics & Reporting existing financial tests for deferral analysis, key among this is an assessment of the return on equity
- Ability for those in a MAAD deferral and on Annual IR to move to Price Cap IR
- Transition for distributors with existing deferrals to defer for up to three years or to opt for Annual IR

# Key Deadlines for 2023 Cost of Service Applications

January

28

Notifications in response to the various situations listed in the rebasing letter

April

30

Deadline for cost of service applications for Jan 1, 2023 rates

August

31

Deadline for cost of service applications for May 1, 2023 rates and for Custom IR annual updates