

Bulletin 2021-17

September 22, 2021

Consultation on proposed amendments to AUC Rule 023

The Alberta Utilities Commission is seeking feedback on a number of proposed amendments to [Rule 023: Rules Respecting Payment of Interest](#). Rule 023 provides guidance regarding the payment of interest on outstanding balances.

The proposed amendments simplify Rule 023 and ensure broad application of the rule. Specifically, the Commission is considering the following amendments:

- Broad application of the rule to all outstanding balances and adjustments of rates, tolls or charges and any other costs that are subject to the Commission's jurisdiction.
- Simplification of the criteria applied to a request for the payment of interest.
- Reduction of the period for which a balance must be outstanding.
- Removal of a specific materiality threshold.
- Use of the Bank of Canada policy rate instead of the Bank of Canada bank rate.

The changes proposed are intended to apply to applications on a go-forward basis. Following the Commission's approval of the amended rule, deferral accounts and balances that have been awarded interest at weighted average cost of capital (WACC) or another interest rate will be honoured for the time periods for which they were approved, after which, a request for any rate other than the rate specified under Rule 023 will be required to justify a different rate.

The Commission's review of Rule 023 will consist of a written consultation process to gather stakeholder input and feedback through the AUC Engage forum found through the AUC website.

To participate in the consultation, please register on the [Rule 023 AUC Engage project page](#) and submit your comments regarding the proposed changes to the rule. The deadline for submitting comments is **Thursday, October, 7, 2021**.

Following the consultation process the Commission will issue an amended Rule 023 and may make further adjustments that arise out of the stakeholder consultation that it considers necessary.

Any questions related to this bulletin should be directed to Salma Karim at salma.karim@auc.ab.ca or Mark McJannet at mark.mcjannet@auc.ab.ca.

Alberta Utilities Commission