

1 Q. Clause 10 (c) of the Rules and Regulations (Schedule B. page 12 of 15)
2 indicates that Hydro **may** charge an interest rate of prime plus five percent
3 on delinquent accounts. What criteria will be used by Hydro when assessing
4 this charge, and how does this interest rate compare to other Canadian
5 jurisdictions?
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7 A. Hydro does not currently charge Rural customers interest on delinquent
8 accounts. Our previous customer services system was unable to perform
9 this function. However with the implementation of our new customer services
10 system, we are planning to implement this charge before the end of the year.
11 When implemented, Hydro will charge the full amount as outlined in Clause
12 10 (c) of the Rules and Regulations similar to Newfoundland Power. From
13 information Hydro has available, BC Hydro, Winnipeg Hydro, and NB Power
14 charge 1.5% per month. The amount Hydro charges could be either less or
15 more depending on the applicable prime interest rate.