

Positive - owe to Ratepayer  
 Negative - owe to Recology

	RY 2023	RY 2024	RY 2025	RY 2026	RY 2027	RY 2028	RY 2029	RY 2030
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Notional Balancing Accounts								
<b>December 2022 Settlement account</b>								
Beginning Balance	-	5,000,000	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000	-
Dec 2022 initial settlement	25,000,000							
RY 2022 COLA deferral	(8,649,613)							
RY 2022 15 month profit variance	(6,739,942)							
RY 2023 Q1 profit variance	(2,579,616)							
RY 2023 Q2 profit variance	(675,000)							
RY 2023 Q3 profit variance	(675,000)							
RY 2023 Q4 profit variance [1]	(680,829)							
Use of Dec 2022 settlement account			(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	
Ending Balance	5,000,000	5,000,000	4,000,000	3,000,000	2,000,000	1,000,000	-	-
<b>2023 Rate Application account</b>								
Beginning Balance	-	-	1,000,000	500,000	(1,500,000)	(250,000)	500,000	(1,000,000)
100% profit variance - RY 2024 Q1 - Q3	-	750,000						
100% profit variance - RY 2024 Q4 [1]		250,000						
100% profit variance - RY 2025 Q1 - Q3			(375,000)					
100% profit variance - RY 2025 Q4 [1]			(125,000)					
100% profit variance - RY 20XX Q1 - Q3				(750,000)	562,500	(187,500)	(562,500)	(150,000)
100% profit variance - RY 20XX Q4 [1]				(250,000)	187,500	(62,500)	(187,500)	(50,000)
Use of 2023 rate application account			-	(1,000,000)	500,000	1,000,000	(750,000)	250,000
Ending Balance	-	1,000,000	500,000	(1,500,000)	(250,000)	500,000	(1,000,000)	(950,000)

Impact on revenue from ratepayers [ negative - reduction in amount to be paid by ratepayer]								
Rate adjustment (Dec 2022 settlement)	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-
Rate adjustment (RY 2024 profits)				(1,000,000)				
Rate adjustment (RY 2025 profits)					500,000			
Rate adjustment (RY 2026 profits)						1,000,000		
Rate adjustment (RY 20XX profits)							(750,000)	250,000
Total	-	-	(1,000,000)	(2,000,000)	(500,000)	-	(1,750,000)	250,000

Net Impact on Rates [Negative is decrease in rates]								
Rate adjustment (Dec 2022 settlement)	-	-	(1,000,000)					1,000,000
Rate adjustment (RY 2024 profits)				(1,000,000)	1,000,000			
Rate adjustment (RY 2025 profits)					500,000	(500,000)		
Rate adjustment (RY 2026 profits)						1,000,000	(1,000,000)	
Rate adjustment (RY 2027 profits)							(750,000)	750,000
Rate adjustment (RY 2028 profits)								250,000
Total	-	-	(1,000,000)	(1,000,000)	1,500,000	500,000	(1,750,000)	2,000,000

[1] Q4 is an estimate within the rate year and would need to be adjusted for final actual results in Q1 of the next rate year.