



# Exhibit 9

DEFERRAL AND VARIANCE ACCOUNTS

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## 1 **Exhibit 9: Deferral and Variance Accounts**

### 2 **9.1 Overview**

3 KWHI has followed the Board's guidance in the *Accounting Procedures Handbook* and  
4 *FAQ's (APH)* for recording amounts in the deferral and variance accounts. In addition,  
5 KWHI has followed the additional guidance provided in the "*Report of the Board on*  
6 *Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)*" (EB-  
7 2008-0046, July 31, 2009) for assistance with account disposition.

8 KWHI is requesting in this Application to dispose of its Group 1 and Group 2 Deferral  
9 and Variance Account (DVA) balances as at December 31, 2018 including forecasted  
10 interest through December 31, 2019. The balances requested for disposition are  
11 included in [Section 9.2.2](#) below. KWHI is requesting disposition of all its DVA accounts  
12 except for 1595 (2018) Disposition and Recovery/Refund of Regulatory Balances and  
13 1595 (2019) Disposition and Recovery/Refund of Regulatory Balances, as these  
14 accounts are still active.

15 KWHI confirms that the balances will reconcile with the Electricity Reporting and  
16 Recordkeeping Requirement (RRR) 2.1.7 Trial Balance that will be submitted on April  
17 30, 2019 and KWHI's 2018 audited financial statements. KWHI has not made any  
18 adjustments to balances that were previously approved by the OEB on a final basis.  
19 KWHI has attached as [Appendix 9-1](#) and filed the OEB-required filing appendix DVA  
20 continuity schedule with this Application as well as the live Excel version  
21 ([EB-2019-0049\\_KWHI\\_Appl\\_2020\\_DVA\\_Continuity\\_Schedule\\_20190430](#)).

22 A breakdown of the Cost of Energy and Energy Sales balances is included in [Section](#)  
23 [9.2.5](#). These balances are reconciled to the RRR and the KWHI's audited financial  
24 statements for the year ended December 31, 2018 and is provided in [Section 9.2.5](#).

25 Interest on the DVA balances is calculated using the OEB's prescribed quarterly rates  
26 as per [Section 9.2.6](#) of this Exhibit.



1 KWHI has included a list of Group 2 accounts to continue or discontinue in [Section 9.6](#)  
2 of this Exhibit.

3 This Exhibit discusses the current settlement process with the IESO for Regulated Price  
4 Plan (RPP) and non-RPP. KWHI confirms that the Global Adjustment charge is  
5 prorated into the RPP and non-RPP portions.

6 KWHI is not seeking new deferral or variance accounts with this Application.

## 7 **9.2 Account Balances**

### 8 **9.2.1 Deferral and Variance Accounts Used**

9 This section contains lists the descriptions of the Deferral and Variance Accounts  
10 (DVAs) currently in use by KWHI and the audited balances as at December 31, 2018.

11 The deferral and variance accounts have all been used by KWHI in a manner consistent  
12 with the description in the APH. KWHI uses the accrual method of accounting for all of  
13 its expenses. Based on "*Report of the Board on Electricity Distributors' Deferral and*  
14 *Variance Account Review Initiative (EDDVAR)*", KWHI reports (or has used) the  
15 Deferral and Variance accounts according to the two prescribed groupings.



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**Table 9.2.1-1 – Deferral and Variance Account Balances**

Account Description	USoA	Principal Amounts as of Dec 31, 2018	Carrying Charges to Dec 31, 2018	Total	As per RRR Filing
<b>Group 1</b>					
Smart Meter Entity Charge	1551	(123,167)	(1,636)	(124,803)	(124,803)
RSVA - Wholesale Market Service Charge	1580	(2,090,634)	(44,195)	(2,134,828)	(2,134,828)
RSVA - Wholesale Market Service Charge CBR B	1580	1,333	966	2,299	2,299
RSVA - Retail Transmission Network Charge	1584	(371,184)	(14,764)	(385,949)	(385,949)
RSVA - Retail Transmission Connection Charge	1586	162,778	272	163,051	163,051
RSVA - Power	1588	1,673,829	(27,126)	1,646,702	1,646,702
RSVA - Global Adjustment	1589	(2,299,698)	76,662	(2,223,036)	(2,223,036)
Recovery of Regulatory Asset Balances (2016)	1595	30,736	5,968	36,704	36,704
Recovery of Regulatory Asset Balances (2018)	1595	(1,696,646)	(51,287)	(1,747,932)	(1,747,932)
		(4,712,653)	(55,139)	(4,767,791)	(4,767,791)
<b>Group 2</b>					
Other Regulatory Assets - Lost WIP	1508	14,802	31,388	46,190	46,190
Other Regulatory Assets - Energy East Consultation Costs	1508	14,816	700	15,517	15,517
Other Regulatory Assets - Cost Assessment Variance	1508	466,330	10,432	476,762	476,762
Other Regulatory Assets - Pole Rental Revenue	1508	(29,463)	(81)	(29,544)	(29,544)
RCVA - Retail Cost Variance	1518	35,953	722	36,675	36,675
Pension & OPEB	1522	-	(758)	(758)	(758)
Renewable Connection - OM&A	1532	97,951	4,437	102,387	102,387
RCVA - STR	1548	31,045	1,554	32,599	32,599
Smart Meter Capital - Stranded Meters	1555	13,030	-	13,030	13,030
Loss of Specific Customer	1572	(351,767)	(19,307)	(371,074)	(371,074)
PILs and Tax Variance - HST/OVAT	1592	(167,465)	(12,125)	(179,590)	(179,590)
PILs and Tax Variance - HST/OVAT Offset	1592	167,465	16,232	183,697	183,697
		292,697	33,194	325,890	325,890
		(4,419,956)	(21,945)	(4,441,901)	(4,441,901)

2

**3 Group 1 Accounts**

**4 1551 Smart Metering Entity Charge Variance Account**

5 This account is used monthly to record the variances arising from the Smart Metering  
6 Entity charges to Residential Service and General Service<50 kW customers.

**7 1580 Retail Settlement Variance Account - Wholesale Market Service Charges (RSVA  
8 WMS)**

9 This account is used to record the net of the amount charged by the IESO based on the  
10 settlement invoice for the operation of the IESO-administered markets and the operation  
11 of the IESO-controlled grid, and the amount billed to customers using the OEB-  
12 approved Wholesale Market Service Rate.



1 1580 Retail Settlement Variance Account - Wholesale Market Service Charges (RSVA  
2 WMS) Sub-account CBR Class B

3 The variance in this account to record the difference between the billed WMS CBR  
4 revenues in Account 4062 Billed - WMS, Sub-account CBR Class B and the charges  
5 from the IESO booked in Account 4708 Charges - WMS, Sub-account CBR Class B.

6 1584 Retail Settlement Variance Account - Retail Transmission 1 Network Charges  
7 (RSVA NW)

8 This account is used to record the net of the amount charged by the IESO, based on the  
9 settlement invoice for transmission network services, and the amount billed to  
10 customers using the OEB-approved Transmission Network Charge.

11 1586 Retail Settlement Variance Account - Retail Transmission Connection Charges  
12 (RSVA CN)

13 This account is used to record the net of the amount charged by the IESO, based on the  
14 settlement invoice for transmission connection services, and the amount billed to  
15 customers using the OEB-approved Transmission Connection Charge.

16 1588 Retail Settlement Variance Account - Power (RSVA Power)

17 This account is used to record the net difference between the energy amount billed to  
18 customers and the energy charged to KWHI using the settlement invoice from the  
19 Independent Electricity System Operator (IESO) net of global adjustment charges.

20 1589 Retail Settlement Variance Account - Global Adjustment (RSVA GA)

21 This account is used to record the net difference between the global adjustment amount  
22 billed to customers and the global adjustment charged to KWHI using the settlement  
23 invoice from the IESO.





1 1595 Disposition and Recovery/Refund of Regulatory Balances

2 This account records the net of amounts collected from or refunded to customers from  
3 balances stemming from Regulatory Assets subdivided by fiscal year beginning in 2016  
4 through 2018.

5 **Group 2 Accounts**

6 1508 Other Regulatory Assets

7 This account includes amounts of regulatory-created assets, not included in other  
8 accounts, resulting from the ratemaking actions of the OEB. KWHI currently has  
9 balances in four sub-accounts:

10 1508 Other Regulatory Assets - Sub-account Energy East Consultation Costs

11 As per a Board letter dated June 13, 2014, the Board established this account to  
12 record the Energy East consultation costs allocated by the Board to rate-regulated  
13 electricity distributors.

14 1508 Other Regulatory Assets - Sub-account Cost Assessment Variance

15 As per a Board letter dated February 9, 2016, the Board established this account  
16 for electricity distributors to record material differences between the OEB cost  
17 assessments currently built into rates, and cost assessments that will result from  
18 the application of the new cost assessment model effective April 1, 2016.

19 1508 Other Regulatory Assets - Sub-account Lost WIP

20 As a result of the settlement conference held in KWHI's last COS proceeding (EB-  
21 2013-0147), KWHI established this account to be used to record the balance of  
22 Lost WIP resulting from the balance of account 1576 – Accounting Changes Under  
23 GAAP. The balance was collected by a rate rider in 2014 and a small balance  
24 remains.



1 1508 Other Regulatory Assets - Sub-account Pole Rental Revenue

2 As a result of proceeding EB-2015-0304, pole rental revenues increased from  
3 \$22.35 to \$28.09 in September 2018. As per a Board letter dated July 20, 2018,  
4 the Board established a sub-account to record the excess pole rental revenue  
5 earned by the LDC. KWHI charged its pole attachers the increased rate of \$28.09  
6 (from \$22.35) for the period of September 2018 to December 2018 and transferred  
7 the excess amounts to this sub-account. Interest was accrued on the balance.

8 1518 Retail Cost Variance Account - Retail Service Charges (RCVA Retail Service  
9 Charges)

10 This account is used to record the difference between the amount billed and the  
11 incremental costs of providing retail services other than those related to a Service  
12 Transaction Request (STR).

13 1522 Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential

14 This account is used to record the difference between accrual and cash payments made  
15 for OPEBs for utilities that are approved to recover their pension and OPEB costs on an  
16 accrual basis.

17 1532 Renewable Connection OM&A Deferral Account

18 This account includes incremental operating, maintenance, amortization and  
19 administrative expenses directly related to connecting renewable generation facilities  
20 and renewable energy enabling improvements.

21 1548 Retail Cost Variance Account - Service Transaction Request Charges (RCVA  
22 STR)

23 This account is used to record the difference between the amount billed in relation to a  
24 STR and the incremental costs of providing the initial screening and actual processing  
25 services for the STR.



1 1555 Smart Meter Capital Account - Sub-account Stranded Meters

2 This account records the net of the amounts paid for capitalized direct costs related to  
3 the smart meter program and the amounts charged to customers using the OEB  
4 approved smart meter rate rider. In addition, the costs related to stranded meters are  
5 recorded in a sub-account of 1555.

6 1568 Lost Revenue Adjustment Mechanism Variance Account (LRAMVA)

7 Amounts recorded in this account at the rate class level are the difference between:

8 The results of actual, verified impacts of authorized CDM activities undertaken by  
9 distributors between for both Board-Approved CDM programs and OPA-  
10 Contracted Province-Wide CDM programs in relation to activities undertaken by  
11 the distributor and/or are delivered for the distributor by the third party under  
12 contract (in the distributor's franchise area), and;

13 The level of CDM program activities included in the distributor's load forecast (i.e.  
14 the level embedded in rates).

15 1572 Sub-account Large Use Revenue

16 As a result of the Settlement Conference held in KWHI's last COS proceeding (EB-  
17 2013-0147), KWHI established this account to be used when a certain large use  
18 customer ceased operations in KWHI's service territory. This customer ceased  
19 operations in September 2017. All distribution revenue, inclusive of rate riders, was  
20 recorded in this account from January 2014 – September 2017. Carrying charges were  
21 determined by applying the Board approved rate to the opening monthly balances  
22 exclusive of accumulated interest.



1 1592 PILs and Tax Variances

2 This account is used to record tax/PILs differences due to changes in tax legislation  
3 and/or Board directives. KWHI currently has balances recorded in two sub-accounts of  
4 1592.

5 1592 PILs and Tax Variances for 2006 and Subsequent Years - Sub-account  
6 HST/OVAT Input Tax Credits (ITCs)

7 This account records the incremental ITC received on KWHI's distribution revenue  
8 requirement items that were previously subject to PST and became subject to HST on  
9 July 1, 2010. KWHI previously disposed of amounts that accumulated between July 1,  
10 2010 and December 31, 2012. The balance in this account relates to amounts collected  
11 in 2013.

12 **9.2.2 Account Balances for Disposition**

13 [Table 9.2.2-1](#) below details the principal and interest amounts requested for disposition.  
14 Interest has been calculated to the end of 2019 to align with the proposed effective date  
15 of January 1, 2020.



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**Table 9.2.2-1 – Account Balances for Disposition**

Account Description	USoA	Principal Amounts	Carrying Charges to Dec 31, 2019	Total for Disposition
<b>Group 1</b>				
Smart Meter Entity Charge	1551	(95,822)	(2,322)	(98,143)
RSVA - Wholesale Market Service Charge	1580	(289,778)	(7,101)	(296,879)
RSVA - Retail Transmission Network Charge	1584	279,864	6,841	286,706
RSVA - Retail Transmission Connection Charge	1586	227,767	5,545	233,312
RSVA - Power	1588	497,502	65,159	562,661
RSVA - Global Adjustment	1589	(1,192,167)	(86,675)	(1,278,842)
		(572,633)	(18,553)	(591,187)
<b>Group 2</b>				
Other Regulatory Assets - Lost WIP	1508	46,190	363	46,552
Other Regulatory Assets - Energy East Consultation Costs	1508	15,517	363	15,880
Other Regulatory Assets - Cost Assessment Variance	1508	476,762	11,425	488,187
Other Regulatory Assets - Pole Rental Revenue	1508	(29,544)	(722)	(30,266)
RCVA - Retail Cost Variance	1518	36,675	881	37,556
Pension & OPEB	1522	(758)	(1,886)	(2,644)
Renewable Connection - OM&A	1532	6,175	194	6,369
RCVA - STR	1548	32,599	761	33,360
Smart Meter Capital - Stranded Meters	1555	13,030	-	13,030
Lost Revenue Adjustment	1568	1,192,651	28,091	1,220,742
Loss of Specific Customer	1572	(371,074)	(8,618)	(379,692)
PILs and Tax Variance - HST/OVAT	1592	(89,795)	(2,053)	(91,849)
		1,328,427	28,798	1,357,225
		755,794	10,245	766,038

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**3 9.2.3 Reconciliation of Account Balances**

4 [Table 9.2.3-1](#) reconciles the deferral and variance account balances for the 2018 RRR  
 5 filing to be filed by April 30, 2019 with the continuity schedule as part of this Application.  
 6 The 2018 RRR filing reconciles to KWHI's 2018 audited financial statements.



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**Table 9.2.3-1 – Reconciliation of Account Balances**

Account Description	USoA	Principal Amounts as of Dec 31, 2018	Carrying Charges to Dec 31, 2018	Total	As per RRR Filing	Variance
<b>Group 1</b>						
Smart Meter Entity Charge	1551	(123,167)	(1,636)	(124,803)	(124,803)	-
RSVA - Wholesale Market Service Charge	1580	(2,090,634)	(44,195)	(2,134,828)	(2,134,828)	-
RSVA - Wholesale Market Service Charge CBR B	1580	1,333	966	2,299	2,299	-
RSVA - Retail Transmission Network Charge	1584	(371,184)	(14,764)	(385,949)	(385,949)	-
RSVA - Retail Transmission Connection Charge	1586	162,778	272	163,051	163,051	-
RSVA - Power	1588	1,673,829	(27,126)	1,646,702	1,646,702	-
RSVA - Global Adjustment	1589	(2,299,698)	76,662	(2,223,036)	(2,223,036)	-
Recovery of Regulatory Asset Balances (2016)	1595	30,736	5,968	36,704	36,704	-
Recovery of Regulatory Asset Balances (2018)	1595	(1,696,646)	(51,287)	(1,747,932)	(1,747,932)	-
		(4,712,653)	(55,139)	(4,767,791)	(4,767,791)	-
<b>Group 2</b>						
Other Regulatory Assets - Lost WIP	1508	14,802	31,388	46,190	46,190	-
Other Regulatory Assets - Energy East Consultation Costs	1508	14,816	700	15,517	15,517	-
Other Regulatory Assets - Cost Assessment Variance	1508	466,330	10,432	476,762	476,762	-
Other Regulatory Assets - Pole Rental Revenue	1508	(29,463)	(81)	(29,544)	(29,544)	-
RCVA - Retail Cost Variance	1518	35,953	722	36,675	36,675	-
Pension & OPEB	1522	-	(758)	(758)	(758)	-
Renewable Connection - OM&A	1532	97,951	4,437	102,387	102,387	-
RCVA - STR	1548	31,045	1,554	32,599	32,599	-
Smart Meter Capital - Stranded Meters	1555	13,030	-	13,030	13,030	-
Loss of Specific Customer	1572	(351,767)	(19,307)	(371,074)	(371,074)	-
PILs and Tax Variance - HST/OVAT	1592	(167,465)	(12,125)	(179,590)	(179,590)	-
PILs and Tax Variance - HST/OVAT Offset	1592	167,465	16,232	183,697	183,697	-
		292,697	33,194	325,890	325,890	-
		(4,419,956)	(21,945)	(4,441,901)	(4,441,901)	-

2

3 The balances proposed for disposition before forecasted interest are consistent with the  
 4 most current audited financial statements.

5 **9.2.4 Reconciliation of Variances between Amount Requested and RRR**

6 The following adjustments are made between the amounts recorded in KWHI’s general  
 7 ledger and the amount requested for disposition:

8 **Account 1588 RSVA Power** – As per the Board’s letter dated May 23<sup>rd</sup>, 2017,  
 9 KWHI has made adjustments in column BF of Tab 2a. 2017 Continuity Schedule  
 10 for RPP true ups claims to reflect the true ups in the balances being requested  
 11 for disposition.

12 **Account 1589 RSVA Global Adjustment** – As per the Board’s letter dated May  
 13 23<sup>rd</sup>, 2017, KWHI has made adjustments in column BF of Tab 2a. 2017



1 Continuity Schedule for RPP true ups claims to reflect the true ups in the  
2 balances being requested for disposition.

3 **Account 1589 RSVA Global Adjustment** – As per the Board’s letter dated May  
4 23<sup>rd</sup>, 2017, KWHI has made adjustments in column BF of Tab 2a. 2017  
5 Continuity Schedule for RPP true ups claims to reflect the true ups in the  
6 balances being requested for disposition. KWHI has filed the GA Analysis  
7 Workform as [Appendix 9-2](#) and as a live Excel workform as part of this  
8 Application (EB-2019-0049\_KWHI\_Appl\_GA\_Analysis\_Workform\_20190430).

9 **Account 1555 Smart Meter Capital and Recovery Offset Variance – Sub-**  
10 **account Stranded Meter Costs** – KWHI did not fully collect its Stranded Meter  
11 Costs requested in its last Cost of Service Application (EB-2013-0147). The  
12 balance is properly recorded in KWHI’s general ledger as per Accounting  
13 Guidance issued January 16, 2007. In order to dispose of the amount, KWHI  
14 was requested by OEB staff to move the balance to a different part of the DVA  
15 continuity spreadsheet. Note, the balance of 1555 remains unchanged.

16 **Account 1568 LRAM Variance Account** – KWHI records the amount to be  
17 collected from LRAM when it has been approved by the Board to collect.

18 **Account 1532 Renewable Generation Connection OM&A Deferral account** –  
19 The amount requested for disposition represents the 6% direct benefit to be  
20 requested from the rate payers. The remainder is to be collected from the IESO.  
21 See Filing Appendices 2-FA and 2-FB.

22 **1592 – PILS and Tax Variance HST/OVAT** – The DVA continuity balance has  
23 been adjusted as only 50% of the balance, including interest is being requested  
24 for disposition. In addition, the 1592 PILs and Tax Variance HST/OVAT offset  
25 account is not included.



1 **9.2.5 Reconciliation of Energy Sales and Cost of Power Expenses to**  
 2 **Financial Statements**

3 The sale of energy is a flow through revenue and the cost of power is a flow through  
 4 expense. Energy sales and the cost of power expense by component are presented in  
 5 [Table 9.2.5-1](#) as reported in the USoA within the RRR filing 2.1.7 and the 2018 audited  
 6 financial statement presentation for the year ended December 31, 2018. KWHI has no  
 7 profit or loss resulting from the flow through of energy revenues and expenses.

8 **Table 9.2.5-1 – Cost of Power and Energy Sales**

	2014	2015	2016	2017	2018
<b>Energy Sales</b>					
4006 Residential Energy Sales	(57,142,213)	(64,892,091)	(70,889,524)	(60,820,489)	(56,430,184)
4020 Energy Sales to Large Users	(3,334,409)	(1,394,415)	(501,862)	(583,698)	(824,159)
4025 Street Lighting Energy Sales	(473,450)	(504,210)	(611,911)	(581,010)	(767,901)
4035 General Energy Sales	(79,605,266)	(86,733,383)	(99,158,879)	(92,354,829)	(85,176,258)
4050 Revenue Adjustment	247,970	1,501,012	(1,216,502)	5,181,403	(318,135)
4055 Energy Sales for Retailers/Others	(26,310,905)	(29,403,866)	(30,998,229)	(29,946,647)	(27,660,070)
4062 Billed WMS	(10,240,551)	(6,952,557)	(9,112,197)	(7,229,351)	(6,902,249)
4066 Billed - NW	(13,536,017)	(12,675,584)	(12,006,517)	(11,209,860)	(11,596,729)
4068 Billed - CN	(2,838,896)	(3,078,610)	(3,235,068)	(3,057,899)	(3,341,676)
4076 Billed - Smart Meter Entity	(833,651)	(843,085)	(853,933)	(864,846)	(618,933)
<b>Total Energy Sales</b>	<b>(194,067,387)</b>	<b>(204,976,789)</b>	<b>(228,584,621)</b>	<b>(201,467,225)</b>	<b>(193,636,292)</b>
<b>Cost of Power</b>					
4705 Power Purchased	67,431,715	120,252,524	126,484,686	106,137,759	106,160,556
4707 Charges - Global Adjustment	99,212,597	61,148,773	76,892,221	72,967,510	65,016,151
4708 Charges - WMS	10,214,716	6,978,213	9,112,197	7,229,351	6,902,249
4714 Charges - NW	13,535,854	12,675,584	12,006,517	11,209,860	11,596,729
4716 Charges - CN	2,838,854	3,078,610	3,235,068	3,057,899	3,341,676
4751 Charges - Smart Meter Entity	833,651	843,085	853,933	864,846	618,933
<b>Total Cost of Power</b>	<b>194,067,387</b>	<b>204,976,789</b>	<b>228,584,621</b>	<b>201,467,225</b>	<b>193,636,292</b>
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Energy Sales</b>					
As per RRR	(194,067,387)	(204,976,789)	(228,584,621)	(201,467,225)	(193,636,292)
Net movement in Regulatory Variance Accounts IFRS	(302,944)	(5,519,307)	(4,062,143)	(2,543,147)	(3,616,519)
As per Audited Financial Statements	(194,370,331)	(210,496,096)	(232,646,764)	(204,010,372)	(197,252,811)
<b>Energy Purchases</b>					
As per RRR	194,067,387	204,976,789	228,584,621	201,467,225	193,636,292
Net movement in Regulatory Variance Accounts IFRS	3,100,252	647,132	47,979	2,607,381	505,544
As per Audited Financial Statements	197,167,639	205,623,921	228,632,600	204,074,606	194,141,836





1 **9.2.6 Interest Rate Applied**

2 [Table 9.2.6-1](#) below shows the interest rates used to calculate the carrying charges on  
3 the Deferral and Variance accounts in accordance with the methodology approved by  
4 the Board in EB-2006-0117 on November 28, 2006. These interest rates are the same  
5 interest rates as prescribed by the Board from time to time. The interest rate used for  
6 projected 2019 interest is 2.45% as per the prescribed interest update published by the  
7 OEB on December 27, 2018. Account 1522 has interest applied at the Board  
8 prescribed CWIP rate. See [Table 9.2.6-2](#) below.

9 **Table 9.2.6-1 – Interest Rates Applied to Deferral and Variance Accounts**

	2013	2014	2015	2016	2017	2018	2019
Q1	1.47%	1.47%	1.10%	1.10%	1.10%	1.50%	2.45%
Q2	1.47%	1.47%	1.10%	1.10%	1.10%	1.89%	2.45%
Q3	1.47%	1.47%	1.10%	1.10%	1.10%	1.89%	2.45%
Q4	1.47%	1.47%	1.10%	1.10%	1.50%	2.17%	2.45%

10

11

**Table 9.2.6-2 – Interest Rates Applied to Account 1522**

	2018	2019
Q1	2.99%	3.82%
Q2	3.35%	3.82%
Q3	3.35%	3.82%
Q4	3.35%	3.82%

12

13 **9.3 Transition to Modified IFRS**

14 **9.3.1 Account 1576**

15 As explained in Exhibit 2, Section 2.6, KWHI adopted capitalization and depreciation  
16 policies under CGAAP that are compliant with International Financial Reporting  
17 Standards.



1 KWHI last filed a Cost of Service rate application in June of 2013 for January 1, 2014  
2 rates. The Application was filed using CGAAP. At that time, KWHI calculated and  
3 disposed of its capital accounting changes and has not calculated any further balances  
4 for 1576 as the changes were incorporated into rates on January 1, 2014.

### 5 **9.3.2 Account 1575**

6 Account 1575 is used to record property, plant and equipment differences arising as a  
7 result of accounting policy changes made on the transition from previous GAAP to  
8 modified IFRS except for those related to depreciation and capitalization. KWHI has not  
9 used account 1575.

10 KWHI last filed a Cost of Service rate application in June of 2013 for January 1, 2014  
11 rates. The Application was filed using CGAAP. KWHI changed its accounting policies  
12 for capital effective January 1, 2012. KWHI filed its external financial statements in  
13 CGAAP in 2014, and IFRS in 2015, restating its 2014 financial statements to IFRS.

14 There are differences between CGAAP and IFRS net incomes. These are primarily  
15 explained as the difference in Other Pension Employment Benefits and affected only the  
16 re-stated Income Statement for 2014; hence there is no impact on net fixed assets (or  
17 rate base) due to the transition to IFRS. Entries to 1575 are therefore not required.

### 18 **9.3.3 One-time Incremental IFRS costs**

19 The OEB approved a deferral account for distributors to record one-time administrative  
20 incremental IFRS transition costs which are not already approved and included for  
21 recovery in distribution rates. These incremental costs will be recorded in a sub-  
22 account of account 1508 – Other Regulatory Assets, Sub-account Deferred IFRS  
23 Transition Costs. KWHI disposed of the balance of \$191,251 in this account in its  
24 previous Cost of Service rate filing – EB-2013-0147. In the Settlement Proposal for EB-  
25 2013-0147, KWHI agreed to no longer defer KWHI's IFRS transition costs as additional  
26 IFRS transition costs were expected to be immaterial.



## 1 **9.4 Disposition of Account Balances**

### 2 **9.4.1 Overview**

3 KWHI is requesting \$766,038 as detailed in [Table 9.2.2-1](#) above for disposition in this  
4 Application. KWHI is not seeking disposition on its Recovery of Regulatory Asset  
5 Balances (2018) or Recovery of Regulatory Asset Balances (2019) as the current rate  
6 riders continue until April 2019 and December 2019 respectively. KWHI is also not  
7 seeking disposition of Account 1580 sub-account CBR Class B as the amount is too  
8 insignificant as to produce a rate rider in one or more rate classes.

9 KWHI requests the balances be disposed of over a period of one year.

10 [Table 9.4.1-1](#) below summarizes the account balances for all Deferral and Variance  
11 Accounts for disposition. Interest has been calculated using the current OEB approved  
12 interest rates as detailed in Section 9.2.6 to December 31, 2019 to align to the proposed  
13 effective date on January 1, 2020. KWHI last cleared its Group 1 balances in its 2019  
14 IRM application and has shown the removal of the approved amounts on this schedule.

15 The balances requested for disposition agree with the most recently issued audited  
16 financial statements, except for 1588 Power Variance and 1589 GA variance. These  
17 amounts have been adjusted from the audited financial statements as per the letter  
18 issued May 23, 2017 *Guidance on Disposition of Account 1588 and 1589*. The  
19 adjustment amounts are included in the DVA Continuity Schedule in the 2018 column  
20 adjustments. A separate column for the adjustment is included in the table below.



1

**Table 9.4.1-1 – Deferral and Variance Account Balances**

2

Account Description	Account Number	Principal Amounts as of Dec 31, 2018	Carrying Charges to Dec 31, 2018	Principal Disposals Jan 1, 2019 (EB-2018-0048)	Interest Disposals Jan 1, 2019 (EB-2018-0048)	Adjustments for Power and GA	Principal and Interest	Projected Carrying Charges 2019	Total Disposition 2020
<b>Group 1</b>									
Smart Meter Entity Charge	1551	(123,167)	(1,636)	(28,410)	(572)		(95,821.56)	(2,322)	(98,143)
RSVA - Wholesale Market Service Charge	1580	(2,090,634)	(44,195)	(1,800,789)	(44,261)		(289,778)	(7,101)	(296,879)
RSVA - Retail Transmission Network Charge	1584	(371,184)	(14,764)	(650,413)	(15,400)		279,864	6,841	286,706
RSVA - Retail Transmission Connection Charge	1586	162,778	272	(63,536)	(1,180)		227,767	5,545	233,312
RSVA - Power	1588	1,673,829	(27,126)	(985,711)	79,820	2,055,092	497,502	65,159	562,661
RSVA - Global Adjustment	1589	(2,299,698)	76,662	1,238,065	(18,775)	(2,250,159)	(1,192,167)	(86,675)	(1,278,842)
<b>Total for Group 1</b>		<b>\$ (3,048,076)</b>	<b>\$ (10,786)</b>	<b>\$ (2,290,794)</b>	<b>\$ (368)</b>	<b>\$ (195,067)</b>	<b>\$ (572,633)</b>	<b>\$ (18,553)</b>	<b>\$ (591,187)</b>
<b>Group 2</b>									
Other Regulatory Assets - Lost WIP	1508	14,802	31,388				46,190	363	46,552
Other Regulatory Assets - Energy East Consultation Costs	1508	14,816	700				15,517	363	15,880
Other Regulatory Assets - Cost Assessment Variance	1508	466,330	10,432				476,762	11,425	488,187
Other Regulatory Assets - Pole Rental Revenue	1508	(29,463)	(81)				(29,544)	(722)	(30,266)
RCVA - Retail Cost Variance	1518	35,953	722				36,675	881	37,556
Pension & OPEB	1522	-	(758)				(758)	(1,886)	(2,644)
Renewable Connection - OM&A	1532	6,175					6,175	194	6,369
RCVA - STR	1548	31,045	1,554				32,599	761	33,360
Smart Meter Capital - Stranded Meters	1555	13,030	-				13,030	-	13,030
LRAM Variance Account	1568	1,146,557	46,094				1,192,651	28,091	1,220,742
Loss of Specific Customer	1572	(351,767)	(19,307)				(371,074)	(8,618)	(379,692)
PLs and Tax Variance - HST/OVAT	1592	(83,732)	(6,063)				(89,795)	(2,053)	(91,849)
<b>Total for Group 2</b>		<b>\$ 1,263,745</b>	<b>\$ 64,682</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,328,427</b>	<b>\$ 28,798</b>	<b>\$ 1,357,225</b>
<b>Total Deferral and Variance Account Balances</b>		<b>\$ (1,784,330)</b>	<b>\$ 53,895</b>	<b>\$ (2,290,794)</b>	<b>\$ (368)</b>	<b>\$ (195,067)</b>	<b>\$ 755,794</b>	<b>\$ 10,245</b>	<b>\$ 766,038</b>

3



1 KWHI has excluded the following accounts from the above table:

2 **1595 Recovery of Regulatory Variance Accounts (2018)** – This account has a  
3 rate rider that continues until April 30, 2019.

4 **1580 – RSVA Wholesale Market Service Charge CBR B** – As per the  
5 Accounting Guidance issued in July 2015, if the rate riders calculated are  
6 insignificant, the distributor should propose to transfer the balance in Sub-  
7 account CBR Class B into Account 1595 to be disposed in a future proceeding.

8 **1592 – PILS and Tax Variance HST/OVAT** – The RRR balance has been  
9 adjusted as the above table does not include the PILs and Tax Variance  
10 HST/OVAT Offset account. As well, the balance has been reduced by half as per  
11 Board direction.

12 KWHI has included the following accounts from the above table:

13 **1568 – LRAM** - Has been added to the above table. Account 1568 is not  
14 recorded in KWHI's general ledger until the amount has been approved for  
15 disposal.

## 16 **9.4.2 Specific Accounts**

### 17 **9.4.2.1 Group 1 Accounts**

18 KWHI last disposed of Group 1 account balances in its 2019 IRM Rate Application (EB-  
19 2018-0048). The Board's Filing Requirements specify that the continuity schedule  
20 should show the balance details from the last disposition. Accordingly, KWHI has  
21 entered the 2018 continuity data into Tab 2 of the EDDVAR Model.

22 [Table 9.4.2.1-1](#) summarizes the Group 1 Variance Accounts.



1 **Table 9.4.2.1-1 – Group 1 Account Balances for Disposition**

Account Description	USoA	Principal Amounts	Carrying Charges to Dec 31, 2019	Total for Disposition
<b>Group 1</b>				
Smart Meter Entity Charge	1551	(95,822)	(2,322)	(98,143)
RSVA - Wholesale Market Service Charge	1580	(289,778)	(7,101)	(296,879)
RSVA - Retail Transmission Network Charge	1584	279,864	6,841	286,706
RSVA - Retail Transmission Connection Charge	1586	227,767	5,545	233,312
RSVA - Power	1588	497,502	65,159	562,661
RSVA - Global Adjustment	1589	(1,192,167)	(86,675)	(1,278,842)
		(572,633)	(18,553)	(591,187)

2  
3 **Account 1595 Disposition and Recovery/Refund of Regulatory Balances**

4 KWHI requested disposition of its 1595 (2016) account in its 2019 IRM Rate Application.  
 5 KWHI is not requesting the disposition of its 1595 Disposition and Recovery/Refund of  
 6 Regulatory Balances (2018) or 1595 Disposition and Recovery/Refund of Regulatory  
 7 Balances (2019) account in this Application as the rate rider is continuing until April  
 8 2019 and December 2019 respectively.

9 **9.4.2.2 Group 2 Accounts**

10 [Table 9.4.2.2-1](#) below shows the Group 2 accounts requested for disposition

11 **Table 9.4.2.2-1 – Group 2 Accounts**

Account Description	USoA	Principal Amounts	Carrying Charges to Dec 31, 2019	Total for Disposition
<b>Group 2</b>				
Other Regulatory Assets - Lost WIP	1508	46,190	363	46,552
Other Regulatory Assets - Energy East Consultation Costs	1508	15,517	363	15,880
Other Regulatory Assets - Cost Assessment Variance	1508	476,762	11,425	488,187
Other Regulatory Assets - Pole Rental Revenue	1508	(29,544)	(722)	(30,266)
RCVA - Retail Cost Variance	1518	36,675	881	37,556
Pension & OPEB	1522	(758)	(1,886)	(2,644)
Renewable Connection - OM&A	1532	6,175	194	6,369
RCVA - STR	1548	32,599	761	33,360
Smart Meter Capital - Stranded Meters	1555	13,030	-	13,030
Lost Revenue Adjustment	1568	1,192,651	28,091	1,220,742
Loss of Specific Customer	1572	(371,074)	(8,618)	(379,692)
PILs and Tax Variance - HST/OVAT	1592	(89,795)	(2,053)	(91,849)
		1,328,427	28,798	1,357,225



1 A description of each account balance is explained below:

2 **Account 1508 Sub-account Lost WIP**

3 During KWHI's last Cost of Service (EB-2013-0147), an amount of \$765,071 was  
4 established as the lost CWIP and a rate rider was established to collect this amount  
5 from customers. The amount collected was insufficient to cover the balance owing, and  
6 therefore KWHI requests to clear the amount owing to 1595 to collect the residual  
7 amount.

8 **Table 9.4.2.2-2 – Lost WIP Balance**

	<b>December 2018 Balance</b>
Lost WIP	\$ 765,071
Lost WIP Recoveries	<u>(750,269)</u>
	\$ 14,802
Carrying Charges To December 31, 2019	<u>31,750</u>
	<u><u>\$ 46,552</u></u>

9  
10 **Account 1508 Sub-account Energy East Consultation**

11 In a letter dated June 13, 2014, the Board established a deferral account to record the  
12 Energy East Consultation costs allocated by the Board to rate-regulated electricity  
13 distributors. Carrying charges could be applied to this account using simple interest to  
14 the monthly opening balance using the rate prescribed by the Board.

15 KWHI recorded the costs allocated to it by the Board into this deferral account. The  
16 balance of the account requested for disposition is as per [Table 9.4.2.2-3](#) below:



1

**Table 9.4.2.2-3 – Energy East Consultation Costs**

<b>OEB Invoice #</b>	<b>2015</b>
CA1516Q1050	\$ 10,188
CA1516Q2050	3,852
CA1516Q04049	<u>776</u>
	\$ 14,816
Carrying Charges To December 31, 2019	<u>1,063</u>
Amount requested for disposition	<u><u>\$ 15,880</u></u>

2

3 **Account 1508 Sub-account Cost Assessment Variance**

4 Effective April 1, 2016, the OEB revised its Cost Assessment Model (CAM). In  
5 accordance with a Board letter dated February 9, 2016, the OEB established a sub-  
6 account of 1508 to record material differences between OEB cost assessments  
7 currently built into rates and the application of the new CAM.

8 As a result of the change to the CAM, KWHI had a material increase in its OEB  
9 assessment fees compared to the amount approved in its last Cost of Service  
10 Application (EB-2013-0147). [Table 9.4.2.2-4](#) summarizes these changes below:





1

**Table 9.4.2.2-4 – OEB Cost Assessment Fees**

	Actual OEB Cost Assessment Fees	As approved EB-2013-0147	Variance
Q2 2016	102,948	59,376	43,572
Q3 2016	102,948	59,376	43,572
Q4 2016	102,938	59,376	43,562
Q1 2017	102,938	59,376	43,562
Q2 2017	106,955	59,375	47,580
Q3 2017	106,955	59,375	47,580
Q4 2017	101,310	59,376	41,934
Q1 2018	101,309	59,375	41,934
Q2 2018	102,736	59,374	43,362
Q3 2018	94,209	59,373	34,836
Q4 2018	94,209	59,373	34,836
	<u>\$ 1,119,455</u>	<u>\$ 653,125</u>	<u>\$ 466,330</u>
Carrying Charges To December 31, 2019			21,857
1508 Sub-account OEB Cost Assessment			<u>\$ 488,187</u>

2

**Account 1508 Sub-account Pole Rental Revenue**

4 As a result of Proceeding EB-2015-0304, pole rental revenue increased from \$22.35 to  
 5 \$28.09 in September 2018. As per a Board letter dated July 20, 2018, the Board  
 6 established a sub-account to record the excess pole rental revenue earned by the LDC.  
 7 KWHI charged its pole attachers the increased rate of \$28.09 (from \$22.35) for the  
 8 period of September 2018 to December 2018 and transferred the incremental difference  
 9 to this sub-account. Interest was accrued on the balance.

10

**Table 9.4.2.2-5 – Pole Rental Revenue Balance**

	December 2018 Balance
2018 Excess Pole Rental Revenue	\$ (29,463)
Carrying Charges To December 31, 2019	(803)
	<u>\$ (30,266)</u>

11



1 **Account 1522 Pension & OPEB Forecast Accrual versus Actual Cash Payment**  
2 **Differential**

3 KWHI is using and has approved in its rates an accrual method of accounting for  
4 OPEBs. In KWHI's 2014 Cost of Service Application (EB-2013-1047), KWHI was  
5 approved to recover \$318,846 in rates for its accrual of OPEB expense. In 2018, KWHI  
6 actual cash expense was \$269,468. The excess collected in rates is placed into  
7 account 1522 and interest is calculated on the over collection. Interest was calculated  
8 as per the September 14, 2017 Report of the Board (EB-2015-0040) which states that  
9 the CWIP rate is to be used in the calculations. KWHI proposes to refund to its  
10 customers the interest calculated on the over collection in 2018.

11 **Table 9.4.2.2-6 – Calculation of Interest Refund OPEBs**

Approved accrual amount embedded in rates	\$	318,846
Actual cash payments made 2018		<u>269,468</u>
	\$	49,378
Interest 2018	\$	(758)
Projected Interest 2019		<u>(1,886)</u>
Amount to refund customers	\$	(2,644)

12  
13 **Account 1532 Renewable Generation Connection OM&A**

14 In its June 16, 2009 "Guidelines: Deemed Conditions of Licence: Distribution System  
15 Planning" (G-2009-0087), the Board created four new deferral accounts in the USoA to  
16 allow distributors to begin recording expenditures for certain activities relating to the  
17 connection of renewable generation or the development of a smart grid. These deferral  
18 accounts were authorized to be used to record qualifying incremental capital  
19 investments or OM&A expenses. In this context, incremental means that an investment  
20 was not included in previous capital plans approved by the Board or is not funded  
21 through current rates.



1 Account 1532 – Renewable Generation Connection OM&A Deferral Account contains  
2 incremental operating and maintenance, directly related to expansions to connect  
3 renewable generation facilities and renewable enabling improvements.

4 KWHI has recorded its incremental costs in this account beginning in 2011. KWHI has  
5 an audited balance in account 1532 as of December 31, 2018 of \$102,387. All costs  
6 included in the account are fully incremental. Detail of the incremental costs by year is  
7 provided below in [Table 9.4.2.2-7](#) Reconciliation of Account Balances

8 **Table 9.4.2.2-7 – Reconciliation of Renewable Generation Investments**

	2014	2015	2016	2017	2018	Total
Incremental OM&A	\$ 38,771	\$ 6,988	\$ 8,105	\$ 41,296	\$ 2,791	\$ 97,951
Interest	745	477	532	866	1,818	4,437
9 Total	\$ 39,516	\$ 7,464	\$ 8,636	\$ 42,162	\$ 4,609	\$ 102,387

10 KWHI is requesting the direct benefit portion be collected from ratepayers. The  
11 remaining balance will be received from the IESO as a provincial benefit. See OEB  
12 Required Filing Appendices 2-FA and 2-FB in Exhibit 2 for detailed calculations of the  
13 direct benefit.

#### 14 **9.4.2.2.1 Retail Service Charges**

15 Retail services refer to services provided by a distributor to a retailer or retailer  
16 customers related to the supply of competitive electricity as set out in the Retail  
17 Settlement Code (RSC).

18 KWHI records revenues received from retailers for retail-related services in two  
19 accounts:

- 20 • 4082 – Retail Services Revenues which contain the revenues derived from  
21 establishing service agreements, distributor-consolidated billing and retailer-  
22 consolidated billing.



- 1       • 4084 – STR Revenues which contain the revenues derived from the Service  
2       Transaction Request services such as request fee, processing fee, information  
3       request fee, default fee and other associated costs fee.

4       KWHI records its costs associated with providing these services in various accounts,  
5       most notably customer service business units. KWHI confirms that all costs  
6       incorporated into the variances reported are incremental to providing the retail services.

7       The driver of these costs are retailer customer counts. In recent years, retail customer  
8       counts have been declining and so are the related revenues and expenses.

9       Retail services are recorded by KWHI on an aggregate level and allocated once all  
10      costs are identified. The allocation is as follows:

- 11      • 46% of the total EBT hub services is recorded as costs relating the Service  
12      Transaction Requests  
13      • All remaining incremental expenses are recorded as Retail Services

14      KWHI has followed the provisions of Article 490, Retail Services and Settlement  
15      Variances of the APH for Accounts 1518 and 1548. In order to keep LDC's "whole", the  
16      OEB has authorized the use of USoA accounts 1518 and 1548 to record the differences  
17      between the revenues collected from retailers for services provided and the incremental  
18      costs of providing those services.

19      [Table 9.4.2.2.1-1](#) identifies the revenue and expenses of providing these services. The  
20      differences between the revenue and the expense is what is recorded as the variance.



1 **Table 9.4.2.2.1-1 – Retailer Services – Revenues and Expenses**

	2014	2015	2016	2017	2018
Revenues					
Retail Services Revenue	(44,818)	(43,187)	(37,848)	(33,820)	(27,973)
STR Revenue	<u>(1,031)</u>	<u>(954)</u>	<u>(807)</u>	<u>(701)</u>	<u>(410)</u>
	(45,849)	(44,141)	(38,655)	(34,521)	(28,383)
Expenses					
Labour	31,486	34,522	34,023	34,947	36,268
EBT Services	15,024	14,496	12,987	10,539	9,677
Bank Charges	<u>1,339</u>	<u>1,611</u>	<u>1,614</u>	<u>1,627</u>	<u>1,993</u>
	47,849	50,629	48,624	47,113	47,938
	2,000	6,488	9,969	12,592	19,555
1518 - RCVA Retail	(3,880)	774	4,802	8,445	15,513
1548 - RCVA - STR	5,880	5,714	5,167	4,147	4,042

2  
3 [Table 9.4.2.2.1-1](#) only shows the Retailer Revenues and Expenses until the end of  
4 2018. On November 29, 2018, the OEB issued its final Report on Energy Retailer  
5 Service Charges (EB-2015-0304). In the Report, it was suggested that the rates  
6 charged to retailers would double and any excess revenue would be placed in a  
7 variance account to be refunded during the next Cost of Service Application. As the  
8 excess revenue for 2019 is not known as of the date of this Application, the amount that  
9 may be collected will accumulate in accounts 1518 and 1548 and will be disposed in  
10 KWHI's next COS application. The Report also allows for the discontinuation of account  
11 1518 and 1548, effective May 1, 2019. KWHI will comply with the Accounting Guidance  
12 issued.

13 **9.5 Calculation of Rate Riders**

14 **9.5.1 Billing Determinants**

15 For the calculation of proposed rate riders, KWHI has utilized the billing determinants  
16 and allocators arising from the 2020 Load Forecast as presented in [Table 9.5.1-1](#) below.  
17 For more details regarding the 2020 Load Forecast, see Exhibit 3. In all cases, KWHI is  
18 proposing a one-year disposition period.



1 **Table 9.5.1-1 – Allocators for Rate Rider Allocations**

Rate Class	Total Metered kWh	Total Metered kW	# of Customers / Connections	Distribution Revenue	Metered kWh for WMP	Metered kW for WMP	Metered kWh for non RPP	Metered kW for Non-RPP
Residential	671,446,586		89,860	26,312,908			12,805,381	
GS<50 kW	230,635,457		8,136	6,195,147			35,192,055	
GS>50 kW	777,549,790	2,008,643	938	12,087,641	12,288,230	34,080	696,184,875	2,202,763
Large User	35,092,547	70,127	1	297,667			35,092,547	69,070
Street Lighting	7,307,482	20,391	25,440	334,895			7,214,633	20,809
Unmetered Scattered Load	4,173,587		955	151,850			-	
Embedded Distributor	19,053,029	43,316	1	147,161	19,053,029	43,316	19,053,029	
	<b>1,745,258,478</b>	<b>2,142,477</b>	<b>125,331</b>	<b>45,527,269</b>	<b>31,341,259</b>	<b>77,396</b>	<b>805,542,520</b>	<b>2,292,642</b>

2

3 **9.5.1.1 Group 1 Accounts**

4 The Group 1 accounts are allocated to the customer classes as follows:

5 1551 – Smart Meter Entity Charge is allocated to the Residential and GS < 50  
 6 rate class on the basis of the 2020 forecasted customer counts and disposed of  
 7 through a variable rate rider based on kWh.

8 1580 – Wholesale Market Service is allocated to all to non-WMP rate classes on  
 9 the basis of the 2020 forecasted kWh energy consumption by customer class and  
 10 disposed of through a variable rate rider based on kWh or kW.

11 1584 – Retail Transmission Network Charge is allocated to all rate classes on the  
 12 basis of the 2020 forecasted kWh energy consumption by customer class and  
 13 disposed of through a variable rate rider based on kWh or kW.

14 1586 Retail Transmission Connection Charge is allocated to all rate classes on  
 15 the basis of the 2020 forecasted kWh energy consumption by customer class and  
 16 disposed of through a variable rate rider based on kWh or kW.

17 1588 – RSVA – Power is allocated to all rate classes on the basis of the 2020  
 18 forecasted kWh energy consumption by customer class and disposed of through  
 19 a variable rate rider based on kWh or kW.



1            1589 – Global Adjustment is allocated to non-WMP customers on the basis of the  
2            2020 forecasted Non-RPP kWh energy consumption by customer class and  
3            disposed of through a variable rate rider based on kWh. KWHI also confirms that  
4            it has Wholesale Market Participants.

5            KWHI has prepared the 2018 Global Adjustment Analysis Workform as part of the  
6            EDDVAR Model, which is filed in [Appendix 9-2](#) and filed in Live Excel format (EB-2019-  
7            0049\_KWHI\_Appl\_GA\_Analysis\_Workform\_20190430).

8            KWHI confirms that as of December 31, 2018, KWHI had Class A customers. KWHI has  
9            therefore completed Tab 6 Class A Consumption Data and Tab 6.1 GA Allocation in the  
10           DVA Continuity Schedule. [Table 9.5.1.1-1](#) below provides a summary of consumption  
11           and demand for the Class A customers, as well as customers that transitioned between  
12           Class A and Class B during 2018.



1

**Table 9.5.1.1-1 – Class A Customers**

Class	January 2018 to December 2018		January 2018 to December 2018	
	Class B kW	Class A kW	Class B kWh	Class A kWh
1 LU		69,070	-	33,369,028
2 GSG		50,070	-	23,147,861
3 GSG	-	34,284	-	16,950,666
4 GSG	-	33,607	-	20,780,242
5 GSG	-	26,088	-	9,717,283
6 GSG	-	26,401	-	12,756,456
7 GSG	-	12,856	-	4,657,107
8 GSG	-	15,595	-	2,607,521
9 GSG	-	19,111	-	8,336,367
10 GSG	-	19,498	-	8,345,273
11 GSG	-	17,637	-	8,634,258
12 GSG	-	27,484	-	2,332,497
13 GSG	-	16,342	-	4,747,840
14 GSG	-	16,007	-	7,364,031
15 GSG	-	13,863	-	6,386,355
16 GSG	-	12,346	-	6,550,433
17 GSG	-	11,316	-	1,391,386
18 GSG	-	10,051	-	4,222,651
19 GSG	-	9,660	-	4,164,786
20 GSG	-	7,774	-	4,179,004
21 GSG	-	11,472	-	5,274,573
22 GSG	-	10,620	-	4,028,728
23 GSG	-	10,150	-	4,278,831
24 GSG	-	8,964	-	4,017,445
25 GSG	-	7,930	-	4,510,690
26 GSG	-	7,000	-	1,449,427
27 GSG	-	6,072	-	1,264,495
28 GSG	-	7,054	-	3,296,344
29 GSG	6,699	7,060	3,098,675	3,149,430
30 GSG	14,016	14,112	6,488,864	6,417,932
31 GSG	10,939	11,289	2,876,220	3,281,330
32 GSG	3,812	3,884	1,430,095	1,419,646
33 GSG	6,483	6,748	2,857,199	2,987,484
34 GSG	13,073	12,738	5,921,497	6,086,084
	55,023	574,154	22,672,550	242,103,484

2

3





1 **9.5.1.2 Group 2 Accounts**

2 The Group 2 accounts are allocated to the customer classes as follows:

3 1508 – Other Regulatory Assets is allocated to all rate classes on the basis of the  
4 2020 forecasted kWh energy consumption by customer class and disposed of  
5 through a variable rate rider based on kWh or kW except the Residential rate  
6 class. For the Residential rate class, the balance is disposed through a fixed rate  
7 rider as per the Board's letter issued July 16, 2015.

8 1522 – Pension & OPEB Forecast Accrual versus Actual Cash Payment is  
9 allocated to all rate classes on the basis of the 2020 forecasted kWh energy  
10 consumption by customer class and disposed of through a variable rate rider  
11 based on kWh or kW except the Residential rate class. For the Residential rate  
12 class, the balance is disposed through a fixed rate rider as per the Board's letter  
13 issued July 16, 2015.

14 1555 – Smart Meter Capital and Recovery Offset Variance – Sub-account  
15 Stranded Meters is allocated to the Residential and GS<50 class as per the  
16 original rate rider from EB-2013-0147. The split between classes as determined  
17 in EB-2013-0147 is 72% Residential and 28% GS<50. It will be disposed of  
18 through a variable rate rider based on kWh for the GS < 50 and as a fixed rate  
19 rider as per the Board's letter issued July 16, 2015 for the Residential rate class.

20 1518 RCVA (Retail) is allocated to all rate classes on the basis of the 2020  
21 forecasted kWh energy consumption by customer class and disposed of through  
22 a variable rate rider based on kWh or kW except the Residential rate class who  
23 balance is disposed through a fixed rate rider as per the Board's letter issued July  
24 16, 2015.

25 1548 – RCVA (STR) is allocated to all rate classes on the basis of the 2020  
26 forecasted kWh energy consumption by customer class and disposed of through  
27 a variable rate rider based on kWh or kW except the Residential rate class. For



1 the Residential rate class, the balance is disposed through a fixed rate rider as  
2 per the Board's letter issued July 16, 2015.

3 1572 – Loss of one Customer is allocated to all rate classes on the basis of the  
4 2020 forecasted kWh energy consumption by customer class and disposed of  
5 through a variable rate rider based on kWh or kW except the Residential rate  
6 class. For the Residential rate class, the balance is disposed through a fixed rate  
7 rider as per the Board's letter issued July 16, 2015.

8 1592 – PILs and Tax Variance HST is allocated to all rate classes on the basis of  
9 the 2020 forecasted kWh energy consumption by customer class and disposed of  
10 through a variable rate rider based on kWh or kW except the Residential rate.  
11 For the Residential rate class, the who balance is disposed through a fixed rate  
12 rider as per the Board's letter issued July 16, 2015.

13 1568 LRAM is to be disposed on a per kWh or per kW as appropriate per rate  
14 class, on the basis, of the lost revenue allocated by class based on the IESO  
15 Final Reports and the LRAMVA Work Form 3.0 required filing Appendices. See  
16 Exhibit 4 for the discussion of how the amounts were determined. See the  
17 LRAMVA Work Form 3.0 required filing Appendices for detailed calculations.

## 18 **9.5.2 Allocation of Balances**

19 [Tables 9.5.2-1](#) to [9.5.2-5](#) shows the allocation of account balances to the various rate  
20 classes based on the above methodology



1 **9.5.2-1 – Allocation of Balances – Group 1 (except 1589)**

Group 1 (except Global Adjustment)

	1551	1580	1584	1586	1588
Residential	(89,995)	(116,306)	110,303	89,761	220,429
GS<50 kW	(8,148)	(39,950)	37,888	30,832	75,715
GS>50 kW		(132,556)	127,733	103,945	251,227
Large User		(6,079)	5,765	4,691	11,521
Street Lighting		(1,266)	1,200	977	2,399
Unmetered Scattered Load		(723)	686	558	1,370
Embedded Distributor			3,130	2,547	
	(98,143)	(296,880)	286,705	233,311	562,661

2

3 **9.5.2-2 – Allocation of Balances – Group 1 – 1589 Non-Transition Customers**

Global Adjustment

	1589
Residential	(29,750)
GS<50 kW	(81,760)
GS>50 kW	(1,098,086)
Large User	
Street Lighting	(16,761)
Unmetered Scattered Load	
Embedded Distributor	
	(1,226,357)

4

5 **9.5.2-3 – Allocation of Balances – Group 1 – 1589 Transition Customers**

Customer	Total Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2018	% of kWh	Customer Specific GA Allocation During the Period They Were a Class B customer	Monthly Equal Payments
Customer 1	3,098,675	3,098,675	13.67%	(7,173)	(598)
Customer 2	6,488,864	6,488,864	28.62%	(15,021)	(1,252)
Customer 3	2,876,220	2,876,220	12.69%	(6,658)	(555)
Customer 4	1,430,095	1,430,095	6.31%	(3,310)	(276)
Customer 5	2,857,199	2,857,199	12.60%	(6,614)	(551)
Customer 6	5,921,497	5,921,497	26.12%	(13,708)	(1,142)
TOTAL	22,672,550	22,672,550	100.00%	(52,484)	(4,374)

6



1 **9.5.2-4 – Allocation of Balances – Group 2**

Group 2 Accounts

	1508 Lost WIP	1508 Energy East	1508 Cost Assessment Variance	1508 Pole Attachment Variance	1522 Pension & OPEB Interest	1518 RCVA Retail	1548 RCVA STR	1532 Renewable Connection	1555 Stranded Meter Costs	1572 Loss of Specific Customer	1592 HST
Residential	17,910	6,109	187,818	(11,644)	(1,023)	14,449	12,834	2,451	9,381	(146,078)	(35,337)
GS<50 kW	6,152	2,099	64,514	(4,000)	(351)	4,963	4,408	842	3,649	(50,176)	(12,138)
GS>50 kW	20,740	7,075	217,498	(13,484)	(1,185)	16,732	14,862	2,838		(169,161)	(40,920)
Large User	936	319	9,816	(609)	(53)	755	671	128		(7,635)	(1,847)
Street Lighting	195	66	2,044	(127)	(11)	157	140	27		(1,590)	(385)
Unmetered Scattered Load	111	38	1,167	(72)	(6)	90	80	15		(908)	(220)
Embedded Distributor	508	173	5,330	(330)	(29)	410	364	70		(4,145)	(1,003)
	46,553	15,880	488,187	(30,266)	(2,659)	37,556	33,360	6,371	13,030	(379,693)	(91,848)

3 **9.5.2-5 – Allocation of Balances – LRAM**

LRAM	
Residential	412,985
GS<50 kW	205,656
GS>50 kW	602,101
	1,220,742

5 **9.5.3 Rate Rider Calculations**

6 Based on the allocations above and using the billing determinants as discussed in  
 7 Section 9.5.1, KWHI has calculated the rate riders for each rate class. KWHI proposes  
 8 to have a one-year disposition period. Rate riders are presented below in [Table 9.5.3.1](#).

9 **Table 9.5.3-1 – Rate Riders**

	All Group 1 accounts (except 1589)		All Group 1 accounts Non WMP (except 1589)		Account 1589	LRAM		All Group 2 Accounts		
	kWh	kW	kWh	kW	kWh	kWh	kW	kWh	kW	Customer
Residential	0.0003				(0.0023)	0.0006				0.05
GS<50 kW	0.0004				(0.0023)	0.0009		0.0001		
GS>50 kW		0.1076		0.0601	(0.0023)		0.2998		0.0274	
Large User		0.2267							0.0354	
Street Lighting		0.1523			(0.0023)				0.0253	
Unmetered Scattered Load	0.0004							0.0001		
Embedded Distributor		0.1311							0.0311	

11 **9.6 Group 2 Accounts Continue or Discontinue**

12 [Table 9.6-1](#) below lists the Group 2 Accounts currently in use by KWHI and whether  
 13 they should continue or not.



1

**Table 9.6-1 – Group 2 Accounts**

USoA	Account Name	Continue or Discontinue	Explanation
1508	Other Regulatory Assets - Lost WIP	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1508	Other Regulatory Assets - Energy East Consultation Costs	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1508	Other Regulatory Assets - Cost Assessment Variance	Continue	Balances will continue to accumulate in this account in 2019
1508	Other Regulatory Assets - Pole Rental Revenue	Continue	Balances will continue to accumulate in this account in 2019
1518	RCVA - Retail Cost Variance	Continue	Balances will continue to accumulate in this account in 2019
1522	Pension & OPEB	Continue	Balances will continue to accumulate in this account in 2019
1532	Renewable Connection - OM&A	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1548	RCVA - STR	Continue	Balances will continue to accumulate in this account in 2019
1555	Smart Meter Capital - Stranded Meters	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1572	Loss of Specific Customer	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1592	PILs and Tax Variance - HST/OVAT	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019
1592	PILs and Tax Variance - HST/OVAT Offset	Discontinue	KWHI is seeking recovery of the balance in this Application and no balance will accumulate in this account past 2019

2

3 KWHI is not requesting any new accounts with this COS application.

4 **9.7 Global Adjustment**

5 **9.7.1 Global Adjustment Settlement Process**

6 KWHI bills all non-RPP Class B customers using the first estimate. When accruing  
 7 unbilled GA, KWHI also uses the first estimate. The first estimate is consistently applied  
 8 for all non-RPP Class B customers in all classes. If the billing period spans two months,  
 9 then the respective first estimate is used for each month.

10 When providing consumption estimates for the RPP versus market price claim via the  
 11 IESO portal, KWHI forecasts the RPP volume based on meter readings. The volume is  
 12 based on actual consumption in a month. True ups are performed starting three months



- 1 after the initial forecast and continue for six months after the first true up. The true up  
2 uses the actual GA charge.
- 3 Embedded generation is reported using actual hourly meter data. The wholesale market  
4 price is calculated hourly using HOEP.
- 5 Class A customers pay the exact amount of GA invoiced by the IESO allocated to each  
6 customer based on its peak demand factor established on an annual basis.
- 7 KWHI confirms that it uses accrual accounting for financial reporting purposes each  
8 month. For settlement purposes, KWHI settles on actual monthly consumption.
- 9 KWHI uses several internal control tests to ensure estimated and actual RPP amounts  
10 are correct in its settlement process. Specifically, a retrospective analytical review is  
11 performed to ensure the estimates submitted for RPP consumption are consistent with  
12 actuals billed. In addition, input control sheets have been developed to ensure the  
13 reporting to the IESO is consistent with the internal reports generated.

14 **Accounting Methods**

- 15 KWHI records Charge Type 1142 and Charge Type 148 into their respective expense  
16 accounts (4705 and 4707). The difference between the revenue billed and accrued and  
17 the expense incurred and accrued in the month is recorded in the respective variance  
18 accounts – 1588 and 1589.



**1 RPP Settlement True-Ups**

2 As per the OEB’s letter titled Guidance on Disposition of Accounts 1588 and 1589,  
 3 KWHI must reflect RPP Settlement true-up claims pertaining to the period that is being  
 4 requested for disposition in the RSVA Power (1588) and RSVA GA (1589) variance  
 5 accounts. KWHI has followed this guidance and made an adjustment of \$698,145 in  
 6 account 1588 and 1589 in Column BF of tab 2a. 2017 Continuity Schedule in the DVA  
 7 Continuity Schedule model.

8 KWHI has completed the GA Analysis Workform for 2018 and has attached it as  
 9 [Appendix 9-2](#), and as a live Excel model as part of this Application (EB-2019-  
 10 0049\_KWHI\_Appl\_GA\_Analysis\_Workform\_20190430).

11 KWHI is aware that the OEB has issued Accounting Guidance in February 2019, that is  
 12 effective January 1, 2019 and to be implemented by August 31, 2019 relating to  
 13 accounts 1588 and 1589 for the settlement process and accounting processes to be  
 14 followed. KWHI will make any required changes to its processes by the required date.

**15 9.7.2 Derivation and Calculation of the GA Rate Rider**

16 KWHI last disposed of its Group 1 balances in its 2019 IRM application (EB-2018-0048).  
 17 KWHI has used the DVA Continuity Schedule to determine the GA rate rider including  
 18 amounts for the customers who transitioned between Class B to Class A during 2018.  
 19 The GA amounts for the six (6) transition customers is presented in [Table 9.7.2-1](#) below:

**20 Table 9.7.2-1 – GA Transition Amounts**

Customer	Total Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2018	% of kWh	Customer Specific GA Allocation During the Period They Were a Class B customer	Monthly Equal Payments
Customer 1	3,098,675	3,098,675	13.67%	(7,173)	(598)
Customer 2	6,488,864	6,488,864	28.62%	(15,021)	(1,252)
Customer 3	2,876,220	2,876,220	12.69%	(6,658)	(555)
Customer 4	1,430,095	1,430,095	6.31%	(3,310)	(276)
Customer 5	2,857,199	2,857,199	12.60%	(6,614)	(551)
Customer 6	5,921,497	5,921,497	26.12%	(13,708)	(1,142)
TOTAL	22,672,550	22,672,550	100.00%	(52,484)	(4,374)



1 GA is allocated to non-WMP customers on the basis of the 2020 forecasted non-RPP  
2 kWh energy consumption by customer class and disposed of through a variable rate  
3 rider based on kWh. KWHI confirms that it has Wholesale Market Participants. The  
4 rate rider as calculated by the DVA Continuity Schedule is presented in [Table 9.7.2-2](#)  
5 below:

6 **Table 9.7.2-2 – GA Rate Rider**

	Account
	1589
	kWh
Residential	(0.0023)
GS<50 kW	(0.0023)
GS>50 kW	(0.0023)
Large User	
Street Lighting	(0.0023)

7

## 8 **9.8 Certification**

9 I certify the Kitchener-Wilmot Hydro Inc. has robust processes and internal controls in  
10 place for the preparation, review, verification and oversight of the account balances  
11 being disposed of, consistent with the certification requirement of Chapter 1 filing  
12 requirements.

X

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Margaret Nanninga, MBA, CPA, CGA  
CFO and Vice President Finance





File Number: EB-2019-0049

Exhibit: 9

Filed: April 30, 2019

## **Appendix 9-1: DVA Continuity Schedule**

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# 2019 Deferral/Variance Account Workform

Utility Name	Kitchener-Wilmot Hydro Inc.
Service Territory	
Assigned EB Number	EB-2019-0049
Name of Contact and Title	Margaret Nanninga, CFO & VP Finance
Phone Number	519 749 6177
Email Address	mnanninga@kwhydro.ca

## General Notes

### Notes



Pale green cells represent input cells.



Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.



White cells contain fixed values, automatically generated values or formulae.

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# 2019 Deferral/Variance Account Workform

## Instructions

Tab	Tab Details	Step	Instructions
2 - Continuity Schedule	This tab is the continuity schedule that shows all the accounts and the accumulation of the balances a utility has.	1	<p>Complete the DVA continuity schedule.</p> <p>For all accounts, except for Account 1595, start inputting data from the year in which the GL balance was last disposed. For example, if in the 2018 rate application, DVA balances as at December 31, 2016 were approved for disposition, start the continuity schedule from 2016 by entering the closing 2015 balances in the Adjustments column under 2015.</p> <p>For all Account 1595 sub-accounts, complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2017 regardless of whether the account is being requested for disposition in the current application. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, Account 1595 (2015) would have information starting in 2015, when the relevant balances approved for disposition were first transferred into Account 1595 (2015). The DVA continuity schedule currently starts from 2012, if a utility has an Account 1595 with a vintage year prior to 2012, then a separate schedule should be provided starting from the vintage year.</p>
		2a	<p>If you had any Class A customers at any point during the period that the Account 1589 GA balance accumulated (e.g. last disposition was for 2015 balances in the 2017 rate application, current balance requested for disposition accumulated from 2016 to 2017), check off the checkbox in cell BS13.</p> <p>If the checkbox is not checked off, then proceed to tabs 3 to 7 and complete the tabs accordingly.</p> <p>If the checkbox is checked off, tab 6 relating to Class A customer consumption will be generated, see step 7 to 10 below for further details.</p> <p>If the checkbox in step 2a is checked off, another checkbox will pop up to the right of the previous checkbox. If you had any Class A customers at any point during the period that the Account 1580, sub-account CBR Class B balance accumulated (e.g. 2016, 2017 or 2016 &amp; 2017), check off the checkbox.</p> <p>If the checkbox is not checked off, then the balance in the Account 1580, sub-account CBR Class B will be allocated and disposed with Account 1580 WMS, as a part of the general DVA rate rider.</p> <p>If the checkbox is checked off, then tab 6.2 will be generated. This tab will calculate the billing determinants applicable to Account 1580 sub-account CBR Class B, using information inputted in tab 6. See step 12 below for further details. The CBR Class B balance will be allocated in tab 6.2a and the rate rider will be calculated in tab 7.</p>
		2b	<p>Enter the number of utility-specific 1508 sub-accounts that are approved for the utility in the textbox in cell B71. The DVA continuity schedule will generate the number of utility-specific 1508 sub-accounts starting in row 51. Input the name and the balances of the sub-account(s) starting in row 51. If a utility does not have utility-specific 1508 sub-accounts, the generic 1508 sub-account Other will still be listed in the DVA continuity schedule. Check off the "check to dispose of account" checkbox in column BT for sub-accounts requested for disposition.</p>
3. Appendix A	This tab shows the year end balance variances between the continuity schedule and	3	Provide an explanation for the variances identified.
4 - Billing Determinant	This tab shows the billing determinants that will be used to allocate account balances and calculate rate riders.	4	Complete the billing determinants table. Note that columns O and P are generated when a utility indicates they have Class A customers in tab 2a. Information in these columns are populated based on data from tab 6
5 - Allocating Def-Var Balances	This tab allocates the DVA balance (except for CBR Class B if Class A customers exist).	5	Review the allocated balances to ensure the allocation is appropriate. Note that the allocations for Account 1589, Account 1580, sub-account CBR Class B will be determined after tabs 6 to 6.2a have been completed.
6 - Class A Data Consumption	This is a new tab that is to be completed if there were any Class A customers at any point during the period the GA balance CBR Class B balance accumulated. The tab also considers Class A/B transition customers. The data on this tab is used for the purposes of determining the GA rate rider, CBR Class B rate rider (if applicable), as well as customer specific GA and CBR Class B charges for transition customers (if applicable).	6	<p>This tab is generated when the utility checks in tab 2a. that they have Class A customers during the period that the GA balance accumulated.</p> <p>Under #1, enter the year for which the Account 1589 GA balance was last disposed.</p>
		7	<p>Under #2a, indicate whether you had any customers that transitioned between Class A and B during the period the Account 1589 GA balance accumulated.</p> <p>If no, proceed to #3b in step 9.</p> <p>If yes, #2b and tab 6.1a. will be generated. Proceed to #2b.</p> <p>Under #2b, indicate whether you had any customers that transitioned between Class A and B during the period the Account 1580, sub-account CBR Class B balance accumulated.</p> <p>If no, proceed to #3a in step 8.</p> <p>If yes, tab 6.2a. will be generated. Proceed to #3a in step 8.</p>
		8	<p>Under #3a, enter the number of transition customers during the period the Account 1589 GA balance accumulated. A table will be generated based on the number of customers. Complete the table accordingly for each transition customer identified (i.e. kWh/kW for half year periods, and the customer class during the half year). This data will automatically be used in the GA balance and CBR Class B balance allocation to transition customers in tabs 6.1a. and 6.2a., respectively. Each transition customer identified in tab 6, table 3a will be assigned a customer number and the number will correspond to the same transition customers populated in tabs 6.1a. and 6.2a. The data in tab 6 will also be used in the calculation of billing determinants in the allocation of GA and CBR Class B balances to the rate classes, as applicable.</p>



# 2019 Deferral/Variance Account Workform

## Instructions

Tab	Tab Details	Step	Instructions
6.1a. - GA Allocation	This tab has been revised. It allocates the GA balance to each transition customer for the period in which these customers were Class B customers and contributed to the GA balance (i.e. former Class B customers who contributed to the GA balance but are now Class A customers and former Class A customers who are now Class B customers contributing to the GA balance).	9	Under #3b, enter the number of customers who were Class A customers during the entire period since the year the Account 1589 GA balance accumulated (i.e. did not transition between Class A and B during the period). A table will be generated based on the number of customers. Complete the table accordingly for each Class A customer identified. This data will be used in the calculation of billing determinants in the allocation of GA and CBR Class B balances to the rate classes, as applicable.
6.2 - CBR	This is a new tab that calculates the CBR Class B rate rider if there were Class A customers at any point during the period that the CBR Class B balance accumulated.	10	<p>This tab is generated when the utility indicates that they have transition customers in tab 6, #2a during the period when the GA balance accumulated.</p> <p>In row 20, enter the total Class B consumption which equals to Non-RPP consumption less WMP consumption and consumption for Class A customers (who were Class A for partial and full year).</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the GA balance to transition customers in the bottom table. All transition customers who are allocated a specific GA amount are not to be charged the general Non-RPP Class B GA rate rider as calculated in tab 7.</p>
6.2a - CBR_B Allocation	This is a new tab that allocates the CBR Class B balance to each transition customer for the period in which these customers were Class B customers and contributed to the CBR Class B balance (i.e. former Class B customers who contributed to the balance but are now Class A customers and former Class A customers who are now Class B contributing to the balance).	11	<p>This tab is generated when the utility checks in tab 2a. that they have Class A customers during the period that Account 1580, sub-account CBR Class B balance accumulated.</p> <p>The rest of the information in the tab is auto-populated and will be used in the calculation of the CBR Class B rate rider calculated in tab 6.</p>
7 - Calculation of Def Var RR	This tab calculates all the applicable DVA rate riders.	12	<p>This tab is generated when the utility indicates that they have transition customers in tab 6, #2b during the period where the CBR Class B balance accumulated.</p> <p>In B16 select the year when the balance in CBR Class B was last disposed.</p> <p>In row 20, enter the total Class B consumption which equals to total consumption less WMP consumption and consumption for Class A customers (who were Class A for either partial or full year).</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the CBR Class B balance to transition customers in the bottom table. Note that the transition customers for GA may be different than the transition customers for CBR Class B as this would depend on the period in which the GA and CBR Class B balances accumulated. Any transition customer who is allocated a specific CBR Class B amount is not to be charged the general CBR Class B rate rider.</p>
		13	Enter the proposed rate rider recovery period if different than the default 12 month period. For each rate class of each rate rider, select whether the rate rider is to be calculated on a kWh, kW or number of customers basis. The rest of the information in the tab is auto-populated and the rate riders are calculated accordingly .









# Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the uti data from the year in which the GL balance was last disposed. For example, if in the 2017 r the Adjustment column under 2014. For each Account 1595 sub-account, start inputting da relevant balances approved for disposition was first transferred into Account 1595 (2014). from the vintage year. For any new accounts that have never been disposed, start inputting

		2016									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-16	Transactions(1) Debit/ (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(2) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(2) during 2016	Closing Interest Amounts as of Dec-31-16
<b>Group 1 Accounts</b>											
LV Variance Account	1550	\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Metering Entity Charge Variance Account	1551	\$0			-\$47,280	-\$47,280	\$0			-\$320	-\$320
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	\$0			-\$5,934,113	-\$5,934,113	\$0			-\$102,188	-\$102,188
Variance WMS – Sub-account CBR Class A <sup>9</sup>	1580				\$0	\$0	\$0			\$0	\$0
Variance WMS – Sub-account CBR Class B <sup>9</sup>	1580				\$387,750	\$387,750	\$0			\$6,133	\$6,133
RSVA - Retail Transmission Network Charge	1584	\$0			-\$2,431,822	-\$2,431,822	\$0			\$5,562	\$5,562
RSVA - Retail Transmission Connection Charge	1586	\$0			\$297,607	\$297,607	\$0			\$7,959	\$7,959
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	\$0			-\$971,417	-\$971,417	\$0			\$31,088	\$31,088
RSVA - Global Adjustment <sup>12</sup>	1589	\$0			\$2,610,256	\$2,610,256	\$0			\$60,661	\$60,661
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595	\$917,785	\$205			\$917,990	-\$135,312	\$10,124			-\$125,188
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595	-\$177,869	\$51,517			-\$126,352	\$81,844	\$115			\$81,959
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	\$0	-\$532,771	-\$589,965		\$57,193	\$0	\$3,933	-\$15,426		\$19,358
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>											
<b>Group 1 Sub-Total (including Account 1589 - Global Adjustment)</b>		\$739,916	-\$481,049	-\$589,965	-\$6,089,019	-\$5,240,187	-\$53,468	\$14,172	-\$15,426	\$8,894	-\$14,976
<b>Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)</b>		\$739,916	-\$481,049	-\$589,965	-\$8,699,275	-\$7,850,443	-\$53,468	\$14,172	-\$15,426	-\$51,767	-\$75,637
<b>RSVA - Global Adjustment 12</b>	<b>1589</b>	\$0	\$0	\$0	\$2,610,256	\$2,610,256	\$0	\$0	\$0	\$60,661	\$60,661

# Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the utility data from the year in which the GL balance was last disposed. For example, if in the 2017 report the Adjustment column under 2014. For each Account 1595 sub-account, start inputting data relevant balances approved for disposition was first transferred into Account 1595 (2014). For accounts from the vintage year. For any new accounts that have never been disposed, start inputting

		2017									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-17	Transactions(1) Debit / (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments(2) during 2017	Closing Principal Balance as of Dec-31-17	Opening Interest Amounts as of Jan-1-17	Interest Jan-1 to Dec-31-17	OEB-Approved Disposition during 2017	Interest Adjustments(2) during 2017	Closing Interest Amounts as of Dec-31-17
<b>Group 1 Accounts</b>											
LV Variance Account	1550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Metering Entity Charge Variance Account	1551	-\$47,280	-\$28,410			-\$75,690	-\$320	-\$582			-\$902
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	-\$5,934,113	-\$1,800,788			-\$7,734,902	-\$102,188	-\$77,233			-\$179,421
Variance WMS – Sub-account CBR Class A <sup>9</sup>	1580	\$0	\$0			\$0	\$0	\$0			\$0
Variance WMS – Sub-account CBR Class B <sup>9</sup>	1580	\$387,750	\$42,528			\$430,278	\$6,133	\$5,141			\$11,274
RSVA - Retail Transmission Network Charge	1584	-\$2,431,822	-\$650,413			-\$3,082,236	\$5,562	-\$30,482			-\$24,920
RSVA - Retail Transmission Connection Charge	1586	\$297,607	-\$63,536			\$234,071	\$7,959	\$3,233			\$11,192
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	-\$971,417	\$223,182		-\$1,208,894	-\$1,957,129	\$31,088	\$20,819			\$51,907
RSVA - Global Adjustment <sup>12</sup>	1589	\$2,610,256	\$2,341,671		-\$1,103,606	\$3,848,322	\$60,661	\$14,403			\$75,064
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595	\$917,990	\$19			\$918,009	-\$125,188	\$11,024			-\$114,164
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595	-\$126,352	-\$51			-\$126,402	\$81,959	-\$1,518			\$80,442
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	\$57,193	-\$26,458			\$30,735	\$19,358	-\$13,963			\$5,395
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>											
<b>Group 1 Sub-Total (including Account 1589 - Global Adjustment)</b>		-\$5,240,187	\$37,743	\$0	-\$2,312,500	-\$7,514,944	-\$14,976	-\$69,158	\$0	\$0	-\$84,134
<b>Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)</b>		-\$7,850,443	-\$2,303,928	\$0	-\$1,208,894	-\$11,363,265	-\$75,637	-\$83,561	\$0	\$0	-\$159,198
<b>RSVA - Global Adjustment 12</b>	<b>1589</b>	\$2,610,256	\$2,341,671	\$0	-\$1,103,606	\$3,848,322	\$60,661	\$14,403	\$0	\$0	\$75,064

# Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the utility data from the year in which the GL balance was last disposed. For example, if in the 2017 report the Adjustment column under 2014. For each Account 1595 sub-account, start inputting data relevant balances approved for disposition was first transferred into Account 1595 (2014). For from the vintage year. For any new accounts that have never been disposed, start inputting

		2018									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-18	Transactions(1) Debit / (Credit) during 2018	OEB-Approved Disposition during 2018	Principal Adjustments(2) during 2018	Closing Principal Balance as of Dec-31-18	Opening Interest Amounts as of Jan-1-18	Interest Jan-1 to Dec-31-18	OEB-Approved Disposition during 2018	Interest Adjustments(2) during 2018	Closing Interest Amounts as of Dec-31-18
<b>Group 1 Accounts</b>											
LV Variance Account	1550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Metering Entity Charge Variance Account	1551	-\$75,690	-\$94,757	-\$47,280	\$0	-\$123,167	-\$902	-\$1,822	-\$1,089	\$0	-\$1,636
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	-\$7,734,902	-\$289,845	-\$5,934,113	\$0	-\$2,090,634	-\$179,421	-\$63,403	-\$198,629		-\$44,195
Variance WMS – Sub-account CBR Class A <sup>9</sup>	1580	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance WMS – Sub-account CBR Class B <sup>9</sup>	1580	\$430,278	-\$41,195	\$387,750		\$1,333	\$11,274	\$2,126	\$12,434		\$966
RSVA - Retail Transmission Network Charge	1584	-\$3,082,236	\$279,229	-\$2,431,822		-\$371,184	-\$24,920	-\$23,804	-\$33,960		-\$14,764
RSVA - Retail Transmission Connection Charge	1586	\$234,071	\$226,315	\$297,607		\$162,778	\$11,192	\$1,876	\$12,795		\$272
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	-\$1,957,129	-\$351,122	-\$971,417	\$955,570	-\$381,264	\$51,907	\$17,113	\$96,146		-\$27,126
RSVA - Global Adjustment <sup>12</sup>	1589	\$3,848,322	-\$2,839,601	\$2,610,256	\$1,551,997	-\$49,539	\$75,064	\$25,488	\$23,890		\$76,662
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595	\$918,009	-\$19	\$917,990		\$0	-\$114,164	\$2,119	-\$112,046		\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595	-\$126,402	\$51	-\$126,352		\$0	\$80,442	\$575	\$81,017		-\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	\$30,735				\$30,735	\$5,395	\$573			\$5,968
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>7</sup>	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>7</sup>	1595	\$0	\$3,720,176	\$5,297,381		-\$1,577,205	\$0	-\$51,287	\$119,441		-\$170,728
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>											
<b>Group 1 Sub-Total (including Account 1589 - Global Adjustment)</b>		<b>-\$7,514,944</b>	<b>\$609,232</b>	<b>-\$0</b>	<b>\$2,507,567</b>	<b>-\$4,398,145</b>	<b>-\$84,134</b>	<b>-\$90,445</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$174,579</b>
<b>Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)</b>		<b>-\$11,363,265</b>	<b>\$3,448,834</b>	<b>-\$2,610,256</b>	<b>\$955,570</b>	<b>-\$4,348,606</b>	<b>-\$159,198</b>	<b>-\$115,933</b>	<b>-\$23,890</b>	<b>\$0</b>	<b>-\$251,241</b>
<b>RSVA - Global Adjustment 12</b>	<b>1589</b>	<b>\$3,848,322</b>	<b>-\$2,839,601</b>	<b>\$2,610,256</b>	<b>\$1,551,997</b>	<b>-\$49,539</b>	<b>\$75,064</b>	<b>\$25,488</b>	<b>\$23,890</b>	<b>\$0</b>	<b>\$76,662</b>

# Deferral/Variance Account Workfo

If you had any Class A customers at any point during the period 1589 GA balance accumulated (i.e. from the year the balance was first disposed of (2017), check off the checkbox

If you had Class A customer(s) during this period, Tab 6 will be completed. All Class A applicants must complete the information pertaining to Class A customers.

This continuity schedule must be completed for each account and sub-account that the utility disposed of from the year in which the GL balance was last disposed. For example, if in the 2017 report the Adjustment column under 2014. For each Account 1595 sub-account, start inputting data from the relevant balances approved for disposition was first transferred into Account 1595 (2014). For accounts from the vintage year. For any new accounts that have never been disposed, start inputting data from the vintage year.

Account Descriptions	Account Number	2019				Projected Interest on Dec-31-1		Total Interest
		Principal Disposition during 2019 - instructed by OEB	Interest Disposition during 2019 - instructed by OEB	Closing Principal Balances as of Dec 31-18 Adjusted for Dispositions during 2019	Closing Interest Balances as of Dec 31-18 Adjusted for Dispositions during 2019	Projected Interest from Jan 1, 2019 to December 31, 2019 on Dec 31-18 balance adjusted for disposition during 2019 (6)	Projected Interest from January 1, 2020 to April 30, 2020 on Dec 31-18 balance adjusted for disposition during 2019 (6)	
<b>Group 1 Accounts</b>								
LV Variance Account	1550	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Metering Entity Charge Variance Account	1551	-\$28,410	-\$572	-\$94,757	-\$1,065	-\$2,322	\$0	-\$3,386
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	-\$1,800,789	-\$44,261	-\$289,845	\$67	-\$7,101	\$0	-\$7,035
Variance WMS – Sub-account CBR Class A <sup>9</sup>	1580	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance WMS – Sub-account CBR Class B <sup>9</sup>	1580	\$42,528	\$1,639	-\$41,195	-\$673	-\$1,009	\$0	-\$1,682
RSVA - Retail Transmission Network Charge	1584	-\$650,413	-\$15,400	\$279,229	\$635	\$6,841	\$0	\$7,477
RSVA - Retail Transmission Connection Charge	1586	-\$63,536	-\$1,180	\$226,314	\$1,452	\$5,545	\$0	\$6,997
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	-\$985,711	\$79,820	\$604,448	-\$106,946	\$65,159	\$0	-\$41,787
RSVA - Global Adjustment <sup>12</sup>	1589	\$1,238,065	-\$18,775	-\$1,287,604	\$95,437	-\$86,675	\$0	\$8,762
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595			\$0	-\$0	\$0	\$0	-\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	\$30,736	\$5,968	-\$0	\$0	\$0	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>7</sup>	1595			-\$1,577,205	-\$170,728	-\$38,641	\$0	-\$209,369
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>								
<b>Group 1 Sub-Total (including Account 1589 - Global Adjustment)</b>		-\$2,217,530	\$7,239	-\$2,180,614	-\$181,819	-\$58,204	\$0	-\$240,023
<b>Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)</b>		-\$3,455,596	\$26,014	-\$893,010	-\$277,256	\$28,471	\$0	-\$248,785
<b>RSVA - Global Adjustment 12</b>	<b>1589</b>	\$1,238,065	-\$18,775	-\$1,287,604	\$95,437	-\$86,675	\$0	\$8,762

# Deferral/Variance Account Workfo

that the Account as last disposed to

generated and customers.

If you had any customers classified as Class A at any point during the period where the balance in 1580 sub-account CBR Class B accumulated (the year the balance was last disposed to 2017), check off the checkbox

If you had Class A customer(s) during this period, Tab 6.2 will be used to determine if Account 1580 sub-account CBR Class B will be disposed through using information in Tab 6.2.

If you only had Class B customers during this period, the balance in sub-account CBR Class B will be allocated and disposed with WMS.

This continuity schedule must be completed for each account and sub-account that the utility has disposed of during the year in which the GL balance was last disposed. For example, if in the 2017 rate case the relevant balances approved for disposition was first transferred into Account 1595 (2014), start inputting data from the vintage year. For any new accounts that have never been disposed, start inputting data from the vintage year.

		8 Balances	2.1.7 RRR	
Account Descriptions	Account Number	Total Claim	As of Dec 31-18	Variance RRR vs. 2018 Balance (Principal + Interest)
<b>Group 1 Accounts</b>				
LV Variance Account	1550	\$0.00	\$0	\$0
Smart Metering Entity Charge Variance Account	1551	-\$98,143.08	-\$124,803	\$0
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	-\$296,879.30	-\$2,134,828	\$0
Variance WMS – Sub-account CBR Class A <sup>9</sup>	1580	\$0.00		\$0
Variance WMS – Sub-account CBR Class B <sup>9</sup>	1580	-\$42,877.27	\$2,299	-\$0
RSVA - Retail Transmission Network Charge	1584	\$286,705.58	-\$385,949	\$0
RSVA - Retail Transmission Connection Charge	1586	\$233,311.65	\$163,051	\$0
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	\$562,661.02	\$1,646,702	\$2,055,092
RSVA - Global Adjustment <sup>12</sup>	1589	-\$1,278,842.34	-\$2,223,036	-\$2,250,159
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00		-\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00	\$36,704	\$0
Disposition and Recovery/Refund of Regulatory Balances (2017) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2018) <sup>7</sup>	1595	<input type="checkbox"/> Check to Dispose of Account \$0.00	-\$1,747,932	\$0
<i>Not to be disposed of until a year after rate rider has expired and that balance has been audited</i>				
<b>Group 1 Sub-Total (including Account 1589 - Global Adjustment)</b>		-\$634,063.74	-\$4,767,791	-\$195,067
<b>Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)</b>		\$644,778.60	-\$2,544,755	\$2,055,092
<b>RSVA - Global Adjustment 12</b>	<b>1589</b>	-\$1,278,842.34	-\$2,223,036	-\$2,250,159
		<input type="checkbox"/> Check to Dispose of Account		



# 2019 Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has approved for use as at Dec. 31, 2016, regardless of whether disposition is being requested for the account. For all accounts, except for Account 1595, start input the year in which the GL balance was last disposed. For example, if in the 2017 rate application, DVA balances as at December 31, 2015 were approved for disposition, start the continuity schedule from 2015 by entering the approved closing 2014 balance in the column under 2014. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, Account 1595 (2014), data should be inputted starting in 2014 when the relevant balance approved for disposition was first transferred into Account 1595 (2014). The DVA continuity schedule currently starts from 2011, if a utility has an Account 1595 with a vintage year prior to 2011, then a separate schedule should be provided starting from the vintage year. For any new accounts that have never been disposed, start inputting data from the year the account was approved to be used.

Enter the number of utility specific Account 1508 sub-accounts that have been previously approved, regardless of whether disposition is being requested. If none, enter 1 and the generic sub-account will still be listed.

Identify and name each sub-account and complete the continuity schedule in the line(s) generated in the continuity schedule. Indicate whether the sub-account is requested for disposition in column BT.

Account Descriptions	Account Number	2013									
		Opening Principal Amounts as of Jan-1-13	Transactions(1) Debit/ (Credit) during 2013	OEB-Approved Disposition during 2013	Principal Adjustments(2) during 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	OEB-Approved Disposition during 2013	Interest Adjustments(1) during 2013	Closing Interest Amounts as of Dec-31-13
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$191,266				\$191,266	\$3,569	\$2,812			\$6,380
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508					\$0					\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508					\$0					\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$765,071				\$765,071	\$21,145				\$21,145
Other Regulatory Assets - Sub Account - Energy East Consultation Costs	1508					\$0					\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508					\$0					\$0
Other Regulatory Assets - Sub Account - Pole Attachment Revenue Variance	1508					\$0					\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$4,148,033	-\$1,317,492			\$2,830,541					\$0
	1508					\$0					\$0
Retail Cost Variance Account - Retail	1518	-\$67,075	\$10,299			-\$56,776	-\$3,346	-\$906			-\$4,252
Misc. Deferred Debits	1525					\$0					\$0
Retail Cost Variance Account - STR	1548	\$38,149	\$6,095			\$44,245	\$1,342	\$591			\$1,933
Board-Approved CDM Variance Account	1567					\$0					\$0
Extra-Ordinary Event Costs	1572					\$0					\$0
Deferred Rate Impact Amounts	1574					\$0					\$0
RSVA - One-time	1582					\$0					\$0
Other Deferred Credits	2425					\$0					\$0
<b>Group 2 Sub-Total</b>			-\$1,301,098	\$0	\$0	\$3,774,346	\$22,710	\$2,497	\$0	\$0	\$25,207
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$219,331				-\$219,331	-\$22,224	-\$3,224			-\$25,448
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592					\$0					\$0
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>					\$0					\$0
<b>Total including Account 1568</b>			-\$1,301,098	\$0	\$0	\$3,555,015	\$486	-\$727	\$0	\$0	-\$241
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$114,473	-\$116,074			-\$1,600	\$1,830	\$1,686			\$3,516
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$36,410	\$34,450			\$70,860	\$460	\$761			\$1,221
Renewable Generation Connection Funding Adder Deferral Account	1533					\$0					\$0
Smart Grid Capital Deferral Account	1534					\$0					\$0
Smart Grid OM&A Deferral Account	1535	\$20,000	-\$20,000			\$0	\$234	-\$234			\$0
Smart Grid Funding Adder Deferral Account	1536					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555					\$0					\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	-\$89,498	\$89,498			\$0					\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$2,265,213	-\$2,925,915			-\$5,191,128					
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576										

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has data from the year in which the GL balance was last disposed. For example, if in the 2017 rate application, an Adjustment column under 2014. For each Account 1595 sub-account, start inputting data from the year the balances approved for disposition was first transferred into Account 1595 (2014). The DVA continuity schedule year. For any new accounts that have never been disposed, start inputting data from the year the account was

		2014									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-14	Transactions(1) Debit/(Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments(2) during 2014	Closing Principal Balance as of Dec-31-14	Opening Interest Amounts as of Jan-1-14	Interest Jan-1 to Dec-31-14	OEB-Approved Disposition during 2014	Interest Adjustments(2) during 2014	Closing Interest Amounts as of Dec-31-14
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$191,266		\$191,266		\$0	\$6,380	\$0	\$6,381		-\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$765,071	-\$595,293			\$169,778	\$21,145	\$9,174			\$30,320
Other Regulatory Assets - Sub-Account - Energy East Consultation Costs	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Cost Assessment Variance 2016	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue Variance	1508	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$2,830,541	-\$2,172,530			\$658,011	\$0				\$0
	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	-\$56,776	-\$3,880	-\$67,075		\$6,419	-\$4,252	-\$217	-\$4,332		-\$138
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$44,245	\$5,880	\$38,149		\$11,975	\$1,933	\$305	\$1,902		\$335
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0	-\$235,943			-\$235,943	\$0	-\$1,576			-\$1,576
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
<b>Group 2 Sub-Total</b>		\$3,774,346	-\$3,001,766	\$162,340	\$0	\$610,240	\$25,207	\$7,685	\$3,951	\$0	\$28,941
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$219,331		-\$219,331		-\$0	-\$25,448		-\$25,448		\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0				\$0
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>	\$0				\$0	\$0				\$0
<b>Total including Account 1568</b>		\$3,555,015	-\$3,001,766	-\$56,991	\$0	\$610,240	-\$241	\$7,685	-\$21,497	\$0	\$28,941
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	-\$1,600	\$116,074	\$114,473		\$0	\$3,516	-\$3	\$3,513		\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$70,860	\$4,321	\$36,410		\$38,771	\$1,221	\$519	\$995		\$745
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0	-\$30,592			-\$30,592	\$0	-\$69			-\$69
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$5,191,128	\$3,970,807			-\$1,220,321					
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576	\$0				\$0					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the su approved for disposition was first transferred into Account 1595 (2014). The DVA continuity sche any new accounts that have never been disposed, start inputting data from the year the account

		2015									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-15	Transactions(1) Debit / (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments(2) during 2015	Closing Principal Balance as of Dec-31-15	Opening Interest Amounts as of Jan-1-15	Interest Jan-1 to Dec-31-15	OEB-Approved Disposition during 2015	Interest Adjustments(2) during 2015	Closing Interest Amounts as of Dec-31-15
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	-\$0				-\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$169,778	-\$155,013			\$14,765	\$30,320	\$452			\$30,771
Other Regulatory Assets - Sub-Account - Energy East Consultation Costs	1508	\$0	\$14,040			\$14,040	\$0	\$83			\$83
Other Regulatory Assets - Sub-Account - Cost Assessment Variance 2016	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue Variance	1508	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$658,011	-\$644,982			\$13,029	\$0				\$0
	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$6,419	\$774			\$7,193	-\$138	\$71			-\$67
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$11,975	\$5,714			\$17,689	\$335	\$167			\$502
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	-\$235,943	-\$77,862			-\$313,805	-\$1,576	-\$3,421			-\$4,998
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
<b>Group 2 Sub-Total</b>		\$610,240	-\$857,329	\$0	\$0	-\$247,089	\$28,941	-\$2,648	\$0	\$0	\$26,293
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$0				-\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0				\$0
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>	\$0	\$559,230			\$559,230	\$0	\$15,426			\$15,426
<b>Total including Account 1568</b>		\$610,240	-\$298,099	\$0	\$0	\$312,141	\$28,941	\$12,778	\$0	\$0	\$41,719
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$38,771	\$6,988			\$45,759	\$745	\$477			\$1,222
Renewable Generation Connection Funding Adder Deferral Account	1533	-\$30,592	\$30,592			\$0	-\$69	\$69			\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$1,220,321	\$1,220,321			-\$0					
Accounting Changes Under CGAAP Balance + Return Component <sup>6</sup>	1576	\$0				\$0					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.



# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the su approved for disposition was first transferred into Account 1595 (2014). The DVA continuity sche any new accounts that have never been disposed, start inputting data from the year the account

		2016									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-16	Transactions(1) Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(2) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(2) during 2016	Closing Interest Amounts as of Dec-31-16
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	-\$0				-\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$14,765	\$0			\$14,765	\$30,771	\$163			\$30,934
Other Regulatory Assets - Sub-Account - Energy East Consultation Costs	1508	\$14,040	\$776			\$14,816	\$83	\$163			\$246
Other Regulatory Assets - Sub-Account - Cost Assessment Variance 2016	1508	\$0	\$130,706			\$130,706	\$0	\$482			\$482
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue Variance	1508	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$13,029				\$13,029	\$0				\$0
	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$7,193	\$4,802			\$11,995	-\$67	\$86			\$19
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$17,689	\$5,167			\$22,856	\$502	\$212			\$715
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	-\$313,805	-\$22,873			-\$336,678	-\$4,998	-\$3,587			-\$8,584
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
<b>Group 2 Sub-Total</b>		<b>-\$247,089</b>	<b>\$118,578</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$128,511</b>	<b>\$26,293</b>	<b>-\$2,480</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,812</b>
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$0				-\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0				\$0
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>	<b>\$559,230</b>	<b>-\$559,230</b>			<b>\$0</b>	<b>\$15,426</b>	<b>-\$15,426</b>			<b>\$0</b>
<b>Total including Account 1568</b>		<b>\$312,141</b>	<b>-\$440,652</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$128,511</b>	<b>\$41,719</b>	<b>-\$17,906</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,812</b>
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$45,759	\$8,105			\$53,864	\$1,222	\$532			\$1,753
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$0				-\$0					
Accounting Changes Under CGAAP Balance + Return Component <sup>6</sup>	1576	\$0				\$0					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the su approved for disposition was first transferred into Account 1595 (2014). The DVA continuity sche any new accounts that have never been disposed, start inputting data from the year the account

		2017									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-17	Transactions(1) Debit / (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments(2) during 2017	Closing Principal Balance as of Dec-31-17	Opening Interest Amounts as of Jan-1-17	Interest Jan-1 to Dec-31-17	OEB-Approved Disposition during 2017	Interest Adjustments(2) during 2017	Closing Interest Amounts as of Dec-31-17
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	-\$0				-\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$14,765	\$37			\$14,802	\$30,934	\$178			\$31,112
Other Regulatory Assets - Sub Account - Energy East Consultation Costs	1508	\$14,816				\$14,816	\$246	\$178			\$424
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$130,706	\$180,656			\$311,362	\$482	\$2,645			\$3,128
Other Regulatory Assets - Sub Account - Pole Attachment Revenue Variance	1508	\$0				\$0	\$0				\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$13,029				\$13,029	\$0				\$0
	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$11,995	\$8,445			\$20,440	\$19	\$183			\$202
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$22,856	\$4,147			\$27,003	\$715	\$298			\$1,012
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	-\$336,678	-\$15,089			-\$351,767	-\$8,584	-\$4,164			-\$12,748
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
<b>Group 2 Sub-Total</b>		<b>-\$128,511</b>	<b>\$178,196</b>	<b>\$0</b>	<b>\$0</b>	<b>\$49,685</b>	<b>\$23,812</b>	<b>-\$683</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,130</b>
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$0				-\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0				\$0
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>	<b>\$0</b>				<b>\$0</b>	<b>\$0</b>				<b>\$0</b>
<b>Total including Account 1568</b>		<b>-\$128,511</b>	<b>\$178,196</b>	<b>\$0</b>	<b>\$0</b>	<b>\$49,685</b>	<b>\$23,812</b>	<b>-\$683</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,130</b>
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$53,864	\$41,296			\$95,160	\$1,753	\$866			\$2,619
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$0				-\$0					
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576	\$0				\$0					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the su approved for disposition was first transferred into Account 1595 (2014). The DVA continuity sche any new accounts that have never been disposed, start inputting data from the year the account

		2018									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-18	Transactions(1) Debit / (Credit) during 2018	OEB-Approved Disposition during 2018	Principal Adjustments(2) during 2018	Closing Principal Balance as of Dec-31-18	Opening Interest Amounts as of Jan-1-18	Interest Jan-1 to Dec-31-18	OEB-Approved Disposition during 2018	Interest Adjustments(2) during 2018	Closing Interest Amounts as of Dec-31-18
<b>Group 2 Accounts</b>											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	-\$0				-\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$14,802				\$14,802	\$31,112	\$276			\$31,388
Other Regulatory Assets - Sub-Account - Energy East Consultation Costs	1508	\$14,816				\$14,816	\$424	\$276			\$700
Other Regulatory Assets - Sub-Account - Cost Assessment Variance 2016	1508	\$311,362	\$154,968			\$466,330	\$3,128	\$7,304			\$10,432
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue Variance	1508	\$0	-\$29,463			-\$29,463	\$0	-\$81			-\$81
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	\$0				\$0	\$0	-\$758			-\$758
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$13,029				\$13,029	\$0				\$0
	1508	\$0				\$0	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$20,440	\$15,513			\$35,953	\$202	\$520			\$722
Misc. Deferred Debits	1525	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$27,003	\$4,042			\$31,045	\$1,012	\$541			\$1,554
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	-\$351,767				-\$351,767	-\$12,748	-\$6,558			-\$19,307
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
<b>Group 2 Sub-Total</b>		\$49,685	\$145,060	\$0	\$0	\$194,745	\$23,130	\$1,520	\$0	\$0	\$24,650
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	-\$0				-\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0			-\$83,732	-\$83,732	\$0		-\$6,063		-\$6,063
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>	\$0			\$1,146,557	\$1,146,557	\$0	\$0	\$74,185		\$74,185
<b>Total including Account 1568</b>		\$49,685	\$145,060	\$0	\$1,062,825	\$1,257,570	\$23,130	\$1,520	\$0	\$68,122	\$92,773
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$95,160	\$2,791		-\$91,776	\$6,175	\$2,619	\$1,818	-\$4,437		-\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>4</sup>	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575	-\$0				-\$0					
Accounting Changes Under CGAAP Balance + Return Component <sup>6</sup>	1576	\$0				\$0					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the sub-account approved for disposition was first transferred into Account 1595 (2014). The DVA continuity schedule for any new accounts that have never been disposed, start inputting data from the year the account was

Account Descriptions	Account Number	2019				Projected Interest on Dec-31-18 Balances			
		Principal Disposition during 2019 - instructed by OEB	Interest Disposition during 2019 - instructed by OEB	Closing Principal Balances as of Dec 31-18 Adjusted for Dispositions during 2019	Closing Interest Balances as of Dec 31-18 Adjusted for Dispositions during 2019	Projected Interest from Jan 1, 2019 to December 31, 2019 on Dec 31 -18 balance adjusted for disposition during 2019 (e)	Projected Interest from January 1, 2020 to April 30, 2020 on Dec 31 -18 balance adjusted for disposition during 2019 (f)	Total Interest	Total Claim
<b>Group 2 Accounts</b>									
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$0	-\$0			-\$0	-\$0.00
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			\$0	\$0			\$0	\$0.00
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508			\$0	\$0			\$0	\$0.00
Other Regulatory Assets - Sub-Account - Lost WIP	1508			\$14,802	\$31,388	\$363		\$31,750	\$46,552.31
Other Regulatory Assets - Sub-Account - Energy East Consultation Costs	1508			\$14,816	\$700	\$363		\$1,063	\$15,879.77
Other Regulatory Assets - Sub-Account - Cost Assessment Variance 2016	1508			\$466,330	\$10,432	\$11,425		\$21,857	\$488,186.94
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue Variance	1508			-\$29,463	-\$81	-\$722		-\$802	-\$30,265.76
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522			\$0	-\$758	-\$1,886		-\$2,644	-\$2,644.22
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555			\$13,029	\$0			\$0	\$13,029.16
	1508			\$0	\$0			\$0	\$0.00
Retail Cost Variance Account - Retail	1518			\$35,953	\$722	\$881		\$1,603	\$37,556.05
Misc. Deferred Debits	1525			\$0	\$0			\$0	\$0.00
Retail Cost Variance Account - STR	1548			\$31,045	\$1,554	\$761		\$2,314	\$33,359.46
Board-Approved CDM Variance Account	1567			\$0	\$0			\$0	\$0.00
Extra-Ordinary Event Costs	1572			-\$351,767	-\$19,307	-\$8,618		-\$27,925	-\$379,692.19
Deferred Rate Impact Amounts	1574			\$0	\$0			\$0	\$0.00
RSVA - One-time	1582			\$0	\$0			\$0	\$0.00
Other Deferred Credits	2425			\$0	\$0			\$0	\$0.00
<b>Group 2 Sub-Total</b>		\$0	\$0	\$194,745	\$24,650	\$2,566	\$0	\$27,216	\$221,961.52
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			-\$0	\$0			\$0	-\$0.00
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592			-\$83,732	-\$6,063	-\$2,053		-\$8,116	-\$91,848.50
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>			\$1,146,557	\$74,185			\$74,185	\$1,220,742.00
<b>Total including Account 1568</b>		\$0	\$0	\$1,257,570	\$92,773	\$512	\$0	\$93,285	\$1,350,855.03
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531			\$0	\$0			\$0	\$0.00
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532			\$6,175	-\$0	\$194		\$194	\$6,368.61
Renewable Generation Connection Funding Adder Deferral Account	1533			\$0	\$0			\$0	\$0.00
Smart Grid Capital Deferral Account	1534			\$0	\$0			\$0	\$0.00
Smart Grid OM&A Deferral Account	1535			\$0	\$0			\$0	\$0.00
Smart Grid Funding Adder Deferral Account	1536			\$0	\$0			\$0	\$0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555			\$0	\$0			\$0	\$0.00
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555			\$0	\$0			\$0	\$0.00
Smart Meter OM&A Variance <sup>4</sup>	1556			\$0	\$0			\$0	\$0.00
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557			\$0	\$0			\$0	\$0.00
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575			-\$0					\$0.00
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576			\$0					\$0.00

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.

# Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has the year in which the GL balance was last disposed. For example, if in the 2017 rate application, I column under 2014. For each Account 1595 sub-account, start inputting data from the year the su approved for disposition was first transferred into Account 1595 (2014). The DVA continuity sche any new accounts that have never been disposed, start inputting data from the year the account t

		2.1.7 RRR	
Account Descriptions	Account Number	As of Dec 31-18	Variance RRR vs. 2018 Balance (Principal + Interest)
<b>Group 2 Accounts</b>			
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508		\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508		\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508		\$0
Other Regulatory Assets - Sub-Account - Lost WIP	1508	\$46,190	\$0
Other Regulatory Assets - Sub Account - Energy East Consultation Costs	1508	\$15,517	\$0
Other Regulatory Assets - Sub Account - Cost Assessment Variance 2016	1508	\$476,762	\$0
Other Regulatory Assets - Sub Account - Pole Attachment Revenue Variance	1508	-\$29,544	\$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1522	-\$758	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555		-\$13,029
	1508		\$0
Retail Cost Variance Account - Retail	1518	\$36,675	\$0
Misc. Deferred Debits	1525		\$0
Retail Cost Variance Account - STR	1548	\$32,599	\$0
Board-Approved CDM Variance Account	1567		\$0
Extra-Ordinary Event Costs	1572	-\$371,074	\$0
Deferred Rate Impact Amounts	1574		\$0
RSVA - One-time	1582		\$0
Other Deferred Credits	2425		\$0
<b>Group 2 Sub-Total</b>		\$206,366	-\$13,029
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592		\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$4,107	\$93,902
<b>LRAM Variance Account<sup>11</sup></b>	<b>1568</b>		-\$1,220,742
<b>Total including Account 1568</b>		\$210,473	-\$1,139,869
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531		-\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532	\$102,387	\$96,213
Renewable Generation Connection Funding Adder Deferral Account	1533		-\$0
Smart Grid Capital Deferral Account	1534		\$0
Smart Grid OM&A Deferral Account	1535		-\$0
Smart Grid Funding Adder Deferral Account	1536		\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$9,578,658	\$9,578,658
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	-\$2,817,512	-\$2,817,512
Smart Meter OM&A Variance <sup>4</sup>	1556	-\$6,748,117	-\$6,748,117
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557		\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575		\$0
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576		\$0

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: deb and credit balance are to have a negative figure) as per the related OEB decision.



# 2019 Deferral/Variance Account Workform

Accounts that produced a variance on the continuity schedule are listed below.  
Please provide a detailed explanation for each variance below.

Account Descriptions	Account Number	Variance RRR vs. 2018 Balance (Principal + Interest)	Explanation
RSVA - Power (excluding Global Adjustment)12	1588	\$ 2,055,091.86	reversal of 2017 adjustments and record 2018 adjustments
RSVA - Global Adjustment 12	1589	\$ (2,250,159.12)	reversal of 2017 adjustments and record 2018 adjustments
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs4	1555	\$ (13,029.16)	As per OEB instructions-Account 1555 combined here
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$ 93,901.91	Adjusted for the 50% not collectable from the Ratepayer.
LRAM Variance Account11	1568	\$ (1,220,742.00)	Amount not recorded in General Ledger until approved for Disposition
Renewable Generation Connection OM&A Deferral Account8	1532	\$ 96,213.00	See Exhibit 2 - Remainder to be collected as a Provincial Benefit
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital4	1555	\$ 9,578,658.00	As per OEB instructions - combined to 1555 above
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries4	1555	\$ (2,817,512.00)	As per OEB instructions - combined to 1555 above
Smart Meter OM&A Variance4	1556	\$ (6,748,117.00)	As per OEB instructions - combined to 1555 above

# 2019 Deferral/Variance Account Workform

In the green shaded cells, enter the data related to the proposed load forecast. Do not enter data for the MicroFit class.

Rate Class <small>(Enter Rate Classes in cells below as they appear on your current tariff of rates and charges)</small>	Units	# of Customers	A		B		Distribution Revenue	C		D=A-C		E	F =B-C-E (deduct E if applicable)	1595 Recovery Share Proportion (2013) <sup>1</sup>	1595 Recovery Share Proportion (2014) <sup>1</sup>	1595 Recovery Share Proportion (2015) <sup>1</sup>	1595 Recovery Share Proportion (2016) <sup>1</sup>	1595 Recovery Share Proportion (2017) <sup>1</sup>	1595 Recovery Share Proportion (2018) <sup>1</sup>	1568 LRAM Variance Account Class Allocation <sup>2</sup> (\$ amounts)	Number of Customers for Residential and GS-50 classes <sup>2</sup>	
			Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers <sup>1</sup>	Metered kW for Non-RPP Customers <sup>1</sup>		Metered kWh for Wholesale Market Participants (WMP)	Metered kW for Wholesale Market Participants (WMP)	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW less WMP consumption (if applicable)	Forecast Total Metered Class A kWh	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption)									
RESIDENTIAL	# of Custor	89,860	671,446,596		12,895,381		26,312,908			671,446,596	-		12,895,381	36%	36%	39%	43%	54%	54%	412,985	89,860	
GS-50 kW	kWh	8,138	230,635,457		35,192,955		6,195,147			230,635,457	-		35,192,955	14%	14%	15%	15%	14%	14%	293,658	8,138	
GS-50 kW	kW	938	777,549,790	2,008,843	696,184,875	1,974,563	12,087,841	12,288,230	34,080	765,261,560	1,974,563	211,246,784	472,646,861	47%	47%	42%	39%	30%	30%	602,101		
LARGE USER	kW	1	35,092,547	70,127	35,092,547	70,127	297,667			35,092,547	70,127	35,092,547	-	2%	2%	1%	1%	1%	1%			
STREETLIGHTS	kW	25,440	7,307,492	20,381	7,214,633	20,381	334,895			7,307,492	20,381		7,214,633	0%	0%	0%	0%	0%	0%			
USL	kWh	955	4,173,587		151,850		147,161			4,173,587	-		-	1%	1%	1%	1%	1%	1%			
EMBEDDED DISTRIBUTOR	kW	1	19,053,029	43,316	19,053,029	43,316	147,161	19,053,029	43,316	-	-	-	0									
<b>Total</b>			<b>125,331</b>	<b>1,745,259,478</b>	<b>2,142,477</b>	<b>885,542,520</b>	<b>2,108,397</b>	<b>\$ 45,527,289</b>	<b>31,341,259</b>	<b>77,396</b>	<b>1,713,917,219</b>	<b>2,065,081</b>	<b>246,339,331</b>	<b>527,861,830</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>1,220,742</b>	

Balance as per Sheet 2 \$ 1,220,742  
Variance \$ -

<sup>1</sup> Account 1595 sub-accounts are to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

<sup>2</sup> The proportion of customers for the Residential and GS-50 Classes will be used to allocate Account 1551.







# 2019 Deferral/Variance Account Workform

1

Please enter the Year the Account 1589 GA Balance was Last Disposed.

(e.g. If in the 2018 EDR process, you received approval to dispose the GA variance account balance as at December 31, 2016, enter 2016.)

2a

Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from year after the balance was last disposed to 2017)?

(e.g. If you received approval to dispose the GA account balance as at December 31, 2016, the period the GA accumulated would be 2017.)

2b

Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1580, sub-account CBR Class B balance accumulated (i.e. from year after the balance was last disposed to 2017).

(e.g. If the CBR Class B balance was last disposed as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017.)

3a

Enter the number of transition customers you had during the period the Account 1589 GA balance accumulated.

Transition Customers - Non-loss Adjusted Billing Determinants by Customer

Customer	Rate Class		2018	
			January to June	July to December
Customer 1	GS>50 KW	kWh	3,098,675	3,149,430
		kW	6,699	7,060
		Class A/B	B	A
Customer 2	GS>50 KW	kWh	6,488,864	6,417,932
		kW	14,016	14,112
		Class A/B	B	A
Customer 3	GS>50 KW	kWh	2,876,220	3,281,330
		kW	10,939	11,289
		Class A/B	B	A
Customer 4	GS>50 KW	kWh	1,430,095	1,419,646
		kW	3,812	3,884
		Class A/B	B	A
Customer 5	GS>50 KW	kWh	2,857,199	2,987,484
		kW	6,483	6,748
		Class A/B	B	A
Customer 6	GS>50 KW	kWh	5,921,497	6,086,084
		kW	13,073	12,738
		Class A/B	B	A

# 2019 Deferral/Variance Account Workform

This tab allocates the GA balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current GA balance. The tables below calculates specific amounts for each transition customer. The general GA rate rider to non-RPP customers is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Year of the Account 1589 GA Balance Last Disposed

2017

### Allocation of total Non-RPP Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2018
Total Class B Consumption for Years During Balance Accumulation (Non-RPP Consumption LESS WMP Consumption and Consumption for Class A customers who were Class A for partial and full year)	A	552,444,972	552,444,972
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	22,672,550	22,672,550
<b>Transition Customers' Portion of Total Consumption</b>	<b>C=B/A</b>	<b>4.10%</b>	

### Allocation of Total GA Balance \$

Total GA Balance	D	-\$	1,278,842
Transition Customers Portion of GA Balance	E=C*D	-\$	52,484
GA Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	-\$	1,226,358

### Allocation of GA Balances to Class A/B Transition Customers

# of Class A/B Transition Customers			6			
Customer		Total Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2018	% of kWh	Customer Specific GA Allocation During the Period They Were a Class B customer	Monthly Equal Payments
Customer 1		3,098,675	3,098,675	13.67%	-\$	7,173
Customer 2		6,488,864	6,488,864	28.62%	-\$	15,021
Customer 3		2,876,220	2,876,220	12.69%	-\$	6,658
Customer 4		1,430,095	1,430,095	6.31%	-\$	3,310
Customer 5		2,857,199	2,857,199	12.60%	-\$	6,614
Customer 6		5,921,497	5,921,497	26.12%	-\$	13,708
<b>TOTAL</b>		<b>22,672,550</b>	<b>22,672,550</b>	<b>100.00%</b>	<b>-\$</b>	<b>52,484</b>



# 2019 Deferral/Variance Account Workform

This tab allocates the CBR Class B balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each transition customer. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Please enter the Year the Account 1580 CBR Class B was Last Disposed.

2017

(Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

### Allocation of total Consumption (kWh) between Class B and Class A/B Transition Customers

		Total	2018
Total Class B Consumption for Years During Balance Accumulation (Total Consumption Less WMP Consumption and Consumption for Class A who were Class A for the full year)	A	552,444,972	552,444,972
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	22,672,550	22,672,550
<b>Transition Customers' Portion of Total Consumption</b>	<b>C=B/A</b>	<b>4.10%</b>	<b>529,772,422</b>

### Allocation of Total CBR Class B Balance \$

Total CBR Class B Balance	D	-\$	42,877
Transition Customers Portion of CBR Class B Balance	E=D*C	-\$	1,760
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	-\$	41,118

### Allocation of CBR Class B Balances to Transition Customers

# of Class A/B Transition Customers		6				
Customer		Total Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers	Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers in 2018	% of kWh	Customer Specific CBR Class B Allocation During the Period They Were a Class B Customer	Monthly Equal Payments
Customer 1		3,098,675	3,098,675	13.67%	-\$ 240	20
Customer 2		6,488,864	6,488,864	28.62%	-\$ 504	42
Customer 3		2,876,220	2,876,220	12.69%	-\$ 223	19
Customer 4		1,430,095	1,430,095	6.31%	-\$ 111	9
Customer 5		2,857,199	2,857,199	12.60%	-\$ 222	18
Customer 6		5,921,497	5,921,497	26.12%	-\$ 460	38
<b>Total</b>		<b>22,672,550</b>	<b>22,672,550</b>	<b>100.00%</b>	<b>-\$ 1,760</b>	<b>147</b>



# 2019 Deferral/Variance Account Workform

The purpose of this tab is to calculate the billing determinants for CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-

The Year the Account 1580 CBR Class B was Last Disposed.

2017

(Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

	Forecast Total Metered Consumption Minus WMP		Forecast Total Metered Class A kWh		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh	
	kWh	kW	kWh	kW	kWh	kW		
RESIDENTIAL	671,446,586	-			671,446,586	-	46%	
GS<50 KW	230,635,457	-				230,635,457	-	16%
GS>50 KW	765,261,560	1,974,563		211,246,784	502,671	554,014,776	1,471,892	38%
LARGE USER	35,092,547	70,127		35,092,547	70,127	0	0	0%
STREETLIGHTS	7,307,482	20,391				7,307,482	20,391	0%
USL	4,173,587	-				4,173,587	-	0%
EMBEDDED DISTRIBUTOR	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-				-	-	0%
	-	-			-	-	0%	
	-	-			-	-	0%	
<b>Total</b>	<b>1,713,917,219</b>	<b>2,065,081</b>	<b>246,339,331</b>	<b>572,798</b>	<b>1,467,577,888</b>	<b>1,492,283</b>	<b>100%</b>	



# 2019 Deferral/Variance Account Workform

Please indicate the Rate Rider Recovery Period (in months)

## Rate Rider Calculation for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.)

*1550, 1551, 1584, 1586, 1595, 1580 and 1588 per instructions*

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	671,446,586	\$ 195,380	0.0003
GS<50 KW	kWh	230,635,457	\$ 89,875	0.0004
GS>50 KW	kW	2,008,643	\$ 216,157	0.1076
LARGE USER	kW	70,127	\$ 15,898	0.2267
STREETLIGHTS	kW	20,391	\$ 3,106	0.1523
USL	kWh	4,173,587	\$ 1,774	0.0004
EMBEDDED DISTRIBUTOR	kW	43,316	\$ 5,677	0.1311
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
<b>Total</b>			\$ <b>527,867</b>	

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Exhibit: 9

Filed: April 30, 2019

## **Appendix 9-2: GA Analysis Workform**

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# GA Analysis Workform

Version 1.0

**Account 1589 Global Adjustment (GA) Analysis Workform**

Input cells

Drop down cells

Utility Name

Note 1 Year(s) Requested for Dispositior

2018

Note 7 **Summary of GA (if multiple years requested for disposition)**

Year	Annual Net Change in Expected GA Balance from GA Analysis (cell K51)	Net Change in Principal Balance in the GL (cell C62)	Reconciling Items (sum of cells C63 to C75)	Adjusted Net Change in Principal Balance in the GL (cell C76)	Unresolved Difference	\$ Consumption at Actual Rate Paid (cell J51)	Unresolved Difference as % of Expected GA Payments to IESO
2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
2018	-\$ 1,031,808	-\$ 2,839,601	\$ 1,551,997	-\$ 1,287,604	-\$ 255,796	\$ 52,109,465	-0.5%
<b>Cumulative Balance</b>	<b>-\$ 1,031,808</b>	<b>-\$ 2,839,601</b>	<b>\$ 1,551,997</b>	<b>-\$ 1,287,604</b>	<b>-\$ 255,796</b>	<b>\$ 52,109,465</b>	

# GA Analysis Workform

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2018		
Total Metered excluding WMP	C = A+B	1,791,168,423	kWh	100.0%
RPP	A	996,619,967	kWh	55.6%
Non RPP	B = D+E	794,548,456	kWh	44.4%
Non-RPP Class A	D	242,103,484	kWh	13.5%
Non-RPP Class B*	E	552,444,972	kWh	30.8%

\*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 **GA Billing Rate**

GA is billed on the

1st Estimate

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any particular month

Note 4 **Analysis of Expected GA Amount**

Year	2018									
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)	
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	=M-K	
January	50,379,008	46,504,304	51,754,880	55,629,584	0.08777	\$ 4,882,609	0.06736	\$ 3,747,209	-\$	1,135,400
February	52,530,723	51,754,880	42,584,120	43,359,963	0.07333	\$ 3,179,586	0.08167	\$ 3,541,208	\$	361,622
March	45,103,585	42,584,120	44,907,656	47,427,121	0.07877	\$ 3,735,834	0.09481	\$ 4,496,565	\$	760,731
April	49,380,984	44,907,656	42,700,735	47,174,064	0.09810	\$ 4,627,776	0.09959	\$ 4,698,065	\$	70,289
May	45,587,607	42,700,735	42,690,627	45,577,499	0.09392	\$ 4,280,639	0.10793	\$ 4,919,179	\$	638,541
June	48,746,482	42,690,627	45,019,773	51,075,628	0.13336	\$ 6,811,446	0.11896	\$ 6,075,957	-\$	735,489
July	47,920,136	45,019,773	50,531,443	53,431,806	0.08502	\$ 4,542,772	0.07737	\$ 4,134,019	-\$	408,753
August	49,694,070	50,531,443	50,837,508	50,000,134	0.07790	\$ 3,895,010	0.07490	\$ 3,745,010	-\$	150,000
September	50,062,041	50,837,508	43,884,129	43,108,662	0.08424	\$ 3,631,474	0.08584	\$ 3,700,448	\$	68,974
October	45,276,132	43,884,129	42,447,159	43,839,162	0.08921	\$ 3,910,892	0.12059	\$ 5,286,564	\$	1,375,673
November	43,898,790	42,447,159	43,384,645	44,836,276	0.12235	\$ 5,485,718	0.09855	\$ 4,418,615	-\$	1,067,103
December	42,827,497	43,384,645	45,757,385	45,200,237	0.09198	\$ 4,157,518	0.07404	\$ 3,346,626	-\$	810,892
<b>Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)</b>	<b>571,407,056</b>	<b>547,246,978</b>	<b>546,500,059</b>	<b>570,660,137</b>		<b>\$ 53,141,273</b>		<b>\$ 52,109,465</b>	<b>-\$</b>	<b>1,031,808</b>

Calculated Loss Factor

1.0330

Note 5 **Reconciling Items**

Item	Amount	Explanation
<b>Net Change in Principal Balance in the GL (i.e.)</b>	<b>-\$ 2,839,601</b>	
1a True-up of GA Charges based on Actual Non-RPP Volumes - prior year	-\$ 698,162	
1b True-up of GA Charges based on Actual Non-RPP Volumes - current year	\$ 2,250,159	
2a Remove prior year end unbilled to actual revenue differences		
2b Add current year end unbilled to actual revenue differences		
3a Remove difference between prior year accrual/forecast to actual from long term load transfers		
3b Add difference between current year accrual/forecast to actual from long term load transfers		
4 Remove GA balances pertaining to Class A customers		
5 Significant prior period billing adjustments recorded in current year		
6 Differences in GA IESO posted rate and rate charged on IESO invoice		
7 Differences in actual system losses and billed TLFs		
8 Others as justified by distributor		

Note 6 <b>Adjusted Net Change in Principal Balance in the GL</b>	-\$	1,287,604
<b>Net Change in Expected GA Balance in the Year Per Analysis</b>	-\$	1,031,808
<b>Unresolved Difference</b>	-\$	255,796
<b>Unresolved Difference as % of Expected GA Payments to IESO</b>		<b>-0.5%</b>