

Exhibit 9

DEFERRAL AND VARIANCE ACCOUNTS

Exhibit 9

Tab 1 of 3

EDDVAR Deferral and Variance Accounts

OVERVIEW

STEI has included in this Application, a request for approval for the disposition of Group 1 and Group 2 Deferral and Variance Accounts ("DVAs"), except account 1508 Other Regulatory Assets - Sub- Account - Deferred IFRS Transition Costs, and account 1568 LRAMVA, based on the balance at December 31, 2013 and the forecasted interest through April 30, 2015.

Table 9-1 contains descriptions of all the outstanding DVAs. STEI confirms that it has used the DVAs in the manner described in the Accounting Procedures Handbook, and the account balance in the Table 9-2 reconciles with the trial balance reported through the Electricity Reporting and Record-keeping Requirements and STEI Hydro's Audited Financial Statements.

STEI has not made any adjustments to DVA balances that were previously approved by the Board on a final basis in Cost of Service and/or IRM proceedings. The forecasted interest on the December 31, 2013 principal balances of the DVA is calculated using the Board's prescribed rate of 1.47% for the period of January 1, 2014 to April 30, 2015.

The interest rates by quarter for each year are provided in the following Table 9-1.

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Table 9-1

**DEFERRAL and VARIANCE ACCOUNTS
INTEREST RATES**

Period	Interest Rate
Q1 2009 Actual	2.45%
Q2 2009 Actual	1.00%
Q3 2009 Actual	0.55%
Q4 2009 Actual	0.55%
Q1 2010 Actual	0.55%
Q2 2010 Actual	0.55%
Q3 2010 Actual	0.89%
Q4 2010 Actual	1.20%
Q1 2011 Actual	1.47%
Q2 2011 Actual	1.47%
Q3 2011 Actual	1.47%
Q4 2011 Actual	1.47%
Q1 2012 Actual	1.47%
Q2 2012 Actual	1.47%
Q3 2012 Actual	1.47%
Q4 2012 Actual	1.47%
Q1 2013 Actual	1.47%
Q2 2013 Actual	1.47%
Q3 2013 Actual	1.47%
Q4 2013 Actual	1.47%
Q1 2014 Actual	1.47%
Q2 2014 Forecasted	1.47%
Q3 2014 Forecasted	1.47%
Q4 2014 Forecasted	1.47%
Q1 2015 Forecasted	1.47%
Q2 2015 Forecasted	1.47%

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4 STEI has provided a continuity schedule of the Group 1 and Group 2 DVAs in Appendix A of
5 this Exhibit. The Group 2 accounts will be continued or discontinued on a going-forward basis
6 and are provided in Table 9-2.

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8 STEI is proposing to allocate the DVA balances to customer classes using default allocation
9 factors approved by the Board.

10

11 A breakdown of energy sales and cost of power expense balances, as reported in STEI's
12 Audited Financial Statements, is provided in Exhibit 1, Tab 5, Schedule 3, Attachment 1.

STEI confirms that it pro-rates the IESO Global Adjustment Charge into the RPP and Non-RPP portions.

ACCOUNT BALANCES

Table 9-2 provides the account balances proposed for disposition before forecasted interest, which are consistent with the 2013 Audited Financial Statements as at December 31, 2013 and agrees to the 2013 year end balances for RRR filing E2.1.7 Trial Balance to be filed on April 30, 2014 with the OEB.

STEI has used the DVAs in the same manner described in the Accounting Procedures Handbook.

Table 9-2

Account Description	Account Number	Principal 31-Dec-13	Interest 31-Dec-13	Total 31-Dec-13	RRR 31-Dec-13	Variance
Group 1 Accounts						
LV Variance Account	1550	-	-	-		
RSVA - Wholesale Market Service Charge	1580	(828,328)	(20,272)	(848,600)	(848,599)	(1)
RSVA - Retail Transmission Network Charge	1584	231,024	6,453	237,477	237,477	0
RSVA - Retail Transmission Connection Charge	1586	21,646	599	22,245	22,245	(0)
RSVA - Power (excluding Global Adjustment)	1588	(2,031,498)	(52,689)	(2,084,187)	(2,084,187)	0
RSVA - Global Adjustment	1589	2,129,725	61,772	2,191,497	2,191,497	0
Recovery of Regulatory Asset Balances	1590			-		
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	26,046	(3,708)	22,338	22,338	-
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	83,427	(37,603)	45,824	45,824	-
Sub-Total Group One Accounts		(367,958)	(45,448)	(413,406)	(413,406)	(0)

Continued or Discontinued		
Group 2 Accounts	Account Number	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	Continue
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	Continue
Retail Cost Variance Account - Retail	1518	Continue
Retail Cost Variance Account - STR	1548	Continue
Board-Approved CDM Variance Account	1567	Continue
LRAMVA	1568	Continue
Extra-Ordinary Event Costs	1572	Continue
Deferred Rate Impact Amounts	1574	Continue
RSVA - One-time	1582	Continue
Other Deferred Credits	2425	Continue
PILs and Tax Variance for 2006 and Subsequent Years	1592	Continue
Smart Grid Capital Deferral Account	1534	Discontinue
Smart Grid OM&A Deferral Account	1535	Discontinue
Deferred Payments in Lieu of Taxes	1562	Discontinue
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	Not Applicable

ENERGY SALE AND COST OF POWER

The sale of energy is a flow through revenue and the cost of power is a flow through expenses. Energy sales and the cost of power expense by component are presented in Table 9-3, consistent with how they are reported in the Audited Financial Statements and mapped to the Uniform System of Accounts.

STEI has no profit or loss resulting from the flow through of energy revenues and expenses as variances are included in the RSVA balances.

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Table 9-3

COST of POWER REVENUE			
	2011	2012	2013
4006-Residential Energy Sales	7,080,819	8,882,084	8,794,573
4025-Street Lighting Energy Sales	119,880	305,797	160,373
4030-Sentinel Lighting Energy Sales	4,095	5,028	4,981
4035-General Energy Sales	10,224,381	11,055,776	10,083,406
4055-Energy Sales for Resale	4,184,973	4,763,010	5,173,229
4062-Billed WMS	1,688,320	1,540,842	1,493,065
4066-Billed NW	1,789,078	2,095,079	2,041,840
4068-Billed CN	1,526,506	1,583,765	1,506,975
4076-Smart Meter entity		-	89,485
Total Revenue	26,618,052	30,231,382	29,347,928
COST of POWER EXPENSE			
	26,618,052	30,231,382	29,347,928
4705-Power Purchased	21,614,148	25,011,696	24,216,563
4708-Charges-WMS	1,688,320	1,540,842	1,493,065
4714-Charges-NW	1,789,078	2,095,079	2,041,840
4716-Charges-CN	1,526,506	1,583,765	1,506,975
4751-Smart Meter Entity Charges			89,485
Total Expense	26,618,052	30,231,382	29,347,928

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4 **PILS AND TAX VARIANCE FOR 2006 AND SUBSEQUENT YEARS –**
5 **ACCOUNT 1592**

6 STEI has not recorded any items in USofA account 1592 – Deferred PILs, therefore the
7 attached OEB appendix 2-TA has a balance of \$Nil. Appendix 2-TA is shown below.

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Appendix 2-TA

Account 1592, PILs and Tax Variances for 2006 and Subsequent Years

The following table should be completed based on the information requested below, in accordance with the notes following the table. An explanation should be provided for any blank entries.

Tax Item	Principal as of December 31, 2015
Large Corporation Tax grossed-up proxy from 2006 EDR application PILs model for the period from May 1, 2006 to April 30, 2007	
Large Corporation Tax grossed-up proxy from 2006 EDR application PILs model for the period from January 1, 2006 to April 30, 2006 (4/12ths of the approved grossed-up proxy), if not recorded in PILs account 1562	
Ontario Capital Tax rate decrease and increase in capital deduction for 2007	
Ontario Capital Tax rate decrease and increase in capital deduction for 2008	
Ontario Capital Tax rate decrease and increase in capital deduction for 2009	
Ontario Capital Tax rate decrease and increase in capital deduction for 2010	
Capital Cost Allowance class changes from 2006 EDR application for 2006	
Capital Cost Allowance class changes from 2006 EDR application for 2007	
Capital Cost Allowance class changes from 2006 EDR application for 2008	
Capital Cost Allowance class changes from 2006 EDR application for 2009	
Capital Cost Allowance class changes from 2006 EDR application for 2010	
Capital Cost Allowance class changes from 2006 EDR application for 2011	
Capital Cost Allowance class changes from 2006 EDR application for 2012	
Capital Cost Allowance class changes from any prior application not recorded above. Please provide details and explanation separately.	
Insert description of additional item(s) and new rows if needed.	
Total	\$ -

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**ACCOUNT 1592 - HARMONIZED SALES TAX DEFERRAL
ACCOUNT**

Effective in the 2010 rate year, several of the Board's Decisions and Orders approved a new sub account of Account 1592, PILs and Tax Variances for 2006 and Subsequent Years to record the Input Tax Credit ("ITC") savings arising from the elimination of the Provincial Sales Tax ("PST") and the implementation of the HST on July 1, 2010.

STEI was not directed to record the ITC savings in the new sub-account of Account 1592 in STEI's 2011 Cost of Service settlement agreement. Therefore, the Board's Appendix 2-TB does not need to be filed with this Application

ACCOUNT 1508 - ONE-TIME INCREMENTAL IFRS COSTS

STEI will file a request for review and disposition of balance in account 1508 Other Regulatory Assets – Sub-account IFRS Transition Costs in STEI's first cost of service rate application immediately following the IFRS transition period as per the Board's Filing Requirements for Electricity Distribution Rate Applications dated July 17, 2013 (the "Filing Requirements").

STEI confirms that there are no one-time administrative incremental IFRS transition costs embedded in the proposed 2015TY revenue requirement and that no capital costs, ongoing IFRS compliance costs, or impacts arising from adopting non-IFRS related accounting policy changes are recorded in 1508 Other Regulatory Assets – Sub-account IFRS Transition Costs.

IFRS IMPLEMENTATION PROJECT

On February 13, 2008, the Canadian Accounting Standards Board ("AcSB") officially confirmed the requirement for publicly accountable enterprises to adopt International Financial Reporting Standards ("IFRS") for financial reporting purposes effective 2011. IFRS is a set of accounting standards developed by the International Accounting Standards Board ("IASB") that is becoming a global standard for the preparation of public company financial statements

In 2010 STEI assembled a team of employees to lead the project and engaged consulting services for project management and matters associated with financial reporting, information technology, external audit, employee future benefits liability and the useful lives of property, plant and equipment.

STEI completed the majority of the transition work for IFRS by December 31, 2011. STEI has prepared financial statements under MIFRS as depreciation and capitalization changes were adopted effective January 1, 2012.

1 IFRS Transition Incremental Costs

2 Incremental one-time administrative costs incurred as a result of the anticipated transition to
3 IFRS through the year ended December 31, 2013 are \$61,206. As described above, these costs
4 relate to the transition of accounting policies, procedures, systems and processes to IFRS and
5 include professional accounting and consulting fees.

6

7 Board Appendix 2-U is provided below.

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Appendix 2-U One-Time Incremental IFRS Transition Costs

The following table should be completed based on the information requested below. An explanation should be provided for any blank entries. The entries should include one-time incremental IFRS transition costs that are currently included in Account 1508, Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account, or Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account.

Nature of One-Time Incremental IFRS Transition Costs ¹	Audited Actual Costs Incurred 2009	Audited Actual Costs Incurred 2010	Audited Actual Costs Incurred 2011	Audited Actual Costs Incurred 2012	Audited Carrying Charges to Dec 31, 2012	Total Audited Actual Costs to Dec 31, 2012	RRR 2.1.7 Balance 31-Dec-12	Variance ²	Reasons why the costs recorded meet the criteria of one-time IFRS administrative incremental costs
professional accounting fees		\$ 45,645	\$ 15,561		\$ 917	\$ 62,122			IFRS consulting work related to conversion
professional legal fees						\$ -			
salaries, wages and benefits of staff added to support the transition to IFRS						\$ -			
associated staff training and development costs						\$ -			
costs related to system upgrades, or replacements or changes where IFRS was the major reason for conversion						\$ -			
						\$ -			
						\$ -			
						\$ -			
						\$ -			
Amounts, if any, included in previous Board approved rates (amounts should be negative) ³						\$ -			
						\$ -			
Insert description of additional item(s) and new rows if needed.						\$ -			
Total	\$ -	\$ 45,645	\$ 15,561	\$ -	\$ 917	\$ 62,122		\$ 62,122	

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**ACCOUNT 1575 - IFRS-CGAAP TRANSITIONAL PP&E
AMOUNTS**

Account 1575 does not apply to STEI as STEI adopted, under GAAP, IFRS policies in conjunction with the January 1, 2012 restructuring; therefore, there are no IFRS-GAAP differences.

ACCOUNT 1576 - ACCOUNTING CHANGES UNDER CGAAP

Account 1576 does not apply to STEI as STEI adopted IFRS policies in conjunction with the January 1, 2012 restructuring; therefore, there the policies adopted under GAAP are consistent with IFRS.

Board Appendix 2-EE Account 1675 – Accounting Changes under GAAP, 2012 Changed in Accounting Policies under GAAP is presented below.

Appendix 2-ED Account 1576 - Accounting Changes under CGAAP 2012 Changes in Accounting Policies under CGAAP

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012

Reporting Basis	2011 Rebasing Year	2011	2012	2013	2014 Rebasing Year	2015	2016	2017	2018
Forecast vs. Actual Used in Rebasing Year	CGAAP	IRM	IRM	IRM	CGAAP - ASPE	IRM	IRM	IRM	IRM
	Forecast	Actual	Actual	Actual	Forecast				
		\$	\$	\$	\$	\$	\$	\$	\$
PP&E Values under former CGAAP									
Opening net PP&E - Note 1			18,970,924	24,491,365					
Net Additions - Note 4			7,069,689	1,523,521					
Net Depreciation (amounts should be negative) - Note 4			-1,549,248	-1,136,108					
Closing net PP&E (1)			24,491,365	24,878,777					
PP&E Values under revised CGAAP (Starts from 2012)									
Opening net PP&E - Note 1			18,970,924	24,491,365					
Net Additions - Note 4			7,069,689	1,523,521					
Net Depreciation (amounts should be negative) - Note 4			-1,549,248	-1,136,108					
Closing net PP&E (2)			24,491,365	24,878,777					
Difference in Closing net PP&E, former CGAAP vs. revised CGAAP			0	0					

Effect on Deferral and Variance Account Rate Riders

Closing balance in Account 1576	-
Return on Rate Base Associated with Account 1576 balance at WACC - Note 2	-
Amount included in Deferral and Variance Account Rate Rider Calculation	-

WACC

of years of rate rider disposition period

Notes:

1 For an applicant that made the capitalization and depreciation expense accounting policy changes on January 1, 2012, the PP&E values as of January 1, 2012 under both former CGAAP and revised CGAAP should be the same.

2 Return on rate base associated with Account 1576 balance is calculated as:

the variance account opening balance as of 2014 rebasing year x WACC X # of years of rate rider disposition period

* Please note that the calculation should be adjusted once WACC is updated and finalized in the rate application.

3 Account 1576 is cleared by including the total balance in the deferral and variance account rate rider calculation.

4 Net additions are additions net of disposals; Net depreciation is additions to depreciation net of disposals.

- 1 **RETAIL SERVICE CHARGES**
- 2 STEI has not been tracking the incremental costs for providing retail services per Article 490.
- 3 STEI will endeavor to quantify the variance dating back to 2012 when the restructuring occurred
- 4 and bring these forward to the Board for disposition at the earliest possible time.

DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS

STEI is requesting disposition of the variance accounts noted below in accordance with the Report of the Board EB-2009-0046, which states that "at the time of rebasing, all Account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline".

STEI has followed the guidelines in the Report of the Board and requests disposition of its deferral and variance accounts over a one-year period with the exception of the Stranded Meters account 1555. The detailed information regarding the disposition account 1555 Smart Meter Capital and Recovery Offset Variance - Sub-account - Stranded Meter Costs) is provided in Attachment 1 of this Exhibit, STEI has provided a continuity schedule of the accounts listed below in Attachment 1 of this Exhibit.

STEI is requesting the disposition of the Group 1 and Group 2 Accounts shown in Table 9-1. These amounts are comprised of the audited balances as at December 31, 2013 and the forecasted interest through April 30, 2015. STEI confirms that the account balance listed in Table 9-4, proposed for disposition before the projected interest, are consistent with the last Audited Financial Statements and agree to the trial balances reported through the Electricity Reporting and Record-keeping Requirements.

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Table 9-4

GROUP 1 DEFERRAL and VARIANCE ACCOUNT BALANCE

Account Description	Account Number	Principal Dec 31, 2013	Interest Dec 31, 2013	Principal Disposition 2014	Interest Disposition 2014	Projected Interest 2014	Projected Interest 2015	Total Claim
RSVA - Wholesale Market Service Charge	1580	(828,328)	(20,272)	652,602	21,336	(2,583)	(849)	(178,094)
RSVA - Retail Transmission Network Charge	1584	231,024	6,453	(222,274)	(7,594)	129	42	7,780
RSVA - Retail Transmission Connection Charge	1586	21,646	599	(36,254)	(1,172)	(215)	(71)	(15,467)
RSVA - Power (excluding Global Adjustment)	1588	(2,031,498)	(52,689)	1,446,660	52,479	(8,597)	(2,826)	(596,471)
Disposition and Recovery/Refund of Regulatory Balance (2011 & 2012)	1595	109,473	(41,311)	(50,218)	(3,019)	871	286	16,082
		(2,497,684)	(107,219)	1,790,516	62,030	(10,395)	(3,418)	(766,170)
RSVA - Power sub account Global Adjustment	1588	2,129,725	61,772	(1,451,745)	(57,893)	9,966	3,277	695,102
Total Group 1 Balance		(367,959)	(45,447)	338,771	4,137	(429)	(141)	(71,068)

GROUP 2 DEFERRAL and VARIANCE ACCOUNT BALANCE

Account Description	Account Number	Principal Dec 31, 2013	Interest Dec 31, 2013	Principal Disposition 2014	Interest Disposition 2014	Projected Interest 2014	Projected Interest 2015	Total Claim
Smart Grid Capital Deferral Account	1534	1,611	52	-	-	24	8	1,695
Smart Grid OM&A Deferral Account	1535	2,404	55	-	-	35	12	2,506
RSVA One-time	1582	418	101	-	-	6	2	527
Total Group 2 Balance		4,433	208	-	-	65	22	4,728
Total Disposition								
Group 1 (excluding Global Adjustment) and Group 2		(2,493,251)	(107,011)	1,790,516	62,030	(10,330)	(3,396)	(761,442)
Group 1 Global Adjustment		2,129,725	61,772	(1,451,745)	(57,893)	9,966	3,277	695,102
Net Disposition		(363,526)	(45,239)	338,771	4,137	(364)	(119)	(66,340)

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GROUP 2 ACCOUNTS NOT SUBMITTED FOR DISPOSITION

Group 2 Account – 1508 Other Regulatory Assets – Sub-account IFRS Transition Costs

STEI will file a request for the review and disposition of the balance in account 1508 Other Regulatory Assets – Sub-account IFRS Transition Costs in STEI's next Cost of Service rate application immediately following the IFRS transition period as required in the Filing Requirements.

Method of Disposition

The following methods are proposed for disposition of the DVA balances, for those accounts that have been selected for disposition.

Group One Accounts

Method of disposition: allocation to rate classes on basis of the 2015TY kWh energy consumption by customer class and disposition through variable component rate rider based on kWh or kW. Allocation of costs to customer classes is based upon kWh energy consumption by customer class in accordance with the default cost allocation methodology established by the Board for Group 1 deferral and variance accounts in the Electricity Distributor's Deferral and Variance Account Review Initiative (EDDVAR Report), dated July 31, 2009.

Group Two Accounts

Method of disposition: allocation to rate classes on basis of the 2015TY kWh energy consumption by customer class and disposition through variable component rate rider based on kWh or kW for Group 2 accounts.

The continuity schedule for all DVA's submitted for disposition, along with the cost allocation and rate rider calculations are included in 2015 EDDVAR Continuity Schedule Cost of Service model and included as Attachment 1 to this Exhibit.

Proposed Rate Riders

Table 9-5 below summarize the proposed rates that result from the disposal of the DVA balances. STEI has used a one-year recovery period in the following proposed rate riders' calculation.

Attachment 1 of 1

EDDVAR Continuity Schedule




Version 2.2

Utility Name	St. Thomas Energy Inc.
Service Territory	(if applicable)
Assigned EB Number	EB-2014-0113
Name of Contact and Title	Robert Kent, Director Finance and Regulatory Affairs
Phone Number	1-519-631-5550 x 5258
Email Address	rkent@sttenergy.com


General Notes

1. Please ensure that your macros have been enabled. (Tools -> Macro -> Security)
2. Due to the time lag of deferral/variance account dispositions, this model assumes that all opening balances include previously disposed of amounts. Accordingly, all "Board Approved Dispositions" are deducted from the opening balance.
3. Please provide information in this model since the last time your balances were disposed.
4. For all Board-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 Board decision.

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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		2013													2014			
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-13	Transactions Debit / (Credit) during 2013 excluding interest and adjustments ³	Board-Approved Disposition during 2013	Other ² Adjustments during Q1 2013	Other ² Adjustments during Q2 2013	Other ² Adjustments during Q3 2013	Other ² Adjustments during Q4 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	Board-Approved Disposition during 2013	Adjustments during 2013 - other ²	Closing Interest Amounts as of Dec-31-13	Principal Disposition during 2014 - instructed by Board	Interest Disposition during 2014 - instructed by Board	Closing Principal Balances as of Dec 31-12 Adjusted for Dispositions during 2013	Closing Interest Balances as of Dec 31-12 Adjusted for Dispositions during 2013
Group 1 Accounts																		
LV Variance Account	1550	\$0							\$0	\$0				\$0			\$0	\$0
RSVA - Wholesale Market Service Charge	1580	-\$652,602	-\$175,726						-\$828,328	-\$8,589	-\$11,683			-\$20,272	-\$652,602	-\$21,336	-\$175,726	\$1,064
RSVA - Retail Transmission Network Charge	1584	\$222,274	\$8,750						\$231,024	\$3,253	\$3,200			\$6,453	\$222,274	\$7,594	\$8,750	-\$1,141
RSVA - Retail Transmission Connection Charge	1586	\$36,254	-\$14,608						\$21,646	\$464	\$135			\$599	\$36,254	\$1,172	-\$14,608	-\$573
RSVA - Power (excluding Global Adjustment)	1588	-\$1,446,660	-\$584,838						-\$2,031,498	-\$24,221	-\$28,468			-\$52,689	-\$1,446,660	-\$52,479	-\$584,838	-\$210
RSVA - Global Adjustment	1589	\$1,451,745	\$677,980						\$2,129,725	\$29,537	\$32,235			\$61,772	\$1,451,745	\$57,893	\$677,980	\$3,879
Recovery of Regulatory Asset Balances	1590	\$0							\$0	\$0				\$0			\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2008) ⁷	1595	\$0							\$0	\$0				\$0			\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁷	1595	-\$49,928	\$354,548			-\$278,574			\$26,046	-\$4,508	\$800			-\$3,708			\$26,046	-\$3,708
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁷	1595	\$0							\$0	\$0				\$0			\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁷	1595	\$91,133	-\$7,705						\$83,427	-\$38,876	\$1,273			-\$37,603	\$50,218	\$3,019	\$33,209	-\$40,622
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		-\$347,785	\$258,400	\$0	\$0	-\$278,574	\$0	\$0	-\$367,959	-\$42,940	-\$2,507	\$0	\$0	-\$45,447	-\$338,771	-\$4,137	-\$29,188	-\$41,310
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		-\$1,799,530	-\$419,580	\$0	\$0	-\$278,574	\$0	\$0	-\$2,497,683	-\$72,477	-\$34,742	\$0	\$0	-\$107,219	-\$1,790,516	-\$62,030	-\$707,167	-\$45,189
RSVA - Global Adjustment	1589	\$1,451,745	\$677,980	\$0	\$0	\$0	\$0	\$0	\$2,129,725	\$29,537	\$32,235	\$0	\$0	\$61,772	\$1,451,745	\$57,893	\$677,980	\$3,879
Group 2 Accounts																		
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$0							\$0	\$0				\$0			\$0	\$0
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	\$0							\$0	\$0				\$0			\$0	\$0
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$61,206							\$61,206	\$1,817	\$900			\$2,717			\$61,206	\$2,717
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0							\$0	\$0				\$0			\$0	\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery																		
Variance - Ontario Clean Energy Benefit Act ⁸	1508	\$0							\$0	\$0				\$0			\$0	\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery																		
Carrying Charges	1508	\$0							\$0	\$0				\$0			\$0	\$0
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$0							\$0	\$0				\$0			\$0	\$0
Retail Cost Variance Account - Retail	1518	\$0							\$0	\$0				\$0			\$0	\$0
Misc. Deferred Debits	1525	\$0							\$0	\$0				\$0			\$0	\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0							\$0	\$0				\$0			\$0	\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0							\$0	\$0				\$0			\$0	\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0							\$0	\$0				\$0			\$0	\$0
Smart Grid Capital Deferral Account	1534	\$1,611							\$1,611	\$28	\$24			\$52			\$1,611	\$52
Smart Grid OM&A Deferral Account	1535	\$2,404							\$2,404	\$20	\$35			\$55			\$2,404	\$55
Smart Grid Funding Adder Deferral Account	1536	\$0							\$0	\$0				\$0			\$0	\$0
Retail Cost Variance Account - STR	1548	\$0							\$0	\$0				\$0			\$0	\$0
Board-Approved CDM Variance Account	1567	\$0							\$0	\$0				\$0			\$0	\$0
Extra-Ordinary Event Costs	1572	\$0							\$0	\$0				\$0			\$0	\$0
Deferred Rate Impact Amounts	1574	\$0							\$0	\$0				\$0			\$0	\$0
RSVA - One-time	1582	\$106	\$312						\$418	\$96	\$5			\$101			\$418	\$101
Other Deferred Credits	2425	\$0							\$0	\$0				\$0			\$0	\$0
Group 2 Sub-Total		\$65,327	\$312	\$0	\$0	\$0	\$0	\$0	\$65,639	\$1,961	\$964	\$0	\$0	\$2,925	\$0	\$0	\$65,639	\$2,925
Deferred Payments in Lieu of Taxes	1562	\$0							\$0	\$0				\$0			\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0							\$0	\$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			\$0	\$0
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		-\$282,458	\$258,712	\$0	\$0	-\$278,574	\$0	\$0	-\$302,320	-\$40,979	-\$1,543	\$0	\$0	-\$42,522	-\$338,771	-\$4,137	\$36,451	-\$38,385
LRAM Variance Account	1568	\$0	\$30,959						\$30,959	\$0	\$717			\$717	\$0		\$30,959	\$717
Total including Account 1568		-\$282,458	\$289,671	\$0	\$0	-\$278,574	\$0	\$0	-\$271,361	-\$40,979	-\$826	\$0	\$0	-\$41,805	-\$338,771	-\$4,137	\$67,410	-\$37,668
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ¹⁰	1555	\$0							\$0	\$0				\$0			\$0	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ¹⁰	1555	\$0							\$0	\$0				\$0			\$0	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ¹⁰	1555	-\$3,879							-\$3,879	\$0				\$0			-\$3,879	\$0
Smart Meter OM&A Variance ¹⁰	1556	\$0							\$0	\$0				\$0			\$0	\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁹	1575								\$0	\$0				\$0			\$0	\$0
Accounting Changes Under CGAAP Balance + Return Component ⁹	1576								\$0	\$0				\$0			\$0	\$0
The following is not included in the total claim but are included on a memo basis:																		
Deferred PILs Contra Account ⁵	1563	\$0	\$8,866						\$8,866	\$0				\$0			\$8,866	\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$0							\$0	\$0				\$0			\$0	\$0
Disposition and Recovery of Regulatory Balances ⁷	1595	\$0							\$0	\$0				\$0			\$0	\$0



Deferral/Variance Account Workform for 2015 Filers

Accounts that produced a variance on the 2015 continuity schedule are listed below.
Please provide a detailed explanation for each variance below.

Account Descriptions		Account Number	Variance RRR vs. 2013 Balance (Principal + Interest)		Explanation
Group 1 Accounts					
RSVA - Wholesale Market Service Charge		1580	\$	0.31	
RSVA - Retail Transmission Network Charge		1584	-\$	0.13	
RSVA - Retail Transmission Connection Charge		1586	-\$	0.03	
RSVA - Power (excluding Global Adjustment)		1588	-\$	0.18	
RSVA - Global Adjustment		1589	-\$	0.17	
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁷		1595	-\$	0.10	
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁷		1595	-\$	0.10	
Group 2 Accounts					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs		1508	-\$	0.20	
Smart Grid Capital Deferral Account		1534	-\$	0.29	
Smart Grid OM&A Deferral Account		1535	-\$	0.01	
RSVA - One-time		1582	-\$	0.50	



Deferral/Variance Account Workform
for 2015 Filers

In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the most recent 12-month actual volumetric data, use the most recent 12-month actual data. Do not enter data for the MicroFit class.

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue ¹	1590 Recovery Share Proportion	1595 Recovery Share Proportion (2008) ²	1595 Recovery Share Proportion (2009) ²	1595 Recovery Share Proportion (2010) ²	1595 Recovery Share Proportion (2011) ²	1568 LRAM Variance Account Class Allocation (\$ amounts)
Residential	kWh	15,120	121,139,467		15,455,793	-				41.06%		41.06%	
General Service < 50 kW	kWh	1,737	40,919,528		8,727,820	-				13.49%		13.49%	
General Service > 50	kW	144	117,249,967	299,044	111,231,144	283,693				44.39%		44.39%	
Sentinel Lighting	kW	52	22,987	176		-				0.02%		0.02%	
Street Lighting	kW	4,918	3,138,334	8,685	334,119	925				1.04%		1.04%	
						-							
						-							
						-							
						-							
						-							
						-							
						-							
Total		21,971	282,470,283	307,905	135,748,876	284,618	\$ -	0%	0%	100%	0%	100%	\$ -

Balance as per Sheet 2

Variance

\$

\$

32,281

32,281

¹ For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balances

² Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.



Deferral/Variance Account Workform for 2015 Filers

		Amounts from Sheet 2	Allocator	Residential	General Service < 50 kW	General Service > 50	Sentinel Lighting	Street Lighting		
LV Variance Account	1550	0		0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(178,094)	kWh	(76,377)	(25,799)	(73,925)	(14)	(1,979)	0	0
RSVA - Retail Transmission Network Charge	1584	7,780	kWh	3,336	1,127	3,229	1	86	0	0
RSVA - Retail Transmission Connection Charge	1586	(15,466)	kWh	(6,633)	(2,241)	(6,420)	(1)	(172)	0	0
RSVA - Power (excluding Global Adjustment)	1588	(596,471)	kWh	(255,801)	(86,407)	(247,588)	(49)	(6,627)	0	0
RSVA - Global Adjustment	1589	695,102	kWh	298,100	100,695	288,528	57	7,723	0	0
Recovery of Regulatory Asset Balances	1590	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2008)	1595	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	22,847	kWh	9,381	3,082	10,142	5	238	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	(6,765)	kWh	(2,778)	(913)	(3,003)	(1)	(70)	0	0
Total of Group 1 Accounts (excluding 1589)		(766,170)		(328,871)	(111,150)	(317,564)	(60)	(8,524)	0	0
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Carrying Charges	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0		0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	0		0	0	0	0	0	0	0
Misc. Deferred Debits	1525	0		0	0	0	0	0	0	0
Renewable Generation Connection Capital Deferral Account	1531	0		0	0	0	0	0	0	0
Renewable Generation Connection OM&A Deferral Account	1532	0		0	0	0	0	0	0	0
Renewable Generation Connection Funding Adder Deferral Account	1533	0		0	0	0	0	0	0	0
Smart Grid Capital Deferral Account	1534	1,695	kWh	727	246	703	0	19	0	0
Smart Grid OM&A Deferral Account	1535	2,507	kWh	1,075	363	1,040	0	28	0	0
Smart Grid Funding Adder Deferral Account	1536	0		0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	0		0	0	0	0	0	0	0
Board-Approved CDM Variance Account	1567	0		0	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0		0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0		0	0	0	0	0	0	0
RSVA - One-time	1582	527	kWh	226	76	219	0	6	0	0
Other Deferred Credits	2425	0		0	0	0	0	0	0	0
Total of Group 2 Accounts		4,729		2,028	685	1,963	0	53	0	0
Deferred Payments in Lieu of Taxes	1562	0		0	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0		0	0	0	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	0	0	0	0
Total of Account 1562 and Account 1592		0		0	0	0	0	0	0	0
LRAM Variance Account (Enter dollar amount for each class)	1568	32,281								
(Account 1568 - total amount allocated to classes)		0								
Variance		32,281								
Total Balance Allocated to each class (excluding 1589)		(761,441)		(326,843)	(110,465)	(315,602)	(60)	(8,471)	0	0
Total Balance Allocated to each class from Account 1589		695,102		298,100	100,695	288,528	57	7,723	0	0
Total Balance Allocated to each class (including 1589)		(66,339)		(28,743)	(9,770)	(27,073)	(3)	(748)	0	0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0		0	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0		0	0	0	0	0	0	0
Total Balance Allocated to each class for Accounts 1575 and 1576		0		0	0	0	0	0	0	0

Manually adjusted IFRS to 0, do not want to dispose.
With the adjustment Tab 6 is correct net amount of refund



Deferral/Variance Account for 2015 Filers

		Amounts from Sheet 2	Allocator						
LV Variance Account	1550	0		0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(178,094)	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	7,780	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	(15,466)	kWh	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(596,471)	kWh	0	0	0	0	0	0
RSVA - Global Adjustment	1589	695,102	kWh	0	0	0	0	0	0
Recovery of Regulatory Asset Balances	1590	0		0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2008)	1595	0		0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	22,847	kWh	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0		0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	(6,765)	kWh	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		(766,170)		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Carrying Charges	1508	0		0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0		0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	0		0	0	0	0	0	0
Misc. Deferred Debits	1525	0		0	0	0	0	0	0
Renewable Generation Connection Capital Deferral Account	1531	0		0	0	0	0	0	0
Renewable Generation Connection OM&A Deferral Account	1532	0		0	0	0	0	0	0
Renewable Generation Connection Funding Adder Deferral Account	1533	0		0	0	0	0	0	0
Smart Grid Capital Deferral Account	1534	1,695	kWh	0	0	0	0	0	0
Smart Grid OM&A Deferral Account	1535	2,507	kWh	0	0	0	0	0	0
Smart Grid Funding Adder Deferral Account	1536	0		0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	0		0	0	0	0	0	0
Board-Approved CDM Variance Account	1567	0		0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0		0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0		0	0	0	0	0	0
RSVA - One-time	1582	527	kWh	0	0	0	0	0	0
Other Deferred Credits	2425	0		0	0	0	0	0	0
Total of Group 2 Accounts		4,729		0	0	0	0	0	0
Deferred Payments in Lieu of Taxes	1562	0		0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0		0	0	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	0	0	0
Total of Account 1562 and Account 1592		0		0	0	0	0	0	0
LRAM Variance Account (Enter dollar amount for each class)	1568	32,281							
(Account 1568 - total amount allocated to classes)		0							
Variance		32,281							
Total Balance Allocated to each class (excluding 1589)		(761,441)		0	0	0	0	0	0
Total Balance Allocated to each class from Account 1589		695,102		0	0	0	0	0	0
Total Balance Allocated to each class (including 1589)		(66,339)		0	0	0	0	0	0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0		0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0		0	0	0	0	0	0
Total Balance Allocated to each class for Accounts 1575 and 1576		0		0	0	0	0	0	0

Manually adjusted IFRS to 0, do not want to dispose.
With the adjustment Tab 6 is correct net amount of refund



Deferral/Variance Account for 2015 Filers

		Amounts from Sheet 2	Allocator							
LV Variance Account	1550	0		0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(178,094)	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	7,780	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	(15,466)	kWh	0	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(596,471)	kWh	0	0	0	0	0	0	0
RSVA - Global Adjustment	1589	695,102	kWh	0	0	0	0	0	0	0
Recovery of Regulatory Asset Balances	1590	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2008)	1595	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	22,847	kWh	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0		0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	(6,765)	kWh	0	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		(766,170)		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Carrying Charges	1508	0		0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0		0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	0		0	0	0	0	0	0	0
Misc. Deferred Debits	1525	0		0	0	0	0	0	0	0
Renewable Generation Connection Capital Deferral Account	1531	0		0	0	0	0	0	0	0
Renewable Generation Connection OM&A Deferral Account	1532	0		0	0	0	0	0	0	0
Renewable Generation Connection Funding Adder Deferral Account	1533	0		0	0	0	0	0	0	0
Smart Grid Capital Deferral Account	1534	1,695	kWh	0	0	0	0	0	0	0
Smart Grid OM&A Deferral Account	1535	2,507	kWh	0	0	0	0	0	0	0
Smart Grid Funding Adder Deferral Account	1536	0		0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	0		0	0	0	0	0	0	0
Board-Approved CDM Variance Account	1567	0		0	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0		0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0		0	0	0	0	0	0	0
RSVA - One-time	1582	527	kWh	0	0	0	0	0	0	0
Other Deferred Credits	2425	0		0	0	0	0	0	0	0
Total of Group 2 Accounts		4,729		0	0	0	0	0	0	0
Deferred Payments in Lieu of Taxes	1562	0		0	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0		0	0	0	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	0	0	0	0
Total of Account 1562 and Account 1592		0		0	0	0	0	0	0	0
LRAM Variance Account (Enter dollar amount for each class)	1568	32,281								
(Account 1568 - total amount allocated to classes)		0								
Variance		32,281								
Total Balance Allocated to each class (excluding 1589)		(761,441)		0	0	0	0	0	0	0
Total Balance Allocated to each class from Account 1589		695,102		0	0	0	0	0	0	0
Total Balance Allocated to each class (including 1589)		(66,339)		0	0	0	0	0	0	0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0		0	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0		0	0	0	0	0	0	0
Total Balance Allocated to each class for Accounts 1575 and 1576		0		0	0	0	0	0	0	0

Manually adjusted IFRS to 0, do not want to dispose.
With the adjustment Tab 6 is correct net amount of refund



1

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
Residential	kWh	121,139,467	-\$ 326,843	- 0.0027
General Service < 50 kW	kWh	40,919,528	-\$ 110,465	- 0.0027
General Service > 50	kW	299,044	-\$ 315,602	- 1.0554
Sentinel Lighting	kW	176	-\$ 60	- 0.3412
Street Lighting	kW	8,685	-\$ 8,471	- 0.9754
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			-\$ 761,441	

Rate Class (Enter Rate Classes in cells below)	Units	Non-RPP kW / kWh / # of Customers	Balance of RSVA - Power - Global Adjustment	Rate Rider for RSVA - Power - Global Adjustment
Residential	kWh	15,455,793	\$ 298,100	0.0193
General Service < 50 kW	kWh	8,727,820	\$ 100,695	0.0115
General Service > 50	kW	283,693	\$ 288,528	1.0170
Sentinel Lighting	kW	-	\$ 57	-
Street Lighting	kW	925	\$ 7,723	8.3522
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
Total			\$ 695,102	

LRAM VARIANCE ACCOUNT (LRAMVA) 2011 - 2014

In accordance with the Board's Guidelines for Electricity Distributor Conservation and Demand Management, EB-2012-0003, distributors must apply for disposition of the LRAMVA balance at the time of their Cost of Service rate applications. Distributors may also apply for the disposition of the balance in the LRAMVA on an annual basis, as part of the Incentive Regulation Mechanism rate applications. All requests for disposition must be made together with carrying charges, after the completion of the annual independent third party evaluation.

Elenchus performed an independent review on behalf of STEI based upon the most recent input assumptions available. Elenchus has calculated a 2011 LRAMVA of \$2,295, a 2012 LRAMVA of \$28,665 and carrying charges of \$867. The LRAMVA amounts have been adjusted for the 2011 COS CDM load forecast. STEI did not apply for LRAMVA disposition in its 2013 or 2014 IRM applications.

DISPOSITION OF THE LRAMVA

STEI is not requesting disposition of the total LRAMVA balance of \$31,827 at this time as the amount is not deemed to be material. STEI will continue calculating carrying charges at the Board approved rates.

Elenchus customer class allocation of the 2011 and 2012 LRAMVA is provided in Table 9-7 below.

Table 9-7

2011 and 2012 LRAMVA

Customer Class	Amount	Interest *	Total
Residential	\$ 5,530	\$ 157	\$ 5,687
General Service Less Than 50 kW	\$ 25,853	\$ 723	\$ 26,577
General Service Greater Than 50 kW	-\$ 424	-\$ 13	-\$ 437
Total	\$ 30,960	\$ 867	\$ 31,827

SMART METERS

SMART METERS

STEI is seeking disposition of the net book value of its stranded meters as at January 1, 2015. In accordance with the OEB's Guideline G-2011-0001 Smart Meter Funding and Cost Recovery – Final Disposition ("Guideline G-2011-0001"), whereby distributors are to be "held whole with respect to the cost recovery of stranded meters (i.e. conventional meters replaced as part of the smart meter initiative), STEI seeks disposition of its stranded meter costs as at January 1, 2015 in the amount of \$422,504. This represents the amount of the pooled residual net book value of the meters removed from service, less any net proceeds from sales of the meters and contributed capital attributable to the meters at January 1, 2015.

STEI did not transfer the stranded meters to account 1555 when the Rate Order was issued. STEI continued to account for the meters in a sub account of 1860 and amortized the meter to reduce the NBV. STEI will continue the same procedure for 2014 and transfer the January 1, 2015 NBV to account 1555.

STEI is requesting the recovery of the Net Book Value of the stranded meters of \$422,504 as at January 1, 2015 through separate Stranded Meter Rate Riders for each the Residential and General Service < 50 kW rate classes over a five-year period. Recovery of the net book value of the stranded meters over a five-year period aligns with STEI's next scheduled cost of service application in 2020 and minimizes the bill impact for the Residential and General Service < 50 kW customers. STEI proposes to recover the net book value of the stranded meters through a fixed monthly Stranded Meter Rate Rider for the Residential and General Service < 50kW rate classes.

STEI is unable to calculate the specific recovery of the NBV by class and as such is seeking a Residential and GS<50 kW recovery based upon 2015TY customer count.

The proposed rate rider is \$0.42 per customer is provided in Table 9-8 below.

Table 9-8

STRANDED METER RECOVERY AS AT JANUARY 1, 2015	
Gross assets	2,278,507
Accumulated Depreciation	(1,690,378)
Book Value	588,129
Contributed Capital	(295,793)
Accumulated Depreciation	130,168
Book Value	(165,625)
Stranded Meter Net Book Value	422,504
2015 Customer Forecast	
Residential	15,120
GS < 50 kW	1,737
Total	16,857
Recovery per customer	25.06
# of Years	5 5.01
# of months per year	12 0.42
Rate Rider, 5 years	0.42

SMART METERS

STEI is not applying for smart meter-related recoveries in this Application.

STEI incurred cumulative capital costs of \$3,267,776 for the installation of smart meters and the implementation of Time-Of-Use ("TOU") billing for residential and General Service < 50 kW and General Service > 50 kW customers. The recovery of capital costs associated with smart meters was the subject of a Smart Meter Prudence Review application (EB-2012-0348). The outcome of that application was a Board decision that approved a smart meter incremental revenue rate rider effective until STEI's next cost of service application and historical smart meter costs rate rider effective until April 30, 2014.