

**Collus PowerStream Corp.**  
**2016 Price Cap IR Application (EB-2015-0062)**  
**Application Analysis**  
**November 5, 2015**

**Interrogatories**

**Interrogatory #1**

**IRM Model – Tab 1: Information Sheet - Rate Year in which the Group 1 accounts were last cleared**

Collus PowerStream indicates on the Information Sheet of IRM model that its Group 1 accounts were last cleared in rate year 2014. OEB staff notes that as per the Decision and Rate Order issued on March 19, 2015 in Collus PowerStream's 2015 IRM application (EB-2014-0065), Collus PowerStream was approved to dispose its Group 1 accounts in debit balance of \$1,161,246. Therefore, the "Rate Year in which the Group 1 accounts were last cleared" cell should show 2015.

- a) Please confirm if Collus PowerStream agrees with the above. If so, OEB staff will update the IRM model

**Response:**



Collus PowerStream agrees with the above and OEB can make the necessary changes.

- b) If answer to a) is no, please provide an explanation for the discrepancy.

# Incentive Regulation Model for 2016 Filers

Version

|   |  |
|---|--|
| Utility Name  | Collus PowerStream Corp.                       |
| Assigned EB Number  | EB-2015-0062                                   |
| Name of Contact and Title   | Glen McAllister, Manager, Billing & Regulatory |
| Phone Number  | (705)445-1800 ext 2274                         |
| Email Address   | gmcallister@collus.com                         |
| We are applying for rates effective   | May-01-16                                      |
| Rate-Setting Method   | Price Cap IR                                   |
| Please indicate in which Rate Year the Group<br>1 accounts were last cleared <sup>1</sup> | 2014   |
| Please indicate the last Cost of Service<br>Re-Basing Year                                | 2013   |

## Interrogatory #2

### IRM Model – Tab 3: 2015 Continuity Schedule – 2012 & 2013 Board-Approved Disposition under account 1595

On Tab 3 of the IRM model, Collus PowerStream reported balances \$1,275,993 and - \$209,732 in account 1595 under 2012 and 2013 Board-Approved Disposition respectively. Please provide explanation for these two balances.

| Account Number |  |   |  |  |     |
|----------------|--|---|--|--|-----|
|                | Opening Principal Amounts as of Jan-1-12 | Transactions Debit / (Credit) during 2012 excluding interest and adjustments <sup>2</sup> | Board-Approved Disposition during 2012 | Adjustments during 2012 - other <sup>1</sup> | Bal |
| 1550           | 68,705                                   | 143,038   | (96,439)                               |  |     |
| 1551           |  |   |  |  |     |
| 1580           | (1,018,295)                              | (614,023)   | (540,698)                              |  |     |
| 1584           | (93,377)                                 | (109)   | (92,224)                               |  |     |
| 1586           | (67,475)                                 | 24,395  | (42,658)                               |  |     |
| 1588           | (588,539)                                | 376,230   | (726,694)                              |  |     |
| 1589           | 1,107,310                                | (121,867)   | 547,484                                |  |     |
| 1595_(2008)    | 0  |   |  |  |     |
| 1595_(2009)    | 0  |   |  |  |     |
| 1595_(2010)    | (1,363,638)                              | 665,844   |  |  |     |
| 1595_(2011)    | 0  |   |  |  |     |
| 1595_(2012)    | 0  | 385,650   | 1,275,993                              |  |     |
| 1595_(2013)    | 0  |   |  |  |     |
| 1595_(2014)    | 0  |   |  |  |     |

### Response:

Please see attached schedule IR#2A which identifies the breakdown of the 2012 Board Approved disposition. There is a difference in the Board Approved disposition of \$30,674 which should have been allocated to the Transactions during 2012. As a result the net difference in 2012 is unchanged.

| 2013           |  |   |  |  |  |
|----------------|--|---|--|--|--|
| Account Number | Opening Principal Amounts as of Jan-1-13 | Transactions Debit / (Credit) during 2013 excluding interest and adjustments <sup>2</sup> | Board-Approved Disposition during 2013 | Adjustments during 2013 - other <sup>1</sup> | Closing Principal Balance as Dec-31-13 |
| 1550           | 308,182                                  | 299,127   | 165,144                                |  | 442,1                                  |
| 1551           | 0  | 7,703   |  |  | 7,7                                    |
| 1580           | (1,091,620)                              | (441,436)   | (477,597)                              |  | (1,055,45                              |
| 1584           | (1,262)                                  | 255,989   | (1,152)                                |  | 255,8                                  |
| 1586           | (422)                                    | 72,903  | (24,816)                               |  | 97,2                                   |
| 1588           | 514,385                                  | 379,233   | 138,155                                |  | 755,4                                  |
| 1589           | 437,959                                  | 768,917   | 559,826                                |  | 647,0                                  |
| 1595_(2008)    | 0  |   |  |  |  |
| 1595_(2009)    | 0  |   |  |  |  |
| 1595_(2010)    | (697,795)                                | 719,941   |  |  | 22,1                                   |
| 1595_(2011)    | 0  |   |  |  |  |
| 1595_(2012)    | (890,344)                                | 631,156   |  |  | (259,18                                |
| 1595_(2013)    | 0  | (9,195)   | (209,732)                              |  | 200,5                                  |
| 1595_(2014)    | 0  |   |  |  |  |

### Response:

Please see attached schedule IR#2B which identifies the breakdown of the 2013 Board Approved disposition.

### Interrogatory #3

#### Manager's Summary, page 14 – Global Adjustment

#### IRM Model – Tab 3 and 4

The Global Adjustment (account 1589) transaction amount during the 2014 rate year was \$722,828. The per unit value was \$0.0056 per kWh. During the rate year 2013, the Global Adjustment transaction amount was \$768,917 with per unit value of \$0.0059 per kWh.

- Please explain the large balances in account 1589 Global Adjustment for rate year 2013 and 2014.

### Response

Please see attached schedule IR#3 which shows the Global Adjustment balances accumulated in 2013 and 2014.

### Interrogatory #4

#### Manager's Summary, page 11 – Retail Transmission Service Rates

#### IRM Model – Tab 12: RTSR Current Wholesale, Tab 13: RTSR Forecast Wholesale

"Table 6.1: Proposed RTSR Changes" in Section 6 of the Manager's Summary lists the Forecast Wholesale Cost - Network as \$1,971,812 and Forecast Wholesale Cost – Connection as \$1,047,697. OEB staff finds that these two amounts are the same the balances on Tab 12 – "RTST Current Wholesale". Please note these amounts in table 6.1 should be consistent with the total balances on Tab 13 – "RTST Forecast Wholesale" in the IRM model, which are \$1,979,201 and \$1,087,132.

- a) Please confirm if Collus PowerStream agrees

### Response:

Collus PowerStream agrees with the above and OEB can make the necessary changes.

- b) If answer to a) is no, please provide an explanation for the discrepancy.

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**Table 6.1: Proposed RTSR Changes**

| Transmission Rates | Billed at Current Rates | Forecast Wholesale Cost | Change \$   | Change % |
|--------------------|-------------------------|-------------------------|-------------|----------|
| Network            | \$ 2,053,308            | \$ 1,971,812            | \$ (81,496) | (3.97)%  |
| Connection         | \$ 1,020,905            | \$ 1,047,697            | \$ (26,792) | (2.62)%  |

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| Total  | -            |         |              | \$              | -       | \$        | -                         | -       |              |              | \$ | - | \$ | - | \$ | -            | \$ | - | \$ | - |
|--|--------------|---------|--------------|-----------------|---------|-----------|---------------------------|---------|--------------|--------------|----|---|----|---|----|--------------|----|---|----|---|
| Total  | Network      |         |              | Line Connection |         |           | Transformation Connection |         |              | Total Line   |    |   |    |   |    |              |    |   |    |   |
| Month  | Units Billed | Rate    | Amount       | Units Billed    | Rate    | Amount    | Units Billed              | Rate    | Amount       | Amount       |    |   |    |   |    |              |    |   |    |   |
| January  | 58,399       | \$3.38  | \$ 197,184   | 5,016           | \$0.72  | \$ 3,595  | 58,399                    | \$1.62  | \$ 94,606    | \$ 98,201    |    |   |    |   |    |              |    |   |    |   |
| February   | 54,412       | \$3.38  | \$ 183,721   | 4,595           | \$0.72  | \$ 3,293  | 54,903                    | \$1.62  | \$ 88,943    | \$ 92,236    |    |   |    |   |    |              |    |   |    |   |
| March  | 52,473       | \$3.38  | \$ 177,175   | 4,434           | \$0.72  | \$ 3,178  | 53,285                    | \$1.62  | \$ 86,322    | \$ 89,500    |    |   |    |   |    |              |    |   |    |   |
| April  | 42,271       | \$3.38  | \$ 142,730   | 3,400           | \$0.72  | \$ 2,437  | 43,494                    | \$1.62  | \$ 70,460    | \$ 72,897    |    |   |    |   |    |              |    |   |    |   |
| May  | 37,288       | \$3.41  | \$ 127,232   | 2,794           | \$0.79  | \$ 2,201  | 37,418                    | \$1.80  | \$ 67,420    | \$ 69,621    |    |   |    |   |    |              |    |   |    |   |
| June   | 48,452       | \$3.41  | \$ 165,323   | 3,365           | \$0.79  | \$ 2,651  | 48,898                    | \$1.80  | \$ 88,104    | \$ 90,755    |    |   |    |   |    |              |    |   |    |   |
| July   | 49,014       | \$3.41  | \$ 167,240   | 3,674           | \$0.79  | \$ 2,894  | 49,014                    | \$1.80  | \$ 88,313    | \$ 91,207    |    |   |    |   |    |              |    |   |    |   |
| August   | 46,858       | \$3.41  | \$ 159,883   | 3,433           | \$0.79  | \$ 2,705  | 46,858                    | \$1.80  | \$ 84,428    | \$ 87,133    |    |   |    |   |    |              |    |   |    |   |
| September  | 48,220       | \$3.41  | \$ 164,531   | 3,615           | \$0.79  | \$ 2,848  | 48,220                    | \$1.80  | \$ 86,883    | \$ 89,731    |    |   |    |   |    |              |    |   |    |   |
| October  | 40,430       | \$3.41  | \$ 137,951   | 3,131           | \$0.79  | \$ 2,467  | 40,682                    | \$1.80  | \$ 73,301    | \$ 75,768    |    |   |    |   |    |              |    |   |    |   |
| November   | 50,099       | \$3.41  | \$ 170,943   | 3,686           | \$0.79  | \$ 2,904  | 50,099                    | \$1.80  | \$ 90,268    | \$ 93,173    |    |   |    |   |    |              |    |   |    |   |
| December   | 52,138       | \$3.41  | \$ 177,900   | 4,484           | \$0.79  | \$ 3,533  | 52,138                    | \$1.80  | \$ 93,942    | \$ 97,475    |    |   |    |   |    |              |    |   |    |   |
| Total  | 580,054      | \$ 3.40 | \$ 1,971,812 | 45,627          | \$ 0.76 | \$ 34,708 | 583,407                   | \$ 1.74 | \$ 1,012,989 | \$ 1,047,697 |    |   |    |   |    |              |    |   |    |   |
| Transformer Allowance Credit (if applicable)               |              |         |              |                 |         |           |                           |         |              |              |    |   |    |   |    | \$ -         |    |   |    |   |
| Total including deduction for Transformer Allowance Credit |              |         |              |                 |         |           |                           |         |              |              |    |   |    |   |    | \$ 1,047,697 |    |   |    |   |

10. RTSR - UTRs & Sub-Tx 11. RTSR - Historical Wholesale 12. RTSR - Current Wholesale 13. RTSR - Forecast Wholesale 14. RTSR Rates to Foreca

|  |              |         |              |                 |         |           |                           |         |              |              |  |
|--|--------------|---------|--------------|-----------------|---------|-----------|---------------------------|---------|--------------|--------------|--|
| Total  | Network      |         |              | Line Connection |         |           | Transformation Connection |         |              | Total Line   |  |
| Month  | Units Billed | Rate    | Amount       | Units Billed    | Rate    | Amount    | Units Billed              | Rate    | Amount       | Amount       |  |
| January  | 58,399       | \$ 3.41 | \$ 199,263   | 5,016           | \$ 0.79 | \$ 3,952  | 58,399                    | \$ 1.80 | \$ 105,223   | \$ 109,175   |  |
| February   | 54,412       | \$ 3.41 | \$ 185,658   | 4,595           | \$ 0.79 | \$ 3,620  | 54,903                    | \$ 1.80 | \$ 98,924    | \$ 102,545   |  |
| March  | 52,473       | \$ 3.41 | \$ 179,043   | 4,434           | \$ 0.79 | \$ 3,494  | 53,285                    | \$ 1.80 | \$ 96,009    | \$ 99,503    |  |
| April  | 42,271       | \$ 3.41 | \$ 144,235   | 3,400           | \$ 0.79 | \$ 2,679  | 43,494                    | \$ 1.80 | \$ 78,367    | \$ 81,046    |  |
| May  | 37,288       | \$ 3.41 | \$ 127,232   | 2,794           | \$ 0.79 | \$ 2,201  | 37,418                    | \$ 1.80 | \$ 67,420    | \$ 69,621    |  |
| June   | 48,452       | \$ 3.41 | \$ 165,323   | 3,365           | \$ 0.79 | \$ 2,651  | 48,898                    | \$ 1.80 | \$ 88,104    | \$ 90,755    |  |
| July   | 49,014       | \$ 3.41 | \$ 167,240   | 3,674           | \$ 0.79 | \$ 2,894  | 49,014                    | \$ 1.80 | \$ 88,313    | \$ 91,207    |  |
| August   | 46,858       | \$ 3.41 | \$ 159,883   | 3,433           | \$ 0.79 | \$ 2,705  | 46,858                    | \$ 1.80 | \$ 84,428    | \$ 87,133    |  |
| September  | 48,220       | \$ 3.41 | \$ 164,531   | 3,615           | \$ 0.79 | \$ 2,848  | 48,220                    | \$ 1.80 | \$ 86,883    | \$ 89,731    |  |
| October  | 40,430       | \$ 3.41 | \$ 137,951   | 3,131           | \$ 0.79 | \$ 2,467  | 40,682                    | \$ 1.80 | \$ 73,301    | \$ 75,768    |  |
| November   | 50,099       | \$ 3.41 | \$ 170,943   | 3,686           | \$ 0.79 | \$ 2,904  | 50,099                    | \$ 1.80 | \$ 90,268    | \$ 93,173    |  |
| December   | 52,138       | \$ 3.41 | \$ 177,900   | 4,484           | \$ 0.79 | \$ 3,533  | 52,138                    | \$ 1.80 | \$ 93,942    | \$ 97,475    |  |
| Total  | 580,054      | \$ 3.41 | \$ 1,979,201 | 45,627          | \$ 0.79 | \$ 35,950 | 583,407                   | \$ 1.80 | \$ 1,051,182 | \$ 1,087,132 |  |
| Transformer Allowance Credit (if applicable)               |              |         |              |                 |         |           |                           |         |              | \$ -         |  |
| Total including deduction for Transformer Allowance Credit |              |         |              |                 |         |           |                           |         |              | \$ 1,087,132 |  |

10. RTSR - UTRs & Sub-Tx 11. RTSR - Historical Wholesale 12. RTSR - Current Wholesale 13. RTSR - Forecast Wholesale 14. RTSR Rates to Foreca

## Interrogatory #5

### Manager's Summary, page 15 – Rate Change Summary and Bill Impacts

#### IRM Model – Tab 15: Rev2Cost\_GDPIPI, Tab 18: Bill Impacts

According to the attached updated IRM model (details of changes are indicated in the next section “Updates to IRM Model made by OEB staff”), some statements in the “Rate Change Summary and Bill Impacts” section of the Manager's Summary should be updated to reflect the following:

- As calculated on Tab 15 of the updated model, the Incremental Fixed Charge (due to Residential Rate Design is \$3.44, which is below the \$4 threshold.
  - As calculated on Tab 18 of the updated model, the total bill impact for Residential customers at the 10<sup>th</sup> percentile consumption is \$2.31 or 3.95% which is below the OEB's threshold of 10%.
  - A typical Residential customer using 800 kWh per month will see a decrease of \$1.59 or decrease of 1.07% on the total monthly bill.
  - A typical General Service less than 50kW demand customer using 2,000 kWh per month will see a decrease of \$2.75 or decrease of 0.76% on the total monthly bill.
- a) Please confirm if Collus PowerStream agrees with the above. (No change to the Manager's Summary is required.)

#### **Response:**

Collus PowerStream agrees with the above and agrees no changes to the Manager's Summary are required.

- b) If answer to a) is no, please provide explanation.

## **Updates to IRM Model made by OEB staff**

### **1. Tab 15: Rev2Cost\_GDPIP - Price Escalator**

The OEB has calculated the value of the inflation factor for the incentive rate setting under the Price Cap IR and Annual Index plans, for rate changes effective in 2016, to be 2.1%. The derivation of this is shown on OEB's webpage:

<http://www.ontarioenergyboard.ca/oeb/Industry/Regulatory%20Proceedings/Applications%20Before%20the%20Board/Electricity%20Distribution%20Rates/2016%20Electricity%20Distribution%20Rate%20Applications>

This new inflation factor has been applied to Tab 15 of the IRM model as the Price Escalator.

### **2. Tab 18: Bill Impacts – Ontario Clean Energy Benefit (OCEB) and Debt Retirement Charge (DRC) to Residential Class**

Collus PowerStream's 2016 electricity distribution rates are effective on May 1, 2016. Therefore, the "Current Board-Approved" section of the individual bill impact table should include the rates as of April 30, 2016 (the day before the effective date). The OCEB will be ending on December 31, 2015, and it should not be applicable to any individual bill impact table. OEB staff has changed the "OCEB Applicable?" option from "Yes" to "No" for Residential and GS<50 kW classes, so that the OCEB amount will not appear in any bill impact table.

Also, as the DRC will be removed from Residential customers' bills after December 31, 2015, the model has been fixed to show \$0 DRC rate under Current Board-Approved section for Residential Classification.



**Collus PowerStream Corp.**

**2016 Price Cap IR Application (EB-2015-0062)**

**IR#2A**

|                      |                        |              |
|----------------------|------------------------|--------------|
| Group 1 Dispositions | \$ 980,089.00          | EB-2011-0161 |
| PILS disposition     | \$ 250,601.00          | EB-2011-0161 |
| 1521 SPC Disposition | \$ 14,629.00           | EB-2011-0161 |
|                      | <b>\$ 1,245,319.00</b> |              |

|             | Transactions Debit /<br>(Credit) during 2012<br>excluding interest and<br>adjustments | Board-Approved<br>Disposition during<br>2012 | Interest 2012   | Total 2012      |
|-------------|---|--|-----------------|-----------------|
| CORRECTION  | \$ 354,976.00   | \$ 1,245,319.00                              | \$ (890,343.00) | \$ (899,857.00) |
| PREVIOUSLY  | \$ 385,650.00   | \$ 1,275,993.00                              | \$ (890,343.00) | \$ (899,857.00) |
| DIFFERENCE* | \$ (30,674.00)  | \$ (30,674.00)                               | \$ -            | \$ -            |

\* Accidentally included the disposed GA interest in annual transactions

section "Customers, Demand and Revenue". COLLUS Power stated that it had notified the Board on November 10, 2011 of this matter and requested that the RRR historical information be updated, but had not received confirmation that this has been completed.

In its submission, Board staff noted that the RRR were revised to correct COLLUS Power's RRR historical information. Board staff submitted that it is appropriate to use the revised 2010 RRR figures.

In its reply submission, COLLUS Power requested that the Board approve the RTSR as filed.

The Board approves the use of the revised 2010 RRR figures and approves the RTSR's as filed, subject to modifications to reflect the revised 2010 RRR figures.

### **Review and Disposition of Group 1 Deferral and Variance Account Balances**

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

COLLUS Power originally reported that the 2010 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2012 was a credit of \$1,018,452.

In response to Board staff interrogatory #6, COLLUS Power revised the 2010 actual year-end total balance for Group 1 Accounts balances including interest projected to April 30, 2012 to a credit of \$980,089. This amount results in a total credit claim of \$0.00309 per kWh, which exceeds the preset disposition threshold. COLLUS Power proposed to dispose of this credit amount over a four year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2010 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR"). Board staff submitted that the amounts should be disposed on a final basis.

With respect to the disposition period, Board staff submitted that the application is not consistent with the guidelines outlined in the EDDVAR Report with respect to the default disposition period (one year) for Group 1 accounts. Board staff also noted that while some volatility in electricity bills may result from adopting a shorter disposition period, using a disposition period as long as four years would contribute to intergenerational inequity. Further, Board staff expressed the view that that the Board should strike a balance between reducing intergenerational inequity and mitigating rate volatility. Board staff recommended that a two-year disposition period be adopted for COLLUS Power's Group 1 account balances.

In its reply submission, COLLUS Power submitted that a four year disposition period for Group 1 Accounts would mitigate rate fluctuations over time. However, COLLUS Power agreed with a two year disposition period commencing May 1, 2012.

The Board notes that the EDDVAR disposition threshold of \$0.001/kWh has been exceeded. The Board approves the disposition on a final basis, of the revised credit balance of \$980,089, representing principal as at December 31, 2010 and interest to April 30, 2012, over a two year period, from May 1, 2012 to April 30, 2014.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.



| Account Name   | Account Number | Principal Balance<br>A | Interest Balance<br>B | Total Claim<br>C = A + B |
|--|----------------|------------------------|-----------------------|--------------------------|
| LV Variance Account                                    | 1550           | -\$96,439              | \$3,885               | -\$92,554                |
| RSVA - Wholesale Market Service Charge                 | 1580           | -\$540,698             | -\$21,301             | -\$561,999               |
| RSVA - Retail Transmission Network Charge              | 1584           | -\$92,224              | -\$11,500             | -\$103,724               |
| RSVA - Retail Transmission Connection Charge           | 1586           | -\$42,658              | -\$13,216             | -\$55,874                |
| RSVA - Power (excluding Global Adjustment)             | 1588           | -\$726,694             | -\$17,402             | -\$744,096               |
| RSVA - Power – Global Adjustment Sub-Account           | 1588           | \$547,484              | \$30,674              | \$578,158                |
| Recovery of Regulatory Asset Balances                  | 1590           | \$0                    | \$0                   | \$0                      |
| Disposition and Recovery of Regulatory Balances (2008) | 1595           | \$0                    | \$0                   | \$0                      |
| Disposition and Recovery of Regulatory Balances (2009) | 1595           | \$0                    | \$0                   | \$0                      |
| <b>Group 1 Total</b>                                   |                | -\$951,229             | -\$28,860             | <b>-\$980,089</b>        |

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3<sup>rd</sup> Quarter) RRR data reported.

### **Review and Disposition of Account 1521: Special Purpose Charge**

The Board authorized Account 1521, Special Purpose Charge Assessment (“SPC”) Variance Account in accordance with Section 8 of *Ontario Regulation 66/10 (Assessments for Ministry of Energy and Infrastructure Conservation and Renewable*

*Energy Program Costs*) (the “SPC Regulation”). Accordingly, any difference between (a) the amount remitted to the Minister of Finance for the distributor’s SPC assessment and (b) the amounts recovered from customers on account of the assessment were to be recorded in “Sub-account 2010 SPC Assessment Variance” of Account 1521.

In accordance with Section 8 of the SPC Regulation, distributors are required to apply by no later than April 15, 2012 for an order authorizing the disposition of any residual balance in sub-account 2010 SPC Assessment Variance. The Filing Requirements sets out the Board’s expectation that requests for disposition of this account balance would be heard as part of the proceedings to set rates for the 2012 year.

COLLUS Power originally requested the disposition of a residual debit balance of \$2,489 as at December 31, 2010, plus collections in 2011 and carrying costs until April 30, 2012 over a four year period. In response to Board staff interrogatory #8, COLLUS Power provided a detailed reconciliation of the balance in Account 1521 and updated its request for disposition of a credit balance of \$14,629 comprising principal as of December 31, 2010, plus collections in 2011 and interest to April 30, 2012.

Board staff submitted that despite the usual practice, the Board should authorize the disposition of Account 1521 as of December 31, 2010, plus the amounts recovered from customers in 2011, including interest, because the account balance does not require a prudence review, and electricity distributors are required by regulation to apply for disposition of this account. Board staff submitted that the \$14,629 credit balance in Account 1521 should be approved for disposition on a final basis. Board staff submitted that consistent with the disposition period for the Group 1 Accounts, a two year disposition period should be used to clear Account 1521.

In its reply submission, COLLUS Power agreed with Board staff that a two year disposition period should be used to clear Account 1521.

The Board approves the disposition, on a final basis, of a credit balance of \$14,629, representing principal as at December 31, 2011 and interest to April 30, 2012, in account 1521 over a two year period, from May 1, 2012 to April 30, 2014. The Board directs COLLUS Power to close Account 1521 effective May 1, 2012.

For accounting and reporting purposes, the balance of Account 1521 shall be transferred to the applicable principal and interest carrying charge sub-accounts of



Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3<sup>rd</sup> Quarter) RRR data reported.

### **Review and Disposition of Lost Revenue Adjustment Mechanism (“LRAM”)**

The Board’s *Guidelines for Electricity Distributor Conservation and Demand Management* (the “CDM Guidelines”) issued on March 28, 2008 outline the information that is required when filing an application for LRAM or SSM.

COLLUS Power originally requested the recovery of an LRAM claim of \$66,095, based on lost revenues from 2006-2010 CDM programs in 2010. In response to interrogatories from Board staff and from VECC, COLLUS Power updated its LRAM claim to \$126,533. The updated LRAM amount included lost revenues in both 2010 and 2011 for CDM programs delivered in 2006-2010. COLLUS Power proposed to recover the LRAM claim over a one year period.

In its submission, Board staff noted that COLLUS Power’s rates were rebased in 2009. Board staff noted that in its decision and order in the EB-2011-0174 proceeding, the Board disallowed LRAM claims for the rebasing year as well as persistence of prior year programs in and beyond the test year on the basis that these savings should have been incorporated into the applicant’s load forecast at the time of rebasing.

Board staff also noted that in cases in which it was clear in the application or settlement agreement that an adjustment for CDM was not being incorporated into the load forecast specifically because of an expectation that an LRAM application would address the issue, and if this approach was accepted by the Board, then Board staff would agree that an LRAM application is appropriate. Board staff requested that COLLUS Power highlight in its reply submission whether the issue of an LRAM application was addressed in its cost of service application.

Board staff submitted that in the absence of the above information, COLLUS Power should not be permitted to recover the requested persisting lost revenues from

The Board will approve an LRAM claim associated with the effect of programs launched in 2010 on 2010 revenues, as this claim is consistent with the 2008 CDM Guidelines.

The Board acknowledges that the LRAM claim for this period is not material as a standalone claim such that no LRAM recovery is approved by the Board. The Board will not approve the recovery of persisting lost revenues from 2010 programs in 2011, as it is premature to do so and inconsistent with the 2008 CDM Guidelines.

The Board will not approve an LRAM claim arising from persistence in 2010 and 2011 from programs launched in 2006 to 2009 as it is inconsistent with the 2008 Guidelines. The Guidelines state that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time. The Board notes that COLLUS Power rebased in 2009 and that the Board accepted the 2004 NAC-based forecast, as adjusted by COLLUS Power to take into account the impacts of economic effects and the results of conservation and demand management activities. The Board observes that the decision of the Board in EB-2008-0226 is at odds with COLLUS Power's claims in this case that no adjustments were made to account for conservation in its 2009 load forecast. As such, there is no reasonable basis for the Board to vary from the 2008 CDM Guidelines.

### **Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes**

In 2001, the Board approved a regulatory payments in lieu of taxes proxy approach for rate applications coupled with a true-up mechanism filed under the RRR to account for changes in tax legislation and rules and to true-up between certain proxy amounts used to set rates and the actual amount of taxes paid. The variances resulting from the true-up were tracked in Account 1562 for the period 2001 through April 30, 2006.

On November 28, 2008, pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Board commenced a Combined Proceeding (EB-2008-0381) on its own motion to determine the accuracy of the final account balances with respect to Account 1562 Deferred Payments in Lieu of Taxes ("Deferred PILs") (for the period October 1, 2001 to April 30, 2006) for certain electricity distributors that filed 2008 and 2009 distribution rate applications.

The Notice in the Combined Proceeding included a statement of the Board's expectation that the decision resulting from the Combined Proceeding would be used to



determine the final account balances with respect to Account 1562 Deferred PILs for the remaining distributors. In its decision and order, the Board stated that, “[e]ach remaining distributor will be expected to apply for final disposition of Account 1562 with its next general rates application (either IRM or cost of service).”<sup>1</sup>

COLLUS Power originally requested the disposition, over a one year period, of a debit balance of \$283,497 consisting of a principal debit amount of \$211,905 plus related carrying charges of \$71,592.

In interrogatories, Board staff indicated that it was unable to verify the variable charge rates used in the recoveries worksheet with the rate slivers in the Board-approved 2004 RAM for all rate classes. Board staff noted that based on its specific tax facts, COLLUS Power was eligible to claim the small business deduction in the tax years 2001 through 2005 and was not subject to the maximum income tax rate. Board staff asked in interrogatories why the blended income tax rate was not used for each year based on its own tax return evidence.

In response to interrogatories, COLLUS Power filed amended evidence that reflects a credit balance of \$250,601 consisting of a credit principal amount of \$211,682 plus related credit carrying charges of \$38,919. Staff submitted that the revised credit amount of \$250,601 provided in response to interrogatories has been calculated in accordance with the regulatory guidance and the decisions issued by the Board in determining the amounts in Account 1562 Deferred PILs. COLLUS Power did not agree that its responses to Board staff’s interrogatories represent updated evidence. Board staff submitted that COLLUS Power should file the updated 2001 to 2005 SIMPIL models and updated PILs continuity schedule with its reply submission.

In its reply submission, COLLUS Power agreed that the rate sliver used to determine the collection of PILs from customers during the period April 1, 2004 to March 31, 2005 should reflect the rate recovery allocation of 100% on the variable charge as shown in the approved 2004 RAM. COLLUS Power submitted that the 1562 PILs debit claim of \$294,609 is the correct value and should be approved by the Board for disposition.

COLLUS Power submitted that Board staff has not interpreted the response to Board staff IR#10, 3 c) & d) correctly. The response to these interrogatories does indicate a credit balance of \$250,601 and reflects the assumptions outlined in the interrogatory to

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<sup>1</sup> EB-2008-0381 Account 1562 Deferred PILs Combined Proceeding, Decision and Order, p. 28

be used to calculate the balance. However, COLLUS Power stated that it did not amend its evidence to suggest a credit balance of \$250,601 as the amended balance for disposition but was simply answering the interrogatory using the assumption outlined in the interrogatories.

COLLUS Power strongly disagreed with Board staff's submission on the issue of the appropriate tax rate to be used for the purposes of true-up. COLLUS Power stated that the Board decided that all distributors beyond those three named as applicants in the Combined Proceeding were subject to the same decision. COLLUS Power stated that the Board has approved, to date, the maximum blended tax rate for the purposes of true-up in all cases, whether the distributor was large, medium or small and despite very different income tax circumstances amongst them.

COLLUS Power further stated that, "Grimsby had a 2002 rate base of \$11,829,863 and was subject to the small business deduction since their rate base was between \$10 million and \$15 million. However, final 2012 distribution rates were approved for Grimsby with a disposition of account 1562 component assuming the maximum blended tax rate for true-up purposes. COLLUS Power understands that the Grimsby 2012 distribution rates were approved based on the Board approving a settlement proposal that included a settlement on the issue of the disposition of account 1562. It is also COLLUS Power's understanding that the Board typically would not approve a settled issue that was not consistent with Board policy. As a result, it is COLLUS Power's submission that it would not be consistent with Board policy to allow Grimsby the use of the maximum blended tax rates for the purposes of true-up when they are subject to the small business deduction, but then again turn around and suggest COLLUS Power should not use the maximum blended tax rate since they are subject to the small business deduction<sup>2</sup>."

The Board does not agree with COLLUS Power's interpretation of the decision in the Combined Proceeding which specifically states that, "The Board finds that the Applicants are to use the applicable tax rate percentages from the applicable table above for the purposes proposed by Board staff in its reply submission". Board staff notes that two taxation rates tables appear on page 17 of the Combined Proceeding decision. It is not determinative that the utilities considered in the Combined Proceeding were subject to the maximum rates. The Board notes that COLLUS Power was not subject to the maximum taxation rates over the 2001 to 2005 period and that it

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<sup>2</sup> Reply Submission, March 2, 2012, Page 8 of 17, Lines 3 to 15)



was also eligible for the full small business deduction. The Board is also not convinced that the facts in the Grimsby proceeding are relevant to the facts in this case, particularly as elements of that case were subject to a Settlement Proposal.

The Board concurs with the submission of Board staff that COLLUS Power should use the blended income tax rate filed by COLLUS Power in response to Board staff interrogatories, which result in a credit balance of \$250,601 to be returned to customers. The Board is of the view that the revised credit amount of \$250,601 has been calculated in accordance with the regulatory guidance and the decisions issued by the Board in determining the amounts in Account 1562 Deferred PILs. The Board accordingly approves the disposition, on a final basis, of a credit balance of \$250,601 in Account 1562, representing principal and interest to April 30, 2012, over a two year period from May 1, 2012 to April 30, 2014.

For accounting and reporting purposes, the balance of Account 1562 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3<sup>rd</sup> Quarter) RRR data reported.

### **Rate Model**

With this Decision, the Board is providing COLLUS Power with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2011 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

### **THE BOARD ORDERS THAT:**

1. COLLUS Power's new distribution rates shall be effective May 1, 2012.

**Collus PowerStream Corp.**

**2016 Price Cap IR Application (EB-2015-0062)**

**IR#2B**

|                                |    |             | Transactions Debit /<br>(Credit) during 2013<br>excluding interest and<br>adjustments | Board-Approved<br>Disposition during<br>2013 | NET 2013      |
|--------------------------------|----|-------------|---|--|---------------|
| Group 1 Dispositions           | \$ | 266,047.00  | EB-2012-0116  |  |               |
| Group 2 Dispositions           | \$ | (56,411.00) | EB-2012-0116  |  |               |
| adj carrying charges to actual | \$ | 96.00       |   |  |               |
|                                | \$ | 209,732.00  |   |  |               |
| As stated                      | \$ | (9,195.00)  |   | \$ (209,732.00)                              | \$ 200,537.00 |

\* No correction required

Settlement Table #10: Deferral and Variance Accounts, below summarizes the Parties' agreement with respect to the disposal of the balances of the accounts, including the updates that have occurred to the deferral and variance accounts for which disposal is sought in 2013.

**Settlement Table #10: Deferral and Variance Accounts**

| Summary of Total Claim   |        |                   |                  |                    |                    |                  |
|--|--------|-------------------|------------------|--------------------|--------------------|------------------|
|  | USof A | Closing Principal | Closing Interest | Projected Interest | Projected Interest | Total Claim      |
| Total Group 1 Account Balance  |        | 277,635           | (27,285)         | 4,115              | 2,743              | 257,208          |
| Total Group 2 Account Balance  |        | 596               | 10,110           | (1,872)            | 6                  | 8,839            |
| PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)  | 1592   | (55,170)          | (241)            | (475)              | (525)              | (56,411)         |
| <b>Total Claim</b>   |        | <b>223,061</b>    | <b>(17,416)</b>  | <b>1,767</b>       | <b>2,224</b>       | <b>209,637</b>   |
| Summary of Group 1 Balances  |        |                   |                  |                    |                    |                  |
| Group 1 Accounts   | USofA  | Closing Principal | Closing Interest | Projected Interest | Projected Interest | Total Claim      |
| LV Variance Account  | 1550   | 165,144           | 643              | 2,428              | 1,618              | 169,833          |
| RSVA - Wholesale Market Service Charge   | 1580   | (477,597)         | (1,015)          | (7,021)            | (4,680)            | (490,313)        |
| RSVA - Retail Transmission Network Charge  | 1584   | (1,153)           | (1,375)          | (17)               | (11)               | (2,556)          |
| RSVA - Retail Transmission Connection Charge   | 1586   | (24,817)          | (1,050)          | (365)              | (243)              | (26,474)         |
| RSVA - Power (excluding Global Adjustment)   | 1588   | 138,155           | (28)             | 2,031              | 1,354              | 141,511          |
| RSVA - Power - Sub-account - Global Adjustment   | 1588   | 559,826           | 748              | 8,229              | 5,486              | 574,290          |
| Disposition and Recovery/Refund of Regulatory Balances (2009)  | 1595   | (79,658)          | (25,208)         | (1,171)            | (781)              | (106,818)        |
| Disposition and Recovery/Refund of Regulatory Balances (2010)  | 1595   | (2,265)           | -                | -                  | -                  | (2,265)          |
| <b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>                                |        | <b>277,635</b>    | <b>(27,285)</b>  | <b>4,115</b>       | <b>2,743</b>       | <b>257,208</b>   |
| <b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>                                |        | <b>(282,191)</b>  | <b>(28,033)</b>  | <b>(4,115)</b>     | <b>(2,743)</b>     | <b>(317,082)</b> |
| Summary of Group 2 Balances  |        |                   |                  |                    |                    |                  |
| Group 2 Accounts   | USofA  | Closing Principal | Closing Interest | Projected Interest | Projected Interest | Total Claim      |
| Other Regulatory Assets - Sub-Account - Pension Contributions  | 1508   | 50,350            | 9,297            | 740                | 493                | 60,881           |
| Other Regulatory Assets - Sub-Account - Incremental Capital Charge                                   | 1508   | 11,112            | 251              | 163                | 109                | 11,635           |
| Smart Grid Capital Deferral Account  | 1534   | 6,668             | 311              | 98                 | 65                 | 7,142            |
| Smart Grid OM&A Deferral Account   | 1535   | 12,256            | 252              | 180                | 120                | 12,808           |
| Other Deferred Credits   | 2425   | (79,790)          |                  | (3,054)            | (782)              | (83,625)         |
| <b>Group 2 Sub-Total</b>   |        | <b>596</b>        | <b>10,110</b>    | <b>(1,872)</b>     | <b>6</b>           | <b>8,839</b>     |
| *PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs) | 1592   | (55,170)          | (241)            | (475)              | (525)              | (56,411)         |
| *Account 1592 disposition has been calculated for Principal and interest up September 30, 2013.      |        |                   |                  |                    |                    |                  |

266,047

**Collus PowerStream Corp.**

**2016 Price Cap IR Application (EB-2015-0062)**

**IR#3**



Directly from  
IESO Bill

#4705  
POWER

#4705-0-1  
GA

|        | Class B          | RPP             | Non-RPP         |           | Total     | RPP      | Non-RPP  |
|--------|------------------|-----------------|-----------------|-----------|-----------|----------|----------|
| Jan-14 | \$ 417,059.67    | \$ 242,307.91   | \$ 174,751.76   | \$ 0.00   | 100.0000% | 58.0991% | 41.9009% |
| Feb-14 | \$ 387,029.09    | \$ 217,398.88   | \$ 169,630.21   | \$ 0.00   | 100.0000% | 56.1712% | 43.8288% |
| Mar-14 | \$ (7,425.66)    | \$ (4,303.58)   | \$ (3,122.08)   | \$ 0.00   | 100.0000% | 57.9555% | 42.0445% |
| Apr-14 | \$ 1,280,436.42  | \$ 618,847.73   | \$ 661,588.69   | \$ (0.00) | 100.0000% | 48.3310% | 51.6690% |
| May-14 | \$ 1,619,153.16  | \$ 718,109.00   | \$ 901,044.16   | \$ (0.00) | 100.0000% | 44.3509% | 55.6491% |
| Jun-14 | \$ 1,363,293.74  | \$ 632,701.90   | \$ 730,591.84   | \$ (0.00) | 100.0000% | 46.4098% | 53.5902% |
| Jul-14 | \$ 1,433,191.60  | \$ 696,026.63   | \$ 737,164.97   | \$ 0.00   | 100.0000% | 48.5648% | 51.4352% |
| Aug-14 | \$ 1,586,705.73  | \$ 798,439.84   | \$ 788,265.89   | \$ 0.00   | 100.0000% | 50.3206% | 49.6794% |
| Sep-14 | \$ 1,785,345.65  | \$ 584,222.23   | \$ 1,201,123.42 | \$ (0.00) | 100.0000% | 32.7232% | 67.2768% |
| Oct-14 | \$ 2,361,629.59  | \$ 1,156,055.47 | \$ 1,205,574.12 | \$ 0.00   | 100.0000% | 48.9516% | 51.0484% |
| Nov-14 | \$ 2,190,192.72  | \$ 1,187,789.70 | \$ 1,002,403.02 | \$ (0.00) | 100.0000% | 54.2322% | 45.7678% |
| Dec-14 | \$ 2,186,243.02  | \$ 1,275,137.17 | \$ 911,105.85   | \$ 0.00   | 100.0000% | 58.3255% | 41.6745% |
|        | \$ 16,602,854.73 | \$ 8,122,732.89 | \$ 8,480,121.84 | \$ 0.01   |           |          |          |

LTLT \$ 1,041.30  
\$ 8,481,163.14

|        | Class B          | RPP             | Non-RPP         |           | Total     | RPP      | Non-RPP  |
|--------|------------------|-----------------|-----------------|-----------|-----------|----------|----------|
| Jan-13 | \$ 1,525,234.44  | \$ 853,948.26   | \$ 671,286.18   | \$ (0.00) | 100.0000% | 55.9880% | 44.0120% |
| Feb-13 | \$ 1,371,905.97  | \$ 744,132.77   | \$ 627,773.20   | \$ 0.00   | 100.0000% | 54.2408% | 45.7592% |
| Mar-13 | \$ 1,410,421.39  | \$ 767,874.31   | \$ 642,547.08   | \$ (0.00) | 100.0000% | 54.4429% | 45.5571% |
| Apr-13 | \$ 1,444,763.72  | \$ 703,737.18   | \$ 741,026.54   | \$ 0.00   | 100.0000% | 48.7095% | 51.2905% |
| May-13 | \$ 1,525,405.11  | \$ 687,963.81   | \$ 837,441.30   | \$ (0.00) | 100.0000% | 45.1004% | 54.8996% |
| Jun-13 | \$ 1,603,472.99  | \$ 756,278.04   | \$ 847,194.95   | \$ (0.00) | 100.0000% | 47.1650% | 52.8350% |
| Jul-13 | \$ 1,297,152.40  | \$ 681,508.31   | \$ 615,644.09   | \$ (0.00) | 100.0000% | 52.5388% | 47.4612% |
| Aug-13 | \$ 1,502,548.46  | \$ 723,229.16   | \$ 779,319.30   | \$ 0.00   | 100.0000% | 48.1335% | 51.8665% |
| Sep-13 | \$ 1,473,586.82  | \$ 655,448.47   | \$ 818,138.35   | \$ 0.00   | 100.0000% | 44.4798% | 55.5202% |
| Oct-13 | \$ 1,452,290.98  | \$ 711,866.57   | \$ 740,424.41   | \$ (0.00) | 100.0000% | 49.0168% | 50.9832% |
| Nov-13 | \$ 2,069,428.53  | \$ 1,124,179.80 | \$ 945,248.73   | \$ (0.00) | 100.0000% | 54.3232% | 45.6768% |
| Dec-13 | \$ 1,542,384.57  | \$ 952,553.57   | \$ 589,831.00   | \$ 0.00   | 100.0000% | 61.7585% | 38.2415% |
|        | \$ 18,218,595.38 | \$ 9,362,720.24 | \$ 8,855,875.14 | \$ (0.01) |           |          |          |

LTLT \$ 953.42  
LTLT \$ 1,007.22  
LTLT \$ 8,158.11  
LTLT \$ 1,004.17  
\$ 8,866,998.06



Collus PowerStream Corp.  
OEB QUARTERLY VARIANCE ACCOUNT REPORTING  
For the Twelve Months Ending December 31, 2013

|                                      |              | Opening    | January      | February     | March        | Quarter 1      | Balance        | April        | May          | June         | Quarter 2      | Balance        | July         | August       | September    | Quarter 3      | Balance        | October                       | November     | December     | Quarter 4      | Balance        |
|--------------------------------------|--------------|------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------|--------------|----------------|----------------|-------------------------------|--------------|--------------|----------------|----------------|
| RETAIL SETTLEMENT VARIANCE ACCOUNTS  |              |            |              |              |              |                |                |              |              |              |                |                |              |              |              |                |                |                               |              |              |                |                |
| RSVA - Power - Global Adjmt          | 1588-0000-03 | 437,959.23 | 54,988.26    | 298,603.63   | (344,535.12) | 9,056.77       | 447,016.00     | 386,514.85   | 60,159.78    | 371,089.60   | 817,764.23     | 1,264,780.23   | (304,557.60) | (152,824.97) | 618,687.04   | 161,304.47     | 1,426,084.70   | (1,177,573.24)                | 667,790.71   | (269,252.99) | (779,035.52)   | 647,049.18     |
| RSVA - Power - GA - Carrying Charges | 1588-0000-04 | 13,662.57  | 546.79       | 555.88       | 988.25       | 2,090.92       | 15,753.49      | 540.09       | 1,040.66     | 1,079.77     | 2,660.52       | 18,414.01      | 1,579.07     | 1,198.83     | 975.51       | 3,753.41       | 22,167.42      | (12,682.54)                   | 300.26       | 1,144.00     | (11,238.28)    | 10,929.14      |
| TOTAL                                |              | 451,621.80 | 55,535.05    | 299,159.51   | (343,546.87) | 11,147.69      | 462,769.49     | 387,054.94   | 61,200.44    | 372,169.37   | 820,424.75     | 1,283,194.24   | (302,978.53) | (151,626.14) | 619,662.55   | 165,057.88     | 1,448,252.12   | (1,190,255.78)                | 668,090.97   | (268,108.99) | (790,273.80)   | 657,978.32     |
| REVENUE & COSTS                      |              |            |              |              |              |                |                |              |              |              |                |                |              |              |              |                |                |                               |              |              |                |                |
| Large User Gobal Adjmt               | 4020-0000-01 | 0.00       | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00                          | 0.00         | 0.00         | 0.00           | 0.00           |
| Street Lighting Global Adjustment    | 4025-0000-01 | 0.00       | (12,077.72)  | (4,556.66)   | (14,473.77)  | (31,108.15)    | (31,108.15)    | (3,883.30)   | (9,721.15)   | (4,944.11)   | (18,548.56)    | (49,656.71)    | (9,173.87)   | (11,328.01)  | (2,071.40)   | (22,573.28)    | (72,229.99)    | (23,631.38)                   | (6,937.26)   | (15,656.86)  | (46,225.50)    | (118,455.49)   |
| Gen Serv <50kW Global Adjmt          | 4035-0001-01 | 0.00       | (4,855.12)   | 1,375.37     | (2,955.60)   | (6,435.35)     | (6,435.35)     | (941.18)     | (2,542.62)   | (1,728.35)   | (5,212.15)     | (11,647.50)    | (3,049.25)   | (3,688.81)   | (80.17)      | (6,818.23)     | (18,465.73)    | (4,954.36)                    | (753.05)     | (4,957.35)   | (10,664.76)    | (29,130.49)    |
| Gen Serv >50kW Global Adjmt          | 4035-0002-01 | 0.00       | (70,703.05)  | (36,138.65)  | (119,788.48) | (226,630.18)   | (226,630.18)   | (38,164.82)  | (66,632.26)  | (58,090.35)  | (162,887.43)   | (389,517.61)   | (92,595.85)  | (125,954.81) | (11,441.15)  | (229,991.81)   | (619,509.42)   | (154,140.02)                  | (58,705.72)  | (126,591.49) | (339,437.23)   | (958,946.65)   |
| Gen Ser > 50kW GA NRPP               | 4035-0002-02 | 0.00       | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00                          | 0.00         | 0.00         | 0.00           | 0.00           |
| Gen Serv Interval Global Adjmt       | 4035-0003-01 | 0.00       | (348,481.64) | (183,322.44) | (592,350.87) | (1,124,154.95) | (1,124,154.95) | (200,192.85) | (483,516.75) | (256,989.21) | (940,698.81)   | (2,064,853.76) | (547,465.21) | (506,019.20) | (35,381.11)  | (1,088,865.52) | (3,153,719.28) | (870,300.80)                  | (126,434.69) | (480,897.33) | (1,477,632.82) | (4,631,352.10) |
| Gen Serv Interval GA NRPP            | 4035-0003-02 | 0.00       | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00         | 0.00           | 0.00           | 0.00                          | 0.00         | 0.00         | 0.00           | 0.00           |
| Retailers Global Adjustment          | 4055-0000-01 | 0.00       | (180,180.39) | (106,527.19) | (258,466.90) | (545,174.48)   | (545,174.48)   | (111,329.54) | (214,868.74) | (154,353.33) | (480,551.61)   | (1,025,726.09) | (267,917.51) | (285,153.44) | (150,477.48) | (703,548.43)   | (1,729,274.52) | (306,151.97)                  | (84,627.30)  | (240,143.24) | (630,922.51)   | (2,360,197.03) |
| Global Adjustment Charged            | 4705-0000-01 | 0.00       | (616,297.92) | (329,169.57) | (988,035.62) | (1,933,503.11) | (1,933,503.11) | (354,511.69) | (777,281.52) | (476,105.35) | (1,607,898.56) | (3,541,401.67) | (920,201.69) | (932,144.27) | (199,451.31) | (2,051,797.27) | (5,593,198.94) | 1,359,178.53)                 | (277,458.02) | (868,246.27) | (2,504,882.82) | (8,098,081.76) |
|                                      |              | 0.00       | 671,286.18   | 627,773.20   | 643,500.50   | 1,942,559.88   | 1,942,559.88   | 741,026.54   | 837,441.30   | 847,194.95   | 2,425,662.79   | 4,368,222.67   | 615,644.09   | 779,319.30   | 818,138.35   | 2,213,101.74   | 6,581,324.41   | 741,431.63                    | 945,248.73   | 598,993.28   | 2,285,673.64   | 8,866,998.05   |
| 1588-0000-03                         |              | 0.00       | 54,988.26    | 298,603.63   | (344,535.12) | 9,056.77       | 9,056.77       | 386,514.85   | 60,159.78    | 371,089.60   | 817,764.23     | 826,821.00     | (304,557.60) | (152,824.97) | 618,687.04   | 161,304.47     | 988,125.47     | (617,746.90)                  | 667,790.71   | (269,252.99) | (219,209.18)   | 768,916.29     |
|                                      |              |            |              |              |              |                |                |              |              |              |                |                |              |              |              |                |                | VARIANCE<br>Oct 1 Disposition |              |              |                |                |
|                                      |              |            |              |              |              |                |                |              |              |              |                |                |              |              |              |                |                | (559,826.34) JE# 60,697       |              |              |                |                |
|                                      |              |            |              |              |              |                |                |              |              |              |                |                |              |              |              |                |                | (1,177,573.24)                |              |              |                |                |

Collus PowerStream Corp.  
OEB QUARTERLY VARIANCE ACCOUNT REPORTING  
For the Twelve Months Ending December 31, 2014

|                                      |              | Opening    | January      | February    | March        | Quarter 1      | Balance        | April      | May          | June           | Quarter 2    | Balance        | July           | August       | September    | Quarter 3      | Balance        | October        | November     | December       | Quarter 4      | Balance        |
|--------------------------------------|--------------|------------|--------------|-------------|--------------|----------------|----------------|------------|--------------|----------------|--------------|----------------|----------------|--------------|--------------|----------------|----------------|----------------|--------------|----------------|----------------|----------------|
| RETAIL SETTLEMENT VARIANCE ACCOUNTS  |              |            |              |             |              |                |                |            |              |                |              |                |                |              |              |                |                |                |              |                |                |                |
| RSVA - Power - Global Adjmt          | 1588-0000-03 | 647,049.18 | (819,959.31) | 136,089.49  | (119,382.37) | (803,252.19)   | (156,203.01)   | 667,900.51 | 1,234,677.16 | (517,798.63)   | 1,384,779.04 | 1,228,576.03   | (340,056.99)   | 293,761.99   | 529,406.42   | 483,111.42     | 1,711,687.45   | 70,808.54      | 250,544.81   | (663,163.13)   | (341,809.78)   | 1,369,877.67   |
| RSVA - Power - GA - Carrying Charges | 1588-0000-04 | 10,929.14  | 807.84       | (194.99)    | (45.97)      | 566.88         | 11,496.02      | (188.73)   | 638.85       | 2,110.00       | 2,560.12     | 14,056.14      | 1,533.87       | 1,109.31     | 1,428.45     | 4,071.63       | 18,127.77      | 2,137.03       | 2,153.65     | 2,538.24       | 6,828.92       | 24,956.69      |
|                                      |              | 657,978.32 | (819,151.47) | 135,894.50  | (119,428.34) | (802,685.31)   | (144,706.99)   | 667,711.78 | 1,235,316.01 | (515,688.63)   | 1,387,339.16 | 1,242,632.17   | (338,523.12)   | 294,871.30   | 530,834.87   | 487,183.05     | 1,729,815.22   | 72,945.57      | 252,698.46   | (660,624.89)   | (334,980.86)   | 1,394,834.36   |
| REVENUE & COSTS                      |              |            |              |             |              |                |                |            |              |                |              |                |                |              |              |                |                |                |              |                |                |                |
| Large User Gobal Adjmt               | 4020-0000-01 | 0.00       | 0.00         | 0.00        | 0.00         | 0.00           | 0.00           | 0.00       | 0.00         | 0.00           | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00           | 0.00           | 0.00           | 0.00         | 0.00           | 0.00           | 0.00           |
| Steret Lighting Global Adjustment    | 4025-0000-01 | 0.00       | (21,083.86)  | 2,076.94    | (1,377.57)   | (20,384.49)    | (20,384.49)    | 604.08     | 4,830.30     | (15,825.51)    | (10,391.13)  | (30,775.62)    | (10,778.73)    | (6,646.98)   | (10,052.70)  | (27,478.41)    | (58,254.03)    | (18,324.02)    | (13,955.59)  | (28,700.50)    | (60,980.11)    | (119,234.14)   |
| Gen Serv <50kW Global Adjmt          | 4035-0001-01 | 0.00       | (3,527.01)   | 198.20      | (656.01)     | (3,984.82)     | (3,984.82)     | 31.20      | 1,277.21     | (4,900.50)     | (3,592.09)   | (7,576.91)     | (4,939.84)     | (2,236.84)   | (2,602.26)   | (9,778.94)     | (17,355.85)    | (4,295.62)     | (2,235.11)   | (8,417.16)     | (14,947.89)    | (32,303.74)    |
| Gen Serv >50kW Global Adjmt          | 4035-0002-01 | 0.00       | (142,643.88) | 6,002.38    | (12,867.94)  | (149,509.44)   | (149,509.44)   | (2,068.58) | 43,415.06    | (149,510.54)   | (108,164.06) | (257,673.50)   | (132,177.03)   | (73,175.51)  | (82,963.54)  | (288,316.08)   | (545,989.58)   | (128,065.59)   | (116,925.11) | (201,992.03)   | (446,982.73)   | (992,972.31)   |
| Gen Ser > 50kW GA NRPP               | 4035-0002-02 | 0.00       | 0.00         | 0.00        | 0.00         | 0.00           | 0.00           | 0.00       | 0.00         | 0.00           | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00           | 0.00           | 0.00           | 0.00         | 0.00           | 0.00           | 0.00           |
| Gen Serv Interval Global Adjmt       | 4035-0003-01 | 0.00       | (470,329.74) | (26,901.84) | (77,397.24)  | (574,628.82)   | (574,628.82)   | 10,283.68  | 201,687.57   | (774,508.25)   | (562,537.00) | (1,137,165.82) | (637,624.31)   | (246,307.42) | (374,972.29) | (1,258,904.02) | (2,396,069.84) | (684,275.30)   | (417,434.18) | (916,844.23)   | (2,018,553.71) | (4,414,623.55) |
| Gen Serv Interval GA NRPP            | 4035-0003-02 | 0.00       | 0.00         | 0.00        | 0.00         | 0.00           | 0.00           | 0.00       | 0.00         | 0.00           | 0.00         | 0.00           | 0.00           | 0.00         | 0.00         | 0.00           | 0.00           | 0.00           | 0.00         | 0.00           | 0.00           | 0.00           |
| Retailers Global Adjustment          | 4055-0000-01 | 0.00       | (357,126.58) | (14,916.40) | (23,961.53)  | (396,004.51)   | (396,004.51)   | (2,538.56) | 82,422.86    | (303,645.67)   | (223,761.37) | (619,765.88)   | (291,702.05)   | (166,137.15) | (201,126.21) | (658,965.41)   | (1,278,731.29) | (299,805.05)   | (201,308.22) | (419,356.36)   | (920,469.63)   | (2,199,200.92) |
|                                      |              | 0.00       | (994,711.07) | (33,540.72) | (116,260.29) | (1,144,512.08) | (1,144,512.08) | 6,311.82   | 333,633.00   | (1,248,390.47) | (908,445.65) | (2,052,957.73) | (1,077,221.96) | (494,503.90) | (671,717.00) | (2,243,442.86) | (4,296,400.59) | (1,134,765.58) | (751,858.21) | (1,575,310.28) | (3,461,934.07) | (7,758,334.66) |
| Global Adjustment Charged            | 4705-0000-01 | 0.00       | 174,751.76   | 169,630.21  | (3,122.08)   | 341,259.89     | 341,259.89     | 661,588.69 | 901,044.16   | 730,591.84     | 2,293,224.69 | 2,634,484.58   | 737,164.97     | 788,265.89   | 1,201,123.42 | 2,726,554.28   | 5,361,038.86   | 1,205,574.12   | 1,002,403.02 | 912,147.15     | 3,120,124.29   | 8,481,163.15   |
|                                      |              | 0.00       | (819,959.31) | 136,089.49  | (119,382.37) | (803,252.19)   | (803,252.19)   | 667,900.51 | 1,234,677.16 | (517,798.63)   | 1,384,779.04 | 581,526.85     | (340,056.99)   | 293,761.99   | 529,406.42   | 483,111.42     | 1,064,638.27   | 70,808.54      | 250,544.81   | (663,163.13)   | (341,809.78)   | 722,828.49     |