

EXHIBIT 9 – DEFERRAL AND VARIANCE ACCOUNTS

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1 **DEFERRAL AND VARIANCE ACCOUNTS OVERVIEW**

2 E.L.K has included in this Cost of Service (“COS”) Application, a request for approval for disposition of
3 Group 1 and Group 2 Deferral and Variance Account (“DVAs”) balances as at December 31, 2015 and
4 the forecasted interest through April 30, 2017. E.L.K. has followed the Board’s guidance in the *Accounting*
5 *Procedures Handbook and FAQ’s* (“APH”) for recording amounts in the deferral and variance accounts.
6 Such guidance also includes the Report of the Board on Electricity Distributors’ Deferral and Variance
7 Account Review Initiative (“EDDVAR Report”).

8 Table 9-1 contains descriptions of all the outstanding DVAs. E.L.K. confirms that it has used the DVAs in
9 the same manner described in the APH, and the account balance in Table 9-1 reconciles with the trial
10 balance reported through the Electricity Reporting and Record-keeping Requirements and E.L.K.’s
11 Audited Financial Statements, with the exception of three accounts which are explained below.

12 E.L.K. has provided a continuity schedule of the Group 1 and Group 2 DVAs in the live Excel format
13 model named “E.L.K. 2017_DVA_Continuity_Schedule_CoS_v2_7_V2E.L.K.” (“EDDVAR model”). As
14 explained below, tab 5. Allocation of Balances has been unlocked by Board staff to allow E.L.K. to
15 properly address the disposition of account 1595 associated with the balances for 2011 DVAs.

16 The forecasted interest on December 31, 2015 principal balances of the DVAs is calculated using the
17 Board’s prescribed rate of 1.10% for the period of January 1, 2016 to April 30, 2017. The interest rates by
18 quarter for each year are provided in Table 9-4 in this Exhibit.

19 A breakdown of energy sales and cost of power expense balances, as reported in the Audited Financial
20 Statements by E.L.K., is provided in Table 9-5.

21 E.L.K. will continue or discontinue using the Group 2 accounts on a go-forward basis as outlined in Table
22 9-6 in this Exhibit.

23 Except for account 1595, E.L.K. has accepted the allocators as indicated in the EDDVAR Report. The
24 allocation of account 1595 has been allocated to rate classes based on Non-RPP kWh since as described
25 below under the explanation for account 1595 the balance in this account relates to Non-RPP customers.
26 The detailed information on the proposed method of disposition is provided in this Exhibit.

27 E.L.K. is not requesting any new accounts or sub-accounts in this COS application.

28 E.L.K. confirms that the IESO Global Adjustment Charge is pro-rated into the Regulated Price Plan
29 (“RPP”) and Non-RPP portions.

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1 **ACCOUNT BALANCES**
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3 Table 9-1 contains account balances from the 2015 Audited Financial Statements as at December 31,
4 2015 and agrees to the 2015 year end balances for Reporting and Record Keeping Requirement (“RRR”)
5 filing E2.1.7 Trial Balance as filed April 30, 2016 with the OEB, with the exception of the accounts listed in
6 the table. These variances are described in the section “Explanation of Variances” below.

7 E.L.K. has used the DVAs in the same manner described in the APH.

8 **Table 9-1 - December 31, 2105 Audited Balances – DVAs**

Account Description	USoA #	Total Principal & Interest (Dec 31, 2015)	2.1.7 RRR Balances (Dec.31, 2015)	Variance
Group 1 Accounts:				
LV Variance Account	1550	\$186,702	\$186,702	\$0
Smart Metering Entity Charge Variance Account	1551	\$31,077	\$31,077	\$0
RSVA - Wholesale Market Service Charge	1580	(\$1,072,809)	(\$1,072,809)	\$0
RSVA - Retail Transmission Network Charge	1584	\$565,952	\$565,952	\$0
RSVA - Retail Transmission Connection Charge	1586	\$201,358	\$201,358	\$0
RSVA - Power (excluding Global Adjustment)	1588	(\$1,171,385)	(\$1,171,385)	\$0
RSVA - Global Adjustment	1589	\$248,394	\$248,394	\$0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	(\$205,050)	\$0	(\$205,050)
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	\$2,785,175	\$2,265,429	\$519,746
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	(\$213,603)	\$0	(\$213,603)
Subtotal - Group 1 Accounts		\$1,355,810	\$1,254,717	\$101,093
Group 2 Accounts:				
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$21,601	\$0	\$21,601
Other Regulatory Assets - Sub-Account - Other	1508	(\$14,829)	(\$14,829)	(\$0)
Retail Cost Variance Account - Retail	1518	\$256	\$256	(\$0)
Misc. Deferred Debits	1525	(\$74)	(\$74)	\$0
Renewable Generation Connection Capital Deferral Account	1531	\$0	\$176,493	(\$176,493)
Retail Cost Variance Account - STR	1548	(\$434)	(\$434)	\$0
Subtotal - Group 2 Accounts		\$6,520	\$161,412	(\$154,893)
Other Accounts:				
LRAM Variance Account	1568	34,657	0	34,657
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	21,601	(\$21,601)
Accounting Changes Under CGAAP Balance + Return Component	1576	(\$86,094)	(\$86,094)	\$0
PILs and Tax Variance for 2006 and Subsequent Years	1592	(\$6,462)	(\$6,462)	\$0
Subtotal - Other Accounts		(\$57,898)	(\$70,954)	\$13,056
Total		1,304,432	1,345,176	(\$40,744)

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1 **EXPLANATION OF VARIANCES TO 2.1.7 RRR BALANCES**

2 **Account 1595: Disposition and Recovery/Refund of Regulatory Balances - \$101,093**

3 There is a double count of (\$101,093) in the account 1595 in the 2.1.7 balances since this amount was
4 included in account 1595 as at the end of December 31, 2011. The disposition of DVA balances as at
5 December 31, 2011 was addressed in the approved DVA rate riders for 2013 and 2014. However, when
6 the approved December 31, 2011 balances was moved to a new sub account of account 1595, for
7 tracking purposes, the December 31, 2011 balance for 1595 was also moved from the original
8 subaccount to the new subaccount but the 1595 entry of (\$101,093) was not eliminated from original
9 subaccount.

10 **Account 1508: Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs and**
11 **Account 1575: IFRS-CGAAP Transition PP&E Amounts Balance + Return Component – Offsetting**
12 **amount of \$21,601**

13 The amount recorded in account 1575 in the 2.1.7 balances should have been recorded in the reference
14 sub-account for 1508.

15 **Account 1531: Renewable Generation Connection Capital Deferral Account - (\$176,493)**

16 The amount recorded in account 1531 in the 2.1.7 balances has been addressed by using the direct
17 benefit and provincial benefit method outlined in Appendices 2-FA through 2-FC. These appendices form
18 the mechanism to calculate the applied-for capital costs and the shares of total costs to be recovered
19 from all Ontario ratepayers (i.e. the provincial benefit amount) and the E.L.K.'s customers (i.e. the direct
20 benefit amount). The appendices also provide a revenue requirement calculation for the asset costs to be
21 recovered annually in accordance with O.Reg. 330/09 – Provincial Rate Protection.

22 **Account 1568: LRAM Variance Account - 34,657**

23 The amount recorded in account 1568 in the 2.1.7 balances of zero did not account for the LRAM
24 variance account claim outlined in the LRAMVA Work form. In the LRAMVA Work form, the \$34,657 is the
25 total amount shown in tab 1. LRAMVA Summary, cell K38 minus the interest shown in cell K37.

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1 **ENERGY SALES AND COST OF POWER**

2 The sale of energy is a flow through revenue and the cost of power is a flow through expense. Energy
3 sales and the cost of power expense by component are presented in Table 9-2 as reported in the Audited
4 Financial Statements and the USoA within the RRR filing 2.1.7. E.L.K. has no profit or loss resulting from
5 the flow through of energy revenues and expenses.

6 **Table 9-2 – Energy Revenue and Cost of Power Expenses**

Account Description	USoA #	2013 Actual	2014 Actual	2015 Actual
ENERGY REVENUE:				
Residential Energy Sales	4006	(7,721,551)	(9,174,803)	(12,391,488)
Commercial Energy Sales	4010	(2,488,304)	(3,676,302)	(2,935,078)
Revenue Adjustment	4050	(7,587,671)	(15,237,981)	(10,972,037)
Wholesale Market Service Charges	4062	(1,268,575)	(1,402,334)	(976,847)
Network	4066	(1,295,994)	(1,313,528)	(1,236,989)
Connection	4068	(937,079)	(888,897)	(1,317,177)
Low Voltage	4075	(313,102)	(272,982)	(294,673)
Smart Meter Entity Charge	4076	(53,654)	(104,612)	(105,501)
TOTAL ENERGY REVENUE		(21,665,931)	(32,071,440)	(30,229,790)
COST OF POWER EXPENSES:				
Power Purchased	4705	17,670,904	28,065,710	26,101,905
Wholesale Market Service	4708	1,268,194	1,402,334	976,828
Cost of Power Adjustments	4710	155,988	-	-
Network	4714	1,295,994	1,313,528	1,236,989
Connection	4716	937,079	888,897	1,317,177
Other Expenses	4720	(28,905)	23,377	196,864
Rural Rate Assistance Expense	4730	-	-	-
LV Charges	4750	313,023	272,982	294,525
Smart Meter Entity Charge Total	4751	53,654	104,612	105,501
TOTAL COST OF POWER EXPENSES		21,665,931	32,071,440	30,229,790
NET INCOME		(0)	0	(0)

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1 **INTEREST RATES APPLIED**

2 E.L.K. has used the Board's prescribed interest rates when calculating carrying charges on the DVA
 3 balances. Table 9-3 below shows the Board's prescribed interest rates starting from 2011 Q1 onward.
 4 Interest is calculated based on the opening monthly principle balances.

5 In accordance with the filing requirements, the most recent posted interest rate (1.10% for Q3 of 2016)
 6 has been used to forecast carrying charges to April 30, 2017. The interest component for DVA balances
 7 is included in the principal balance for each account.

8 **Table 9-3 - Interest Rates Applied to Deferral and Variance Accounts**

Period	Interest Rate
Q1 2011	1.47%
Q2 2011	1.47%
Q3 2011	1.47%
Q4 2011	1.47%
Q1 2012	1.47%
Q2 2012	1.47%
Q3 2012	1.47%
Q4 2012	1.47%
Q1 2013	1.47%
Q2 2013	1.47%
Q3 2013	1.47%
Q4 2013	1.47%
Q1 2014	1.47%
Q2 2014	1.47%
Q3 2014	1.47%
Q4 2014	1.47%
Q1 2015	1.47%
Q2 2015	1.10%
Q3 2015	1.10%
Q4 2015	1.10%
Q1 2016	1.10%
Q2 2016	1.10%
Q3 2016	1.10%
Q4 2016 (Forecast)	1.10%
Q1 2017 (Forecast)	1.10%
Q2 2017 (Forecast)	1.10%
Q3 2017 (Forecast)	1.10%
Q4 2017 (Forecast)	1.10%

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1 **PROPOSED DISPOSITION**

2 E.L.K. is requesting a net disposition of \$1,952,657 to be collected from customers, based on the 2015
3 year end balances less the amounts approved through the 2016 IRM process (EB-2015-0064). Details of
4 each account disposition request are discussed in detail in the evidence that follows.

5 **Table 9-4 – Proposed Disposition**

Account Description	USoA #	Total Principal & Interest (Dec 31, 2015)	2016 Disposition	Interest to April 30, 2017	Total Claim
Group 1 Accounts:					
LV Variance Account	1550	\$186,702	\$2,173	\$2,706	\$187,235
Smart Metering Entity Charge Variance Account	1551	\$31,077	\$28,470	\$38	\$2,645
RSVA - Wholesale Market Service Charge	1580	(\$1,072,809)	(\$520,003)	(\$8,108)	(\$560,914)
RSVA - Retail Transmission Network Charge	1584	\$565,952	\$149,251	\$6,112	\$422,813
RSVA - Retail Transmission Connection Charge	1586	\$201,358	(\$242,518)	\$6,510	\$450,387
RSVA - Power (excluding Global Adjustment)	1588	(\$1,171,385)	(\$484,301)	(\$10,077)	(\$697,161)
RSVA - Global Adjustment	1589	\$248,394	\$952,509	(\$10,327)	(\$714,442)
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	(\$205,050)	(\$205,050)	\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	\$2,785,175	\$0	\$40,849	\$2,826,024
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	(\$213,603)	\$0	(\$3,133)	\$0
Subtotal - Group 1 Accounts		\$1,355,810	(\$319,469)	\$24,571	\$1,916,586
Group 2 Accounts:					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$21,601	\$0	\$317	\$21,918
Other Regulatory Assets - Sub-Account - Other	1508	(\$14,829)	\$0	(\$217)	(\$15,047)
Retail Cost Variance Account - Retail	1518	\$256	\$0	\$4	\$260
Misc. Deferred Debits	1525	(\$74)	\$0	(\$1)	(\$75)
Renewable Generation Connection Capital Deferral Account	1531	\$0	\$176,493	\$176,493	\$0
Retail Cost Variance Account - STR	1548	(\$434)	\$0	(\$6)	(\$440)
Subtotal - Group 2 Accounts		\$6,520	\$176,493	\$176,589	\$6,615
Other Accounts:					
LRAM Variance Account	1568	34,657	0	1,355	\$36,012
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	0	0	\$0
Accounting Changes Under CGAAP Balance + Return Component	1576	(\$86,094)	\$0	\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years	1592	(\$6,462)	\$0	(\$95)	(\$6,556)
Subtotal - Other Accounts		(\$57,898)	\$0	\$1,260	\$29,456
Total		1,304,432	-142,976	202,420	\$1,952,657

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1 **GROUP ONE ACCOUNT ANALYSIS**

2 E.L.K. last disposed of Group One account balances in its 2016 IRM Rate Application (EB-2015-0064).
3 The Board's Filing Requirements specify that the continuity schedule should show the balance details
4 from the last disposition. Accordingly, E.L.K. has entered the 2016 Continuity data into Tab 2 of the
5 EDDVAR Model.

6 The following sections provide details of the Group One accounts utilized by E.L.K. and the respective
7 disposition requests.

8 **Account 1550: LV Variance Account**

9 This account is used to record the difference between the low voltage charges billed to E.L.K. customers
10 and the charges paid to Hydro One for low voltage service. E.L.K. uses the accrual method. The Board
11 prescribed interest rates are used to calculate the carrying charges.

12 E.L.K. requests disposition of Account 1550 for the amount of \$187,235 to be collected from customers,
13 including interest to April 30, 2017.

14 **Account 1551: Smart Metering Entity Charge Variance Account**

15 This account is used to record the difference between the Smart Meter Entity amounts billed to E.L.K.
16 customers and the charges paid to the IESO. E.L.K. uses the accrual method. The Board prescribed
17 interest rates are used to calculate the carrying charges.

18 E.L.K. requests disposition of Account 1551 for the amount of \$2,645 to be collected from customers,
19 including interest to April 30, 2017

20 **Account 1580: RSVA - Wholesale Market Service Charge**

21 This account is used to record the difference between the amounts charged by the IESO for wholesale
22 market services and the amount billed to E.L.K. customers using the Board Approved rates. E.L.K. uses
23 the accrual method. The Board prescribed interest rates are used to calculate the carrying charges.

24 E.L.K. requests disposition of Account 1580 for the amount of \$560,914 as a refund to customers,
25 including interest to April 30, 2017.

26 **Account 1584: RSVA - Retail Transmission Network Charge**

27 This account is used to record the net of the amount charged by the IESO, based on the settlement
28 invoice for transmission network services, and the amount billed to customers using the OEB-approved

1 Retail Transmission Rate for network services. E.L.K. uses the accrual method. The Board prescribed
2 interest rates are used to calculate the carrying charges.

3 E.L.K. requests disposition of Account 1584 for the amount of \$422,813 to be collected from customers,
4 including interest to April 30, 2017.

5 **Account 1586: RSVA - Retail Transmission Connection Charge**

6 This account is used to record the net of the amount charged by the IESO, based on the settlement
7 invoice for transmission connection services, and the amount billed to customers using the OEB-
8 approved Retail Transmission Rate for connection services. E.L.K. uses the accrual method. The Board
9 prescribed interest rates are used to calculate the carrying charges.

10 E.L.K. requests disposition of Account 1586 for the amount of \$450,387 to be collected from customers,
11 including interest to April 30, 2017.

12 **Account 1588: RSVA - Power (excluding Global Adjustment)**

13 This account is used to recover the net difference between the energy amount billed to customers and the
14 energy charged to E.L.K. using the settlement invoice from the IESO. E.L.K. uses the accrual method.
15 The Board prescribed interest rates are used to calculate the carrying charges.

16 E.L.K. requests disposition of Account 1588 for the amount of \$697,161 as a refund to customers,
17 including interest to April 30, 2017.

18 **Account 1589: RSVA - Global Adjustment**

19 This account is used to recover the net difference between the provincial benefit amount billed to non-
20 RPP customers and the GA adjustment charge to E.L.K. using the settlement invoice from the IESO.
21 E.L.K. uses the accrual method.

22 The Board prescribed interest rates are used to calculate the carrying charges.

23 E.L.K. requests disposition of Account 1589 for the amount of \$714,442 as a refund to non-RPP
24 customers, including interest to April 30, 2017.

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1 **Account 1595: Disposition and Recovery/Refund of Regulatory Balances**

2 This account includes the regulatory asset or liability balances authorized by the Board for recovery in
3 rates or payments/credits made to customers. Separate sub-accounts are maintained for expenses,
4 interest, and recovery amounts for each Board-approved recovery.

5 The amount requested for disposition below relates to residual balances from rate riders that concluded in
6 2015. The amount in account 1595 relates to amounts that should be collected from non-RPP since
7 E.L.K. has not fully been reimbursed through the variance account process. As part of preparing this
8 application, E.L.K. discovered that with respect to the General Service 50 to 5,4999 Service
9 Classification, the rate rider called Disposition of Global Adjustment (2016) – effective until April 30, 2017
10 was incorrectly used in E.L.K.'s CIS system through a misinterpretation of the description of the rate rider.
11 This rate rider is applicable for only non-RPP customers. E.L.K. originally applied this to retailer accounts
12 only, but should have been all non-RPP customers, which is retailers and weighted average price
13 customers.

14 E.L.K. uses the accrual method on this account and the Board prescribed interest rates are used to
15 calculate the carrying charges.

16 E.L.K. requests disposition of Account 1595 for the amount of \$2,826,024 to be collected from Non-RPP
17 customers, including interest to April 30, 2017.

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1 **GROUP TWO ACCOUNT ANALYSIS**

2 Excluding accounts 1531 and 1568, the total disposition amount for the remaining group two accounts is
3 \$59. As a result, E.L.K. is not seeking disposition of remaining group two accounts at this time as it is
4 immaterial. In addition, the disposition of account 1576 was approved in E.L.K.'s 2012 cost of service
5 application. With the movement to IFRS there was no change in the continuity statements since the IFRS
6 standards had been previously established which eliminated the need for account 1575.

7 **Account 1531: Renewable Generation Connection Capital Deferral Account**

8 As outlined above this account has been addressed by using the direct benefit and provincial benefit
9 method outlined in Appendices 2-FA through 2-FC.

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11 **Account 1568: LRAM Variance Account**

12 This account includes the lost revenue adjustment mechanism ("LRAM") variances in relation to the
13 conservation and demand management ("CDM") programs or activities undertaken by E.L.K. in
14 accordance with OEB prescribed requirements. The details of this claim are outlined the LRAMVA Work
15 form. E.L.K. requests disposition of Account 1568 for the amount of \$36,012 to be collected from
16 customers, including interest to April 30, 2017.

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1 **GROUP 2 ACCOUNTS – TO BE CONTINUED AND DISCONTINUED ON A GO-FORWARD BASIS**

2 Table 9-5 below lists all Group 2 accounts which E.L.K. will continue and discontinue on a going-forward
 3 basis.

4 Explanations for those accounts that will be discontinued are provided in Table 9-5.

5 **Table 9-5 - Group 2 Accounts - Continue & Discontinue**

Account Description	USoA #	Continue / Discontinue	Explanation
Group 2 Accounts - Continue:			
Other Regulatory Assets - Sub-Account - Other	1508	Continue	On-going use
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	Continue	On-going use until account is eventually cleared
Retail Cost Variance Account - Retail	1518	Continue	On-going use
Misc. Deferred Debits	1525	Continue	On-going use
Retail Cost Variance Account - STR	1548	Continue	On-going use
LRAM Variance Account	1568	Continue	On-going use
PILs and Tax Variance	1592	Continue	On-going use until account is eventually cleared
Group 2 Accounts - Discontinue:			
Smart Grid Capital Deferral Account	1534	Discontinue	No longer needed
Smart Grid OM&A Deferral Account	1535	Discontinue	No longer needed
Smart Grid Funding Adder Deferral Account	1536	Discontinue	No longer needed
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	Discontinue	Smart meter implementation completed
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	Discontinue	Smart meter implementation completed
Smart Meter OM&A Variance	1556	Discontinue	Smart meter implementation completed
Deferred Payments in Lieu of Taxes	1562	Discontinue	Account 1562 disposition completed
Extra-Ordinary Event Costs	1572	Discontinue	No longer needed

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1 **CALCULATION OF RATE RIDERS**

2 For the calculation of proposed rate riders, E.L.K. has utilized the billing determinants arising from the
 3 2017 Load Forecast inclusive of CDM Adjustments, as presented in Table 9-6 below. For more details
 4 regarding the 2017 Load Forecast and billing determinants please see Exhibit 3.

5 **Table 9-6 Total Billing Determinants**

Rate Class	Customer Numbers	kWh	kW
Residential	10,386	91,658,363	-
General Service < 50 kW	1,253	28,971,935	-
General Service 50 to 4,999 kW	93	61,328,530	190,362
Unmetered Scattered Load	31	264,832	-
Sentinel Lights	7	5,962	14
Street Lights	2,826	2,380,054	6,476
Embedded Distributor	4	45,143,217	96,786
Total	14,600	229,752,894	293,638

6
 7 In accordance with the OEB's Filing Requirements it is stated that:

8 ... distributors must establish separate rate riders to recover the balances in the RSVAs from Market
 9 Participants ("MPs") who must not be allocated the RSPA account balances related to charges for
 10 which the MPs settle directly with the IESO"; and,

11 "Distributors who serve Class A customers per O. Reg 429/04 (i.e. customers greater than 5 MW)
 12 must propose an appropriate allocation for the recovery of the global adjustment variance balance
 13 based on their settlement process with the IESO."

14 As of December 31, 2015, the E.L.K. customer's affected by these requirements is described as follows:

- 15
- No market participants settle directing with the IESO, therefore, no separate rate riders to recover RSVAs is required, and
 - The one customer in the Embedded Distributor rate class is treated in the same manner as a Class A customer.
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1 As of July 1, 2016, E.L.K. notes the Embedded Distributor customer has remain as a Class A customer.
2 Since the DVA balances proposed for disposition relate to variances created prior to December 31, 2015,
3 E.L.K. proposes the rate riders be applicable to the customers who contributed to those variances. In this
4 case, this customer was a Class A customer before December 31, 2015 and they did not contribute to the
5 variance in account 1589 thus, there is no requirement to dispose of variances created prior to December
6 31, 2015.

7 For Class A customers, E.L.K. settles the GA based on the actual GA rate. In contrast, for Class B Non-
8 RPP customers, E.L.K. settles GA based on the First Estimate GA rate. Accordingly, E.L.K.'s Class A
9 customer has not and will not contribute to the creation of Account 1589 variances and should be
10 excluded from its disposition.

11 As noted above, as of December 31, 2015, E.L.K. has one Class A customer who is excluded from any
12 GA variance account disposition. As there is only one Class A customer from 2014 through to the current
13 period, there is no residual GA variance balances that have accrued prior to the customer being classified
14 as a Class A customer. As mentioned previously, E.L.K. settles GA with Class A customers on a monthly
15 basis and on the basis of actual cost. As a result, Class A customers do not contribute to the balance in
16 RSVA 1589 GA for the period they were Class A customers. The RSVA 1589 GA balance has been
17 allocated to the remaining Non-RPP customers based on the total Non-RPP consumption per class,
18 excluding Class A customers.

19 To develop the 2017 Non-RPP billing determinants to be applied to calculate the proposed GA rate riders,
20 E.L.K. first calculated the relationship by rate class of the 2015 Non-RPP results as a percentage of the
21 2015 total by rate class for each the kWh consumption. E.L.K. then applied the rate class specific
22 percentage to the 2017 Load Forecast results presented in Table 9-6. The Embedded Distributor
23 determinants are also deleted since no GA balance is allocated to this customer. The results are
24 presented in Table 9-7 below.

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Table 9-7 Billing Determinants for GA Rate Rider

Rate Class	2015 % Non RPP	2017 kWh Non-RPP less Class A
Residential	14.3%	13,101,771
General Service < 50 kW	19.3%	5,588,832
General Service 50 to 4,999 kW	93.9%	57,567,899
Unmetered Scattered Load	100.0%	264,832
Sentinel Lights	100.0%	5,962
Street Lights	100.0%	2,380,054
Embedded Distributor		
Total		78,909,350

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3 The billing determinants used to develop the various rate riders are presented in Table 9-8
 4 below.

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6 **Table 9-8 2017 Detailed Load Forecast Billing Determinants for Disposition Calculations**

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Rate Class	Customer Numbers	kWh	kW	2017 kWh Non-RPP less Class A
Residential	10,386	91,658,363	-	13,101,771
General Service < 50 kW	1,253	28,971,935	-	5,588,832
General Service 50 to 4,999 kW	93	61,328,530	190,362	57,567,899
Unmetered Scattered Load	31	264,832	-	264,832
Sentinel Lights	7	5,962	14	5,962
Street Lights	2,826	2,380,054	6,476	2,380,054
Embedded Distributor	4	45,143,217	96,786	-
Total	14,600	229,752,894	293,638	78,909,350

8

9

1 **PROPOSED RATE RIDERS**

2 Consistent with the EDDVAR model provided by the OEB, E.L.K. has calculated the following
 3 rate riders:

- 4 • Rate Rider Calculation for Group One Deferral / Variance Accounts Balances (excluding
 5 Global Adj.)
- 6 • Rate Rider Calculation for RSVA - Power - Global Adjustment
- 7 • Rate Rider Calculation for Account 1568

8
 9

10 Each calculation and results will be discussed in the sections below.

11

12 **Rate Rider Calculation for Group One Deferral / Variance Accounts Balances (excluding**
 13 **Global Adj.)**

14

- 15 • Account 1550 – allocated based on total kWh,
- 16 • Account 1551 – allocated based on number of customers in the Residential and
 17 General Service < 50 kW classes
- 18 • Account 1580 – allocated based on total kWh,
- 19 • Account 1584 – allocated based on total kWh,
- 20 • Account 1586 – allocated based on total kWh,
- 21 • Account 1588 – allocated based on total kWh,

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Table 9-9 Rate Rider Calculation for Group One Deferral /
Variance Accounts Balances (excluding Global Adj.)

Rate Class	Units		Allocated Balance (excluding 1589)	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	91,658,363	(\$76,487)	(0.0008)
General Service < 50 kW	kWh	28,971,935	(\$24,638)	(0.0009)
General Service 50 to 4,999 kW	kW	190,362	(\$52,757)	(0.2771)
Unmetered Scattered Load	kWh	264,832	(\$228)	(0.0009)
Sentinel Lights	kW	14	(\$5)	(0.3663)
Street Lights	kW	6,476	(\$2,047)	(0.3162)
Embedded Distributor	kW	96,786	(\$38,834)	(0.4012)
Total			(\$194,996)	

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 2 **Rate Rider Calculation for RSVA - Power - Global Adjustment**
 3

- 4 • Account 1589 – allocated based on kWh in Table 9-7
 5 • Account 1595 – allocated based on kWh in Table 9-7
 6

7 **Table 9-10 Rate Rider Calculation for RSVA - Power - Global Adjustment**
 8

Rate Class	Units		Account 1589 and 1595	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	13,101,771	\$175,299	0.0134
General Service < 50 kW	kWh	5,588,832	\$74,777	0.0134
General Service 50 to 4,999 kW	kWh	57,567,899	\$770,247	0.0134
Unmetered Scattered Load	kWh	264,832	\$3,543	0.0134
Sentinel Lights	kWh	5,962	\$80	0.0134
Street Lights	kWh	2,380,054	\$31,845	0.0134
Embedded Distributor	kWh			
Total			\$1,055,791	

9
 10
 11
 12 **Rate Rider Calculation for Account 1568**
 13

- 14 • Account 1568 – allocated based on results from LRAMVA Work form
 15

16 **Table 9-11 Rate Rider Calculation for LRAMVA**
 17
 18

Rate Class	Units		Account 1568	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	91,658,363	\$16,327	0.0002
General Service < 50 kW	kWh	28,971,935	\$16,498	0.0006
General Service 50 to 4,999 kW	kWh	190,362	\$4,945	0.0260
Unmetered Scattered Load	kWh	264,832	(\$10)	
Sentinel Lights	kWh	14	\$0	-
Street Lights	kWh	6,476	(\$1,748)	(0.2699)
Embedded Distributor	kWh	96,786	\$0	
Total			\$36,012	

1
2
3 **IESO SETTLEMENT PROCESS**

4
5 **Global Adjustment**

6
7 On a monthly basis, E.L.K. must settle with the IESO for GA. GA is applicable to all provincial
8 customers who pay the Hourly Ontario Energy Price ("HOEP"), or have signed a retail contract,
9 and accounts for the differences between the market price and the rates paid to regulated and
10 contracted generators and for CDM programs.

11 The GA varies from month to month, responding to changes in both the HOEP and contract
12 terms. Generally speaking, when the HOEP is lower, then the GA is higher in order to cover the
13 additional costs.

14 E.L.K. confirms that the GA charge is pro-rated into RPP and non-RPP.

15 **Class A Customers**

16 Class A customers were traditionally defined as customers with a peak demand of 5 MW or more.
17 However, on July 1, 2015, Class A eligibility was been expanded under a new conservation
18 initiative to allow customers with a peak demand greater than 3 MW but less than or equal to 5
19 MW to opt into this category. Conversely, customers with a peak demand of 5 MW or more may
20 opt into Class B.

21 The GA for Class A customers is based on their percentage contribution to the top five peak
22 Ontario demand hours. Hence, it is designed to encourage these users to shift their energy use
23 away from system-wide peaks. The IESO monthly GA Class A charges are passed on directly to
24 each Class A customer. Accordingly, E.L.K.'s Class A customer does not contribute to the
25 creation of Account 1589 variances and are excluded from disposition calculation.

26 The one customer in the Embedded Distributor rate class is treated in the same matter as a Class
27 A customer.

28 **Class B Customers**

29
30 Class B customers include: (a) customers with a peak demand below 5MW (or who have opted
31 into this category) and (b) residential and business customers who have a retail contract for

1 electricity. As of December 31, 2015, the majority of E.L.K.'s large volume customers were
2 included in Class B.

3 For Class B customers, the IESO provides three variations of the GA, which can be used by
4 distributors to bill customers. These variations are described as follows:

5 **1st Estimate Variation**

6 The 1st Estimate for a given month comprises three components - an estimate of the GA costs
7 based on the previous month, an estimate of Ontario demand for the given month, and a true up
8 accounting for the difference between the previous month's 1st Estimate and the actual rate.

9 The 1st Estimate for the upcoming month is published on the last business day of the preceding
10 month. For example, the 1st Estimate for April is published at the end of March.

11 E.L.K. currently bills all Class B customers using the 1st Estimate Variation.

12 **2nd Estimate Variation**

13 The 2nd Estimate is a separate calculation based on actual GA costs and demand information
14 available at the time it is published, an estimate for GA and demand for the remaining days of the
15 month, and a true up accounting for the difference between the previous month's 2nd Estimate
16 and the actual rate.

17 The 2nd Estimate for a given month is published on the last business day of that month. For
18 example, the 2nd Estimate for April is published at the end of April.

19 E.L.K. currently does not bill any Class B using the 2nd Estimate Variation. This is due to the fact
20 that E.L.K. does not wish to create inequities within rate classes related to the GA variances
21 accumulating the GA account 1589. Since E.L.K. has ongoing monthly billing cycles, some
22 customers within each rate class are billed for a based on a period which ends prior to the
23 availability of the IESO's 2nd Estimate. Thus, by using only the 1st estimate, E.L.K. ensures that
24 all customers within a rate class contribute equally to the GA variance accumulating in account
25 1589. This ensures an equitable disposition of the 1589 variance account to all rate classes.

26 **Actual Variation**

27
28

1 The Actual rate, based on actual electricity demand and GA costs, is published on the tenth
2 business day of each month. For example, the Actual rate for April is published on the tenth
3 business day of May.

4 **IESO Reporting Process**

5 E.L.K. settles with the IESO for the estimated difference between spot and RPP pricing, for RPP
6 customers within four business days of month end.

7 Conventional meters (Designated customers on Tier1\2 pricing) – Total estimated consumption
8 (kWh) is determined by multiplying the current number of active customers (excluding those with
9 retailers) by same month of the previous year's average consumption for that group. This
10 estimated consumption is then split between Tier 1 and Tier 2 pricing based on historical trending.

11 Time of use meters - Total estimated consumption (kWh) is determined by multiplying the current
12 number of active customers (excluding those with retailers) by same month of the previous year's
13 average consumption for that group. This estimated consumption is then split between on-peak,
14 off-peak and mid-peak, based on historical trending.

15 Total RPP consumption is then calculated by adding the consumption of customers on
16 conventional meters to the time of use customer consumption.

17 E.L.K. notes that its process for providing consumption (kWh) estimates to the IESO contains
18 some inherent assumptions, in part due to data timing and data limitations.

19 E.L.K. has completed the IESO RPP Self-Certification process, as required by all distributors. This
20 documentation was submitted to the IESO by the March 31, 2016 due date.

21 E.L.K. uses the IESO reconciliation as the basis for its quarterly accounting accrual journal entries
22 and subsequently reverses these accruals and records the actual IESO invoice when it is
23 received.

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4 **The True-up Process**

5 As described above, E.L.K. reconciles the estimates of RPP and Non-RPP consumption to
6 actuals on a quarterly basis.

7 The total volume is determined by taking the actual kWh volume purchased from the IESO plus
8 any embedded generation volume and less any Class A volume, to determine the total actual
9 volume to be split between RPP and Non-RPP. An IT system query is run, which identifies
10 monthly consumption for Non-RPP customers, with the difference being RPP volume.

11 The RPP volume is multiplied by the actual GA rate to determine the GA allocated to RPP
12 customers and is netted against the estimate that was either paid to or received from the IESO on
13 a monthly basis. This difference is then settled with the IESO on a quarterly basis.

14 Embedded generation is taken into consideration with determining the total power purchases for
15 the month.

16

17

ATTACHMENT 9 – A

E.L.K.'s

EDDVAR Disposition Model






2017 Deferral/Variance Account Workform

Version 2.7

Utility Name	E.L.K. Energy Inc.
Service Territory	Essex, Lakeshore, Kingsville, Cottam, Comber, Hal
Assigned EB Number	EB-2016-0066
Name of Contact and Title	Mark D. Danelon, CA
Phone Number	Tel: 519-776-5291 Ext 204
Email Address	mdanelon@elkenenergy.com

General Notes

Notes

-  Pale green cells represent input cells.
-  Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.
-  White cells contain fixed values, automatically generated values or formulae.

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of preparing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

2017 Deferral/Variance Account Workform

Account Descriptions	Account Number
Group 1 Accounts	
LV Variance Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge ¹⁰	1580
Variance WMS – Sub-account CBR Class A ¹⁰	1580
Variance WMS – Sub-account CBR Class B ¹⁰	1580
RSVA - Retail Transmission Network Charge	1584
RSVA - Retail Transmission Connection Charge	1586
RSVA - Power (excluding Global Adjustment)	1588
RSVA - Global Adjustment	1589
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>	
Group 1 Sub-Total (including Account 1589 - Global Adjustment)	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)	
RSVA - Global Adjustment	1589
Group 2 Accounts	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ³	1508
Other Regulatory Assets - Sub-Account - Other ⁴	1508
Retail Cost Variance Account - Retail	1518
Misc. Deferred Debits	1525
Retail Cost Variance Account - STR	1548
Board-Approved CDM Variance Account	1567
Extra-Ordinary Event Costs	1572
Deferred Rate Impact Amounts	1574
RSVA - One-time	1582
Other Deferred Credits	2425
Group 2 Sub-Total	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592
Total of Group 1 and Group 2 Accounts (including 1592)	

Account Descriptions	Account Number
LRAM Variance Account ¹²	1568
Total including Account 1568	
Renewable Generation Connection Capital Deferral Account ⁸	1531
Renewable Generation Connection OM&A Deferral Account ⁹	1532
Renewable Generation Connection Funding Adder Deferral Account	1533
Smart Grid Capital Deferral Account	1534
Smart Grid OM&A Deferral Account	1535
Smart Grid Funding Adder Deferral Account	1536
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555
Smart Meter OM&A Variance ⁵	1556
Meter Cost Deferral Account (MIST Meters) ¹¹	1557
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁶	1575
Accounting Changes Under CGAAP Balance + Return Component ⁶	1576

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

¹ For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

² Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions.

³ As per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit: "By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the continuation schedule.

⁴ Please describe "other" components of 1508 and add more component lines if necessary.

⁵ Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account. Smart Meter Disposition and Cost Recovery (G-2011-0001)

⁶ The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide the G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed. In this case, leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

⁷ If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

⁸ Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

⁹ Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

¹⁰ When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

¹¹ Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for dispositive application, outside of this continuity schedule.

¹² Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be included in the continuity schedule.

2017 Deferral/Variance Account Workform

		2010									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions' Debit/ (Credit) during 2010	OEB-Approved Disposition during 2010	Principal Adjustments' during 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	OEB-Approved Disposition during 2010	Interest Adjustments' during 2010	Closing Interest Amounts as of Dec-31-10
Group 1 Accounts											
LV Variance Account	1550		\$23,366			\$23,366					\$0
Smart Metering Entity Charge Variance Account	1551										
RSVA - Wholesale Market Service Charge ¹⁰	1580	\$217,602		\$217,602		\$0					\$0
Variance WMS – Sub-account CBR Class A ¹⁰	1580										
Variance WMS – Sub-account CBR Class B ¹⁰	1580										
RSVA - Retail Transmission Network Charge	1584	(\$677,170)		(\$677,170)		\$0					\$0
RSVA - Retail Transmission Connection Charge	1586	\$394,682		\$394,682		\$0					\$0
RSVA - Power (excluding Global Adjustment)	1588	\$78,460		\$78,460		\$0					\$0
RSVA - Global Adjustment	1589	\$1,788,799		\$1,788,799		\$0					\$0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595			(\$1,532,961)		\$1,532,961					\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595										\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595										\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595										\$0
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595										\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595										\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595										\$0
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>											
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$1,802,373	\$23,366	\$269,412	\$0	\$1,556,327	\$0	\$0	\$0	\$0	\$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$13,574	\$23,366	(\$1,519,387)	\$0	\$1,556,327	\$0	\$0	\$0	\$0	\$0
RSVA - Global Adjustment	1589	\$1,788,799	\$0	\$1,788,799	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508					\$0					\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508					\$0					\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ³	1508										
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$113,018	\$28,388			\$141,405					\$0
Retail Cost Variance Account - Retail	1518					\$0					\$0
Misc. Deferred Debits	1525	\$3,240				\$3,240					\$0
Retail Cost Variance Account - STR	1548					\$0					\$0
Board-Approved CDM Variance Account	1567					\$0					\$0
Extra-Ordinary Event Costs	1572					\$0					\$0
Deferred Rate Impact Amounts	1574					\$0					\$0
RSVA - One-time	1582					\$0					\$0
Other Deferred Credits	2425					\$0					\$0
Group 2 Sub-Total			\$28,388	\$0	\$0	\$144,646	\$0	\$0	\$0	\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592					\$0					\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592					\$0					\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$1,802,373	\$51,754	\$269,412	\$0	\$1,700,973	\$0	\$0	\$0	\$0	\$0

		2010									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions' Debit/ (Credit) during 2010	OEB-Approved Disposition during 2010	Principal Adjustments' during 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	OEB-Approved Disposition during 2010	Interest Adjustments' during 2010	Closing Interest Amounts as of Dec-31-10
LRAM Variance Account ¹²	1568					\$0					\$0
Total including Account 1568			\$51,754	\$269,412	\$0	\$1,700,973	\$0	\$0	\$0	\$0	\$0
Renewable Generation Connection Capital Deferral Account ⁸	1531					\$0					\$0
Renewable Generation Connection OM&A Deferral Account ⁹	1532					\$0					\$0
Renewable Generation Connection Funding Adder Deferral Account	1533					\$0					\$0
Smart Grid Capital Deferral Account	1534					\$0					\$0
Smart Grid OM&A Deferral Account	1535					\$0					\$0
Smart Grid Funding Adder Deferral Account	1536					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555					\$0					\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555					\$0					\$0
Smart Meter OM&A Variance ⁵	1556					\$0					\$0
Meter Cost Deferral Account (MIST Meters) ¹¹	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁸	1575										
Accounting Changes Under CGAAP Balance + Return Component ⁸	1576										

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year. Do not include interest, adjustments, or OEB approved dispositions in this column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

As per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, 2011 will require a variance account for OCEB purposes... The Board expects that any principal balances in "Sub account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the monthly settlement process with the IESO or the host distributor, as applicable."

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account rate rider. For details on how to dispose of balances in Smart Meter accounts see the OEB's Guideline: Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "Adjustments during 2015" column of the continuity schedule, please enter the amounts to be included in the Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide the value in cell F39 from Chapter 2 Appendix 2-EA. For Account 1576, please provide the value in cell H39 and G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been approved for disposition in a previous decision. Report these account balances in the continuity schedule if this is the case and leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 on the December 31, 2015 balances adjusted for the disposed balances approved by the OEB in the 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2017 on the December 31, 2015 balances adjusted for the disposed interest balances approved by the OEB in the 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed. Check the "Check to Dispose Account" checkbox if disposition is requested. If the recovery (or refund) period has not been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Direct Benefits portion of Account 1532 should be included in the DVA continuity schedule to be requested for disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 allocation of balances that are used to calculate the rate riders. Only input the Direct Benefits portion of the account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude any amounts relating to CBR. The CBR amounts are to be entered separately in the Class A and Class B 1580 sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition upon completion of the MIST meter deployment. A prudence review and disposition should be done in the application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be calculated in the DVA continuity schedule.

2017 Deferral/Variance Account Workform

		2011									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-11	Transactions' Debit / (Credit) during 2011	OEB-Approved Disposition during 2011	Principal Adjustments ² during 2011	Closing Principal Balance as of Dec-31-11	Opening Interest Amounts as of Jan-1-11	Interest Jan-1 to Dec-31-10	OEB-Approved Disposition during 2011	Interest Adjustments ² during 2011	Closing Interest Amounts as of Dec-31-11
Group 1 Accounts											
LV Variance Account	1550	\$23,366	(\$61,278)			(\$37,912)	\$0				\$0
Smart Metering Entity Charge Variance Account	1551										
RSVA - Wholesale Market Service Charge ¹⁰	1580	\$0	(\$526,104)		(\$8,201)	(\$534,305)	\$0				\$0
Variance WMS – Sub-account CBR Class A ¹⁰	1580										
Variance WMS – Sub-account CBR Class B ¹⁰	1580										
RSVA - Retail Transmission Network Charge	1584	\$0	(\$72,340)		(\$13,619)	(\$85,959)	\$0				\$0
RSVA - Retail Transmission Connection Charge	1586	\$0	(\$154,282)		\$3,297	(\$150,985)	\$0				\$0
RSVA - Power (excluding Global Adjustment)	1588	\$0	(\$3,222,070)		(\$112,090)	(\$3,334,160)	\$0				\$0
RSVA - Global Adjustment	1589	\$0	\$3,468,464		\$5,481	\$3,473,945	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595	\$1,532,961	(\$945,397)			\$587,564	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595	\$0				\$0	\$0				\$0
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>											
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$1,556,327	(\$1,513,007)	\$0	(\$125,132)	(\$81,812)	\$0	\$0	\$0	\$0	\$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$1,556,327	(\$4,981,471)	\$0	(\$130,613)	(\$3,555,757)	\$0	\$0	\$0	\$0	\$0
RSVA - Global Adjustment	1589	\$0	\$3,468,464	\$0	\$5,481	\$3,473,945	\$0	\$0	\$0	\$0	\$0
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ⁸	1508	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$141,405	(\$12,873)			\$128,532	\$0				\$0
Retail Cost Variance Account - Retail	1518	\$0			(\$34,290)	(\$34,290)	\$0				\$0
Misc. Deferred Debits	1525	\$3,240				\$3,240	\$0				\$0
Retail Cost Variance Account - STR	1548	\$0				\$0	\$0				\$0
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$144,646	(\$12,873)	\$0	(\$34,290)	\$97,482	\$0	\$0	\$0	\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0	(\$561)			(\$561)	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$1,700,973	(\$1,526,441)	\$0	(\$159,422)	\$15,109	\$0	\$0	\$0	\$0	\$0

		2011									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-11	Transactions' Debit / (Credit) during 2011	OEB-Approved Disposition during 2011	Principal Adjustments ² during 2011	Closing Principal Balance as of Dec-31-11	Opening Interest Amounts as of Jan-1-11	Interest Jan-1 to Dec-31-10	OEB-Approved Disposition during 2011	Interest Adjustments ² during 2011	Closing Interest Amounts as of Dec-31-11
LRAM Variance Account ¹²	1568	\$0				\$0	\$0				\$0
Total including Account 1568		\$1,700,973	(\$1,526,441)	\$0	(\$159,422)	\$15,109	\$0	\$0	\$0	\$0	\$0
Renewable Generation Connection Capital Deferral Account ⁸	1531	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account ⁹	1532	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance ⁵	1556	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ¹¹	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁶	1575					\$0					
Accounting Changes Under CGAAP Balance + Return Component ⁶	1576										

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the following:

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide a G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed of and leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for dispositive application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be

2017 Deferral/Variance Account Workform

		2012												
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-12	Transactions' Debit / (Credit) during 2012	OEB-Approved Disposition during 2012	Principal Adjustments ² during 2012	Closing Principal Balance as of Dec-31-12	Opening Interest Amounts as of Jan-1-12	Interest Jan-1 to Dec-31-12	OEB-Approved Disposition during 2012	Interest Adjustments ² during 2012	Closing Interest Amounts as of Dec-31-12	Opening Principal Amounts as of Jan-1-13	Transactions' Debit / (Credit) during 2013	OEB-Approved Disposition during 2013
Group 1 Accounts														
LV Variance Account	1550	(\$37,912)	(\$53,821)			(\$91,733)	\$0			\$0	(\$91,733)	\$50,699	\$18,956	
Smart Metering Entity Charge Variance Account	1551										\$0	\$26,162		
RSVA - Wholesale Market Service Charge ¹⁰	1580	(\$534,305)	(\$329,753)			(\$864,058)	\$0			\$0	(\$864,058)	(\$182,389)	(\$263,052)	
Variance WMS – Sub-account CBR Class A ¹⁰	1580													
Variance WMS – Sub-account CBR Class B ¹⁰	1580													
RSVA - Retail Transmission Network Charge	1584	(\$85,959)	(\$5,787)			(\$91,746)	\$0			\$0	(\$91,746)	\$156,295	\$36,170	
RSVA - Retail Transmission Connection Charge	1586	(\$150,985)	(\$81,035)			(\$232,020)	\$0			\$0	(\$232,020)	(\$87,976)	(\$77,141)	
RSVA - Power (excluding Global Adjustment)	1588	(\$3,334,160)	\$31,009			(\$3,303,151)	\$0			\$0	(\$3,303,151)	(\$6,129,577)	(\$1,611,035)	
RSVA - Global Adjustment	1589	\$3,473,945				\$3,473,945	\$0			\$0	\$3,473,945	\$5,712,626	\$1,734,232	
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595	\$587,564	(\$792,614)			(\$205,050)	\$0			\$0	(\$205,050)			
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595	\$0				\$0	\$0			\$0	\$0			
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595	\$0				\$0	\$0			\$0	\$0	\$616,497		
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595	\$0				\$0	\$0			\$0	\$0	(\$375,969)		
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595	\$0				\$0	\$0			\$0	\$0			
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595	\$0				\$0	\$0			\$0	\$0			
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595	\$0				\$0	\$0			\$0	\$0			
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>														
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		(\$81,812)	(\$1,232,001)	\$0	\$0	(\$1,313,813)	\$0	\$0	\$0	\$0	(\$1,313,813)	(\$213,632)	(\$161,870)	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(\$3,555,757)	(\$1,232,001)	\$0	\$0	(\$4,787,758)	\$0	\$0	\$0	\$0	(\$4,787,758)	(\$5,926,258)	(\$1,896,102)	
RSVA - Global Adjustment	1589	\$3,473,945	\$0	\$0	\$0	\$3,473,945	\$0	\$0	\$0	\$0	\$3,473,945	\$5,712,626	\$1,734,232	
Group 2 Accounts														
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0				\$0	\$0			\$0	\$0	\$0	\$20,475	
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$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			
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$128,532	(\$12,212)			\$116,321	\$0			\$0	\$116,321	(\$64,853)		
Retail Cost Variance Account - Retail	1518	(\$34,290)	\$34,290			\$0	\$0			\$0	\$0	(\$35,133)		
Misc. Deferred Debits	1525	\$3,240				\$3,240	\$0			\$0	\$3,240	(\$1,638)		
Retail Cost Variance Account - STR	1548	\$0				\$0	\$0			\$0	\$0			
Board-Approved CDM Variance Account	1567	\$0				\$0	\$0			\$0	\$0			
Extra-Ordinary Event Costs	1572	\$0				\$0	\$0			\$0	\$0			
Deferred Rate Impact Amounts	1574	\$0				\$0	\$0			\$0	\$0			
RSVA - One-time	1582	\$0				\$0	\$0			\$0	\$0			
Other Deferred Credits	2425	\$0				\$0	\$0			\$0	\$0			
Group 2 Sub-Total		\$97,482	\$22,079	\$0	\$0	\$119,561	\$0	\$0	\$0	\$0	\$119,561	(\$81,149)	\$0	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	(\$561)	(\$9,143)			(\$9,704)	\$0			\$0	(\$9,704)	\$4,086		
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0				\$0	\$0			\$0	\$0			
Total of Group 1 and Group 2 Accounts (including 1592)		\$15,109	(\$1,219,065)	\$0	\$0	(\$1,203,956)	\$0	\$0	\$0	\$0	(\$1,203,956)	(\$290,695)	(\$161,870)	

		2012												
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-12	Transactions' Debit / (Credit) during 2012	OEB-Approved Disposition during 2012	Principal Adjustments ² during 2012	Closing Principal Balance as of Dec-31-12	Opening Interest Amounts as of Jan-1-12	Interest Jan-1 to Dec-31-12	OEB-Approved Disposition during 2012	Interest Adjustments ² during 2012	Closing Interest Amounts as of Dec-31-12	Opening Principal Amounts as of Jan-1-13	Transactions' Debit / (Credit) during 2013	OEB-Approved Disposition during 2013
LRAM Variance Account ¹²	1568	\$0				\$0	\$0				\$0	\$0		
Total including Account 1568		\$15,109	(\$1,219,065)	\$0	\$0	(\$1,203,956)	\$0	\$0	\$0	\$0	\$0	(\$1,203,956)	(\$290,695)	(\$161,870)
Renewable Generation Connection Capital Deferral Account ⁸	1531	\$0				\$0	\$0				\$0	\$0		
Renewable Generation Connection OM&A Deferral Account ⁹	1532	\$0				\$0	\$0				\$0	\$0		
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0				\$0	\$0				\$0	\$0		
Smart Grid Capital Deferral Account	1534	\$0				\$0	\$0				\$0	\$0		
Smart Grid OM&A Deferral Account	1535	\$0				\$0	\$0				\$0	\$0		
Smart Grid Funding Adder Deferral Account	1536	\$0				\$0	\$0				\$0	\$0		
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555	\$0	\$1,130,826			\$1,130,826	\$0				\$1,130,826		(\$1,068,716)	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555	\$0				\$0	\$0				\$0	\$0		
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555	\$0				\$0	\$0				\$0	\$0		
Smart Meter OM&A Variance ⁵	1556	\$0	\$302,044			\$302,044	\$0				\$302,044		(\$35,588)	
Meter Cost Deferral Account (MIST Meters) ¹¹	1557													
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁸	1575	\$0				\$0					\$0			
Accounting Changes Under CGAAP Balance + Return Component ⁸	1576					\$0					\$0		(\$459,136)	

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide a G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

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If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for dispositive application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will

2017 Deferral/Variance Account Workform

Account Descriptions	Account Number	2013						2014					
		Principal Adjustments ² during 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	OEB-Approved Disposition during 2013	Interest Adjustments ² during 2013	Closing Interest Amounts as of Dec-31-13	Opening Principal Amounts as of Jan-1-14	Transactions ² Debit/(Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments ² during 2014	Closing Principal Balance as of Dec-31-14
Group 1 Accounts													
LV Variance Account	1550		(\$59,990)	\$0			\$0	(\$59,990)	\$43,207	(\$18,956)		\$2,173	\$0
Smart Metering Entity Charge Variance Account	1551		\$26,162	\$0			\$0	\$26,162	\$2,308			\$28,470	\$0
RSVA - Wholesale Market Service Charge ¹⁰	1580		(\$783,395)	\$0			\$0	(\$783,395)	(\$7,861)	(\$271,253)		(\$520,003)	\$0
Variance WMS – Sub-account CBR Class A ¹⁰	1580												
Variance WMS – Sub-account CBR Class B ¹⁰	1580												
RSVA - Retail Transmission Network Charge	1584		\$28,379	\$0			\$0	\$28,379	\$71,083	(\$49,789)		\$149,251	\$0
RSVA - Retail Transmission Connection Charge	1586		(\$242,855)	\$0			\$0	(\$242,855)	(\$73,508)	(\$73,845)		(\$242,518)	\$0
RSVA - Power (excluding Global Adjustment)	1588		(\$7,821,693)	\$0			\$0	(\$7,821,693)	\$5,614,267	(\$1,723,125)		(\$484,301)	\$0
RSVA - Global Adjustment	1589		\$7,452,339	\$0			\$0	\$7,452,339	(\$4,760,117)	\$1,739,713		\$952,509	\$0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595		(\$205,050)	\$0			\$0	(\$205,050)				(\$205,050)	\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595		\$0	\$0			\$0	\$0				\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595		\$616,497	\$0			\$0	\$616,497	\$1,258,068			\$1,874,565	\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595		(\$375,969)	\$0			\$0	(\$375,969)	(\$387,674)			(\$763,643)	\$0
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595		\$0	\$0			\$0	\$0				\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595		\$0	\$0			\$0	\$0				\$0	\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595		\$0	\$0			\$0	\$0				\$0	\$0
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>													
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$0	(\$1,365,575)	\$0	\$0	\$0	\$0	(\$1,365,575)	\$1,759,773	(\$397,255)	\$0	\$791,453	\$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$0	(\$8,817,914)	\$0	\$0	\$0	\$0	(\$8,817,914)	\$6,519,891	(\$2,136,968)	\$0	(\$161,056)	\$0
RSVA - Global Adjustment	1589	\$0	\$7,452,339	\$0	\$0	\$0	\$0	\$7,452,339	(\$4,760,117)	\$1,739,713	\$0	\$952,509	\$0
Group 2 Accounts													
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508		\$20,475	\$0			\$0	\$20,475				\$20,475	\$0
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 ³	1508		\$0	\$0			\$0	\$0				\$0	\$0
Other Regulatory Assets - Sub-Account - Other ⁴	1508		\$51,467	\$0			\$0	\$51,467	(\$66,472)			(\$15,005)	\$0
Retail Cost Variance Account - Retail	1518		(\$35,133)	\$0			\$0	(\$35,133)	\$35,542			\$410	\$0
Misc. Deferred Debits	1525		\$1,602	\$0			\$0	\$1,602	(\$1,676)			(\$74)	\$0
Retail Cost Variance Account - STR	1548		\$0	\$0			\$0	\$0	(\$122)			(\$122)	\$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		\$0	\$0			\$0	\$0				\$0	\$0
Other Deferred Credits	2425		\$0	\$0			\$0	\$0				\$0	\$0
Group 2 Sub-Total		\$0	\$38,412	\$0	\$0	\$0	\$0	\$38,412	(\$32,728)	\$0	\$0	\$5,684	\$0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592		(\$5,618)	\$0			\$0	(\$5,618)	(\$7,007)			(\$12,625)	\$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 1592)		\$0	(\$1,332,782)	\$0	\$0	\$0	\$0	(\$1,332,782)	\$1,720,039	(\$397,255)	\$0	\$784,512	\$0

Account Descriptions	Account Number	2013						2014					
		Principal Adjustments ² during 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	OEB-Approved Disposition during 2013	Interest Adjustments ² during 2013	Closing Interest Amounts as of Dec-31-13	Opening Principal Amounts as of Jan-1-14	Transactions ¹ Debit/ (Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments ² during 2014	Closing Principal Balance as of Dec-31-14
LRAM Variance Account ¹²	1568		\$0	\$0			\$0	\$0				\$0	\$0
Total including Account 1568		\$0	(\$1,332,782)	\$0	\$0	\$0	\$0	(\$1,332,782)	\$1,720,039	(\$397,255)	\$0	\$784,512	\$0
Renewable Generation Connection Capital Deferral Account ⁸	1531		\$0	\$0			\$0	\$0				\$0	\$0
Renewable Generation Connection OM&A Deferral Account ⁹	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		\$0	\$0			\$0	\$0				\$0	\$0
Smart Grid OM&A Deferral Account	1535		\$0	\$0			\$0	\$0				\$0	\$0
Smart Grid Funding Adder Deferral Account	1536		\$0	\$0			\$0	\$0				\$0	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555		\$62,109	\$0			\$0	\$62,109	(\$160,368)			(\$98,259)	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555		\$0	\$0			\$0	\$0				\$0	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555		\$0	\$0			\$0	\$0				\$0	\$0
Smart Meter OM&A Variance ⁵	1556		\$266,456	\$0			\$0	\$266,456	\$117,813			\$384,269	\$0
Meter Cost Deferral Account (MIST Meters) ¹¹	1557							\$0				\$0	\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁸	1575		\$0					\$0				\$0	
Accounting Changes Under CGAAP Balance + Return Component ⁸	1576		(\$459,136)					(\$459,136)	\$121,599			(\$337,537)	

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the account.

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account. Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide a G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed of. In this case, leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be calculated from the LRAMVA model.

2017 Deferral/Variance Account Workform

					2015										
Account Descriptions	Account Number	Interest Jan-1 to Dec-31-14	OEB-Approved Disposition during 2014	Interest Adjustments ¹ during 2014	Closing Interest Amounts as of Dec-31-14	Opening Principal Amounts as of Jan-1-15	Transactions ² Debit/(Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments ² during 2015	Closing Principal Balance as of Dec-31-15	Opening Interest Amounts as of Jan-1-15	Interest Jan-1 to Dec-31-15	OEB-Approved Disposition during 2015	Interest Adjustments ¹ during 2015	Closing Interest Amounts as of Dec-31-15
Group 1 Accounts															
LV Variance Account	1550				\$0	\$2,173	\$184,529			\$186,702	\$0				\$0
Smart Metering Entity Charge Variance Account	1551				\$0	\$28,470	\$2,606			\$31,077	\$0				\$0
RSVA - Wholesale Market Service Charge ¹⁰	1580				\$0	(\$520,003)	(\$552,806)			(\$1,072,809)	\$0				\$0
Variance WMS – Sub-account CBR Class A ¹⁰	1580				\$0	\$0				\$0	\$0				\$0
Variance WMS – Sub-account CBR Class B ¹⁰	1580				\$0	\$0				\$0	\$0				\$0
RSVA - Retail Transmission Network Charge	1584				\$0	\$149,251	\$416,701			\$565,952	\$0				\$0
RSVA - Retail Transmission Connection Charge	1586				\$0	(\$242,518)	\$443,876			\$201,358	\$0				\$0
RSVA - Power (excluding Global Adjustment)	1588				\$0	(\$484,301)	(\$687,084)			(\$1,171,385)	\$0				\$0
RSVA - Global Adjustment	1589				\$0	\$952,509	(\$704,115)			\$248,394	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595				\$0	(\$205,050)				(\$205,050)	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595				\$0	\$1,874,565	\$910,610			\$2,785,175	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595				\$0	(\$763,643)	\$550,040			(\$213,603)	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595				\$0	\$0				\$0	\$0				\$0
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>															
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$0	\$0	\$0	\$0	\$791,453	\$564,357	\$0	\$0	\$1,355,810	\$0	\$0	\$0	\$0	\$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$0	\$0	\$0	\$0	(\$161,056)	\$1,268,472	\$0	\$0	\$1,107,416	\$0	\$0	\$0	\$0	\$0
RSVA - Global Adjustment	1589	\$0	\$0	\$0	\$0	\$952,509	(\$704,115)	\$0	\$0	\$248,394	\$0	\$0	\$0	\$0	\$0
Group 2 Accounts															
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508				\$0	\$20,475	\$1,126			\$21,601	\$0				\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508				\$0	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ³	1508				\$0	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Other ⁴	1508				\$0	(\$15,005)	\$175			(\$14,829)	\$0				\$0
Retail Cost Variance Account - Retail	1518				\$0	\$410	(\$154)			\$256	\$0				\$0
Misc. Deferred Debits	1525				\$0	(\$74)				(\$74)	\$0				\$0
Retail Cost Variance Account - STR	1548				\$0	(\$122)	(\$312)			(\$434)	\$0				\$0
Board-Approved CDM Variance Account	1567				\$0	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572				\$0	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574				\$0	\$0				\$0	\$0				\$0
RSVA - One-time	1582				\$0	\$0				\$0	\$0				\$0
Other Deferred Credits	2425				\$0	\$0				\$0	\$0				\$0
Group 2 Sub-Total		\$0	\$0	\$0	\$0	\$5,684	\$836	\$0	\$0	\$6,520	\$0	\$0	\$0	\$0	\$0
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592				\$0	(\$12,625)	\$6,163			(\$6,462)	\$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
Total of Group 1 and Group 2 Accounts (including 1592)		\$0	\$0	\$0	\$0	\$784,512	\$571,356	\$0	\$0	\$1,355,869	\$0	\$0	\$0	\$0	\$0

					2015										
Account Descriptions	Account Number	Interest Jan-1 to Dec-31-14	OEB-Approved Disposition during 2014	Interest Adjustments ² during 2014	Closing Interest Amounts as of Dec-31-14	Opening Principal Amounts as of Jan-1-15	Transactions ¹ Debit/ (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments ² during 2015	Closing Principal Balance as of Dec-31-15	Opening Interest Amounts as of Jan-1-15	Interest Jan-1 to Dec-31-15	OEB-Approved Disposition during 2015	Interest Adjustments ² during 2015	Closing Interest Amounts as of Dec-31-15
LRAM Variance Account ¹²	1568				\$0	\$0			\$34,657	\$34,657	\$0	\$0		\$847	\$847
Total including Account 1568		\$0	\$0	\$0	\$0	\$784,512	\$571,356	\$0	\$34,657	\$1,390,525	\$0	\$0	\$0	\$847	\$847
Renewable Generation Connection Capital Deferral Account ⁸	1531				\$0	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account ⁹	1532				\$0	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533				\$0	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534				\$0	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535				\$0	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536				\$0	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555				\$0	(\$98,259)	\$98,254		\$4	(\$0)	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555				\$0	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555				\$0	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance ⁵	1556				\$0	\$384,269	(\$384,269)			\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) ¹¹	1557				\$0	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁸	1575					\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component ⁸	1576					(\$337,537)	\$251,444			(\$86,094)					

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide 1 G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed of and leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will

2017 Deferral/Variance Account Workform

If you have a Class A customer, 1580 Sub-account CBR Class B should be disposed through a rate rider calculated outside the model.

If you have only Class B customers, the balance applicable to Class B will be allocated and disposed with Account 1580, when the check box below is left unchecked. See note 10 below.

Please click if you have one or more Class A customers.

Account Descriptions	Account Number	2016				Projected Interest on Dec-31-15 Balances				2.1.7 RRR
		Principal Disposition during 2016 - instructed by OEB	Interest Disposition during 2016 - instructed by OEB	Closing Principal Balances as of Dec 31-15 Adjusted for Dispositions during 2016	Closing Interest Balances as of Dec 31-15 Adjusted for Dispositions during 2016	Projected Interest from Jan 1, 2016 to December 31, 2016 on Dec 31 -15 balance adjusted for disposition during 2016 ⁷	Projected Interest from January 1, 2017 to April 30, 2017 on Dec 31 -15 balance adjusted for disposition during 2016 ⁷	Total Interest	Total Claim	As of Dec 31-15
Group 1 Accounts										
LV Variance Account	1550	\$2,173		\$184,529	\$0	\$2,030	\$677	\$2,706	\$187,235.41	\$186,702
Smart Metering Entity Charge Variance Account	1551			\$2,606	\$0	\$29	\$10	\$38	\$2,644.70	\$31,077
RSVA - Wholesale Market Service Charge ¹⁰	1580	(\$520,003)		(\$552,806)	\$0	(\$6,081)	(\$2,027)	(\$8,108)	(\$560,914.11)	(\$1,072,809)
Variance WMS – Sub-account CBR Class A ¹⁰	1580			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Variance WMS – Sub-account CBR Class B ¹⁰	1580			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
RSVA - Retail Transmission Network Charge	1584	\$149,251		\$416,701	\$0	\$4,584	\$1,528	\$6,112	\$422,812.73	\$565,952
RSVA - Retail Transmission Connection Charge	1586	(\$242,518)		\$443,876	\$0	\$4,883	\$1,628	\$6,510	\$450,386.51	\$201,358
RSVA - Power (excluding Global Adjustment)	1588	(\$484,301)		(\$687,084)	\$0	(\$7,558)	(\$2,519)	(\$10,077)	(\$697,161.37)	(\$1,171,385)
RSVA - Global Adjustment	1589	\$952,509		(\$704,115)	\$0	(\$7,745)	(\$2,582)	(\$10,327)	(\$714,442.14)	\$248,394
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595	(\$205,050)		\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595			\$2,785,175	\$0	\$30,637	\$10,212	\$40,849	\$2,826,024.24	\$2,265,429
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595			(\$213,603)	\$0	(\$2,350)	(\$783)	(\$3,133)	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>										
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		(\$319,469)	\$0	\$1,675,279	\$0	\$18,428	\$6,143	\$24,571	\$1,916,585.96	\$1,254,717
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(\$1,271,978)	\$0	\$2,379,394	\$0	\$26,173	\$8,724	\$34,898	\$2,631,028.10	\$1,006,324
RSVA - Global Adjustment	1589	\$952,509	\$0	(\$704,115)	\$0	(\$7,745)	(\$2,582)	(\$10,327)	(\$714,442.14)	\$248,394
Group 2 Accounts										
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$21,601	\$0	\$238	\$79	\$317	\$21,917.64	
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			\$0	\$0			\$0	\$0.00	
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ⁹	1508			\$0	\$0			\$0	\$0.00	
Other Regulatory Assets - Sub-Account - Other ⁴	1508			(\$14,829)	\$0	(\$163)	(\$54)	(\$217)	<input checked="" type="checkbox"/> Check to Dispose of Account	(\$15,046.97)
Retail Cost Variance Account - Retail	1518			\$256	\$0	\$3	\$1	\$4	\$259.60	\$256
Misc. Deferred Debits	1525			(\$74)	\$0	(\$1)	(\$0)	(\$1)	<input checked="" type="checkbox"/> Check to Dispose of Account	(\$74.88)
Retail Cost Variance Account - STR	1548			(\$434)	\$0	(\$5)	(\$2)	(\$6)	<input checked="" type="checkbox"/> Check to Dispose of Account	(\$439.95)
Board-Approved CDM Variance Account	1567			\$0	\$0			\$0	\$0.00	
Extra-Ordinary Event Costs	1572			\$0	\$0			\$0	\$0.00	
Deferred Rate Impact Amounts	1574			\$0	\$0			\$0	\$0.00	
RSVA - One-time	1582			\$0	\$0			\$0	\$0.00	
Other Deferred Credits	2425			\$0	\$0			\$0	<input checked="" type="checkbox"/> Check to Dispose of Account	\$0.00
Group 2 Sub-Total		\$0	\$0	\$6,520	\$0	\$72	\$24	\$96	\$6,615.44	(\$15,081)
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			(\$6,462)	\$0	(\$71)	(\$24)	(\$95)	(\$6,556.32)	(\$6,462)
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592			\$0	\$0			\$0	\$0.00	
Total of Group 1 and Group 2 Accounts (including 1592)		(\$319,469)	\$0	\$1,675,337	\$0	\$18,429	\$6,143	\$24,572	\$1,916,645.08	\$1,233,175

Account Descriptions	Account Number	2016				Projected Interest on Dec-31-15 Balances				2.1.7 RRR
		Principal Disposition during 2016 - Instructed by OEB	Interest Disposition during 2016 - Instructed by OEB	Closing Principal Balances as of Dec 31-15 Adjusted for Dispositions during 2016	Closing Interest Balances as of Dec 31-15 Adjusted for Dispositions during 2016	Projected Interest from Jan 1, 2016 to December 31, 2016 on Dec 31 -15 balance adjusted for disposition during 2016 ⁷	Projected Interest from January 1, 2017 to April 30, 2017 on Dec 31 -15 balance adjusted for disposition during 2016 ⁷	Total Interest	Total Claim	As of Dec 31-15
LRAM Variance Account ¹²	1568			\$34,657	\$847	\$381	\$127	\$1,355	\$36,011.96	\$0
Total including Account 1568		(\$319,469)	\$0	\$1,709,994	\$847	\$18,810	\$6,270	\$25,927	\$1,952,657.04	\$1,233,175
Renewable Generation Connection Capital Deferral Account ⁸	1531			\$0	\$0			\$0	\$0.00	
Renewable Generation Connection OM&A Deferral Account ⁹	1532			\$0	\$0			\$0	\$0.00	
Renewable Generation Connection Funding Adder Deferral Account	1533			\$0	\$0			\$0	\$0.00	
Smart Grid Capital Deferral Account	1534			\$0	\$0			\$0	\$0.00	
Smart Grid OM&A Deferral Account	1535			\$0	\$0			\$0	\$0.00	
Smart Grid Funding Adder Deferral Account	1536			\$0	\$0			\$0	\$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555			(\$0)	\$0			\$0	(\$0.18)	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555			\$0	\$0			\$0	\$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555			\$0	\$0			\$0	\$0.00	
Smart Meter OM&A Variance ⁵	1556			\$0	\$0			\$0	\$0.00	
Meter Cost Deferral Account (MIST Meters) ¹¹	1557			\$0	\$0			\$0	\$0.00	
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁶	1575			\$0					\$0.00	\$21,601
Accounting Changes Under CGAAP Balance + Return Component ⁶	1576			(\$86,094)					\$0.00	(\$86,094)

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the transaction column.

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide a G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed of and leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for dispositive application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be included in the continuity schedule.

2017 Deferral/Variance Account Workform

Account Descriptions	Account Number	Variance RRR vs. 2015 Balance (Principal + Interest)
Group 1 Accounts		
LV Variance Account	1550	\$0
Smart Metering Entity Charge Variance Account	1551	\$0
RSVA - Wholesale Market Service Charge ¹⁰	1580	\$0
Variance WMS – Sub-account CBR Class A ¹⁰	1580	\$0
Variance WMS – Sub-account CBR Class B ¹⁰	1580	\$0
RSVA - Retail Transmission Network Charge	1584	\$0
RSVA - Retail Transmission Connection Charge	1586	\$0
RSVA - Power (excluding Global Adjustment)	1588	\$0
RSVA - Global Adjustment	1589	\$0
Disposition and Recovery/Refund of Regulatory Balances (2009) ⁸	1595	\$205,050
Disposition and Recovery/Refund of Regulatory Balances (2010) ⁸	1595	\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) ⁸	1595	(\$519,746)
Disposition and Recovery/Refund of Regulatory Balances (2012) ⁸	1595	\$213,603
Disposition and Recovery/Refund of Regulatory Balances (2013) ⁸	1595	\$0
Disposition and Recovery/Refund of Regulatory Balances (2014) ⁸	1595	\$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ⁸	1595	\$0
<i>Not to be disposed of unless rate rider has expired and balance has been audited</i>		
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		(\$101,093)
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		(\$101,093)
RSVA - Global Adjustment	1589	\$0
Group 2 Accounts		
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	(\$21,601)
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act ³	1508	\$0
Other Regulatory Assets - Sub-Account - Other ⁴	1508	\$0
Retail Cost Variance Account - Retail	1518	\$0
Misc. Deferred Debits	1525	(\$0)
Retail Cost Variance Account - STR	1548	\$0
Board-Approved CDM Variance Account	1567	\$0
Extra-Ordinary Event Costs	1572	\$0
Deferred Rate Impact Amounts	1574	\$0
RSVA - One-time	1582	\$0
Other Deferred Credits	2425	\$0
Group 2 Sub-Total		(\$21,600)
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0
Total of Group 1 and Group 2 Accounts (including 1592)		(\$122,693)

Account Descriptions	Account Number	Variance RRR vs. 2015 Balance (Principal + Interest)
LRAM Variance Account ¹²	1568	(\$35,504)
Total including Account 1568		(\$158,197)
Renewable Generation Connection Capital Deferral Account ⁸	1531	\$0
Renewable Generation Connection OM&A Deferral Account ⁹	1532	\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0
Smart Grid Capital Deferral Account	1534	\$0
Smart Grid OM&A Deferral Account	1535	\$0
Smart Grid Funding Adder Deferral Account	1536	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital ⁵	1555	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries ⁵	1555	\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs ⁵	1555	\$0
Smart Meter OM&A Variance ⁵	1556	\$0
Meter Cost Deferral Account (MIST Meters) ¹¹	1557	\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component ⁶	1575	\$21,601
Accounting Changes Under CGAAP Balance + Return Component ⁶	1576	\$0

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

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction in the column.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB Approved dispositions as per the January 6, 2011 Letter from the OEB regarding the implementation of the Ontario Clean Energy Benefit:

"By way of exception... The Board does anticipate that licensed distributors that cannot adapt their invoices as of January 1, account Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act" will be addressed through the column.

Please describe "other" components of 1508 and add more component lines if necessary.

Deferral accounts related to Smart Meter deployment are not to be recovered/refunded through the Deferral and Variance Account Smart Meter Disposition and Cost Recovery (G-2011-0001)

The OEB requires that disposition of Account 1575 and Account 1576 shall require the use of separate rate riders. In the "A" Account 1575 and 1576 rate rider calculation from the applicable Chapter 2 appendices. For Account 1575, please provide a G39 from the relevant Chapter 2 Appendix 2-EB or 2-EC, respectively.

Depending on the disposition period, balances may exist in Account 1575 and Account 1576 even if the accounts have been disposed of and leave the checkbox "Check to Dispose of Account" in the Total Claim column unchecked.

If the LDC's rate year begins on January 1, 2017, the projected interest is recorded from January 1, 2016 to December 31, 2016 rate decision. If the LDC's rate year begins on May 1, 2017, the projected interest is recorded from January 1, 2016 to April 30, 2016 rate decision.

Include Account 1595 as part of Group 1 accounts for review and disposition if the recovery (or refund) period has been completed, do not include the respective balance in Account 1595 for disposition at this time.

Per the APH March 2015 Guidance, the Direct Benefits portion of Account 1531 should be transferred to rate base. The Disposition. In this continuity schedule, Account 1531 is listed for reference only. Account 1532 is included in the Group 2 account balances in this continuity schedule.

When inputting balances in the continuity schedule, Account 1580 RSVA - Wholesale Market Service Charge is to exclude sub-accounts. Only Class B amounts are to be disposed. Class A amounts are not to be disposed.

Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition application, outside of this continuity schedule.

Input the LRAMVA balance in the continuity schedule as calculated from the LRAMVA model. The associated rate riders will be

2017 Deferral/Variance Account Workform

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

Account Descriptions	Account Number	Variance RRR vs. 2015 Balance (Principal + Interest)	Explanation
Disposition and Recovery/Refund of Regulatory Balances (2009)8	1595	\$ 205,050.00	
Disposition and Recovery/Refund of Regulatory Balances (2011)8	1595	\$ (519,746.13)	
Disposition and Recovery/Refund of Regulatory Balances (2012)8	1595	\$ 213,603.36	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ (21,600.83)	
Other Regulatory Assets - Sub-Account - Other 4	1508	\$ 0.47	
Misc. Deferred Debits	1525	\$ (0.05)	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital5	1555	\$ 0.18	
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component6	1575	\$ 21,600.83	

2017 Deferral/Variance Account Workform

If a Class B customer switched into Class A during the 2015 rate year, click this check box:

Identify the total consumption for former Class B customers prior to becoming Class A customers (i.e. Jan 1. to June 30, 2015) in Sheet 5a GA Allocation_Class A.

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

Rate Class <small>(Enter Rate Classes in cells below as they appear on your current tariff of rates and charges)</small>	Units	# of Customers	Total Metered kWh	Total Metered kW	Metered kWh for Non-RPP Customers	Estimated Metered kW for Non-RPP Customers	Distribution Revenue	Metered kWh for Wholesale Market Participants (WMP)	Metered kW for Wholesale Market Participants (WMP)	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW less WMP consumption (if applicable)	Metered kWh for any Class A Customers in 2015 (partial or full year) (if applicable)	Metered kW for any Class A Customers in 2015 (partial or full year) (if applicable)	Total Metered kWh for Non-RPP Customers less WMP and Class A Consumption	Total Metered kW for Non-RPP Customers less WMP and Class A Consumption	1595 Recovery Share Proportion (2009) ¹
RESIDENTIAL	kWh	10,386	91,658,363		13,101,771	-	2,229,690			91,658,363	-			13,101,771	-	
GENERAL SERVICE LESS THAN 50 KW	kWh	1,253	28,971,935		5,588,832	-	382,040			28,971,935	-			5,588,832	-	
GENERAL SERVICE 50 TO 4,999 KW	kW	93	61,328,530	190,362	57,567,899	178,689	506,933			61,328,530	190,362			57,567,899	178,689	
UNMETERED SCATTERED LOAD	kWh	31	264,832		264,832	-	2,888			264,832	-			264,832	-	
SENTINEL LIGHTING	kW	7	5,962	14	5,962	14	345			5,962	14			5,962	14	
STREET LIGHTING	kW	2,826	2,380,054	6,476	2,380,054	6,476	113,741			2,380,054	6,476			2,380,054	6,476	
EMBEDDED DISTRIBUTOR	kW	4	45,143,217	96,786	45,143,217	96,786	115,410			45,143,217	96,786	45,143,217	96,786			
Total		14,600	229,752,894	293,638	124,052,567	281,965	\$ 3,353,047	-	-	229,752,894	293,638	45,143,217	96,786	78,909,350	185,178	0%

¹ Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

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

1595 Recovery Share Proportion (2010) ¹	1595 Recovery Share Proportion (2011) ¹	1595 Recovery Share Proportion (2012) ¹	1595 Recovery Share Proportion (2013) ¹	1595 Recovery Share Proportion (2014) ¹	1595 Recovery Share Proportion (2015) ¹	1568 LRAM Variance Account Class Allocation ³ (\$ amounts)	Number of Customers for Residential and GS<50 classes ²
						16,327	
						16,498	
						4,945	
						(10)	
						0	
						(1,748)	
0%	0%	0%	0%			0%	\$ 36,012
						Balance as per Sheet 2	\$ 36,012
						Variance	\$ 0

2017 Deferral/Variance Account Workform

Please indicate the Rate Rider Recovery Period (in years)

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

1550, 1551, 1584, 1586, 1595

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	91,658,363	\$ 425,413	0.0046	\$/kWh
GENERAL SERVICE LESS THAN 50 KW	kWh	28,971,935	\$ 134,006	0.0046	\$/kWh
GENERAL SERVICE 50 TO 4,999 KW	kW	190,362	\$ 283,065	1.4870	\$/kW
UNMETERED SCATTERED LOAD	kWh	264,832	\$ 1,222	0.0046	\$/kWh
SENTINEL LIGHTING	kW	14	\$ 28	1.9656	\$/kW
STREET LIGHTING	kW	6,476	\$ 10,985	1.6964	\$/kW
EMBEDDED DISTRIBUTOR	kW	96,786	\$ 208,361	2.1528	\$/kW
	kW	-	\$ -	-	\$/kW
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
Total			\$ 1,063,079		