

Lakefront Follow Up Questions

- 1) In response to Question 3i -2b, Lakefront stated that the pro-ration of the GA charge with respect to RPP/non-RPP ratio is based on the actual invoice. This suggests that no true up is needed for this and therefore, this is not a reconciling item. However, in response to Question 3iii, Lakefront indicates that the RPP/non-RPP ratio is a reconciling item.
 - a) Please indicate the source data for the RPP/non-RPP ratio in determining the GA charge to Accounts 1588 and 1589 (i.e. whether it is based on the IESO invoice as suggested in Question 3i-2b or the data from the CIS and Utilismart as suggested by Question 3iii).
 - b) Please clarify whether the RPP/non-RPP ratio is a reconciling item or not.

- 2) In response to Question 3iii,
 - a) Please confirm that the Billed total of \$13,367,271 in the table is the total billed for Non-RPP customers.
 - b) Please confirm that total GA charge from the IESO invoice is first recorded in Account 1589 and then the GA charge for RPP customers is transferred from Account 1589 to Account 1588. If not, please explain why reconciling item would be required to adjust Account 1589.
 - c) It appears that the \$1,534,005 is the total actual annual GA charge for RPP customers. In Lakefront's GL, the GA charge for RPP customers should have been transferred out of Account 1589 and into Account 1588 throughout the year. Therefore, only the difference between the actual annual GA charge for RPP customers of \$1,534,005 and the GA charge for RPP customers already transferred out of Account 1589 should be a reconciling item. Please confirm this and revise the GA Analysis Workform as needed.
 - d) Assuming the assumptions in part b above are correct, please explain when the true up to actual GA charges for RPP customers is done and whether it is recorded in the current year or the subsequent year.

- 3) In response to Question 3ii, the difference between estimated and actual unbilled should be included as reconciling items 2a and 2b instead of the total estimated unbilled revenues. Please revise the GA Analysis Workform for this.

- 4) In response to Questions 3i -2 and 3iii, the items that require true up and would be reconciling items, would be for revenues (reconciling item 2a, 2b) and the RPP/non-RPP ratio for GA expenses (reconciling item 7). Please explain what the reconciling items 1a and 1b are and how the amounts are determined.