

Lakefront Follow Up Questions Part 2

- 1) From the initial questions, 3iii,
 - a. Please confirm if this is Lakefront Utilities' process in determining the GA charge for non-RPP customers: Once the IESO invoice is received, Lakefront Utilities uses non-RPP consumption from CIS Northstar to split the GA charge between RPP and non-RPP customers and records the amounts in Accounts 1588 and 1589. The split is updated at a later date based on non-RPP consumption from Utilismart and a true up entry is recorded in Accounts 1588 and 1589. If this is not the case, please explain Lakefront Utilities' process in recording the GA charge.
 - b. Please confirm that the kwh per Utilismart in the table is consumption for non-RPP customers only and not the total IESO purchased consumption. If not, please explain what the consumption represents.
 - c. In Appendix 4: RPP Settlement Process, Lakefront Utilities indicated that a reconciliation of non-RPP consumption to actuals is done on a monthly basis.
 - i. Please indicate the frequency in which the reconciling item as shown in table 3iii is recorded in the books (e.g. monthly, annual).
 - ii. If it is monthly, please indicate which year the December reconciling item is recorded in. Please also explain why all 12 months are included as a reconciling item as they would already be recorded in the -\$1,576,124 balance in Lakefront Utilities' books.
 - iii. If it is annually, please indicate which year the annual reconciling item is recorded in.

- 2) With regards to follow up question 3, unbilled revenues were underestimated in 2016. Therefore, to true up revenues to actuals in 2016, revenues should be increased (credited). This would result in a credit to Account 1589 and the reconciling item 2b should be a credit. Conversely, unbilled revenues were underestimated in 2015. The true up to actual revenues recorded in 2016 would have increased (credited) revenues, resulting in a credit to Account 1589. Therefore, to reverse the true up, a debit to Account 1589 would be needed and reconciling item should be a debit. Please revise the GA Analysis Workform.

- 3) In response to initial up question 3i-1, charge type 1142 is booked into Account 1588. In follow up question 4, Lakefront indicated that reconciling items 1a and 1b is a true up of the monthly 1598 filings. The monthly 1598 filings result in charge type 1142 on the IESO invoice, which Lakefront Utilities records in Account 1588. Please explain how this would impact Account 1589 and act as a reconciling item in the GA Analysis Workform.