

**Lakeland Power Distribution Ltd.
EB-2017-0058**

**Parry Sound Service Territory
Staff Question-1**

1) With regards to the Dec. 31, 2016 balance in Account 1588, all components that flow into Account 1588 (i to iv in table below) should be all based on actuals at year end. Please complete the following table to a) indicate whether the component is based on estimates or actuals at year end and b) quantify the adjustment pertaining to each component that is trued up from estimate to actual

	Component	a) Estimate or Actual	Notes/Comments	b) Quantify True Up Adjustment
i	Revenues (i.e. is unbilled revenues trued up by year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to actual RPP/TOU revenue and non-RPP HOEP revenue, which is included with the Dec 31 balance.	
ii	Expenses – Commodity: Charge Type 101 (i.e. is expense based on IESO invoice at year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to actual commodity costs billed by IESO (101) at HOEP for December, which is included with the Dec 31 balance.	
ijj	Expenses - GA RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to include actual Class B GA on RPP kWh claimed and included in the December IESO Charge Type 142 RPP and allocate it against Charge Type 148 Class B GA (offset against 1589), which is included with the Dec 31 balance.	
iv	Expenses - GA RPP: Charge Type 148 with respect and RPP/non-RPP pro-ration percentages	LPDL = Actual	LPDL = in 2016, we trued up our 1588 and 1589 year end balances, to reflect Actual Total kWh purchased less Actual RPP kwh sold to leave a remaining balance of Actual Total Non-RPP kWh sold, which was included with the Dec 31 1589 balance. As part of the GA analysis,	

			LPDL identified that the proration of non-RPP and RPP should be based on Actual Total Non-RPP kWh sold, rather than using the fallout above. The difference between these 2 methodologies have been identified as 1b) adjustment for 2016. For 2017 onward, LPDL will use the Actual Total Non-RPP kWh sold to calculate the non-RPP GA true up booked to 1589 and leave any fallout difference as part of the 1588 true up (i.e. WAP billed vs HOEP invoiced, line losses)	
v	RPP Settlement: Charge Type 142 including any data used for determining the RPP/HOEP/RPP GA components of the charge type	LPDL = Actual	LPDL = we true up our 1588 year end balance, to include an RPP/TOU reconciliation submission claim up to and including December actuals, which is accrued to December 1588 balance but submitted to IESO by February (would be included with February's Charge Type 1142 Claim Amount but offset against the accrual made in December).	

Staff Question-2

No adjustment pertaining to impacts of RPP settlement true-up is proposed for Account 1588 or Account 1589, please explain why not.

LPDL: As per the GA Analysis Workform submission, the adjustment for 1b) was identified through the GA analysis process and this adjustment in methodology will be used going forward. The 1b) adjustment was not reflected in the year-end balances and thus not included in the DVA's. LPDL believes the adjustment to be immaterial and will book the adjustment (reclass between 1588 and 1589) in 2017. There is no reconciling item for an accrual vs actual discrepancy since LPDL does a true up adjustment to actuals, including December actuals, and records this true up to December so it is included in the year-end balances.

Staff Question-3

Ref: A portion of Tab 3. Continuity Schedule is reproduced below.

2017				
Account Number	Principal Disposition during 2017 - instructed by OEB	Interest Disposition during 2017 - instructed by OEB	Closing Principal Balances as of Dec 31, 2016 Adjusted for Dispositions during 2017	Closing Interest Balances as of Dec 31, 2016 Adjusted for Dispositions during 2017
1550	270,126	7,591	164,463	
1551	2,181	104	(522)	
1580	(413,249)	(16,319)	(73,930)	
1580	0		0	
1580	19,954	280	(3,296)	
1584	46,780	667	175,325	
1586	1,489	(1,406)	125,245	
1588	458,654			
1589	408,742			
1595	0			
1595	0		0	

Kelli Benincasa:
 An amount of \$65,112 that is included in the total was actually written off by Lakeland. The OEB approved disposition amount is \$393,542.

A. Please confirm the OEB approved (EB-2016-0090) disposition amount for account 1588 is actually \$393,542, not \$458,654.

LPDL: Lakeland confirms that the disposition amount for account 1588 is actually \$393,542. The amount of \$65,112 was included in the same column as to arrive at the correct account balance.

B. The OEB acknowledges there is no adjustment column for the 2017 rate year in the continuity schedule. Please confirm for the 2018 rate year the amount of \$65,112 will be in the 2017 adjustments column.

LPDL: Lakeland confirms that for the 2018 rate year, the amount of \$65,112 will be in the 2017 adjustments column.

**Lakeland Service Territory
Staff Question-1**

2) With regards to the Dec. 31, 2016 balance in Account 1588, all components that flow into Account 1588 (i to iv in table below) should be all based on actuals at year end. Please complete the following table to a) indicate whether the component is based on estimates or actuals at year end and b) quantify the adjustment pertaining to each component that is trued up from estimate to actual

	Component	a) Estimate or Actual	Notes/Comments	b) Quantify True Up Adjustment
i	Revenues (i.e. is unbilled revenues trued up by year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to actual RPP/TOU revenue and non-RPP HOEP revenue, which is included with the Dec 31 balance.	
ii	Expenses – Commodity: Charge Type 101 (i.e. is expense based on IESO invoice at year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to actual commodity costs billed by IESO (101) and Hydro One at HOEP for December, which is included with the Dec 31 balance.	
ijj	Expenses - GA RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end)	LPDL = Actual	LPDL = we true up our 1588 year end balance, to include actual Class B GA on RPP kWh claimed and included in the December IESO Charge Type 142 RPP and allocate it against Charge Type 148 Class B GA (offset against 1589), which is included with the Dec 31 balance.	
iv	Expenses - GA RPP: Charge Type 148 with respect and RPP/non-RPP pro-ration percentages	LPDL = Actual	LPDL = in 2015 and 2016, we trued up our 1588 and 1589 year end balances, to reflect Actual Total kWh purchased less Actual RPP kwh sold to leave a remaining balance of Actual Total Non-RPP kWh sold, which was included with the Dec 31 1589 balance. As part of the GA analysis, LPDL identified that the proration of non-RPP and RPP should be based on Actual Total Non-RPP kWh sold, rather than using the fallout above. The difference between these 2 methodologies have been identified as 1b) adjustments for 2015 and 2016. For 2017 onward, LPDL will use the Actual Total Non-RPP kWh sold to calculate the non-RPP GA true up booked to 1589 and leave any fallout difference as part of the 1588	

			true up (i.e. WAP billed vs HOEP invoiced, line losses)	
v	RPP Settlement: Charge Type 142 including any data used for determining the RPP/HOEP/RPP GA components of the charge type	LPDL = Actual	LPDL = we true up our 1588 year end balance, to include an RPP/TOU reconciliation submission claim up to and including December actuals, which is accrued to December 1588 balance but submitted to IESO by February (would be included with February's Charge Type 1142 Claim Amount but offset against the accrual made in December).	

Staff Question-2

No adjustment pertaining to impacts of RPP settlement true-up is proposed for Account 1588 or Account 1589, please explain why not.

LPDL: As per the GA Analysis Workform submission, the adjustments for 1b) were identified through the GA analysis process and this adjustment in methodology will be used going forward. The 1b) adjustments were not reflected in the year-end balances and thus not included in the DVA's. 2015 and 2016 Group 1 balances are not requested for disposition as the claim is below the preset disposition threshold, so the 1b) adjustments (reclass between 1588 and 1589) will be made in 2017. There is no reconciling item for an accrual vs actual discrepancy since LPDL does a true up adjustment to actuals, including December actuals, and records this true up to December so it is included in the year-end balances.