

## **Orangeville Hydro – Preliminary GA Questions**

**November 8, 2017**

- 1) In Note 2 of the GA analysis workform, the Total Metered excluding WMP consumption (kWh) is in amount of 244,695,490 and the Total Non-RPP consumption is in amount of 124,366,197. However, in the RRR 2.1.5.4 filing, Orangeville Hydro reported Total Metered excluding WMP consumption in amount of 241,665,675 and Total Non-RPP (excluding WMP) in amount of 124,366,491. The consumption data in Note 2 should agree with the RRR filing.
  - a) Please reconcile the consumption data in Note 2 and RRR and make necessary updates.
  - b) Please recalculate the TLF using data in the GA workform (cell F59/D26) and explain any significant differences (comparing to the approved TLF in the Tariff)
- 2) Please indicate which GA rate Orangeville Hydro uses for unbilled revenue. Does Orangeville Hydro use the same GA rate for unbilled purposes for each class?
- 3) When the billing cycles span more than one calendar/load month, how does Orangeville Hydro derive the \$GA for invoicing purposes?
- 4) In booking expense journal entries for Charge Type 1142 (formerly 142), and Charge Type 148 from the IESO invoice, please confirm which of the following approach is used:
  - a) Charge Type 1142 is booked into Account 1588. Charge Type 148 is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589, respectively
  - b) Charge Type 148 is booked into Account 1589. The portion of Charge Type 1142 equalling RPP-HOEP for RPP consumption is booked into Account 1588. The portion of Charge Type 1142 equalling GA RPP is credited into Account 1589.
  - c) Another approach. Please explain this approach in detail.
- 5) With regards to the Dec. 31, 2016 balance in Account 1589, all components that flow into Account 1589 (i to iv in table below) should all be 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

	<b>Component</b>	<b>a) Estimate or Actual</b>	<b>Notes/Comments</b>	<b>b) Quantify True Up Adjustment</b>
i	Revenues (i.e. is unbilled revenues trued up by year end)			
ii	Expenses - GA non-RPP: Charge Type 148 with respect to the quantum dollar amount (i.e. is expense based on IESO invoice at year end)			
iii	Expenses - GA non-RPP: Charge Type 148 with respect and RPP/non-RPP pro-ratio percentages if the approach under 1a is used			
iv	Credit of GA RPP: Charge Type 142 if the approach under IR 1b is used			

6) In the GA Analysis Workform, reconciling item 1a is not applicable as it was accrued in the prior year. However, reconciling item 1b is applicable as December reconciliation receivable amount was posted in 2017. Please explain whether Orangeville Hydro’s process changed between 2016 and 2017. Otherwise, please explain why 1a would not be a reconciling item and 1b would be a reconciling item.

7) On page 13 Orangeville Hydro’s application, it states:

The billed RPP and non-RPP including unbilled prior and current year consumption generated from the billing system is recorded monthly on a spreadsheet. The total billed volume is subtracted from the total charged volume including embedded generation to calculate the actual line loss factor. The monthly billed consumption is up-lifted or reduced by the loss factor difference and then multiplied by the monthly billed 1st estimate rate. The result is the dollar amount to remain in the variance. The total dollars billed to non-RPP customers and the total IESO claim amount which includes all true-ups of the 1st estimate to

actual GA rate are subtracted to determine the payment to or the payment from the IESO.

- a) Where it states “the billed RPP and non-RPP consumption including unbilled prior and current year”, please explain whether unbilled prior year amounts are deducted from current year consumption. If not, please explain the reasoning for this.
- b) Where it states, “total billed volume is subtracted from the total charged volume...”, please explain how this is a calculation of the actual line loss factor.
- c) Where it states “the monthly billed consumption is up-lifted or reduced by the loss factor difference”, please explain the calculation of the loss factor difference.
  - i. Please confirm that the loss factor difference is the difference between the approved and actual loss factor. If not, please explain how the loss factor difference is calculated.
  - ii. Please also explain why the monthly billed consumption is up-lifted by the loss factor difference and not the approved loss factor.
- d) Where it states “the result is the dollar amount to remain in the variance”,
  - i. Please also explain what is the calculation of the variance.
  - ii. Please explain whether the variance is referring to Account 1588 or Account 1589.
- e) Where it states “The total dollars billed to non-RPP customers and the total IESO claim amount which includes all true-ups of the 1st estimate to actual GA rate are subtracted to determine the payment to or the payment from the IESO”,
  - i. The IESO claim should be the same as the IESO payment or recovery. Please explain how the total dollars billed to non-RPP and the total IESO claim amount would equal the payment to or from the IESO.
  - ii. Please also explain why non-RPP dollars billed is used to calculate the RPP settlement calculation for RPP consumption.