

**Wasaga Distribution Inc. - EB-2017-0079**  
**GA Analysis Workform Questions**

**November 20, 2017**

1. In Note 2 of the GA Analysis Workform for 2015, the consumption data entered cannot be reconciled with Wasaga Distribution's 2015 RRR data. (Please note the Total Metered and Non-RPP kWh in Note 2 should exclude WMP consumption.)
  - a. Please reconcile the consumption data in Note 2 with the RRR and make necessary updates.
  - b. Please recalculate the TLF using data in the GA workform (cell F59/D26) and explain any significant difference between the calculated TLF and the TLF in the Tariff and Rate Order.
  
2. In Note 2 of the GA Analysis Workform for 2016, the total Non-RPP consumption 21,162,360 kWh is allocated fully to Class A (cell D25). As noted in the manager's summary, all of Wasaga Distribution's customers are referred to as Class B customers.
  - a. Please confirm that the 21,162,360 kWh Non-RPP consumption should be entered in D26 for Class B customers and update the GA Analysis Workform.
  - b. If confirmed, please update the GA Analysis Workform and recalculate the TLF using data in the GA Analysis Workform (cell F59/D26) and explain any significant difference between the calculated TLF and the TLF in the Tariff and Rate Order.
  
3. In Note 4 of both 2015 and 2016's GA Analysis Workforms, Wasaga Distribution did not enter any previous/current month unbilled consumption amounts (column G & H).
  - a. Please confirm whether or not each consumption amount entered in column F was the actual consumption for the given calendar month. (e.g. In the 2015 workform, the first number 2,330,839 kWh was billed in February for consumption in January.)
  - b. Do any of the consumption amounts entered in column F include a portion where the billing period spanned more than one month? If yes, how was this part of consumption allocated into the months? And please provide the total kWh consumption for which the billing period spanned more than one month.
  - c. If any numbers provided in column F are not for the calendar month consumption, please update the table to provide consumption data as required in the table, i.e. completing the volumes for billings by month, prior period unbilled, and current period unbilled.

**Please note that the applicant must provide a separate answer to questions 4-11 below for 2015 and 2016 respectively.**

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. In regards to the Dec. 31 balance in Account 1589; for all components that flow into Account 1589 (see items i to iv in the table below), please complete the table below and indicate whether the items listed have been recorded based on estimates or actuals at year-end. Where an item has been recorded based on an estimate, quantify the adjustment required for true 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)			
lii	Expenses - GA non-RPP: Charge Type 148 with respect and RPP/non-RPP pro-ration percentages			

iv	Credit of GA RPP: Charge Type 142 if the approach under IR 1b is used			
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6. All components of Account 1589 should be recorded based on actual prior to seeking disposition of the balance with the OEB. For any items in Account 1589 that are currently based on estimates, please update Note 5 of the GA Analysis Workform with the required adjustments for true-up to actual, and update the DVA continuity schedule such that these adjustments are reflected in the Account 1589 balance being sought for disposition (including adjustment 7 already disclosed in Note 5). Any required true-up adjustments should be recorded in the "Principal Adjustments" column of the DVA continuity schedule.
  
7. Item 3) in the instructions tab of the GA Analysis Workform requires the applicant to provide certain information to be populated in Note 3 of the GA Analysis Workform. Please provide a narrative in the text box that addresses all requirements listed in 3).
  
8. The starting point used by the applicant in cell D65 of Note 5 of the GA Analysis Workform should equal the balance in the "Transactions debit / (credit) during 2016 (or 2015 for the 2015 GA Analysis Workform)" column of the DVA continuity schedule for Account 1589. Currently the balance used by the applicant in this cell does not reconcile to the DVA continuity schedule submitted. Please update the GA Analysis Workform accordingly, or explain why the applicant believes that the balance currently being presented is appropriate and provide a reconciliation to the balance in the DVA continuity schedule.
  
9. In regards to adjustment 7 of Note 5 in the GA Analysis Workform, please provide more details as to what this adjustment relates to. Please explain the nature of this adjustment and why it is required in order to present a more accurate balance in Account 1589. Please also explain how the applicant has quantified the impact of the adjustment required (also provide the calculation). Please also confirm that the amount recorded as an adjustment only pertains to the impact on the GA for the specific year (and not the cumulative impact including previous years already disposed).
  
10. Please provide the actual system loss factor for each of the years and compare it to the OEB approved loss factor? Please also provide the detailed calculation that quantifies the impact of this difference. Would this difference need to be presented as a reconciling item in Note 5 of the GA Analysis Workform?

11. Please provide the total GA amounts billed to non-RPP customers in 2015 and 2016 as recorded in the applicant's revenue G/L accounts excluding any transfers to RSVA GA if applicable .
12. In regards to the KPMG audit of Accounts 1588 and 1589 for 2015 and 2016, please provide the engagement letter from KPMG which outlines the parameters of the work that was performed. If materiality threshold is not identified in engagement letter please provide the threshold used.
13. On page 12 of Manager's Summary, the applicant lists a number of adjustments that were booked for both 2015 and 2016 as a result of the Account 1588 and 1589 audits. Has the applicant updated the required processes to ensure accuracy of the accounts so that similar adjustments are not required in the future?
  - a. How have the audit adjustments been reflected in the DVA Continuity schedule? Please itemize the adjustments for each year according to the field (column) in the DVA Continuity schedule where the audit adjustments were made.
  - b. Please detail the processes that were updated as a result of the audit findings and explain what changes were made.
  - c. Please provide a description of the GA Settlement Process that includes all changes that have been made since the audit.