

Niagara-on-the-Lake Hydro Inc. (Niagara-on-the-Lake Hydro)

EB-2017-0064

Follow-up GA Questions

Responses

Question 1

In response to OEB Staff Question 2, Niagara-on-the-Lake Hydro had indicated that both the November 2015 and March 2016 disputes with the IESO were settled on December 28, 2017, and has provided the settlement amounts for each of the disputes in Table R4. In regards to the November 2015 dispute settlement, Table R4 indicates that the amounts accrued as a principle adjustment in 2015 (and disposed in EB-2016-0095) differed by approximately \$86,948 compared to the actual amounts settled with the IESO. This difference should be accounted for as part of the disposition of 2016 Group 1 DVA balances:

- a) For account 1598, please update the DVA continuity schedule accordingly by recording a principal adjustment in 2016 that reverses the amount previously accrued as a principal adjustment in 2015 (i.e. 435,410), and records the actual settlement amount (i.e. -371,098).

All adjustments have been reflected in the 2016 Principal and Interest Adjustment columns in the Rate Generation Model filed with these responses as 'NOTL_2018_IRM_RateGen_Model_Version_1.0_20180215'

- b) Please also update the DVA continuity schedule for accounts 1580 and 1588 in a manner consistent with the methodology outlined in a) above.

All adjustments have been reflected in the 2016 Principal and Interest Adjustment columns in the Rate Generation Model filed with these responses as 'NOTL_2018_IRM_RateGen_Model_Version_1.0_20180215'

Question 2

In response to OEB Staff Question 4 i), Niagara-on-the-Lake Hydro has indicated that the unbilled revenue accrual for account 1588 is based on an estimate at the end of 2016, which has not been trued-up to actual. Please quantify the difference between estimate and actual. If the utility is unable to quantify this difference, please explain why.

Unbilled revenue accrual for energy sales at the end December 2016 was \$1,387,619 vs. actual billed for 2016 in 2017 of \$1,625,090, a difference of \$237,386.

Question 3

In response to OEB Staff Question 5(3), Niagara-on-the-Lake Hydro explains the adjustment in Note 5 of the GA Analysis Workform associated with generation estimates (i.e. \$35,661):

- a) Does this represent the impact for the full year (2016) or just the month of December?

This is the impact for the full year.

- b) Does Niagara-on-the-Lake Hydro settle this amount with the IESO by remitting the funds? Please explain.

This variance came to our attention when completing the GA Workform submitted with our application. NOTL Hydro will review historical estimates vs. actual generation to determine the full amount of the adjustment required. NOTL Hydro plans to settle this amount with the IESO when that analysis is complete.