

**EXHIBIT 9:**

**DEFERRAL AND**

**VARIANCE ACCOUNTS**

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**Exhibit 9: Deferral and Variance Accounts**

PUC Distribution has included in this Cost of Service (“COS”) Application, a request for approval for disposition of Group 1 and Group 2 Deferral and Variance Account (“DVAs”) balances as at December 31, 2016 and the forecasted interest through April 30, 2018. PUC Distribution has followed the Board’s guidance in the *Accounting Procedures Handbook and FAQ’s* (“APH”) for recording amounts in the deferral and variance accounts. Such guidance also includes the Report of the Board on Electricity Distributors’ Deferral and Variance Account Review Initiative (“EDDVAR Report”).

Table 9-1 contains descriptions of all the outstanding DVAs. PUC Distribution confirms that it has used the DVAs in the same manner described in the APH, and the account balance in Table 9-1 reconciles with the trial balance reported through the Electricity Reporting and Record-keeping Requirements and PUC Distribution’s Audited Financial Statements.

PUC Distribution has provided a continuity schedule of the Group 1 and Group 2 DVAs in the live Excel format model named “2018\_DVA\_Continuity\_Schedule\_CoS” (“EDDVAR model”).

The forecasted interest on December 31, 2016 DVA balances is calculated using the Board’s prescribed rate of 1.10% for the period of January 1, 2017 to September 30, 2017 and 1.5% thereafter until April 30, 2018. The interest rates by quarter for each year are provided in Table 9-4 in this Exhibit.

A breakdown of energy sales and cost of power expense balances, as reported in the Audited Financial Statements by PUC Distribution, is provided in Table 9-5.

PUC Distribution will continue or discontinue using the Group 2 accounts on a go-forward basis as outlined in Table 9-6 in this Exhibit.

PUC Distribution has accepted the allocators as indicated in the EDDVAR Report.

PUC Distribution is not requesting any new accounts or sub-accounts in this COS application.

PUC Distribution confirms that the IESO Global Adjustment Charge is pro-rated into the Regulated Price Plan (“RPP”) and Non-RPP portions.

#### Account Balances

Table 9-1 contains account balances from the PUC Distribution Audited Financial Statements as at December 31, 2016 and agrees to the 2016 year end balances for Reporting and Record Keeping Requirement (“RRR”) filing E2.1.7 Trial Balance as filed April 30, 2017 with the Board.

PUC Distribution has used the DVAs in the same manner described in the APH.

**Table 9-1 - December 31, 2016 Audited Balances – DVAs**

Account Description	USoA #	Total Principal (Dec 31, 2016)	Total Interest (Dec 31, 2016)	Total Principal & Interest (Dec 31, 2016)	2.1.7 RRR Balances (Dec, 31, 2016)	Variance
<b>Group 1 Accounts:</b>						
Smart Metering Entity Charge Variance Account	1551	\$33,839	\$1,428	\$35,267	\$35,268	(\$1)
RSVA - Wholesale Market Service Charge	1580	(\$2,364,294)	(\$33,633)	(\$2,397,927)	(\$2,397,926)	(\$1)
RSVA - Retail Transmission Network Charge	1584	(\$98,043)	\$1,022	(\$97,021)	(\$97,020)	(\$1)
RSVA - Power (excluding Global Adjustment)	1588	(\$614,316)	\$8,898	(\$605,418)	(\$605,420)	\$2
RSVA - Global Adjustment	1589	\$73,743	\$43,356	\$117,099	\$117,099	\$0
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	\$6,416	(\$6,414)	\$2	\$1	\$1
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	\$127,547	(\$118,123)	\$9,424	\$9,426	(\$2)
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	(\$1,190)	(\$57,862)	(\$59,052)	(\$59,051)	(\$1)
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	\$735,583	(\$116,319)	\$619,264	\$619,264	\$0
<b>Subtotal - Group 1 Accounts</b>		<b>(\$2,100,715)</b>	<b>(\$277,647)</b>	<b>(\$2,378,362)</b>	<b>(\$2,378,360)</b>	<b>(\$2)</b>
<b>Group 2 Accounts:</b>						
Other Regulatory Assets - Sub-Account - Other	1508	(\$365,400)	\$0	(\$365,400)	(\$365,400)	\$0
Retail Cost Variance Account - Retail	1518	(\$139,578)	(\$5,038)	(\$144,616)	(\$144,622)	\$6
Retail Cost Variance Account - STR	1548	\$78,206	\$2,900	\$81,106	\$81,105	\$1
Other Deferred Credits	2425	\$365,400	\$0	\$365,400	\$365,400	\$0
<b>Subtotal - Group 2 Accounts</b>		<b>(\$61,372)</b>	<b>(\$2,138)</b>	<b>(\$63,510)</b>	<b>(\$63,517)</b>	<b>\$7</b>
<b>Other Accounts:</b>						
LRAM Variance Account	1568	(\$13,391)	\$2,889	(\$10,501)	(\$10,502)	\$1
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	(\$5,525)	\$9,372	\$3,847	\$3,847	\$0
<b>Subtotal - Other Accounts</b>		<b>(\$18,916)</b>	<b>\$12,262</b>	<b>(\$6,654)</b>	<b>(\$6,655)</b>	<b>\$1</b>
<b>Total</b>		<b>(\$2,181,003)</b>	<b>(\$267,523)</b>	<b>(\$2,448,526)</b>	<b>(\$2,448,532)</b>	<b>\$5</b>

## Energy Sales and Cost of Power

The sale of energy is a flow through revenue and the cost of power is a flow through expense. Energy sales and the cost of power expense by component are presented in Table 9-2 as reported in the Audited Financial Statements and the USoA within the RRR filing 2.1.7. PUC Distribution has no profit or loss resulting from the flow through of energy revenues and expenses.

**Table 9-2 – Energy Revenue and Cost of Power Expenses**

Account Description	USoA #	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual
<b>ENERGY REVENUE:</b>						
Residential Energy Sales	4006	(24,315,891)	(28,076,344)	(27,897,738)	(31,985,149)	(32,865,176)
Street Lighting Energy Sales	4025	(619,097)	(575,899)	(742,686)	(797,540)	(635,219)
Sentinel Energy Sales	4030	(22,185)	(22,420)	(25,400)	(25,550)	(28,269)
General Energy Sales	4035	(26,667,481)	(30,479,498)	(31,474,604)	(36,303,241)	(39,641,148)
Energy Sales for Resale	4055	(1,858,670)	(1,968,788)	(2,525,618)	(1,773,124)	(1,298,216)
Wholesale Market Service Charges	4062	(3,157,589)	(3,338,421)	(3,307,697)	(2,555,859)	(3,062,529)
Network	4066	(3,932,403)	(4,100,462)	(4,155,953)	(4,357,671)	(4,066,893)
Smart Meter Entity Charge	4076	-	(207,310)	(343,438)	(312,254)	(302,117)
<b>TOTAL ENERGY REVENUE</b>		<b>(60,573,316)</b>	<b>(68,769,142)</b>	<b>(70,473,134)</b>	<b>(78,110,388)</b>	<b>(81,899,567)</b>
<b>COST OF POWER EXPENSES:</b>						
Power Purchased	4705	40,412,099	45,668,915	49,371,071	50,769,485	49,506,357
Global Adjustment	4707	-	15,454,034	13,294,976	20,115,120	24,961,672
Wholesale Market Service	4708	3,157,589	3,338,421	3,307,697	2,555,859	3,062,529
Network	4714	3,932,403	4,100,462	4,155,953	4,357,671	4,066,893
Other Expenses	4720	13,071,226				
Smart Meter Entity Charge Total	4751	-	207,310	343,438	312,254	302,117
<b>TOTAL COST OF POWER EXPENSES</b>		<b>60,573,317</b>	<b>68,769,142</b>	<b>70,473,135</b>	<b>78,110,389</b>	<b>81,899,568</b>
<b>NET INCOME</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>1</b>

## Interest Rates Applied

PUC Distribution has used the Board's prescribed interest rates when calculating carrying charges on the DVA balances. Table 9-3 below shows the Board's prescribed interest rates starting from 2014 Q1 onward. Interest is calculated based on the opening monthly principle balances.

In accordance with the filing requirements, the most recent posted interest rate (1.5% for Q1 of 2018) has been used to forecast carrying charges to April 30, 2018. The interest component for DVA balances is included in the principal balance for each account.

**Table 9-3 - Interest Rates Applied to Deferral and Variance Accounts**

Period	Interest Rate
Q1 2014	1.47%
Q2 2014	1.47%
Q3 2014	1.47%
Q4 2014	1.47%
Q1 2015	1.47%
Q2 2015	1.10%
Q3 2015	1.10%
Q4 2015	1.10%
Q1 2016	1.10%
Q2 2016	1.10%
Q3 2016	1.10%
Q4 2016	1.10%
Q1 2017	1.10%
Q2 2017	1.10%
Q3 2017	1.10%
Q4 2017	1.50%
Q1 2018	1.50%
Q2 2018 Forecast	1.50%

## Proposed Disposition

PUC Distribution is requesting a net disposition of \$2,642,670 to be refunded to customers, based on the 2016 year end balances plus 2017 adjustments and interest from January 1, 2017 to April 30, 2018. Details of each account disposition request are discussed in detail in the evidence that follows.

**Table 9-4 – Proposed Disposition**

Account Description	USoA #	Total Principal & Interest (Dec 31, 2016)	2017 Adjustment	Interest to April 30, 2018	Total Claim
<b>Group 1 Accounts:</b>					
Smart Metering Entity Charge Variance Account	1551	\$35,267	\$0	\$575	\$35,842
RSVA - Wholesale Market Service Charge	1580	(\$2,397,927)	\$0	(\$40,193)	(\$2,438,120)
RSVA - Retail Transmission Network Charge	1584	(\$97,021)	\$0	(\$1,667)	(\$98,688)
RSVA - Power (excluding Global Adjustment)	1588	(\$605,418)	\$0	(\$10,443)	(\$615,861)
RSVA - Global Adjustment	1589	\$117,099	\$0	\$1,254	\$118,353
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	\$2	\$0	\$109	\$0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	\$9,424	\$0	\$2,168	\$0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	(\$59,052)	\$0	(\$20)	(\$59,072)
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	\$619,264	\$0	\$12,505	\$0
<b>Subtotal - Group 1 Accounts</b>		<b>(\$2,378,362)</b>	<b>\$0</b>	<b>(\$35,712)</b>	<b>(\$3,057,546)</b>
<b>Group 2 Accounts:</b>					
Other Regulatory Assets - Sub-Account - Other	1508	(\$365,400)	\$0	(\$6,212)	\$0
Retail Cost Variance Account - Retail	1518	(\$144,616)	\$0	(\$2,373)	(\$146,989)
Retail Cost Variance Account - STR	1548	\$81,106	\$0	\$1,330	\$82,436
Other Deferred Credits	2425	\$365,400	\$0	\$6,212	\$0
<b>Subtotal - Group 2 Accounts</b>		<b>(\$63,510)</b>	<b>\$0</b>	<b>(\$1,043)</b>	<b>(\$64,553)</b>
<b>Other Accounts:</b>					
LRAM Variance Account	1568	(\$10,501)	(\$476,485)	(\$9,693)	\$475,677
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	\$3,847	0	(\$94)	\$3,753
<b>Subtotal - Other Accounts</b>		<b>(\$6,654)</b>	<b>(\$476,485)</b>	<b>(\$9,787)</b>	<b>\$479,430</b>
<b>Total</b>		<b>(\$2,448,526)</b>	<b>(\$476,485)</b>	<b>(\$46,542)</b>	<b>(\$2,642,670)</b>



**GROUP 1 ACCOUNT ANALYSIS**

PUC Distribution last disposed of Group 1 account balances in its 2016 IRM Rate Application (EB-2015-0098). PUC Distribution has entered the Continuity data into Tab 2 of the EDDVAR Model from January 1, 2011 onwards.

The following sections provide details of the Group 1 accounts utilized by PUC Distribution and the respective disposition requests.

**Account 1551: Smart Metering Entity Charge Variance Account**

This account is used to record the difference between the Smart Meter Entity amounts billed to PUC Distribution customers and the charges paid to the IESO. PUC Distribution uses the accrual method. The Board prescribed interest rates is used to calculate the carrying charges.

PUC Distribution requests disposition of Account 1551 for the amount of \$35,842 to be collected from customers, including interest to April 30, 2018.

**Account 1580: RSVA - Wholesale Market Service Charge**

This account is used to record the difference between the amounts charged by the IESO for wholesale market services and the amount billed to PUC Distribution customers using the Board Approved rates. PUC Distribution uses the accrual method. The Board prescribed interest rates is used to calculate the carrying charges.

PUC Distribution requests disposition of Account 1580 for the amount of \$2,438,120 as a refund to customers, including interest to April 30, 2018.

**Account 1584: RSVA - Retail Transmission Network Charge**

This account is used to record the net of the amount charged by the IESO, based on the settlement invoice for transmission network services, and the amount billed to customers using the Board-approved Retail Transmission Rate for network services. PUC Distribution uses the accrual method. The Board prescribed interest rates is used to calculate the carrying charges.

1 PUC Distribution requests disposition of Account 1584 for the amount of \$98,688 to be refunded  
2 to customers, including interest to April 30, 2018.

3 **Account 1588: RSVA - Power (excluding Global Adjustment)**

4 This account is used to recover the net difference between the energy amount billed to customers  
5 and the energy charged to PUC Distribution using the settlement invoice from the IESO. PUC  
6 Distribution uses the accrual method. The Board prescribed interest rates is used to calculate the  
7 carrying charges.

8 PUC Distribution requests disposition of Account 1588 for the amount of \$615,861 as a refund  
9 to customers, including interest to April 30, 2018.

10 **Account 1589: RSVA - Global Adjustment**

11 This account is used to recover the net difference between the provincial benefit amount billed to  
12 non-RPP customers and the GA adjustment charge to PUC Distribution using the settlement  
13 invoice from the IESO. PUC Distribution uses the accrual method.

14 The Board prescribed interest rates are used to calculate the carrying charges.

15 PUC Distribution requests disposition of Account 1589 for the amount of \$118,353 to be  
16 collected from non-RPP customers, including interest to April 30, 2018.

17 **Account 1595: (2014) Disposition and Recovery/Refund of Regulatory Balances**

18 This account includes the regulatory asset or liability balances authorized by the Board for  
19 recovery in rates or payments/credits made to customers. Separate sub-accounts are maintained  
20 for expenses, interest, and recovery amounts for each Board-approved recovery.

21 The amount requested for disposition below relates to residual balances from rate riders that  
22 concluded in 2015. The amount in account 1595 relates to amounts that should be refunded to  
23 non-RPP customers.

PUC Distribution uses the accrual method on this account and the Board prescribed interest rates is used to calculate the carrying charges.

PUC Distribution requests disposition of Account 1595 (2014) for the amount of \$ \$59,072 to be refunded to Non-RPP customers, including interest to April 30, 2018.

## GROUP 2 AND OTHER ACCOUNT ANALYSIS

The total disposition amount for the group 2 and other accounts is \$414,877. The following sections provide details of the Group 2 and Other accounts utilized by PUC Distribution and the respective disposition requests.

### 2.9.4 Retail Service Charges

#### Account 1518 – RCVA Retail

This account is used to recover the net difference between revenues derived from establishing service agreements and providing distributor-consolidated billing and costs of entering into service agreements and costs of providing distributor-consolidated billing. PUC Distribution confirms that the costs incorporated into the variance are incremental costs of providing retail services and are in accordance with Article 490.

Acct 1518	2011	2012	2013	2014	2015	2016
Opening	(\$351,582)	(\$388,123)	(\$419,726)	(\$61,527)	(\$88,407)	(\$115,728)
4082	\$41,034	\$32,699	\$30,985	\$28,305	\$27,321	\$23,850
5315	\$4,493	\$1,096	\$1,062	\$1,425	\$0	\$0
Disposal	\$0	\$0	\$388,122	\$0	\$0	\$0
Closing	(\$388,123)	(\$419,726)	(\$61,527)	(\$88,407)	(\$115,728)	(\$139,578)

PUC Distribution used the Board prescribed interest rates to calculate carrying estimated to April 30, 2018 at (\$7,411).

PUC Distribution requests disposition of Account 1518 for the amount of \$146,989 to be refunded to customers, including interest to April 30, 2018.

**Account 1548 – RCVA STR**

This account is used to recover the net difference between revenues derived from service transaction request services and the incremental cost of labour, information system maintenance costs, etc. to provide service transaction request services. PUC Distribution confirms that the costs incorporated into the variance are incremental costs of providing retail services and are in accordance with Article 490.

Acct 1548	2011	2012	2013	2014	2015	2016
Opening	\$144,793	\$161,141	\$166,787	\$34,686	\$53,605	\$66,349
4084	\$723	\$488	\$470	\$408	\$360	\$275
5315	\$17,071	\$6,134	\$29,511	\$19,326	\$13,105	\$12,131
Disposal	\$0	\$0	(\$161,142)	\$0	\$0	\$0
Closing	\$161,141	\$166,787	\$34,686	\$53,605	\$66,349	\$78,206

PUC Distribution used the Board prescribed interest rates to calculate carrying charges estimated to April 30, 2018 at \$4,230.

PUC Distribution requests disposition of Account 1548 for the amount of \$82,436 to be collected from customers, including interest to April 30, 2018.

**Account 1555: Smart Meter Capital and Recovery Offset Variance Account**

This account is used to recover the net difference between revenues approved by the Board for smart meters and cost of smart meters prior to inclusion in the rate base. It also includes stranded meter costs.

The Board prescribed interest rates is used to calculate the carrying charges.

PUC Distribution requests disposition of Account 1555 for the amount of \$3,753 to be collected from customers, including interest to April 30, 2018.

**Account 1568: LRAM Variance Account**

This account includes the lost revenue adjustment mechanism (“LRAM”) variances in relation to the conservation and demand management (“CDM”) programs or activities undertaken by PUC Distribution in accordance with Board prescribed requirements. The details of this claim are outlined the LRAMVA Work form. PUC Distribution requests disposition of Account 1568 for the amount of \$475,677 to be collected from customers, including interest to April 30, 2018.

**GROUP 2 ACCOUNTS – TO BE CONTINUED AND DISCONTINUED ON A GO-FORWARD BASIS**

Table 9-5 below lists all Group 2 accounts which PUC Distribution will continue and discontinue on a going-forward basis.

Explanations for those accounts that will be discontinued are provided in Table 9-5.

**Table 9-5 - Group 2 Accounts - Continue & Discontinue**

Account Description	USoA #	Continue / Discontinue	Explanation
<b>Group 2 and Other Accounts - Continue:</b>			
Other Regulatory Assets - Sub-Account - Other	1508	Continue	On-going use
Retail Cost Variance Account - Retail	1518	Continue	On-going use
Retail Cost Variance Account - STR	1548	Continue	On-going use
Other Deferred Credits	2425	Continue	On-going use
LRAM Variance Account	1568	Continue	On-going use
<b>Group 2 and Other Accounts - Discontinue:</b>			
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	Discontinue	Smart meter implementation completed

## 2.9.5 Disposition of Deferral and Variance Accounts

### Calculation of Rate Riders

For the calculation of proposed rate riders, PUC Distribution has utilized the billing determinants arising from the 2018 Load Forecast inclusive of CDM Adjustments, as presented in Table 9-6 below. For more details regarding the 2018 Load Forecast and billing determinants please see Exhibit 3.

**Table 9-6 - Total Billing Determinants**

Rate Class	Customer Numbers	kWh	kW
Residential	29,789	296,393,596	-
General Service < 50 kW	3,443	94,320,130	-
General Service 50 to 4,999 kW	353	248,349,153	624,500
Sentinel Lighting	348	218,403	616
Street Lighting	8,070	2,415,793	7,076
Unmetered Scattered Load	23	1,176,822	
<b>Total</b>	<b>42,026</b>	<b>642,873,897</b>	<b>632,192</b>

### 2.9.5.1 Disposition of Global Adjustment Variance

In accordance with the Board's Filing Requirements it is stated that:

"... distributors must establish separate rate riders to recover the balances in the RSVAs from Market Participants ("MPs") who must not be allocated the RSVA account balances related to charges for which the MPs settle directly with the IESO"; and

"Distributors who serve Class A customers per O. Reg 429/04 (i.e. customers greater than 5 MW) must propose an appropriate allocation for the recovery of the global adjustment variance balance based on their settlement process with the IESO."

As of December 31, 2016, the PUC Distribution customer's affected by these requirements is described as follows:

- No market participants settle directing with the IESO, therefore, no separate rate riders to recover RSVAs is required, and
- PUC Distribution has no customers classified as a Class A customer.

For Class B Non-RPP customers, PUC Distribution settles GA based on the First Estimate GA rate.

To develop the 2018 Non-RPP billing determinants to be applied to calculate the proposed GA rate riders, PUC Distribution calculated the relationship by rate class of the Non-RPP results as a percentage of the total by rate class for each the kWh consumption based on the February 2017 2.1.2 reports which provided the percentage of customers on RPP per rate class. PUC Distribution then applied the rate class specific percentage to the 2018 Load Forecast results presented in Table 9-6.

**Table 9-7 - Billing Determinants for GA Rate Rider**

Rate Class	2017 % Non RPP	2018 kWh Non-RPP
Residential	4.4%	13,130,236
General Service < 50 kW	8.0%	7,507,882
General Service 50 to 4,999 kW	63.9%	158,670,274
Sentinel Lighting	0.0%	-
Street Lighting	97.4%	2,353,224
Unmetered Scattered Load	0.0%	-
<b>Total</b>		181,661,616

The billing determinants used to develop the various rate riders are presented in Table 9-8 below.

**Table 9-8 2018 Detailed Load Forecast Billing Determinants for Disposition Calculations**

Rate Class	Customer Numbers	kWh	kW	2018 kWh Non-RPP less Class A
Residential	29,789	296,393,596	-	13,130,236
General Service < 50 kW	3,443	94,320,130	-	7,507,882
General Service 50 to 4,999 kW	353	248,349,153	624,500	158,670,274
Sentinel Lighting	348	218,403	616	-
Street Lighting	8,070	2,415,793	7,076	2,353,224
Unmetered Scattered Load	23	1,176,822	-	-
<b>Total</b>	42,026	642,873,897	632,192	181,661,616

*Proposed Rate Riders*

Consistent with the EDDVAR model provided by the Board, PUC Distribution has calculated the following rate riders:

- Rate Rider Calculation for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.)
- Rate Rider Calculation for RSVA - Power - Global Adjustment
- Rate Rider Calculation for Group 2 Accounts
- Rate Rider Calculation for Account 1568

Each calculation and results will be discussed in the sections below.



*Rate Rider Calculation for Group 1 Deferral / Variance Accounts Balances (excluding Global Adj.)*

- Account 1551 – allocated based on number of customers in the Residential and General Service < 50 kW classes
- Account 1580 – allocated based on total kWh
- Account 1584 – allocated based on total kWh
- Account 1588 – allocated based on total kWh

**Table 9-9 Rate Rider Calculation for Group 1 Deferral /**  
**Variance Accounts Balances (excluding Global Adj.)**

Rate Class	Units		Allocated Balance (excluding 1589)	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	296,393,596	(\$1,449,525)	(0.0049)
General Service < 50 kW	kWh	94,320,130	(\$467,294)	(0.0050)
General Service 50 to 4,999 kW	kW	624,500	(\$1,239,649)	(1.9850)
Sentinel Lighting	kW	616	(\$1,092)	(1.7732)
Street Lighting	kW	7,076	(\$12,497)	(1.7661)
Unmetered Scattered Load	kWh	1,176,822	(\$5,842)	(0.0050)
<b>Total</b>			<b>(\$3,175,899)</b>	

*Rate Rider Calculation for RSVA - Power - Global Adjustment*

- Account 1589 – allocated based on kWh in Table 9-7

**Table 9-10 Rate Rider Calculation for RSVA - Power - Global Adjustment**

Rate Class	Units		Account 1589	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	13,130,236	\$8,554	0.0007
General Service < 50 kW	kWh	7,507,882	\$4,891	0.0007
General Service 50 to 4,999 kW	kWh	158,670,274	\$103,374	0.0007
Sentinel Lighting	kWh	-		
Street Lighting	kWh	2,353,224	\$1,533	0.0007
Unmetered Scattered Load	kWh	-		
<b>Total</b>			\$118,353	

*Rate Rider Calculation for Group 2 Deferral / Variance Accounts Balances*

- Account 1518 – Retail Cost Variance Account – Retail
- Account 1548 – Retail Cost Variance Account – STR

**Table 9-11 Rate Rider Calculation for Group 2 Deferral /**

**Variance Accounts Balances**

Rate Class	Units		Allocated Balance	Rate Rider for Deferral/ Variance Accounts
Residential	Customers	29,789	(\$29,762)	(0.08)
General Service < 50 kW	kWh	94,320,130	(\$9,471)	(0.0001)
General Service 50 to 4,999 kW	kW	624,500	(\$24,938)	(0.0399)
Sentinel Lighting	kW	616	(\$22)	(0.0356)
Street Lighting	kW	7,076	(\$243)	(0.0343)
Unmetered Scattered Load	kWh	1,176,822	(\$118)	(0.0001)
<b>Total</b>			(\$64,435)	

*Rate Rider Calculation for Account 1568*

- Account 1568 – allocated based on results from LRAMVA Work form

**Table 9-12 Rate Rider Calculation for LRAMVA**

Rate Class	Units		Account 1568	Rate Rider for Deferral/ Variance Accounts
Residential	kWh	296,393,596	\$67,426	0.0002
General Service < 50 kW	kWh	94,320,130	\$264,755	0.0028
General Service 50 to 4,999 kW	kW	624,500	\$84,638	0.1355
Sentinel Lighting	kW	616	(\$1,091)	(1.7711)
Street Lighting	kW	7,076	\$61,399	8.6771
Unmetered Scattered Load	kWh	1,176,822	(\$1,450)	(0.0012)
<b>Total</b>			\$475,677	

**IESO SETTLEMENT PROCESS**

*Global Adjustment*

On a monthly basis, PUC Distribution must settle with the IESO for Global Adjustment (GA). GA is applicable to all provincial customers who pay the Hourly Ontario Energy Price (“HOEP”), or have signed a retail contract, and accounts for the differences between the market price and the rates paid to regulated and contracted generators and for CDM programs.

The GA varies from month to month, responding to changes in both the HOEP and contract terms. Generally speaking, when the HOEP is lower, then the GA is higher in order to cover the additional costs.

PUC Distribution confirms that the GA charge is split between RPP and non-RPP.

*Class B Customers*

Class B customers include: (a) customers with a peak demand below 5MW (or who have opted into this category) and (b) residential and business customers who have a retail contract for electricity. As of December 31, 2016, all of PUC Distribution's large volume customers were included in Class B.

For Class B customers, the IESO provides three variations of the GA, which can be used by distributors to bill customers. These variations are described as follows:

*1<sup>st</sup> Estimate Variation*

The 1st Estimate for a given month comprises three components - an estimate of the GA costs based on the previous month, an estimate of Ontario demand for the given month, and a true up accounting for the difference between the previous month's 1st Estimate and the actual rate.

The 1st Estimate for the upcoming month is published on the last business day of the preceding month. For example, the 1st Estimate for April is published at the end of March.

PUC Distribution currently bills all Class B customers using the 1st Estimate Variation.

*2<sup>nd</sup> Estimate Variation*

The 2nd Estimate is a separate calculation based on actual GA costs and demand information available at the time it is published, an estimate for GA and demand for the remaining days of the month, and a true up accounting for the difference between the previous month's 2nd Estimate and the actual rate.

The 2nd Estimate for a given month is published on the last business day of that month. For example, the 2nd Estimate for April is published at the end of April.

PUC Distribution currently does not bill any Class B using the 2nd Estimate Variation. This is due to the fact that PUC Distribution does not wish to create inequities within rate classes related to the

GA variances accumulating the GA account 1589. Since PUC Distribution has ongoing monthly billing cycles, some customers within each rate class are billed based on a period which ends prior to the availability of the IESO's 2nd Estimate. Thus, by using only the 1st estimate, PUC Distribution ensures that all customers within a rate class contribute equally to the GA variance accumulating in account 1589. This ensures an equitable disposition of the 1589 variance account to all rate classes.

#### *Actual Variation*

The Actual rate, based on actual electricity demand and GA costs, is published on the tenth business day of each month. For example, the Actual rate for April is published on the tenth business day of May.

#### *IESO Reporting Process*

PUC Distribution settles with the IESO for the difference between spot and RPP pricing, for RPP customers within four business days of month end.

The RPP settlement variance is calculated for customers with Conventional Meters on Tiered pricing and customer with Smart Meters on Time of Use (TOU) pricing. PUC Distribution's billing system provides the kWh's billed to RPP customers each month, as well as the corresponding RPP revenue. In addition, the system also tracks the corresponding amounts (not billed) calculated at both the Hourly Ontario Energy Price (HOEP) and applicable monthly Global Adjustment (GA) 2nd Estimate rate. The settlement variance is calculated by subtracting the RPP revenues billed to consumers from the amounts calculated using HOEP plus the GA amount adjusted to reflect the final GA rate. This variance is then submitted for settlement to the IESO.

PUC Distribution uses the 1st Estimate rate for billing GA to its Non-RPP consumers. These amounts are used in the determination of RSVA-GA account 1589.

1 The GA amounts charged to PUC on the monthly IESO Settlement Invoices using the actual GA  
2 rate represents consumption for both RPP and Non-RPP consumers. These amounts are initially  
3 recorded in Cost of Power expense accounts used in determining the balance of RSVA-Power  
4 account 1588.

5 PUC Distribution's billing system provides the Non-RPP kWh's for each month which are  
6 multiplied by the applicable Actual GA rates. The resulting amounts are transferred from the  
7 RSVA-Power account 1588 to the RSVA-GA account 1589.

8 The residual balance in the RSVA-Power account 1588 is due to differences between the GA 2nd  
9 Estimate rate, used to settle with the IESO, and the GA actual rate invoiced by the IESO. In  
10 addition, the 1588 balance reflects settlement variances between the energy rates billed to  
11 customers and the energy rates invoiced by IESO.

12 The RSVA-GA account 1589 only records the net difference between the Global Adjustment  
13 revenue amounts billed to Non-RPP consumers and the calculated Global Adjustment expense for  
14 Non-RPP consumers.

15 Embedded generation kWh's are provided to the IESO each month for inclusion on the monthly  
16 settlement invoice. The IESO invoices PUC Distribution for amounts associated with the  
17 embedded generation, including GA.

18 PUC Distribution has completed the IESO RPP Self-Certification process, as required by all  
19 distributors. This documentation was submitted to the IESO by the March 31, 2017 due date.

20 PUC Distribution uses the IESO reconciliation as the basis for its monthly accounting accrual  
21 journal entries and subsequently reverses these accruals and records the actual IESO invoice when  
22 it is received.

1    *The True-up Process*

2    As described above, PUC Distribution reconciles the estimates of RPP and Non-RPP consumption  
3    to actuals on a monthly basis.

4    The total volume is determined by taking the actual kWh volume purchased from the IESO plus  
5    any embedded generation volume, to determine the total actual volume to be split between RPP  
6    and Non-RPP. An IT system query is run, which identifies monthly consumption for Non-RPP  
7    customers, with the difference being RPP volume.

8    The RPP volume is multiplied by the actual GA rate to determine the GA allocated to RPP  
9    customers and is netted against the estimate that was either paid to or received from the IESO on a  
10   monthly basis. This difference is then settled with the IESO on a monthly basis.

11   Embedded generation is taken into consideration with determining the total power purchases for  
12   the month. PUC Distribution has provided certification that there are robust processes and internal  
13   controls in place for the preparation, review, verification and oversight of account balances being  
14   proposed for disposition in the Application. This certification is attached at Appendix 3.

## **APPENDIX 1**

### **PUC Distribution's EDDVAR Disposition Model**






# 2018 Deferral/Variance Account Workform


Utility Name	PUC Distribution Inc.
Service Territory	Sault Ste. Marie
Assigned EB Number	EB-2017-0071
Name of Contact and Title	Andrew Belsito, Rates and Regulatory Affairs Officer
Phone Number	705-257-9450
Email Address	<a href="mailto:andrew.belstio@ssmpuc.com">andrew.belstio@ssmpuc.com</a>

## General Notes

### Notes

 Pale green cells represent input cells.

 Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.

 White cells contain fixed values, automatically generated values or formulae.

*This Workbook Model is protected by copyright and is being made available to you solely for the purpose of preparing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.*



# 2018 Deferral/Variance Account Workform

## Instructions for Tabs 2 to 7

Tab	Tab Details	Step	Instructions
2 - Continuity Schedule	This tab is the continuity schedule that shows all the accounts and the accumulation of the balances a utility has.	1	<p>Complete the DVA continuity schedule.</p> <p>For all accounts, except for Account 1595, start inputting data from the year in which the GL balance was last disposed. For example, if in the 2017 rate application, DVA balances as at December 31, 2015 were approved for disposition, start the continuity schedule from 2015 by entering the closing 2014 balances in the Adjustments column under 2014.</p> <p>For all Account 1595 sub-accounts, complete the DVA continuity schedule for each Account 1595 vintage year that has a GL balance as at December 31, 2016 regardless of whether the account is being requested for disposition in the current application. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, Account 1595 (2014) would have information starting in 2014, when the relevant balances approved for disposition were first transferred into Account 1595 (2014). The DVA continuity schedule currently starts from 2011, if a utility has an Account 1595 with a vintage year prior to 2011, then a separate schedule should be provided starting from the vintage year.</p>
		2a	<p>If you had any Class A customers at any point during the period that the Account 1589 GA balance accumulated (e.g. last disposition was for 2014 balances in the 2016 rate application, current balance requested for disposition accumulated from 2015 to 2016), check off the checkbox in cell BS13.</p> <p>If the checkbox is not checked off, then proceed to tabs 4 to 7 and complete the tabs accordingly.</p> <p>If the checkbox is checked off, tab 5.1 relating to Class A customer consumption will be generated, see step 7 to 10 below for further details.</p>
		2b	<p>If the checkbox in step 2a is checked off, another checkbox will pop up to the right of the checkbox. If you had any Class A customers at any point during the period that the Account 1580, sub-account CBR Class B balance accumulated (i.e. 2015 and 2016 or 2016), check off the checkbox.</p> <p>If the checkbox is not checked off, then the balance in the Account 1580, sub-account CBR Class B will be allocated and disposed with Account 1580 WMS, as a part of the general DVA rate rider.</p> <p>If the checkbox is checked off, then tab 5.3 will be generated. This tab will calculate the billing determinants applicable to Account 1580 sub-account CBR Class B, using information inputted in tab 5.1. See step 12 below for further details. The CBR Class B balance will be allocated in tab 5 and the rate rider will be calculated in tab 6.</p>
		3	<p>Enter the number of utility specific 1508 sub-accounts that are approved for the utility in the textbox in cell B50. The DVA continuity schedule will generate the number of utility specific 1508 sub-accounts starting in row 51. Input the name and the balances of the sub-account(s) starting in row 51. If a utility does not have utility specific 1508 sub-accounts, the generic 1508 sub-account Other will still be listed in the DVA continuity schedule. Check off the "check to dispose of account" checkbox in column BT for sub-accounts requested for disposition.</p>
3. Appendix A	This tab shows the year end balance variances between the continuity schedule and that reported in the RRR.	4	Provide an explanation for the variances identified.
4 - Billing Determinant	This tab shows the billing determinants that will be used to allocate account balances and calculate rate riders.	5	Complete the billing determinant table. Note that columns O and P are generated when a utility indicates they have Class A customers in tab 2. Information in these columns are populated based on data from tab 5.1.
5 - Allocating Def-Var Balances	This tab allocates the DVA balance (except for CBR Class B if Class A customers exist).	6	Review the allocated balances to ensure the allocation is appropriate. Note that the allocations for Account 1589, Account 1580, sub-account CBR Class B will be determined after tabs 5.1 to 5.3a have been completed.
5.1 - Class A Data	This is a new tab that is to be completed if there were any Class A customers at any point during the period the GA balance accumulated. The tab also considers Class A/B transition customers. The data on this tab is used for the	7	<p>This tab is generated when the utility checks in tab 2 that they have Class A customers during the period that the GA balance accumulated.</p> <p>Under #1, enter the year the Account 1589 GA balance was last disposed.</p>
		8	<p>Under #2a, indicate whether you had any customers that transitioned between Class A and B during the period the Account 1589 GA balance accumulated.</p> <p>If no, proceed to #3b in step 10.</p> <p>If yes, #2b and tab 5.2 will be generated. Proceed to #2b.</p> <p>Under #2b, indicate whether you had any customers that transitioned between Class A and B during the period the Account 1580, sub-account CBR Class B balance accumulated.</p> <p>If no, proceed to #3a in step 9.</p> <p>If yes, tab 5.3a will be generated. Proceed to #3a in step 9.</p>

Consumption	purposes of determining the GA rate rider, CBR Class B rate rider (if applicable), as well as customer specific GA and CBR Class B charges for transition customers (if applicable).	9	Under #3a, enter the number of transition customers during the period the Account 1589 GA balance accumulated. A table will be generated based on the number of customers. Complete the table accordingly for each transition customer identified (i.e. kWh/kW for half year periods, and the customer class during the half year). This data will automatically be used in the GA balance and CBR Class B balance allocation to transition customers in tabs 5.2 and 5.3a, respectively. Each transition customer identified in tab 5.1, table 3a will be assigned a customer number and the number will correspond to the same transition customers populated in tabs 5.2 and 5.3a. The data in tab 5.1 will also be used in the calculation of billing determinants in the allocation of GA and CBR Class B balances to the rate classes, as applicable.
		10	Under #3b, enter the number of customers who were Class A customers during the entire period since the year the Account 1589 GA balance accumulated (i.e. did not transition between Class A and B during the period). A table will be generated based on the number of customers. Complete the table accordingly for each Class A customer identified. This data will be used in the calculation of billing determinants in the allocation of GA and CBR Class B balances to the rate classes, as applicable.
5.2 - GA Allocation	This tab has been revised. It allocates the GA balance to each transition customer for the period in which these customers were Class B customers and contributed to the GA balance (i.e. former Class B customers who contributed to the GA balance but are now Class A customers and former Class A customers who are now Class B customers contributing to the GA balance).	11	<p>This tab is generated when the utility indicates that they have transition customers in tab 5.1, #2a during the period where the GA balance accumulated.</p> <p>In row 20, enter the total Class B consumption which equals to Non-RPP consumption less WMP consumption and consumption for Class A customers (who were Class A for partial and full year).</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the GA balance to transition customers in the bottom table. All transition customers who are allocated a specific GA amount are not to be charged the general Non-RPP Class B GA rate rider as calculated in tab 6.</p>
5.3 - CBR	This is a new tab that calculates the CBR Class B rate rider if there were Class A customers at any point during the period that the CBR Class B balance accumulated.	12	<p>This tab is generated when the utility checks in tab 2 that they have Class A customers during the period that Account 1580, sub-account CBR Class B balance accumulated. Select one of two options pertaining to the years in which the CBR Class B balance accumulated, either 2015 and 2016, or 2016 only in cell B13.</p> <p>The rest of the information in the tab is auto-populated and will be used in the calculation of the CBR Class B rate rider calculated in tab 6.</p>
5.3a - CBR_B Allocation	This is a new tab that allocates the CBR Class B balance to each transition customer for the period in which these customers were Class B customers and contributed to the CBR Class B balance (i.e. former Class B customers who contributed to the balance but are now Class A customers and former Class A customers who are now Class B contributing to the balance).	13	<p>This tab is generated when the utility indicates that they have transition customers in tab 5.1, #2b during the period where the CBR Class B balance accumulated.</p> <p>In row 20, enter the total Class B consumption which equals to total consumption less WMP consumption and consumption for Class A customers (who were Class A for partial and full year).</p> <p>The rest of the information in this tab will be auto-populated and will calculate the customer specific allocation of the CBR Class B balance to transition customers in the bottom table. Note that the transition customers for the GA may be different than the transition customers for CBR Class B as this would depend on the period in which the GA and CBR Class B balances accumulated. All transition customers who are allocated a specific CBR Class B amount is not to be charged the general CBR Class B rate rider.</p>
6 - Calculation of Def-Var RR	This tab calculates all the applicable DVA ate riders.	14	Enter the proposed rate rider recovery period if different than the default 12 month period. For each rate class of each rate rider, select whether the rate rider is to be calculated on a kWh/kW or number of customers basis. The rest of the information in the tab is auto-populated and the rate riders are calculated accordingly .
7 + 7.a GA Analysis	This is a new GA Analysis Workform that is to be completed.	15	Complete tab 7.a according to the instructions in tab 7.

# 2018 Deferral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility has approved for use as at Dec. 31, 2016, regardless of whether disposition is being requested for the account. For all accounts, except for Account 1595, start inputting data from the year in which the GL balance was last disposed. For example, if in the 2017 rate application, DVA balances as at December 31, 2015 were approved for disposition, start the continuity schedule from 2015 by entering the approved closing 2014 balance in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance (i.e. the vintage year). For example, Account 1595 (2014), data should be inputted starting in 2014 when the relevant balances approved for disposition was first transferred into Account 1595 (2014). The DVA continuity schedule currently starts from 2011, if a utility has an Account 1595 with a vintage year prior to 2011, then a separate schedule should be provided starting from the vintage year. For any new accounts that have never been disposed, start inputting data from the year the account was approved to be used.

Enter the number of utility specific Account 1508 sub-accounts that have been previously approved, regardless of whether disposition is being requested. If none, enter 1 and the generic sub-account will still be generated in the continuity schedule. Identify and name each sub-account and complete the continuity schedule in the line(s) generated in the continuity schedule. Indicate whether the sub-account is requested for

		2011										2012									
Account Descriptions		Account Number	Opening Principal Amounts as of Jan-1-11	Transactions(1) Debit/(Credit) during 2011	OEB-Approved Disposition during 2011	Principal Adjustments(2) during 2011	Closing Principal Balance as of Dec-31-11	Opening Interest Amounts as of Jan-1-11	Interest Jan-1 to Dec-31-11	OEB-Approved Disposition during 2011	Interest Adjustments(1) during 2011	Closing Interest Amounts as of Dec-31-11	Opening Principal Amounts as of Jan-1-12	Transactions(1) Debit/(Credit) during 2012	OEB-Approved Disposition during 2012	Principal Adjustments(2) during 2012	Closing Principal Balance as of Dec-31-12	Opening Interest Amounts as of Jan-1-12	Interest Jan-1 to Dec-31-12	OEB-Approved Disposition during 2012	
Group 1 Accounts																					
LV Variance Account		1550					\$0					\$0					\$0				
Smart Metering Entity Charge Variance Account		1551																			
RSVA - Wholesale Market Service Charge <sup>9</sup>		1580	\$963,028	\$1,003,762	\$224,334		\$1,742,456	\$239,081	\$19,871	\$231,963		\$27,389	\$1,742,456	\$1,310,114	\$746,214		\$2,306,356	\$27,389	\$28,921	\$14,479	
Variance WMS – Sub-account CBR Class A <sup>8</sup>		1580																			
Variance WMS – Sub-account CBR Class B <sup>8</sup>		1580																			
RSVA - Retail Transmission Network Charge		1584	\$419,554	\$182,276	\$147,549		\$89,729	\$36,837	\$5,732	\$37,468		\$6,363	\$89,729	\$285,902	\$272,636		\$468,809	\$6,363	\$330	\$5,331	
RSVA - Retail Transmission Connection Charge		1586										\$0									
RSVA - Power (excluding Global Adjustment) <sup>12</sup>		1588	\$1,247,547	\$1,430,318	\$1,060,296		\$1,617,569	\$162,685	\$39,465	\$154,036		\$48,114	\$1,617,569	\$318,550	\$195,832		\$1,740,287	\$48,114	\$38,800	\$3,669	
RSVA - Global Adjustment <sup>12</sup>		1589	\$286,635	\$394,444	\$536,679		\$144,400	\$4,155	\$14,007	\$2,250		\$15,912	\$144,400	\$69,206	\$248,139		\$323,333	\$15,912	\$19,328	\$4,901	
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>7</sup>		1595					\$0										\$0				
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>7</sup>		1595	\$944,748	\$723,746			\$221,002	\$137,669	\$5,773			\$131,896	\$221,002				\$221,002	\$131,896	\$3,249		
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>7</sup>		1595		\$542,644	\$1,020,945		\$478,301	\$2,585				\$2,585	\$478,301	\$441,467			\$36,834	\$2,585	\$4,161		
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>7</sup>		1595					\$0					\$0	\$0	\$469,784	\$875,129		\$405,345	\$0	\$6,720	\$2,832	
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>		1595					\$0					\$0	\$0				\$0				
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>		1595					\$0					\$0	\$0				\$0				
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>		1595					\$0					\$0	\$0				\$0				
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>		1595					\$0					\$0	\$0				\$0				
Not to be disposed of until a year after rate rider has expired and that balance has been audited																					
Group 1 Sub-Total (including Account 1589 - Global Adjustment)			\$2,447,134	\$955,522	\$422,543	\$0	\$3,825,199	\$299,364	\$45,370	\$420,817	\$0	\$76,083	\$3,825,199	\$1,072,521	\$42,420	\$0	\$4,855,300	\$76,083	\$54,531	\$20,550	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)			\$2,735,769	\$1,349,966	\$116,136	\$0	\$3,969,599	\$303,519	\$59,377	\$423,067	\$0	\$60,171	\$3,969,599	\$1,003,315	\$205,719	\$0	\$5,178,633	\$60,171	\$73,859	\$15,649	
RSVA - Global Adjustment <sup>12</sup>		1589	\$286,635	\$394,444	\$536,679	\$0	\$144,400	\$4,155	\$14,007	\$2,250	\$0	\$15,912	\$144,400	\$69,206	\$248,139	\$0	\$323,333	\$15,912	\$19,328	\$4,901	
Group 2 Accounts																					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs		1508					\$0					\$0	\$0				\$0				
Other Regulatory Assets - Sub-Account - Incremental Capital Charges		1508					\$0					\$0	\$0				\$0				
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery		1508					\$0					\$0	\$0				\$0				
Variance - Ontario Clean Energy Benefit Act <sup>3</sup>		1508					\$0					\$0	\$0				\$0				
Other Regulatory Assets - Sub-Account - Other		1508					\$0					\$0	\$0				\$0				
Retail Cost Variance Account - Retail		1518	\$351,582	\$36,541			\$388,123	\$37,392	\$5,388			\$42,768	\$388,123	\$31,603			\$419,726	\$42,768	\$5,923		
Misc. Deferred Debits		1525					\$0					\$0	\$0				\$0				
Retail Cost Variance Account - STR		1548	\$144,793	\$16,348			\$161,141	\$11,457	\$2,256			\$13,713	\$161,141	\$5,646			\$166,787	\$13,713	\$2,449		
Board-Approved CDM Variance Account		1567					\$0					\$0	\$0				\$0				
Extra-Ordinary Event Costs		1572					\$0					\$0	\$0				\$0				
Deferred Rate Impact Amounts		1574					\$0					\$0	\$0				\$0				
RSVA - One-time		1582					\$0					\$0	\$0				\$0				
Other Deferred Credits		2425	\$243,686				\$243,686	\$15,064	\$3,582			\$18,646	\$243,686				\$243,686	\$18,646	\$3,582		
Group 2 Sub-Total				\$20,193	\$0	\$0	\$470,668	\$40,999	\$6,714	\$0	\$0	\$47,713	\$470,668	\$25,957	\$0	\$0	\$496,625	\$47,713	\$7,056	\$0	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)		1592					\$0					\$0	\$0				\$0				
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/QVAT Input Tax Credits (ITCs)		1592					\$0					\$0	\$0				\$0				
Total of Group 1 and Group 2 Accounts (including 1592)			\$2,447,134	\$975,715	\$422,543	\$0	\$4,295,867	\$340,363	\$52,084	\$420,817	\$0	\$28,370	\$4,295,867	\$1,098,478	\$42,420	\$0	\$5,351,925	\$28,370	\$61,587	\$20,550	
LRAM Variance Account <sup>11</sup>		1568					\$0					\$0	\$0				\$0				
Total including Account 1568				\$975,715	\$422,543	\$0	\$4,295,867	\$340,363	\$52,084	\$420,817	\$0	\$28,370	\$4,295,867	\$1,098,478	\$42,420	\$0	\$5,351,925	\$28,370	\$61,587	\$20,550	
Renewable Generation Connection Capital Deferral Account <sup>8</sup>		1531					\$0					\$0	\$0				\$0				
Renewable Generation Connection O&M&A Deferral Account <sup>8</sup>		1532					\$0					\$0	\$0				\$0				
Renewable Generation Connection Funding Adder Deferral Account		1533					\$0					\$0	\$0				\$0				
Smart Grid Capital Deferral Account		1534					\$0					\$0	\$0				\$0				
Smart Grid O&M&A Deferral Account		1535					\$0					\$0	\$0				\$0				
Smart Grid Funding Adder Deferral Account		1536					\$0					\$0	\$0				\$0				
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>		1555	\$5,306,500	\$80,543			\$5,225,957	\$22,912	\$56,627			\$79,539	\$5,225,957	\$5,225,957			\$79,539		\$79,539		
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>		1555	\$1,315,245	\$659,068			\$1,974,313					\$1,974,313	\$1,974,313				\$0				
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>		1555					\$0					\$0	\$0				\$0				
Smart Meter O&M&A Variance <sup>4</sup>		1556	\$706,544	\$798,777			\$1,505,321	\$2,068	\$12,243			\$14,311	\$1,505,321	\$1,505,321			\$14,311		\$14,311		
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>		1557																			
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>		1575					\$0					\$0	\$0				\$0				
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>		1576										\$0		\$335,332			\$335,332				

# Referral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility from the year in which the GL balance was last disposed. For example, if in the 2017 rate ap Adjustment column under 2014. For each Account 1595 sub-account, start inputting data for balances approved for disposition was first transferred into Account 1595 (2014). The DVA c vintage year. For any new accounts that have never been disposed, start inputting data from

		2013												2014											
Account Descriptions		Account Number	Interest Adjustments(2) during 2012	Closing Interest Amounts as of Dec-31-12	Opening Principal Amounts as of Jan-1-13	Transactions(1) Debt/ (Credit) during 2013	OEB-Approved Disposition during 2013	Principal Adjustments(2) during 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31-13	OEB-Approved Disposition during 2013	Interest Adjustments(2) during 2013	Closing Interest Amounts as of Dec-31-13	Opening Principal Amounts as of Jan-1-14	Transactions(1) Debt/ (Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments(2) during 2014	Closing Principal Balance as of Dec-31-14	Opening Interest Amounts as of Jan-1-14	Interest Jan-1 to Dec-31-14	OEB-Approved Disposition during 2014	Interest Adjustments(2) during 2014		
Group 1 Accounts																									
LV Variance Account		1550		\$0	\$0				\$0	\$0				\$0	\$0					\$0	\$0				
Smart Metering Entity Charge Variance Account		1551				\$23,661			\$23,661		\$230			\$230	\$23,661					\$23,018	\$230	\$640			
RSVA - Wholesale Market Service Charge <sup>9</sup>		1580		-\$41,831	-\$2,306,356	-\$852,882	-\$996,241		-\$2,162,997	-\$41,831	-\$36,134	-\$34,877		-\$43,088	-\$2,162,997	\$1,081,213			-\$1,081,784	-\$43,088	\$15,451				
Variance WMS – Sub-account CBR Class A <sup>8</sup>		1580																							
Variance WMS – Sub-account CBR Class B <sup>8</sup>		1580																							
RSVA - Retail Transmission Network Charge		1584		\$702	-\$468,809	-\$399	-\$182,906		-\$286,302	\$702	-\$4,948	-\$3,001		-\$1,245	-\$286,302	\$595,420			\$309,118	-\$1,245	\$3,625				
RSVA - Retail Transmission Connection Charge		1586		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
RSVA – Power (excluding Global Adjustment) <sup>12</sup>		1589		-\$83,245	-\$1,740,287	\$231,227	-\$1,421,736		-\$87,324	-\$83,245	-\$25,631	-\$75,796		-\$33,080	-\$87,324	\$1,007,835			\$920,511	-\$33,080	\$24,591				
RSVA - Global Adjustment <sup>12</sup>		1589		\$40,141	\$323,333	\$210,978	\$392,539		\$141,772	\$40,141	\$23,247	\$29,468		\$33,920	\$141,772	\$1,159,476			\$1,301,248	\$33,920	\$2,509				
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>7</sup>		1595		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>7</sup>		1595		\$128,647	-\$221,002				\$128,647	\$0	\$1,624	\$127,023		\$0	\$0				\$0	\$0					
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>7</sup>		1595		\$1,576	\$36,834				-\$36,834	\$1,576	\$5,654			\$7,230	-\$36,834		-\$36,834		\$0	\$7,230	\$1,415	\$1,125	-\$7,520		
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>7</sup>		1595		-\$3,888	-\$405,345	\$381,437			\$23,908	-\$3,888	-\$1,790			-\$5,678	\$23,908	\$352			-\$23,556	-\$5,678	-\$350				
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>		1595		\$0	\$0	\$1,042,900	\$2,525,100		-\$1,482,200	\$0	-\$12,998	\$113,087		-\$126,065	-\$1,482,200	\$1,642,156			\$159,956	-\$126,065	-\$3,837				
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>		1595		\$0	\$0				\$0	\$0				\$0	\$0	-\$1,026,858			-\$1,026,858	\$0	-\$54,096				
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>		1595							\$0	\$0				\$0	\$0				\$0	\$0					
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>		1595							\$0	\$0				\$0	\$0				\$0	\$0					
Not to be disposed of until a year after rate rider has expired and that balance has been audited																									
Group 1 Sub-Total (including Account 1589 - Global Adjustment)			\$0	\$42,102	-\$4,855,300	\$1,036,922	\$95,754	\$0	-\$3,914,132	\$42,102	-\$53,994	\$155,904	\$0	-\$167,796	-\$3,914,132	\$4,458,951	-\$36,834	\$0	\$581,653	-\$167,796	-\$10,052	\$1,125	-\$7,520		
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)			\$0	\$1,961	-\$5,176,633	\$825,944	-\$296,785	\$0	-\$4,055,904	\$1,961	-\$77,241	\$126,436	\$0	-\$201,716	-\$4,055,904	\$3,299,475	-\$36,834	\$0	\$719,595	-\$201,716	-\$12,561	\$1,125	-\$7,520		
RSVA - Global Adjustment 12		1589	\$0	\$40,141	\$323,333	\$210,978	\$392,539	\$0	\$141,772	\$40,141	\$23,247	\$29,468	\$0	\$33,920	\$141,772	\$1,159,476	\$0	\$0	\$1,301,248	\$33,920	\$2,509	\$0	\$0		
Group 2 Accounts																									
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs		1508		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Other Regulatory Assets - Sub-Account - Incremental Capital Charges		1508		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery		1508		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Variance - Ontario Clean Energy Benefit Act <sup>3</sup>		1508		\$0	\$0				\$0	\$0				\$0	-\$52,200	-\$104,400			-\$156,600	\$0	\$0				
Other Regulatory Assets - Sub-Account - Other		1508		\$0	\$0	-\$52,200			-\$52,200	\$0	\$0			\$0	-\$52,200	-\$104,400			-\$156,600	\$0	\$0				
Retail Cost Variance Account - Retail		1518		-\$48,703	-\$419,726	-\$29,923	-\$388,122		-\$61,527	-\$48,703	-\$3,999	-\$51,337		-\$1,365	-\$61,527	-\$26,680			-\$88,407	-\$1,365	-\$1,084				
Misc. Deferred Debits		1525		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Retail Cost Variance Account - STR		1548		\$16,162	\$166,787	\$29,041	\$161,142		\$34,686	\$16,162	\$1,855	\$17,265		\$752	\$34,686	\$18,919			\$53,605	\$752	\$665				
Board-Approved CDM Variance Account		1567		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Extra-Ordinary Event Costs		1572		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Deferred Rate Impact Amounts		1574		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
RSVA - One-time		1582		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Other Deferred Credits		2425		-\$22,228	-\$243,686	\$52,200	-\$243,686		\$52,200	-\$22,228	-\$1,791	-\$24,019		\$0	\$52,200	\$104,400			\$156,600	\$0	\$0				
Group 2 Sub-Total			\$0	-\$54,768	-\$496,625	-\$882	-\$470,666	\$0	-\$26,841	-\$54,769	-\$3,935	-\$58,091	\$0	-\$613	-\$26,841	-\$7,961	\$0	\$0	-\$34,802	-\$613	-\$419	\$0	\$0		
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)		1592		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)		1592		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Total of Group 1 and Group 2 Accounts (including 1592)			\$0	-\$12,667	-\$5,351,925	\$1,036,040	-\$374,912	\$0	-\$3,940,973	-\$12,667	-\$57,929	\$97,813	\$0	-\$168,409	-\$3,940,973	\$4,450,990	-\$36,834	\$0	\$546,851	-\$168,409	-\$10,471	\$1,125	-\$7,520		
LRAM Variance Account <sup>11</sup>		1568		\$0	\$0	\$79,055			\$79,055	\$0	\$2,044			\$2,044	\$79,055	-\$45,276			\$33,779	\$2,044	\$936				
Total including Account 1568			\$0	-\$12,667	-\$5,351,925	\$1,115,095	-\$374,912	\$0	-\$3,861,918	-\$12,667	-\$55,885	\$97,813	\$0	-\$166,365	-\$3,861,918	\$4,405,714	-\$36,834	\$0	\$580,630	-\$166,365	-\$9,535	\$1,125	-\$7,520		
Renewable Generation Connection Capital Deferral Account <sup>8</sup>		1531		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>		1532		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Renewable Generation Connection Funding Adder Deferral Account		1533		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Grid Capital Deferral Account		1534		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Grid OM&A Deferral Account		1535		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Grid Funding Adder Deferral Account		1536		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>		1555		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>		1555		\$0	\$0	\$710,860			\$710,860	\$0	\$6,785			\$6,785	\$710,860	-\$716,343			-\$5,463	\$6,785	\$2,713				
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>		1555		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Smart Meter OM&A Variance <sup>6</sup>		1556		\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0					
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>		1557												\$0	\$0				\$0	\$0					
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>		1575							\$0						\$0				\$0						
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>		1576			-\$335,332	\$116,706			-\$218,626						-\$218,626	\$72,876			-\$145,750						

# Referral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility from the year in which the GL balance was last disposed. For example, if in the 2017 rate ap Adjustment column under 2014. For each Account 1595 sub-account, start inputting data fro balances approved for disposition was first transferred into Account 1595 (2014). The DVA c vintage year. For any new accounts that have never been disposed, start inputting data from

		2015										2016										
Account Descriptions	Account Number	Closing Interest Amounts as of Dec-31-14	Opening Principal Amounts as of Jan-1-15	Transactions(1) Debit / (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments(2) during 2015	Closing Principal Balance as of Dec-31-15	Opening Interest Amounts as of Jan-1-15	Interest Jan-1 to Dec-31-15	OEB-Approved Disposition during 2015	Interest Adjustments(2) during 2015	Closing Interest Amounts as of Dec-31-15	Opening Principal Amounts as of Jan-1-16	Transactions(1) Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(2) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(2) during 2016	Closing Interest Amounts as of Dec-31-16
Group 1 Accounts																						
LV Variance Account	1550	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Metering Entity Charge Variance Account	1551	\$870	\$23,018	\$-124			\$22,894	\$870	\$-18			\$852	\$22,894	\$10,945			\$33,839	\$852	\$576			\$1,428
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580	\$-27,637	\$-1,081,784	\$-1,519,861			\$-2,601,645	\$-27,637	\$-18,618			\$-46,255	\$-2,601,645	\$-844,433	\$-1,081,784		\$-2,364,294	\$-46,255	\$-27,016	\$-39,638		\$-33,633
Variance WMS – Sub-account CBR Class A <sup>8</sup>	1580	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Variance WMS – Sub-account CBR Class B <sup>8</sup>	1580	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
RSVA - Retail Transmission Network Charge	1584	\$2,380	\$309,118	\$-77,845			\$231,273	\$2,380	\$4,946			\$7,326	\$231,273	\$-20,198	\$309,118		\$-98,043	\$7,326	\$-517	\$5,787		\$1,022
RSVA - Retail Transmission Connection Charge	1586	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588	\$-8,489	\$920,511	\$-5,012,590			\$-4,092,079	\$-8,489	\$6,799			\$-15,288	\$-4,092,079	\$4,398,272	\$920,509		\$-614,316	\$-15,288	\$25,791	\$1,605		\$8,898
RSVA - Global Adjustment <sup>12</sup>	1589	\$36,429	\$1,301,248	\$177,382			\$1,478,630	\$36,429	\$30,661			\$67,090	\$1,478,630	\$-103,639	\$1,301,248		\$73,743	\$67,090	\$27,142	\$50,876		\$43,356
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>7</sup>	1595	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>7</sup>	1595	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>7</sup>	1595	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>7</sup>	1595	\$-6,028	\$-23,556	\$-663			\$-24,219	\$-6,028	\$-297			\$-6,325	\$-24,219	\$30,635			\$6,416	\$-6,325	\$-89			\$-6,414
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595	\$-129,922	\$159,956	\$9,872			\$150,084	\$-129,922	\$1,823			\$-128,099	\$150,084	\$-22,537			\$127,547	\$-128,099	\$9,976			\$-118,123
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595	\$-54,096	\$-1,026,858	\$1,026,308			\$-550	\$-54,096	\$-3,756			\$-57,852	\$-550	\$-640			\$-1,190	\$-57,852	\$-10			\$-57,862
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595	\$0	\$0				\$0	\$0				\$0	\$0	\$735,583			\$735,583	\$0	\$-116,319			\$-116,319
Not to be disposed of until a year after rate rider has expired and that balance has been audited																						
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$-186,493	\$581,653	\$-5,417,265	\$0	\$0	\$-4,835,612	\$-186,493	\$7,942	\$0	\$0	\$-178,551	\$-4,835,612	\$4,183,988	\$1,449,091	\$0	\$-2,100,715	\$-178,551	\$80,466	\$18,630	\$0	\$-227,647
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$222,862	\$719,595	\$-5,594,647	\$0	\$0	\$-5,314,242	\$222,862	\$22,719	\$0	\$0	\$245,641	\$-5,314,242	\$4,287,627	\$147,843	\$0	\$-2,174,458	\$245,641	\$107,608	\$32,246	\$0	\$-321,003
RSVA - Global Adjustment 12	1589	\$36,429	\$1,301,248	\$177,382	\$0	\$0	\$1,478,630	\$36,429	\$30,661	\$0	\$0	\$67,090	\$1,478,630	\$-103,639	\$1,301,248	\$0	\$73,743	\$67,090	\$27,142	\$50,876	\$0	\$43,356
Group 2 Accounts																						
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery	1508	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Variance - Ontario Clean Energy Benefit Act <sup>3</sup>	1508	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Other Regulatory Assets - Sub-Account - Other	1508	\$0	\$-156,600	\$-104,400			\$-261,000	\$0				\$0	\$-261,000	\$-104,400			\$-365,400	\$0	\$0			\$0
Retail Cost Variance Account - Retail	1518	\$-2,449	\$88,407	\$-27,321			\$-115,728	\$-2,449	\$-1,192			\$-3,641	\$-115,728	\$-23,850			\$-139,578	\$-3,641	\$-1,397			\$-5,038
Misc. Deferred Debits	1525	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Retail Cost Variance Account - STR	1548	\$1,417	\$53,605	\$12,745			\$66,350	\$1,417	\$701			\$2,118	\$66,350	\$11,856			\$78,206	\$2,118	\$782			\$2,900
Board-Approved CDM Variance Account	1567	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Extra-Ordinary Event Costs	1572	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Deferred Rate Impact Amounts	1574	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
RSVA - One-time	1582	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Other Deferred Credits	2425	\$0	\$156,600	\$104,400			\$261,000	\$0				\$0	\$261,000	\$104,400			\$365,400	\$0				\$0
Group 2 Sub-Total		\$-1,032	\$-34,802	\$-14,576	\$0	\$0	\$-49,378	\$-1,032	\$-491	\$0	\$0	\$-1,523	\$-49,378	\$-11,994	\$0	\$0	\$-61,372	\$-1,523	\$-615	\$0	\$0	\$-2,138
PILs and Tax Variance for 2006 and Subsequent Years (includes sub-account and contra account below)	1592	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$-187,525	\$546,851	\$-5,431,841	\$0	\$0	\$-4,884,990	\$-187,525	\$7,451	\$0	\$0	\$-180,074	\$-4,884,990	\$4,171,994	\$1,449,091	\$0	\$-2,162,087	\$-180,074	\$81,081	\$18,630	\$0	\$-279,785
LRAM Variance Account <sup>11</sup>	1568	\$2,980	\$33,779	\$-47,147			\$-13,368	\$2,980	\$34			\$3,014	\$-13,368	\$23			\$-13,391	\$3,014	\$-125			\$2,889
Total including Account 1568		\$-184,545	\$580,630	\$-5,478,988	\$0	\$0	\$-4,898,358	\$-184,545	\$7,485	\$0	\$0	\$-177,060	\$-4,898,358	\$4,171,971	\$1,449,091	\$0	\$-2,175,478	\$-177,060	\$81,206	\$18,630	\$0	\$-276,896
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Renewable Generation Connection OM&A Deferral Account	1532	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Renewable Generation Connection Funding Adder Deferral Account	1533	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Grid Capital Deferral Account	1534	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Grid OM&A Deferral Account	1535	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Grid Funding Adder Deferral Account	1536	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555	\$9,498	\$-5,483	\$-42			\$-5,525	\$9,498	\$-65			\$9,433	\$-5,525				\$-5,525	\$9,433	\$-61			\$9,372
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Smart Meter OM&A Variance <sup>6</sup>	1556	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557	\$0	\$0				\$0	\$0				\$0	\$0				\$0	\$0				\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575		\$0				\$0						\$0				\$0					
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576		\$-145,750	\$72,876			\$-72,874						\$-72,874	\$72,876			\$2					

# Referral/Variance Account Workform

This continuity schedule must be completed for each account and sub-account that the utility from the year in which the GL balance was last disposed. For example, if in the 2017 rate ap Adjustment column under 2014. For each Account 1595 sub-account, start inputting data for balances approved for disposition was first transferred into Account 1595 (2014). The DVA c vintage year. For any new accounts that have never been disposed, start inputting data from

If you had any Class A customers at any point during the period that the Account 1589 GA balance accumulated (i.e. from the year the balance was last disposed to 2016), check off the checkbox ☐

If you had Class A customer(s) during this period, Tab 5.1 will be generated and applicants must complete the information pertaining to Class A customers.

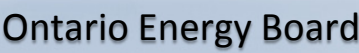
Account Descriptions	Account Number	2017				Projected Interest on Dec-31-16 Balances				2.1.7 RRR		Variance RRR vs. 2016 Balance (Principal + Interest)
		Principal Disposition during 2017 - instructed by OER	Interest Disposition during 2017 - instructed by OER	Closing Principal Balances as of Dec 31-16 Adjusted for Dispositions during 2017	Closing Interest Balances as of Dec 31-16 Adjusted for Dispositions during 2017	Projected Interest from Jan 1, 2017 to December 31, 2017 on Dec 31 -16 balance adjusted for disposition during 2017 (6)	Projected Interest from January 1, 2018 to April 30, 2018 on Dec 31 -16 balance adjusted for disposition during 2017 (6)	Total Interest	Total Claim	As of Dec 31-16		
Group 1 Accounts												
LV Variance Account	1550			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Metering Entity Charge Variance Account	1551			\$33,839	\$1,428	\$406	\$169	\$2,003		\$35,842.26	\$35,268	\$1
RSVA - Wholesale Market Service Charge <sup>9</sup>	1580			-\$2,364,294	-\$33,633	-\$28,372	-\$11,821	-\$73,826		-\$2,438,120.06	-\$2,397,926	\$1
Variance WMS - Sub-account CBR Class A <sup>8</sup>	1580			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Variance WMS - Sub-account CBR Class B <sup>8</sup>	1580			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
RSVA - Retail Transmission Network Charge	1584			-\$98,043	\$1,022	-\$1,177	-\$490	-\$645		-\$98,687.73	-\$97,020	\$1
RSVA - Retail Transmission Connection Charge	1586			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
RSVA - Power (excluding Global Adjustment) <sup>12</sup>	1588			-\$614,316	\$8,898	-\$7,372	-\$3,072	-\$1,545		-\$615,861.37	-\$605,420	-\$1
RSVA - Global Adjustment <sup>12</sup>	1589			\$73,743	\$43,356	\$885	\$369	\$44,610		\$118,352.63	\$117,099	-\$1
Disposition and Recovery/Refund of Regulatory Balances (2009) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2010) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2011) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2012) <sup>7</sup>	1595			\$6,416	-\$6,414	\$77	\$32	-\$6,305		\$0.00	\$1	-\$1
Disposition and Recovery/Refund of Regulatory Balances (2013) <sup>7</sup>	1595			\$127,547	-\$118,123	\$1,531	\$638	-\$115,955		\$0.00	\$9,426	\$2
Disposition and Recovery/Refund of Regulatory Balances (2014) <sup>7</sup>	1595			-\$1,190	-\$57,862	-\$14	-\$6	-\$57,882		-\$59,072.23	-\$59,051	\$1
Disposition and Recovery/Refund of Regulatory Balances (2015) <sup>7</sup>	1595			\$0	\$0	\$0	\$0	<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Disposition and Recovery/Refund of Regulatory Balances (2016) <sup>7</sup>	1595			\$735,583	-\$116,319	\$8,827	\$3,678	-\$103,814	<input type="checkbox"/> Check to Dispose of Account	\$0.00	\$619,264	-\$1
Not to be disposed of until a year after rate rider has expired and that balance has been audited												
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		\$0	\$0	-\$2,100,715	-\$277,647	-\$25,209	-\$10,504	-\$313,359		-\$3,057,546.44	-\$2,378,360	\$2
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		\$0	\$0	-\$2,174,458	-\$321,083	-\$26,093	-\$10,872	-\$357,969		-\$3,175,899.07	-\$2,495,458	\$3
RSVA - Global Adjustment 12	1589			\$73,743	\$43,356	\$885	\$369	\$44,610		\$118,352.63	\$117,099	-\$1
Group 2 Accounts												
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery												
Variance - Ontario Clean Energy Benefits Act <sup>3</sup>	1508			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Other Regulatory Assets - Sub-Account - Other	1508			-\$365,400	\$0	-\$4,389	-\$1,827	-\$5,212	<input type="checkbox"/> Check to Dispose of Account	\$0.00	-\$365,400	\$0
Retail Cost Variance Account - Retail	1518			-\$139,576	-\$5,038	-\$1,675	-\$696	-\$7,411		-\$146,988.83	-\$144,822	-\$1
Misc. Deferred Debits	1525			\$0	\$0	\$0	\$0	<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Retail Cost Variance Account - STR	1548			\$78,206	\$2,900	\$938	\$391	\$4,230		\$82,435.50	\$81,105	-\$1
Board-Approved CDM Variance Account	1567			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Extra-Ordinary Event Costs	1572			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Deferred Rate Impact Amounts	1574			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
RSVA - One-time	1582			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Other Deferred Credits	2425			\$365,400	\$0	\$4,385	\$1,827	\$6,212	<input type="checkbox"/> Check to Dispose of Account	\$0.00	\$365,400	\$0
Group 2 Sub-Total		\$0	\$0	-\$61,372	-\$2,138	-\$736	-\$307	-\$3,181		-\$64,553.32	-\$63,517	-\$7
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Total of Group 1 and Group 2 Accounts (including 1592)		\$0	\$0	-\$2,162,087	-\$279,785	-\$25,945	-\$10,810	-\$316,540		-\$3,122,099.76	-\$2,441,877	-\$5
LRAM Variance Account <sup>11</sup>	1568			-\$476,485	-\$9,693	\$463,095	\$12,582	\$12,582		\$475,676.53	-\$10,502	-\$1
Total including Account 1568		-\$476,485	-\$9,693	-\$1,698,992	-\$267,203	-\$25,945	-\$10,810	-\$303,958		-\$2,646,423.23	-\$2,452,379	-\$5
Renewable Generation Connection Capital Deferral Account <sup>8</sup>	1531			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Renewable Generation Connection OM&A Deferral Account <sup>8</sup>	1532			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Renewable Generation Connection Funding Adder Deferral Account	1533			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Grid Capital Deferral Account	1534			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Grid OM&A Deferral Account	1535			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Grid Funding Adder Deferral Account	1536			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital <sup>4</sup>	1555			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries <sup>4</sup>	1555			-\$5,525	\$9,372	-\$66	-\$28	\$9,278		\$3,753.34	\$3,847	-\$1
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs <sup>4</sup>	1555			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Smart Meter OM&A Variance <sup>6</sup>	1556			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
Meter Cost Deferral Account (MIST Meters) <sup>10</sup>	1557			\$0	\$0	\$0	\$0	\$0		\$0.00		\$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component <sup>5</sup>	1575			\$0				<input type="checkbox"/> Check to Dispose of Account		\$0.00		\$0
Accounting Changes Under CGAAP Balance + Return Component <sup>5</sup>	1576			\$2				<input type="checkbox"/> Check to Dispose of Account		\$0.00	\$2	\$0

## 2018 Deferral/Variance Account Workform

Accounts that produced a variance on the continuity schedule are listed below.  
Please provide a detailed explanation for each variance below.

Account Descriptions	Account Number	Variance RRR vs. 2016 Balance (Principal + Interest)	Explanation
Smart Metering Entity Charge Variance Account	1551	\$ 1.00	
RSVA - Wholesale Market Service Charge9	1580	\$ 1.00	
RSVA - Retail Transmission Network Charge	1584	\$ 1.00	
RSVA - Power (excluding Global Adjustment) 12	1588	\$ (2.00)	
RSVA - Global Adjustment 12	1589	\$ (0.36)	
Disposition and Recovery/Refund of Regulatory Balances (2012)7	1595	\$ (1.00)	
Disposition and Recovery/Refund of Regulatory Balances (2013)7	1595	\$ 1.94	
Disposition and Recovery/Refund of Regulatory Balances (2014)7	1595	\$ 1.08	
Disposition and Recovery/Refund of Regulatory Balances (2016)7	1595	\$ (0.17)	
Retail Cost Variance Account - Retail	1518	\$ (6.00)	
Retail Cost Variance Account - STR	1548	\$ (1.00)	





In the green shaded cells, enter the data related to the **proposed** load forecast. Do not enter data for the MicroFit class.

<sup>1</sup> Account 1595 sub-accounts are to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

<sup>2</sup> The proportion of customers for the Residential and GS<50 Classes will be used to allocate Account 1551.

[illegible]

# 2018 Deferral/Variance Account Workform

		Amounts from Sheet 2	Allocator	RESIDENTIAL	GENERAL SERVICE LESS THAN 50 KW	GENERAL SERVICE 50 TO 4,999 KW	UNMETERED SCATTERED LOAD	SENTINEL LIGHTING	STREET LIGHTING	
LV Variance Account	1550	0	kWh	0	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	35,842	# of Customers	32,129	3,714	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(2,438,120)	kWh	(1,124,082)	(357,712)	(941,872)	(4,463)	(828)	(9,162)	0
RSVA - Retail Transmission Network Charge	1584	(98,688)	kWh	(45,499)	(14,479)	(38,124)	(181)	(34)	(371)	0
RSVA - Retail Transmission Connection Charge	1586	0	kWh	0	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(615,861)	kWh	(283,940)	(90,357)	(237,914)	(1,127)	(209)	(2,314)	0
RSVA - Global Adjustment	1589	118,353	Non-RPP kWh	8,554	4,891	103,374	0	0	1,533	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	(59,072)	%	(28,133)	(8,459)	(21,739)	(71)	(21)	(650)	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	0	%	0	0	0	0	0	0	0
<b>Total of Group 1 Accounts (excluding 1589)</b>		<b>(3,175,899)</b>		<b>(1,449,525)</b>	<b>(467,294)</b>	<b>(1,239,649)</b>	<b>(5,842)</b>	<b>(1,092)</b>	<b>(12,497)</b>	<b>0</b>
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	(146,989)	kWh	(67,768)	(21,566)	(56,783)	(269)	(50)	(552)	0
Misc. Deferred Debits	1525	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	82,436	kWh	38,006	12,095	31,846	151	28	310	0
Board-Approved CDM Variance Account	1567	0	kWh	0	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0	kWh	0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0	kWh	0	0	0	0	0	0	0
RSVA - One-time	1582	0	kWh	0	0	0	0	0	0	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0	0
<b>Total of Group 2 Accounts</b>		<b>(64,553)</b>		<b>(29,762)</b>	<b>(9,471)</b>	<b>(24,938)</b>	<b>(118)</b>	<b>(22)</b>	<b>(243)</b>	<b>0</b>
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0	kWh	0	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	0	kWh	0	0	0	0	0	0	0
<b>Total of Account 1592</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
LRAM Variance Account (Enter dollar amount for each class)	1568	475,677		67,426	264,755	84,638	(1,450)	(1,091)	61,399	0
(Account 1568 - total amount allocated to classes)		475,677								
<b>Variance</b>		<b>(0)</b>								
Renewable Generation Connection OM&A Deferral Account	1532	0	kWh	0	0	0	0	0	0	0
<b>Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)</b>		<b>(121,918)</b>		<b>(41,503)</b>	<b>(19,225)</b>	<b>(59,863)</b>	<b>(252)</b>	<b>(55)</b>	<b>(1,021)</b>	<b>0</b>
<b>Total of Account 1580 and 1588 (not allocated to WMPs)</b>		<b>(3,053,981)</b>		<b>(1,408,022)</b>	<b>(448,069)</b>	<b>(1,179,786)</b>	<b>(5,591)</b>	<b>(1,038)</b>	<b>(11,476)</b>	<b>0</b>
<b>Balance of Account 1589 Allocated to Non-WMPs</b>		<b>118,353</b>		<b>8,554</b>	<b>4,891</b>	<b>103,374</b>	<b>0</b>	<b>0</b>	<b>1,533</b>	<b>0</b>
<b>Group 2 Accounts (including 1592, 1532)</b>		<b>(64,553)</b>		<b>(29,762)</b>	<b>(9,471)</b>	<b>(24,938)</b>	<b>(118)</b>	<b>(22)</b>	<b>(243)</b>	<b>0</b>
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	kWh	0	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0	kWh	0	0	0	0	0	0	0
<b>Total Balance Allocated to each class for Accounts 1575 and 1576</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Account 1589 reference calculation by customer and consumption</b>										
Account 1589 / Number of Customers		\$2.82								
1589/total kwh		\$0.0002								

# 2018 Deferral/Variance Account Worksheet

		Amounts from Sheet 2	Allocator						
LV Variance Account	1550	0	kWh	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	35,842	# of Customers	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(2,438,120)	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	(98,688)	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	0	kWh	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(615,861)	kWh	0	0	0	0	0	0
RSVA - Global Adjustment	1589	118,353	Non-RPP kWh	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	(59,072)	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	0	%	0	0	0	0	0	0
<b>Total of Group 1 Accounts (excluding 1589)</b>		<b>(3,175,899)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0	kWh	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	(146,989)	kWh	0	0	0	0	0	0
Misc. Deferred Debits	1525	0	kWh	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	82,436	kWh	0	0	0	0	0	0
Board-Approved CDM Variance Account	1567	0	kWh	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0	kWh	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0	kWh	0	0	0	0	0	0
RSVA - One-time	1582	0	kWh	0	0	0	0	0	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0
<b>Total of Group 2 Accounts</b>		<b>(64,553)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0	kWh	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	0	kWh	0	0	0	0	0	0
<b>Total of Account 1592</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
LRAM Variance Account (Enter dollar amount for each class)	1568	475,677		0	0	0	0	0	0
(Account 1568 - total amount allocated to classes)		475,677							
<b>Variance</b>		<b>(0)</b>							
Renewable Generation Connection OM&A Deferral Account	1532	0	kWh	0	0	0	0	0	0
<b>Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)</b>		<b>(121,918)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total of Account 1580 and 1588 (not allocated to WMPs)</b>		<b>(3,053,981)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance of Account 1589 Allocated to Non-WMPs</b>		<b>118,353</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Group 2 Accounts (including 1592, 1532)</b>		<b>(64,553)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	kWh	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0	kWh	0	0	0	0	0	0
<b>Total Balance Allocated to each class for Accounts 1575 and 1576</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Account 1589 reference calculation by customer and consumption</b>									
Account 1589 / Number of Customers		\$2.82							
1589/total kwh		\$0.0002							



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## 2018 Deferral/Variance Account Worksheet

		Amounts from Sheet 2	Allocator							
LV Variance Account	1550	0	kWh	0	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	35,842	# of Customers	0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(2,438,120)	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	(98,688)	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	0	kWh	0	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(615,861)	kWh	0	0	0	0	0	0	0
RSVA - Global Adjustment	1589	118,353	Non-RPP kWh	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2009)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2011)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	(59,072)	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	0	%	0	0	0	0	0	0	0
<b>Total of Group 1 Accounts (excluding 1589)</b>		<b>(3,175,899)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other	1508	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	(146,989)	kWh	0	0	0	0	0	0	0
Misc. Deferred Debits	1525	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	82,436	kWh	0	0	0	0	0	0	0
Board-Approved CDM Variance Account	1567	0	kWh	0	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	0	kWh	0	0	0	0	0	0	0
Deferred Rate Impact Amounts	1574	0	kWh	0	0	0	0	0	0	0
RSVA - One-time	1582	0	kWh	0	0	0	0	0	0	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0	0
<b>Total of Group 2 Accounts</b>		<b>(64,553)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0	kWh	0	0	0	0	0	0	0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	0	kWh	0	0	0	0	0	0	0
<b>Total of Account 1592</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
LRAM Variance Account (Enter dollar amount for each class)	1568	475,677		0	0	0	0	0	0	0
(Account 1568 - total amount allocated to classes)		475,677								
<b>Variance</b>		<b>(0)</b>								
Renewable Generation Connection OM&A Deferral Account	1532	0	kWh	0	0	0	0	0	0	0
<b>Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)</b>		<b>(121,918)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total of Account 1580 and 1588 (not allocated to WMPs)</b>		<b>(3,053,981)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance of Account 1589 Allocated to Non-WMPs</b>		<b>118,353</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Group 2 Accounts (including 1592, 1532)</b>		<b>(64,553)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0	kWh	0	0	0	0	0	0	0
Accounting Changes Under CGAAP Balance + Return Component	1576	0	kWh	0	0	0	0	0	0	0
<b>Total Balance Allocated to each class for Accounts 1575 and 1576</b>		<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Account 1589 reference calculation by customer and consumption</b>										
Account 1589 / Number of Customers		\$2.82								
1589/total kwh		\$0.0002								

## 2018 Deferral/Variance Account Workform

1

1550, 1551, 1584, 1586, 1595

<b>Rate Class</b> (Enter Rate Classes in cells below)	<b>Units</b>	<b>kW / kWh / # of Customers</b>	<b>Allocated Group 1 Balance (excluding 1589)</b>	<b>Rate Rider for Deferral/Variance Accounts</b>	
RESIDENTIAL	kWh	296,393,596	-\$ 1,449,525	- 0.0049	\$/kWh
GENERAL SERVICE LESS THAN 50 KW	kWh	94,320,130	-\$ 467,294	- 0.0050	\$/kWh
GENERAL SERVICE 50 TO 4,999 KW	kW	624,500	-\$ 1,239,649	- 1.9850	\$/kW
UNMETERED SCATTERED LOAD	kWh	1,176,822	-\$ 5,842	- 0.0050	\$/kWh
SENTINEL LIGHTING	kW	616	-\$ 1,092	- 1.7732	\$/kW
STREET LIGHTING	kW	7,076	-\$ 12,497	- 1.7661	\$/kW
Total			-\$ 3,175,899		

## 1580 and 1588

<b>Rate Class</b> <b>(Enter Rate Classes in cells below)</b>	<b>Units</b>	<b>kW / kWh / # of Customers</b>	<b>Allocated Group 1 Balance - Non-WMP</b>	<b>Rate Rider for Deferral/Variance Accounts</b>	
RESIDENTIAL	kWh	296,393,596	\$ -	-	\$/kWh
GENERAL SERVICE LESS THAN 50 KW	kWh	94,320,130	\$ -	-	\$/kWh
GENERAL SERVICE 50 TO 4,999 KW	kW	624,500	\$ -	-	\$/kW
UNMETERED SCATTERED LOAD	kWh	1,176,822	\$ -	-	\$/kWh
SENTINEL LIGHTING	kW	616	\$ -	-	\$/kW
STREET LIGHTING	kW	7,076	\$ -	-	\$/kW
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
<b>Total</b>			<b>\$ -</b>		

Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP calculated separately in the table above. For all rate classes without WMP customers, balances in Accounts 1580 and 1588 are included in Deferral/Variance Account Rate Riders calculated in the first table above and disposed through a combined Deferral/Variance Account and Rate Rider.

**Balance of Account 1589 Allocated to Non-WMPs**

[illegible]



## APPENDIX 2

### **Analysis Workform**





## GA Analysis Workform

**Purpose:**

To calculate an approximate expected balance in Account 1589 RSVA - GA and compare the expected amount to the amount in the general ledger. Material differences between the two need to be

**Notes to GA Analysis:**

Refer to the GA Analysis Tab to complete the below steps.

Note that this is a generic analysis template, utilities may need to alter the analysis as needed for their specific circumstances. Any alternations to the analysis must be clearly disclosed and

1 Indicate which years the balance requested for disposition pertains to (e.g. 2016, or 2016 and 2015)

2 Complete the Consumption Data Table for consumption (unadjusted for the loss factor) for each year that is being requested for disposition. The data should agree to the RRR data reported,

3 GA Billing Rate

- Indicate the GA rate that is used to bill customers (also used for unbilled revenue) in the drop down box. Note that the "Other" rate is to represent a combination of the first estimate, second estimate and/or actual rate.
- In the GA Billing Rate Description textbox, provide a description of the GA billing rate that is used, i.e. first estimate, second estimate, or actual. Explain how the GA billing rate is determined for billing cycles that span more than one load month. Confirm that the GA rate that is used is applied consistently for all billing and unbilled revenue transactions for non-RPP Class B customers in each customer class.\* In addition, where the same GA rate is not used for non-RPP Class B customers in all customer classes, explain what GA rate is applied to each customer class.
- Where a distributor does not apply the same GA rate to all non-RPP Class B customers, the distributor must adapt the GA Analysis for this and breakdown the monthly non-RPP Class B volumes for each GA rate that was applied.

\*O.Reg 429/04, section 16(3)

Note: Distributors should create a copy of the Analysis of Expected GA Amount table in a separate tab for each year that is being requested for disposition, calculate the net change in expected GA balance in the year, determine the reconciliation adjustments (see note 6) and assess materiality for each year requested for disposition.

4 Analysis of Expected GA Amount

- The analysis calculates a balance in Account 1589 RSVA- GA that can be reasonably expected. Distributors are charged by the IESO on a calendar/load month basis at the actual GA rate for relevant volumes each month. The methodology used in the GA Analysis is based on the calendar/load month consumption from revenue amounts (derived from billed and unbilled consumption). This is done by taking the billed kWh volumes (which would not be expected to align with the calendar/load month) and deducting the unbilled kWh consumption from the prior month and adding the unbilled kWh consumption of the current month. This approach to calculating monthly kWh volumes is used to represent calendar/load month consumption.
- Once calendar/load month kWh volumes are determined, the monthly GA rate(s) used to bill non-RPP Class B customers for each month as posted by the IESO can be multiplied by the consumption to determine expected GA revenue amounts. Therefore, a blended GA rate will not be required as the kWh volumes for revenues have been approximated on a calendar/load month basis as well. The expected GA revenues can then be compared to the actual GA rate charged by the IESO for each month multiplied by the consumption to determine a balance that can be expected in Account 1589 RSVA-GA.
- This methodology expects volume differences would not be significant. However, if unbilled consumption is not estimated with adequate precision by a distributor, this could impact the expected balance in Account 1589 RSVA-GA, which may have to be considered in the analysis by the distributor.
- Note that distributors who have more precise monthly kWh volume data available based on allocation of billing data by calendar/load month may propose to use this data in the GA Analysis to calculate the expected GA balance. However, any such methodology that differs from the one described above must be disclosed and explained.

- Column F :* The consumption column is for monthly non-RPP Class B (loss adjusted) consumption billed. Total annual consumption is expected to differ from the Consumption Data Table (note 2) by the loss factor. Utilities are expected to ensure that the difference in consumption between that in column F and the Consumption Data Table are reasonable.
- Column G, H :* Prior month unbilled consumption is to be deducted and current month unbilled consumption is to be added. Note that monthly non-RPP Class B unbilled consumption may not be readily available and may require estimates or allocations to be done.
- Column J :* Fill in the GA rate billed by linking the cells to the applicable cells in the GA Rates Per IESO Website Table.
- Column L :* Fill in the actual GA rate paid by linking the cells to the applicable cells in the GA Rates Per IESO Website Table.

## 5 Reconciling Items

Enter the net change in principal balance in the GL. This will equal to the transactions recorded in the account for the year. If multiple years are requested for disposition, the sum of the net changes in principal balance will equal the cumulative principal balance requested for disposition.

The purpose of this section is to ensure that reconciling items have been appropriately factored into the GA Analysis. Reconciling items must be considered for each year requested for disposition.

For each reconciling item, indicate whether the item is a reconciling item to the utility's specific circumstances using the column "Applicability of Reconciling Item". Explain how each item applies or does not apply as a reconciling item. Assess if each reconciling item is significant, if so they must be quantified.

Reconciling items may include:

- 1) Impacts to GA from RPP settlement true up amounts  
Note that effective May 23, 2017, per the OEB's letter titled *Guidance on Disposition of Accounts 1588 and 1589*, applicants must reflect RPP Settlement true-up claims pertaining to the period that is being requested for disposition in Account 1588 and Account 1589. This would include true ups to the pro-ration of the GA charge based on RPP vs. non-RPP volumes, true up of GA accrual expense to the actual expense per invoice.
  - a. Prior year impacts should be removed,
  - b. Current year impacts should be added.
- 2) Unbilled revenue differences between the unbilled and actual billed amounts, which could relate to rate used or consumption volumes  
  
Analyses may have to be performed to identify the portion of the billed amounts that corresponded to the amount that was unbilled and recorded in the general ledger.
  - a. Prior year end unbilled revenue differences should be removed,
  - b. Current year end unbilled revenue differences should be added.
- 3) Accrual to actual differences in long term load transfers  
Amounts pertaining to load transfers may be unknown at the end of the year and therefore, are accrued based on an estimate. A true-up to actuals would then be done in the following year. Note that per the December 21, 2015 Distribution System Code Amendment, all load transfer arrangements shall be eliminated by transferring the load transfer customers to the physical distributor by June 21, 2017.
  - a. Prior year end differences should be removed
  - b. Current year end differences should be added.
- 4) GA balances pertaining to Class A customers must be excluded from the GA balance as the GA balance should only relate to Class B.  
Transactions pertaining to Class A customers are recorded in Account 1589 RSVA-GA and should net to zero. However, there may be balances pertaining to Class A included in the account at the end of the year due to timing issues. For example, a balance pertaining to Class A customers may exist if revenues are not accrued on the same basis as expenses.  
If any such balances pertaining to Class A exist, the distributor must also ensure that these amounts are excluded from the Account 1589 RSVA-GA balance requested for disposition.
- 5) Significant prior period billing adjustments  
Cancel and rebills for billing adjustments may be recorded in the current year revenue GL balance but would not be included in the current year consumption charged by the IESO.
- 6) Differences in GA IESO posted rate and rate charged on IESO invoice  
If there are any differences between the GA IESO posted rate used in the Analysis of Expected GA Amount table above (note 4) and the GA rate that is actually charged per a distributor's invoice for non-RPP volumes Class B, the impact of this may need to be quantified. The monthly difference in rate should be multiplied by non-RPP Class B volumes.
- 7-10) Any other items that cause differences between the expected GA amount and the GA recorded in the general ledger.  
Any remaining unreconciled balance that is greater than +/- 1% of the GA payments to the IESO annually must be analyzed and investigated to identify any additional reconciling items or to identify corrections to the balance requested for disposition.

## 6 Materiality Threshold

The net change in principal balance in the GL should be summed with the reconciling items to determine the adjusted net change in principal balance in the GL. This amount will be compared to the expected net change in the principal balance as calculated in the Analysis of Expected GA Amount table (note 4). The difference between the two will be compared to the annual GA payments to the IESO. If the difference is greater than +/-1%, then distributors may reassess the reconciling items to determine if there are additional reconciling items that could impact the difference.



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# GA Analysis Workform

**Update from July 20th DVA workform version:**  
 -Cells C87,D87,E87, H87 - name of cells updated for cell reference  
 -Cells F88 to F91 and G88 to G91 - formula of cells updated

## Account 1589 Global Adjustment (GA) Analysis Workform

Input cells  
 Drop down cells

Note 1	Year(s) Requested for Disposition		2015	
Note 2	Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)			
	Year	2015		
	Total Metered excluding WMP	C = A+B	669,387,527	kWh 100%
	RPP	A	422,114,959	kWh 63.1%
	Non RPP	B = D+E	247,272,568	kWh 36.9%
	Non-RPP Class A	D	-	kWh 0.0%
	Non-RPP Class B*	E	247,272,568	kWh 36.9%
	*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.			
Note 3	GA Billing Rate			
	GA is billed on the		1st Estimate	
	GA Billing Rate Description			
	GA Billing Rate is billed based off the 1st estimate. To determine the GA billing rate for billing cycles that span more than one load month, PUC has implemented specific billing codes for each month of the year which is assigned the GA rate for the respective month. The consumption in the billing cycle is prorated between the two months based on the number of days in each month. This consumption is then multiplied by the GA rate attached to each month's billing code. This method is used consistently across all customer classes.			
Note 4	Analysis of Expected GA Amount			
	Year	2015		
	Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)
		F	G	H
				I = F-G+H
				J
				K = I*J
				L
				M = I*L
				=M-K
	January	22,791,492		22,791,492
	February	22,099,897		22,099,897
	March	24,590,727		24,590,727
	April	20,482,691		20,482,691
	May	20,786,848		20,786,848
	June	19,501,865		19,501,865
	July	21,437,271		21,437,271
	August	21,617,221		21,617,221
	September	21,340,889		21,340,889
	October	20,869,341		20,869,341
	November	20,956,545		20,956,545
	December	22,052,806		22,052,806
	Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	258,527,591	-	-
				258,527,591
				\$ 19,852,458
				\$ 20,292,502
				\$ 440,044
Note 5	Reconciling Items			
	Item	Applicability of Reconciling Item (Y/N)	Amount (Quantity if it is a significant reconciling item)	Explanation
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)		\$ 177,382	
	Remove impacts to GA from prior year RPP Settlement true up process that are booked in current year	N		

20,115,120.00  
 262,662.24

1b	Add impacts to GA from current year RPP Settlement true up process that are booked in subsequent year	N		
2a	Remove prior year end unbilled to actual revenue differences	Y	\$ 202,395	2014 unbilled revenue variance as compared to actual (billed in 2015)
2b	Add current year end unbilled to actual revenue differences	Y	\$ 65,330	2015 unbilled estimate revenue variance as compared to actual (billed in 2016)
3a	Remove difference between prior year accrual to forecast from long term load transfers	N		
3b	Add difference between current year accrual to forecast from long term load transfers	N		
4	Remove GA balances pertaining to Class A customers	N		
5	Significant prior period billing adjustments included in current year GL balance but would not be included in the billing consumption used in the GA Analysis	N		
6	Differences in GA IESO posted rate and rate charged on IESO invoice	N		
7				
8				
9				
10				

Note 6	Adjusted Net Change in Principal Balance in the GL	\$ 445,108
	Net Change in Expected GA Balance in the Year Per Analysis	\$ 440,044
	Unresolved Difference	\$ 5,064
	Unresolved Difference as % of Expected GA Payments to IESO	0.0%

Note 1	Year(s) Requested for Disposition	2016
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Note 2 Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)

Year		2015		
Total Metered excluding WMP	C = A+B	637,462,404	kWh	100%
RPP	A	394,497,102	kWh	58.9%
Non RPP	B = D+E	242,965,301	kWh	36.3%
Non-RPP Class A	D		kWh	0.0%
Non-RPP Class B*	E	242,965,301	kWh	36.3%

\*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 GA Billing Rate

GA is billed on the	1st Estimate
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#### GA Billing Rate Description

GA Billing Rate is billed based off the 1st estimate. To determine the GA billing rate for billing cycles that span more than one load month, PUC has implemented specific billing codes for each month of the year which is assigned the GA rate for the respective month. The consumption in the billing cycle is prorated between the two months based on the number of days in each month. This consumption is then multiplied by the GA rate attached to each month's billing code. This method is used consistently across all customer classes.

Note 4 Analysis of Expected GA Amount

Year	2015								
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed (\$/kWh)	\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	=M-K
January	23,126,332			23,126,332	0.08423	\$ 1,947,931	0.09179	\$ 2,122,766	\$ 174,835
February	21,808,625			21,808,625	0.10384	\$ 2,264,608	0.09851	\$ 2,148,368	\$ 116,240
March	23,458,608			23,458,608	0.09022	\$ 2,116,436	0.10610	\$ 2,488,958	\$ 372,523
April	18,885,805			18,885,805	0.12115	\$ 2,288,015	0.11132	\$ 2,102,368	\$ 185,647
May	20,820,225			20,820,225	0.10405	\$ 2,166,344	0.10749	\$ 2,237,966	\$ 71,622
June	21,117,537			21,117,537	0.11650	\$ 2,460,193	0.09545	\$ 2,015,669	\$ 444,524
July	20,559,715			20,559,715	0.07667	\$ 1,576,313	0.08306	\$ 1,707,690	\$ 131,377
August	22,633,496			22,633,496	0.08569	\$ 1,939,464	0.07103	\$ 1,607,657	\$ 331,807
September	20,917,154			20,917,154	0.07060	\$ 1,476,751	0.09531	\$ 1,993,614	\$ 516,863
October	19,296,231			19,296,231	0.09720	\$ 1,875,594	0.11226	\$ 2,166,195	\$ 290,601
November	20,671,466			20,671,466	0.12271	\$ 2,536,596	0.11109	\$ 2,296,393	\$ 240,202
December	22,627,347			22,627,347	0.10594	\$ 2,397,141	0.08708	\$ 1,970,389	\$ 426,752
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	255,922,541	-	-	255,922,541		\$ 25,045,386		\$ 24,858,033	\$ 187,353

Note 5 **Reconciling Items**

	Item	Applicability of Reconciling Item (Y/N)	Amount (Quantity if it is a significant reconciling item)	Explanation
<b>Net Change in Principal Balance in the GL (i.e. Transactions in the Year)</b>			<b>-\$ 103,639</b>	
1a	Remove impacts to GA from prior year RPP Settlement true up process that are booked in current year	N		
1b	Add impacts to GA from current year RPP Settlement true up process that are booked in subsequent year	N		
2a	Remove prior year end unbilled to actual revenue differences	Y	-\$ 65,330	2015 unbilled revenue variance as compared to actual (billed in 2016)
2b	Add current year end unbilled to actual revenue differences	Y	\$ -	2016 unbilled revenue calculation used actual billing data (i.e. there is no variance)
3a	Remove difference between prior year accrual to forecast from long term load transfers	N		
3b	Add difference between current year accrual to forecast from long term load transfers	N		
4	Remove GA balances pertaining to Class A customers	N		
5	Significant prior period billing adjustments included in current year GL balance but would not be included in the billing consumption used in the GA Analysis	N		
6	Differences in GA IESO posted rate and rate charged on IESO invoice	N		
7				
8				
9				
10				

Note 6	Adjusted Net Change in Principal Balance in the GL	-\$ 168,969
	Net Change in Expected GA Balance in the Year Per Analysis	-\$ 187,353
	Unresolved Difference	\$ 18,384
	Unresolved Difference as % of Expected GA Payments to IESO	0.1%

Note 7 **Summary of GA (if multiple years requested for disposition)**

Year	Annual Net Change in Expected GA Balance from GA Analysis (cell K59)	Net Change in Principal Balance in the GL (cell D65)	Reconciling Items (sum of cells D66 to D78)	Adjusted Net Change in Principal Balance in the GL	Unresolved Difference	Payments to IESO (cell J59)	Unresolved Difference as % of Expected GA Payments to IESO
2015	\$ 440,044	\$ 177,382	\$ 267,726	\$ 445,108	\$ 5,064	\$ 20,292,502	0.0%
2016	-\$ 187,353	-\$ 103,639	-\$ 65,330	-\$ 168,969	\$ 18,384	\$ 24,858,033	0.1%
				\$ -	\$ -		0.0%
				\$ -	\$ -		0.0%
Cumulative Balance	\$ 252,691	\$ 73,743	\$ 202,395	\$ 276,138	\$ 23,447	\$ 45,150,534.84	N/A

## APPENDIX 3

### **Certificate**

**Certificate**

I, Terry Greco, Vice President of Finance and Corporate Support of PUC Distribution Inc., certify that PUC Distribution has robust processes and internal controls in place for the preparation, review, verification and oversight of account balances being proposed for disposition in this Application.

A handwritten signature in cursive script, appearing to read "T Greco", is positioned above a horizontal line.

Terry Greco

Vice President of Finance and Corporate Support