EXHIBIT 9 – DEFERRAL AND VARIANCE ACCOUNTS

2019 Cost of Service

Lakeland Power Distribution Ltd.
EB-2018-0050

TABLE OF CONTENT

List of Figures and Tables

9.1 DEFERRAL AND VARIANCE ACCOUNTS OVERVIEW

9.1.1 OVERVIEW

The purpose of this Exhibit is to identify the variance/deferral accounts that have been used, provide the principal balance recorded in each variance/deferral account up to December 31, 2017 and derive the carrying charges on each account's balance up to and including April 30, 2019. The Exhibit also describes the methodology proposed to allocate account balances to customer classes, describe the rationale supporting the proposed disposition period, describe the proposed charge parameters and quantify the proposed rate riders that will dispose of the recorded balances.

LPDL is requesting approval for disposition of Group 1, Group 2 and Other Deferral and Variance Account ("DVAs") balances as at December 31, 2017 and the forecasted interest through April 30, 2019. LPDL is requesting disposition of Account 1576 Accounting Changes under CGAAP Amounts, which includes projected balance to December 31, 2018 plus a return on rate base in accordance with the Filing Requirements.

Table 1 below, details the balances in each of the DVA accounts proposed for disposal. All accounts are used in accordance with the Accounting Procedures Handbook ("APH") and LPDL confirms that the account balance shown at Table 1 reconciles with the trial balance reported through the Electricity Reporting and Record-Keeping Requirements ("RRR") and LPDL's Audited Financial Statements with the exception of Account 1576, described in Section 9.2.1. LPDL has not made any adjustments to DVA balances that were previously approved by the Board on a final basis in Cost of Service and/or IRM proceedings[1].

LPDL has provided the 2019_DVA_Continuity_Schedule_CoS in live excel format as well as Appendix A to this Exhibit.

[1] MFR - Statement whether any adjustments made to DVA balances previously approved by OEB on final basis; explanation, amount of adjustment and supporting documents

Group 1 and Group 2 DVA balances are proposed to be disposed of over 1 year. LPDL has followed the OEB's guidance as provided by the OEB's Electricity Distributor's Disposition of Variance Accounts Reporting Requirements Report.

LPDL is not requesting any new accounts or sub-accounts at this time.

A breakdown of energy sales and cost of power expense balances, as reported in LPDL's Audited Financial Statements, is provided in Section 9.1.5.

LPDL confirms that accrual accounting is used for all accounts as expected by the OEB.

LPDL confirms that it pro-rates the IESO Global Adjustment Charge into the RPP and non-RPP portions.

LPDL confirms that the commodity account balances proposed for disposal reflect RPP related GA amounts that have been trued up with the IESO and that GA costs allocated to non-RPP and RPP volumes are reflected in the commodity accounts in the appropriate RPP/non-RPP proportions. The GA and RPP settlement process with the IESO is discussed in more detail in Section 9.5.3 of this Exhibit.

The forecasted interest on principal DVA balances is calculated using the Board's prescribed quarterly rates as per Table 4 and has been calculated up to April 30, 2019. For the quarters that have not yet had a rate prescribed (Q1 2019 through to Q2 2019), LPDL has used the last published rate of 2.17%.

LPDL will continue or discontinue using the Group 2 and Other variance accounts on a go-forward basis as outlined in Table 8.

9.1.2 ACCOUNT BALANCES

Table 1: Deferral and Variance Account Balances for Disposition below, summarizes the principal account balances in each of the deferral and variance accounts as well as carrying charges on the balances up to April 30, 2019.

Table 1: Deferral and Variance Account Balances for Disposition

Group 1 Accounts		Principal Balance	Carrying Charges	Claim
LV Variance Account	1550	$ 422,345	$ 15,532	$ 437,877
Smart Metering Entity Charge Variance Account	1551	-$ 3,568	-$ 137	-$ 3,705
RSVA - Wholesale Market Service Charge	1580	-$ 677,599	-$ 30,199	-$ 707,798
Variance WMS – Sub-account CBR Class B	1580	-$ 19,586	-$ 594	-$ 20,180
RSVA - Retail Transmission Network Charge	1584	$ 22,889	-$ 440	$ 22,449
RSVA - Retail Transmission Connection Charge	1586	$ 156,630	$ 6,067	$ 162,697
RSVA - Power	1588	-$ 594,273	$ 60,128	-$ 534,145
RSVA - Global Adjustment	1589	$ 394,918	-$ 71,353	$ 323,565
Disposition and Recovery/Refund of Regulatory Balances (2016)[4]	1595	-$ 556,165	$ 500,047	-$ 56,118
Total Group 1 Balance		-$ 854,410	$ 479,052	-$ 375,358
Group 2 & Other Accounts				
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$ 60,768	$ 5,992	$ 66,760
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$ 3,063	$ 231	$ 3,294
Other Regulatory Assets - Sub-Account - OEB Assessment	1508	$ 42,334	$ 3,882	$ 46,216
Other Regulatory Assets - Sub-Account - TransCanada	1508	$ 2,900	$ 160	$ 3,059
Other Regulatory Assets - Sub-Account - Other [4]	1508	-$ 887	-$ 23	-$ 910
Retail Cost Variance Account - Retail	1518	$ 35,066	$ 1,938	$ 37,004
Retail Cost Variance Account - STR	1548	-$ 1,079	-$ 30	-$ 1,109
Deferred Rate Impact Amounts	1574	$ 14,467	$ 2,032	$ 16,499
RSVA - One-time	1582	-$ 5,738	$ 2,346	-$ 3,392
PILs and Tax Variance for 2006 and Subsequent Years	1592	$ 169,792	$ 4,391	$ 174,183
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	-$ 5,248	-$ 154	-$ 5,401
LRAM Variance Account	1568	$ 112,067	$ 4,656	$ 116,723
Renewable Generation Connection Capital Deferral Account[9]	1531	$ 251,933	$ 7,240	$ 259,173
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Strand	1555	-$ 1,442	$ 9,467	$ 8,025
Accounting Changes Under CGAAP Balance + Return Component[6]	1576	-$ 364,916	$ -	-$ 364,916
Total of Group 2 & Other Accounts		$ 313,080	$ 42,128	$ 355,208
Total of All Regulatory Accounts	15XX	-$ 541,330	$ 521,180	-$ 20,150

9.1.3 RECONCILIATION OF ACCOUNT BALANCES

Table 2: Difference between DVA Account Balances to RRR Filing below, reconciles the DVA account balances that were different from the 2017 RRR Filing 2.1.7, filed in April 2018, with the Continuity Schedule found in the 2019_DVA_Continuity_Schedule_CoS.

Table 2: Difference between DVA Account Balances to RRR Filing

Group 1 Accounts		Principal & Carry Charge Balance as at Dec. 31, 2017	As per RRR Filing	Variance
LV Variance Account	1550	$ 594,221	$ 594,222	-$ 1
Smart Metering Entity Charge Variance Account	1551	-$ 4,143	-$ 4,142	-$ 1
RSVA - Wholesale Market Service Charge	1580	-$ 765,689	-$ 765,691	$ 2
Variance WMS – Sub-account CBR Class B	1580	-$ 23,080	-$ 23,078	-$ 2
RSVA - Retail Transmission Network Charge	1584	$ 200,130	$ 200,130	$ 0
RSVA - Retail Transmission Connection Charge	1586	$ 296,275	$ 296,274	$ 1
RSVA - Power	1588	-$ 517,553	-$ 517,554	$ 1
RSVA - Global Adjustment	1589	$ 309,920	$ 309,920	-$ 0
Disposition and Recovery/Refund of Regulatory Balances (2016)[4]	1595	-$ 41,736	-$ 41,736	-$ 0
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	$ 120,518	$ 120,519	-$ 1
Total Group 1 Balance		$ 168,863	$ 168,864	-$ 1
Group 2 & Other Accounts				
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition	1508	$ 65,187	$ 65,187	$ -
Other Regulatory Assets - Sub-Account - Incremental Capital Charg	1508	$ 3,215	$ 3,216	-$ 1
Other Regulatory Assets - Sub-Account - OEB Assessment	1508	$ 45,121	$ 45,122	-$ 1
Other Regulatory Assets - Sub-Account - TransCanada	1508	$ 2,984	$ 2,984	$ 0
Other Regulatory Assets - Sub-Account - Other [4]	1508	-$ 887	-$ 887	-$ 0
Retail Cost Variance Account - Retail	1518	$ 36,097	$ 36,096	$ 1
Retail Cost Variance Account - STR	1548	-$ 1,081	-$ 1,080	-$ 1
Deferred Rate Impact Amounts	1574	$ 16,125	$ 16,125	-$ 0
RSVA - One-time	1582	-$ 3,243	-$ 3,243	-$ 0
PILs and Tax Variance for 2006 and Subsequent Years	1592	$ 169,793	$ 169,793	-$ 0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	-$ 5,402	-$ 5,402	$ -
LRAM Variance Account	1568	$ 112,801	$ 112,801	-$ 0
Renewable Generation Connection Capital Deferral Account[9]	1531	$ 252,659	$ 252,661	-$ 2
Smart Meter Capital and Recovery Offset Variance - Sub-Account -	1555	$ 8,062	$ 8,062	-$ 0
Accounting Changes Under CGAAP Balance + Return Component[6]	1576	-$ 364,916	$ -	-$ 364,916
Total of Group 2 & Other Accounts		$ 336,515	$ 701,435	-$ 364,920

9.1.4 EXPLANATION OF VARIANCES TO 2.1.7 RRR BALANCES

LPDL only has one account that varies from the RRR filing of April 2018. Account 1576 Accounting Changes under CGAAP balance & return component. This is discussed in detail in Section 9.2.1 below.

9.1.5 ENERGY SALES AND COST OF POWER

The filing requirements state that a breakdown of energy sales and cost of power expenses, as reported in the 2017 audited Financial Statements is requested. The sale of energy is a flow through revenue and the cost of power is a flow through expense. LPDL has no profit or loss resulting from the flow through of energy revenues and expenses as variances are included in the RSVA balances.

Please refer to Table 3: Energy Sales and Cost of Power Expenses from Financial Statements, below for a reconciliation of the 2017 RRR 2.1.7 with the 2017 Financial Statements. [2]

Table 3: Energy Sales and Cost of Power Expenses from Financial Statements

Energy Revenues	
USoA	**2017**
4006-Residential Energy Sales	($10,203,099)
4010-Commercial Energy Sales	
4015-Industrial Energy Sales	
4020-Energy Sales to Large Users	
4025-Street Lighting Energy Sales	($114,718)
4030-Sentinel Lighting Energy Sales	($3,625)
4035-General Energy Sales	($15,222,636)
4040-Other Energy Sales to Public Authorities	
4045-Energy Sales to Railroads and Railways	
4050-Revenue Adjustment	
4055-Energy Sales for Resale	($4,697,813)
4060-Interdepartmental Energy Sales	
4062-Billed WMS	($1,246,880)
4064-Billed One-Time	
4066-Billed NW	($1,396,346)
4068-Billed CN	($1,139,022)
4071-Charges – Smart Metering Entity Charge	
4075-Billed - LV	($740,356)
4076-IESO Smart Meter Entity Billed	($124,772)
Total Energy Revenues	**($34,889,267)**

Cost of Power Expenses

[2] MFR - Breakdown of energy sales and cost of power by USoA - as reported in AFS mapped and reconciled to USoA. Provide explanation if making a profit or loss on commodity.

USoA	**2017**
4705-Power Purchased	$17,922,134
4707-Global Adjustment	$12,319,757
4708-Charges-WMS	$1,246,880
4710-Cost of Power Adjustments	
4712-Charges-One-Time	
4714-Charges-NW	$1,396,346
4715-System Control and Load Dispatching	
4716-Charges-CN	$1,139,022
4720-Other Expenses	
4725-Competition Transition Expense	
4730-Rural Rate Assistance Expense	
4750-Charges - LV	$740,356
4751-IESO Smart Meter Entity Expenses	$124,772
Total Energy Purchases	**$34,889,268**
Net Energy Revenues and Energy Purchases	**$0**

Reconciliation of Energy Revenues and Purchases to Audited Financial Statements

Energy Sales	
As per RRR	($34,889,267)
Movement in Regulatory Variance Accounts	($722,179)
As per Audited Financial Statements	($35,611,446)
Energy Purchases	
As per RRR	$34,889,268
Movement in Regulatory Variance Accounts	$516,311
As per Audited Financial Statements	$35,405,579
Net movement in Regulatory Variance Accounts	($205,868)

As can be seen in the comparison above, there is no difference between energy sales and cost of power expense reported numbers. LPDL confirms that this is the case for all historical years as well.

9.1.6 INTEREST RATES APPLIED

Table 4: Interest Rates Applied to Deferral and Variance Accounts (%), below provides the interest rates by quarter that are applied to calculate actual and forecast carrying charges for each regulatory and variance account. [3]

Table 4: Interest Rates Applied to Deferral and Variance Accounts (%)

Period	Interest Rate	Period	Interest Rate
Q1 2011 (Actual)	1.47%	Q1 2016 (Actual)	1.10%
Q2 2011 (Actual)	1.47%	Q2 2016 (Actual)	1.10%
Q3 2011 (Actual)	1.47%	Q3 2016 (Actual)	1.10%
Q4 2011 (Actual)	1.47%	Q4 2016 (Actual)	1.10%
Q1 2012 (Actual)	1.47%	Q1 2017 (Actual)	1.10%
Q2 2012 (Actual)	1.47%	Q2 2017 (Actual)	1.10%
Q3 2012 (Actual)	1.47%	Q3 2017 (Actual)	1.10%
Q4 2012 (Actual)	1.47%	Q4 2017 (Actual)	1.50%
Q1 2013 (Actual)	1.47%	Q1 2018 (Actual)	1.50%
Q2 2013 (Actual)	1.47%	Q2 2018(Actual)	1.89%
Q3 2013 (Actual)	1.47%	Q3 2018 (Actual)	1.89%
Q4 2013 (Actual)	1.47%	Q4 2018 (Actual)	2.17%
Q1 2014 (Actual)	1.47%	Q1 2019 (Estimate)	2.17%
Q2 2014 (Actual)	1.47%	Q2 2019(Estimate)	2.17%
Q3 2014 (Actual)	1.47%		
Q4 2014 (Actual)	1.47%		
Q1 2015 (Actual)	1.47%		
Q2 2015 (Actual)	1.10%		
Q3 2015 (Actual)	1.10%		
Q4 2015 (Actual)	1.10%		

[3] MFR - Confirm use of interest rates established by the OEB by month or by quarter for each year

9.2 TRANSITION TO MODIFIED IFRS

9.2.1 ACCOUNT 1576, ACCOUNTING CHANGES UNDER CGAAP

As described in Exhibit 2, in accordance with the Board's letter dated July 12, 2012, each of the former LPDL and PSP adopted capitalization and depreciation policies under CGAAP that were compliant with IFRS.

The former LPDL adopted the required accounting changes for depreciation and capitalization policies on January 1, 2012 and were included in the 2013 CoS as well as a comparison using MIFRS. There were no differences between MIFRS and Revised CGAAP therefore Account 1575 was not required.

The former PSP adopted the required accounting changes for depreciation and capitalization on January 1, 2013. The former PSP did not set up the difference between the depreciation in its last CoS versus the depreciation calculated under the revised useful lives. LPDL has completed Appendix 2-EC in order to calculate the amount that should be in Account 1576. For ease of explanation, the full amount including the calculated value for 2018 as well as the return component is shown in Table 5: Appendix 2-EC – Calculation of Account 1576, for the variance determination. LPDL is seeking to dispose of $365,471 (credit), which represents the projected balance to December 31, 2018 plus a return on rate base. This amount will be properly recorded in Account 1576 in 2018 as per the accounting guidance in the July 2012 *Accounting Procedures Handbook – Frequently Asked Questions#2*.

1

Table 5: Appendix 2-EC – Calculation of Account 1576

Reporting Basis	Prior Years Rebasing	2013	2014	2015	2016	2017	2018 Rebasing Year
	CGAAP	CGAAP	CGAAP	MIFRS - Note 5	MIFRS	MIFRS	MIFRS
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
		$	$		$		
PP&E Values under former CGAAP							
Opening net PP&E - Note 1		3,992,115	5,035,770	4,656,698	4,156,594	3,782,897	3,465,128
Net Additions - Note 4		1,568,014	116,399	0	0	0	0
Net Depreciation (amounts should be negative) - Note 4		-524,360	-495,471	-500,104	-373,697	-317,769	-253,682
Closing net PP&E (1)		5,035,770	4,656,698	4,156,594	3,782,897	3,465,128	3,211,446
PP&E Values under revised CGAAP (Starts from 2012)							
Opening net PP&E - Note 1		3,992,115	5,165,231	4,930,010	4,574,878	4,227,090	3,881,923
Net Additions - Note 4		1,568,014	116,399	0	0	0	0
Net Depreciation (amounts should be negative) - Note 4		-394,899	-351,620	-355,132	-347,788	-345,167	-323,829
Closing net PP&E (2)		5,165,231	4,930,010	4,574,878	4,227,090	3,881,923	3,558,094
Difference in Closing net PP&E, former CGAAP vs. revised CGAAP		-129,461	-273,312	-418,284	-444,193	-416,795	-346,648

Effect on Deferral and Variance Account Rate Riders				
Closing balance in Account 1576	-	346,648	**WACC**	5.43%
Return on Rate Base Associated with Account 1576 balance at WACC - Note 2	-	18,823	**# of years of rate rider disposition period**	1
Amount included in Deferral and Variance Account Rate Rider Calculation	-	365,471		

2

9.2.2 ACCOUNT 1575, IFRS-CGAAP TRANSITIONAL PP&E AMOUNTS

LPDL did not use Account 1575; as explained in the 2013 CoS application, LPDL changed the useful lives with no other changes in the Capitalization policy. The adoption of new useful lives coincided with the 2013 CoS application and therefore eliminated the need for this account. LPDL nor the former PSP capitalized any overhead costs or had capitalized any interest. Therefore, no changes to cost allocation methodologies were required with the conversion to IFRS.

9.2.3 ONE-TIME INCREMENTAL IFRS COSTS

LPDL has recorded its incremental IFRS costs in this account beginning in 2009. LPDL's application for 2019 rates is being filed under IFRS and as such, the utility has completed its transition to IFRS with the official financial statements using IFRS.

LPDL is requesting disposition of $66,659 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

All costs included in the account are fully incremental and LPDL does not have any IFRS transition costs approved in its current rate structure. All costs in the account are one-time costs related directly to the IFRS project.

The one-time costs associated with the transition to IFRS were in relation to a preliminary analysis performed by BDO back between 2009 and 2014.

The analysis which was performed by BDO Canada included the following services:

- Hands on Assistance: Property, Plant & Equipment ("PP&E") Analysis
- Identify material PP&E accounts and perform the following analysis:
    - Identification of any components which require separate accounting
    - Analysis of original cost and accumulated depreciation under CGAAP vs. IFRS
    - Establish estimates for assets in field on January 1, 2011
    - Assess the remaining useful lives of assets

- Analyze depreciation under CGAAP vs IFRS
- Assistance with changes to existing PP&E processes

- Analysis of accounting for the following additional items:
  - Regulatory Assets & Liabilities
  - Overhead & Burdens
  - Borrowing Costs
  - Customer Contributions
  - AROs
  - Computer Software/Land Rights
  - Impairment of Assets

LPDL confirms that no "one-time" administrative incremental IFRS transition costs are embedded in the proposed 2019 revenue requirement.

The October 2009 APH FAQ #3 regarding costs that are permitted to be recorded in the Account 1508 Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account and Account 1508 Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account, states the following:

"The costs authorized for recording in the deferral or variance account referenced in the answers to questions 1 and 2 above shall be incremental one-time administrative costs caused by the transition of accounting policies, procedures, systems and processes to IFRS. The incremental costs eligible for inclusion in these accounts may include professional accounting and legal fees, salaries, wages and benefits of staff added to support the transition to IFRS and associated staff training and development costs.

These accounts are exclusively for necessary, incremental transition costs and shall not include ongoing IFRS compliance costs or impacts arising from adopting accounting policy changes that reflect changes in the timing of the recognition of income. The incremental costs in these accounts shall not include costs related to system upgrades, or replacements or changes

where IFRS was not the major reason for conversion. In addition, incremental IFRS costs shall not include capital assets or expenditures.

The costs recorded in these accounts will be subject to a prudence review before disposition. The criteria of materiality, causation and prudence will be considered at the time of proposed disposition. Only costs that are clearly driven by the necessity of transitioning to IFRS, and are genuinely incremental to costs that would have been otherwise incurred, will be considered for approval for recovery in rates.

The transition to IFRS is effective for fiscal year-ends beginning on or after January 1, 2011. Accordingly, incremental transition costs incurred after the beginning of the year of adoption are expected to be minimal."

LPDL's costs associated to the conversion to IFRS relate solely to professional accounting, such as preparation of position papers for conversion, and as such meet the criterions of the APH.

LPDL notes that no material variances in excess of the materiality threshold have been recorded in 1508 Other Regulatory Assets, sub-account IFRS Transition Costs Variance account. LPDL also notes that no capital costs, ongoing IFRS compliance costs, or impacts arising from adopting accounting policy changes are recorded in Account 1508 Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account or Account 1508 Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account.

With the adoption of IFRS in 2015, LPDL is not planning on using this account once its disposition is complete. This statement is based on the utility's best known information at the time of the application.

OEB Appendix 2-YA of the OEB 2018_Filing_Requirements_Chapter2_Appendices is presented as Table 6.

1

Table 6: Appendix 2-YA - One-Time Incremental IFRS Transition Costs

Appendix 2-YA

One-Time Incremental IFRS Transition Costs

The following table should be completed based on the information requested below. An explanation should be provided for any blank entries. The entries should include one-time incremental IFRS transition costs that are currently included in Account 1508, Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account, or Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account.

Nature of One-Time Incremental IFRS Transition Costs [1]		Audited Actual Costs Incurred 2012	Audited Actual Costs Incurred 2013	Audited Actual Costs Incurred 2014	Audited Actual Costs Incurred 2015	Audited Carrying Charges To December 31, 2017	Forecasted Costs 2018	Forecasted Costs 2019 [3]	Carrying Charges January 1, 2018 to April 30, 2019 (As appropriate)	Total Costs and Carrying Charges	Reasons why the costs recorded meet the criteria of one-time IFRS administrative incremental costs
Professional accounting fees		71,058	(10,000)			4,419			1,472	66,659	Consultants Fees related to IFRS Conversion
Professional legal fees										$ -	
Salaries, wages and benefits of staff added to support the transition to IFRS										$ -	
Associated staff training and development costs										$ -	
Costs related to system upgrades, or replacements or changes where IFRS was the major reason for conversion										$ -	
Amounts, if any, included in previous Board approved rates (amounts should be negative) [2]										$ -	
Insert description of additional item(s) and new rows if needed.										$ -	
Total		$ 71,058	$ (10,000)		$ -	$ 4,419		$ -	$1,472	$66,659	

Note:

1 The Deferred IFRS Transition Costs Account and the IFRS Transition Costs Variance Account are exclusively for necessary, incremental transition costs and shall not include ongoing IFRS compliance costs or impacts arising from adopting accounting policy changes that reflect changes in the timing of the recognition of income. The incremental costs in these accounts shall not include costs related to system upgrades, or replacements or changes where IFRS was not the major reason for conversion. In addition, incremental IFRS costs shall not include capital assets or expenditures.

2 If there were any amounts approved in previous Board approved rates, please state the EB #:

3 Any forecasted One-time costs past 2015 should be fully explained in the application, since distributors were required to adopt IFRS or an alternative accounting standard by January 1, 2015.

9.3 DISPOSITION OF DEFERRAL & VARIANCE ACCOUNTS

9.3.1 OVERVIEW[4]

Table 7: Account and Balances sought for Disposition/Recovery below, presents the list of deferral and variance accounts, with the proposed selection of balances for disposition. All account balances selected for disposition are as at December 31, 2017, being the most recent date the balances were subject to audit and have been adjusted by projected interest for the period of January 1, 2018 to April 30, 2019.

Board policy states that, at the time of rebasing, all account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline. In accordance with the above statement, LPDL proposes to dispose of all its balances. Each account is described at Section 9.3.2. The OEB Deferral and Variance Account Excel model entitled "LPDL 2019_DVA_Continuity_Schedule_CoS" is being filed in conjunction with this application. [5]

[4] MFR - List of all outstanding DVA and sub-accounts; provide description of DVAs that were used differently than as described in the APH

[5] MFR - Completed DVA continuity schedule for period following last disposition to present - live Excel format

Table 7: Account Balances sought for Disposition/Recovery

		Amounts from Sheet 2
LV Variance Account	1550	437,877
Smart Metering Entity Charge Variance Account	1551	(3,705)
RSVA - Wholesale Market Service Charge	1580	(707,799)
RSVA - Retail Transmission Network Charge	1584	22,449
RSVA - Retail Transmission Connection Charge	1586	162,697
RSVA - Power (excluding Global Adjustment)	1588	(534,146)
RSVA - Global Adjustment	1589	237,873
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(56,117)
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0
Total of Group 1 Accounts (excluding 1589)		**(678,744)**
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	66,758
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	3,295
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litig	1508	(909)
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	46,216
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	3,060
Retail Cost Variance Account - Retail	1518	37,004
Misc. Deferred Debits	1525	0
Retail Cost Variance Account - STR	1548	(1,108)
Board-Approved CDM Variance Account	1567	0
Extra-Ordinary Event Costs	1572	0
Deferred Rate Impact Amounts	1574	16,499
RSVA - One-time	1582	(3,392)
Other Deferred Credits	2425	0
Total of Group 2 Accounts		**167,423**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	174,184
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	(5,538)
Total of Account 1592		**168,646**
LRAM Variance Account **(Enter dollar amount for each class)**	1568	**116,724**
(Account 1568 - total amount allocated to classes)		116,724
Variance		**(0)**
Renewable Generation Connection OM&A Deferral Account	1532	**0**
Variance WMS - Sub-account CBR Class B (separate rate rider if no Class A Customers)	**1580**	**(15,270)**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		**566,905**
Total of Account 1580 and 1588 (not allocated to WMPs)		**(1,241,944)**
Balance of Account 1589 Allocated to Non-WMPs		**237,873**
Group 2 Accounts (including 1592, 1532)		**336,069**
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0
Accounting Changes Under CGAAP Balance + Return Component	1576	(364,916)
Total Balance Allocated to each class for Accounts 1575 and 1576		**(364,916)**

Account 1589 reference calculation by customer and consumption	
Account 1589 / Number of Customers	$19.69
1589/total kwh	$0.0012

9.3.2 GROUP ONE ACCOUNT ANALYSIS

Group 1 Accounts

All accounts in Group 1 are used in accordance with the APH. For definitions of each account listed below, please refer to the APH using the following link:

http://www.ontarioenergyboard.ca/oeb/_Documents/Regulatory/Accounting_Procedures_Handbook_Elec_Distributors.pdf

1550 – LV Variance Account

For account 1550, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a debit of $437,877.

1551 – Smart Metering Entity Charge Variance Account

For Account 1551, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a credit of $(3,705).

1580 – Retail Settlement Variance Account – Wholesale Market Service Charges ("RSVA WMS")[6]

For Account 1580, LPDL is requesting disposition of a portion of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

[6] MFR - Proposed disposition of Account 1580 sub-account CBR Class B in accordance with the CBR Accounting Guidance. In the DVA continuity schedule, applicants must indicate whether they serve any Class A customers. Account 1580 sub-account CBR Class A is not to be disposed through rates proceedings but rather follow the OEB's accounting guidance.

The balance requested for disposal, including carrying charges to April 30, 2019, is a credit of $(727,978). This amount is broken down between RSVA-Wholesale Market Service Charge of a credit of $(707,799) and Variance WMS-Sub-account CBR Class B of a credit of $(20,179). For customers transitioning to Class A from Class B, the calculation in Table 15 was completed to determine their portion of the Total CBR Class B Balance. The results were that $(4,910) is proposed to be returned to transitioning customers and $(15,270) to current Class B customers. The credit of $15,270 did not produce a rate rider in one or more classes. LPDL is requesting that the entire CBR Class B amount of $(20,148) be transferred into account 1595 for disposition at a later date.

LPDL confirms that it has followed the Accounting Guidance on Capacity Based Recovery (previously called Capacity Based Demand Response) issued on July 25, 2017 which describes the accounting treatment for Class A and Class B customers.

1584 – Retail Settlement Variance Account – Retail Transmission Network Charges ("RSVA-NW")

For account 1584, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a debit of $22,449.

1586 – Retail Settlement Variance Account – Retail Transmission Connection Charges ("RSVA-CN")

For Account 1586, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a debit of $162,697.

1588 – Retail Settlement Variance Account – Power ("RSVA-POWER")

For Account 1588, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a credit of $(534,146).

1589 – Retail Settlement Variance Account – Global Adjustment ("RSVA-GA")

For Account 1589, LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a debit of $323,564. This amount is broken down between customers transitioning to Class A from Class B, and those remaining in Class B. The calculation was completed to determine their portion of the Total GA Balance. The results were that $85,691 is proposed to be returned to transitioning customers and $237,873 to current Class B customers

1595 – Disposition and Recovery/Refund of Regulatory Balances (2012)

No disposition required.

1595 – Disposition and Recovery/Refund of Regulatory Balances (2013)

No disposition required.

1595 – Disposition and Recovery/Refund of Regulatory Balances (2015)

No disposition required.

1595 – Disposition and Recovery/Refund of Regulatory Balances (2016)

For Account 1595 – Disposition and Refund of Regulatory Balances (2016), LPDL is requesting disposition of the December 31, 2017 audited balance. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

The balance requested for disposal, including carrying charges to April 30, 2019, is a credit of $56,118.

As this is a request for final disposition of a residual balance for vintage Account 1595 (2016), OEB Account 1595 Workform has been completed, as shown in Table 8 below and in Appendix B. The live Excel version will be filed separately.

Table 8: 1595 Analysis Workform

Components of the 1595 Account Balances:		Principal Balance Approved for Disposition	Carrying Charges Balance Approved for Disposition	Total Balances Approved for Disposition	Rate Rider Amounts Collected/Returned	Residual Balances Pertaining to Principal and Carrying Charges Approved for Disposition	Carrying Charges Recorded on Net Principal Account Balances	Total Residual Balances	Collections/Returns Variance (%)
Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment		-$1,173,295	$519,876	-$653,419	-$624,365	-$29,054	-$30,772	**-$59,825**	**4.4%**
Account 1589 - Global Adjustment		$339,407	$6,077	$345,484	$346,642	-$1,158	$4,865	**$3,707**	**-0.3%**
Total Group 1 and Group 2 Balances		-$833,888	$525,953	-$307,935	-$277,723	-$30,212	-$25,906	**-$56,118**	**9.8%**

1595 – Disposition and Recovery/Refund of Regulatory Balances (2017)

No disposition requested at this time.

9.3.3 GROUP TWO & OTHER ACCOUNT CONTINUANCE/DISCONTINUANCE

Group 2 & Other Accounts

Table 9: Group 2 Continuance / Discontinuance below, lists all Group 2 accounts and whether LPDL proposes to continue or discontinue each account on a going-forward basis. LPDL has only included those Group 2 accounts that have balances as of 2018 Bridge Year.[7]

[7] MFR - Identification of Group 2 accounts that will continue/discontinue going forward, with explanation

Table 9: Group 2 Continuance / Discontinuance

Account Description	USoA	Continue / Discontinue	Explanation
Other Regulatory Assets	1508	Continue	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	Discontinue	LPDL is seeking recovery in this application, IFRS effective 2015
Other Regulatory Assets - Sub-Account – Incremental Capital Charges	1508	Continue	On-going use
Other Regulatory Assets - Sub-Account – Late Payment Penalty Litigation	1508	Continue	On-going use
Other Regulatory Assets - Sub-Account – OEB Assessment	1508	Continue	On-going use
Other Regulatory Assets - Sub-Account – Trans Canada Pipelines – Energy East	1508	Discontinue	LPDL is seeking recovery in this application
Retail Cost Variance Account - Retail	1518	Continue	On-going use
Miscellaneous Deferred Debits	1525	Continue	On-going use
Renewable Generation Connection Capital Deferral Account9	1532	Continue	On-going use
Renewable Generation Connection OM&A Deferral Account[9]	1532	Continue	On-going use
Renewable Generation Connection Funding Adder Deferral Account	1533	Continue	On-going use
Smart Grid Caital Deferral Account	1534	Continue	On-going use
Smart Grid OM&A Deferral Account	1535	Continue	On-going use
Smart Grid Funding Adder Deferral Account	1536	Continue	On-going use
Retail Cost Variance Account - STR	1548	Continue	On-going use
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[5]	1555	Discontinue	LPDL is not seeking recovery and will write-off balance of $8,053
Board-Approved CDM Program Variance Account	1567	Continue	On-going use
LRAM Variance Account[12]	1568	Continue	On-going use
Extra-Ordinary Event Costs	1572	Continue	On-going use
Deferred Rate Impact Amounts	1574	Continue	On-going use
PILs and Tax Variance for 2006 and Subsequent Years	1592	Continue	On-going use

9.3.4 GROUP TWO & OTHER ACCOUNT ANALYSIS

Group 2 & Other Accounts

1508 – Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs[8].

As described in Section 9.2.3, LPDL is requesting disposition of $66,758 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

All costs included in the account are fully incremental and LPDL does not have any IFRS transition costs approved in its current rate structure. All costs in the account are one-time costs related directly to the IFRS project.

LPDL's costs associated to the conversion to IFRS relate solely to professional accounting, such as preparation of position papers for conversion, and as such meet the criterions of the APH.

LPDL notes that no material variances in excess of the materiality threshold have been recorded in 1508 Other Regulatory Assets, sub-account IFRS Transition Costs Variance account. LPDL also notes that no capital costs, ongoing IFRS compliance costs, or impacts arising from adopting accounting policy changes are recorded in Account 1508 Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account or Account 1508 Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account.

[8] MFR - Request for disposition of Account 1508 sub-account IFRS Transition Costs if balances are still in account and not previously requested for disposition:
- completed Appendix 2-YA
-statement whether any one time IFRS transition costs are embedded in 2017 revenue requirement, where and why it is embedded, and the quantum
-explanation for material variances in Account 1508 sub-account IFRS Transition Costs Variance
- explanation on why costs incurred after adoption of IFRS, if any, and the nature of the costs
- statement that no capital costs, ongoing IFRS compliance costs are recorded in 1508 sub-account; provide explanation if this is not the case.

With the adoption of IFRS in 2015, LPDL is not planning on using this account once its disposition is complete. This statement is based on the utility's best known information at the time of the application.

1508 - Other Regulatory Assets - Sub-Account – Incremental Capital Charge

LPDL is requesting disposition of $3,295 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account contains the incremental capital charges from Hydro One.

LPDL has complied with the directions as provided by the OEB.

1508 - Other Regulatory Assets - Sub-Account – Late Payment Penalty Litigation

LPDL is requesting disposition of $(909) including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account contains the residual balance regarding the costs associated with the Late Payment litigation.

LPDL has complied with the directions as provided by the OEB.

1508 - Other Regulatory Assets - Sub-Account – OEB Annual Assessment

LPDL is requesting disposition of $46,216 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

A letter was received from the OEB dated April 1, 2016 regarding "Regulated Entities Subject to the OEB's Cost Assessment Model ("CAM"); this letter refers to the OEB letter of February 9, 2016 stating that "the following variance account has been setup for electricity distributors and transmitters to record any material differences between OEB cost assessments currently built into rates and cost assessments that will result from the application of the new CAM. Account 1508 Other Regulatory Assets, Sub-account OEB Cost Assessment Variance and Note: the offsetting entry to this account shall be to Account 5655, Regulatory Expenses".

This account will remain as on-going for 2018 to record variances in CAM.

1508 - Other Regulatory Assets - Sub-Account – Other-Trans Canada Pipelines – Energy East

LPDL is requesting disposition of $3,060 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

In a letter from the OEB, dated June 13, 2014, regarding "Board Costs Associated with Consultations on TransCanada PipeLines Limited's Proposed Energy East Pipeline Project Board File No.: EB-2013-0398, the Board has established the following deferral account to record the Energy East consultation costs allocated by the Board to rate-regulated electricity distributors: Account 1508 Other Regulatory Assets, Sub-Account Energy East Consultations Costs."

LPDL has complied with the directions as provided by the OEB.

(Accounts 1518 & 1548 are addressed in the next section).

1574 – Deferred Rate Impact Amounts – Sub-Account 2011 Deferred Revenues

LPDL is requesting disposition of $16,499 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account was established in accordance with the OEB guidelines as provided in the APH-FAQs date October 2009 and per Board issued guidelines: Deemed Conditions of Licence: Distribution System Planning (G-2009-0087).

This amount consists of a principal amount of $14,467 and carrying charges of $2,032 for deferred revenue amounts regarding Residential and GS <50 kW classes from a rate mitigation rate rider as per the decision in EB-2010-0140, PSP's last Cost of Service application.

1582 – RSVA – One Time

LPDL is requesting disposition of $(3,392) including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account was established to record the net of the amount charged by IESO for Wholesale Market Service (WMS) not incorporated into the WMS rate and the amount billed to customers for the same services.

LPDL confirms that it has followed Article 490 of the Accounting Procedures Handbook

1592 – PILs and Tax Variances for 2006 and Subsequent Years

LPDL is requesting disposition of $168,646, including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account was established to record tax differences arising from changes in legislation or tax assessment. During former PSP EB-2012-0229, a PILs rate rider was established to return to customers the balance in Account 1562 over a 14 month period. The return to customers was over returned by $169,295. In addition, LPDL had a remaining balance from the disposition of Account 1592 involving sub-account HST Input Tax credits of $(5,538).

1531 – Renewable Generation – Capital Costs

LPDL will be requesting a disposition of $259,174, including carry charges to April 30, 2019 under a separate application along with future REG investments. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

This account was established to record the investment made by the utility in order to facilitate renewable generation connection for both its ratepayers as well as the province. Further discussion can be found in Exhibit 2 as well as OEB Appendices 2-FA, 2-FB and 2-FC that outline the costs as well as the Provincial Rate Protection.

9.3.5 RETAIL SERVICE CHARGES

1518 - Retail Cost Variance Account – Retail

LPDL is requesting disposition of $37,004 including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

With respect to Account 1518, LPDL confirms that the account has been used to record the net of revenues, including accruals, derived from establishing service agreements, distributor-consolidated billing and retailer-consolidated billing. Account 1518 also includes the costs of entering into Service Agreements, and related contract administration, monitoring, and other expenses necessary to maintain the contract, as well the incremental costs incurred to provide the services related to distributor-consolidated billing, and retailer-consolidated billing. The account also includes the cost of labour, internal information system maintenance costs, and delivery cost related to the provision of the services associated with the previous mentioned services as well as those for STR.

LPDL confirms that it has followed Article 490 of the APH.

1548 - Retail Cost Variance Account - STR

LPDL is requesting disposition of $(1,108) including carrying charges to April 30, 2019. The December 31, 2017 audited balance reconciles with filing 2.1.7 of the RRR.

With respect to Account 1548, LPDL confirms that the amount has been used to record the revenues derived, including accruals, from the Service Transaction Request services and charged by the distributor in the form of: Request fee, processing fee, information request fee, default fee, and other associated fees. Costs related to these services are captured in Account 5340 which was offset into Account 1518.

LPDL confirms that it has followed Article 490 of the Accounting Procedures Handbook.

Table 10 below outlines the revenues and costs that were the drivers for the balances in Accounts 1518 and 1548.

Table 10: Schedule of Revenue & Expense for Account 1518 & 1548

1518 & 1548 Regulatory Costs	USoA Account	2012	2013	2014	2015	2016	2017	Balance
Revenue	4082	-$ 13,321	-$ 11,638	$ 2,508	-$ 13,364	-$ 11,574	-$ 10,877	
EBT Hub Connector Annual Maintenance Total	5340	$ 433	$ 358	$ 286	$ 286	$ 257	$ 279	
Retailer Processing - Hub Service Fee Total	5340	$ 479	$ 257	$ 335	$ 275	$ 183	$ 175	
Settlement Total	5340	$ 19,006	$ 15,254	$ 14,093	$ 14,202	$ 12,782	$ 13,779	
Bank Service Charges Total		$ 177	$ 180	$ 149	$ 106	$ -	$ -	
Net to 1518	1518	**$ 6,773**	**$ 4,413**	**$ 17,370**	**$ 1,505**	**$ 1,648**	**$ 3,357**	**$ 35,066**
Revenue		-$ 282	-$ 219	-$ 28	-$ 242	-$ 198	-$ 109	
Expense								
Net to 1548	1548	**-$ 282**	**-$ 219**	**-$ 28**	**-$ 242**	**-$ 198**	**-$ 109**	**-$ 1,078**

9.4 DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS – RATE RIDER CALCULATION

9.4.1 DVA BALANCES

Table 11: DVA Balances Sought for Disposition below, presents the list of deferral and variance accounts, with the proposed selection of balances for disposition. All account balances selected for disposition are as at December 31, 2017 being the most recent date the balances were subject to audit.

Board policy states: at the time of rebasing, all account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline. In accordance with the above statement, LPDL proposes to dispose of all its balances listed in the table below.

LPDL confirms that amounts in the in the DVA model and being requested for disposal balances with the amounts reported in the RRR filing.[9]

The 2019_DVA_Continuity_Schedule detailing each account is being filed in conjunction with this application.[10]

[9] MFR - Provide an explanation of variance > 5% between amounts proposed for disposition and amounts reported in RRR for each account.

[10] MFR - Identify all accounts for which LDC is seeking disposition; identify DVA for which LDC is not proposing disposition and the reasons why

Table 11: DVA Balances Sought for Disposition

		Amounts from Sheet 2
LV Variance Account	1550	437,877
Smart Metering Entity Charge Variance Account	1551	(3,705)
RSVA - Wholesale Market Service Charge	1580	(707,799)
RSVA - Retail Transmission Network Charge	1584	22,449
RSVA - Retail Transmission Connection Charge	1586	162,697
RSVA - Power (excluding Global Adjustment)	1588	(534,146)
RSVA - Global Adjustment	1589	237,873
Disposition and Recovery/Refund of Regulatory Balances (2012)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2015)	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	(56,117)
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0
Total of Group 1 Accounts (excluding 1589)		**(678,744)**
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	66,758
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	3,295
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litiga	1508	(909)
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	46,216
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	3,060
Retail Cost Variance Account - Retail	1518	37,004
Misc. Deferred Debits	1525	0
Retail Cost Variance Account - STR	1548	(1,108)
Board-Approved CDM Variance Account	1567	0
Extra-Ordinary Event Costs	1572	0
Deferred Rate Impact Amounts	1574	16,499
RSVA - One-time	1582	(3,392)
Other Deferred Credits	2425	0
Total of Group 2 Accounts		**167,423**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	174,184
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	(5,538)
Total of Account 1592		**168,646**
LRAM Variance Account **(Enter dollar amount for each class)**	1568	**116,724**
(Account 1568 - total amount allocated to classes)		116,724
Variance		**(0)**
Renewable Generation Connection OM&A Deferral Account	1532	**0**
Variance WMS - Sub-account CBR Class B (separate rate rider if no Class A Customers)	**1580**	**(15,270)**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		**566,905**
Total of Account 1580 and 1588 (not allocated to WMPs)		**(1,241,944)**
Balance of Account 1589 Allocated to Non-WMPs		**237,873**
Group 2 Accounts (including 1592, 1532)		**336,069**
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	0
Accounting Changes Under CGAAP Balance + Return Component	1576	(364,916)
Total Balance Allocated to each class for Accounts 1575 and 1576		**(364,916)**

Account 1589 reference calculation by customer and consumption	
Account 1589 / Number of Customers	$19.69
1589/total kwh	$0.0012

LPDL confirms that all balances proposed for disposition are consistent with the last Audited Financial Statements, with the exception of Account 1576 as discussed in Section 9.2.1. Therefore, no further explanations for any variances are required.[11] [12]

9.4.2 CALCULATION OF RATE RIDER

LPDL notes that all relevant calculations are embedded in the 2019_DVA_Continuity_Schedule_CoS OEB provided model and Table 12 below outlines the respective rate riders.

As noted in Exhibit 8, LPDL is seeking to harmonize its rates for the former LPDL and former PSP service areas, so that all LPDL customers will be subject to a single Schedule of Rates and Charges. As part of this harmonization, LPDL also seeks to dispose of all Group 1, Group 2 and Other deferral variance accounts on a harmonized basis, effective May 1, 2019. LPDL believes the harmonized DVA disposition allows for a much less complex tariff sheet for ease of understanding by its customers, settlement with the IESO is already harmonized in the monthly settlement, and harmonization will reduce the administrative time spent on separating DVAs during the reconciliation process. Effective January 1, 2019, LPDL proposes that future dispositions of all DVAs be accounted for and completed on a consolidated basis.

The 2019 DVA model ensures that LPDL's Market Participant ("WMS") account in the GS 50-4,999 kW class is only allocated to accounts to which they contributed to the variance.

LPDL is proposing to dispose of these balances over a period of one year. The rate rider calculations are calculated in the OEB's DVA model. The rate riders are reproduced at the next page. [13]

[11] MFR - Statement whether DVA balances before forecasted interest match the last AFS; explain any variances

[12] MFR - Provide explanations if variances are < 5% threshold if the variances in question relate to: (1) matters of principle (i.e. conformance with the APH or prior OEB decisions, and prior period adjustments); and/or, (2) the cumulative effect of immaterial differences over several accounts total to a material difference between what is proposed for disposition in total before forecasted interest and what is recorded in the RRR filings

The following explains the recovery for each grouping in accordance with both the minimum filing requirements and Rate Design Policy.[14]

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

- Rate riders for Group 1 Deferral / Variance Accounts Balances excluding Global Adj. is to be calculated on the basis of kWh/KW for all classes.

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.) - NON-WMP

- Not applicable.

Rate Rider Calculation for Account 1580, sub-account CBR Class B

- The rate rider for this Account is calculated on the basis of kWh/kW. The amount being requested for disposition does not produce a rate rider. LPDL requests that the entire balance is transferred into Account 1595 for disposition at a later date..

Rate Rider Calculation for RSVA - Power - Global Adjustment

- Rate riders for RSVA Power-Global Adjustment is to be calculated on the basis of kWh for all classes. There is no rate rider for Sentinel Lighting class as it does not have any customers that are Non-RPP.

Rate Rider Calculation for Group 2 Accounts and Account 1576

- As per the Board's letter issued July 16, 2015 outlining details regarding the implementation of the transition to fully fixed distribution charges for Residential

[13] MFR - Propose rate riders for recovery or refund of balances that are proposed for disposition. The default disposition period is one year; if the applicant is proposing an alternative recovery period must provide explanation.
[14] MFR - Propose charge type (fixed or variable) for recovery purposes in accordance with Rate Design Policy

customers, Residential rates for Group 2 Accounts are to be on a per customer basis. The rate riders for other classes are on the basis of kWh or kW as appropriate.

Rate Rider Calculation for Accounts 1568

- The rate rider for Account 1568 was determined based on the class allocation from the LRAMVA model which is discussed in Exhibit 4, Section 4.11.2, provided in Appendix K in Exhibit 4 and filed as a live Excel model.

Table 12: Deferral and Variance Rate Riders[15]

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

1550, 1551, 1584, 1586, 1595, 1580 and 1588 per instructions

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	103,566,100	-$ 259,819	- **0.0002**
GS <50 KW	kWh	58,157,023	-$ 145,302	- **0.0002**
GS 50 TO 4,999 KW	kW	276,220	-$ 281,601	- **0.0850**
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 415	- **0.0002**
SENTINEL LIGHTING	kW	119	-$ 109	- **0.0763**
STREET LIGHTING	kW	3,183	-$ 3,064	- **0.0802**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**-$ 690,310**	

Rate Rider Calculation for Account 1580, sub-account CBR Class B

1580, Sub-account CBR Class B

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Sub-account 1580 CBR Class B Balance	0	Revised Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	103,566,100	-$ 6,761	-	$ -
GS <50 KW	kWh	58,157,023	-$ 3,796	-	$ -
GS 50 TO 4,999 KW	kW	276,220	-$ 4,624	-	$ -
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 11	-	$ -
SENTINEL LIGHTING	kW	119	-$ 3	-	$ -
STREET LIGHTING	kW	3,183	-$ 75	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
Total			**-$ 15,270**		

[15] MFR - Show relevant calculations: rationale for allocation of each account, proposed billing determinants

Rate Rider Calculation for RSVA - Power - Global Adjustment

Balance of Account 1589 Allocated to Non-WMPs

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
RESIDENTIAL	kWh	3,706,241	$ 10,647	**0.0002**
GS <50 KW	kWh	9,634,990	$ 27,678	**0.0002**
GS 50 TO 4,999 KW	kWh	68,976,622	$ 198,149	**0.0002**
UNMETERED SCATTERED LOAD	kWh	600	$ 2	**0.0002**
SENTINEL LIGHTING	kWh	-	$ -	**-**
STREET LIGHTING	kWh	486,273	$ 1,397	**0.0002**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
Total			**$ 237,873**	

Rate Rider Calculation for Group 2 Accounts

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
RESIDENTIAL	# of Customers	11,208	$ 125,777	**$ 0.08**
GS <50 KW	kWh	58,157,023	$ 70,630	**$ 0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	$ 138,006	**$ 0.0416**
UNMETERED SCATTERED LOAD	kWh	166,068	$ 202	**$ 0.0001**
SENTINEL LIGHTING	**kW**	119	$ 52	**$ 0.0364**
STREET LIGHTING	**kW**	3,183	$ 1,402	**$ 0.0367**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
Total			**$ 336,069**	

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in months) | **12**

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Accounts 1575 and 1576 Balances	Rate Rider for Accounts 1575 and 1576
RESIDENTIAL	# of Customers	11,208	-$ 136,574	- **0.0846**
GS <50 KW	kWh	58,157,023	-$ 76,692	- **0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	-$ 149,852	- **0.0452**
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 219	- **0.0001**
SENTINEL LIGHTING	**kW**	119	-$ 56	- **0.0395**
STREET LIGHTING	**kW**	3,183	-$ 1,523	- **0.0399**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**-$ 364,916**	

Rate Rider Calculation for Accounts 1568

Please indicate the Rate Rider Recovery Period (in months) | **12**

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
RESIDENTIAL	# of Customers	11,208	$ 2,726	**0.0017**
GS <50 KW	kWh	58,157,023	$ 103,445	**0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	$ 10,959	**0.0033**
UNMETERED SCATTERED LOAD	kWh	166,068	$ 659	**0.0003**
SENTINEL LIGHTING	**kW**	119	-$ 179	- **0.1254**
STREET LIGHTING	**kW**	3,183	-$ 886	- **0.0232**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**$ 116,724**	

9.5 GLOBAL ADJUSTMENT

9.5.1 PRO-RATA OF GLOBAL ADJUSTMENT INTO RPP/NON-RPP[16] [17]

LPDL confirms that it pro-rated the IESO GA Charge into the RPP and non-RPP portions and that GA is only being applied to customers that are non-RPP. LPDL maintains a database which splits the Global Adjustment between the amounts belonging to the RPP customers versus the amount belonging to the non-RPP customers. This has been done in order to determine the portion belonging to the Account 1588 – RSVA – Power (excluding Global Adjustment) and Account 1589 – RSVA – Global Adjustment.

The proration of the monthly GA amount in the database is based on the RPP versus non-RPP kWh quantities submitted on the monthly IESO settlement reports. This allows for effective splitting of Account 1589 Global Adjustment variance account from the Account 1588 Cost of Power variance account.

9.5.2 DERIVATION AND CALCULATION OF THE GA RATE RIDER

LPDL confirms that as of December 31, 2017, LPDL had 5 Class A customers. These customers transitioned from Class B to Class A July 1, 2017 and their respective information can be found in Table 13. LPDL has therefore completed Tab 5.1 Class A Consumption Data and Tab 5.2 GA Allocation in the DVA model. Table 14: Allocation of Total GA Balance to Class A/B Transition Customers (Tab 6.1a) which illustrates a summary of the number and consumption of Class A customers that transitioned between Class A and Class B during 2017.

[16] MFR - Statement confirming that IESO GA charge is pro-rated into RPP and non-RPP; provide explanation if not pro-rated.
[17] MFR - Establishment of a separate rate rider included in the delivery component of the bill that would apply prospectively to Non-RPP customers when clearing balances from the GA Variance Account

Table 13: Summary Information For Class B customers transitioning to Class A

TOTAL CUSTOMERS	Customer class	Consumption Jan - Jun 2017 - Class B (kWh)	Consumption Jul-Dec 2017 - Class A (kWh)
Customer 1	GS >50 kW	6,052,537.25	6,338,754.91
Customer 2	GS >50 kW	5,890,611.00	6,435,056.80
Customer 3	GS >50 kW	2,708,682.19	2,404,081.30
Customer 4	GS >50 kW	2,627,841.31	2,624,719.86
Customer 5	GS >50 kW	3,672,396.02	4,048,004.58
		20,952,067.78	21,850,617.45

LPDL has followed Tab 6.1a GA Allocation for determining the allocation and disposition of the GA Balances to Class A/B Transition Customers. As such $ 85,691 will be charged to these customers over 12 equal monthly payments (see Table 14)

Table 14: Allocation of Total GA Balance to Class A/B Transition Customers (Tab 6.1a)

Allocation of total Non-RPP Consumption (kWh) between Current Class B and Class A/B Transition Customers

		Total	2017	2016	2015
Total Class B Consumption for Years During Balance Accumulation (Non-RPP Consumption LESS WMP Consumption and Consumption for Class A customers who were Class A for partial and full year)	A	382,450,009	125,607,411	125,619,150	131,223,448
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	101,285,683	20,952,068	40,170,056	40,163,559
Transition Customers' Portion of Total Consumption	C=B/A	**26.48%**			

Allocation of Total GA Balance $

Total GA Balance	D	$	323,564
Transition Customers Portion of GA Balance	E=C*D	$	85,691
GA Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	$	237,873

Allocation of GA Balances to Class A/B Transition Customers

# of Class A/B Transition Customers		5						
Customer		Total Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2017	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2016	Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2015	% of kWh	Customer Specific GA Allocation During the Period They Were a Class B customer	Monthly Equal Payments
Customer 1		27,303,759	6,052,537	11,421,778	9,829,444	26.96%	$ 23,100	$ 1,925
Customer 2		28,991,938	5,890,611	10,455,538	12,645,789	28.62%	$ 24,528	$ 2,044
Customer 3		13,398,169	2,708,682	5,588,889	5,100,598	13.23%	$ 11,335	$ 945
Customer 4		12,221,168	2,627,841	4,865,735	4,727,592	12.07%	$ 10,339	$ 862
Customer 5		19,370,648	3,672,396	7,838,116	7,860,136	19.12%	$ 16,388	$ 1,366
TOTAL		**101,285,683**	**20,952,068**	**40,170,056**	**40,163,559**	**100.00%**	**$ 85,691**	**$ 7,141**

LPDL has followed Tab 6.2a CBR B Allocation for determining the allocation and disposition of the WMS Sub account CBR Class B to Class A/B Transition Customers as shown in Table 15. As there was no rate rider calculated for the balance of the CBR Class B, LPDL is requesting that the full balance of $(20,180) be transferred to Account 1595 for future disposition.

Table 15: Allocation of Portion of CBR Class B to Class A/B Transition Customers (Tab 6.2a)

Allocation of total Consumption (kWh) between Class B and Class A/B Transition Customers

		Total	2017	2016	2015
Total Class B Consumption for Years During Balance Accumulation (Total Consumption Less WMP Consumption and Consumption for Class A who were Class A for the full year)	A	251,226,561	125,607,411	125,619,150	131,223,448
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	61,122,124	20,952,068	40,170,056	40,163,559
Transition Customers' Portion of Total Consumption	C=B/A	24.33%	104,655,343	85,449,094	91,059,889

Allocation of Total CBR Class B Balance $

Total CBR Class B Balance	D	-$ 20,180
Transition Customers Portion of CBR Class B Balance	E=D*C	-$ 4,910
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	-$ 15,270

Allocation of CBR Class B Balances to Transition Customers

# of Class A/B Transition Customers		5						
Customer		**Total Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers in 2017**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers 2016**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers 2015**	**% of kWh**	**Customer Specific CBR Class B Allocation During the Period They Were a Class B Customer**	**Monthly Equal Payments**
Customer 1		17,474,315	6,052,537	11,421,778	9,829,444	28.59%	-$ 1,404	-$ 117
Customer 2		16,346,149	5,890,611	10,455,538	12,645,789	26.74%	-$ 1,313	-$ 109
Customer 3		8,297,571	2,708,682	5,588,889	5,100,598	13.58%	-$ 667	-$ 56
Customer 4		7,493,576	2,627,841	4,865,735	4,727,592	12.26%	-$ 602	-$ 50
Customer 5		11,510,512	3,672,396	7,838,116	7,860,136	18.83%	-$ 925	-$ 77
Total		**61,122,124**	**20,952,068**	**40,170,056**	**40,163,559**	100.00%	**-$ 4,910**	**-$ 409**

The 2019 DVA model ensures that LPDL's Market Participant ("WMP") account in the GS 50-4,999 kW class is only allocated to accounts to which they contributed to the variance.[18] LPDL confirms that it does not have any Wholesale Market Participants in 2017.

9.5.3 GLOBAL ADJUSTMENT AND THE IESO SETTLEMENT PROCESS[19]

The manner in which LPDL settles with the IESO depends on the following: (i) whether the customer is a Regulated Price Plan ("RPP") consumer; and (ii) whether the customer is a Class A or Class B consumer. It is not dependent on the rate class.

LPDL has not changed its GA process since it completed the OEB's Global Adjustment questionnaire in early 2016 and since it also reported its process as part of its 2018 IRM.

LPDL has completed the GA Analysis Workform and corresponding GA Methodology Description (Appendix C) and submitted the workform in live Excel. The GA workform has been completed for 2015-2017 and each years unresolved difference is less than the =/- 1% threshold, deemed immaterial.

LPDL's process can be summarized as follows.[20]

> LPDL has five Class A customers which qualified for the Industrial Conservation Initiative (ICI) effective July 1, 2017. On an annual basis, the average monthly peak demand for all GS>50 kW customers is reviewed to determine if any customers qualify as a Class A customer for the next ICI adjustment period. For its Class B customers, LPDL confirms customer eligibility for the RPP as prescribed in Ontario Regulation 95/05 through monthly bill testing and upon

[18] MFR - Establish separate rate riders to recover balances in the RSVA's from Market Participants who must not be allocated the RSVA balances related to charges for which the MP's settle directly with the IESO.
[19] MFR - Description of settlement process with IESO or host distributor, specify GA rate used for each rate class, itemize process for providing estimates and describe true-up process, details of method for estimating RPP and non-RPP consumption, treatment of embedded generation/distribution.
[20] MFR - Indicate whether a Class B customer switched to Class A during the 2015 rate year in DVA Continuity Schedule

set up: Residential and GS<50 kW customers are eligible unless enrolled with a retailer; GS>50 kW customers that are residential complexes/condo properties are eligible and must self-declare the number of units. For GS>50 kW customers not otherwise eligible and using at least 150,000 kWh but no more than 250,000 kWh per year, LPDL reviews the general service accounts annually to determine low volume status based on the most recent calendar year. The accounts are reviewed and changes are signed off by the billing manager to take effect in the next billing period. If a customer enrolls with a retailer, the billing system flags the account to exclude it from the RPP settlement process. Any customers enrolled with a retailer or paying HOEP and not a Class A customer, pay Class B GA and are charged the GA 1st estimate rate on their monthly invoice.

LPDL confirms that this GA rate is applied consistently for all billing and unbilled revenue transactions for all non-RPP Class B customers in all rate classes.

LPDL uses the GA 2nd estimate rate posted on the IESO website for the settlement month and GA Actual Rate posted on the IESO website for the annual reconciliation. The variance is recorded and reflected in RSVA GA 1589 on a monthly basis and reported to the OEB quarterly.

When completing the monthly submission via the IESO Portal, LPDL uses a bottom up approach. LPDL utilizes a monthly reconciliation process based on, estimates for RPP and actual metered data on time of use, to determine the initial submission. LPDL validates the above with a top down approach by comparing the Net System Load Shape provided by our third-party meter management vendor, Utilismart, and then deducts the non-RPP data, gathered from our billing system, to validate the RPP volume. This volume is multiplied by the GA 2nd estimate and these values are submitted by the 4th business day of the following month to the IESO. Once the GA actual rate is released and verified on the IESO monthly invoice, LPDL updates their spreadsheet that was

used for the IESO submission and submits the adjustment on the following month's submission. This process is then reconciled and trued-up using actual data on a quarterly/annual basis to ensure the accuracy of the submission is maintained on a regular basis. LPDL also uses a bottom up approach to complete the annual reconciliation, by using actual RPP volume and the GA Actual rate. Any difference is accrued into the appropriate fiscal year and settled in the month when the reconciliation is complete.

As part of the monthly submission to the IESO, LPDL also submits the actual month's volume that LPDL purchased from all embedded generators. LPDL also submits the actual month's volume of Class A customer usage. The Embedded Generation and Class A customer actual usage are retrieved from Utilismart.

LPDL confirms that it has no embedded distribution customers.

In terms of Control and Oversight, LPDL follows a substantive approach using reconciliation procedures to ensure accuracy and completeness for the settlement submission process where possible. In addition, LPDL does regular bill testing for each class of customer, recalculates the various charges based on approved rates and ensures all correct general ledger accounts are used.

In regards to LPDL's description of its final accounting practices relating to transactions recorded in commodity accounts 1588 and 1589, please refer to the *Appendix A – GA Methodology Description questionnaire,* that has been completed and forms part of Appendix C of this Exhibit.

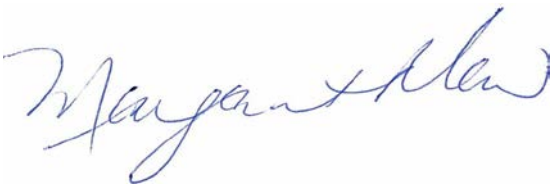
9.6 OTHER RATE RIDERS INCLUDING NEW RATE RIDERS

9.6.1 REQUEST FOR NEW VARIANCE ACCOUNT

LPDL is not requesting any new accounts or sub-accounts at this time. LPDL will continue to monitor OEB directives and implement new accounts as set out by the OEB and identified in the Accounting Procedures Handbook or other sources of information as required complying with regulation. [21] [22]

9.7 CERTIFICATION

I certify that LPDL has processes and internal controls now in place for the preparation, review, verification and oversight of the account balances being disposed of, consistent with the certification requirements in Chapter 1 of the filing requirements.



_____

Margaret Maw, CPA, CGA

Chief Financial Officer

Lakeland Power Distribution Ltd.

[21] MFR - Statement as to any new accounts, and justification.

[22] MFR - New DVA - information provided which addresses that the requested DVA meets the following criteria: causation, materiality, prudence; include draft accounting order.

APPENDICES

Appendix A	Continuity Schedule of Group 1 and Group 2 DVAs
Appendix B	1595 Analysis Workform
Appendix C	GA Workform and Appendix A Methodology questionaire

Ontario Energy Board

2019 Deferral/Variance Account Workform

Utility Name	Lakeland Power Distribution Ltd.
Service Territory	
Assigned EB Number	EB-2018-0050
Name of Contact and Title	Margaret Maw, CFO
Phone Number	705-789-5442
Email Address	mmaw@lakelandholding.com

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.

Ontario Energy Board

2019 Deferral/Variance Account Workform

Instructions

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	Complete the DVA continuity schedule. 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 2018 rate application, DVA balances as at December 31, 2016 were approved for disposition, start the continuity schedule from 2016 by entering the closing 2015 balances in the Adjustments column under 2015. 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, 2017 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 (2015) would have information starting in 2015, when the relevant balances approved for disposition were first transferred into Account 1595 (2015). The DVA continuity schedule currently starts from 2012, if a utility has an Account 1595 with a vintage year prior to 2012, then a separate schedule should be provided starting from the vintage year.
		2a	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 2015 balances in the 2017 rate application, current balance requested for disposition accumulated from 2016 to 2017), check off the checkbox in cell BS13. If the checkbox is not checked off, then proceed to tabs 3 to 7 and complete the tabs accordingly. If the checkbox is checked off, tab 6 relating to Class A customer consumption will be generated, see step 7 to 10 below for further details. If the checkbox in step 2a is checked off, another checkbox will pop up to the right of the previous 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 (e.g. 2016, 2017 or 2016 & 2017), check off the checkbox. 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. If the checkbox is checked off, then tab 6.2 will be generated. This tab will calculate the billing determinants applicable to Account 1580 sub-account CBR Class B, using information inputted in tab 6. See step 12 below for further details. The CBR Class B balance will be allocated in tab 6.2a and the rate rider will be calculated in tab 7.
		2b	Enter the number of utility-specific 1508 sub-accounts that are approved for the utility in the textbox in cell B71. 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.
3. Appendix A	This tab shows the year end balance variances between the continuity schedule	3	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.	4	Complete the billing determinants table. Note that columns O and P are generated when a utility indicates they have Class A customers in tab 2a. Information in these columns are populated based on data from tab 6
5 - Allocating Def-Var Balances	This tab allocates the DVA balance (except for CBR Class B if Class A customers exist).	5	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 6 to 6.2a have been completed.
		6	This tab is generated when the utility checks in tab 2a. that they have Class A customers during the period that the GA balance accumulated. Under #1, enter the year for which the Account 1589 GA balance was last disposed.

6 - Class A Data Consumption	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 CBR Class B balance accumulated. The tab also considers Class A/B transition customers. The data on this tab is used for the 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).	7	Under #2a, indicate whether you had any customers that transitioned between Class A and B during the period the Account 1589 GA balance accumulated. If no, proceed to #3b in step 9. If yes, #2b and tab 6.1a. will be generated. Proceed to #2b. 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. If no, proceed to #3a in step 8. If yes, tab 6.2a. will be generated. Proceed to #3a in step 8.
		8	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 6.1a. and 6.2a., respectively. Each transition customer identified in tab 6, table 3a will be assigned a customer number and the number will correspond to the same transition customers populated in tabs 6.1a. and 6.2a. The data in tab 6 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.
		9	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.
6.1a. - 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).	10	This tab is generated when the utility indicates that they have transition customers in tab 6, #2a during the period when the GA balance accumulated. 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). 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 7.
6.2 - 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.	11	This tab is generated when the utility checks in tab 2a. that they have Class A customers during the period that Account 1580, sub-account CBR Class B balance accumulated. 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.
6.2a - 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).	12	This tab is generated when the utility indicates that they have transition customers in tab 6, #2b during the period where the CBR Class B balance accumulated. In B16 select the year when the balance in CBR Class B was last disposed. 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 eiher partial or full year). 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 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. Any transition customer who is allocated a specific CBR Class B amount is not to be charged the general CBR Class B rate rider.
7 - Calculation of Def-Var RR	This tab calculates all the applicable DVA rate riders.	13	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 .

Ontario Energy Board

2019 Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the ut
data from the year in which the GL balance was last disposed. For example, if in the 2017 r
in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting
the relevant balances approved for disposition was first transferred into Account 1595 (20
starting from the vintage year. For any new accounts that have never been disposed, start

Account Descriptions	Account Number
Group 1 Accounts	
LV Variance Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge[9]	1580
Variance WMS – Sub-account CBR Class A[9]	1580
Variance WMS – Sub-account CBR Class B[9]	1580
RSVA - Retail Transmission Network Charge	1584
RSVA - Retail Transmission Connection Charge	1586
RSVA - Power (excluding Global Adjustment)[12]	1588
RSVA - Global Adjustment [12]	1589
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595
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)	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)	
RSVA - Global Adjustment 12	**1589**

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e
figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number

Energy Board

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, 2017, regardless of whether disposition is being requested for the account. For all accounts, except for Account 1595, s 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 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 i the relevant balances approved for disposition was first transferred into Account 1595 (2014). The DVA continuity schedule currently starts from 2012, if a utility has an Account 1595 with a vintage year prior to 2012, then a separate schedule should b 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.

		2012									
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-12**	**Transactions(1) Debit / (Credit) during 2012**	**OEB-Approved Disposition during 2012**	**Principal Adjustments 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**	**Interest Adjustments(1) during 2012**	**Closing Interest Amounts as of Dec-31-12**
Group 1 Accounts											
LV Variance Account	1550					$0					$0
Smart Metering Entity Charge Variance Account	1551										
RSVA - Wholesale Market Service Charge[9]	1580					$0					$0
Variance WMS – Sub-account CBR Class A[9]	1580										
Variance WMS – Sub-account CBR Class B[9]	1580										
RSVA - Retail Transmission Network Charge	1584					$0					$0
RSVA - Retail Transmission Connection Charge	1586					$0					$0
RSVA - Power (excluding Global Adjustment)[12]	1588					$0					$0
RSVA - Global Adjustment [12]	1589					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595					$0					$0
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595					$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	$0	$0	$0	$0	$0	$0	$0	$0	$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
RSVA - Global Adjustment 12	**1589**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2012									
		Opening Principal Amounts as of Jan-1-12	Transactions(1) Debit / (Credit) during 2012	OEB-Approved Disposition during 2012	Principal Adjustments 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	Interest Adjustments(1) during 2012	Closing Interest Amounts as of Dec-31-12

Energy Board

Deferral/Variance Account Workfo

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

		2013									
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-13**	**Transactions(1) Debit / (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**
Group 1 Accounts											
LV Variance Account	1550	$0				$0	$0				$0
Smart Metering Entity Charge Variance Account	1551					$0	$0				$0
RSVA - Wholesale Market Service Charge[9]	1580	$0				$0	$0				$0
Variance WMS – Sub-account CBR Class A[9]	1580										
Variance WMS – Sub-account CBR Class B[9]	1580										
RSVA - Retail Transmission Network Charge	1584	$0				$0	$0				$0
RSVA - Retail Transmission Connection Charge	1586	$0				$0	$0				$0
RSVA - Power (excluding Global Adjustment)[12]	1588	$0				$0	$0				$0
RSVA - Global Adjustment [12]	1589	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	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)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
RSVA - Global Adjustment 12	**1589**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2013									
		Opening Principal Amounts as of Jan-1-13	Transactions(1) Debit / (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

Energy Board

Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the ut data from the year in which the GL balance was last disposed. For example, if in the 2017 in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting the relevant balances approved for disposition was first transferred into Account 1595 (20 starting from the vintage year. For any new accounts that have never been disposed, start

		2014												
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-14**	**Transactions(1) Debit / (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**	**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**
Group 1 Accounts														
LV Variance Account	1550	$0	$541,550			$541,550	$0	$13,730			$13,730	$541,550	$234,581	
Smart Metering Entity Charge Variance Account	1551	$0	$7,825			$7,825	$0	$42			$42	$7,825	-$1,313	
RSVA - Wholesale Market Service Charge[9]	1580	$0	-$1,482,828			-$1,482,828	$0	-$30,045			-$30,045	-$1,482,828	-$355,076	
Variance WMS – Sub-account CBR Class A[9]	1580													
Variance WMS – Sub-account CBR Class B[9]	1580												$19,954	
RSVA - Retail Transmission Network Charge	1584	$0	-$153,993			-$153,993	$0	-$2,260			-$2,260	-$153,993	-$5,173	
RSVA - Retail Transmission Connection Charge	1586	$0	-$97,837			-$97,837	$0	-$1,899			-$1,899	-$97,837	$66,801	
RSVA - Power (excluding Global Adjustment)[12]	1588	$0	$2,617,953			$2,617,953	$0	$125,680			$125,680	$2,617,953	-$1,999,570	
RSVA - Global Adjustment [12]	1589	$0	-$2,396,734			-$2,396,734	$0	-$115,804			-$115,804	-$2,396,734	$3,267,222	
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595	$0	-$37,770			-$37,770	$0	$21,044			$21,044	-$37,770		
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595	$0	-$455,098			-$455,098	$0	$512,324			$512,324	-$455,098	-$98	
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595	$0				$0	$0				$0	$0		
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595	$0				$0	$0				$0	$0		
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595	$0				$0	$0				$0	$0		
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595	$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	-$1,456,932	$0	$0	-$1,456,932	$0	$522,812	$0	$0	$522,812	-$1,456,932	$1,227,327	$0
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		$0	$939,802	$0	$0	$939,802	$0	$638,616	$0	$0	$638,616	$939,802	-$2,039,895	$0
RSVA - Global Adjustment 12	**1589**	$0	-$2,396,734	$0	$0	-$2,396,734	$0	-$115,804	$0	$0	-$115,804	-$2,396,734	$3,267,222	$0

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e figure and credit balance are to have a negative figure) as per the related OEB decision.

		2014												
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-14	Transactions(1) Debit / (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	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

Energy Board

Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the ut
data from the year in which the GL balance was last disposed. For example, if in the 2017
in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting
the relevant balances approved for disposition was first transferred into Account 1595 (20
starting from the vintage year. For any new accounts that have never been disposed, start

		2015							2016						
Account Descriptions	**Account Number**	**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**
Group 1 Accounts															
LV Variance Account	1550		$776,131	$13,730	$7,332			$21,062	$776,131	$253,153	$415,993		$613,290	$21,062	$7,105
Smart Metering Entity Charge Variance Account	1551		$6,512	$42	$87			$129	$6,512	-$1,587	$5,194		-$270	$129	$24
RSVA - Wholesale Market Service Charge[9]	1580		-$1,837,904	-$30,045	-$19,699			-$49,744	-$1,837,904	-$232,997	-$1,214,969		-$855,931	-$49,744	-$13,955
Variance WMS – Sub-account CBR Class A[9]	1580		$0	$0				$0	$0	$0	$0		$0	$0	$0
Variance WMS – Sub-account CBR Class B[9]	1580		$19,954	$0	$61			$61	$19,954	-$18,484	$0		$1,470	$61	-$3
RSVA - Retail Transmission Network Charge	1584		-$159,166	-$2,260	-$2,050			-$4,310	-$159,166	$183,754	-$178,663		$203,251	-$4,310	$55
RSVA - Retail Transmission Connection Charge	1586		-$31,036	-$1,899	-$1,021			-$2,920	-$31,036	$185,255	-$72,704		$226,923	-$2,920	$1,017
RSVA - Power (excluding Global Adjustment)[12]	1588		$618,383	$125,680	-$45,256			$80,424	$618,383	$88,823	$323,618		$383,588	$80,424	$5,508
RSVA - Global Adjustment [12]	1589		$870,488	-$115,804	$42,797			-$73,007	$870,488	-$6,626	$339,407		$524,455	-$73,007	$7,672
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595		-$37,770	$21,044	-$450			$20,594	-$37,770		-$84,691		$46,921	$20,594	$206
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595		-$455,196	$512,324	-$5,550			$506,774	-$455,196		-$384,292		-$70,904	$506,774	-$1,283
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595		$0	$0				$0	$0				$0	$0	
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595		$0	$0				$0	$0				$0	$0	
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595		$0	$0				$0	$0	$135,452	$833,888		-$698,436	$0	-$5,299
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	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	-$229,605	$522,812	-$23,749	$0	$0	$499,063	-$229,605	$586,742	-$17,219	$0	$374,356	$499,063	$1,047
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		$0	-$1,100,093	$638,616	-$66,546	$0	$0	$572,070	-$1,100,093	$593,368	-$356,626	$0	-$150,098	$572,070	-$6,625
RSVA - Global Adjustment 12	**1589**	$0	$870,488	-$115,804	$42,797	$0	$0	-$73,007	$870,488	-$6,626	$339,407	$0	$524,455	-$73,007	$7,672

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e
figure and credit balance are to have a negative figure) as per the related OEB decision.

		2015							2016						
Account Descriptions	Account Number	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

Energy Board

Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the ut data from the year in which the GL balance was last disposed. For example, if in the 2017 in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting the relevant balances approved for disposition was first transferred into Account 1595 (20 starting from the vintage year. For any new accounts that have never been disposed, start

					2017										
Account Descriptions	**Account Number**	**OEB-Approved Disposition during 2016**	**Interest Adjustments(2) during 2016**	**Closing Interest Amounts as of Dec-31-16**	**Opening Principal Amounts as of Jan-1-17**	**Transactions(1) Debit / (Credit) during 2017**	**OEB-Approved Disposition during 2017**	**Principal Adjustments(2) during 2017**	**Closing Principal Balance as of Dec-31-17**	**Opening Interest Amounts as of Jan-1-17**	**Interest Jan-1 to Dec-31-17**	**OEB-Approved Disposition during 2017**	**Interest Adjustments(2) during 2017**	**Closing Interest Amounts as of Dec-31-17**	**Principal Disposition during 2018 - instructed by OEB**
Group 1 Accounts															
LV Variance Account	1550	$17,792		$10,376	$613,290	$243,644	$270,126		$586,808	$10,376	$4,628	$7,591		$7,413	$164,463
Smart Metering Entity Charge Variance Account	1551	$72		$81	-$270	-$1,640	$2,181		-$4,090	$81	-$29	$104		-$53	-$522
RSVA - Wholesale Market Service Charge[9]	1580	-$41,236		-$22,462	-$855,931	-$308,847	-$413,249		-$751,529	-$22,462	-$8,017	-$16,319		-$14,160	-$73,930
Variance WMS – Sub-account CBR Class A[9]	1580	$0		$0	$0	$0	$0		$0	$0	$0	$0		$0	$0
Variance WMS – Sub-account CBR Class B[9]	1580	$0		$58	$1,470	-$4,398	$19,954		-$22,882	$58	$25	$280		-$197	-$3,296
RSVA - Retail Transmission Network Charge	1584	-$4,860		$605	$203,251	$41,743	$46,780		$198,214	$605	$1,978	$667		$1,916	$175,325
RSVA - Retail Transmission Connection Charge	1586	-$1,837		-$66	$226,923	$66,541	$1,489		$291,975	-$66	$2,960	-$1,406		$4,299	$135,345
RSVA - Power (excluding Global Adjustment)[12]	1588	$14,697		$71,235	$383,588	-$518,910	$393,542	-$65,112	-$593,976	$71,235	$77,001	$71,814		$76,422	$297
RSVA - Global Adjustment [12]	1589	$6,077		-$71,412	$524,455	$275,994	$408,742		$391,707	-$71,412	-$81,628	-$71,253		-$81,787	-$3,211
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595	$11,495		$9,305	$46,921		$46,921		$0	$9,305		$9,304		$1	
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595	$522,623		-$17,132	-$70,904		-$70,904		$0	-$17,132		-$17,131		-$1	
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595			$0	$0				$0	$0				$0	
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595			$0	$0				$0	$0				$0	
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595	-$526,773		$521,474	-$698,436	$142,271			-$556,165	$521,474	-$7,045			$514,429	
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595			$0	$0	-$572,867	-$706,062		$133,195	$0	$3,672	$16,349		-$12,677	
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)		-$1,950	$0	$502,060	$374,356	-$636,468	-$480	-$65,112	-$326,744	$502,060	-$6,454	$0	$0	$495,605	$394,470
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		-$8,027	$0	$573,472	-$150,098	-$912,462	-$409,222	-$65,112	-$718,451	$573,472	$75,174	$71,253	$0	$577,393	$397,681
RSVA - Global Adjustment 12	**1589**	$6,077	$0	-$71,412	$524,455	$275,994	$408,742	$0	$391,707	-$71,412	-$81,628	-$71,253	$0	-$81,787	-$3,211

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2016			2017										
		OEB-Approved Disposition during 2016	Interest Adjustments(2) during 2016	Closing Interest Amounts as of Dec-31-16	Opening Principal Amounts as of Jan-1-17	Transactions(1) Debit / (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments(2) during 2017	Closing Principal Balance as of Dec-31-17	Opening Interest Amounts as of Jan-1-17	Interest Jan-1 to Dec-31-17	OEB-Approved Disposition during 2017	Interest Adjustments(2) during 2017	Closing Interest Amounts as of Dec-31-17	Principal Disposition during 2018 - instructed by OEB

Energy Board

Deferral/Variance Account Workfo

This continuity schedule must be completed for each account and sub-account that the ut data from the year in which the GL balance was last disposed. For example, if in the 2017 in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting the relevant balances approved for disposition was first transferred into Account 1595 (20 starting from the vintage year. For any new accounts that have never been disposed, start

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 2017), check off the checkbox ☑

If you had Class A customer(s) during this period, Tab 6 will be generated and applicants must complete the information pertaining to Class A customers.

If you had any customers classified as Class A at any point d where the balance in 1580 sub-account CBR Class B accum the year the balance was last disposed to 2017), check off the check ☑

If you had Class A customer(s) during this period, Tab 6.2 wil Account 1580 sub-account CBR Class B will be disposed thro rider using information in Tab 6.2.

If you only had Class B customers during this period, the bala sub-account CBR Class B will be allocated and disposed with WMS.

		2018			Projected Interest on Dec-31-17 Balances					2.1.7 RRR	
Account Descriptions	**Account Number**	**Interest Disposition during 2018 - instructed by OEB**	**Closing Principal Balances as of Dec 31-17 Adjusted for Dispositions during 2018**	**Closing Interest Balances as of Dec 31-17 Adjusted for Dispositions during 2018**	**Projected Interest from Jan 1, 2018 to December 31, 2018 on Dec 31 -17 balance adjusted for disposition during 2018 (6)**	**Projected Interest from January 1, 2019 to April 30, 2019 on Dec 31 -17 balance adjusted for disposition during 2018 (6)**	**Total Interest**	**Total Claim**		**As of Dec 31-17**	**Variance RRR vs. 2017 Balance (Principal + Interest)**
Group 1 Accounts											
LV Variance Account	1550	$2,802	$422,345	$4,611	7,866	$3,055	$15,532	$437,876.81		$594,222	$1
Smart Metering Entity Charge Variance Account	1551	-$8	-$3,568	-$45	(66)	-$26	-$137	-$3,704.60		-$4,142	$1
RSVA - Wholesale Market Service Charge[9]	1580	-$1,482	-$677,599	-$12,678	(12,620)	-$4,901	-$30,200	-$707,798.71		-$765,691	-$1
Variance WMS – Sub-account CBR Class A[9]	1580	$0	$0	$0	0	$0	$0	$0.00		$0	$0
Variance WMS – Sub-account CBR Class B[9]	1580	-$110	-$19,586	-$87	(365)	-$142	-$594	-$20,179.76		-$23,078	$1
RSVA - Retail Transmission Network Charge	1584	$2,948	$22,889	-$1,032	426	$166	-$440	$22,448.86		$200,130	$0
RSVA - Retail Transmission Connection Charge	1586	$2,283	$156,630	$2,016	2,917	$1,133	$6,067	$162,696.77		$296,274	$0
RSVA - Power (excluding Global Adjustment)[12]	1588	$928	-$594,273	$75,494	(11,068)	-$4,299	$60,128	-$534,145.67		-$517,554	$0
RSVA - Global Adjustment [12]	1589	-$222	$394,918	-$81,565	7,355	$2,857	-$71,354	$323,564.06		$309,920	$1
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595		$0	$1			$1	$0.00	Check to Dispose of Account		-$1
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595		$0	-$1			-$1	$0.00	Check to Dispose of Account		$1
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595		$0	$0			$0	$0.00	Check to Dispose of Account		$0
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595		$0	$0			$0	$0.00	Check to Dispose of Account		$0
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595		-$556,165	$514,429	(10,359)	-$4,023	$500,048	-$56,117.50	☑ Check to Dispose of Account	-$41,736	$0
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595		$133,195	-$12,677	2,481	$963	-$9,233	$0.00	Check to Dispose of Account	$120,519	$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)		$7,139	-$721,215	$488,466	-$13,433	-$5,217	$469,817	-$375,359.75		$168,865	$4
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		$7,361	-$1,116,132	$570,032	-$20,788	-$8,073	$541,171	-$698,923.81		-$141,055	$3
RSVA - Global Adjustment 12	**1589**	-$222	$394,918	-$81,565	$7,355	$2,857	-$71,354	$323,564.06		$309,920	$1
									Check to Dispose of Account		

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e figure and credit balance are to have a negative figure) as per the related OEB decision.

		2018			Projected Interest on Dec-31-17 Balances				2.1.7 RRR	
Account Descriptions	Account Number	Interest Disposition during 2018 - instructed by OEB	Closing Principal Balances as of Dec 31-17 Adjusted for Dispositions during 2018	Closing Interest Balances as of Dec 31-17 Adjusted for Dispositions during 2018	Projected Interest from Jan 1, 2018 to December 31, 2018 on Dec 31 -17 balance adjusted for disposition during 2018 (6)	Projected Interest from January 1, 2019 to April 30, 2019 on Dec 31 -17 balance adjusted for disposition during 2018 (6)	Total Interest	Total Claim	As of Dec 31-17	Variance RRR vs. 2017 Balance (Principal + Interest)

Energy Board

Deferral/Variance Account Workfo

uring the period
ulated (i.e. from
box.

l be generated.
ough a rate

nce in 1580
Account 1580

This continuity schedule must be completed for each account and sub-account that the u
data from the year in which the GL balance was last disposed. For example, if in the 2017
in the Adjustment column under 2014. For each Account 1595 sub-account, start inputting
the relevant balances approved for disposition was first transferred into Account 1595 (20
starting from the vintage year. For any new accounts that have never been disposed, start

Account Descriptions	Account Number
Group 1 Accounts	
LV Variance Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge[9]	1580
Variance WMS – Sub-account CBR Class A[9]	1580
Variance WMS – Sub-account CBR Class B[9]	1580
RSVA - Retail Transmission Network Charge	1584
RSVA - Retail Transmission Connection Charge	1586
RSVA - Power (excluding Global Adjustment)[12]	1588
RSVA - Global Adjustment [12]	1589
Disposition and Recovery/Refund of Regulatory Balances (2012)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2013)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2014)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2015)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2016)[7]	1595
Disposition and Recovery/Refund of Regulatory Balances (2017)[7]	1595
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)	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)	
RSVA - Global Adjustment 12	**1589**

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e
figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number

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 listed.

3

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 disposition in column BT.

Account Descriptions	Account Number	2012									
		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	Interest Adjustments(1) during 2012	Closing Interest Amounts as of Dec-31-12
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$61,268	$9,500			$70,768	$108	$372			$480
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508					$0					$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508					$0					$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	$9,025	-$2,936			$6,089		$264			$264
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$8,173				$8,173	$1,699	$120			$1,819
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508					$0					$0
Retail Cost Variance Account - Retail	1518		-$62,865			-$62,865		-$2,698			-$2,698
Misc. Deferred Debits	1525					$0					$0
Retail Cost Variance Account - STR	1548		$90,846			$90,846		$3,575			$3,575
Board-Approved CDM Variance Account	1567					$0					$0
Extra-Ordinary Event Costs	1572					$0					$0
Deferred Rate Impact Amounts	1574					$0					$0
RSVA - One-time	1582					$0					$0
Other Deferred Credits	2425					$0					$0
Group 2 Sub-Total			$34,545	$0	$0	$113,011	$1,807	$1,633	$0	$0	$3,440
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592		-$13,627	-$182,922		$169,295					$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592					$0					$0
LRAM Variance Account[11]	**1568**					$0					$0
Total including Account 1568			$20,918	-$182,922	$0	$282,306	$1,807	$1,633	$0	$0	$3,440
Renewable Generation Connection Capital Deferral Account[8]	1531		$243,380			$243,380					$0
Renewable Generation Connection OM&A Deferral Account[8]	1532					$0					$0
Renewable Generation Connection Funding Adder Deferral Account	1533					$0					$0
Smart Grid Capital Deferral Account	1534					$0					$0
Smart Grid OM&A Deferral Account	1535					$0					$0
Smart Grid Funding Adder Deferral Account	1536					$0					$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital[4]	1555					$0					$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555					$0					$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555					$0					$0
Smart Meter OM&A Variance[4]	1556					$0					$0
Meter Cost Deferral Account (MIST Meters)[10]	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575					$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576										

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2013									
		Opening Principal Amounts as of Jan-1-13	Transactions(1) Debit / (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
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$70,768	-$10,000			$60,768	$480	$924			$1,404
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$0	$3,063			$3,063	$0				$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0				$0	$0				$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	$6,089	-$19	$6,956		-$886	$264		$264		$0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$8,173				$8,173	$1,819	$120			$1,939
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$0				$0	$0				$0
Retail Cost Variance Account - Retail	1518	-$62,865	$17,851	-$69,638		$24,624	-$2,698	-$662	-$3,111		-$249
Misc. Deferred Debits	1525	$0				$0	$0				$0
Retail Cost Variance Account - STR	1548	$90,846	-$43	$91,127		-$324	$3,575	$538	$4,080		$33
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	$14,479			$14,479	$0	$1,153			$1,153
RSVA - One-time	1582	$0	-$5,738			-$5,738	$0	$2,247			$2,247
Other Deferred Credits	2425	$0				$0	$0				$0
Group 2 Sub-Total		$113,011	$19,593	$28,445	$0	$104,159	$3,440	$4,320	$1,233	$0	$6,527
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$169,295	$489			$169,784	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	$0	$3,442			$3,442	$0				$0
LRAM Variance Account[11]	**1568**	$0	$22,986	$5,559		$17,427	$0	$344	$109		$235
Total including Account 1568		$282,306	$46,510	$34,004	$0	$294,812	$3,440	$4,664	$1,342	$0	$6,762
Renewable Generation Connection Capital Deferral Account[8]	1531	$243,380	$3,034			$246,414	$0	$125			$125
Renewable Generation Connection OM&A Deferral Account[8]	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 OM&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[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	$0	$316,370			$316,370	$0	$3,351			$3,351
Smart Meter OM&A Variance[4]	1556	$0				$0	$0				$0
Meter Cost Deferral Account (MIST Meters)[10]	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	$0	-$129,461			-$129,461					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2014									
		Opening Principal Amounts as of Jan-1-14	Transactions(1) Debit / (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	Closing Interest Amounts as of Dec-31-14
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$60,768				$60,768	$1,404	$893			$2,297
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$3,063				$3,063	$0	$40			$40
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0				$0	$0				$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	-$886				-$886	$0				$0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$8,173				$8,173	$1,939	$120			$2,059
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$0				$0	$0				$0
Retail Cost Variance Account - Retail	1518	$24,624	$3,932			$28,556	-$249	$202			-$47
Misc. Deferred Debits	1525	$0				$0	$0				$0
Retail Cost Variance Account - STR	1548	-$324	-$204			-$528	$33	-$6			$27
Board-Approved CDM Variance Account	1567	$0				$0	$0				$0
Extra-Ordinary Event Costs	1572	$0				$0	$0				$0
Deferred Rate Impact Amounts	1574	$14,479	-$12			$14,467	$1,153	$195			$1,348
RSVA - One-time	1582	-$5,738				-$5,738	$2,247	$163			$2,410
Other Deferred Credits	2425	$0				$0	$0				$0
Group 2 Sub-Total		$104,159	$3,716	$0	$0	$107,875	$6,527	$1,607	$0	$0	$8,134
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$169,784	$9			$169,793	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	$3,442	-$8,690			-$5,248	$0	$30			$30
LRAM Variance Account[11]	**1568**	$17,427				$17,427	$235	$146			$381
Total including Account 1568		$294,812	-$4,965	$0	$0	$289,847	$6,762	$1,783	$0	$0	$8,545
Renewable Generation Connection Capital Deferral Account[8]	1531	$246,414	$1,893			$248,307	$125	$82			$207
Renewable Generation Connection OM&A Deferral Account[8]	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 OM&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[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	$316,370	-$224,121			$92,249	$3,351	$5,876			$9,227
Smart Meter OM&A Variance[4]	1556	$0				$0	$0				$0
Meter Cost Deferral Account (MIST Meters)[10]	1557										
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	-$129,461	-$143,851			-$273,312					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2015									
		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
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$60,768				$60,768	$2,297	$725			$3,022
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$3,063				$3,063	$40	$42			$82
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0				$0	$0				$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	-$886				-$886	$0				$0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$8,173				$8,173	$2,059	$97			$2,156
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$0	$2,900			$2,900	$0	$18			$18
Retail Cost Variance Account - Retail	1518	$28,556	$1,505			$30,061	-$47	$348			$301
Misc. Deferred Debits	1525	$0				$0	$0				$0
Retail Cost Variance Account - STR	1548	-$528	-$242			-$770	$27	-$8			$19
Board-Approved CDM Variance Account	1567	$0				$0	$0				$0
Extra-Ordinary Event Costs	1572	$0				$0	$0				$0
Deferred Rate Impact Amounts	1574	$14,467				$14,467	$1,348	-$23			$1,325
RSVA - One-time	1582	-$5,738				-$5,738	$2,410	$163			$2,573
Other Deferred Credits	2425	$0				$0	$0				$0
Group 2 Sub-Total		$107,875	$4,163	$0	$0	$112,038	$8,134	$1,362	$0	$0	$9,496
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$169,793				$169,793	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	-$5,248				-$5,248	$30	-$63			-$33
LRAM Variance Account[11]	**1568**	$17,427	$11,925			$29,352	$381	$205			$586
Total including Account 1568		$289,847	$16,088	$0	$0	$305,935	$8,545	$1,504	$0	$0	$10,049
Renewable Generation Connection Capital Deferral Account[8]	1531	$248,307	-$6,062			$242,245	$207	$177			$384
Renewable Generation Connection OM&A Deferral Account[8]	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 OM&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[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	$92,249	-$93,681			-$1,432	$9,227	$310			$9,537
Smart Meter OM&A Variance[4]	1556	$0				$0	$0				$0
Meter Cost Deferral Account (MIST Meters)[10]	1557	$0				$0	$0				$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	-$273,312	-$144,972			-$418,284					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2016									
		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 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$60,768				$60,768	$3,022	$668			$3,690
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$3,063				$3,063	$82	$34			$116
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0				$0	$0				$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	-$886				-$886	$0				$0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$8,173	$18,307			$26,480	$2,156	$186			$2,342
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$2,900				$2,900	$18	$32			$50
Retail Cost Variance Account - Retail	1518	$30,061	$1,648			$31,709	$301	$333			$634
Misc. Deferred Debits	1525	$0				$0	$0				$0
Retail Cost Variance Account - STR	1548	-$770	-$198			-$968	$19	-$9			$10
Board-Approved CDM Variance Account	1567	$0				$0	$0				$0
Extra-Ordinary Event Costs	1572	$0				$0	$0				$0
Deferred Rate Impact Amounts	1574	$14,467				$14,467	$1,325	$159			$1,484
RSVA - One-time	1582	-$5,738				-$5,738	$2,573	-$10			$2,563
Other Deferred Credits	2425	$0				$0	$0				$0
Group 2 Sub-Total		$112,038	$19,757	$0	$0	$131,795	$9,496	$1,393	$0	$0	$10,889
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$169,793				$169,793	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	-$5,248				-$5,248	-$33	-$58			-$91
LRAM Variance Account[11]	**1568**	$29,352	$46,642	$17,427		$58,567	$586	$216	$1,951		-$1,149
Total including Account 1568		$305,935	$66,399	$17,427	$0	$354,907	$10,049	$1,551	$1,951	$0	$9,649
Renewable Generation Connection Capital Deferral Account[8]	1531	$242,245	$2,591			$244,836	$384	$164			$548
Renewable Generation Connection OM&A Deferral Account[8]	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 OM&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[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	-$1,432				-$1,432	$9,537	-$16			$9,521
Smart Meter OM&A Variance[4]	1556	$0				$0	$0				$0
Meter Cost Deferral Account (MIST Meters)[10]	1557	$0				$0	$0				$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	-$418,284	-$25,909			-$444,193					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2017									
		Opening Principal Amounts as of Jan-1-17	Transactions(1) Debit / (Credit) during 2017	OEB-Approved Disposition during 2017	Principal Adjustments(2) during 2017	Closing Principal Balance as of Dec-31-17	Opening Interest Amounts as of Jan-1-17	Interest Jan-1 to Dec-31-17	OEB-Approved Disposition during 2017	Interest Adjustments(2) during 2017	Closing Interest Amounts as of Dec-31-17
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$60,768				$60,768	$3,690	$729			$4,419
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$3,063				$3,063	$116	$37			$153
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0				$0	$0				$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	-$886				-$886	$0				$0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$26,480	$15,854			$42,334	$2,342	$445			$2,787
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$2,900				$2,900	$50	$35			$85
Retail Cost Variance Account - Retail	1518	$31,709	$3,357			$35,066	$634	$397			$1,031
Misc. Deferred Debits	1525	$0				$0	$0				$0
Retail Cost Variance Account - STR	1548	-$968	-$110			-$1,078	$10	-$12			-$2
Board-Approved CDM Variance Account	1567	$0				$0	$0				$0
Extra-Ordinary Event Costs	1572	$0				$0	$0				$0
Deferred Rate Impact Amounts	1574	$14,467				$14,467	$1,484	$174			$1,658
RSVA - One-time	1582	-$5,738				-$5,738	$2,563	-$69			$2,494
Other Deferred Credits	2425	$0				$0	$0				$0
Group 2 Sub-Total		$131,795	$19,101	$0	$0	$150,896	$10,889	$1,736	$0	$0	$12,625
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$169,793				$169,793	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	-$5,248				-$5,248	-$91	-$63			-$154
LRAM Variance Account[11]	**1568**	$58,567	$53,500			$112,067	-$1,149	$1,885			$736
Total including Account 1568		$354,907	$72,601	$0	$0	$427,508	$9,649	$3,558	$0	$0	$13,207
Renewable Generation Connection Capital Deferral Account[8]	1531	$244,836	$7,097			$251,933	$548	$178			$726
Renewable Generation Connection OM&A Deferral Account[8]	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 OM&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[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0				$0	$0				$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	-$1,432	-$9			-$1,441	$9,521	-$17			$9,504
Smart Meter OM&A Variance[4]	1556	$0				$0	$0				$0
Meter Cost Deferral Account (MIST Meters)[10]	1557	$0				$0	$0				$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	-$444,193	$79,277			-$364,916					

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	2018				Projected Interest on Dec-31-17 Balances					2.1.7 RRR
		Principal Disposition during 2018 - instructed by OEB	Interest Disposition during 2018 - instructed by OEB	Closing Principal Balances as of Dec 31-17 Adjusted for Dispositions during 2018	Closing Interest Balances as of Dec 31-17 Adjusted for Dispositions during 2018	Projected Interest from Jan 1, 2018 to December 31, 2018 on Dec 31 -17 balance adjusted for disposition during 2018 (6)	Projected Interest from January 1, 2019 to April 30, 2019 on Dec 31 -17 balance adjusted for disposition during 2018 (6)	Total Interest	Total Claim		As of Dec 31-17
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			$60,768	$4,419	1,132	$440	$5,990		$66,758.36	$65,187
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			$3,063	$153	57	$22	$232		$3,295.20	$3,216
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508			$0	$0	0	$0	$0		$0.00	
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508			-$886	$0	(17)	-$6	-$23	☑ Check to Dispose of Account	-$908.91	-$887
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508			$42,334	$2,787	788	$306	$3,882	☑ Check to Dispose of Account	$46,215.69	$45,122
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508			$2,900	$85	54	$21	$160	☑ Check to Dispose of Account	$3,059.99	$2,984
Retail Cost Variance Account - Retail	1518			$35,066	$1,031	653	$254	$1,938		$37,003.75	$36,096
Misc. Deferred Debits	1525			$0	$0	0	$0	$0	☐ Check to Dispose of Account	$0.00	
Retail Cost Variance Account - STR	1548			-$1,078	-$2	(20)	-$8	-$30		-$1,107.88	-$1,080
Board-Approved CDM Variance Account	1567			$0	$0	0	$0	$0		$0.00	
Extra-Ordinary Event Costs	1572			$0	$0	0	$0	$0		$0.00	
Deferred Rate Impact Amounts	1574			$14,467	$1,658	269	$105	$2,032		$16,499.09	$16,125
RSVA - One-time	1582			-$5,738	$2,494	(107)	-$42	$2,346		-$3,392.38	-$3,243
Other Deferred Credits	2425			$0	$0	0	$0	$0	☐ Check to Dispose of Account	$0.00	
Group 2 Sub-Total		$0	$0	$150,896	$12,625	$2,810	$1,091	$16,527		$167,422.92	$163,520
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			$169,793	$0	3,162	$1,228	$4,391		$174,183.56	$169,793
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592			-$5,248	-$154	(98)	-$38	-$290		-$5,537.70	-$5,402
LRAM Variance Account[11]	**1568**			$112,067	$736	3,110	$811	$4,657		$116,723.62	$112,801
Total including Account 1568		$0	$0	$427,508	$13,207	$8,985	$3,092	$25,284		$452,792.40	$440,711
Renewable Generation Connection Capital Deferral Account[8]	1531			$251,933	$726	4,692	$1,822	$7,241		$259,173.57	$252,661
Renewable Generation Connection OM&A Deferral Account[8]	1532			$0	$0	0	$0	$0		$0.00	
Renewable Generation Connection Funding Adder Deferral Account	1533			$0	$0	0	$0	$0		$0.00	
Smart Grid Capital Deferral Account	1534			$0	$0	0	$0	$0		$0.00	
Smart Grid OM&A Deferral Account	1535			$0	$0	0	$0	$0		$0.00	
Smart Grid Funding Adder Deferral Account	1536			$0	$0	0	$0	$0		$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital[4]	1555			$0	$0	0	$0	$0		$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555			$0	$0	0	$0	$0		$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555			-$1,441	$9,504	(27)	-$10	$9,467		$8,025.74	$8,062
Smart Meter OM&A Variance[4]	1556			$0	$0	0	$0	$0		$0.00	
Meter Cost Deferral Account (MIST Meters)[10]	1557			$0	$0	0	$0	$0		$0.00	
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575			$0					☐ Check to Dispose of Account	$0.00	
Accounting Changes Under CGAAP Balance + Return Component[5]	1576			-$364,916					☑ Check to Dispose of Account	-$364,916.00	$0

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (
positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Account Descriptions	Account Number	Variance RRR vs. 2017 Balance (Principal + Interest)
Group 2 Accounts		
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$0
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[3]	1508	$0
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	-$1
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$1
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	-$1
Retail Cost Variance Account - Retail	1518	-$1
Misc. Deferred Debits	1525	$0
Retail Cost Variance Account - STR	1548	-$0
Board-Approved CDM Variance Account	1567	$0
Extra-Ordinary Event Costs	1572	$0
Deferred Rate Impact Amounts	1574	-$0
RSVA - One-time	1582	$1
Other Deferred Credits	2425	$0
Group 2 Sub-Total		-$1
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	$0
LRAM Variance Account[11]	**1568**	-$2
Total including Account 1568		-$4
Renewable Generation Connection Capital Deferral Account[8]	1531	$2
Renewable Generation Connection OM&A Deferral Account[8]	1532	$0
Renewable Generation Connection Funding Adder Deferral Account	1533	$0
Smart Grid Capital Deferral Account	1534	$0
Smart Grid OM&A Deferral Account	1535	$0
Smart Grid Funding Adder Deferral Account	1536	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital[4]	1555	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[4]	1555	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[4]	1555	-$1
Smart Meter OM&A Variance[4]	1556	$0
Meter Cost Deferral Account (MIST Meters)[10]	1557	$0
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[5]	1575	$0
Accounting Changes Under CGAAP Balance + Return Component[5]	1576	$364,916

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (i positive figure and credit balance are to have a negative figure) as per the related OEB decision.

Ontario Energy Board

2019 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. 2017 Balance (Principal + Interest)	Explanation
LV Variance Account	1550	$ 0.72	
Smart Metering Entity Charge Variance Account	1551	$ 0.50	
RSVA - Wholesale Market Service Charge9	1580	$ (1.21)	
Variance WMS – Sub-account CBR Class B9	1580	$ 1.23	
RSVA - Retail Transmission Network Charge	1584	$ 0.12	
RSVA - Retail Transmission Connection Charge	1586	$ 0.06	
RSVA - Power (excluding Global Adjustment)12	1588	$ 0.18	
RSVA - Global Adjustment 12	1589	$ 1.27	
Disposition and Recovery/Refund of Regulatory Balances (2012)7	1595	$ (1.00)	
Disposition and Recovery/Refund of Regulatory Balances (2013)7	1595	$ 1.00	
Disposition and Recovery/Refund of Regulatory Balances (2016)7	1595	$ 0.38	
Disposition and Recovery/Refund of Regulatory Balances (2017)7	1595	$ 1.00	
Other Regulatory Assets - Sub-Account - Other - Late Payment Penalty Litigation	1508	$ (0.65)	
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	$ 1.00	
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	$ (1.00)	
Retail Cost Variance Account - Retail	1518	$ (0.88)	
Retail Cost Variance Account - STR	1548	$ (0.43)	

Ontario Energy Board

2019 Deferral/Variance Account Workform

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

			A		B			C		D=A-C		E		F =B-C-E (deduct E if applicable)									
Rate Class (Enter Rate Classes in cells below as they appear on your current tariff of rates and charges)	**Units**	**# of Customers**	**Total Metered kWh** [4]	**Total Metered kW** [4]	**Metered kWh for Non-RPP Customers** [4, 5]	**Metered kW for Non-RPP Customers** [4, 5]	**Distribution Revenue**	**Metered kWh for Wholesale Market Participants (WMP)** [4]	**Metered kW for Wholesale Market Participants (WMP)** [4]	**Total Metered kWh less WMP consumption** *(if applicable)*	**Total Metered kW less WMP consumption** *(if applicable)*	**Total Metered 2016 kWh for Class A Customers that were Class A for the entire period the GA balance accumulated**	**Total Metered 2016 kWh for Customers that Transitioned Between Class A and B during the period the GA balance accumulated**	**Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption**	**1595 Recovery Share Proportion (2012)** [1]	**1595 Recovery Share Proportion (2013)** [1]	**1595 Recovery Share Proportion (2014)** [1]	**1595 Recovery Share Proportion (2015)** [1]	**1595 Recovery Share Proportion (2016)** [1]	**1595 Recovery Share Proportion (2017)** [1]	**1568 LRAM Variance Account Class Allocation**[2] **($ amounts)**	**Number of Customers for Residential and GS<50 classes**[2]
RESIDENTIAL	kWh	11,208	103,566,100		3,706,241		4,568,386			103,566,100	-	-	-	3,706,241					38%		2,726	11,208
GS <50 KW	kWh	2,148	58,157,023		9,634,990		1,717,016			58,157,023	-	-	-	9,634,990					20%		103,445	2,148
GS 50 TO 4,999 KW	kW	136	113,634,985	276,220	111,779,307	271,709	960,929			113,634,985	276,220	-	42,802,685	68,976,622					41%		10,959	
UNMETERED SCATTERED LOAD	kWh	51	166,068		600		7,238			166,068	-	-	-	600					0%		659	
SENTINEL LIGHTING	kW	44	42,775	119	-		6,080			42,775	119	-	-	-					0%		(179)	
STREET LIGHTING	kW	2,849	1,154,724	3,183	486,273	1,340	286,234			1,154,724	3,183	-	-	486,273					1%		(886)	
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
										-	-	-	-	-								
Total		**16,436**	**276,721,675**	**279,522**	**125,607,411**	**273,049**	**$ 7,545,883**	**-**	**-**	**276,721,675**	**279,522**	**-**	**42,802,685**	**82,804,726**	**0%**	**0%**	**0%**	**0%**	**100%**	**0%**	**$ 116,724**	
																				Balance as per Sheet 2	$ 116,724	
																				Variance	$ 0	

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

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

Ontario Energy Board

2019 Deferral/Variance Account Workform

		Amounts from Sheet 2	Allocator	RESIDENTIAL	GS <50 KW	GS 50 TO 4,999 KW	UNMETERED SCATTERED LOAD	SENTINEL LIGHTING	STREET LIGHTING	
LV Variance Account	1550	437,877	kWh	163,880	92,026	179,813	263	68	1,827	0
Smart Metering Entity Charge Variance Account	1551	(3,705)	# of Customers							
RSVA - Wholesale Market Service Charge	1580	(707,799)	kWh	(264,901)	(148,754)	(290,656)	(425)	(109)	(2,954)	0
RSVA - Retail Transmission Network Charge	1584	22,449	kWh	8,402	4,718	9,219	13	3	94	0
RSVA - Retail Transmission Connection Charge	1586	162,697	kWh	60,891	34,193	66,811	98	25	679	0
RSVA - Power (excluding Global Adjustment)	1588	(534,146)	kWh	(199,910)	(112,258)	(219,345)	(321)	(83)	(2,229)	0
RSVA - Global Adjustment	1589	237,873	Non-RPP kWh	10,647	27,678	198,149	2	0	1,397	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	0	%	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	(56,117)	%	(21,420)	(11,430)	(22,818)	(32)	(10)	(406)	0
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0	%	0	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		**(678,744)**		**(253,058)**	**(141,505)**	**(276,977)**	**(404)**	**(106)**	**(2,989)**	**0**
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	66,758	kWh	24,985	14,030	27,414	40	10	279	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	3,295	kWh	1,233	693	1,353	2	1	14	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 - Late Payment Penalty Litigation	1508	(909)	kWh	(340)	(191)	(373)	(1)	(0)	(4)	0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	46,216	kWh	17,297	9,713	18,978	28	7	193	0
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	3,060	kWh	1,145	643	1,257	2	0	13	0
Retail Cost Variance Account - Retail	1518	37,004	kWh	13,849	7,777	15,195	22	6	154	0
Misc. Deferred Debits	1525	0	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - STR	1548	(1,108)	kWh	(415)	(233)	(455)	(1)	(0)	(5)	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	16,499	kWh	6,175	3,468	6,775	10	3	69	0
RSVA - One-time	1582	(3,392)	kWh	(1,270)	(713)	(1,393)	(2)	(1)	(14)	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0	0
Total of Group 2 Accounts		**167,423**		**62,660**	**35,186**	**68,752**	**100**	**26**	**699**	**0**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	174,184	kWh	65,190	36,607	71,528	105	27	727	0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	(5,538)	kWh	(2,073)	(1,164)	(2,274)	(3)	(1)	(23)	0
Total of Account 1592		**168,646**		**63,118**	**35,443**	**69,254**	**101**	**26**	**704**	**0**
LRAM Variance Account **(Enter dollar amount for each class)**	1568	**116,724**		2,726	103,445	10,959	659	(179)	(886)	0
(Account 1568 - total amount allocated to classes)		116,724								
Variance		**(0)**								
Renewable Generation Connection OM&A Deferral Account	1532	**0**	kWh	0	0	0	0	0	0	0
Variance WMS - Sub-account CBR Class B (separate rate rider if no Class A Customers)	**1580**	**(15,270)**	**kWh**	**(6,761)**	**(3,796)**	**(4,624)**	**(11)**	**(3)**	**(75)**	**0**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		**566,905**		**211,753**	**119,507**	**233,024**	**341**	**86**	**2,194**	**0**
Total of Account 1580 and 1588 (not allocated to WMPs)		**(1,241,944)**		**(464,811)**	**(261,012)**	**(510,001)**	**(745)**	**(192)**	**(5,182)**	**0**
Balance of Account 1589 Allocated to Non-WMPs		**237,873**		**10,647**	**27,678**	**198,149**	**2**	**0**	**1,397**	**0**
Group 2 Accounts (including 1592, 1532)		**336,069**		**125,777**	**70,630**	**138,006**	**202**	**52**	**1,402**	**0**
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	(364,916)	kWh	(136,574)	(76,692)	(149,852)	(219)	(56)	(1,523)	0
Total Balance Allocated to each class for Accounts 1575 and 1576		**(364,916)**		**(136,574)**	**(76,692)**	**(149,852)**	**(219)**	**(56)**	**(1,523)**	**0**

Account 1589 reference calculation by customer and consumption	
Account 1589 / Number of Customers	$19.69
1589/total kwh	$0.0012

Ontario Energy Board

2019 Deferral/Variance Account Wo

		Amounts from Sheet 2	Allocator						
LV Variance Account	1550	437,877	kWh	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	(3,705)	# of Customers						
RSVA - Wholesale Market Service Charge	1580	(707,799)	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	22,449	kWh	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	162,697	kWh	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(534,146)	kWh	0	0	0	0	0	0
RSVA - Global Adjustment	1589	237,873	Non-RPP kWh	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	0	%	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	(56,117)	%	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0	%	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		**(678,744)**		**0**	**0**	**0**	**0**	**0**	**0**
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	66,758	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	3,295	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 - Late Payment Penalty Litigation	1508	(909)	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	46,216	kWh	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	3,060	kWh	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	37,004	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	(1,108)	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	16,499	kWh	0	0	0	0	0	0
RSVA - One-time	1582	(3,392)	kWh	0	0	0	0	0	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0
Total of Group 2 Accounts		**167,423**		**0**	**0**	**0**	**0**	**0**	**0**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	174,184	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	(5,538)	kWh	0	0	0	0	0	0
Total of Account 1592		**168,646**		**0**	**0**	**0**	**0**	**0**	**0**
LRAM Variance Account **(Enter dollar amount for each class)**	1568	**116,724**		0	0	0	0	0	0
(Account 1568 - total amount allocated to classes)		116,724							
Variance		**(0)**							
Renewable Generation Connection OM&A Deferral Account	1532	**0**	kWh	0	0	0	0	0	0
Variance WMS - Sub-account CBR Class B (separate rate rider if no Class A Customers)	**1580**	**(15,270)**	**kWh**	**0**	**0**	**0**	**0**	**0**	**0**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		**566,905**		**0**	**0**	**0**	**0**	**0**	**0**
Total of Account 1580 and 1588 (not allocated to WMPs)		**(1,241,944)**		**0**	**0**	**0**	**0**	**0**	**0**
Balance of Account 1589 Allocated to Non-WMPs		**237,873**		**0**	**0**	**0**	**0**	**0**	**0**
Group 2 Accounts (including 1592, 1532)		**336,069**		**0**	**0**	**0**	**0**	**0**	**0**
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	(364,916)	kWh	0	0	0	0	0	0
Total Balance Allocated to each class for Accounts 1575 and 1576		**(364,916)**		**0**	**0**	**0**	**0**	**0**	**0**

Account 1589 reference calculation by customer and consumption	
Account 1589 / Number of Customers	$19.69
1589/total kwh	$0.0012

Ontario Energy Board

2019 Deferral/Variance Account Wo

		Amounts from Sheet 2	Allocator							
LV Variance Account	1550	437,877	kWh	0	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	(3,705)	# of Customers							
RSVA - Wholesale Market Service Charge	1580	(707,799)	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Network Charge	1584	22,449	kWh	0	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge	1586	162,697	kWh	0	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(534,146)	kWh	0	0	0	0	0	0	0
RSVA - Global Adjustment	1589	237,873	Non-RPP kWh	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	0	%	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	(56,117)	%	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	0	%	0	0	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		**(678,744)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	66,758	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	3,295	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 - Late Payment Penalty Litigation	1508	(909)	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other - OEB Assessment	1508	46,216	kWh	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Other - TransCanada	1508	3,060	kWh	0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	37,004	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	(1,108)	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	16,499	kWh	0	0	0	0	0	0	0
RSVA - One-time	1582	(3,392)	kWh	0	0	0	0	0	0	0
Other Deferred Credits	2425	0	kWh	0	0	0	0	0	0	0
Total of Group 2 Accounts		**167,423**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	174,184	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	(5,538)	kWh	0	0	0	0	0	0	0
Total of Account 1592		**168,646**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
LRAM Variance Account **(Enter dollar amount for each class)**	1568	**116,724**		0	0	0	0	0	0	0
(Account 1568 - total amount allocated to classes)		116,724								
Variance		**(0)**								
Renewable Generation Connection OM&A Deferral Account	1532	**0**	kWh	0	0	0	0	0	0	0
Variance WMS - Sub-account CBR Class B (separate rate rider if no Class A Customers)	**1580**	**(15,270)**	**kWh**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		**566,905**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total of Account 1580 and 1588 (not allocated to WMPs)		**(1,241,944)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance of Account 1589 Allocated to Non-WMPs		**237,873**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Group 2 Accounts (including 1592, 1532)		**336,069**		**0**	**0**	**0**	**0**	**0**	**0**	**0**
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	(364,916)	kWh	0	0	0	0	0	0	0
Total Balance Allocated to each class for Accounts 1575 and 1576		**(364,916)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**

Account 1589 reference calculation by customer and consumption	
Account 1589 / Number of Customers	$19.69
1589/total kwh	$0.0012

Ontario Energy Board

2019 Deferral/Variance Account Workform

1	**Please enter the Year the Account 1589 GA Balance was Last Disposed.**	2014	**(e.g. If in the 2018 EDR process, you received approval to dispose the GA variance account balance as at December 31, 2016, enter 2016.)**
2a	**Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1589 GA balance accumulated (i.e. from year after the balance was last disposed to 2017)?**	Yes	**(e.g. If you received approval to dispose the GA account balance as at December 31, 2016, the period the GA accumulated would be 2017.)**
2b	**Did you have any customers who transitioned between Class A and Class B (transition customers) during the period the Account 1580, sub-account CBR Class B balance accumulated (i.e. from year after the balance was last disposed to 2017).**	Yes	**(e.g. If the CBR Class B balance was last disposed as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017.)**
3a	**Enter the number of transition customers you had during the period the Account 1589 GA balance accumulated.**	5	

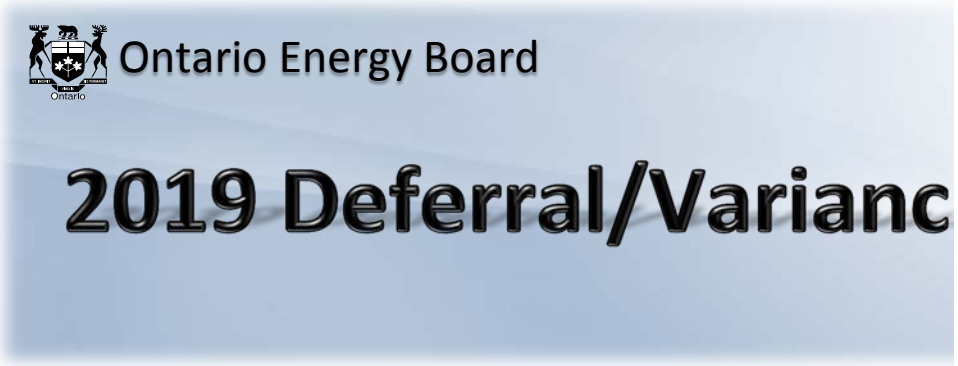
Transition Customers - Non-loss Adjusted Billing Determinants by Customer

Customer	Rate Class		2017		2016		2015		
			January to June	July to December	January to June	July to December	January to June	July to December	
Customer 1	GS 50 TO 4,999 KW	kWh	6,052,537	6,338,755	5,602,074	5,819,704	4,680,891	5,148,553	2015 - kwh
		kW							2015 - kw
		Class A/B	B	A	B	B	B	B	
Customer 2	GS 50 TO 4,999 KW	kWh	5,890,611	6,435,057	5,191,060	5,264,478	6,388,524	6,257,265	2015 - kwh
		kW							2015 - kw
		Class A/B	B	A	B	B	B	B	
Customer 3	GS 50 TO 4,999 KW	kWh	2,708,682	2,404,081	2,899,538	2,689,351	2,694,423	2,406,175	2015 - kwh
		kW							2015 - kw
		Class A/B	B	A	B	B	B	B	
Customer 4	GS 50 TO 4,999 KW	kWh	2,627,841	2,624,720	2,371,854	2,493,881	2,290,947	2,436,645	2015 - kwh
		kW							2015 - kw
		Class A/B	B	A	B	B	B	B	
Customer 5	GS 50 TO 4,999 KW	kWh	3,672,396	4,048,005	3,745,711	4,092,405	3,743,471	4,116,665	2015 - kwh
		kW							2015 - kw
		Class A/B	B	A	B	B	B	B	

3b	**Enter the number of customers who were Class A during the entire period since the Account 1589 GA balance accumulated (i.e. did not transition between Class A and B).**	-	

Class A Customers - Billing Determinants by Customer

Customer	Rate Class		2017	2016	2015



This tab allocates the GA balance to transition customers (i.e Class A contributed to the current GA balance. The tables below calculates s transition customers that are allocated amounts in the table below. C to bills.

Year of the Account 1589 GA Balance Last Disposed	**2014**

Allocation of total Non-RPP Consumption (kWh) between Current Cla

Total Class B Consumption for Years During Balance Accumulation (Non-RPP Consumption LESS WMP Consumption and Consumption for Class A customers who were Class A for partial and full year)	A
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B
Transition Customers' Portion of Total Consumption	C=B/A

Allocation of Total GA Balance $

Total GA Balance	D
Transition Customers Portion of GA Balance	E=C*D
GA Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E

Allocation of GA Balances to Class A/B Transition Customers

# of Class A/B Transition Customers	
Customer	
Customer 1	
Customer 2	
Customer 3	
Customer 4	
Customer 5	
TOTAL	

e Account Workform

A customers who were former Class B customers and Class B customers who were former Cla
pecific amounts for each transition customer. The general GA rate rider to non-RPP customers
Consistent with with prior decisions, distributors are generally expected to settle the amount th

ass B and Class A/B Transition Customers

Total	2017	2016
382,450,009	125,607,411	125,619,150
101,285,683	20,952,068	40,170,056
26.48%		

$	323,564
$	85,691
$	237,873

5		
Total Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers	**Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2017**	**Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2016**
27,303,759	6,052,537	11,421,778
28,991,938	5,890,611	10,455,538
13,398,169	2,708,682	5,588,889
12,221,168	2,627,841	4,865,735
19,370,648	3,672,396	7,838,116
101,285,683	**20,952,068**	**40,170,056**

ıss A customers) who
s is not to be charged to the
ırough 12 equal adjustments

2015
131,223,448
40,163,559

Metered Consumption (kWh) for Transition Customers During the Period They Were Class B Customers in 2015	% of kWh	Customer Specific GA Allocation During the Period They Were a Class B customer
9,829,444	26.96%	$ 23,100
12,645,789	28.62%	$ 24,528
5,100,598	13.23%	$ 11,335
4,727,592	12.07%	$ 10,339
7,860,136	19.12%	$ 16,388
40,163,559	**100.00%**	**$ 85,691**

Monthly Equal Payments	
$	1,925
$	2,044
$	945
$	862
$	1,366
$	**7,141**

Ontario Energy Board

2019 Deferral/Variance Account Workform

This tab allocates the CBR Class B balance to transition customers (i.e Class A customers who were former Class B customers and Class B customers who were former Class A customers) who contributed to the current CBR Class B balance. The tables below calculate specific amounts for each transition customer. The general CBR Class B rate rider is not to be charged to the transition customers that are allocated amounts in the table below. Consistent with with prior decisions, distributors are generally expected to settle the amount through 12 equal adjustments to bills.

Please enter the Year the Account 1580 CBR Class B was Last Disposed. **Never Disposed** **(Note: Account 1580, Sub-account CBR Class B was established starting in 2015)**

Allocation of total Consumption (kWh) between Class B and Class A/B Transition Customers

		Total	2017	2016	2015
Total Class B Consumption for Years During Balance Accumulation (Total Consumption Less WMP Consumption and Consumption for Class A who were Class A for the full year)	A	251,226,561	125,607,411	125,619,150	131,223,448
All Class B Consumption (i.e. full year or partial year) for Transition Customers	B	61,122,124	20,952,068	40,170,056	40,163,559
Transition Customers' Portion of Total Consumption	C=B/A	24.33%	104,655,343	85,449,094	91,059,889

Allocation of Total CBR Class B Balance $

Total CBR Class B Balance	D	-$ 20,180
Transition Customers Portion of CBR Class B Balance	E=D*C	-$ 4,910
CBR Class B Balance to be disposed to Current Class B Customers through Rate Rider	F=D-E	-$ 15,270

Allocation of CBR Class B Balances to Transition Customers

# of Class A/B Transition Customers		5						
Customer		**Total Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers in 2017**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers 2016**	**Metered Class B Consumption (kWh) for Transition Customers During the Period They were Class B Customers 2015**	**% of kWh**	**Customer Specific CBR Class B Allocation During the Period They Were a Class B Customer**	**Monthly Equal Payments**
Customer 1		17,474,315	6,052,537	11,421,778	9,829,444	28.59%	-$ 1,404	-$ 117
Customer 2		16,346,149	5,890,611	10,455,538	12,645,789	26.74%	-$ 1,313	-$ 109
Customer 3		8,297,571	2,708,682	5,588,889	5,100,598	13.58%	-$ 667	-$ 56
Customer 4		7,493,576	2,627,841	4,865,735	4,727,592	12.26%	-$ 602	-$ 50
Customer 5		11,510,512	3,672,396	7,838,116	7,860,136	18.83%	-$ 925	-$ 77
Total		**61,122,124**	**20,952,068**	**40,170,056**	**40,163,559**	100.00%	**-$ 4,910**	**-$ 409**

Ontario Energy Board

2019 Deferral/Variance Account Workform

The purpose of this tab is to calculate the billing determinants for CBR rate riders for all current Class B customers who did not transition between Class A and B in the period since the Account 1580, sub-account CBR Class B balance accumulated.

The Year the Account 1580 CBR Class B was Last Disposed. Never Disposed

(Note: Account 1580, Sub-account CBR Class B was established starting in 2015)

	Total Metered 2017 Consumption Minus WMP		Total Metered 2017 Consumption for Class A customers that were Class A for the entire period CBR Class B balance accumulated		Total Metered 2017 Consumption for Customers that Transitioned Between Class A and B during the period CBR Class B balance accumulated		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh
	kWh	kW	kWh	kW	kWh	kW	kWh	kW	
RESIDENTIAL	103,566,100	-	0	0	0	0	103,566,100	-	44%
GS <50 KW	58,157,023	-	0	0	0	0	58,157,023	-	25%
GS 50 TO 4,999 KW	113,634,985	276,220	0	0	42,802,685	0	70,832,300	276,220	30%
UNMETERED SCATTERED LOAD	166,068	-	0	0	0	0	166,068	-	0%
SENTINEL LIGHTING	42,775	119	0	0	0	0	42,775	119	0%
STREET LIGHTING	1,154,724	3,183	0	0	0	0	1,154,724	3,183	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
	-	-	0	0	0	0	-	-	0%
Total	276,721,675	279,522	-	-	42,802,685	-	233,918,990	279,522	100%

Ontario Energy Board

2019 Deferral/Variance Account Workform

Please indicate the Rate Rider Recovery Period (in months) 12

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

1550, 1551, 1584, 1586, 1595, 1580 and 1588 per instructions

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	103,566,100	-$ 259,819	- **0.0002**
GS <50 KW	kWh	58,157,023	-$ 145,302	- **0.0002**
GS 50 TO 4,999 KW	**kW**	276,220	-$ 281,601	- **0.0850**
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 415	- **0.0002**
SENTINEL LIGHTING	**kW**	119	-$ 109	- **0.0763**
STREET LIGHTING	**kW**	3,183	-$ 3,064	- **0.0802**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**-$ 690,310**	

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

1580 and 1588

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance - Non-WMP	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	103,566,100	$ -	-
GS <50 KW	kWh	58,157,023	$ -	-
GS 50 TO 4,999 KW	kW	276,220	$ -	-
UNMETERED SCATTERED LOAD	kWh	166,068	$ -	-
SENTINEL LIGHTING	kW	119	$ -	-
STREET LIGHTING	kW	3,183	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**$ -**	

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.

Rate Rider Calculation for Account 1580, sub-account CBR Class B

1580, Sub-account CBR Class B

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Sub-account 1580 CBR Class B Balance	0	Revised Rate Rider for Deferral/Variance Accounts
RESIDENTIAL	kWh	103,566,100	-$ 6,761	-	$ -
GS <50 KW	kWh	58,157,023	-$ 3,796	-	$ -
GS 50 TO 4,999 KW	kW	276,220	-$ 4,624	-	$ -
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 11	-	$ -
SENTINEL LIGHTING	kW	119	-$ 3	-	$ -
STREET LIGHTING	kW	3,183	-$ 75	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
		-	$ -	-	$ -
Total			**-$ 15,270**		

Rate rider calculated separately only if Class A customers exist during the period the balance accumulated

Rate Rider Calculation for RSVA - Power - Global Adjustment

Balance of Account 1589 Allocated to Non-WMPs

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
RESIDENTIAL	kWh	3,706,241	$ 10,647	**0.0002**
GS <50 KW	kWh	9,634,990	$ 27,678	**0.0002**
GS 50 TO 4,999 KW	kWh	68,976,622	$ 198,149	**0.0002**
UNMETERED SCATTERED LOAD	kWh	600	$ 2	**0.0002**
SENTINEL LIGHTING	kWh	-	$ -	**-**
STREET LIGHTING	kWh	486,273	$ 1,397	**0.0002**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
		-	$ -	**-**
Total			**$ 237,873**	

Rate Rider Calculation for Group 2 Accounts

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
RESIDENTIAL	# of Customers	11,208	$ 125,777	**$ 0.08**
GS <50 KW	kWh	58,157,023	$ 70,630	**$ 0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	$ 138,006	**$ 0.0416**
UNMETERED SCATTERED LOAD	kWh	166,068	$ 202	**$ 0.0001**
SENTINEL LIGHTING	**kW**	119	$ 52	**$ 0.0364**
STREET LIGHTING	**kW**	3,183	$ 1,402	**$ 0.0367**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
		-	$ -	**$ -**
Total			**$ 336,069**	

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in months) | **12**

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers	Allocated Accounts 1575 and 1576 Balances	Rate Rider for Accounts 1575 and 1576
RESIDENTIAL	# of Customers	11,208	-$ 136,574	- **0.0846**
GS <50 KW	kWh	58,157,023	-$ 76,692	- **0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	-$ 149,852	- **0.0452**
UNMETERED SCATTERED LOAD	kWh	166,068	-$ 219	- **0.0001**
SENTINEL LIGHTING	**kW**	119	-$ 56	- **0.0395**
STREET LIGHTING	**kW**	3,183	-$ 1,523	- **0.0399**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**-$ 364,916**	

Rate Rider Calculation for Accounts 1568

Please indicate the Rate Rider Recovery Period (in months) | **12**

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
RESIDENTIAL	# of Customers	11,208	$ 2,726	**0.0017**
GS <50 KW	kWh	58,157,023	$ 103,445	**0.0001**
GS 50 TO 4,999 KW	**kW**	276,220	$ 10,959	**0.0033**
UNMETERED SCATTERED LOAD	kWh	166,068	$ 659	**0.0003**
SENTINEL LIGHTING	**kW**	119	-$ 179	- **0.1254**
STREET LIGHTING	**kW**	3,183	-$ 886	- **0.0232**
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
		-	$ -	-
Total			**$ 116,724**	

Ontario Energy Board

1595 Analysis Workform

Version 1.0

Account 1595 Analysis Workform

Input cells
Drop down cells

Utility Name	LAKELAND POWER DISTRIBUTION LTD.	**Utility name must be selected**

1595 Rate Years Requested for Disposition

- ☐ **2012**
- ☐ **2013**
- ☐ **2014**
- ☐ **2015**
- ☑ **2016**

Ontario Energy Board

1595 Analysis Workform

Step 1

Components of the 1595 Account Balances:		Principal Balance Approved for Disposition	Carrying Charges Balance Approved for Disposition	Total Balances Approved for Disposition	Rate Rider Amounts Collected/Returned	Residual Balances Pertaining to Principal and Carrying Charges Approved for Disposition	Carrying Charges Recorded on Net Principal Account Balances	Total Residual Balances	Collections/Returns Variance (%)
Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment		-$1,173,295	$519,876	-$653,419	-$624,365	-$29,054	-$30,772	**-$59,825**	**4.4%**
Account 1589 - Global Adjustment		$339,407	$6,077	$345,484	$346,642	-$1,158	$4,865	**$3,707**	**-0.3%**
Total Group 1 and Group 2 Balances		-$833,888	$525,953	-$307,935	-$277,723	-$30,212	-$25,906	**-$56,118**	**9.8%**

*Unresolved differences of +/- 10% require further analysis and explanation. Amounts originally approved for disposition based on forecasted consumption or number of customers must be compared to actual figures.

Additional Notes and Comments

Ontario Energy Board

GA Analysis Workform

Version 1.0

Account 1589 Global Adjustment (GA) Analysis Workform

Input cells
Drop down cells

Utility Name LAKELAND POWER DISTRIBUTION LTD.

Note 1 **Year(s) Requested for Disposition**

- ☐ **2014**
- ☑ **2015**
- ☑ **2016**
- ☑ **2017**

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

Year	Annual Net Change in Expected GA Balance from GA Analysis (cell K51)	Net Change in Principal Balance in the GL (cell C62)	Reconciling Items (sum of cells C63 to C75)	Adjusted Net Change in Principal Balance in the GL (cell C76)	Unresolved Difference	$ Consumption at Actual Rate Paid (cell J51)	Unresolved Difference as % of Expected GA Payments to IESO
2014	$ -	$ -	$ -	$ -	$ -	$ -	0.0%
2015	$ 181,208	$ 3,267,222	-$ 3,110,113	$ 157,109	-$ 24,099	$ 8,341,992	-0.3%
2016	-$ 96,901	-$ 346,033	$ 258,304	-$ 87,729	$ 9,172	$ 13,094,041	0.1%
2017	$ 187,783	-$ 132,747	$ 314,652	$ 181,905	-$ 5,878	$ 11,110,287	-0.1%
Cumulative Balance	**$ 272,090**	**$ 2,788,441**	**-$ 2,537,157**	**$ 251,284**	**-$ 20,806**	**$ 32,546,320**	**N/A**

Ontario Energy Board

GA Analysis Workform

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2015		
Total Metered excluding WMP	C = A+B	208,366,098	kWh	100%
RPP	A	109,674,841	kWh	52.6%
Non RPP	B = D+E	98,691,257	kWh	47.4%
Non-RPP Class A	D	-	kWh	0.0%
Non-RPP Class B*	E	98,691,257	kWh	47.4%

*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

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any paticular month

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	8,460,239	8,460,240	9,215,292	9,215,291	0.05549	$ 511,356	0.05068	$ 467,031	-$ 44,326
February	9,215,292	9,215,292	8,804,868	8,804,868	0.06981	$ 614,668	0.03961	$ 348,761	-$ 265,907
March	8,815,239	8,804,868	9,397,720	9,408,091	0.03604	$ 339,068	0.06290	$ 591,769	$ 252,701
April	9,397,721	9,397,720	8,482,138	8,482,139	0.06705	$ 568,727	0.09559	$ 810,808	$ 242,080
May	8,482,138	8,482,138	8,698,772	8,698,772	0.09416	$ 819,076	0.09668	$ 840,997	$ 21,921
June	8,698,772	8,698,772	8,839,573	8,839,573	0.09228	$ 815,716	0.09540	$ 843,295	$ 27,579
July	8,840,677	8,839,573	9,196,123	9,197,227	0.08888	$ 817,450	0.07883	$ 725,017	-$ 92,432
August	9,196,140	9,196,123	9,223,763	9,223,780	0.08805	$ 812,154	0.08010	$ 738,825	-$ 73,329
September	9,223,764	9,223,763	8,956,781	8,956,782	0.08270	$ 740,726	0.06703	$ 600,373	-$ 140,353
October	8,956,781	8,956,781	8,833,573	8,833,573	0.06371	$ 562,787	0.07544	$ 666,405	$ 103,618
November	6,692,809	8,833,573	10,514,744	8,373,980	0.07623	$ 638,348	0.11320	$ 947,934	$ 309,586
December	10,514,744	10,514,744	8,032,691	8,032,691	0.11462	$ 920,707	0.09471	$ 760,776	-$ 159,931
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**106,494,315**	**108,623,587**	**108,196,038**	**106,066,766**		**$ 8,160,783**		**$ 8,341,992**	**$ 181,208**

Calculated Loss Factor **1.0747**

Note 5 **Reconciling Items**

	Item	Amount	Explanation
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	$ 3,267,222	
1a	True-up of GA Charges based on Actual Non-RPP Volumes - prior year	-$ 144,857	2010-Sep 2015 GA pd on micro/FIT Emb Gen not previously reported and pd to IESO Nov 2015
1b	True-up of GA Charges based on Actual Non-RPP Volumes - current year	$ 167,447	Adj GA Recon methodolgy to calc GA on non-RPP billed stats rather than using Purchased - RPP to calculate non-RPP (posted Dec17)
2a	Remove prior year end unbilled to actual revenue differences		
2b	Add current year end unbilled to actual revenue differences		
3a	Remove difference between prior year accrual/forecast to actual from long term load transfers	$ 12,180	2014 LTLT accrual reversal in 2015 offset by actual late 2015
3b	Add difference between current year accrual/forecast to actual from long term load transfers		
4	Remove GA balances pertaining to Class A customers		
5	Significant prior period billing adjustments recorded in current year		
6	Differences in GA IESO posted rate and rate charged on IESO invoice		
7	Differences in actual system losses and billed TLFs		
8	Others as justified by distributor		
9	Deduct 2015 Parry Sound (PS) GA 1589 Net Change as 2015 Balance approved for disposition 2017	-$ 3,144,883	Only Lakeland Power (LP) portion of 1589 GA for 2015 is outstanding (under threshold) as Parry Sound (PS) 2015 1589 GA Balance of $408,741.88 was Approved for Disposition effective Jan 1/17 PSP Rate Order
10			

Note 6

Adjusted Net Change in Principal Balance in the GL	$	157,109
Net Change in Expected GA Balance in the Year Per Analysis	$	181,208
Unresolved Difference	-$	24,099
Unresolved Difference as % of Expected GA Payments to IESO		-0.3%

Ontario Energy Board

GA Analysis Workform

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2016		
Total Metered excluding WMP	C = A+B	280,448,073	kWh	100%
RPP	A	154,828,922	kWh	55.2%
Non RPP	B = D+E	125,619,150	kWh	44.8%
Non-RPP Class A	D	-	kWh	0.0%
Non-RPP Class B*	E	125,619,150	kWh	44.8%

*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

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any paticular month ☑

Note 4 **Analysis of Expected GA Amount**

Year 2016

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	10,989,170	10,989,171	11,825,681	11,825,680	0.08423	$ 996,077	0.09179	$ 1,085,479	$ 89,402
February	11,825,681	11,825,681	11,331,621	11,331,621	0.10384	$ 1,176,675	0.09851	$ 1,116,278	-$ 60,398
March	11,331,621	11,331,621	11,468,857	11,468,857	0.09022	$ 1,034,720	0.10610	$ 1,216,846	$ 182,125
April	11,469,862	11,468,857	10,706,989	10,707,994	0.12115	$ 1,297,273	0.11132	$ 1,192,014	-$ 105,260
May	10,706,990	10,706,989	10,641,563	10,641,564	0.10405	$ 1,107,255	0.10749	$ 1,143,862	$ 36,607
June	10,641,562	10,641,563	11,244,453	11,244,452	0.11650	$ 1,309,979	0.09545	$ 1,073,283	-$ 236,696
July	11,244,453	11,244,453	11,936,900	11,936,900	0.07667	$ 915,202	0.08306	$ 991,479	$ 76,277
August	11,938,577	11,936,900	12,183,463	12,185,140	0.08569	$ 1,044,145	0.07103	$ 865,511	-$ 178,634
September	12,205,234	12,183,463	10,933,947	10,955,718	0.07060	$ 773,474	0.09531	$ 1,044,189	$ 270,716
October	10,940,150	10,933,947	10,857,923	10,864,126	0.09720	$ 1,055,993	0.11226	$ 1,219,607	$ 163,614
November	10,836,152	10,857,923	10,473,492	10,451,721	0.12271	$ 1,282,531	0.11109	$ 1,161,082	-$ 121,449
December	10,473,492	10,473,492	11,304,688	11,304,688	0.10594	$ 1,197,619	0.08708	$ 984,412	-$ 213,206
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**134,602,944**	**134,594,060**	**134,909,577**	**134,918,461**		**$ 13,190,942**		**$ 13,094,041**	**-$ 96,901**

Calculated Loss Factor **1.0740**

Note 5 **Reconciling Items**

	Item	Amount	Explanation
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	-$ 346,033	
1a	True-up of GA Charges based on Actual Non-RPP Volumes - prior year	-$ 11,375	GA paid for Dec15 M3 to M20 LT invoice paid Dec16
1b	True-up of GA Charges based on Actual Non-RPP Volumes - current year	-$ 67,038	Adj GA Recon methodolgy to calc GA on non-RPP billed stats rather than using Purchased - RPP to calculate non-RPP (posted Dec17)
2a	Remove prior year end unbilled to actual revenue differences		
2b	Add current year end unbilled to actual revenue differences		
3a	Remove difference between prior year accrual/forecast to actual from long term load transfers	-$ 2,690	2015 LTLT accrual reversal in 2016 offset by actual late 2016
3b	Add difference between current year accrual/forecast to actual from long term load transfers		
4	Remove GA balances pertaining to Class A customers		
5	Significant prior period billing adjustments recorded in current year		
6	Differences in GA IESO posted rate and rate charged on IESO invoice		
7	Differences in actual system losses and billed TLFs		
8	Others as justified by distributor		
9	Approved Disposition of 1589 GA Bal cleared from a/c	$ 339,407	2014 1589 GA Balance Approved for Disposition effective May 2016 LP Rate Order
10			

Note 6

Adjusted Net Change in Principal Balance in the GL	-$ 87,729
Net Change in Expected GA Balance in the Year Per Analysis	-$ 96,901
Unresolved Difference	$ 9,172
Unresolved Difference as % of Expected GA Payments to IESO	0.1%

Ontario Energy Board

GA Analysis Workform

Note 2 **Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)**

Year		2017		
Total Metered excluding WMP	C = A+B	278,833,244	kWh	100%
RPP	A	153,225,833	kWh	55.0%
Non RPP	B = D+E	125,607,411	kWh	45.0%
Non-RPP Class A	D	21,850,617	kWh	7.8%
Non-RPP Class B*	E	103,756,793	kWh	37.2%

*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

Please confirm that the GA Rate used for unbilled revenue is the same as the one used for billed revenue in any paticular month ☑

Note 4 **Analysis of Expected GA Amount**

Year	2017								
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	11,304,688	11,304,688	11,973,709	11,973,709	0.06687	$ 800,682	0.08227	$ 985,077	$ 184,395
February	11,649,636	11,973,709	11,095,594	10,771,521	0.10559	$ 1,137,365	0.08639	$ 930,552	-$ 206,813
March	11,095,594	11,095,594	11,671,045	11,671,045	0.08409	$ 981,418	0.07135	$ 832,729	-$ 148,689
April	11,677,666	11,671,045	10,520,298	10,526,919	0.06874	$ 723,620	0.10778	$ 1,134,591	$ 410,971
May	10,520,298	10,520,298	10,891,825	10,891,825	0.10623	$ 1,157,039	0.12307	$ 1,340,457	$ 183,418
June	10,891,825	10,891,825	10,989,746	10,989,746	0.11954	$ 1,313,714	0.11848	$ 1,302,065	-$ 11,649
July	10,989,747	10,989,746	7,467,603	7,467,604	0.10652	$ 795,449	0.11280	$ 842,346	$ 46,897
August	7,469,103	7,467,603	7,633,107	7,634,607	0.11500	$ 877,980	0.10109	$ 771,782	-$ 106,197
September	7,633,106	7,633,107	7,477,587	7,477,586	0.12739	$ 952,570	0.08864	$ 662,813	-$ 289,756
October	7,127,315	7,477,587	7,194,147	6,843,875	0.10212	$ 698,897	0.12563	$ 859,796	$ 160,900
November	7,194,147	7,194,147	7,070,239	7,070,239	0.11164	$ 789,321	0.09704	$ 686,096	-$ 103,225
December	7,340,242	7,070,239	8,006,118	8,276,121	0.08391	$ 694,449	0.09207	$ 761,982	$ 67,533
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**114,893,367**	**115,289,588**	**111,991,018**	**111,594,797**		**$ 10,922,504**		**$ 11,110,287**	**$ 187,783**
	Calculated Loss Factor			**1.0755**					

Note 5 **Reconciling Items**

	Item	Amount	Explanation
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	-$ 132,747	
1a	True-up of GA Charges based on Actual Non-RPP Volumes - prior year	-$ 100,409	Adj GA Recon methodolgy to calc GA on non-RPP billed stats rather than using Purchased - RPP to calculate non-RPP (2015 and 2016 posted Dec17)
1b	True-up of GA Charges based on Actual Non-RPP Volumes - current year		
2a	Remove prior year end unbilled to actual revenue differences		
2b	Add current year end unbilled to actual revenue differences		
3a	Remove difference between prior year accrual/forecast to actual from long term load transfers	$ 6,319	2016 LTLT accrual reversal in 2017 offset by actual late 2017 and 2017 accrual
3b	Add difference between current year accrual/forecast to actual from long term load transfers		
4	Remove GA balances pertaining to Class A customers		
5	Significant prior period billing adjustments recorded in current year		
6	Differences in GA IESO posted rate and rate charged on IESO invoice		
7	Differences in actual system losses and billed TLFs		
8	Others as justified by distributor		
9	Approved Disposition of 1589 GA Bal cleared from a/c	$ 408,742	2015 1589 GA Balance $408,741.88 Approved for Disposition effective Jan 1/17PSP Rate Order
10			

Note 6

Adjusted Net Change in Principal Balance in the GL	$	181,905
Net Change in Expected GA Balance in the Year Per Analysis	$	187,783
Unresolved Difference	-$	5,878
Unresolved Difference as % of Expected GA Payments to IESO		-0.1%

ONTARIO ENERGY BOARD | COMMISSION DE L'ÉNERGIE DE L'ONTARIO

OMPLETING GA ANALYSIS

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 reconciled and explained on an annual basis. Materiality is assessed on an annual basis based on a threshold of +/- 1% of the annual IESO GA charges.

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

Steps for completing the GA WorkForm:

1. Complete Appendix A, GA Methodology description

2. Complete the Information Sheet:
   a) From the drop-down box, select your Utility Name. This selection will result in pre-populating 2017 RRR data for Note 2, i.e. Consumption Data Excluding Loss Factor.

      NB: The purpose of the Consumption Data table is to validate the accuracy of the kWh quantities used to calculate the expected net transactions in account 1589 RSVA -GA for the calendar year.

      kWh Consumption data will auto-populate for 2017. For years before 2017, the kWh Consumption Data Excluding Loss Factor must be manually input. The data should agree to the RRR data reported, where applicable (i.e. Total Metered excluding WMP, RPP and non-RPP).

   b) Check off the years over which GA balances have accumulated since they were last disposed, and are proposed for disposition in the current proceeding. A WorkForm sheet will open up for each year selected.

3. Under Note 3, from the drop-down box, select the GA Billing Rate (i.e. 1st Estimate, 2nd Estimate or Actual). This selection will result in populating Column J GA Rate Billed ($/kWh). Also confirm that the utility uses the same rate for recording unbilled revenues entry by checking off the check box.

   NB: The same GA rate is to be used for all non-RPP Class B customers within a customer class (per O.Reg 429/04, section 16(3)).

4. The WorkForm requires kWh volumes for revenues and expenses on a calendar month basis. It assumes kWh volumes sold adjusted for losses are equal to purchased kWh volumes based on the following formula: Billed kWh minus prior month unbilled kWh plus current month unbilled kWh.

5. Under Note 4, complete columns F, G and H of the Table based on calendar month consumption.

6. The WorkForm will calculate the Loss Factor based on the data in Note 4. The calculated loss factor should not be significantly different from the approved loss factor for that particular year.

Description of Columns in the table:

Column F The consumption column is for monthly non-RPP Class B kWh consumption billed (including losses). 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 Prior month unbilled consumption is to be deducted. Note that not all monthly non-RPP Class B unbilled consumption may be readily available. Some estimates or allocations may be required to determine a portion of this data.

Column H Current month unbilled consumption is to be added. Note that not all monthly non-RPP Class B unbilled consumption may be readily available. Some estimates or allocations may be required to determine a portion of this data.

Column J GA rates billed to customers will be auto-populated once the distributor selects the billed rate in Step 3 above.

Column L The Actual GA rates billed by the IESO will be auto-populated.

7. Note 5: Reconciling Items

The purpose of this section is to reconcile the difference between:

i. the expected net transactions for the year calculated in the WorkForm for Account 1589, and

ii. the net transactions recorded in the distributor's General Ledger.

Reconciling items will be required for each year requested for disposition.

a) Input the Net Change in Principal Balance in the GL:
This should equal the GA flow-through transactions recorded in Account 1589 for the year. [***N.B.***: Please do not include dispositions in this number]

Reconciling items:

1a. True-up of GA Charges based on Actual Non-RPP Volumes – prior year:

Prior year RPP settlement true-up claims impacting Account 1589 are to be shown as reconciling items and are to be determined as follows (assuming that the impact of prior year true-ups was not recorded in the GL until the current year):

- The monthly GA costs that would have been recorded in the General Ledger would have been initially accrued per Charge Type 148 Global Adjustment from the IESO bill, and based on estimated Class B non-RPP customer kWh volumes multiplied by the IESO actual GA price per kWh for that particular month.

- The reconciling item relating to the prior year's true up for Account 1589 would be calculated as the difference between i) the actual Class B non-RPP volumes for the prior year (determined in the current year) multiplied by the IESO Actual GA Rate per kWh, and ii) the estimated Class B non-RPP volumes from the prior year multiplied by the IESO Actual GA Rate per kWh.

NB*:* there may be multiple amounts included in this reconciling item depending on how many months of true-ups were not reflected in the balance of Account 1589.

Example:
Data used in true-up of Class B Non-RPP volumes for December 2016:

- Estimated Class B non-RPP volumes - 275,000,000 kWh
- Actual Class B non-RPP volumes - 296,759,443 kWh
- IESO Global Adjustment Actual Rate - $0.1000/kWh

The estimate of GA costs for non-RPP Class B customers for December 2016 would have been $27,500,000. The actual GA cost for non-RPP Class B customers for December 2016 was $29,675,944. If the true-up was not reflected in the 2016 General Ledger, $2,175,944 should be added as an true-up reconciling adjustment for in the 2016 GA Analysis WorkForm. In addition, $2,175,944 should be included as a principal adjustment to the 2016 DVA Continuity Schedule of the Cost of Service or IRM rate application.

In the 2017 GA Analysis WorkForm, the $2,175,944 adjustment would have to be reversed and shown as ($2,175,944).

1b. True-up of GA Charges based on Actual Non-RPP Volumes – current year:

Current year true-up of Class B Non-RPP GA volumes impacting Account 1589 Non-RPP are to be shown as reconciling items and are to be determined as follows (assuming that the impact of true-ups was not recorded in the GL until the following calendar year):

- The GA costs that would have been recorded in the General Ledger would have been initially recorded per Charge Type 148 Global Adjustment from the IESO bill, and based on initially estimated Class B non-RPP customer kWh volumes multiplied by the IESO actual GA price per kWh for the month.

- The reconciling item relating to the current year's true up for Account 1589 would be calculated as the difference between i) the actual Class B non-RPP volumes for the current year (determined in the subsequent year) multiplied by the IESO Actual GA Rate per kWh, and ii) the estimated Class B non-RPP volumes for the current year multiplied by the IESO Actual GA Rate per kWh.

NB: there may be multiple amounts included in this reconciling item depending on how many months of true-ups of volumes were not reflected in the balance of Account 1589.

Example:
Data used in the accrual of GA costs for December 2017:

- Estimated Class B non-RPP volumes - 263,000,000 kWh
- Actual Class B non-RPP volumes - 277,345,455 kWh
- IESO Global Adjustment Actual Rate - $0.1100/kWh

The estimated GA costs for non-RPP Class B customers for December 2017 would have been $28,930,000. The actual GA cost for non-RPP Class B customers for December 2017 was $30,508,000. If the true-up claim was not reflected in the 2017 General Ledger, $1,578,000 should be added as a true-up reconciling adjustment for 2017 in the GA Analysis WorkForm. In addition, $1,578,000 should be included as a principal adjustment to the 2017 DVA Continuity Schedule of the Cost of Service or IRM rate application.

In the next year's GA Analysis WorkForm, the $1,578,000 adjustment should be reversed and shown as ($1,578,000).

2. Removal of unbilled to actual revenue differences:

- Distributors are required to follow accrual accounting for transaction recording and financial statement preparation. Revenue accrual accounting is performed by recording unbilled revenue for the electricity consumed by customers that they will eventually be billed for to the end of the reporting period. Unbilled revenue must be accrued for all components of a customer's bill that will be invoiced in the future to the end of the reporting period.

- Unbilled revenue must be based on best data available to ensure accurate data on the distributor's balance sheet and income statement. Generally speaking, accurate data includes kWh consumption volumes & kW demand volumes by customer and customer class using the billing rates for all items that will appear on the customer's bill.

- Although unbilled revenue is an estimate, the OEB expects it to be relatively accurate. Differences between unbilled revenue accruals for a given previous fiscal year should not be significantly different from the amounts billed to customers in the subsequent year that relate to the previous fiscal year.

- Distributors are to record the differences between i) unbilled revenue for the GA for all customer classes and ii) the GA revenue billed in the subsequent year for the previous fiscal period.

- Distributors should have an approach to accurately calculate such differences and record these amounts in the GA Analysis WorkForm.

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.

2a. Remove Prior year-end unbilled to actual revenue differences:

The differences between prior year-end unbilled revenue and the associated billed revenue is to be identified and adjusted.

Example:
Data used to calculate the difference between in unbilled revenue for 2016 and billed revenue in 2017 relating to 2016 fiscal year (assuming the distributor records unbilled revenue using the GA 1st Estimate Rate):

- Estimated unbilled quantities for Class B non-RPP volumes December consumption month - 335,000,000 kWh as of December 31, 2016
- Estimated unbilled quantities for Class B non-RPP volumes November consumption month - 5,750,000 kWh as of December 31, 2016
- Billed quantities for Class B non-RPP volumes to customers in 2017 relating to December 2016 - 329,650,550 kWh
- Billed quantities for Class B non-RPP volumes to customers in 2017 relating to November 2016 - 4,225,750 kWh
- IESO Global Adjustment 1st Estimate Rate for December - $0.0975/kWh
- IESO Global Adjustment 1st Estimate Rate for November - $0.1230/kWh

The unbilled revenue accrual for Class B non-RPP customers at the end of 2016 was $33,369,750 = [$32,662,500 = (335,000,000 X $0.0975/kWh)] + [$707,250 = (5,750,000 X $0.1230/kWh)], and the amount of GA billed in 2017 related to 2016 for non-RPP Class B customers was $32,660,696 =[$32,140,929 =329,650,550 X $0.0975/kWh)] + [$519,767 = (4,225,750 X $0.1230/kWh)].The difference between unbilled revenue and billed revenue is $709,054.

2016 unbilled revenue was overstated in this example. A debit adjustment of $709,054 for this reconciling item should be made in the 2016 GA Analysis WorkForm. $709,054 should be included as a principal adjustment to the 2016 DVA Continuity Schedule of the Cost of Service or IRM rate application. In the 2017 GA Analysis Workform, the $709,054 adjustment would have to be reversed and shown as ($709,054).

2b. Add current year-end unbilled to actual revenue differences:

The difference between current year-end unbilled revenue and the associated billed revenue is to be identified and adjusted.

Example:
Data used to calculate the difference between in unbilled revenue for 2017 and billed revenue in 2018 relating to 2017 fiscal year (assuming the distributor records unbilled revenue using the GA 1st Estimate Rate):

- Estimated unbilled quantities for Class B non-RPP volumes December Consumption month - 348,000,000 kWh as of December 31, 2017
- Estimated unbilled quantities for Class B non-RPP volumes November Consumption month - 7,750,000 kWh as of December 31, 2017
- Billed quantities for Class B non-RPP volumes to customers in 2018 relating to December 2017 - 335,750,750 kWh
- Billed quantities for Class B non-RPP volumes to customers in 2018 relating to November 2017 - 6,500,000 kWh
- IESO Global Adjustment 1st Estimate Rate for December - $0.1075/kWh
- IESO Global Adjustment 1st Estimate Rate for November - 0.1185/kWh

The unbilled revenue accrual for Class B Non-RPP customers at the end of 2017 was $38,328,375 = [$37,410,000 = (348,000,000 X $0.1075/kWh)] + [$918,375 = (7,750,000 X $0.1185/kWh)], and the amount of GA billed in 2018 related to 2017 for non-RPP Class B customers was $36,863,527 = [$36,093,206 = 335,750,750 X $0.1075/kWh)] + [$770,250 = (6,500,000 X $0.1185/kWh)].
The difference between unbilled revenue and billed revenue is $1,464,919.

2017 unbilled revenue was overstated in this example. A debit adjustment of $1,464,919 for this reconciling item should be made in the 2017 GA Analysis WorkForm. $1,464,919 would be included as a principal adjustment to the 2017 DVA Continuity Schedule in the Cost of Service or IRM rate application. In the next year's

GA Analysis Workform, the $1,464,848 adjustment would have to be reversed and shown as ($1,464,848).

3. Removal of difference between accrual/forecast and actual relating to 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. ***NB:*** 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.

- This adjustment relates to long term and short-term load transfers as applicable. A distributor could have differences between accrued and actual cost as the geographic distributor or differences between accrued and billed revenue as the physical distributor. The examples are based on differences between accrued and billed revenue as physical distributor.

3a. Remove difference between prior year accrual/forecast and actual relating to load transfers:

Example:

- Information related to load transfer revenue differences for December 2016: Actual geographic distributor's volumes used to calculate the difference between load transfer revenue for 2016 and billed revenue in 2017 relating to 2016 fiscal year:
  - 2016 accrued unbilled quantities - 2,500,000 kWhs
  - 2017 billed quantities for 2016 - 3,600,000 kWhs
  - IESO Global Adjustment weighted average 2016 Actual rate - $0.1250/kWh

The accrued unbilled revenue amount related to geographic distributors was $312,500 and the amount of GA billed to geographic distributors in 2017 related to 2016 was $450,000. 2016 accrued revenue was $137,500 lower than billed revenue in 2017 relating to 2016 fiscal year.

As the 2016 accrued unbilled revenue was lower than billed revenue, a credit adjustment of $137,500 should be made to the 2016 GA Analysis WorkForm for this reconciling item.

In the 2017 GA Analysis WorkForm, the $137,500 adjustment would have to be reversed and shown as a debit of $137,500.

3b. Add difference between current year accrual/forecast to actual from long term load transfers:

Example:

- Information related to load transfer revenue differences for December 2017: Geographic distributor's volumes used to calculate the difference between load transfer revenue for 2017 and billed revenue in 2018 relating to 2017 fiscal year:
  - 2017 accrued quantities - 3,300,000 kWhs
  - 2018 billed quantities for 2017 - 2,100,000 kWhs
  - IESO Global Adjustment weighted average 2017 Actual rate - $0.1165/kWh

The accrued revenue amount related to geographic distributors was $384,450 and the amount of GA billed to geographic distributors in 2018 related to 2017 was $244,650. 2017 accrued revenue was $139,800 higher than billed revenue in 2018 relating to 2017 fiscal year.

As the 2017 accrued revenue was higher than billed revenue, a debit adjustment of $139,800 should be made to the 2017 GA Analysis WorkForm for this reconciling item.

In the 2018 GA Analysis WorkForm, the $139,800 adjustment would have to be reversed and shown as a credit of $139,800.

4. Remove GA balances pertaining to Class A customers:

- Global Adjustment is billed to Class A customers based on their customer-specific peak demand factor (PDF).

- Class A customers are billed at actual GA costs. Monthly unbilled revenue relating to these customers should be accrued based on the estimated

amount accrued for Charge Type 147 as part of a distributor's cost of power accrual for GA. Therefore there should be no variances related to Class A customers in Account 1589.

- For those distributors that do not follow this accounting month-end practice, they may have balances relating to GA attributable to Class A customers included as part of the balance of Account 1589.

- Any amounts recorded in Account 1589 relating to Class A customers must be eliminated, as the balance of Account 1589 should only relate to Class B non-RPP customers. 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 customers 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.

- A distributor would need to do an analysis of all GA Class A transactions that would have been included in the balance of Account 1589. A distributor would need to compute the adjustment amounts relating to Class A GA by taking the sum of the following:
    - GA billed to Class A customers,
    - GA unbilled revenue accruals recorded relating to Class A customers
    - GA unbilled revenue reversals recorded relating to Class A customers
    - GA charged by the IESO for Charge Type 147
    - GA accrued as part of the cost of power accrual for Charge Type 147

- In this example, a distributor summed up all transactions relating to Class A customers and erroneously had a credit balance of $1,750,000. This amount should be eliminated from the GA Analysis WorkForm by recording a debit adjustment of $1,750,000. This adjustment is a permanent adjustment and is not reversed.

- If any such balances pertaining to Class A customers 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 recorded in current year:

- 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.

- It is a normal part of business for distributors to make billing corrections, bill cancellations, and re-billings. Billing adjustments can be small or quite large, depending on the nature and cause of the billing adjustment.

- Where billing adjustments relate to prior calendar years pertaining to Class B non-RPP customers, there would be an impact to Account 1589.

  Example:
  - A distributor made significant billing adjustments in the current year of $350,000 related to GA revenue for the prior two years:
  - The revenue would have been recorded in the current period G/L and current period billing statistics, however,
  - The GA costs relating to such revenue would have been paid to the IESO at actual rates in prior periods, i.e.: would not have been recorded as a cost in the current period.
  - In this example there is a mismatch of GA revenue and costs, requiring a reconciling item to bring the expected GA balance in the GA Analysis WorkForm in line with the GA balance in the general ledger.
  - In this case, a debit adjustment would be needed for $350,000 in the current period GA WorkForm to explain the difference. This is a one-time permanent adjustment, and a reversal would not be required in future periods.

6. Differences in GA charged by the IESO relating to prior period(s) or other adjustments:

- Differences between the following would need to be quantified:
    1. the GA amount calculated based on the GA IESO actual posted rate X total GA wholesale billing quantities [same concept as with the Analysis of Expected GA Amount (Note 4 in the WorkForm)], and
    2. the GA amount that was actually charged by the IESO on the distributor's wholesale power bill Charge Type 148, for Class B non-RPP volumes.

- On occasion, the IESO makes Global Adjustment corrections as the result of distributor corrections to prior fiscal years or adjustments initiated by the IESO for various reasons.

- For example, there may be instances where the IESO bills distributors more/less than GA costs based on actual GA Rate. Distributors should be aware of such differences, which should be identified through a distributor's wholesale settlement processes and systems.

- Any amounts charged by the IESO for GA other than the distributor's wholesale volumes would need to be identified and recorded as a reconciling item in the GA Analysis WorkForm.

- For example, there may be instances where the IESO made adjustments on a distributor's monthly invoices during the year totaling $425,000 and these adjustments would result in an effective GA rate which is different than the actual posted rate. A distributor would need to record a reconciling item in the GA Analysis WorkForm for this situation.

- The GA costs may have been recorded in the current period general ledger, however, the additional charge or credit amounts may not have been reflected in the calculation of the expected GA amount in the WorkForm. In this example, there is a mismatch of GA revenue and costs, requiring a reconciling item to bring the expected GA balance in the GA Analysis WorkForm in line with the GA balance in the general ledger.

- In this case, a credit adjustment would be needed for $425,000 in the current period GA WorkForm to explain the difference. This is a one-time permanent adjustment, and a reversal would not be required in future periods.

7. Differences between actual system losses and Approved Total Loss Factors (TLF) billed to customers in the calendar year:

- Differences between actual system losses and TLFs billed to customers are not usually significant. However, there may be circumstances that would cause more significant differences. Where significant differences are identified, a reconciling item is required in the GA Analysis WorkForm and a distributor would be required to explain the operational reasons for the large differences.

- For example, where a distributor calculates the actual system losses to be significantly greater than billed TLF to Class B non-RPP customers, the following data is applicable:
    - Total metered volumes billed and unbilled to Class B non-RPP customers was 290,000,000 kWhs
    - Actual System Losses relating to Class B non-RPP customers is 5.50%
    - Billed TLF relating to Class B non-RPP customers was 4.50%
    - The weighted average actual GA rate for the year was $0.1035/kWh

- In this case, the difference between the billed TLF and the actual system losses relating to Class B non-RPP customers is $300,150.

- As the general ledger in Account 1589 would reflect the actual costs related to the actual system losses, the expected GA costs calculated in the GA Analysis WorkForm would be lower and a credit adjustment of $300,150 would need to be recorded. This is a one-time permanent adjustment, and a reversal would not be required in future periods.

8. 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 annual GA payments to the IESO must be analyzed and investigated to identify any

additional reconciling items, or to identify corrections to the balance requested for disposition.

In its review of Account 1589, the OEB will utilize any meaningful evidence provided by the distributor that substantiates any unreconciled balance that is greater than +/- 1% of the annual GA payments to the IESO when making a decision to approve or deny disposition of this account.

Appendix A
GA Methodology Description
Questions on Accounts 1588 & 1589[1]

1. In booking expense journal entries for Charge Type (CT) 1142 and CT 148 from the IESO invoice, please confirm which of the following approaches is used:
   a. CT 1142 is booked into Account 1588. CT 148 is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589 respectively.
   b. CT 148 is booked into Account 1589. The portion of CT 1142 equaling RPP minus HOEP for RPP consumption is booked into Account 1588. The portion of CT 1142 equaling GA RPP is credited into Account 1589.
   c. If another approach is used, please explain in detail.

   LPDL uses option a) and records CT1142 (RPP Settlement Claim) to Account 1588 and pro-rates CT148 Class B GA to Accounts 1588 and 1589 based on RPP/non-RPP consumption to ensure that only non-RPP class B is booked to Account 1589.

2. Questions on CT 1142
   a. Please describe how the initial RPP related GA is determined for settlement forms submitted by day 4 after the month-end (resulting in CT 1142 on the IESO invoice).

   LPDL estimates the RPP related GA based on actual smart meter data for that calendar month less an estimated portion that are with a retailer plus any non-smart meter volume (USL and Sentinel) and apply the 2nd Estimate GA rate. The following month the amount above is trued up to the Actual GA rate and a true-up adjustment is included in that following months claim.

   b. Please describe the process for truing up CT 1142 to actual RPP kWh, including which data is used for each TOU/Tier 1&2 prices, as well as the timing of the true up.

[1] In all references in the questions relating to amounts booked to accounts 1588 and 1589, amounts are not booked directly to accounts USoA 1588 and 1589 relating to power purchase transactions, but are rather booked to the cost of power USoA 4705 Power Purchased, and 4707, Charges – Global Adjustment, respectively. However, accounts 1588 and 1589 are impacted the same way as account 4705 and 4707 are for cost of power transactions.

LPDL uses actual smart meter data for the true calendar month for TOU and prior month for Tier 1&2. These are trued up every quarter with the true up adjustment being submitted to the IESO.

c. Has CT 1142 been trued up for with the IESO for all of 2017?

No.

d. Which months from 2017 were trued up in 2018?

November and December 2017 were trued up in 2018.

e. Have all of the 2017 related true-up been reflected in the applicant's DVA Continuity Schedule in this proceeding?

Yes. The above November and December true up adjustment was accrued to Accounts 1588/1589 in December 2017.

f. Please quantify the amount reflected in the DVA Continuity Schedule, and the column where it is included.

No manual adjustment to the DVA is required as it is included in the 2017 GL account ending balance.

3. Questions on CT 148
   a. Please describe the process for the initial recording of CT 148 in the accounts (i.e. 1588 and 1589).

LPDL records CT148 Class B GA to:

- Account 1589 based on non-RPP kWh for the calendar month (actual consumption data for interval customers paying HOEP and estimated data using prior month percentages for RPP eligible customers that are enrolled with a retailer) at the Actual GA rate for the month.
- Account 1588 is the remainder of the CT148 Class B GA charge that is not coded to Account 1589 as this reflects the Actual GA rate charged on the RPP volume (that will be offset through the CT1142 claim each month).

b. Please describe the process for true up of the GA related cost to ensure that the amounts reflected in Account 1588 are related to RPP GA costs and amounts in 1589 are related to only non-RPP GA costs.

At the end of January each year, LPDL does a GA reconciliation for the calendar year that just finished, calculating actual monthly billed non-RPP kWh at the difference between the monthly 1st Estimate GA rate (charged to the customers) and the monthly Actual GA rate (charged by the IESO) and records this true up adjustment to December to Account 1589.

c. What data is used to determine the non-RPP kWh volume that is multiplied with the actual GA per kWh rate (based on CT 148) for recording as expense in Account 1589 for initial recording of the GA expense?

Actual current month metered data from LPDL's retail settlement provider is used for interval customers paying HOEP and GA. Actual current month smart meter data at an estimated percentage for the retailer portion (using prior month percentage) is used for retailer enrolled customers paying contract price and GA.

d. Does the utility true up the initial recording of CT 148 in Accounts 1588 and 1589 based on estimated proportions to actuals based on actual consumption proportions for RPP and non-RPP?

LPDL trues up CT148 Class B GA based on actual non-RPP consumption.

e. Please indicate which months from 2017 were trued up in 2018 for CT 148 proportions between RPP and non-RPP.

All of 2017 was trued up for CT148 Class B GA in 2017 (true up adjustment recorded in December 2017.

f. Are all true-ups for 2017 consumption reflected in the DVA Continuity Schedule under 2017.

Yes.

g. Please quantify the amount reflected in the DVA Continuity Schedule, and the column where it is included.

No manual adjustment to the DVA is required as it is included in the 2017 GL account ending balance

4. Questions regarding principal adjustments and reversals on the DVA Continuity Schedule:

Questions on Principal Adjustments - Accounts 1588 and 1589

a. Did the applicant have principal adjustments in its 2018 rate proceeding which were approved for disposition?

No. The shifting of principal adjustments to prior years was not provided for in the 2018 IRM DVA Continuity Schedules however they were noted on the GA Analysis Workform submitted with the 2018 IRM rate order.

b. Please provide a break-down of the total amount of principal adjustments that were approved (e.g. true-up of unbilled (for 1589 only), true up of CT 1142, true up of CT 148 etc.).

The former Parry Sound Service Area Account 1589 balance for 2016 was approved for disposition with the 2018 IRM rate order however no principal adjustments were included in that approved balance. The principal adjustment of ($3,202) to that 2016 balance, for impacts to GA from current year RPP settlement true up process that are booked in subsequent year, is included on this GA Analysis Workform for 2016 and reversed from 2017.

c. Has the applicant reversed the adjustment approved in 2018 in its current proposed amount for disposition?

Yes, see note above.

d. Please provide a breakdown of the amounts shown under principal adjustments in the DVA Continuity Schedule filed in the current proceeding, including the reversals and the new true up amounts regarding 2017 true ups.

Principal Adjustments to 2015:

1a $11,375 True-up of GA charges prior year (reversed 2016)
1b $167,447 True-up of GA charges current year (reversed 2017)
3a $2,690 Load Transfer difference current year (reversed 2016)

Principal Adjustments to 2016:
1a $(11,375) True-up of GA charges prior year (reversal of 2015)
1b $(67,038) True-up of GA charges current year (reversed 2017)
3a $(2,690) Load Transfer difference prior year (reversal of 2015)
3a $(6,319) Load Transfer difference current year (reversed 2017)

Principal Adjustments to 2017:
1a $(167,447) True-up of GA charges prior year (reversal of 2015)
1a $67,038 True-up of GA charges prior year (reversal of 2016)
3a $6,319 Load Transfer difference prior year (reversal of 2016)

e. Do the amount calculated in part d. above reconcile to the applicant's principal adjustments shown in the DVA Continuity Schedule for the current proceeding? If not, please provide an explanation.

Yes.

f. Please confirm that the principal adjustments shown on the DVA Continuity Schedule are reflected in the GL transactions. As an example, the unbilled to actual true-up for 1589 would already be reflected in the applicant's GL in the normal course of business. However, if a principal adjustment related to proportions between 1588 and 1589 was made, applicant must ensure that the GL reflects the movement between the two accounts.

Yes, LPDL confirms that principal adjustments shown on the DVA Continuity Schedule are reflected in the GL transactions.