**Appendix A**

**Oakville Hydro GA Methodology Description**

**Questions on Accounts 1588 & 1589**

1. Please complete the Table below for principal adjustments on the DVA Continuity Schedule for Account 1588:

|  |  |  |
| --- | --- | --- |
| **Reconciliation of Account 1588 - 2018** |  |  |
|  |  |  |
|  |  **Principal Adjustments**  | **Was the amount a "Principal Adjustment" in the previous year? (Y/N)** |
| **Balance December 31, 2018** |   |   |
| **Reversals of Principal Adjustments - previous year**  |
| 1. Reversal of Cost of Power accrual from previous year
 |  |  |
| 1. Reversal of CT 1142 true-up from the previous year
 |  |  |
| 1. Unbilled to billed adjustment for previous year
 | $353,932 | Y |
| 1. Reversal of RPP vs. Non-RPP allocation
 |  |  |
| **Sub-Total Reversals from previous year (A):** | $353,932  |   |
|  |  |   |
| **Principal Adjustments - current year**  |
| 1. Cost of power accrual for 2018 vs Actual per IESO bill
 |  |   |
| 1. True-up of CT 1142 for 2018 consumption recorded in 2019 GL
 |  |   |
| 1. Unbilled accrued vs. billed for 2018 consumption
 | $182,591 | N |
| 1. True-up of RPP vs. Non-RPP allocation of CT 148 based on actual 2018 consumption
 | $(864,908) | N |
| 1. Other ( Class A)
 | $401,039 | N |
| **Sub-Total Principal Adjustments for 2018 consumption (B)** | $(281,279) |   |
| **Total Principal Adjustments shown for 2018 (A + B)** | $72,654 |   |
| **Bal. For Disposition - 1588 (should match Total Claim column on DVA Continuity Schedule** | $72,654 |   |
|  |  |  |

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:
2. 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.
3. 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.
4. If another approach is used, please explain in detail.

**Response:**

Oakville Hydro uses approach b.

1. **Questions on CT 1142**
	1. 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).

**Response:**

The initial RPP related GA is calculated by using the RPP consumption multiplied by the 2nd estimated GA rate for settlement forms submitted by the fourth business day of the month.

* 1. 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.

**Response:**

Oakville Hydro uses billed data from its Customer Information System and unbilled data from its Smart Meters to true up CT 1142 to actual RPP kWh. Oakville Hydro trues up to actual kWh prior to the disposition of accounts 1588 and 1589.

* 1. Has CT 1142 been trued up for with the IESO for all of 2018?

**Response:**

Oakville Hydro has trued up CT 1142 to actual GA rates for all of 2018.

* 1. Which months from 2018 were trued up in 2019?
		1. Were these true ups recorded in the 2018 or 2019 balance in the General Ledger?

**Response:**

December 2018 was trued up in January 2019 and recorded in 2019 balance in the General Ledger.

* 1. Have all of the 2018 related true up been reflected in the applicant’s DVA Continuity Schedule in this proceeding?

**Response:**

Yes, all of the 2018 related true-ups have been reflected in Oakville Hydro’s DVA Continuity Schedule in this proceeding.

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

**Response:**

Oakville Hydro calculates the RPP related GA costs and records the portion of RPP related GA costs in account 1588. The non-RPP GA costs are recorded in account 1589.

1. 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.

**Response:**

Oakville Hydro allocates the true-up of RPP related GA costs between Account 1588 and Account 1589 on a monthly basis.

1. 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?

**Response:**

Oakville Hydro uses billed data from its Customer Information System and unbilled data from its Smart Meters to determine the RPP volume. The non-RPP volume is the difference between the total volumes and the RPP volumes.

1. 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?

**Response:**

Oakville Hydro trues-up actual consumption for CT 148 prior to disposition of accounts 1588 and 1589.

1. Please indicate which months from 2018 were trued-up in 2019 for CT 148 proportions between RPP and non-RPP.
	* 1. Were these true ups recorded in the 2018 or 2019 balance in the General Ledger?

**Response:**

December 2018 was trued up in January 2019 and recorded in 2019 balance in the General Ledger.

1. Are all true-ups for 2018 consumption reflected in the DVA Continuity Schedule under 2018?

**Response:**

Yes, all of the 2018 related true-ups have been reflected in Oakville Hydro’s DVA Continuity Schedule under 2018 in this proceeding.

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

Questions on Principal Adjustments - Accounts 1588 and 1589

1. Did the applicant have principal adjustments in its 2019 rate proceeding which were approved for disposition?

**Response:**

Yes, Oakville Hydro received approval for principal adjustments on an interim basis in its 2019 rate proceeding.

1. 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.).

**Response:**



1. Has the applicant reversed the adjustment approved in 2019 in its current proposed amount for disposition?

**Response:**

Yes, Oakville Hydro has reversed the adjustment item d above approved in 2019 in its continuity schedule. Oakville Hydro is not seeking approval for the disposition of the Group 1 balances in its 2019 application.

1. Please confirm that the allocation of charge type 148 has been trued up to actual proportion of RPP/ non-RPP consumption in the GL.

**Response:**

Oakville Hydro confirms that the allocation of charge type 148 has been trued up to actual proportion of RPP/ non-RPP consumption in the GL.