Greater Sudbury Hydro Inc. Filed: 31 October, 2019 EB-2019-0037 Exhibit 9

Exhibit 9:

DEFERRAL AND VARIANCE ACCOUNTS

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1

Exhibit 9: Deferral And Variance Accounts

Tab 1 (of 2): Status of Deferral and Variance Accounts

OVERVIEW OF DEFERRAL AND VARIANCE ACCOUNTS (DVA)

GSHi has included in this Cost of Service ("COS") Application a request for approval for
disposition of Group 1, Group 2 and Other Deferral and Variance Account ("DVAs")
balances as at December 31, 2018 and the forecasted interest through April 30, 2020.

6

GSHi has followed the Board's guidance in the Accounting Procedures Handbook and
FAQ's ("APH") for recording amounts in the deferral and variance accounts. Such
guidance also includes the Report of the Board on Electricity Distributors' Deferral and
Variance Account Review Initiative ("EDDVAR Report", EB-2008-0046, July 31, 2009).

11

GSHi confirms that the balances proposed for disposition before forecasted interest are
consistent with the most current audited financial statements. Minor DVA continuity
variances are explained in Exhibit 9, Tab 1, Schedule 3.

15 DEFERRAL AND VARIANCE ACCOUNTS AND BALANCES

Table 1 below summarizes: (i) the principle account balances in each of the deferral and variance accounts, and sub-accounts proposed for disposition; (ii) interest on the deferral and variance accounts up to April 30, 2020; and (iii) the rate riders proposed to recover the balances. Interest has been computed to April 30, 2020 to align to the proposed effective date for disposition commencing May 1, 2020.

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- 22

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Table 1: Deferral and Variance	E ALLU	unts and Da	alances	
Group 1 Accounts	Account #	Principal Balance	Interest Balance	Total Claim
LV Variance Account	1550	183,174	4,351	187,525
Smart Metering Entity Charge Variance Account	1551	(47,022)	(1,771)	(48,793)
RSVA - Wholesale Market Service Charge	1580	(220,658)	7,755	(212,903)
Variance WMS – Sub-account CBR Class A	1580	423	(22)	401
Variance WMS – Sub-account CBR Class B	1580	(63,265)	(1,955)	(65,220)
RSVA - Retail Transmission Network Charge	1584	(112,671)	(542)	(113,213)
RSVA - Retail Transmission Connection Charge	1586	32,511	492	33,003
RSVA - Power (excluding Global Adjustment)	1588	(983,175)	(32,931)	(1,016,106)
RSVA - Global Adjustment	1589	(934,705)	(29,188)	(963,893)
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	50,880	(270,643)	(219,763)
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	60,545	16,683	77,228
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	12,278	(44,836)	(32,558)
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	31,120		31,120
Group 1 Subtotal		(1,990,565)	(352,607)	(2,343,172)
Less: WMS Sub-acco	unt CBR Cla			(401)
		al Group 1 Propose		(2,343,574)
		· ·		
Group 1 Subtotal balance is proposed to be recovered (flowed to rat	epayers) via	the following rate	riders:	
Rate Rider for Group 1 Deferral / Variance Accounts Balances (exclu	ding Global	Adj.)		(858,677)
Rate Rider for Group 1 Deferral / Variance Accounts Balances (exclu				(521,004)
Rate Rider for RSVA - Power - Global Adjustment	U			(963,893)
	nts: Total Fl	owed to Ratepaye	rs via Rate Riders	(2,343,574)
		. ,		
Group 2 Accounts	Account #	Principal Balance	Interest Balance	Total Claim
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition				
Costs	1508	176,109	20,016	196,125
Other Regulatory Assets - Sub-Account - Energy East Pipeline	1508	8,837	682	9,519
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	139,245	7,486	146,731
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue				
Variance	1508	(38,525)	(1,250)	(39,775)
Renewable Generation Connection Capital Deferral Account	1531	46,375	5,097	51,472
Renewable Generation Connection OM&A Deferral Account	1532	40,875	3,788	44,663
Smart Grid Capital Deferral Account	1534	539,712	33,755	573,467
Smart Grid OM&A Deferral Account	1535	246,140	19,156	265,296
Smart Meter Capital and Recovery Offset Variance - Sub-Account -				,
Stranded Meter Costs	1555	(8,953)	(266)	(9,219)
LRAM Variance Account	1568	315,495	12,540	328,035
IFRS-CGAAP Transition PP&E Amounts Balance	1575	4,262,097		4,262,097
Other Deferred Credits	2425	(513,952)	-	(513,952)
Group 2 Subtotal	2.125	5,213,456	101,003	5,314,459
Less: 1531 - Renewable Generation Connection Capital	Deferral Acc	, ,		(51,472)
Less: 1532 - Renewable Generation Connection OM&A				(44,663)
		tal Group 2 Propose	/	5,218,324
	10			3,210,324
Group 2 Subtotal balance is proposed to be recovered (flowed to rat		the following rate	ridors:	
	epayers) via	i the following rate		620 101
Rate Rider for Group 2 Accounts				628,191
Rate Rider for Account 1575 (IFRS-CGAAP Transition PP&E Amounts)				4,262,097
Rate Rider for Account 1568 (LRAM)	atal Dirici	un d fun un District	manda Data Dida	328,036
Group 2 Accounts: T	otal Recove	red from Ratenave	ers via kate Riders	5,218,324

Table 1: Deferral and Variance Accounts and Balances

1

2 3

- 1 The 2020 Deferral/Variance Account Workform is filed in live MS Excel format with this
- 2 Application. A copy of the work form is also attached at Exhibit 9, Tab 1, Schedule 1,
- 3 Attachment 1.
- 4

GROUP 1 ACCOUNTS

- 5 A description of each Group 1 account proposed for disposition is detailed below.
- 6

7 Account 1550 - Low Voltage (LV) Variance Account

- 8 This account captures the difference between the amounts included in rates and billed to
- 9 customers and the cost to GSHi of Hydro One's charges for using its LV lines to transmit
- 10 electricity from its transformer stations to GSHi's distribution system.
- 11
- 12 GSHi requests disposition of Account 1550 for the amount of \$187,525 as a collection
- 13 from customers, including interest to April 30, 2020.
- 14

15 Account 1551 – Smart Metering Entity Charge Variance Account

- 16 This account captures the difference between the smart metering charge paid to the 17 smart metering entity and the amounts charged to GSHi's customers.
- 18
- 19 GSHi requests disposition of Account 1551 for the amount of \$(48,793), to be refunded
- 20 to customers, including interest to April 30, 2020.
- 21

Account 1580 – RSVA – Wholesale Market Services (WMS) Charge Variance Account

- This account is used to record the difference between the amounts charged by the IESO for wholesale market services and the amount billed to GSHi customers using the Board Approved rates.
- 27
- 28 GSHi requests disposition of Account 1580 for the amount of (\$278,123) which includes
- the CBDR Class B amount of (\$65,220), to be refunded to customers, including interest

- 2 in Table 2 below:
- 3

1

4

Table 2: WMS Claim Reconciliation to DVA Continuity Schedule

	Closing Principal Balances as of Dec 31-18 Adjusted for Dispositions during 2019	Closing Interest Balances as of Dec 31- 18 Adjusted for Dispositions during 2019	Projected Interest from Jan 1, 2019 to December 31, 2019 on Dec 31 - 18 balance adjusted for disposition during 2019		Total
RSVA - WMS	(220,658)	14,317	(4,959)	(1,603)	(212,903)
RSVA - WMS - Sub-account CBR Class A	423	(22)	-	-	401
RSVA - WMS - Sub-account CBR Class B	(63,265)	(73)	(1,422)	(460)	(65,220)
	(283,499)	14,222	(6,381)	(2,063)	(277,721)
			Less: WN	/IS - Sub-account CBR Class A	(401)
				Total Claim	(278,123)

5 6

7 Capacity Based Demand Response ("CBDR")

In May 2015, the IESO introduced a new wholesale market service charge to recover costs associated with contracted demand response providers active in the wholesale energy market. The program was previously known as Capacity Based Demand Response and is now known as Capacity Based Recovery ("CBR"). The Applicant has followed the Board's Accounting Guidance issued on July 25, 2016, entitled Capacity Based Recovery (the "Accounting Guidance") for the calculation of the 2018 CBR balances and proposed disposition.

15

16 <u>CBDR – Class A</u>

In accordance with the Accounting Guidance, the Class A CBR charges are allocated fully to Class A customers' bills each month. GSHi understands that no balance should exist in 1580 sub account CBR Class A. The balance is \$401 as of December 31, 2018 and as presented in the DVA continuity. This balance was the result of a billing discrepancy and was cleared to the appropriate customers during 2019, therefore will not be proposed for disposal in this rate application.

23

Accordingly, there is no Class A CBR balance to dispose of in this Application.

- 25
- 26

1 <u>CBDR – Class B</u>

In accordance with section 2.9.3 of the Filing Requirements, since the Allocated Account subaccount CBR Class B amount results in a volumetric rate rider that rounds to zero at the fourth decimal place in one or more rate classes, the entire CBR Class B amount (\$65,220) has been transferred into Account 1580 WMS control account to be disposed through the general purpose Group 1 DVA rate riders.

7

8 Variance in EDDVAR Model

9 From Tab 2a. of the EDDVAR model, the Variance between what was reported in the
10 RRR versus the 2018 Balance (Principal + Interest) for Account 1580, RSVA –
11 Wholesale Market Service Charge, is showing an expected variance of (\$199,515). This
12 matches the sum of:

13 14

15

- a) Sub-account balance 1580, Variance WMS Sub-account CBR Class A,
 2.1.7 RRR balance of \$401 and
- b) Sub-account balance 1580, Variance WMS Sub-account CBR Class B,
 2.1.7 RRR balance of (\$199,916)
- 18

19 GSHi understands that no balance should exist in 1580 sub account CBR Class A. The 20 balance is \$401 as of December 31, 2018 and as presented in the DVA continuity. This 21 balance was the result of a billing discrepancy and was cleared to the appropriate 22 customers during 2019, and therefore will not be proposed for disposal in this rate 23 application.

24

25 Account 1584 – RSVA – Retail Transmission Network

This account is used to record the difference of the amounts paid to the IESO for transmission network services, and the amount billed to GSHi customers using the OEBapproved Retail Transmission Rate for network services.

29

30 GSHi requests disposition of Account 1584 for the amount of (\$113,213), to be refunded

- 31 to customers, including interest to April 30, 2020.
- 32

1 Account 1586 – RSVA – Retail Transmission Connection 2 This account is used to record the difference between retail transmission charges paid to 3 the IESO for transmission connection services, and the amount billed to customers using 4 the OEB-approved Retail Transmission Rate for connection services. 5 6 GSHi requests disposition of Account 1586 for the amount of \$33,003 as a collection 7 from customers, including interest to April 30, 2020. 8 9 Account 1588 – RSVA – Power This account is used to record the difference between the amount paid to the IESO for 10 11 electricity and the amount billed to GSHi customers for electricity. 12 13 GSHi requests disposition of Account 1588 for the amount of (\$1,016,107), to be 14 refunded to customers, including interest to April 30, 2020. 15 16 Account 1589 – RSVA – Global Adjustment 17 This account is used to record the difference between the amounts billed to Non-RPP 18 customers and the global adjustment charged on the IESO settlement invoice for Non-19 RPP customers. 20 21 GSHi requests disposition of Account 1589 for the amount of (\$963,893), to be refunded 22 to Non-RPP customers, including interest to April 30, 2020. In accordance with section 23 2.9.3.1 of the Filing Requirements, GSHi has completed the GA Analysis Work form, 24 reconciled to within the 1% threshold, and filed it in live MS Excel format with this 25 Application. A copy of the work form is also attached at Exhibit 9, Tab 2, Schedule 5, 26 Attachment 1. 27 28 GSHi confirms that it pro-rates the IESO Global Adjustment charge into RPP and non-29 RPP portions. 30 31

1 Account 1595 – Disposition and Recovery of Regulatory Balances

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

6

7 The amount requested for disposition related to the residual balances from rate riders
8 that previously concluded. GSHi uses the accrual method. The Board prescribed interest
9 rates are used to calculate the carrying charges and the interest is recorded in a sub10 account.

11

12 GSHi requests disposition of the following Account 1595 sub-account balances, as13 summarized in Table 3:

- 14
- 15

Table 3: 1595 Sub-Account Disposition

1595 Account	Principal &	Projected interest	Re-class	Total			
Year	Interest, Dec 31,	to Dec 31, 2019	entry (see	Claim (A +			
	2018 (Agrees to	(from DVA	explanation	B + C)			
	1595 workform) (A)	continuity) (B)	below) (<mark>C</mark>)				
2013	(\$221,276)	\$1,513		(\$219,763)			
2016	\$75,427	\$1,801		\$77,228			
2017	(\$64,043)	\$365	\$31,120	(\$32,558)			
2018	-	-	\$31,120	\$31,120			
	Tot	al 1595 Sub-Accoun	t Disposition	(\$143,973)			

16

The two re-class entries of \$31,120 are variance entries explained in Tab 3, Appendix Aof the DVA continuity schedule, and are also explained below:

19

20 • 2017: The \$31,120 re-classed in 2017 represents the amount ordered disposed
 21 by the Board for Shared Tax Savings in EB-2016-0072, the Decision and Order
 22 dated March 30, 2017.

- 1 • 2018: The \$31,120 re-classed in 2018 represents the amount ordered disposed 2 by the Board for Shared Tax Savings in EB-2017-0042, the Decision and Order 3 dated March 22, 2018. 4 Both balances were recorded in account 1592 – "PILs and Tax Variance for 2006 • 5 and Subsequent years" for 2018 year-end RRR reporting purposes, and the 6 account had a December 31, 2018 balance of \$62,240. However, these balances 7 should have been classified in account 1595, in the years respective to the IRM 8 period. This re-class adjustment results in the balance being reflected in the 9 appropriate account. 10 11 In accordance with Appendix A: Application of Recoveries in Account 1595 of the Filing 12 Requirements, GSHi has completed the 1595 Analysis Work form, reconciled to within 13 the +/- 10% threshold for each sub account balance, and filed it in live MS Excel format 14 with this Application. A copy of the work form is also attached at Exhibit 9, Tab 1, 15 Schedule 1, Attachment 2.
- 16

Account 1595 (sub account - 2013) – Disposition and Recovery of Regulatory Balances

19

The following discussion pertains to the 1595 Analysis Work Form ("the work form"). As indicated in the Additional Notes and Comments field of the work form, sub account 1595 (2013), the sentinel lighting rate class had rate riders calculated based on kWh, but were incorrectly noted on the tariff sheets as a kW rate rider. This resulted in a \$13,377 total variance, which is deemed immaterial (GSHi's materiality threshold is \$115,000).

25

The unmetered scattered load rate class has large percentage variances for consumption projected vs. billed, however total dollar amount of variance is immaterial (\$7,320).

29

30 Otherwise, the total variances by rate rider are calculated as such:

31

The 1595 (2013) – Rate Rider – Global Adjustment has a \$167,345 variance less
\$172,130 calculated variance equals \$4,785 total variance, which is deemed immaterial.
Residual immaterial variances are attributed to long-term load transfers and small billing
adjustments for which kWh/kW is not captured in the work form.

5

6 The Group 1 DVAs Rate Rider has a (\$292,405) variance less (\$216,371) calculated 7 variance equals \$76,034 total variance. This variance is materially due to rounding rate 8 riders to 4 decimal places and the methodology used in the work form. To prove this, we 9 cross-multiply the rate rider amount (column F in the work form) by the projected 10 consumption over recovery period (column G in the work form) which yields a total 11 projected recovery amount of \$4,062,506.12, compared to \$4,141,198 approved for 12 disposition equals an initial variance of \$78,692. This variance exists before we even 13 begin to charge the rate rider to customers. Therefore, the true variance is \$78,692 less 14 \$76,034 which equals \$2,658, which is deemed immaterial. Residual immaterial 15 variances are attributed to long-term load transfers and small billing adjustments for 16 which kWh/kW is not captured in the work form.

17

GROUP 2 ACCOUNTS

See Exhibit 9, Tab 1, Schedule 4 for a summary of Group 2 DVAs and a description ofeach account.

20

GSHi notes that the Chapter 2 Filing Requirements calls for an applicant to provide a brief description of any account that the applicant may have used differently than as described in the APH or other OEB document. Further to this direction please see Exhibit 9, Tab 1, Schedule 4 for an explanation of the balance existing in account 2425 – "Other Deferred Credits".

26

27

CERTIFICATION OF EVIDENCE

In line with section 2.9.3.2 of the Chapter 2 filing requirements, GSHi has attached to this exhibit Executive certification that the distributor has robust processes and internal

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    controls in place for the preparation, review, verification and oversight of the account
    balances being disposed, consistent with the certification requirements in Chapter 1 of
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- 3 the filing requirements.
- 4

5 See Exhibit 9, Tab 1, Schedule 1, Attachment 3 for a copy of this certification.

6

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Attachment 1 (of 3):

DVA Continuity Schedule

2020 Deferral/Variance Account Workform

Summary of Changes from the Prior Year

1 DVA balances from the RRR will be populated in the continuity schedules in tab 2a and 2b once the utility name is selected in tab 1 and the password is entered. 2 Questions have been added to tab 1. a Depending on the responses selected in tab 1, the continuity schedule in tabs 2a and 2b will open to the appropriate year in which utilities are to start inputting DVA balances. b Questions that were on tab 2a (regarding Class A customers), tab 6 and 6.2a (regarding year of last disposition for GA and CBR Class B) are moved to tab 1. 3 An option on whether an account is requested for disposition is added in column BU for Accounts 1588 and 1589 in tab 2a, and Accounts 1532 and 1555 (Stranded Meters) in tab 2b. 4 Account changes in tab 2b: a Added Accounts 1508 (Pole Attachment, Retail Service Charge Incremental Revenue) and 1522 (primary, contra and interest accounts) b Accounts that are no longer used are removed. 5 Table 3b in tab 6 is revised for the below. Table 3b pertains to consumption for customers that were Class A for the entire year or transition customers in the test year. a Consumption is required on a total rate class basis instead of an individual customers basis. b Forecast consumption is required for transition customers and full year Class A customers for use in the billing determinants in tabs 4 and 6.2, if applicable. 6 In tab 6.1a, the first table for Allocation of Total Non-RPP Consumption (kWh) between Current Class B and Class A/B Transition Customers is modified. Utilities only need to input Non-RPP less WMP consumption, as applicable. In tab 6.2a, the first table for Allocation of Total Consumption (kWh) between Current Class B and Class A/B Transition Customers is modified. Utilities only need to input Non-RPP less WMP consumption, as applicable. ⁸|If there were Class A customers and the rate rider for Account 1580 CBR Class B is calculated to be \$0 for one or more rate classes, then the entire balance in the sub-account (including any portion allocated to transition customers) will be transferred to Account 1580 WMS to be disposed.

Instructions

Tab	Tab Details	Step	Instructions
		1	Complete the information sheet.
			Enter the utility name and password. DVA balances from the RRR will be populated in tabs 2a and 2b. Questions 1 to 4

1 - Information Sheet	This tab shows some information pertaining to the utility and the application.		Responses to these questions will open the DVA continuity schedule in tabs 2a and 2b to the appropriate year that DVA balances should first be inputted. Questions 5 to 6 If the response to question 5 (GA) or 6 (CBR Class B) is yes, tab 6 relating to Class A customers' consumption will be generated. If the response to question 6 is yes, then tab 6.2 will also be generated. Tab 6.2 calculates the billing determinants for the Account 1580, sub-account CBR Class B rate rider, if applicable, using information inputted in tabs 4 and 6. If the response to question 6 is no, then the balance in the Account 1580, sub-account CBR Class B will be allocated and disposed with Account 1580 WMS, as part of the general DVA rate rider
2a and 2b - Continuity Schedule	These tabs are the continuity schedules that show all the accounts and the accumulation of the balances a utility has. Tab 2a is for Group 1 DVAs. Tab 2b is for Group 2 DVAs.	2 2a 2b	Complete the DVA continuity schedule. a) For all Group 1 accounts, except Account 1595; The continuity schedule will open from the year the GL balance was last disposed. Start inputting the approved ending balances in the Adjustments column of that year. For example, if in the 2019 rate application, DVA balances as at December 13, 2017 were approved for disposition, the continuity schedule will commence from 2017. Start by inputting the approved closing 2017 balances in the Adjustments column under 2017. b) 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, 2018, regardless of whether the account is being requested for disposition in the current application. The continuity schedule will open in the year of the earliest Account 1595 vintage year that has a balance. 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). The continuity schedule will open in the year of the earliest Account 1595 vintage year that has a balance. For each Account 1595 sub-account, start inputting data from the year the sub-account started to accumulate a balance starting in 2015, when the relevant balances approved for disposition were first transferred into Account 1595 (2015). Input the amount approved for disposition in the OEB Approved Disposition column. Note that the DVA continuity schedule can currently start from 2013, if a utility has an Account 1595 with a vintage year prior to 2013, then a separate schedule should be provided starting from that vintage year. For Accounts 1588, 1589 and 1595, indicate whether disposition is requested in column BU. c) For all Group 2 accounts: The continuity schedule will open from the year the GL balance was last disposed. Start inputting approved for disposition, the continuity schedule will commence from 2013. Start by inputting the approved closing 2013 balances in the Adjustments column
3. Appendix A	This tab shows the year end balance variances between the continuity schedule and that reported in the RRR.	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 based on the load forecast. Note that columns O and P are generated when a utility indicates they have Class A customers in tab 1. Information in these columns are populated based on data from tab 6.
5 - Allocating Def-Var Balances	This tab allocates the DVA balances	5	Review the allocated balances to ensure the allocation is appropriate. Note that the allocations for Accounts 1589 and 1580 CBR Class B will be determined after tabs 6 to 6.2a have been completed.
		6	This tab is generated when the utility selects yes to questions 5 or 6 in tab 1, indicating they had Class A customers during the period that the GA or CBR balance accumulated.
		7	Under #2a, indicate whether the utility had any customers that transitioned between Class A and B during the period the Account 1589 GA balance accumulated. If yes, tab 6.1a will be generated.
			Under #2b, indicate whether the utility had any customers that transitioned between Class A and B during the period the Account 1580, sub-account CBR Class B balance accumulated. If yes, tab 6.2a will be generated.
	This tab is to be completed if there were any Class A customers during the period the GA balance CBR Class B balance accumulated. The data on this tab is used for the purposes of determining the GA rate rider, CBR Class B	8	Under #3a, enter the number of transition customers the utility had during the period the Account 1589 GA or Account 1580 CBR Class B balances accumulated. A table will be generated based on the number of customers.
6 - Class A Data Consumption			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.
	rate rider (if applicable), as well as customer specific GA and CBR Class B charges for transition customers (if applicable).		Note that 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.
			Also note that the transition customers identified for the GA may be different than those for CBR Class B. This would depend on the period in which the GA and CBR Class B balances accumulated.
		9	Under #3b, enter the number of rate classes in which there were full year Class A customers during the period the Account 1589 GA balance or Account 1580 CBR Class B balance accumulated. A table will be generated based on the number of rate classes.
			Complete the table accordingly for each rate class identified (i.e. the total Class A consumption in the rate class for each year; and a forecast of total Class A and B consumption for transition and full year Class A customers in the test year). This data will be used in the calculation of billing determinants for GA and CBR Class B, as
		10	This tab is generated when the utility indicates that they had transition customers in tab 6, #2a during the period the GA balance accumulated.
	This tab allocates the GA balance to each transition customer for the period in which		In row 20, enter the Non-RPP consumption less WMP consumption.
	these customers were Class B customers and contributed to the GA balance (i.e. former		
6.1a GA Allocation	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).		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.
	This tab calculates the billing determinants for	11	This tab is generated when the response to question 6 in tab 1 is "yes", indicating that they had Class A customers during the period that Account 1580, sub-account CBR Class B balance accumulated.

6.2 - CBR	the CBR Class B rate rider, if applicable.	No input is required. 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 7.
6.2a - CBR_B Allocation	This tab 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).	This tab is generated when the utility indicates that they had transition customers in tab 6, #2b during the period where the CBR Class B balance accumulated. In row 20, enter the total Class B consumption less WMP consumption. 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. Any transition customer who is allocated a specific CBR Class B amount is not to be charged the general CBR Class B rate rider as calculated in tab 7.
7 - Calculation of Def Var RR	This tab calculates all the applicable DVA rate riders.	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. If there are Class A customers, but a CBR Class B rate rider is not produced, the entire Account 1580 CBR Class B balance, including the amount allocated to transition customers will be transferred to Account 1580 WMS, to be disposed through the general Group 1 DVA rate rider.

2020 Deferral/Variance Account Workform

Utility Name Greater Sudbury Hydro Inc.

Service Territory

Assigned EB Number

Name of Contact and Title

EB-2019-0037 Tiija Luttrell CPA, CA Supervisor Regulatory Affairs 705-675-0514 Phone Number Email Address tiija.luttrell@gsuinc.ca

Questions

To determine the first year the continuity schedules in tabs 2a and 2b will be generated for input, answer the following questions:

1) Select the year that the balances of Accounts 1588 and 1589 were last approved for disposition (e.g. If 2017 balances were approved for disposition in the 2019 rate application, select 2017)	2017
2) Select the year that the balances of the remaining Group 1 DVAs were last approved for disposition	2017
3) Select the earliest vintage year in which there is a balance in Account 1595 (e.g. If 2016 is the earliest vintage year in which there is a balance in a 1595 sub-account, select 2016)	2013
4) Select the earlier of i) the year in which Group 2 DVAs were last disposed and ii) the earliest year in which Group 2 DVAs started to accumulate	2013
To determine whether tabs 6 and 6.2 will be generated, answer the following questions	
5) Did you have any Class A customers at any point during the period that the Account 1589 balance accumulated (i.e. from the year the balance was last disposed to the year requested for disposition) or the test year?	(es
6) Did you have any Class A customers at any point during the period where the balance in Account 1580, Sub-account CBR Class B accumulated (i.e. from the year the balance was last disposed to the year requested for disposition) or the test year?	/es
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 l	list.

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

Pale grey cell represent auto-populated RRR data

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

2020 Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filing

Account Descriptions	Accoun Numbe
Group 1 Accounts	
LV Variance Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge ⁵	1580
Variance WMS - Sub-account CBR Class A5	1580
Variance WMS - Sub-account CBR Class B ⁵	1580
RSVA - Retail Transmission Network Charge RSVA - Retail Transmission Connection Charge	1584
RSVA - Retail Transmission Connection Charge RSVA - Power (excluding Global Adjustment) ⁴	1588
RSVA - Global Adjustment ⁴	1589
Disposition and Recovery/Refund of Regulatory Balances (2013) ³	1595
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	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 4	1589

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.

¹ Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

² 1) If the LDC's rate year begins on January 1, 2020, the projected reflerest is recorded from January 1, 2019 to Descence 11, 2019 on the Descence 31, 2019 and the set of the state of the set of the set

³ The individual sub-accounts as well as the total for all Account 1955 sub-accounts is to agree to the RRR data. Differences needs to a optimical for each Account 1958 sub-account, the transfer of the balance approval for increasing the transfer of the account and the account of the account of the transfer of the balance approval for encoded in the "Transaction" claim. The account sets and accounts are sub-account of the transfer of the account and the necoondary interface accounts are agreen ally expected framewalls, include a set and the distribution of the account and the Account 1956 is only to be discussion on an analysis. No interf disposition of these accounts are agreen ally expected framewalls, unless justified by the distributor. Sets of the distribution of the accounts are agreen ally expected framewalls, unless justified by the distributor.

⁴ Effective May 23, 2017, per the OEB's latter titled Guidance on Disposition of Accounts 1588 and 1589, applicants must release that an entry expension of Accounts 1588 and 1589, applicants entry and the period that is being respectively for Accounts 1588 and 1589, applicants for the second series and the second second ser

Account 19 genution: A Account 19 genution: amounts reaking to CBR. CBR amounts are to be inputted into Account 1980, sub-accounts CBR Class A and Class B separately. There is no disposition of Account 1980, sub-account CBR Class A accounting guidance for this sub-account is to be followed. If a balance exists for Account 1980, sub-account CBR Class A as at Dec. 31, 2018, the balance must be ophilined.

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filling

						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 during 2013(1)	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(1) during 2013	Closing Interest Amounts as of Dec-31-13
Group 1 Accounts											
UV Variance Account RSVA - Wheeleask Market Service Charge ¹ Variance WMS – Sub-account CBR Class A ¹ Variance WMS – Sub-account CBR Class A ¹ Variance WMS – Sub-account CBR Class A ¹ Sub-A Regal Transmission Network Charge RSVA - Revet (excluding Closel Alguithemt) ⁴ RSVA - Revet (excluding Cl	1550 1551 1580 1580 1580 1584 1588 1588 1589 1595		588,787	2,722,670		\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$		(200,106)			\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$200,106 \$0
Disposition and Recovery/Refund of Regulatory Balances (2015) ³ Disposition and Recovery/Refund of Regulatory Balances (2016) ³ Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595 1595 1595					\$0 \$0 \$0					\$0 \$0 \$0
Disposition and Recovery/Refund or Regulatory Balances (2011) ³ Disposition and Recovery/Refund or Regulatory Balances (2018) ³ Not to be disposed of until a year after rate rider has expired and that balance has been audi	1595					\$0 \$0					\$0 \$0
Group 1 Sub-Total (including Account 1589 - Global Adjustment) Group 1 Sub-Total (excluding Account 1589 - Global Adjustment) RSVA - Global Adjustment 4	1589	\$0 \$0 \$0	\$588,787 \$588,787 \$0	\$2,722,670 \$2,722,670 \$0	\$0 \$0 \$0	-\$2,133,883 -\$2,133,883 \$0	\$0	-\$200,106 -\$200,106 \$0	\$0 \$0 \$0	\$0 \$0 \$0	-\$200,106 -\$200,106 \$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.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

1) Bit LLD's atte year begins on January 1, 2020, the projected interest is recorded from January 1, 2019 to be seen by 31, 2019 to the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 to next seen and the set of the December 31, 2019 balances adjusted to remove balances 2019 to LLDC's rate products of the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 rate decision.

The individual sub-accounts as well as the lobel for all Account 1995 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1995 sub-account, the transfer of the tablerox approved for the control of the Transference of the tablerox of the account of the tablerox approved to the encoded in the Transference of the control of the tablerox of the account of the tablerox approved to the control of the Transference of the tablerox of the account of the tablerox approved to the control of the tablerox of the tablerox of the account of the tablerox approxes and the deposition of Thema accounts and generally exclusion frame account of the data sub-account deposition of Thema accounts and generally exclusion framework of the distribution.

Effective May 23, 2017, per the OEB's letter thield Guidance on Deposition of Accourts 1588 and 1589, applicants must infect per submem to us-go durine positioning to the particular full tables of deposition in Accounts balance dees not reflect the this-op durine in the during in the partice of the use optimum and to durin in the Adjustment column in that year. Note that this thus-op calient will have obtained to be anotet requested to the adjustment of the second state. The second for the use optimum and the amount requested for Adjustment of the adjustment of the second state. The second for the second in the adjustment of the adjustment of the second state. The second for the amount requested for constraints and the second state the second state. The second for the adjustment for the second state deposition of the adjustment tables. As the Account is the adjustment is related to be mereined in the adjustment Guidance destined to commoding Pass-Through Accounts 1588 & 1589, dased Petruary 21, 2019 for further destined to counting patience.

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filling

						2014					
Account Descriptions		Opening Principal Amounts as of Jan- 1-14	Transactions Debit/ (Credit) during 2014	OEB-Approved Disposition during 2014	Principal Adjustments(1) 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(1) during 2014	Closing Interest Amounts as of Dec-31-14
Group 1 Accounts											
LV Variance Account Smart Metering Entity Charge Variance Account RSVA - Wholesale Market Service Charge ⁵ Variance WMS - Sub-account CBR Class A ⁵	1550 1551 1580 1580	\$0 \$0 \$0				\$0 \$0 \$0	\$0 \$0 \$0				\$0 \$0 \$0
Variance WMS – Sub-account CBR Class B ⁵ RSVA - Retail Transmission Network Charge RSVA - Retail Transmission Connection Charge	1580 1584 1586	\$0 \$0				\$0 \$0	\$0 \$0				\$0 \$0
RSVA - Power (excluding Global Adjustment) ⁴ RSVA - Global Adjustment ⁴ Disposition and Recovery/Refund of Regulatory Balances (2013) ³	1588 1589 1595	\$0 \$0 -\$2,133,883	680,586			\$0 \$0 -\$1,453,297	\$0 \$0 - \$200,106	(26,817)			\$0 \$0 -\$226,923
Disposition and Recovery/Refund of Regulatory Balances (2014) ³ Disposition and Recovery/Refund of Regulatory Balances (2015) ³ Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595 1595 1595	\$0 \$0 \$0				\$0 \$0 \$0	\$0 \$0 \$0				\$0 \$0 \$0
Disposition and Recovery/Refund of Regulatory Balances (2017) ³ Disposition and Recovery/Refund of Regulatory Balances (2018) ³ Not to be disposed of until a year after rate rider has expired and that balance has bee	1595 1595 In audited	\$0 \$0				\$0 \$0	\$0 \$0				\$0 \$0
Group 1 Sub-Total (including Account 1589 - Global Adjustment) Group 1 Sub-Total (excluding Account 1589 - Global Adjustment) RSVA - Global Adjustment 4	1589	-\$2,133,883 -\$2,133,883 \$0	\$680,586 \$680,586 \$0	\$0 \$0 \$0	\$0 \$0 \$0	-\$1,453,297 -\$1,453,297 \$0	-\$200,106 -\$200,106 \$0	-\$26,817 -\$26,817 \$0	\$0 \$0 \$0	\$0 \$0 \$0	-\$226,923

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.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

1) Bit LLD's atte year begins on January 1, 2020, the projected interest is recorded from January 1, 2019 to be seen by 31, 2019 to the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 to next seen and the set of the December 31, 2019 balances adjusted to remove balances 2019 to LLDC's rate products of the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 rate decision.

The individual sub-accounts as well as the lobel for all Account 1995 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1995 sub-account, the transfer of the tablerox approved for the control of the Transference of the tablerox of the account of the tablerox approved to the encoded in the Transference of the control of the tablerox of the account of the tablerox approved to the control of the Transference of the tablerox of the account of the tablerox approved to the control of the tablerox of the tablerox of the account of the tablerox approxes and the deposition of Thema accounts and generally exclusion frame account of the data sub-account deposition of Thema accounts and generally exclusion framework of the distribution.

Effective May 23, 2017, per the OEB's letter titled Guidance on Deposition of Accounts 1588 and 1589, applicants must infect for hardmann these guidance potenting to the particular birt is being requested for disposition in Account balance does not infect the three-guidance three guidance the three guidance the account of the three guidance three control in the balance does not infect the three-guidance three guidance three control in the account and the start is the second and the second and the second and the balance does not infect the second and the

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filling

						2015										2016								
Account Descriptions	Account Number A		Transactions Debit/ (Credit) during 2015	OEB-Approved Disposition during 2015	Principal Adjustments(1) 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(1) during 2015	Closing Interest Amounts as of Dec-31-15	Opening Principal Tr Amounts as of Jan- / (1-16	ansactions(1) Debit Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(1) during 2016	Closing Principal Balance as of Dec-31-16		nterest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(1) 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 durin 2017
Group 1 Accounts																								
LV Valander Account RSVA - Whetesiak Markel Service Charge [®] Valance WMS – Sub-scoutci CBR Class A [®] Valance WMS – Sub-scoutci CBR Class A [®] Sub- Reall Transmission Mexindo. Charge RSVA - Reall Transmission Mexindo. Charge RSVA - Power (excluding Global Adjustment) [®] RSVA - Newer (excluding Global Adjustment) [®] RSVA - Sub- Adjustment [®] Disposition and Recovery/Refund of Regulatory Balances (2013) [®] Disposition and Recovery/Refund of Regulatory Balances (2016) [®] Disposition and Recovery/Refund of Regulatory Balances (2016) [®] Disposition and Recovery/Refund of Regulatory Balances (2016) [®] Disposition and Recovery/Refund of Regulatory Balances (2017) [®] Disposition and Recovery/Refund of Regulatory Balances (2017) [®]	1550 1551 1580 1580 1580 1586 1586 1586 1585 1595 1595 1595 1595	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	845,503			\$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	(13,723)			\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 -\$240,646 \$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 \$	623,993 (640,267) 31,120	(1.007,558)		\$0 \$0 \$0 \$0 \$0 \$0 \$ 0 \$ 0 \$ 0 \$ 0 \$	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	(5,460)	(7,132)		\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$12,025 \$0 \$0 \$0 \$12,025 \$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 \$	234,847 (306,313) 1,063,437	1.726.3
lot to be disposed of until a year after rate rider has expired and that balance has been audited stroup 1 Sub-Total (including Account 1589 - Global Adjustment) troup 1 Sub-Total (excluding Account 1589 - Global Adjustment) SVA - Global Adjustment 4	1589	-\$1,453,297 -\$1,453,297 \$0	\$645,503 \$645,503 \$0		\$0 \$0		-\$226,923 -\$226,923 \$0	-\$13,723 -\$13,723 \$0	\$0 \$0 \$0	\$0 \$0	-\$240,646 -\$240,646 \$0	-\$807,794 -\$807,794 \$0	\$14,846 \$14,846 \$0	-\$1,007,558 -\$1,007,558 \$0	\$0 \$0 \$0	\$214,610 \$214,610 \$0	-\$240,646 -\$240,646 \$0	-\$567 -\$567 \$0	-\$7,132 -\$7,132 \$0	\$0 \$0 \$0		\$214,610 \$214,610 \$0	\$991,771 \$991,771 \$0	\$1,726 \$1,726

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The individual sub-accounts as well as the lobel for all Account 1995 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1995 sub-account, the transfer of the tablerox approved for the control of the Transference of the tablerox of the account of the tablerox approved to the encoded in the Transference of the control of the tablerox of the account of the tablerox approved to the control of the Transference of the tablerox of the account of the tablerox approved to the control of the tablerox of the tablerox of the account of the tablerox approxes and the deposition of Thema accounts and generally exclusion frame account of the data sub-account deposition of Thema accounts and generally exclusion framework of the distribution.

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Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filling

			2017										2018								2019		Projec
Account Descriptions	Account Number	Principal Adjustments(1) 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(I) during 2017	Closing Interest Amounts as of Dec-31-17	Opening Principal Tr Amounts as of Jan- (C 1-18	ansactions Debit/ redit) during 2018	OEB-Approved Disposition during 2018	Principal Adjustments(1) during 2018	Closing Principal Balance as of Dec-31-18	Opening Interest Amounts as of Jan-1-18	Interest Jan-1 to Dec-31-18	OEB-Approved Disposition during 2018	Interest Adjustments(1) during 2018	Closing Interest Amounts as of Dec-31-18	Principal Disposition during 2019 - instructed by OEB	Interest Disposition during 2019 - instructed by OEB	Balances as of Dec	31-18 Adjusted for	Projected Interest from Jan 1, 2019 to December 31, 2019 on Dec 31 - 18 balance adjusted for disposition during 2019 (2)
Group 1 Accounts																							
LV Variance Account	1550	\$366.020	\$366,020				\$4.581	\$4,581	\$366.020	\$183.174			\$549,194	\$4.581	\$8.331			\$12,912	\$366.020	\$14.009			\$4.117
Smart Metering Entity Charge Variance Account	1551	-\$19,604	-\$19,604	\$0			-\$300	-\$300	-\$19,604	-\$47,022			-\$66,626	-\$300	-\$878			-\$1,178	-\$19,604	-\$805	-\$47,022		-\$1,057
RSVA - Wholesale Market Service Charge ⁵	1580	-\$1,673,857	-\$1,673,857	\$0			-\$25,412	-\$25,412	-\$1,673,857	-\$220,657			-\$1,894,515	-\$25,412	-\$28,801			-\$54,213	-\$1,673,857	-\$68,530	-\$220,658		-\$4,959
Variance WMS – Sub-account CBR Class A ⁵	1580	\$0	\$0	\$0			\$0	\$0	\$0	\$423			\$423	\$0	-\$22			-\$22			\$423	-\$22	
Variance WMS – Sub-account CBR Class B ⁵	1580	-\$131,930	-\$131,930	\$0			-\$1,250	-\$1,250	-\$131,930	-\$63,265			-\$195,195	-\$1,250	-\$3,471			-\$4,721	-\$131,930	-\$4,648	-\$63,265		
RSVA - Retail Transmission Network Charge	1584	-\$169,797	-\$169,797	\$0			-\$136	-\$136	-\$169,797	-\$112,671			-\$282,468	-\$136	-\$1,564			-\$1,700	-\$169,797	-\$4,509			
RSVA - Retail Transmission Connection Charge	1586	\$150,151	\$150,151	\$0			\$7,671	\$7,671	\$150,151	\$32,511			\$182,662	\$7,671	\$3,393			\$11,064	\$150,151	\$11,539			\$731
RSVA - Power (excluding Global Adjustment) ⁴	1588	-\$425,528	-\$425,528	\$0			-\$1,889	-\$1,889	-\$425,528	-\$983,175			-\$1,408,703	-\$1,889	-\$14,652			-\$16,541	-\$425,528	-\$12,850	-\$983,175		-\$22,097
RSVA - Global Adjustment ⁴	1589	-\$372.516	-\$372,516	\$0			\$6.513	\$6,513	-\$372.516	-\$934.705			-\$1,307,221	\$6.513	-\$10.984			-\$4,471	-\$372.516	-\$3.083	-\$934.705	-\$1.388	-\$21.008
Disposition and Recovery/Refund of Regulatory Balances (2013) ³	1595		\$50,846	-\$246,106	(154)			-\$246,260	\$50,846	\$34			\$50,880	-\$246,260	-\$5,557		-\$20,340	-\$272,156			\$50,880	-\$272,156	\$1,144
Disposition and Recovery/Refund of Regulatory Balances (2014) ³	1595		\$0	\$0				\$0	SO				\$0	\$0				\$0			\$0	\$0	
Disposition and Recovery/Refund of Regulatory Balances (2015) ³	1595		\$0	\$0				\$0	\$0				\$0	\$0				\$0			\$0	\$0	
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595		\$60,978	\$12,025	1,441			\$13,466	\$60,978	-\$433			\$60,545	\$13,466	\$1,416			\$14,882			\$60,545	\$14,882	\$1,361
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595		-\$631,778	\$0	(10,106)	33,732		-\$43,838	-\$631,778	\$644,056			\$12,278	-\$43,838	-\$1,363			-\$45,201			\$12,278	-\$45,201	\$276
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595		\$0	\$0				\$0	\$0			\$31,120	\$31,120	\$0				\$0			\$31,120		
Not to be disposed of until a year after rate rider has expired and that balance has been audite	ed .																						
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		-\$2,277,062	-\$2,797,015	-\$234,081	-\$8,818	\$33,732	-\$10,222	-\$286,854	-\$2,797,015	-\$1,501,731	\$0	\$31,120		-\$286,854	-\$54,151	\$0	-\$20,340	-\$361,344	-\$2,277,061	-\$68,877	-\$1,990,565		
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		-\$1,904,546	-\$2,424,499	-\$234,081	-\$8,818	\$33,732	-\$16,735	-\$293,367	-\$2,424,499	-\$567,025	\$0	\$31,120		-\$293,367	-\$43,166	\$0	-\$20,340	-\$356,873	-\$1,904,545	-\$65,794	-\$1,055,860		-\$24,439
RSVA - Global Adjustment 4	1589	-\$372,516	-\$372,516	\$0	\$0	\$0	\$6,513	\$6,513	-\$372,516	-\$934,705	\$0	\$0	-\$1,307,221	\$6,513	-\$10,984	\$0	\$0	-\$4,471	-\$372,516	-\$3,083	-\$934,705	-\$1,388	-\$21,008

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Effective May 23, 2017, per the OEB's letter thield Guidance on Deposition of Accourts 1588 and 1589, applicants main their later handlenses that any during per lange and that is being requested by deposition in Accounts balance dees not reflect the theory-parties for the handlense of the per later of the observation of the deposition in Accounts Adjustment column in that year. Note that this hand, and the angular of the hear of the most the applicants and the deposition of the angular state that the hand, and the applicant of the amount requests for monitoring and angular participants and the state of the most of the most of the amount requests of displants and the angular state that this hand, active the the state of the most of the amount requests for displants and the angular state the foreign state and the state of the most of the amount requests for displants and the angular state the foreign state of the state of the most of the amount requests for displants and the angular state the foreign state of the state of the most of the state of t

Deferral/Variance Account Workform

Please see instructions tab for detailed instructions on how to complete the DVA Continuity Schedule. Column BV has been pre-populated from the most recent RRR filling

		ted Interest on	Dec-31-18 Balar	nces		2.1.7 RRR		
Account Descriptions	Account Number	Projected Interest from January 1, 2020 to April 30, 2020 on Dec 31 - 18 balance adjusted for disposition during 2019 (2)	Total Interest	Total Claim	Accounts To Dispose Yes/No	As of Dec 31-18	Variance RRR vs. 2018 Balance (Principal + Interest)	
Group 1 Accounts								
LV Variance Account	1550	\$1.331	\$4.351	\$187,525.02		\$562.106	\$0	
Smart Metering Entity Charge Variance Account	1551	-\$342	-\$1,772	-\$48,793.66		-\$67,804	\$0	
RSVA - Wholesale Market Service Charge ⁵	1580	-\$1,603	\$7,755	-\$212,902.78		-\$2,148,242	-\$199,515	Variance does not agree to RRR CBR balance in BV28. Please provide an explanation of the variance in tab 3 - Appendix A
Variance WMS - Sub-account CBR Class A5	1580		-\$22	\$0.00		\$401	\$0	
Variance WMS – Sub-account CBR Class B ⁵	1580	-\$460	-\$1,955	-\$65,219.93		-\$199,916	\$0	
RSVA - Retail Transmission Network Charge RSVA - Retail Transmission Connection Charge	1584 1586	-\$819 \$236	-\$542 \$492	-\$113,213.32 \$33.002.95		-\$284,168 \$193,726	\$0	
RSVA - Retail Transmission Connection Charge RSVA - Power (excluding Global Adjustment) ⁴	1588	-\$7,144	-\$32,932	\$33,002.95 -\$1.016.107.07	Yes	-\$1,410,592	\$0	Please provide an explanation of the variance in the tab 3 - Appendix A
RSVA - Global Adjustment 4	1589	-\$7,144 -\$6,792	-\$32,932	-\$1,016,107.07	Yes	-\$1,410,592 -\$1,300,708		Please provide an explanation of the variance in the tab 3 - Appendix A Please provide an explanation of the variance in the tab 3 - Appendix A
Disposition and Recovery/Refund of Regulatory Balances (2013) ³	1595	-30.792 \$370	-\$29.166	-\$953,893.38 -\$219.762.93	Yes	-\$1.300.708 -\$221.276	\$10,985	Hease provide an explanation or the vanance in the tab 3 - Appendix A
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	43/0	-3270,043 S0	\$2,19,762.93	103	-3221,270	50	
Disposition and Recovery/Refund of Regulatory Balances (2014)	1595		30 S0	\$0.00		30	30 80	
Disposition and Recovery/Refund of Regulatory Balances (2016) ³	1595	\$440	\$16.683	\$77.228.20	Yes	\$75.427	50	
Disposition and Recovery/Refund of Regulatory Balances (2017) ³	1595	\$89	-\$44.836	-\$32,557,62	Yes	-\$64.043		Please provide an explanation of the variance in the tab 3 - Appendix A
Disposition and Recovery/Refund of Regulatory Balances (2018) ³	1595	305	-044,000 \$0	\$31,120.00		-304,043		Please provide an explanation of the variance in the tab 3 - Appendix A Please provide an explanation of the variance in the tab 3 - Appendix A
Not to be disposed of until a year after rate rider has expired and that balance has be		1	00	401,120.00			-451,125	
Group 1 Sub-Total (including Account 1589 - Global Adjustment)		-\$14.694	-\$352,608	-\$2,343,574,51		-\$4,865,090	-\$236.119	
Group 1 Sub-Total (excluding Account 1589 - Global Adjustment)		-\$7,902	-\$323,420	-\$1,379,681.13		-\$3,564,382	-\$247,104	
RSVA - Global Adjustment 4	1589	-\$6,792	-\$29,188	-\$963,893.38		-\$1,300,708	\$10,985	

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.

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously OEB-Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

1) Bit LLD's atte year begins on January 1, 2020, the projected interest is recorded from January 1, 2019 to be seen by 31, 2019 to the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 to next seen and the set of the December 31, 2019 balances adjusted to remove balances 2019 to LLDC's rate products of the December 31, 2019 balances adjusted to remove balances approved for disposition in the 2019 rate decision.

The individual sub-accounts as well as the lobel for all Account 1995 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1995 sub-account, the transfer of the tablerox approved for the control of the Transference of the tablerox of the account of the tablerox approved to the encoded in the Transference of the control of the tablerox of the account of the tablerox approved to the control of the Transference of the tablerox of the account of the tablerox approved to the control of the tablerox of the tablerox of the account of the tablerox approxes and the deposition of Thema accounts and generally exclusion frame account of the data sub-account deposition of Thema accounts and generally exclusion framework of the distribution.

Effective May 23, 2017, per the OEB's letter thield Guidance on Deposition of Accourts 1588 and 1589, applicants main their later handlenses that any during per lange and that is being requested by deposition in Accounts balance dees not reflect the theory-parties for the handlense of the per later of the observation of the deposition in Accounts Adjustment column in that year. Note that this hand, and the angular of the hear of the most the applicants and the deposition of the angular state that the hand, and the applicant of the amount requests for monitoring and angular participants and the state of the most of the most of the amount requests of displants and the angular state that this hand, active the the state of the most of the amount requests for displants and the angular state the foreign state and the state of the most of the amount requests for displants and the angular state the foreign state of the state of the most of the amount requests for displants and the angular state the foreign state of the state of the most of the state of t

2020 Deferral/Variance Account Workform Please use indiructions tak for detailed indiructions an how to complete the DVA Continuity Exhedule. Column BF has been proposaled from the most recent SBE films

			2013						2014					2015						2016						2017						2018				2019		Projected Inte	rest on Dec-31-3	18 Balances		21.71	RRR	
Account Descriptions	Accel Project Secondario	nay Managarana Ar Magarana Arag Adjan Mar Ara		ng Malagan ang Salahan Malagan ang Salahan Ang Sa	and Manual Paragrams a Adjustration Statistics of Analysis Review	t t	nadaadada ahaya	and Respe any Approach		Manafala Maja A Manafala Ang		function(1960) m			iyong Maar Maarijaa Maarija Maarija Maarija	Magazat Maa Ngalia Malaisa Angini Angini		rpang tanahadi Raipa Militadi Angen	Response Aug		Name and American States	Augusta Manad M Augusta Augusta ()		tandaadaay Haqaa Tandaaqaay Haqaa Haqaa			Manipal Bagan Alban Pagan	ar basar bangtar Approximity Association Association Basics	111 1 1	induction interpretation interpretatio interpretation interpretation interpretation interpretati	and Pauga any Approximity Any Ma		Manager and		Alightine and al	Angelia Angelia Angelia Angelia Angelia Angelia Angelia Angelia	Napara Balance Tana Jani, Mirina Rasada III, Miran Racilla Harkes alfanta In Republic Academy (1997)		Table Manual	had the	, I,	1	Tataan Maran Milan Margar Tala	 (108), 1022 and 1082, only the total equilated in the RMI solution and is a fair that assumed in this tak
A Constantia de la cons	Image: Control of the second											ALMA ALMA FLORA	-	E E			-	50.524 500 50 50 50 50	:	10 10 10 10 10 10 10 10 10 10 10 10 10 1		40 A2	4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4		At de		61.00 61.00 61.00				52 43	4-14-44 	10 10 Mini 10 10 Mini	60 60 ·	Land an bit diff dif		ten rei Gran Billion Billion Billion					-		
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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. 2018 Balance (Principal + Interest)	Explanation
RSVA - Wholesale Market Service Charge5	1580	\$ (199,515.21)	This variance is equal to the sum of the balance in 1580 sub account CBR Class A, plus 1580 sub account CBR Class B. GSHi understands that no balance should exist in 1580 sub account CBR Class A. The balance is \$401. This balance was the result of
Variance WMS – Sub-account CBR Class B5	1580	\$-	N/A
RSVA - Power (excluding Global Adjustment)4	1588	\$ 14,651.68	The DVA continuity schedule shows a difference between the RRR submission for year-ending December 31, 2018 and the continuity balance for account 1588. The difference for this account is \$14,652. This difference represents the annual interest for
RSVA - Global Adjustment 4	1589	\$ 10,984.82	The DVA continuity schedule shows a difference between the RRR submission for year-ending December 31, 2018 and the continuity balance for account 1589. The difference for this account is \$10,985. This difference represents the annual interest for
Disposition and Recovery/Refund of Regulatory Balances (2017)3	1595	\$ (31,120.47)	This variance nets out with the variance below in account 1592. This \$31,120 represents the amount ordered disposed by the Board for Shared Tax Savings in EB-2016-0072, the Decision and Order dated March 30, 2017.
Disposition and Recovery/Refund of Regulatory Balances (2018)3	1595	\$ (31,120.00)	This variance nets out with the variance below in account 1592. This \$31,120 represents the amount ordered disposed by the Board for Shared Tax Savings in EB-2017-0042, the Decision and Order dated March 22, 2018.
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ 113,216.54	The sum of the 1508 variances on this tab net to zero. The control account balance for account 1508 appropriately equals the sum of the 1508 sub accounts.
Pole Attachment Revenue Variance5	1508	\$ 38,629.47	The sum of the 1508 variances on this tab net to zero. The control account balance for account 1508 appropriately equals the sum of the 1508 sub accounts.
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ (142,589.41)	The sum of the 1508 variances on this tab net to zero. The control account balance for account 1508 appropriately equals the sum of the 1508 sub accounts.
Other Regulatory Assets - Sub-Account - Energy East Pipeline	1508	\$ (9,256.60)	The sum of the 1508 variances on this tab net to zero. The control account balance for account 1508 appropriately equals the sum of the 1508 sub accounts.

2020 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.

		А		В	3			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 tartif of rates and charges)	tomers Tot Metere		Total letered kW	Metered kWh for Non-RPP Customers ⁴	Metered kW for Non-RPP Customers ⁴	Distribution Revenue	Metered kWh for Wholesale Market Participants (WMP)	Wholesale Market	Total Metered kWh less WMP consumption (if applicable)	Total Metered kW <u>less</u> WMP consumption (<i>if applicable</i>)	Forecast Total Metered Test Year kWh for Full Year Class A Customers	Forecast Total Metered Test Year kWh for Transition Customers	Non-RPP Metered Consumption for Current Class B Customers (Non-RPP Consumption excluding WMP, Class A and Transition Customers' Consumption	Proportion (2013) 1	1595 Recovery Share Proportion (2016) ¹	1595 Recovery Share Proportion (2017) ¹	1595 Recovery Share Proportion (2018) ¹	1568 LRAM Variance Account Class Allocation ³ (\$ amounts)	Number of Customers for Residential an GS<50 classes
RESIDENTIAL SERVICE CLASSIFICATION KWh	43,107 361	,088,385		9,225,099		15,824,893			361,088,385				9,225,099	55%	42%	43%	43%	114,390	0 43, 6 4,
SENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFIC/ kWh	4,182 134	,331,187		21,441,793		4,443,853			134,331,187			-	21,441,793	10%		16%	16%	5 75,576	4.
SENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATI KW	492 343	,232,749	856,504	279,597,555	684,020	6,219,580	3,477,473	6,619	339,755,276	849,885	72,343,263		203,776,818	27%	41%	40%	40%	137,614	
JNMETERED SCATTERED LOAD SERVICE CLASSIFICATION kWh	283 1	,081,447		9,602		53,547			1,081,447				9,602	0%	0%	0%	0%	0	
SENTINEL LIGHTING SERVICE CLASSIFICATION KW	359	389,166	1,062	32,716	89	43,965			389,166	1,062			32,716	0%	0%	0%	0%	238	,
STREET LIGHTING SERVICE CLASSIFICATION KW	9,941 7	,342,584	20,511	7,342,584	20,511	810,288			7,342,584	1,062 20,511		-	7,342,584	7%	1%	1%	1%	218	
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		7.465.518	878.077	317.649.350	704.620	\$ 27.396.127	3.477.473	6.619	843.988.045	871.458	72.343.263		241.828.614	100%	100%	100%	100%	\$ 328.036	

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.

2020 Deferral/Variance Account Workform

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		Amounts from		RESIDENTIAL SERVIC	GENERAL SERVICE LESS	GENERAL SERVICE 50 TO	UNMETERED SCATTERED		STREET LIGHTING														
		Sheet 2	Allocator	CLASSIFICATION	THAN 50 KW SERVICE		LOAD SERVICE	SERVICE	SERVICE														
					CLASSIFICATION	CLASSIFICATION	CLASSIFICATION	CLASSIFICATION	CLASSIFICATION														
LV Variance Account	1550	187,525		79,901	29,724	75,950	239	86	1,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Metering Entity Charge Variance Account	1551	(48,794)	# of Custome	rs (44,479)	(4,315)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Wholesale Market Service Charge	1580	(278,123)	kWh	(118,991)	(44,267)	(111,961)	(356)	(128)	(2,420)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		(113,213)		(48,238)	(17,945)	(45,853)	(144)	(52)	(981)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Retail Transmission Connection Charge		33,003	kWh	14,062	5,231	13,367	42	15	286	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Power (excluding Global Adjustment)	1588	(1,016,107)	kWh	(434,727)	(161,726)	(409,043)	(1,302)	(469)	(8,840)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - Global Adjustment	1589	(963,893)	Non-RPP kW		(85,464)	(812,225)	(38)	(130)	(29,266)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2013)	1595	(219,763)	%	(121,727)	(21,907)	(59,085)	(876)	(716)	(15,453)	0	0	0	0	0	0	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	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2016)	1595	77,228	%	32,052	12,795	31,513	130	41	696	0	0	Û	0	0	Û	0	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2017)	1595	(32,558)	%	(14,090)	(5,073)	(13.054)	(47)	(16)	(277)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	31,120	%	13,468	4,849	12,478	45	15	265	0	0	0	0	0	Ö	0	0	Ö	0	0	0	0	0
Total of Group 1 Accounts (excluding 1589)		31,120 (1,379,681)		(642,769)	(202.633)	(505,689)	(2.269)	(1.223)	(25,099)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			kWh	83,565	31,088	79,433	250	90	1,699	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pole Attachment Revenue Variance	1508	(39,775)	kWh	(16,947)	(6,305)	(16,109)	(51)	(18)	(345)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Service Charge Incremental Revenue	1508		kWh	0	0	0	0	Ó	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				0	0	0	0	Ó	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	146,731	kWh	62,519	23,258	59,428	187	67	1,271	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Regulatory Assets - Sub-Account - Energy East Pineline	1508	9 519	kWb	4,056	1,509	3,855	12	4	82	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Smart Grid Capital Deferral Account - (OEB Account 1534)	1508	573,467	kWh kWh	244,343	90,900	232,260	732	263	4,969	0	0	Û	0	0	Û	0	0	0	0	0	0	0	0
Smart Grid OM&A Deferral Account - (OEB Account 1535)	1508	265,296	kWh	113,037	42,052	107,448	339	122	2,299	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Cost Variance Account - Retail	1518	0			0	0	0	0	Ó	0	0	Û	0	0	Û	0	0	0	0	0	0	0	0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges	1622	0	kWh	0	0	0	0	0	0	Ó	0	0	0	0	Ó	0	0	0	0	0	0	0	Ó
Misc. Deferred Debits	1525	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	1548	0	kWh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra-Ordinary Event Costs	1572	ő	kWh	0	ő	ő	õ	ō	ő	,	Ō	ĺ.	ő	ō	Ő	Ő	õ	ñ	õ	ő	õ	0	0
Deferred Rate Impact Amounts	1574	0	kWb	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSVA - One-time	1582	0	kWh kWh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2426	(513,952)	kWb	(218 985)	(81.466)	(208 156)	(858)	(236)	(4.453)	0	0	0	0	0	0	0	ő	ů	0	0	ŏ	ő	0
Total of Group 2 Accounts		637,410		271,588	101.035	258,158	813	203	5.523	0	0	0	ő	0	ő	ő	ő	ő	ő	0	ő	0	ő
Total of Globb 2 Accounts		001,410	1	211,000	101,000	200,100	015	200	0,020	5	0	ů.	, v	0		, i	, in the second s	5		ů.	ő		
PILs and Tax Variance for 2006 and Subsequent Years	1					1	1	1			1	1		1	1	1	1		1	1		1	·
(excludes sub-account and contra account)	1592	0	kWh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
			1								1	1		1	1	1			1			+	
Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	0	kWh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total of Account 1592				-					<u>^</u>								-						
Total of Account 1992		0	1		0	0	0	0	0	0	0	0	, v	0	0		v	0	v		Ū,		
	4500	328.036		114.390	75 576	137,614	0	228	248	•	0	â	0	0	0	â	0	â			0		-
LRAM Variance Account (Enter dollar amount for each class)	1068	326,036	1	114,390	/5,5/6	137,614	0	238	£18	U	0	0	0	0	0	0	0		0	0			
		0	kWh	0	0	0	0	۵	۵	A	0	۵	٥	۵	0	â	0	0	0	0	â	0	0
Renewable Generation Connection OM&A Deferral Account Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	r .	(9,219)	kWh	(3 928)	(1.461)	(2 724)	(12)	3	(80)	0	0	0	0	0	0	0	0	0	0	0	0	+ 0	0
oman meter capital and Recovery Onset variance - SUD-Account - Stranded Meter Costs	#	(4,219)	Kyyii	(3,920)	(1,401)	(0,734)	(12)	(*)	(30)	0	0			0	0					· · ·			
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)		(05 454)		(80.054)	3 360	45 345	(610)	(8.96)	(42,820)	^	0		0	0								-	
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595) Total of Account 1580 and 1588 (not allocated to WMPs)		(85,451)		(89,051) (553,718)	3,360 (205,993)	15,315 (521,004)	(610) (1.658)	(626)	(13,839) (11,260)	U	0	v.	U				0		0	0	0	+ 0	0
Account 1589 (allocated to Non-WMPs)		(1,294,230)	1	(353,718)	(205,993)	(021,004)	(1,658)	(597)	(11,260)	0	U	U	U	U	U	U	U	0	U	U	0	-	
Account 1569 (allocated to Non-WMPS)		(963,893)		(36,770)	(85,464)	(812,225)	(38)	(130)	(29,266)	0	8	8	0	8	8	8	8	0	8	8	0	0	
A		628,191	1	267.660	99.574	AF 1 141	000	600	F 110		â		â		*			*					
Group 2 Accounts (including 1592, 1532, 1555)		628,191	1	267,660	99,574	254,424	802	268	5,443	0	0	0	0	0	0	0	0	0	0	0	0		0
		1 000 007	kWh	1.815.996	675.582	1.726.196	5.439	1 957	36.928	A	â		, â	*									
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	4,262,097	kWh kWh	1,815,996	675,582	1,726,196	b,439	1,957	30,928	0	8	8	0	8	8	8	8	0	8	8	0	0	
				0	0	0	0	0	0	0	8	8	0	0	0	8	8	0	8	8	0	0	8
Total of Accounts 1575 and 1576		4,262,097	1	1,815,996	675,582	1,726,196	5,439	1,957	36,928	0	0	0	0	0	0	0	0	0	0	0	0	0	0

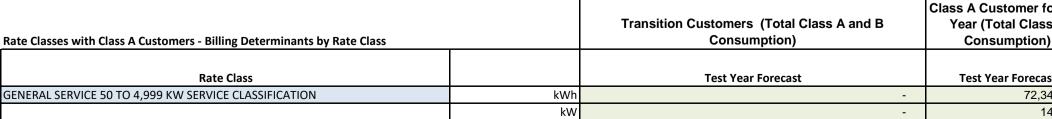
3b

2020 Deferral/Variance Account Workform

1a	The year Account 1589 GA was last disposed	2017	
1b	The year Account 1580 CBR Class B was last disposed	2017	Note that the sub-account was established in 2015.
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 the year after the balance was last disposed to the current year requested for disposition)?		(e.g. If you received approval to dispose of the GA variance account balance as at December 31, 2015, the period the GA variance accumulated would be 2016 to 2018.)
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 the year after the balance was last disposed to the current year requested for disposition)?		(e.g. If you received approval to dispose of the CBR Class B balance as at December 31, 2016, the period the CBR Class B variance accumulated would be 2017 to 2018.)

Enter the number of rate classes in which there were customers who were Class A for the full year during the period the Account 1589 GA or Account 1580 CBR B balance accumulated.

In the table, enter i) the total Class A consumption for full year Class A customers in each rate class for each year; and ii) the total forecast Class A and Class B consumption for transition customers and full year Class A customers in each rate class for the test year.



for Full	
s A	
ı)	
ast	
343,263	
145,313	

2020 Deferral/Variance Account Workform

2017

No Input Required in this tab. 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.

	Total Metered F Consumption Mir		Forecast Total Metered Te for Full Year Class A Cu		Forecast Total Metered Test Year Transition Customers	wh for	Metered Consumption for Cur Customers (Total Consumption Class A and Transition Cu Consumption)	LESS WMP,	% of total kWh
	kWh	kW	kWh	kW	kWh k	w	kWh	kW	
RESIDENTIAL SERVICE CLASSIFICATION	361,088,385	-	0	0	0	0	361,088,385		47%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	134,331,187	-	0	0	0	0	134,331,187	-	17%
GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION	339,755,276	849,885	72,343,263	145,313	0	0	267,412,013	704,572	35%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	1,081,447		0	0	0	0	1,081,447	-	0%
SENTINEL LIGHTING SERVICE CLASSIFICATION	389,166	1,062	0	0	0	0	389,166	1,062	0%
STREET LIGHTING SERVICE CLASSIFICATION	7,342,584	20,511	0	0	0	0	7,342,584	20,511	1%
	-	-	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	0	0	0	-	-	0%
Total	843,988,045	871,458	72,343,263	145,313	-	-	771,644,782	726,145	100%

2020 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.)

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 SERVICE CLASSIFICATION	kWh	361,088,385		- 0.0018
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187	-\$ 202,633	- 0.0015
GENERAL SERVICE 50 TO 4,999 KW SER	kW	856,504	\$ 15,315	0.0179
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	-\$ 2,269	- 0.0021
SENTINEL LIGHTING SERVICE CLASSIFIC	kW	1,062	-\$ 1,223	- 1.1512
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	-\$ 25,099	- 1.2237
			\$-	-
		-	\$ -	-
		-	\$-	-
		•	\$-	-
		-	\$ -	-
		-	\$-	-
		•	\$-	-
		-	\$ -	-
		-	\$-	-
		-	\$ -	-
		•	\$-	-
		•	\$-	-
			\$-	-
		•	\$-	-
Total			-\$ 858,677	

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

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 SERVICE CLASSIFICATION	kWh	361,088,385	\$ -	-
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187	\$ -	-
GENERAL SERVICE 50 TO 4,999 KW SER	kW	849,885	-\$ 521,004	- 0.6130
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	\$ -	-
SENTINEL LIGHTING SERVICE CLASSIFIC	kW	1,062	\$ -	-
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	
		-	\$ -	-
		-	s -	-
		-	\$ -	
		-	\$ -	-
		-	s -	-
		-	\$ -	
		-	\$ -	-
		-	s -	-
		-	\$ -	-
		-	\$ -	-
Total			-\$ 521.004	

Control of the second s

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

580, Sub-account CBR Class B

1580, Sub-account CBR Class B						
Rate Class	Units	kW / kWh / # of	Allocated Sub- account 1580 CBR	Rate Rider for	Revised Rate Rider for Deferral/Variance	
(Enter Rate Classes in cells below)	Units	Customers	Class B Balance	CBR Class B	Accounts	If the rate rider calculated rounds to zero at the fourth
RESIDENTIAL SERVICE CLASSIFICATION	kWh	361,088,385				decimal place in one or more rate classes (except for the
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187		- 0.0000	s -	Standby rate class), the entire balance in Account 1580, Sub-
GENERAL SERVICE 50 TO 4,999 KW SER	kW	704,572	-\$ 22,602	- 0.0027	\$ -	account CBR Class B will be added to the Account 1580 WMS
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	-\$ 91	- 0.0000	\$-	and disposed through the applicable general DVA rate rider.
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	-\$ 33	- 0.0026	\$-	
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	-\$ 621	- 0.0025	\$-	
		-	\$-	-	\$-	
		-	\$ -	-	\$ -	
		-	\$-	-	\$-	
		-	\$ -	-	\$ -	
		-	\$ -	-	\$-	
		-	\$ -	-	\$-	
		-	\$ -	-	\$ -	
		-	\$ -	-	\$ -	
		-	\$-	-	\$ -	
		-	\$-	-	\$-	
		-	\$ -	-	\$ -	
		-	\$ -	-	\$ -	4
		-	\$ -	-	\$ -	4
		-	\$ -	-	\$-	
Total			-\$ 65,220			1

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

Rate Rider Calculation for RSVA - Power - Global Adjustment

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment	
---	-------	-----	--	--	--

RESIDENTIAL SERVICE CLASSIFICATION	kWh	9,225,099	-\$ 36,770	- 0.0040
GENERAL SERVICE LESS THAN 50 KW S	kWh		-\$ 85,464	- 0.0040
GENERAL SERVICE 50 TO 4,999 KW SER	kWh	203,776,818	-\$ 812,225	- 0.0040
UNMETERED SCATTERED LOAD SERVIC	kWh	9,602	-\$ 38	- 0.0040
SENTINEL LIGHTING SERVICE CLASSIFIC	kWh	32,716	-\$ 130	- 0.0040
STREET LIGHTING SERVICE CLASSIFICA	kWh	7,342,584	-\$ 29,266	- 0.0040
		-	\$ -	-
			\$ -	
			\$ -	
		•	\$-	-
			\$ -	-
		-	\$ -	-
		•	\$	-
			\$ -	-
		-	\$ -	-
			\$ -	-
		-	\$ -	-
		•	\$-	-
			\$ -	-
		-	\$ -	-
Total			-\$ 963.893	

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 SERVICE CLASSIFICATION	# of Customers	43,107	\$ 267,660	\$ 0.52	
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187	\$ 99,574	\$ 0.0007	
GENERAL SERVICE 50 TO 4,999 KW SER	kW	856,504	\$ 254,424	\$ 0.2970	
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	\$ 802	\$ 0.0007	
SENTINEL LIGHTING SERVICE CLASSIFIC	kW	1,062	\$ 288	\$ 0.2716	
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 5,443	\$ 0.2654	
			\$ -	\$-	
			\$ -	\$-	
		-	\$-	\$-	
			\$ -	\$-	
			\$-	\$-	
		-	\$-	\$-	
			\$ -	\$-	
			\$-	\$-	
			\$-	\$-	
			\$ -	\$-	
		-	\$ -	\$-	
			\$ -	\$-	
			\$ -	\$-	
		-	\$-	\$-	
Total			\$ 628,191		

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in months) 60

Rate Class			Allocated Accounts	Rate Rider for
(Enter Rate Classes in cells below)	Units	# of Customers 1575 and 157		Accounts 1575
(Enter Rate Classes in cens below)			Balances	and 1576
RESIDENTIAL SERVICE CLASSIFICATION	CLASSIFICATION # of Customers 43,107 \$		\$ 1,815,996	0.7021
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187	\$ 675,582	0.0010
GENERAL SERVICE 50 TO 4,999 KW SER	kW	856,504	\$ 1,726,196	0.4031
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	\$ 5,439	0.0010
SENTINEL LIGHTING SERVICE CLASSIFIC	kW	1,062	\$ 1,957	0.3686
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 36,928	0.3601
		-	\$ -	
		-	\$ -	-
			\$ -	
			\$-	
		-	\$ -	-
			\$-	
		-	\$ -	-
		-	\$ -	-
			\$-	-
		-	\$ -	-
			\$-	-
			\$-	-
			\$ -	-
		-	\$ -	-
Total			\$ 4,262,097	

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 SERVICE CLASSIFICATION	kWh	361,088,385	\$ 114,390	0.0003
GENERAL SERVICE LESS THAN 50 KW S	kWh	134,331,187	\$ 75,576	0.0006
GENERAL SERVICE 50 TO 4,999 KW SER	kW	856,504	\$ 137,614	0.1607
UNMETERED SCATTERED LOAD SERVIC	kWh	1,081,447	s -	
SENTINEL LIGHTING SERVICE CLASSIFIC	kW	1,062	\$ 238	0.2241
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 218	0.0106
			\$ -	
			\$-	
			ş -	
			\$ -	
			\$ -	
			ş -	
			\$ -	
		-	\$ -	
			\$ -	
			\$ -	-
			ş -	
			\$ -	
		-	\$ -	-
			ş -	
Total			\$ 328,036	

Rate riders for Global Adjustment is to be calculated on the basis of kWh for all classes.

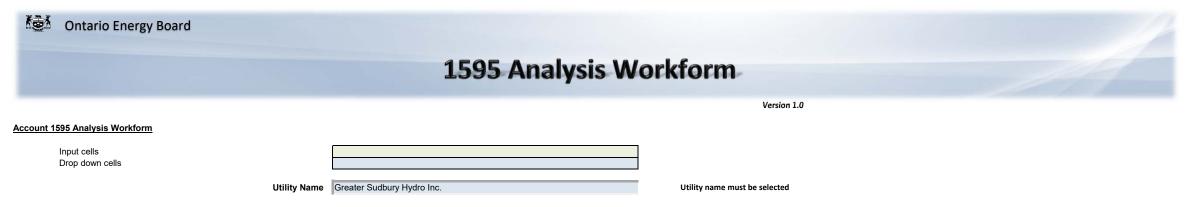
As per the Board's letter issued july 16, 2015 outlining details regarding the implementation of the transition to fully fixed distribution charges for residential customers, Residential rates for group 2 accounts are to be on a per

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 customers, Residential rates for group 2 accounts, including Accounts 1575 and 1576

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 1 Attachment 2 Page 1 of 1

Attachment 2 (of 3):

1595 Analysis Workform



Please select "yes" for the 1595 Rate Years being Requested for Disposition

2012 No 2013 Yes 2014 No 2015 No 2016 Yes 2017 Yes

1595 Analysis Workform

Step 1

p 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	-\$4,314,452	\$173,254	-\$4,141,198	-\$3,848,793	-\$292,405	-\$146,347	-\$438,751	7.1%	
	Account 1589 - Global Adjustment	\$1,418,514	\$14	\$1,418,528	\$1,251,183	\$167,345	\$50,130	\$217,475	11.8%	Calculated differences of greater than + or - 10% require further analysis
	Total Group 1 and Group 2 Balances	-\$2,895,938	\$173,268	-\$2,722,670	-\$2,597,611	-\$125,059	-\$96,217	-\$221,276	4.6%	
							e per continuity schedule:			
						Difference (any varia	ance should be explained):	\$0		

*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.

Select Rate Rider(s) Applicable for 1595 Recovery Period by indicating "Yes" in column Rate Rider- Group 1 DVA Accounts (Excluding Global Adjustment) Step 2 G (Excluding Global Adjustment) - Non-WMP

Rate Rider- Group 1 DVA Accounts (Excluding Global Adjustment) - Non-WMP
Rate Rider - RSVA - Global Adjustment
Rate Rider - RSVA - Group 2 Accounts (If a separate Group 2 rate rider was created)
Other 1
Other 2
Other 3

48

	Yes
	No
	Yes
)	No
,	No
	No
	No

Step 3

RATE RIDER - GROUP 1 DVA ACCOUNTS (EXCLUDING GLOBAL ADJUSTMENT) Rate Rider Recovery Period (Months)

Data used to calculate rate rider (Data to agree with Rate Generator Model and OEB Decision as applicable for the vintage year) versus actuals

Rate Class	Unit	Allocated Balance to Rate Class as Approved by OEB	Denominator Used in Rider Calculation as Approved by OEB (annualized)	Calculated Rate Rider as Approved by OEB	Projected Consumption over Recovery Period	Billed Consumption (kWh/kW) that the rider was applied against**	Forecasted versus billed Consumption Variance (kWh/kW)		Calculated Variance (%)
RESIDENTIAL SERVICE CLASSIFICATION	kWh	(\$2,293,815)	397,644,877	(\$0.0014)	1,590,579,508	1,521,674,873	68,904,635	(\$96,466)	4.2%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	(\$412,813)	143,218,155	(\$0.0007)	572,872,620	555,724,115	17,148,505	(\$12,004)	2.9%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	(\$1,113,398)	957,195	(\$0.2908)	3,828,782	3,650,344	178,438	(\$51,890)	4.7%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	(\$16,499)	2,310,407	(\$0.0018)	9,241,628	5,182,901	4,058,727	(\$7,306)	44.3%
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	(\$13,484)	467,079	(\$0.0072)	1,868,314	4,668	1,863,646	(\$13,418)	99.5%
STREET LIGHTING SERVICE CLASSIFICATION	kW	(\$291,189)	24,155	(\$3.0138)	96,618	84,910	11,708	(\$35,286)	12.1%
microFIT SERVICE CLASSIFICATION									
TOTAL		(\$4,141,198)						(\$216,371)	5.2%

48

**Data for billed consumption should not be materially different from data submitted in RRR 2.1.5.4 filings. Please refer to RRR 2.1.5.4 filings to ensure billed consumption data is reasonably accurate. There may be differences due to unbilled revenue accruals, recovery period dates, or other factors. However, any substantial deviations between billed consumption that the rider was applied against and billed consumption reported in RRR can be an indicator of rider misallocations or errors in the data used in the workform.

RATE RIDER - RSVA - GLOBAL ADJUSTMENT Rate Rider Recovery Period (Months)

Data used to calculate rate rider (Data to agree with Rate Generator Model and OEB Decision as applicable for the vintage year) versus actuals

Rate Class	Unit	Allocated Balance to Rate Class as Approved by OEB	Denominator Used in Rider Calculation as Approved by OEB (annualized)	Calculated Rate Rider as Approved by OEB	over Recovery Period	Billed Consumption (kWh/kW) that the rider was applied against**	Forecasted versus billed Consumption Variance (kWh/kW)	Calculated Variance (\$)	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	\$166,292	46,628,269	\$0.0009	186,513,076	77,673,473	108,839,603	\$97,956	58.9%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	\$68,636	19,245,621	\$0.0009	76,982,484	75,472,471	1,510,013	\$1,359	2.0%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	\$1,152,711	807,862	\$0.3567	3,231,448	3,037,865	193,583	\$69,051	6.0%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	\$8	2,277	\$0.0009	9,108	25,071	-15,963	(\$14)	-179.6%
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	\$41	11,495	\$0.0009	45,980	241	45,739	\$41	100.4%
STREET LIGHTING SERVICE CLASSIFICATION	kW	\$30,839	24,155	\$0.3192	96,620	84,910	11,710	\$3,738	12.1%
microFIT SERVICE CLASSIFICATION									
TOTAL		\$1,418,527						\$172,130	12.1%

**Data for billed consumption should not be materially different from data submitted in RRR 2.1.5.4 fillings. Please refer to RRR 2.1.5.4 fillings to ensure billed consumption data is reasonably accurate.

There may be differences due to unbilled revenue accruals, recovery period dates, or other factors. However, any substantial deviations between billed consumption that the rider was applied against and billed consumption reported in RRR can be an indicator of rider misallocations or errors in the data used in the workform.



Unreconciled Differences***

\$80,819

***Any unreconciled difference between amounts reported in the residual balances section in Step 1 and amounts calculated for the total of all applicable riders in Step 3 must be explained.

Additional Notes and Comments

Sentinel lighting rate classification had rate riders calculated based on kWh, but were incorrectly noted on the tariff sheets as a kW rate rider. \$13,377 total variance is deemed immaterial.

Unmetered scattered load has large percentage variances for consumption projected vs. billed, however total dollar amount of variance is immaterial (\$7,320).

The total variances by rate rider are calculated as such:

1589 GA - \$167,345 variance less \$172,130 calculated = \$4,785 variance is immaterial

Group 1 DVAs - (\$292,405) variance less (\$216,371) calculated = \$76,034 variance. This variance is materially due to rounding rate riders to 4 decimal places and the methodology used in this worksheet. To prove this, we cross-multiply the rate rider amount (column F) by the projected consumption over recovery period (column G) which yields a total projected recovery amount of \$4,062,506.12, compared to \$4,11,198 approved for disposition equals an initial variance of \$78,692. This variance exists before we even beain to charce the rate rider to recovery. The true rule rule is \$76,703.4 > \$2,863.8 which is deemed immaterial.

Ontario Energy Board

1595 Analysis Workform

Step 1

Components of the 1595 Account Balances:		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	-\$236,281	-\$22,110	-\$258,391	-\$254,471	-\$3,920	-\$1,974	-\$5,893	1.5%
Account 1589 - Global Adjustment	\$1,243,839	\$29,242	\$1,273,081	\$1,201,484	\$71,597	\$9,724	\$81,321	5.6%
Total Group 1 and Group 2 Balances	\$1,007,558	\$7,132	\$1,014,690	\$947,013	\$67,677	\$7,750	\$75,428	6.7%
						ce per continuity schedule:		
					Difference (any vari	ance should be explained):	\$0	

*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

1595 Analysis Workform

Step 1

Components of the 1595 Account Balances:		Carrying Charges Balance Approved for Disposition		Rate Rider Amounts Collected/(Returned)	Residual Balances Pertaining to Principal and Carrying Charges Approved for Disposition	Account Balances	Total Residual Balances	Collections/Returns Variance (%)
Total Group 1 and Group 2 Balances excluding Account 1589 - Global Adjustment	-\$1,907,009	-\$32,790	-\$1,939,799	-\$1,873,040	-\$66,759	-\$12,640	-\$79,398	3.4%
Account 1589 - Global Adjustment	\$180,675	i -\$943	\$179,732	\$165,548	\$14,184	\$1,171	\$15,355	7.9%
Total Group 1 and Group 2 Balances	-\$1,726,334	-\$33,733	-\$1,760,067	-\$1,707,492	-\$52,575	-\$11,468	-\$64,043	3.0%
					Total residual balan	ce per continuity schedule:	-\$64,043	
					Difference (any vari	ance should be explained):	\$0	

*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

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 1 Attachment 3 Page 1 of 1

Attachment 3 (of 3):

Certification of Evidence

STATEMENT OF CERTIFICATION

i.

As President & CEO of Greater Sudbury Hydro Inc., I certify that, to the best of my knowledge, robust processes and internal controls are in place for the preparation, review, verification and oversight of the deferral and variance account balances being disposed.

Frank Kallonen

President & CEO

Dated in Sudbury, Ontario, this 28th day of October, 2019

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 2 Page 1 of 1

1

INTEREST RATES APPLIED

2 GSHi has used the rates established by the Board when calculating carrying charges on

3 the DVA balances. Table 1 shows the Board's prescribed interest rates starting from Q1,

- 4 2016 onward.
- 5

6 Interest is calculated monthly based on the opening monthly principal balances.

7

8 In accordance with the filing requirements, the most recent posted interest rate (2.18% 9 for Q4 of 2019) has been used to forecast carrying charges to April 30, 2020. The 10 interest component for DVA balances is included in the principal balance for each 11 account.

12

Table 1 – Prescribed interest rates

Year	Quarter	Prescribed Interest Rate
2019	Q4	2.18%
	Q3	2.18%
	Q2	2.18%
	Q1	2.45%
2018	Q4	2.17%
	Q3	1.89%
	Q2	1.89%
	Q1	1.50%
2017	Q4	1.50%
	Q3	1.10%
	Q2	1.10%
	Q1	1.10%
2016	Q4	1.10%
	Q3	1.10%
	Q2	1.10%
	Q1	1.10%

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 3 Page 1 of 4

1

RECONCILIATION TO RRR FILING

In this section GSHi will provide an explanation if the account balances in the continuity
schedule differ from the account balances in the trial balance reported through the
Electricity Reporting and Record-keeping Requirements (RRR).

5

6 RSVA – Wholesale Market Service Charge (WMS) (1580)

The DVA continuity schedule, on tab 2a, shows a difference between the RRR
submission for the year-ending December 31, 2018 and the continuity balance for
account 1580. The difference on the continuity is (\$199,515).

10

This variance is equal to the sum of the balance in 1580 sub account CBR Class A, plus
1580 sub account CBR Class B. GSHi understands that no balance should exist in 1580
sub account CBR Class A. See below for an explanation of this balance.

14

15 <u>RSVA – Wholesale Market Service Charge (WMS) – Sub-account CBR Class A</u> 16 (1580)

17 GSHi has an immaterial balance in the above noted account. The balance at December18 31, 2018 is \$401.

19

GSHi understands that no balance should exist in this account at year-end. This balance was the result of a billing discrepancy and was cleared to the appropriate customers during 2019, therefore will not be proposed for disposal in this rate application.

23

24 RSVA - Power (1588)

The DVA continuity schedule shows a difference between the RRR submission for yearending December 31, 2018 and the continuity balance for account 1588. The difference for this account is \$14,652. This difference represents the annual interest for the 2018 year-end which was not recorded in the 2018 year-end in error. The amount is not material and therefore GSHi has corrected and recorded the interest expense and the corresponding liability adjustment in its general ledger in 2019. The interest is being
 appropriately included in the DVA continuity schedule in the year it pertains to.

3

4 RSVA - Global Adjustment (1589)

5 The DVA continuity schedule shows a difference between the RRR submission for year-6 ending December 31, 2018 and the continuity balance for account 1589. The difference 7 for this account is \$10,985. This difference represents the annual interest for the 2018 8 year-end which was not recorded in the 2018 year-end in error. The amount is not 9 material and therefore GSHi has corrected and recorded the interest expense and the 10 corresponding liability adjustment in its general ledger in 2019. The interest is being 11 appropriately included in the DVA continuity schedule in the year it pertains to.

12

13 <u>Disposition and Recovery/Refund of Regulatory Balances – 2017 (1595) & 2018</u> 14 (1595)

The DVA continuity schedule shows a difference between the RRR submission for yearending December 31, 2018 and the continuity balance for the two above noted accounts. The difference in each year for this account is \$31,120. This difference represents shared tax adjustments. The amounts were ordered to be disposed in the following IRM periods:

20

- 21 22
- May 1, 2017 rates EB-2016-0072 for \$31,120
- May 1, 2018 rates EB-2017-0042 for \$31,120
- 23

These amounts have not yet been disposed of and were ordered to be transferred into account 1595 for disposition at a later date. GSHi is proposing these amounts be disposed of in the test year.

27

In the year-end trial balance these amounts were recorded in Group 2 account 1592 –
"PILs and Tax Variance for 2006 and Subsequent Years". GSHi is simply re-classifying
these amounts to sub-accounts within Account 1595, which is understood to be the
correct account classification.

1 Other Regulatory Assets (1508)

2 The DVA continuity schedule shows a difference between the RRR submission for year-

- 3 ending December 31, 2018 and the continuity balance for the above noted account.
- 4

As noted in Appendix A of the DVA continuity schedule, the sum of all 1508 variances
showing on the DVA continuity schedule net to zero. The control account balance for
account 1508 appropriately equals the sum of the 1508 sub-accounts.

8

9 Smart Grid Capital (1534) and Smart Grid OM&A (1535)

The DVA continuity, Tab 2b shows principal and interest adjustments pertaining to OEB accounts 1534 and 1535 in columns BM and BN respectively. The adjustment is removing the principal and interest balances from the continuity row for accounts 1534 and 1535 and displaying the balances on rows for 1508 sub-account balances. This is adjusted in this way in the DVA continuity in order for these accounts to be proposed for disposal via a volumetric rate rider, on the same basis as the other Group 2 accounts proposed for disposition.

17

See Exhibit 9, Tab 1, Schedule 4 for discussion on the amounts included in OEBaccounts 1534 and 1535.

20

21 PILs and Tax Variance for 2006 and Subsequent Years (1592)

The DVA continuity schedule, on Tab 2b, shows a difference between the RRR submission for year-ending December 31, 2018 and the continuity balance for the above noted account. The difference for this account is \$62,240.

25

As noted above in the paragraph titled "Disposition and Recovery/Refund of Regulatory
Balances - 2017 (1595) & 2018 (1595)", This difference represents shared tax
adjustments. The amounts were ordered to be disposed in the following IRM periods:

- 29
- 30 May 1, 2017 rates EB-2016-0072 for \$31,120
- 31 May 1, 2018 rates EB-2017-0042 for \$31,120
- 32

These amounts have not yet been disposed of and were ordered to be transferred into account 1595 for disposition at a later date. GSHi is proposing these amounts be disposed of in the test year.

4

5 In the year-end trial balance these amounts were recorded in group 2 account 1592.

6 GSHi is simply re-classifying these amounts to sub-accounts within account 1595.

7

8 IFRS-CGAAP Transition PP&E Amounts Balance + Return Component (1575)

9 The DVA continuity schedule, on Tab 2b, shows a difference between the RRR 10 submission for year-ending December 31, 2018 and the continuity balance for the above 11 noted account. The difference for this account is \$1,550,770. This difference consists of 12 two components – a projected Principal amount for the 2019 Bridge year of \$564,690, 13 which is based on an average of the actual amounts experienced in four years prior to 14 the Bridge year, and the return component of \$986,080 as calculated in OEB appendix 15 2-EA (See Exhibit 9, Tab 2, Schedule 1, Attachment 1).

16

17 Further description of Account 1575 is provided in two places:

• Exhibit 9, Tab 1, Schedule 4 contains a description of the account.

• Exhibit 9, Tab 2, Schedule 1 contains detailed support for the principal balance.

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 4 Page 1 of 9

GROUP 2 ACCOUNTS

In this section GSHi will provide a summary of Group 2 DVAs being proposed for
disposition, and a brief description of each account. See Exhibit 9, Tab 1, Schedule 5 for
identification of which Group 2 accounts are proposed to be continued and which are
proposed to be discontinued on a going-forward basis.

6

1

- 7 The total disposition amount for the Group 2 DVAs is \$5,218,324, as summarized below
- 8 in Table 1.
- 9
- 10

Table 1: Group 2 Accounts

Group 2 Accounts	Account #	Principal Balance	Interest Balance	Total Claim
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition				
Costs	1508	176,109	20,016	196,125
Other Regulatory Assets - Sub-Account - Energy East Pipeline	1508	8,837	682	9,519
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	139,245	7,486	146,731
Other Regulatory Assets - Sub-Account - Pole Attachment Revenue				
Variance	1508	(38,525)	(1,250)	(39,775
Renewable Generation Connection Capital Deferral Account	1531	46,375	5,097	51,472
Renewable Generation Connection OM&A Deferral Account	1532	40,875	3,788	44,663
Smart Grid Capital Deferral Account	1534	539,712	33,755	573,467
Smart Grid OM&A Deferral Account	1535	246,140	19,156	265,296
Smart Meter Capital and Recovery Offset Variance - Sub-Account -				
Stranded Meter Costs	1555	(8,953)	(266)	(9,219
LRAM Variance Account	1568	315,495	12,540	328,035
IFRS-CGAAP Transition PP&E Amounts Balance	1575	4,262,097	-	4,262,097
Other Deferred Credits	2425	(513,952)	-	(513,952
Group 2 Subtotal		5,213,456	101,003	5,314,459
Less: 1531 - Renewable Generation Connection Capital	Deferral Acc	count (Not propose	d for disposition)	(51,472
Less: 1532 - Renewable Generation Connection OM&A	Deferral Acc	ount (Not propose	d for disposition)	(44,663
	Tot	tal Group 2 Propos	ed for Disposition	5,218,324
Group 2 Subtotal balance is proposed to be recovered (flowed to rat	epayers) via	a the following rate	e riders:	
Rate Rider for Group 2 Accounts				
Rate Rider for Account 1575 (IFRS-CGAAP Transition PP&E Amounts)				4,262,097
Rate Rider for Account 1568 (LRAM)				
Group 2 Accounts: 1	otal Recove	red from Ratepaye	ers via Rate Riders	5,218,324

11 12

13 Account 1508 – Other Regulatory Assets

14 GSHi has four sub-accounts that comprise the total in account 1508. This Application

15 includes a request for disposition of these balances through the proposed rate rider.

2	GSHi requests disposition of Account 1508 for the amount of \$312,600 as a collection
3	from customers, including interest to April 30, 2020. Following is an explanation of the
4	types of charges included in these sub accounts.
5	
6	1508 Sub-Account – Other Regulatory Assets – Deferred IFRS Transition Costs
7	In accordance with the Board's Accounting Procedures Handbook, GSHi has utilized this
8	sub-account to record one-time administrative incremental IFRS transition costs, which
9	are not already approved and included for recovery in distribution rates. GSHi has not
10	previously applied to the Board for approval to include any IFRS transition costs in
11	distribution rates.
12	
13	GSHi has detailed its one-time distribution Incremental IFRS Transition Costs in Exhibit
14	9, Tab 1, Schedule 4, Attachment 2 which is consistent with the Board's Appendix 2-YA.
15	GSHi has completed its conversion to IFRS and is no longer incurring transition costs.
16	Accordingly, no additional costs are projected in 2019 or 2020.
17	
18	GSHi is submitting a claim of \$196,125 within the 1508 balance for these costs.
19	
20	<u> 1508 Sub-Account – Other Regulatory Assets – Energy East Pipeline</u>
21	In a letter dated June 13, 2014 for Board File number EB-2013-0398, the Board made a
22	deferral account available to affected rate-regulated entities in relation to the entities'
23	portion of the costs associated with consultations. Accordingly, GSHi has deferred the
24	costs incurred in relation to this consultation.
25	
26	GSHi is submitting a claim of \$9,519 within the 1508 balance for these costs.
27	
28	<u> 1508 Sub-Account – Other Regulatory Assets – OEB Cost Assessments</u>
29	The Board issued guidance on February 9, 2016 and April 1, 2016 permitting the use of
30	Account 1508 Other Regulatory Assessments, Sub-Account OEB Cost Assessment
31	Variance to record any material differences between OEB cost assessments currently

1	built into rates and cost assessments that will result from the application of the new Cost
2	Assessment Model ("CAM").
3	
4	GSHi is submitting a claim of \$146,731 within the 1508 balance for these costs.
5	
6	1508 Sub-Account – Other Regulatory Assets – Pole Attachment Revenue Variance
7	In accordance with EB-2015-0304, and the Board's letter dated July 20, 2018 regarding
8	Accounting Guidance on Wireline Pole Attachment Charges, effective September 1,
9	2018, distributors were to record excess revenues collected as a result of differences
10	between the newly approved pole attachment rate and the previous amount included in
11	the last Board approved Cost of Service.
12	
13	GSHi has recorded the excess amount collected and (\$39,775) has been included in the
14	1508 balance.
15	
16	<u> Account 1518 – RCVA Retail</u>
17	Account 1518: RCVA Retail is used to record the difference between revenues derived
18	from established Retailer agreements, distributor-consolidated billings and, although not
19	applicable for GSHi, Retailer consolidated billings, and the incremental expenses
20	incurred to administer and process Retailer transactions and Service Agreements.
21	
22	GSHi has no recorded balance in this account, therefore is not proposing disposition of a
23	balance. See Exhibit 9, Tab 2, Schedule 2 for further explanation.
24	
25	Account 1522 – Pension & OPEB Forecast Accrual versus Actual Cash Payment
26	Differential Carrying Charges
27	In accordance with the OEB Report "Regulatory Treatment of Pension and Other Post-
28	Retirement Benefits (OPEBs) Costs" (EB-2015-0040) distributors were required to
29	capture differences between the amounts previously approved in the last Cost of Service
30	against 2018 activity.
31	

In the case of pensions, GSHi is an OMERS employer and therefore records pension expenses on a cash basis which for purposes of this report does not require additional variance accounting. With regards to OPEB, GSHi was approved in its rates in its last COS for recovery on a cash basis. Therefore, in line with the OEB guidance referenced above, GSHi has not posted any amounts to these accounts in 2018, and will not post anything in the bridge year of 2019.

7

GSHi is proposing transitioning to recover OPEB costs on an accrual basis in the test
year and beyond, and therefore anticipates recording transactions to this account on a
go-forward basis, consistent with the guidance referenced above. See Exhibit 4, Tab 4,
Schedule 3 for further discussion on the transition from the cash basis to the accrual
basis of accounting for OPEBs.

13

14 Account 1531 – Renewable Generation Connection Capital

This capital deferral account is used to record investments associated with expansionsto connect renewable generation facilities and renewable enabling improvements.

17

18 In preparing this rate application GSHi has considered the guidance in section 2.2.2.7 of 19 the Chapter 2 filing requirements, specifically the provision of the balance in this account 20 requested for disposal being subject to the materiality threshold. Accordingly, GSHi has 21 determined it will not seek recovery of the balance currently recorded in Account 1531, 22 and will instead transfer the costs to capital assets of the principal amount of \$46,375, 23 with associated accumulated amortization being recorded as well. The interest 24 component of \$3,718, which is the interest balance as at December 31, 2018, will be 25 adjusted through DVA interest expense in the 2019 test year. Recording both 26 adjustments in the 2019 test year will result in account 1531 balance becoming zero.

27

28 Account 1532 – Renewable Generation Connection OM&A

This operating deferral account is used to record operating, maintenance, amortization and administrative expenses directly related to expansions to connect renewable generation facilities.

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 4 Page 5 of 9

1 In preparing this rate application GSHi has considered the guidance in section 2.2.2.7 of 2 the Chapter 2 filing requirements, specifically the provision of the balance in this account 3 requested for disposal being subject to the materiality threshold. Accordingly, GSHi has 4 determined it will not seek recovery of the balance currently recorded in Account 1532, 5 and will instead transfer the total costs to OM&A expenses in the 2019 Bridge year, 6 which is the year this determination was made. The amount that will be written off to 7 OM&A in 2019 will be the 2018 year-end balance of \$43,448, which includes principal 8 and interest balances. Recording this adjustment in the 2019 test year will result in 9 account 1532 balance becoming zero.

10

11 Account 1534 – Smart Grid Capital

12 This capital deferral account is used to record investments related to smart grid 13 demonstration projects. This account is also used to record the cost of smart grid 14 investments that are undertaken as part of a project to accommodate renewable 15 generation.

16

The amounts being tracked in this account includes \$476,028 of principal balance pertaining to the demonstration project brought forward and approved in the 2013 rate application as part of GSHi's Green Energy Act Plan and \$63,684 of principal balance pertaining to other smart grid capital. Carrying charges total \$33,755, and therefore GSHi is requesting disposition of a total balance in this account \$573,467 as a collection from customers, including interest to April 30, 2020.

23

24 Account 1535 – Smart Grid OM&A

This operating deferral account is used to record operating, maintenance, amortization and administrative expenses directly related to the following smart grid development activities:

- 28
- smart grid demonstration projects;
- 30 smart grid studies and planning exercises; and
- smart grid education and training.
- 32

The amounts being tracked in this account includes \$138,609 of principal balance pertaining to the demonstration project brought forward and approved in the 2013 rate application as part of GSHi's Green Energy Act Plan and \$107,531 of principal balance pertaining to other Smart Grid OM&A costs. Carrying charges total \$19,156, and therefore GSHi is requesting disposition of a total balance in this account \$265,296 as a collection from customers, including interest to April 30, 2020.

7

8 Account 1548 – RCVA Service

9 Account 1548: RCVA Service is used to record the difference between revenues derived
10 from Service Transaction Request services (request fees, processing fees, information
11 request fees, default fees, and other fees) and the incremental expenses incurred to
12 administer and process Service Transaction Requests.

13

GSHi has no recorded balance in this account, therefore is not proposing disposition of a
balance. See Exhibit 9, Tab 2, Schedule 2 for further explanation.

16

Account 1555 – Smart Meter Capital and Recovery Offset Variance – Sub-Account - Stranded Meter Costs

Per GSHi's previous settlement agreement for the 2013 Test Year (EB-2012-0126), a
"Rate Rider for Recovery of Stranded Meter Assets" was approved. The residual
balance in this account represents a small over-recovery from ratepayers.

22

GSHi requests disposition of Account 1555 for the amount of (\$9,219) as a payment tocustomers.

25

26 Account 1568 – LRAM Variance Account

This account includes the lost revenue adjustment mechanism ("LRAM") variances in relation to the conservation and demand management ("CDM") programs or activities undertaken by GSHi in accordance with OEB prescribed requirements.

30

The amount requested for recovery in this application includes lost revenue that is attributable to the 2018 program implementation year, as well as the savings that persist from the 2012-2017 programs years in 2018. Also included in this application are the applicable carrying charges up to April 30, 2020. For clarity, only the carrying charges for the 2018 implementation year have been included. All carrying charges were calculated using simple interest applied to the monthly opening principle balance using the prescribed interest rates approved by the Board.

6

7 Details with respect to the claim for Account 1568 – LRAM Variance Account, can be
8 found in Exhibit 4, Tab 10, Schedule 1.

9

10 GSHi requests disposition of Account 1568 for the amount of \$328,035 as a collection

- 11 from customers, including interest to April 30, 2020.
- 12

13 Account 1575 – IFRS-CGAAP Transitional PP&E Amounts

GSHi is requesting disposition of Account 1575 IFRS-CGAAP Transition PP&E Amounts
which includes projected balances to December 31, 2019.

16

GSHi complied with the Board's letter titled "Regulatory accounting policy direction
regarding changes to depreciation expense and capitalization policies 2013" dated July
17, 2012 in EB-2012-0126 by implementing accounting changes for depreciation
expense and capitalization policies effective January 1, 2013, even though GSHi did not,
at that time, convert from CGAAP accounting to IFRS.accounting.

22

GSHi did not convert to IFRS in 2013. The parties in EB-2012-0126 and, ultimately, the
Board, confirmed that Account 1575 would remain open to capture IFRS related impacts
related to the actual conversion from CGAAP to IFRS, noting in the Settlement
Agreement that underpins the Board's decision in EB-2012-0126 that:

27

The Parties agree that, as GSHi is not converting to IFRS for 2013, there is no disposition of account 1575. GSHi will continue to accrue costs in this deferral account and will request disposition in some future application, upon conversion to IFRS.

GSHi has now fully transitioned to IFRS, with the December 31, 2015 financial
statements being GSHi's first financial statements prepared in accordance with IFRS.
These financial statements contained restatement of balances as of January 1, 2014
and December 31, 2014 and detailed in note disclosures the presentation and
measurement differences from transitioning from CGAAP to IFRS.

6

7 At the time GSHi prepared the last COS for May 1, 2013 rates, derecognition losses 8 were not projected and no value for them was included in the application as, under 9 CGAAP, Greater Sudbury was not required to record derecognition losses. Upon 10 conversion to IFRS effective January 1, 2015 Greater Sudbury was required to record 11 derecognition losses going forward. Therefore, in line with the Board's guidance on 12 derecognition gains and losses (in the Board's March 2015 APH guidance release, item 13 #7), GSHi has recorded the derecognition losses recognized in each IFRS year in 14 account 1575. The amount requested for disposition is \$4,262,097, which includes 15 amounts to be added to this account for the 2019 Bridge Year, and also a return on rate 16 base in accordance with the Filing Requirements.

17

For the 2020 year a derecognition loss amount has been forecast and included in
requested rates, such that going forward there will be no further entries in account 1575.

See Exhibit 9, Tab 2, Schedule 1, Attachment 1 for Appendix 2-EA (Account 1575 IFRS-CGAAP Transitional PP&E Amounts).

23

24 Account 2425 - Other Deferred Credits

GSHi previously applied to the Ontario Energy Board (EB-2008-0147) to secure funding to introduce unique CDM programs to our customers. Cost recovery began January 1, 2009 through rate riders and the application covered the 2009 to 2011 period. Upon authorization of extension from the Board, GSHi continued to offer these programs up until December 31, 2015. In a letter dated October 27, 2015, GSHi informed the Board of its intention to bring these programs to an end on December 31, 2015. In this letter GSHi informed the Board of its intention to propose to flow back any remaining funds after

- 1 December 31, 2015 to rate payers through GSHi's next cost of service rate application.
- 2 The letter addressed to the Board is attached to this schedule as Attachment 1.
- 3
- 4 The entire balance in account 2425, a credit balance of \$513,952, represents the
- 5 amount collected from rate payers for these CDM programs that was not spent. GSHi is
- 6 proposing to flow this entire remaining balance back to rate payers.
- 7

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 4 Attachment 1 Page 1 of 1

Attachment 1 (of 2):

Letter re CDM Programs Funded Through Rate Riders EB-2008-0147

500 Regent Street | 500, rue Regent Sudbury ON P3E 3Y2

t 705.675.7536 f 705.675.0529 w sudburyhydro.com

October 27, 2015

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 27th Floor - 2300 Yonge Street Toronto, ON M4P IE4

<u>Re: Greater Sudbury Hydro Inc. – EB-2008-0147 – CDM programs funded through</u> <u>rate riders</u>

Dear Ms. Walli,

The Board approved application EB-2008-0147 in which Greater Sudbury Hydro Inc. was able to secure funding to introduce unique CDM programs to our customers. Cost recovery began January 1, 2009 through rate riders and the application covered the 2009 to 2011 period.

In March of 2012, Greater Sudbury Hydro requested an extension due to various challenges. The Board granted this extension through EB-2012-0186 to the end of December 2012.

Through verbal authorization, in 2013, 2014 and 2015, Greater Sudbury Hydro Inc. has continued to offer these programs. Greater Sudbury Hydro Inc. has fulfilled the Annual Reporting Guidelines by filing an annual summary of the spending and results consistently each year.

Greater Sudbury Hydro Inc. intends to bring these programs to an end on December 31, 2015. There are a few reasons that Greater Sudbury Hydro Inc. has come to this decision. Some of the programs have started to reach market saturation in our service area. The Ministry of Energy issued a direction to the IESO regarding the 2015-2020 Conservation First Framework requiring the IESO to coordinate, support and fund the delivery of CDM programs through distributors to achieve a total of 7 TWh of reductions in electricity consumption between January 1, 2015 and December 31, 2020. Although the unique programs that GSHI has delivered through the rate rider funding did result in substantial kWh savings, the OEB has not previously allowed these results to be combined into the results of the 2011-2014 OPA Contracted Province-Wide CDM Program results, therefore although these programs have been beneficial to customers in our service territory, they have not helped GSHI to reach our conservation targets.





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500 Regent Street | 500, rue Regent Sudbury ON P3E 3Y2

t 705.675.7536 f 705.675.0529 w sudburyhydro.com

In order to meet the significant targets that exist for the 2015-2020 Conservation First Framework, GSHI will have to concentrate all conservation efforts on programs that will yield savings towards those targets. GSHI will investigate whether some of the technologies deployed in the GSHI programs would be appropriate to include in our CDM plan going forward and at that point would be funded through the Conservation First Framework budgets.

Greater Sudbury Hydro will propose a rate rider to flow back any remaining funds after December 31, 2015 to rate payers through our next cost of service application.

Respectfully submitted,

whissel

Nancy Whissell VP - Corporate Services



Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 4 Attachment 2 Page 1 of 1

Attachment 2 (of 2):

Appendix 2-YA - One-Time Incremental IFRS Transition Costs

File Number:	EB-2019-0037
Exhibit:	9
Tab:	1
Schedule:	4
Page:	2
Date:	31-Oct-19

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 1508, Other Regulatory Assets, sub-account IFRS Transition Costs that are currently included in Account 1508, Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Variance Account, or Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs that are currently included in Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account, or Account 1508, Other Regulatory Assets, sub-account IFRS Transition Costs Variance Account, and the account account IFRS Transition Costs Variance Account, and the account IFRS Transition Costs Varianc

				Audited Actual Costs Incurred								Audited Carrying Charges	Forecasted Costs	Forecasted Costs	Carrying Charges January 1, 2019 to December 31,	Total Costs and	Reasons why the costs recorded
Nature of One-Time Incremental IFRS Transition Costs ¹		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	To December 31, 2018	2019	2020	2019 or April 30, 2020 (As appropriate)	Carrying Charges	meet the criteria of one-time IFRS administrative incremental costs
Professional accounting fees			\$ 42,856	\$ 37,241	\$ 48.750											\$ 128,847	Professional fees for third party consultants and accounting firms to assist specifically with IFRS transition
Professional legal fees			\$ 42,030	φ 37,241	φ 40,750											\$ -	
Salaries, wages and benefits of staff added to support the transition to IFRS					\$ 2,664				\$ 41,598							\$ 44,262	Materially consists of the time of incremental staff - backfilled a full-time employee while they were working on IFRS transition matters.
Associated staff training and development costs	\$	475	\$ 341			\$ 592										\$ 1,407	Incremental staff training and development costs pertaining to IFRS
Costs related to system upgrades, or replacements or changes where IFRS wa the major reason for conversion	15			\$ 1,072	\$ 520											\$ 1,592	Invoices from 3rd party pertaining to support for general ledger software, pertaining to IFRS.
																\$-	
Carrying charges												\$ 14,778			\$ 5,238	\$ 20,016	
																\$-	
																\$ -	
Amounts, if any, included in previous Board approved rates (amounts should be negative) ²	e															\$-	
																\$-	
Insert description of additional item(s) and new rows if needer																\$ -	
Total	\$	475	\$ 43,197	\$ 38,313	\$ 51,934	\$ 592	\$	\$-	\$ 41,598	\$-		\$ 14,778	\$-	\$-	\$ 5,238	\$ 196,125	

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 5 Page 1 of 5

NEW EDDVAR REQUESTS

1

2 GSHi has summarized in this section which accounts it is applying to be continued and 3 which accounts are to be discontinued. GSHI is also applying for one new Group 2 4 deferral account. 5 6 Continuation of Accounts – Group 1 Accounts 7 GSHi plans to continue to the utilize Group 1 accounts currently used, as per the APH. 8 The accounts are as follows: 9 • Account 1550: Low Voltage; 10 11 Account 1551: Smart Metering Entity; 12 Account 1580: RSVA Wholesale Market Service (Sub-Account CBR Class A/ 13 Class B); 14 Account 1584: RSVA Retail Transmission Network; 15 Account 1586: RSVA Retail Transmission Connection; Account 1588: RSVA Power; 16 • Account 1589: RSVA Global Adjustment; and 17 18 Account 1595: Disposition of Regulatory Balances. 19 20 Continuation of Accounts – Group 2 Accounts 21 GSHi plans to continue to the utilize Group 2 accounts currently available. The accounts 22 are as follows: 23 24 Account 1508, Sub-Account OEB Cost Assessment Variance; • 25 Account 1522: Pension and OPEB Forecast Accrual versus Actual Cash 26 Payment Differential variance account; • Account 1531: Renewable Generation Connection Capital; 27 28 Account 1532: Renewable Generation Connection OM&A: 29 Account 1534: Smart Grid Capital Deferral Account; 30 • Account 1535: Smart Grid OM&A Deferral Account:

- 1 Account 1557: Meter Cost Deferral Account (MIST Meters); and 2 • Account 1568: LRAM Variance Account. 3 4 Request for New Account – Group 2 Account – 1508 – Other Regulatory Assets, 5 Sub-Account OPEB Actuarial Gains & Losses 6 7 On September 14, 2017, the OEB issued its final report on the regulatory treatment of 8 pension and other post-employment benefit ("OPEB") costs (EB-2015-0040). This report 9 outlines the fact that under International Financial Reporting Standards (IFRS), a utility 10 must recognize all actuarial gains and losses in OCI, but these amounts are never 11 amortized into net income. GSHi recognizes that OPEB actuarial gains and losses have 12 been material to their operation in each year since adopting IFRS. 13 14 The established regulatory principles outlined in the aforementioned report include the 15 following: fairness, minimizing intergenerational inequity, minimizing rate volatility, 16 appropriate allocation of risk, transparency, and providing value to customers. GSHi 17 believes that establishing a deferral account to capture the cumulative actuarial gains or 18 losses in post-retirement benefits to be the best way to adhere to these principles. 19 20 Furthermore, section 2.9.4 of the Chapter 2 Filing Requirements outlines the following
- 21 criteria to meet when requesting a deferral account:
- 22

Requirement	Criteria Met
Causation. The Forecasted expense must	OPEB gains and losses are recorded in
be clearly outside of the base upon which	OEB account 7010 – "Pension Actuarial
rates were derived.	Gains or Losses or Remeasurement
	Adjustment - Other Comprehensive
	Income", which is outside of the base
	upon which rates are derived.
Materiality. The forecasted amounts must	GSHi has established a materiality
exceed the OEB-defined materiality	threshold of \$115,000 in this rate

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threshold and have a significant influence	application. Between 2013 and 2018, the
on the operation of the distributor.	transactions recorded to this account
	have fluctuated between material gains
	and losses, ranging from a loss of \$2.3M
	in 2014 to a gain of \$6.8M in 2016.
Prudence. The nature of the costs and	The OPEB gains and losses in a given
forecasted quantum must be based on a	year are materially driven by a change in
plan that sets out how the costs will be	actuarial assumptions, which are out of
reasonably incurred.	the control of GSHi however can have
	real cost implications for the utility.

1

GSHi is therefore requesting to establish "Account 1508 – Other Regulatory Assets,
Sub-Account OPEB Actuarial Gains & Losses" effective May 1, 2020. GSHi is proposing
to capture in this account the actuarial gains and losses that are currently being
recognized in OCI beginning with fiscal year-ending December 31, 2020. GSHi would
propose disposition of the account in a future cost-based rate proceeding if the gains
and losses that are tracked in this account do not substantially offset over time.

8

9 <u>1508 – Other Regulatory Assets, Sub-Account OPEB Actuarial Gains & Losses - Draft</u> 10 Accounting Order

11 Greater Sudbury Hydro Inc. ("GSHi") shall establish a new "Other Post-Employment

Benefit (OPEB) Actuarial Gains & Losses Deferral Account" to record all actuarial gains
& losses that would otherwise be recognized in OEB account 7010 – "Pension Actuarial
Gains or Losses or Remeasurement Adjustment – Other Comprehensive Income", as
noted in GSHi's Application.

16

17 The account will be established as Account 1508, Other Regulatory Assets – Sub-18 Account "OPEB Actuarial Gains & Losses" effective January 1, 2020 until such time as 19 the effective date of the next cost of service rate application. GSHi will not record interest 20 on any balance in the sub-account.

1 The approach to disposition of the deferral account will be for GSHi to propose 2 disposition in its next cost of service rate application, should the gains and losses that 3 are tracked in this account not substantially offset over time. The final decision on the 4 approval of disposition will be subject to prudence review in a rate application 5 proceeding.

6

7 The following outlines the proposed accounting entries for this account:

8

USofA #	Account Description				
DR/CR: 1508	Other Regulatory Assets – Sub-Account OPEB Actuarial Gains &				
	Losses				
DR/CR: 7010	Pension Actuarial Gains or Losses or Remeasurement Adjustment -				
	Other Comprehensive Income				
Transaction description: To remove the income statement impact of the actuarial gain or					
loss and record the transaction in account 1508.					

9

10 Discontinuation of Accounts

- 11 GSHi proposes the discontinuation of the following accounts:
- 12

13 14	•	Account 1508, Subaccount One Time IFRS Transition Costs – Upon disposition this sub-account will no longer be required;
15	•	Account 1508, Subaccount Energy East Pipeline - Upon disposition this sub-
16		account will no longer be required;
17	٠	Account 1508 – Pole Attachment Revenue Variance – Upon disposition this sub-
18		account will no longer be required;
19	•	Account 1518: RCVA Retail - as per the Board's accounting order in EB-2015-
20		0304, upon rebasing, the RCVA will no longer be used;
21	•	Account 1548: RCVA STR - as per the Board's accounting order in EB-2015-
22		0304, upon rebasing, the RCVA will no longer be used;
23	•	Account 1555: Smart Meter Capital and Recovery Offset - Upon expiry of the
24		rate riders, this account will no longer be required; and

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 5 Page 5 of 5 • Account 1575: IFRS – CGAAP Transitional PP&E Amounts- Upon disposition

2 this account will no longer be required.

ADJUSTMENTS TO BOARD APPROVED DEFERRAL AND VARIANCE ACCOUNTS

Section 2.9 of the Filing Requirements states an applicant must provide a statement as
to whether or not the applicant has made any adjustments to deferral and variance
account balances that were previously approved by the OEB on a final basis in both cost
of service and IRM proceedings.

7

1

2

8 GSHi has not made any adjustments to the deferral and variance accounts that were

9 previously approved by the OEB on a final basis.

1 2

BREAKDOWN OF ENERGY SALES AND COST OF POWER

The sale of energy is a flow through revenue and the cost of power is a flow through expense. Energy sales and the cost of power expense by component are presented in Table 1 as reported in the USoA within the RRR filing 2.1.7 for the year ended December 31, 2018. GSHi has no profit or loss resulting from the flow through of energy revenues and expenses.

8 9

Table 1: Energy Sales and Cost of Energy, Reconciled to Audited FS

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 1 Schedule 7 Page 2 of 2

	Page 2						
		Proof of Zero					
	2018 Actual	Profit					
Energy sales							
4006 - Residential Energy Sales	32,478,746.68	32,478,746.68					
4025 - Street Lighting Energy Sales	869,271.98	869,271.98					
4030 - Sentinel Lighting Energy Sales	3,322.23	3,322.23					
4035 - General Energy Sales	49,637,221.01	49,637,221.01					
4055 - Energy Sales For Retailers/Others	2,107,611.98	2,107,611.98					
4062 - Billed - WMS	3,597,514.82	3,597,514.82					
4066 - Billed - NW	5,887,919.67	5,887,919.67					
4068 - Billed - CN	4,728,933.56	4,728,933.56					
4075 - Billed - LV	180,569.54	180,569.54					
4076 - Billed - Smart Metering Entity Charge	357,342.61	357,342.61					
9991 - Nets to zero - OEB1595 DVA RR	(643,656.87)						
Energy sales Total, per audited FS	99,204,797.21	99,848,454.08	A				
Cost of energy							
4705 - Power Purchased	(54,892,983.54)	(54,892,983.54)					
4707 - Charges - Global Adjustment	(28,285,310.09)	(28,285,310.09)					
4708 - Charges - WMS	(3,314,015.66)	(3,314,015.66)					
4714 - Charges - NW	(5,775,248.55)	(5,775,248.55)					
4716 - Charges - CN	(4,761,444.29)	(4,761,444.29)					
4750 - Charges - LV	(363,743.53)	(363,743.53)					
4751 - Charges - Smart Metering Entity Charge	(310,320.81)	(310,320.81)					
Cost of energy Total, per audited FS	(97,703,066.47)	(97,703,066.47)	В				
Net movement on regulatory deferral accounts							
4062 - Billed - WMS	(283,499.16)	(283,499.16)					
4066 - Billed - NW	(112,671.12)	(112,671.12)					
4076 - Billed - Smart Metering Entity Charge	(47,021.80)	(47,021.80)					
4716 - Charges - CN	32,510.73	32,510.73					
4750 - Charges - LV	183,173.99	183,173.99					
4006 - Residential Energy Sales	(584,822.92)	(584,822.92)					
4025 - Street Lighting Energy Sales	(25,771.98)	(25,771.98)					
4030 - Sentinel Lighting Energy Sales	(106.27)	(106.27)					
4035 - General Energy Sales	(1,270,094.37)	(1,270,094.37)					
4055 - Energy Sales For Retailers/Others	(37,084.71)	(37,084.71)					
9991 - Nets to zero - OEB1595 DVA RR	643,656.87						
Other net movement regulatory activity	575,731.60						
Net movement regulatory, per audited FS	(925,999.14)	(2,145,387.61)	С				
Sum of S	ubtotals (<mark>A, B, C</mark>)	0.00					
			1				

1 IESO GLOBAL ADJUSTMENT PRO-RATION

2	GSHi confirms that the IESO Global Adjustment Charge is pro-rated into the Regulated
3	Price Plan ("RPP") and Non-RPP portions.
4	
5	Commodity Account Balances Proposed for Disposition
6	GSHi confirms that the commodity account balances proposed for disposition reflect:
7	
8	a) Amounts that have been trued-up with the IESO for the RPP related GA.
9	b) GA costs recorded are proportionate to actual RPP and non-RPP volume
10	consumption.

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Exhibit 9: Deferral And Variance Accounts

Tab 2 (of 2): Clearance of Deferral and Variance Accounts

1

ACCOUNT 1575-IFRS-CGAAP PP&E

GSHi is requesting disposition of Account 1575 IFRS-CGAAP Transition PP&E Amounts
which include projected balances to April 30, 2020.

4

GSHi has attached to this schedule the OEB Appendix 2-EA, titled "Account 1575 –
IFRS-CGAAP Transitional PP&E Amounts". See Exhibit 9, Tab 2, Schedule 1,
Attachment 1 for a copy of this appendix. GSHi has ensured that the closing net PP&E
value in this appendix agrees to the closing net PP&E values detailed in Appendix 2-BA,
"Fixed Asset Continuity Schedule". See Exhibit 2, Tab 1, Schedule 1, Attachment 1 for a
copy of Appendix 2-BA.

11

GSHi has added rows to Appendix 2-EA in order to reconcile the difference between
PP&E values under CGAAP & IFRS to the amount deferred in account 1575. Support for

- 14 each amount included on the "Other Adjustments" line is included in Table 1 below.
- 15
- 16

Table 1: Other Adjustments in Appendix 2-EA

							Difference consists of (D):						
	loss on	Die	Loss on posals, Per		ifference ("Other iustmont"		on items Irned to	Gains on		rrection of Prior	Dep'n Correction	Bomo	ning
	sposals, red in 1575		App. 2-BA		in 2-EA)		ventory	Disposal		isposal	thru RE	Differ	Ŭ
	Α		B A-B=		A - B = C							C +	D
2014 &													
2015	\$ 990,582	\$	1,556,032	\$	(565,450)				\$	72,017	\$ 493,433	\$	0
2016	\$ 634,172	\$	675,277	\$	(41,105)	\$	41,105					\$	(0)
2017	\$ 461,850	\$	508,620	\$	(46,770)	\$	35,710	\$11,060				\$	(0)
2018	\$ 624,722	\$	651,617	\$	(26,895)	\$	18,342	\$ 8,552				\$	(0)
2019	\$ 564,690	\$	564,690	\$	-							\$	-
	\$ 3,276,016	\$	3,956,236	\$	(680,220)	\$	95,157	\$19,612	\$	72,017	\$ 493,433	\$	(0)

17 18

19 Adjustments included in the above table include:

- 20
- Loss on items returned to inventory: When GSHi removes a transformer that is installed in the distribution system, but that transformer

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still has significant useful life remaining, GSHi will return this asset to
inventory through its inventory management system. A loss is recognized
each time this occurs. The loss materially represents the remaining net
book value of labour incurred to initially install the equipment. GSHi
decided to exclude these losses from amounts deferred for recovery from
rate payers through account 1575.

7

21

27

8 Gains on disposal: In both 2017 & 2018, GSHi inadvertently offset the 9 actual gains recognized on disposal of assets against the loss it deferred 10 for recovery from ratepayers. This is in favour of ratepayers, as it reduced 11 the amount GSHi will recover from ratepayers upon disposition of account 12 1575. GSHi has embedded in its rates since its last 2013 cost of service 13 rebasing an annual gain amount of \$43,658, which reduces the amount 14 GSHi collects from distribution rate payers as it is included in GSHi's 15 "Other Operating Revenue". Therefore, it was not necessary for GSHi to 16 offset the gain against the amount it will recover from ratepayers as GSHi 17 has already factored gain on disposals into its rates. Given the immaterial 18 amount totaling \$19,612 over the two years, and that this error is in favour 19 of ratepayers, GSHi will not propose to remove the effect of this offset on 20 account 1575.

- Correction of prior disposal: This adjustment of \$72,017 represents a
 correction to the disposal of a vehicle, where the disposal entry was not
 initially booked correctly in the general ledger. The net book value impact
 of this correction should not be captured for deferral and recovery
 purposes, and therefore is eliminated as an adjustment.
- Depreciation correction through retained earnings ("RE"): When
 GSHi last rebased in 2013 it adopted extended useful lives for most asset
 classes. However, GSHi was not able to fully implement the extended
 useful lives for its substation assets. Upon transition to IFRS in 2015,
 GSHi recorded a one-time correction of depreciation which reflected

Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 2 Schedule 1 Page 3 of 3 1 depreciation that should have been booked on substations since MIFRS 2 useful lives were adopted in 2013. This adjustment flowed through 3 retained earnings in the year, along with other opening balance 4 transitional IFRS adjustments. Given the nature of this adjustment it 5 should not be included in account 1575 for future recovery from ratepayers and therefore was excluded via an adjustment. 6 7 8 Further Explanation of Balance in Account 1575 See Exhibit 9, Tab 1, Schedule 4, sub-section titled "Account 1575 - IFRS-CGAAP 9 10 Transition PP&E Amounts" for further explanation of the balance being requested for 11 disposition in account 1575.

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Attachment 1 (of 1):

OEB Appendix 2-EA

File Number:	EB-2019-0037
Exhibit:	
Tab:	
Schedule:	
Page:	
Date:	

Appendix 2-EA Account 1575 - IFRS-CGAAP Transitional PP&E Amounts 2015 Adopters of IFRS for Financial Reporting Purposes

For applicants that adopted IFRS on January 1, 2015 for financial reporting purposes

	2013	2014	2015	2016	2017	2018	2019 Bridge Year	2020 Rebasing Year
Reporting Basis	CGAAP w/ MIFRS Dep'n & Capitalization	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
						\$	\$	
PP&E Values under CGAAP								
Opening net PP&E - Note 1	68,358,254	75,948,147	79,204,054	82,494,816	86,632,342	91,480,812	96,853,505	
Net Additions - Note 4	6,522,886	6,746,694	7,416,008	8,239,046	8,969,843	9,670,171	10,296,309	
Net Depreciation (amounts should be negative) - Note 4	1,067,007	-3,490,787	-4,125,246	-4,101,520	-4,121,373	-4,297,478	-4,516,949	
Closing net PP&E (1)	75,948,147	79,204,054	82,494,816	86,632,342	91,480,812	96,853,505	102,632,865	
PP&E Values under MIFRS (Starts from 2014, the transition year) Opening net PP&E - Note 1	68,358,254	75,948,147	79,204,054	80,938,784	84,401,032	88,740,882	93,461,959	
Net Additions - Note 4	6,522,886	6,746,694	3,131,750	4,845,339	6,490,834	5,754,803	7,215,377	
Net Depreciation (amounts should be negative) - Note 4	1,067,007	-3,490,787	-1,397,020	-1,383,091	-2,150,984	-1,033,726	-2,000,707	
Closing net PP&E (2)	75,948,147	79,204,054	80,938,784	84,401,032	88,740,882	93,461,959	98,676,629	
Other adjustments (items affecting net PP&E, but not deferred)								
Opening other adjustments				-565,450	-606,556	-653,326	-680,220	
Other adjustments - Note 5			-565,450	-41,106	-46,770	-26,894	0	

Closing other adjustments			-565,450	-606,556	-653,326	-680,220	-680,220
Difference in Closing net PP&E, former CGAAP vs. revised CGAAP	0	0	990,582	1,624,754	2,086,604	2,711,326	3,276,016

Effect on Deferral and Variance Account Rate Riders

Closing balance in Account 1575	3,276,016	WACC	6.02%
Return on Rate Base Associated with Account 1575 balance at			
WACC - Note 2	986,081	# of years of rate rider	
Amount included in Deferral and Variance Account Rate Rider Calculation	4,262,097	disposition period	5

Notes:

1 For an applicant that adopted IFRS on January 1, 2015, the PP&E values as of January 1, 2014 under both CGAAP and MIFRS should be the same.

2 Return on rate base associated with deferred balance is calculated as:

the deferral account closing balance as of 2017 x WACC X # of years of rate rider disposition period

* Please note that the calculation should be adjusted once WACC is updated and finalized in the rate application.

3 The PP&E deferral account is cleared by including the total balance in the deferral and variance account rate rider calculation.

4 Net additions are additions net of disposals; Net depreciation is additions to depreciation net of disposals.

5 See Exhibit 9, Tab 2, Schedule 1 for discussion pertaining other adjustments in this appendix.

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RETAIL SERVICE CHARGES

2 Account 1518: RCVA Retail

Account 1518: RCVA Retail is used to record the difference between revenues derived
from established Retailer agreements, distributor-consolidated billings and, although not
applicable for GSHi, Retailer consolidated billings, and the incremental expenses
incurred to administer and process Retailer transactions and Service Agreements.

8

1

3

9 Between its last rebasing in 2013 and year-ending December 31, 2018, GSHi has not 10 recorded deferral and variance entries pertaining to this account, because over this 11 period GSHi expected any net balance in this account to be immaterial. For purposes of 12 this rate application, GSHi has quantified an estimate of what the deferral balance would 13 be at December 31, 2019 had GSHi recorded these transactions. Account 1518 is 14 estimated to have a debit balance of \$13,208.43, which is immaterial. See Table 1 below 15 for details of this projected account balance.

16

17 GSHi proposes no disposal of this account in this rate application.

18

19 Account 1548: RCVA Service

20

Account 1548: RCVA Service is used to record the difference between revenues derived from Service Transaction Request services (request fees, processing fees, information request fees, default fees, and other fees) and the incremental expenses incurred to administer and process Service Transaction Requests.

25

Between its last rebasing in 2013 and year-ending December 31, 2018, GSHi has not recorded deferral and variance entries pertaining to this account, because over this period GSHi expected any net balance in this account to be immaterial. For purposes of this rate application, GSHi has quantified an estimate of what the deferral balance would be at December 31, 2019 had GSHi recorded these transactions. Account 1548 is Greater Sudbury Hydro Inc. Filed:31 October, 2019 EB-2019-0037 Exhibit 9 Tab 2 Schedule 2 Page 2 of 2 1 estimated to have a credit balance of \$(4,274.50), which is immaterial. See Table 1 2 below for details of this projected account balance.

- 3
- 4 GSHi proposes no disposal of this account in this rate application.
- 5
- 6

Table 1: 1518 & 1548 Projected Account Balances

1518 -	Retail Cost Variance Account	2013	2014	2015	2016	2017	2018	2019	
								Budget	
4082	Retail Service Revenue	(39,393.30)	(33,126.70)	(30,989.00)	(30,665.80)	(21,848.00)	(20,810.10)	(21,015.00)	
5340	EBT Hub Service Fees	13,308.31	10,833.94	27,581.43	18,817.82	8,028.77	11,695.50	20,000.00	
5340	Retail Service Labour	14,699.68 (11,385.31)	14,832.99 (7,459.77)	12,403.41 8,995.84	10,249.98 (1,598.00)	15,802.52 1,983.29	15,926.77 6,812.17	16,875.20 15,860.20	13,208.43
		(11,303.31)	(1,455.11)	0,000.04	(1,550.00)	1,505.25	0,012.17	13,000.20	10,200.40
1548 -	Retail Cost Variance Account								
4084	Retail STR Revenue	(1,114.25)	(732.75)	(852.50)	(642.50)	(305.75)	(301.75)	(325.00)	(4,274.50
		Total of both 1518 & 1548				8,933.93			

PROPOSED RATE RIDERS FOR RECOVERY OF BALANCES

3 Billing Determinants Used

For the calculation of proposed rate riders, GSHi has utilized the billing determinants
arising from the 2020 Load Forecast inclusive of CDM Adjustments, as presented in
Table 1 below. For more details regarding the 2020 Load Forecast and billing
determinants please see Exhibit 3.

8

1

2

9

Table	1:	Billing	Determinants
-------	----	---------	--------------

	Customers / Connections	Total kWh	Total kW
Residential	43,107	361,088,385	
GS < 50	4,182	134,331,187	
GS > 50	492	343,232,749	856,504
Street Light	9,941	7,342,584	20,511
Sentinel Light	359	389,166	1,062
USL	283	1,081,447	
Total	58,363	847,465,518	878,077

10 11

12 To allocate a portion of the load forecast to metered kWh and metered kW, GSHi

13 determined an appropriate proportion to allocate to these categories based on the 2018

14 actual distribution experienced. Support for this proration calculation is provided in Table

15 2 below.

- 16
- 17

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			_		Metered kWh for	Metered kWh for Non-RPP Customers	-	Customer
		# of	Total	Total	Non-RPP	(% of	Non-RPP	s (% of
	Units	Customers	Metered kWh	Metered kW	Customers	Total)	Customers	Total)
2018 Actuals								
			Α	В	С	C / A = F	D	D/B=G
Residential	kWh	42,890	375,723,904.20		9,599,008.30	2.55%		
GS < 50	kWh	4,132	137,871,409.00		22,006,879.70	15.96%		
GS > 50	kW	496	360,043,485.04	880,526.94	293,291,587.80	81.46%	703,205.30	79.86%
USL	kWh	292	1,134,622.20		10,074.00	0.89%		
Sentinel Light	kW	372	403,669.80	1,111.10	33,935.50	8.41%	93.20	8.39%
Street Light	kW	9,862	7,471,085.00	20,877.90	7,471,085.00	100.00%	20,877.90	100.00%
			882,648,175.24	902,515.94	332,412,570.30		724,176.40	
2020 Load Fore	cast							
						F from		G from
			н	1	H * F	Above	I * G	Above
Residential	kWh	43,107	361,088,384.54		9,225,099.50	2.55%		
GS < 50	kWh	4,182	134,331,186.56		21,441,793.36	15.96%		
GS > 50	kW	492	343,232,749.14	856,503.90	279,597,554.64	81.46%	684,020.05	79.86%
USL	kWh	283	1,081,447.34		9,601.87	0.89%		
Sentinel Light	kW	359	389,165.82	1,061.96	32,716.19	8.41%	89.08	8.39%
Street Light	kW	9,941	7,342,584.42	20,510.71	7,342,584.42	100.00%	20,510.71	100.00%
_			847,465,517.82	878,076.57	317,649,349.98		704,619.84	

Table 2: Metered kWh and kW for Non-RPP Customers

2 3

4 Metered kWh and kW for Wholesale Market Participants used for billing determinant

5 purposes is the most recent calendar year's actual data available. Therefore, 2018

6 actuals are used for the billing determinant in this section. GSHi's Wholesale Market

7 Participants kWh represent less than 1% of the GS > 50 consumption in GSHi's service

8 territory, therefore this methodology is reasonable.

9

10 Proposed Rate Riders

11 GSHi is proposing that all rate riders be disposed of within a one-year period, with the

12 exception of Account 1575, which GSHi is proposing be disposed of over a five year

13 period. Consistent with the DVA continuity model provided by the Board, GSHi has

14 calculated the following rate riders:

15

16 • Group 1 Deferral Disposition,

- Group 2 Deferral Disposition,
 - Account 1568 LRAMVA Deferral Disposition, and
- 3 Account 1575 CGAAP to IFRS Transitional PP&E Disposition
- 4

2

- 5 Each calculation and results will be discussed in the sections below. Balances have
- 6 been allocated by kWh, kW, Customer or Connection as appropriate by class. GSHi has
- 7 separated Group 1 and Group 2 rate riders on the proposed tariff sheet.
- 8
- 9 Group 1 Rate Riders
- 10 Group 1 account balances are allocated as follows:
- 11

OEB Account	Allocation Method
1550 – Low Voltage	Allocated based on total kWh
1551 – SME Charge	Allocated based on Number of Customers,
	Residential and GS<50 kWh
1580 – WMS	Allocated based on total kWh
1584 – Retail Transmission Network	Allocated based on total kWh
1586 – Retail Transmission Connection	Allocated based on total kWh
1588 – Power	Allocated based on total kWh
1589 – Global Adjustment	Allocated based on Non-RPP kWh,
	excluding Class A customers
1595 – Regulatory Balances	Allocated based on the allocation from the
	original rate rider calculation

- 13 GSHi proposes to dispose of the balances over one year, commencing on May 1st, 2020.
- 14 Tables 3 to 6 below show the proposed rate riders by rate class for the Group 1
- 15 dispositions noted above.
- 16
- 17

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1

Table 3: Group 1 Deferral / Variance Accounts Balances (excluding GA)

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

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 SERVICE CLASSIFICATION	kWh	361,088,385	-\$ 642,769	- 0.0018
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	-\$ 202,633	- 0.0015
GENERAL SERVICE 50 TO 4,999 KW SE	kW	856,504	\$ 15,315	0.0179
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	-\$ 2,269	- 0.0021
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	-\$ 1,223	- 1.1512
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	-\$ 25,099	- 1.2237
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
Total			-\$ 858,677	

2 3

4 Table 4: Group 1 Deferral / Variance Accounts Balances (excluding GA) NON-WMP

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

Rate Class (Enter Rate Classes in cells below)			Allocated Group 1 Balance - Non- WMP	Rate Rider for Deferral/Variance Accounts	
RESIDENTIAL SERVICE CLASSIFICATION	kWh	361,088,385	\$-	-	
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	\$-	-	
GENERAL SERVICE 50 TO 4,999 KW SE	kW	849,885	-\$ 521,004	- 0.6130	
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	\$-	-	
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	\$-	-	
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$-	-	
			\$-	-	
		-	\$-	-	
		-	\$-	-	
		-	\$-	-	
		-	\$-	-	
		-	\$-	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$-	-	
		-	\$ -	-	
			\$-	-	
			\$-	-	
			\$ -	-	
			\$-	-	
Total			-\$ 521,004		

Ŭ

Table 5: Account 1580, sub account CBR Class B

1 2

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		Revised Rate Rider for Deferral/Variance Accounts
RESIDENTIAL SERVICE CLASSIFICATION	kWh	361,088,385	-\$ 30,519	- 0.0000	\$-
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	-\$ 11,354	- 0.0000	\$-
GENERAL SERVICE 50 TO 4,999 KW SE	kW	704,572	-\$ 22,602	- 0.0027	\$-
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	-\$ 91	- 0.0000	\$-
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	-\$ 33	- 0.0026	\$-
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	-\$ 621	- 0.0025	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
		-	\$-	-	\$-
Total			-\$ 65,220		

3

4

5

Table 6: RSVA – Power – Global Adjustment

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 SERVICE CLASSIFICATION	kWh	9,225,099	-\$ 36,770	- 0.0040
GENERAL SERVICE LESS THAN 50 KW	kWh	21,441,793	-\$ 85,464	- 0.0040
GENERAL SERVICE 50 TO 4,999 KW SE	kWh	203,776,818	-\$ 812,225	- 0.0040
UNMETERED SCATTERED LOAD SERVI	kWh	9,602	-\$ 38	- 0.0040
SENTINEL LIGHTING SERVICE CLASSIFI	kWh	32,716	-\$ 130	- 0.0040
STREET LIGHTING SERVICE CLASSIFICA	kWh	7,342,584	-\$ 29,266	- 0.0040
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
Total			-\$ 963,893	

1

2 Group 2 Rate Riders

- 3 GSHi has calculated three rate riders for the disposition of the Group Two accounts
- 4 which includes the following accounts and basis of allocation:
- 5

OEB Account	Allocation Method
1508 – Other Regulatory Assets	Allocated based on total kWh
1534 – Smart Grid Capital	Allocated based on total kWh
1535 – Smart Grid OM&A	Allocated based on total kWh
1555 – Smart Meter Capital and Recovery	Allocated based on total kWh
Offset Variance	
1568 – LRAM Variance	Allocated based on dollars by customer
	class, determined in the LRAMVA
	Workform
1575 – IFRS-CGAAP Transition	Allocated based on total kWh
2425 – Other Deferred Credits	Allocated based on total kWh

6

7 GSHi is proposing to dispose of account 1575 over a five-year period. This more closely

8 aligns with the period over which GSHi accumulated the balance.

9

10 Consistent with the Filing Requirements, GSHi has calculated the Residential rate riders

11 for Group 2 accounts as a monthly fixed charge rather than the traditional volumetric

12 charge. The remaining balances have been allocated by kWh, kW and Connections as

13 appropriate. GSHi proposes these balances be disposed over a one year period

beginning May 1, 2020. Tables 7 to 9 below presents the proposed Group 2 disposition

- 15 rate riders.
- 16

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Table 7: Group 2 Accounts

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 SERVICE CLASSIFICATION	# of Customers	43,107	\$ 267,660	\$ 0.52
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	\$ 99,574	\$ 0.0007
GENERAL SERVICE 50 TO 4,999 KW SE	kW	856,504	\$ 254,424	\$ 0.2970
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	\$ 802	\$ 0.0007
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	\$ 288	\$ 0.2716
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 5,443	\$ 0.2654
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$-
		-	\$-	\$ -
		-	\$-	\$ -
Total			\$ 628,191	

2 3

4

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Table 8: Account 1575 IFRS-CGAAP Transition

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in months) 60

Rate Class			Allocated Accounts	Rate Rider for
(Enter Rate Classes in cells below)	Units	# of Customers	1575 and 1576	Accounts 1575
			Balances	and 1576
RESIDENTIAL SERVICE CLASSIFICATION	# of Customers	43,107	\$ 1,815,996	0.7021
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	\$ 675,582	0.0010
GENERAL SERVICE 50 TO 4,999 KW SE	kW	856,504	\$ 1,726,196	0.4031
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	\$ 5,439	0.0010
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	\$ 1,957	0.3686
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 36,928	0.3601
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
Total			\$ 4,262,097	

1

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Table 9: 1568 LRAMVA

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 SERVICE CLASSIFICATION	kWh	361,088,385	\$ 114,390	0.0003
GENERAL SERVICE LESS THAN 50 KW	kWh	134,331,187	\$ 75,576	0.0006
GENERAL SERVICE 50 TO 4,999 KW SE	kW	856,504	\$ 137,614	0.1607
UNMETERED SCATTERED LOAD SERVI	kWh	1,081,447	\$-	-
SENTINEL LIGHTING SERVICE CLASSIFI	kW	1,062	\$ 238	0.2241
STREET LIGHTING SERVICE CLASSIFICA	kW	20,511	\$ 218	0.0106
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
		-	\$-	-
Total			\$ 328,036	5

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GLOBAL ADJUSTMENT

As per Section 2.9.3.1 of the Chapter 2 filing requirements, all distributors must complete the GA Analysis Workform. Any remaining, unexplained discrepancy will be assessed for materiality and could prompt further analysis before disposition is approved. Any unexplained discrepancy for each year greater than +/- 1% of total annual IESO GA charges will be considered material.

7

1

8 GSHi has included the GA Analysis workform, filed in live Microsoft Excel format with
9 this rate application. GSHi has also included the workform as an attachment to this
10 section – see Exhibit 9, Tab 2, Schedule 4, Attachment 1.

11

12 Description of Settlement Process

On February 21, 2019, the OEB issued its letter entitled *Accounting Guidance* related to
Accounts 1588 Power, and 1589 RSVA Global Adjustment as well as the related
accounting guidance. The accounting guidance is effective January 1, 2019 and was to
be implemented by August 31, 2019.

17

18 Transitioning to New Settlement Process

19 GSHi is in the process of implementing the full scope of the accounting guidance 20 provided by the OEB. GSHi anticipates having the new accounting guidance fully 21 implemented into its processes by December 31, 2019, and will consider the accounting 22 guidance in the context of the 2019 accounting transactions to ensure that the final year-23 end balances appropriately reflect the OEB guidance.

24

While not yet fully implemented, GSHi has reviewed the new accounting guidance provided by the OEB and considered it as compared to its historical practices. In the course of implementation, GSHi has not found any systemic issues with its RPP settlement and related accounting processes.

See Exhibit 1, Tab 3, Schedule 22 for further discussion on GSHi's implementation of
 the new accounting guidance provided by the OEB.

3

4 Description of Existing Settlement Process

5 GSHI uses the 1st estimate to bill all of its rate classes and to record unbilled entries. By 6 the 4th business day of each month, GSHI submits its filing for the initial RPP true up to 7 the IESO for the previous consumption month. GSHI uses the amount posted in its 8 billing system in a given month for the inputs required for this filing. For example, the 9 filing for November 2018 will utilize the billed consumption, billed amount, system-10 calculated WAP and system-calculated Global Adjustment pertaining to the electricity 11 that was actually billed in the month. These figures will calculate a preliminary true-up 12 amount for the month of November that will flow on line 142 of the IESO invoice.

13

GSHI's methodology trues up these initial submissions on a quarterly basis based on the actual consumption for each particular month (versus billed during the month). The actual consumption data is available approximately 45 days following each month end. Under this method, the submission to the IESO for the February 2019 settlement month would include a true up for Q4 2018 (covering the months of October, November and December 2018). Quarterly true-ups will consistently be submitted 2-months lagging the end of a given quarter.

21

22 To quantify the final RPP true up value, it is necessary to determine an accurate 23 consumption split between RPP and non-RPP customers. GSHI starts by querying from 24 its billing system a report that lists all electricity bills issued for a given month. This report 25 details the consumption dates covered by each bill, the total kWh and other pertinent 26 information (RPP \$ billed, RPP/non-RPP customer status). GSHI prorates the 27 consumption for each individual bill into the appropriate month (ie: a bill for 800kwh total 28 consumption with 15 days of consumption in each of November and December will have 29 400kwh allocated to each respective month). With every bill prorated in this manner, 30 GSHI is able to determine the total kWh billed to RPP and non-RPP customers 31 pertaining to a given consumption month. The total RPP dollars billed to customers are 32 prorated into monthly buckets in the same manner.

With proper monthly cut-off of total kWh billed to RPP and non-RPP customers, it is possible to determine the percentage split of the portion of purchases pertaining to RPP customers. This percentage is applied to the total kWh, cost of commodity and cost of global adjustment purchased by GSHI from its energy suppliers (IESO, HONI, generation, etc) for the month being trued up.

7

1

8 Given all the data now available, GSHI calculates the following:

9

10 1) How much GSHI paid for the commodity that pertains to RPP customers.

11 2) How much GSHI paid for the GA that pertains to RPP customers.

How much GSHI collected from RPP customers pertaining to the kWh GSHI
purchased from its energy suppliers (calculated by dividing the prorated RPP \$
total by the prorated kWh total and multiplying this value by the RPP kWh
purchased by GSHI).

16

17 Part 1) and 2) above are summed and compared to part 3). The difference between the 18 two values is the final true-up amount, and is the value that should have been paid 19 to/received from the IESO for the given consumption month. This value is compared to 20 the initially submitted estimate, and the difference between the initially submitted 21 estimate and this value is trued up on a quarterly basis. When preparing the RPP true 22 up, GSHI compares the data inputs to the billings received from its third parties (IESO, 23 HONI, Embedded Generation) to validate the consumption figures used in the 24 calculation.

GSHI was careful to closely follow the example in Article 490 of the Accounting Procedures Handbook for this portion of the calculation in order to ensure that any inefficiency in GSHI's billing loss factor is appropriately captured in account 1588, and the appropriate amount is ultimately being trued up with the IESO.

29

30 Description of Accounting Methods and Transactions for each Year in which the

31 Applicant is requesting the Balances for Disposition

- 1 GSHi confirms it uses accrual accounting, with subsequent adjustments at year-end to 2 align 1588 & 1589 costs and unbilled revenue to actual.
- 3

At year end, the process for determining the 1588 and 1589 balances is extended into
February of the following year to ensure accurate information.

6

The December IESO bill is received in January of the following year and the total on line
148 is entered as 1589. An estimate is provided in January based on the current RPP
allocation and that allocation is used to transfer balances out of 1589 and into 1588.
Upon billing all consumption pertaining to the fiscal year-end, GSHi can determine a
more accurate split between RPP and non-RPP customers and will adjust the line 148
allocation at that time.

13

During the month of January, no unbilled revenue entry is recorded as GSHi waits until February when final billings for all customers are complete. GSHi then bases its unbilled revenue adjusting entry on actual billings completed, which establishes a highly accurate unbilled revenue entry.

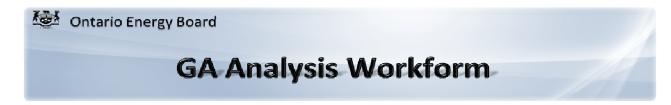
18

19 All adjustments made subsequent to year-end are back dated into December.

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Attachment 1 (of 1):

GA Analysis Workform



Version 1.9

Account 1589 Global Adjustment (GA) Analysis Workform

Input cells Drop down cells

Utility Name GREATER SUDBURY HYDRO INC.

Please select "Yes" in column D for any year being

Note 1 requested for disposition

2014 No
2015 No
2016 No
2017 No
2018 Yes

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

ſ											Unresolved Difference as %	
						Adju	usted Net Change in				of Expected GA	
			Net Change in Principal			Prin	ncipal Balance in the	Unresolved	\$ C	Consumption at	Payments to	
	Year	Annual Net Change in Expected GA Balance from GA Analysis	Balance in the GL	Re	econciling Items		GL	Difference	Ac	ctual Rate Paid	IESO	
	2018	\$ (460,993)	\$ (934,705)	\$	542,766	\$	(391,940)	\$ 69,054	\$	24,959,495	0.3%	D
	Cumulative Balance	\$ (460,993)	\$ (934,705)	\$	542,766	\$	(391,940)	\$ 69,054	\$	24,959,495	N/A	

Ontario Energy Board

GA Analysis Workform

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

Year		2018		
Total Metered excluding WMP	C = A+B	879,170,702	kWh	100%
RPP	A	546,758,132	kWh	62.2%
Non RPP	B = D+E	332,412,570	kWh	37.8%
Non-RPP Class A	D	72,343,263	kWh	8.2%
Non-RPP Class B*	E	260,069,307	kWh	29.6%

*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.

Please confirm that the above RRR data is accurate Confirmed

Note 3 GA Billing Rate

GA is	billed	on the	
-------	--------	--------	--

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

1st Estimate

Note 4 Analysis of Expected GA Amount

Year	2018								
Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)		Non-RPP Class B Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)		\$ Consumption at GA Rate Billed	GA Actual Rate Paid (\$/kWh)	\$ Consumption at Actual Rate Paid	Expected GA Variance (\$)
	F	G	н	I = F-G+H	J	K = I*J	L	M = I*L	=M-K
January	26,176,600			26,176,600	0.08777	\$ 2,297,520	0.06736	\$ 1,763,256	\$ (534,264)
February	22,862,397			22,862,397	0.07333	\$ 1,676,500	0.08167	\$ 1,867,172	\$ 190,672
March	23,738,551			23,738,551	0.07877	\$ 1,869,886	0.09481	\$ 2,250,652	\$ 380,766
April	21,745,606			21,745,606	0.09810	\$ 2,133,244	0.09959	\$ 2,165,645	\$ 32,401
May	21,435,548			21,435,548	0.09392	\$ 2,013,227	0.10793	\$ 2,313,539	\$ 300,312
June	21,376,028			21,376,028	0.13336	\$ 2,850,707	0.11896	\$ 2,542,892	\$ (307,815)
July	23,409,234			23,409,234	0.08502	\$ 1,990,253	0.07737	\$ 1,811,172	\$ (179,081)
August	22,844,566			22,844,566	0.07790	\$ 1,779,592	0.07490	\$ 1,711,058	\$ (68,534)
September	20,997,285			20,997,285	0.08424	\$ 1,768,811	0.08584	\$ 1,802,407	\$ 33,596
October	21,786,153			21,786,153	0.08921	\$ 1,943,543	0.12059	\$ 2,627,192	\$ 683,649
November	23,246,031			23,246,031	0.12235	\$ 2,844,152	0.09855	\$ 2,290,896	\$ (553,256)
December	24,495,051			24,495,051	0.09198	\$ 2,253,055	0.07404	\$ 1,813,614	\$ (439,441)
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	274,113,050	_	_	274,113,050		\$ 25,420,489		\$ 24,959,495	\$ (460,993)

Calculated Loss Factor

1.0540

Note 5 Reconciling Items

	Item	Amount	Explanation		3	
				Principal Adjustment	lf "no", please	\$ Principal
Net Chan	nge in Principal Balance in the GL (i.e. Transactions in the			on DVA Continuity	provide an	Adjustment on DVA
	Year)	\$ (934,705)		Schedule	explanation	Continuity Schedule
	True-up of GA Charges based on Actual Non-RPP Volumes					
	prior year					
	True-up of GA Charges based on Actual Non-RPP Volumes					
1b	current year					
	Remove prior year end unbilled to actual revenue					
2a	differences					

2b Add current year end unbilled to actual revenue differences						
Remove difference between prior year accrual/forecast to						
3a actual from long term load transfers						
Add difference between current year accrual/forecast to						
3b actual from long term load transfers						
4 Remove GA balances pertaining to Class A customers						
Significant prior period billing adjustments recorded in						
5 current year						
Differences in GA IESO posted rate and rate charged on						
6 IESO invoice						
7 Differences in actual system losses and billed TLFs	\$ 542,766		No	ment calculates the dif	ference in billed and act	al system losses, and quantifies the impact on 1589.
8 Others as justified by distributor						
9						
10						
		Total Principal	Adjustments on DVA	Continuity Schedule	\$ -	

Note 6	Adjusted Net Change in Principal Balance in the GL Net Change in Expected GA Balance in the Year Per	\$	(391,940)
		•	(100.000)
	Analysis	\$	(460,993)
	Unresolved Difference	\$	69,054
	Unresolved Difference as % of Expected GA Payments	:	
	to IESO		0.3%

Total Principal Adjustments on DVA Continuity Schedule \$