



Ontario  
Energy  
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de l'énergie  
de l'Ontario

BY EMAIL

February 3, 2020

Mr. Glen McAllister  
Chief Financial Officer  
InnPower Corporation  
7251 Yonge Street  
Innisfil, ON, L9S 0J3

[glenm@innpower.ca](mailto:glenm@innpower.ca)

Dear Mr. McAllister:

**Re: Notice of Inspection – Group 1 Deferral and Variance Accounts**

The Ontario Energy Board's Inspection & Enforcement Department (OEB Staff) is initiating an inspection of InnPower Corporation's (InnPower) Group 1 Deferral and Variance Accounts. The inspection is being conducted as a result of the OEB's concerns with InnPower's accounting procedures and controls for Group 1 DVA balances during InnPower's 2019 IRM rate proceeding EB-2018-0045.

The main objective of the inspection is to examine the balances of InnPower's Group 1 Deferral and Variance Accounts and determine whether:

- 1) accounting policies and procedures for these accounts are properly and consistently applied in accordance with the OEB's Accounting Procedures Handbook, Reporting and Record-Keeping Requirements, and related regulatory guidelines; and
- 2) adequate systems and processes are in place to ensure that settlements with the IESO are in compliance with relevant legislation, regulations, and OEB and IESO guidance.

The inspection is being carried out under Part VII of the *Ontario Energy Board Act, 1998* (the Act). To the extent that the inspection requires the examination of documents,

records or information that are not already in the OEB's possession, OEB staff will be acting under Part VII of the Act. The results of the inspection will be shared with InnPower. In accordance with sections 109 and 111 of the Act, the results of the inspection may also be shared within the OEB and filed as evidence by OEB staff in a future InnPower proceeding before the OEB.

OEB staff will be contacting you to discuss the inspection, including key activities, associated timelines, and next steps.

OEB staff thanks you in advance for your cooperation and assistance in the conduct of this inspection. Please do not hesitate to contact the undersigned directly should you have any questions.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Tony Stanco', with a stylized, cursive flourish extending to the right.

Tony Stanco  
Manager - Inspection & Enforcement