**Fort Frances Power Corporation**

**EB-2021-0025**

**March 3, 2022**

**Staff follow-up Question-8**

**Ref: Staff follow-up Question-6**

Fort Frances noted that a customer made a claim for the GA Modifier, which was recorded in August 2020 as a credit to Account 4707 – Charges – Global Adjustment. Per the OEB’s [accounting guidance](https://www.oeb.ca/sites/default/files/OEBltr-Accounting-Guidance-FHA-20171031.pdf) for the GA Modifier, it states that “GA Modifier-related transactions will not affect the amounts recorded in the distributors’ Global Adjustment expenses, revenues or variance accounts.”

1. Please explain why the GA Modifier was recorded in Account 4707.

The GA modifier was recorded in 4707 as was done in previous years with an offsetting entry resulting from charge type 1143

1. Claims for the GA Modifier should have been made to the IESO, which would have resulted in charge type 1143 on the IESO invoice. Please explain where the charge type 1143 for this particular customer was recorded.

The credit was issued under charge type 9982 on the IESO invoice not 1143 and therefore not recorded against GA.

1. Please explain whether the $24,404 is a reconciling item or a principal adjustment.

As such this should be a principal adjustment and will be recorded in 2021. The credit from IESO should have been recorded against 4707 reducing the claim for GA. The IRM rate Generator has been updated to reflect the adjustment that will be made in 2021.