EPCOR Electricity Distribution Ontario Inc.

Cost of Service Application

EB-2022-0028

May 27, 2022

Exhibit 9 – Deferral & Variance Accounts

PROVIDING MORE

Exhibit 9 Table of Contents

9.0 Deferral & Variance Accounts 1
9.1 Disposition of Deferral & Variance Accounts 3
9.1.1 Group 1 Accounts 3
9.1.2 Group 2 Accounts 9
9.1.3 Impacts Arising from the COVID-19 Emergency – 1509 15
9.1.3 Disposition of Account 1595 23
9.2 Establishment of New Deferral and Variance Accounts 24
9.3 Lost Revenue Adjustment Mechanism Variance Account 27
9.4 Proposed Rate Riders 28
9.4.1 Rate Class Allocation 29
9.4.2 Rate Rider Calculation 30
Appendix A – DVA Continuity Schedule & Rate Rider Calculation 33
Appendix B – Global Adjustment Analysis Workform 48
Appendix C – EB-2012-0116 Accounting Order 54
Appendix D – Proposed RITDA Accounting Order 58
Appendix E – Proposed NBDA Accounting Order 63

9.0 Deferral & Variance Accounts

Exhibit 9 provides a description of all group 1 and group 2 deferral and variance accounts currently established for use by EEDO and outlines EEDO's proposal with respect to (a) the continuance or discontinuance and closure of the account, (b) the balances being brought forward for disposal in this Application, and (c) any new deferral or variance accounts to be established for use during the 5 year period covered by this Application.

EEDO is applying to dispose of Group 1 account balances as of December 31, 2021 due to their on-going usage and opportunity for annual disposition as part of the IRM filing, while applying to dispose of Group 2 account balances as of December 31, 2022 forecast. Group 2 accounts are typically only disposed of during a cost of service filing and many of the current Group 2 accounts will no longer be required. Further detail, including forecast assumptions are provided in the section below

EEDO proposes to dispose of a debit of $1,446,933 related to Group 1 Retail Settlement Variance Accounts ("RSVA") and debit of $916,731 related to Group 2 Variance/Deferral Accounts and debit of $185,630 related to the Lost Revenue Adjustment Mechanism Variance Account (LRAMVA – 1568). This includes carrying charges up to and including December 31, 2022. EEDO confirms that all deferral and variance account ("DVA") balances as of December 31, 2021 were audited through EEDO's annual financial statement audit. The audited financial statements have been filed as part of this application in the Exhibit 1 Appendixes. EEDO's 2020 Group 1 accounts were last approved for disposition on a final basis as part of hearing EB-2021-0020.

EEDO is proposing to recover the Group 1 and Group 2 DVA balances over 24 months due to:

- The change in timing of its rate effective date from May 1 to Jan 1, as previously approved 2020 balances will continue to be applied until May 1, 2023, and;
- The long accumulation of Group 2 balances accounts as EEDO has not rebased since 2013 or completed any supplemental applications to dispose of Group 2 accounts.

EEDO confirms that DVAs are being used as prescribed in the OEB's Accounting Procedures Handbook ("APH") and has not made any adjustments to DVA balances that were previously approved by the OEB on a final basis.

A complete continuity schedule for all DVAs, including Sub-Accounts, can be found in the attachment: 2023 DVA Continuity Schedule EB-2022-0028.

EEDO is using a modified version of the 2022 Deferral and Variance Account (Continuity Schedule) Workform provided by the OEB as the basis for this schedule as the 2023 version was not available at the time of filing. EEDO has worked with OEB staff to add 2022 to the schedule. The utility has updated the model using audited balances to the end of 2021 and forecasted Group 2 balances to the end of 2022.

EEDO confirms that that it has used interest rates established by the OEB[1] on a quarterly basis and the most recently posted interest rate should be used for any future periods. The table below shows the interest rates that have been used since 2012:

Table 9.0-1

OEB Prescribed Interest Rates

	A	B	C	D	E
	Year	**Q1**	**Q2**	**Q3**	**Q4**
1	2012	1.47%	1.47%	1.47%	1.47%
2	2013	1.47%	1.47%	1.47%	1.47%
3	2014	1.47%	1.47%	1.47%	1.47%
4	2015	1.47%	1.10%	1.10%	1.10%
5	2016	1.10%	1.10%	1.10%	1.10%
6	2017	1.10%	1.10%	1.10%	1.50%
7	2018	1.50%	1.89%	1.89%	2.17%
8	2019	2.45%	2.18%	2.18%	2.18%

[1] https://www.oeb.ca/regulatory-rules-and-documents/rules-codes-and-requirements/prescribed-interest-rates

9	2020	2.18%	2.18%	0.57%	0.57%
10	2021	0.57%	0.57%	0.57%	0.57%
11	2022	0.57%	1.02%	1.02%	1.02%

9.1 Disposition of Deferral & Variance Accounts

9.1.1 Group 1 Accounts

Table 9.1-1- Summary of Deferral and Variance Account Balances – Group 1 Dec 31, 2022

	A **Account**	B **Name**	C **Principal Balance**	D **Carrying Charges**	E **Disposition Proposal**	F **Year of Previous Disposition**	G **Continuance**
1	1550	LV Variance Account	$1,148,400	$12,725	$1,161,124	2020	Yes
2	1551	Smart Metering Variance Account	($13,182)	($138)	($13,320)	2020	Yes
3	1580	RSVA - Wholesale Market Service Charge	$266,360	$3,281	$269,641	2020	Yes
4	1580	Variance WMS – CBR Class B	($27,378)	($341)	($27,719)	2020	Yes
5	1584	Retail Transmission Network Charge	$21,067	($123)	$20,944	2020	Yes
6	1586	Retail Transmission Connection Charge	($8,582)	($373)	($8,954)	2020	Yes
7	1588	RSVA - Power	$192,914	($1,202)	$191,712	2020	Yes
8	1589	RSVA - Global Adjustment	($209,231)	($376)	($209,607)	2020	Yes
9	1595	Disposition of Regulatory Balances (2018)	$33,899	$49,213	$83,112	N/A	No
10	1595	Disposition of Regulatory Balances (2019)	$1,606	$17,539	$0	N/A	Yes
11	1595	Disposition of Regulatory Balances (2020)	$20,316	$41,165	$0	N/A	Yes
12	1596	Disposition of Regulatory Balances (2021)	$310,638	$31,470	$0	N/A	Yes
13		**Total**	**$1,736,827**	**$152,841**	**$1,466,933**		

On July 31, 2009 the Board issued its Report on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR). The EDDVAR Report sets out the policy framework for the review and disposition of deferral and variance accounts for electricity distributors. EEDO confirms that it has not made any adjustments to balances previously approved by the OEB on a final basis.

Cost of Power Reconciliation and Continuity Schedule Adjustments

As per section 2.9, of the filing requirements, distributors must provide an explanation of the account balances on Tab 3. The Continuity Schedule of the rate generator model differs from the account balances in the trial balance reported through the RRR and the audited financial statements, which have been reflected in the prepopulated rate generator model. Furthermore, as per section 2.9.1.2, of the filing requirements, effective May 23, 2017, per the OEB's letter titled Guidance on Disposition of Accounts 1588 and 1589, applicants must reflect RPP Settlement true-up claims pertaining to the period that is being requested for disposition in the RSVA Power (Account 1588) and RSVA Global Adjustment ("GA") (Account 1589) variance accounts.

EEDO confirms that it has complied with the OEB's February 21, 2019 guidance on the accounting for Accounts 1588 – RSVA Power and 1589– RSVA Global Adjustment

A principal adjustment of $352,246 was included in account 1588 - RSVA - Power which was comprised of the amounts in the table below:

Table 9.1-2: 2021 1588 - RSVA Power Principal Adjustments

Year	Account 1588 - RSVA Power			
		Adjustment Description	Amount	Year Recorded in GL
2020	*Reversals of prior approved principal adjustments (auto-populated from table above)*			
	1	CT 148 true-up of GA Charges based on actual RPP volumes	(371,648.37)	2021
	2	CT 1142 true-up based on actuals	(99,501.08)	2021
	3	Unbilled to actual revenue differences	537,038.81	2021
	4	Cost of power accrual for 2019 vs Actual per IESO bill	(102,310.05)	2021
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	(36,421)	
2021	*Current year principal adjustments*			
	1	CT 148 true-up of GA Charges based on actual RPP volumes	207,453	2022
	2	CT 1142 true-up based on actuals	117,655	2022
	3	Unbilled to actual revenue differences	16,648	2022
	4	Cost of power accrual vs Actual per IESO bill for 2021	46,911	2022
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	388,667	
		Total Principal Adjustments to be Included on DVA Continuity Schedule	352,246	

A principal adjustment of $135,127 was included in account 1589 - RSVA - Global Adjustment which was comprised of the amounts in the table below:

Table 9.1-3 2021 1589 - RSVA Global Adjustment Principal Adjustments

Year		Account 1589 - RSVA Global Adjustment		
		Adjustment Description	**Amount**	**Year Recorded in GL**
2020	*Reversals of prior approved principal adjustments (auto-populated from table above)*			
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	371,648.37	2021
	2	Unbilled to actual revenue differences	(3,580.15)	2021
	3	GA Accrual vs. Actual	(32,745.95)	2021
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	335,322	
2021	*Current year principal adjustments*			
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	(207,453)	2022
	2	Unbilled to actual revenue differences	(34,227)	2022
	3	GA Accrual vs. Actual	41,485	2022
	4			
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	(200,195)	
		Total Principal Adjustments to be Included on DVA Continuity	135,127	

Details of principal adjustments can also be found in the excel model of the GA Analysis Workform: 2023 GA Analysis Workform EB-2022-0028.

Global Adjustment ("GA")

EEDO completes and files the "Regulated Price Plan vs. Market Price – Variance for Conventional Meters" and Regulated Price Plan vs Market Price – Variance for Smart Meters" data submissions with the Independent Electricity System Operator ("IESO") by the fourth business day of each month as required.

EEDO uses the IESO's 1st GA estimate to bill its customers, which is applicable to all customer classes except for Class A.

The IESO data submission is filed using the 2nd monthly estimate of the GA.

A) The "Regulated Price Plan vs. Market Price – Variance for Conventional Meters" submission is completed by downloading the consumption information for the month from our settlement provider by each individual interval metered RPP tiered pricing customer and summarizing the data.

B) The "Regulated Price Plan vs Market Price – Variance for Smart Meters" submission is completed by downloading the consumption information for the month from our settlement provider for the following calculation:

- Total System Load
- Less Non-RPP Interval Metered Customers
- Less Street lighting
- Less Non-Designated Loads
  - Non-interval metered spot rate customers
  - Retail customers: settlement information for the current month is not available for retail customers so billed information for the month from the billing system is used as an estimate.

When EEDO receives the IESO invoice on the tenth business day of the month, the actual class B GA charged to EEDO is reconciled and trued up to the estimate as filed. The calculated difference is then entered as an adjustment in the following month's data submission (1st True-Up).

Line 148 of the IESO invoice "Class B Global Adjustment Settlement Amount" is allocated in a percentage split to account "4705 Power Purchased" and "4707 Charges – Global Adjustment" based on a comprehensive excel work form which summarizes all the above noted consumption data. The split allocates the class B GA charged by the IESO to the RPP and Non-RPP customers as follows, using A and B as defined on the previous page.

Power Purchased: (RPP)	(A + B) / Total System Load
Charges GA: (Non-RPP)	Total System Load – (A + B) / Total System Load

Effective January 2020 in order to better serve customers and manage variances, EEDO transitioned to a calendar month billing process for all customers (previously customers were billed on a monthly cyclical basis staggered over the course of the month).

EEDO receives the GA calculations for each Class B non-RPP customer from Utilismart who provides EEDO with Settlement Services. The Class B GA is imported into the billing system daily to align with consumption.

EEDO records unbilled revenue in the accounting system monthly and reverses it in the subsequent month. Unbilled energy revenue is based on an assessment of electricity distribution services supplied to customers between the date of the last meter reading and the period ending date. The components of a customer's most recent bill are divided by the number of days in the billing period. Then the estimated daily revenue is multiplied by the remaining days to month-end.

Prior to December 2018, the estimation technique was not used for the final month of the year. Instead, the monthly unbilled amounts for December were recorded based on actual consumption. The billing system was set-up for a rate change on January 1 with no actual change to the rates occurring. This allowed the billing system to split bills processed in January and February of the subsequent year between revenue earned before and after December 31st. Therefore, exactly correct unbilled consumption and dollars was posted for the year.

However, effective December 31, 2018 this technique could no longer be used for year-end cut-off accuracy. The estimation technique has been used for December 2018, just like all the other months of the year. EEDO can no longer wait for subsequent year-end actual billing information to come in during January and February because of a much quicker year-end close set by the new parent company. A comparison of the accrual for unbilled revenue verses the actual billings subsequent to year-end is completed to assess the accuracy of the process.

As of December 31, 2016, EEDO only had one Class A GA customer. Due to the expansion of the IESO Industrial Conservation Initiative (ICI), the number of customers has increased to five as of July 1, 2017. The global adjustment for Class A customers is billed using line 147 of the IESO invoice allocated based on each customer's contribution to the total peak demand factor.

In order complete the second true-up of RPP variances, EEDO completes a monthly reconciliation process based on actual billed amounts by RPP category (TOU and Tiered Pricing Class) to determine a prorated portion of wholesale volumes. An export of the verified billing data is downloaded and categorized in a spreadsheet based on consumption period. This data is compared with originally submitted estimates (explained above) and variances are posted via the RPP settlement process as well as adjustments to GA/Power Allocations.

Global Adjustment Work Form & Reconciliation

As part of this application, EEDO is requesting to dispose of its RSVA – Global Adjustment account. A requirement for disposition is the completion of the GA Analysis Work form to reconcile balances between what was billed to ratepayers and what was charged to the IESO within a variance tolerance of 1%. The following reconciliation items have been included in the GA Analysis Work form:

Table 9.1-4 – 2021 Global Adjustment Analysis Reconciliation Items

Item	Amount
Net Change in Principal Balance in the GL	($344,357.90)
True-up of GA Charges based on Actual Non-RPP Volumes - prior year	$371,648.37
True-up of GA Charges based on Actual Non-RPP Volumes - current year	($207,452.74)
Remove prior year end unbilled to actual revenue differences	($3,580.15)
Add current year end unbilled to actual revenue differences	($34,227.38)
Remove Prior Year GA Accrual vs. Actual	($32,745.95)
GA Accrual vs. Actual	$41,484.92
Adjusted Net Change in Principal Balance in the GL	$ (209,231)
Net Change in Expected GA Balance in the Year Per Analysis	$ (139,382)
Unresolved Difference	$ (69,849)
Unresolved Difference as % of Expected GA Payments to IESO	-0.8%

After removal of these reconciliation items, an unresolved difference of $69,849 remains which results in Unresolved Difference as % of Expected GA Payments to IESO of -0.8% which is within the expected tolerance level.

9.1.2 Group 2 Accounts

As per the OEB's report on the *Electricity Distributors' Deferral and Variance Account Review Initiative1* ("EDDVAR Report"), Group 2 Accounts include deferral and variance accounts ("DVAs") that require a prudency review by the OEB. Table 9-5 below provides a list of EEDO's active Group 2 DVAs.

Table 9.1-5 - Summary of Deferral and Variance Account Balances – Group 2

	A **Acct**	B **Name**	C **Dec 31, 2022 Balance**	D **Carrying Charges**	D **Disposition Proposal**	E **Year of Previous Disposition**	F **Continuance**
1	1508	Deferred IFRS Transition Costs	$189,206	$27,516	$216,722	N/A	No
2	1508	Pole Attachment Revenue Variance	($492,217)	($10,122)	($502,339)	N/A	No
3	1508	Retail Service Charge Incremental Revenue	($29,083)	($470)	($29,554)	N/A	No
4	1508	Customer Choice Initiative Costs	$8,500	$134	$8,634	N/A	No
5	1508	Other Regulatory Assets - Icon F&G Meter Disposal	$512,493	$56,910	$569,403	N/A	No
6	1508	Other Regulatory Assets - OEB Cost Assessment Variance	$235,952	$10,168	$246,120	N/A	No
7	1508	Other Regulatory Assets - Energy East Consultation Costs	$2,275	$226	$2,501	N/A	No
8	1508	Other Regulatory Assets - LPP Variance	($2,217)	$0	($2,217)	N/A	No
9	1509	COVID-19 Deferral Account	$40,600	$1,138	$41,738	N/A	Yes
10	1525	Misc. Deferred Debits	$8,105	$0	$0	N/A	Yes
12	1592	PILs and Tax Variance for 2006 and Subsequent Years	$35,000	$3,427	$38,427	N/A	Yes
13	1531	REG Capital Deferral Account	$1,269	$217	$1,486	2013	No
14	1532	REG Capital OM&A Account	$43,444	$1,787	$45,230	2013	No
15	1534	Smart Grid Capital Deferral Account	$4,500	$578	$5,078	2013	No
16	1555	Smart Grid Capital Deferral - Stranded Meters	$3,650	$6,527	$10,177	N/A	No
17	1557	Meter Cost Deferral Account (MIST Meters)	$250,901	$14,423	$265,324	N/A	No
18		**Total**	**$812,377**	**$112,460**	**$916,731**		

The following section provides additional detail of each Group 2 account listed above. Rate rider determinations are included in the section following, or in the DVA schedule excel model accompanying this exhibit.

Other Regulatory Assets - 1508

Other Regulatory Assets, Sub-account Deferred IFRS Transition Costs: A distributor shall use this account to record one-time administrative incremental IFRS transition costs, which are not already approved and included for recovery in distribution rates. EEDO had previously requested to dispose of this account balance in the previous filing, but this decision was deferred as per the settlement agreement[2]:

> *For the purposes of settlement, the Parties agree the account balances, cost allocation methodology and disposition period for the deferral and variance accounts as presented in the evidence cited above, adjusted for the matters discussed below, are appropriate.*
> *For the purposes of settlement, the Parties agree to defer the recovery of Deferred IFRS transition costs, in the amount of $117,245 including interest, until Collus PowerStream transitions from Modified CGAAP to IFRS*.

As EEDO has completed this transition and no additional costs were incurred after 2016, EEDO has included $216,722 in the Group 2 DVA balance as part of this application.
Of the $189,206 principal balance, $18,789 relates to professional fees incurred in 2016 as a result of assistance in finalizing IFRS conversion impacts to the January 1, 2014 transition balances, December 31, 2014 comparative balance, and December 31, 2015 financial statement balances. The December 31, 2015 financial statements were EEDO's first audited IFRS financial statements and the fees were incurred to ensure the accounting of EEDO's transition to IFRS was appropriate.

Table 9.1-6 – Deferred IFRS Transition Costs Balance ($)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Principal	149,452	167,186	168,436	170,417	189,206	189,206	189,206	189,206	189,206	189,206	189,206
Carrying	3,291	5,596	8,058	10,067	12,080	14,352	17,879	22,130	24,719	25,798	27,516
Total	**152,743**	**172,781**	**176,493**	**180,484**	**201,286**	**203,558**	**207,086**	**211,336**	**213,925**	**215,004**	**216,722**

EEDO requests that this sub account be closed upon approval of the 2022 balance.

[2] EB-2012-0116 Decision and Procedural Order No 3, October 10, 2013, pg. 42 of 107

Other Regulatory Assets, Sub-account Pole Attachment Revenue: The OEB set a new province-wide pole attachment charge effective January 1, 2019, adjusted annually for inflation. The new charge applied to all local distribution companies (LDCs) that had not received OEB approval for a distributor-specific charge. (EEDO does not have a distributor specific charge). The Pole Attachment Revenue sub account captures the variance between the OEB approved amount and the historical charge built into rates (the 2005 rate of $22.35[3])

The excess incremental revenue recorded in the variance account is to be refunded to ratepayers in the next cost of service application.

Table 9.1-7 – Pole Attachment Variance Account Balance ($)

	2018	2019	2020	2021	2022F
Principal	(11,657)	(122,962)	(279,322)	(415,769)	(492,217)
Carrying	-	(1,425)	(3,929)	(5,880)	(10,122)
Total	**(11,657)**	**(124,388)**	**(283,251)**	**(421,648)**	**(502,339)**

Table 9.1-8 – Pole Attachment Variance Calculation ($)

Revenue Comparison	2018	2019	2020	2021	2022F	Total
2005 Rate	50,950	142,733	142,733	142,733	142,733	621,880
Updated OEB Rates	62,738	273,820	279,179	279,179	219,181	1,114,097
Total	**(11,788)**	**(131,087)**	**(136,447)**	**(136,447)**	**(76,448)**	**(492,217)**

EEDO has included a credit to customers of $502,339 in the Group 2 DVA as part of this application, which includes a forecasted amount for 2022 (based on the updated OEB rate of $34.76).

EEDO requests that this sub account be closed upon approval of the 2022 balance.

Other Regulatory Assets, Sub-account Retail Service Charges Incremental Revenue: In Account 1508 Other Regulatory Assets, Sub-account Retail Service Charge Incremental Revenue, affected electricity distributors will record the difference between revenues collected at

[3] EB-2015-0304 Report of the Ontario Energy Board, Wireline Pole Attachment Charges, March 22, 2018 page 6

the previously set electricity RSCs and the revenue collected based on the electricity RSCs established pursuant to the Report.

Table 9.1-9 – Retail Service Charge Incremental Calculation ($)

	2019	2020	2021	2022F
Principal	(5,184)	(13,436)	(21,259)	(29,083)
Carrying	(26)	(133)	(230)	(470)
Total	**(5,210)**	**(13,568)**	**(21,489)**	**(29,554)**

EEDO is projecting to collect $29,554 in credits to be repaid to customers as part of the Group 2 balance in this application. 2022 amounts have been forecasted based on 2021 volumes.

EEDO requests that this sub account be closed upon approval of the 2022 balance.

Other Regulatory Assets, Customer Choice Costs Initiative: On September 8, 2020, the Ontario Energy Board (OEB) adopted final amendments to the Standard Supply Service Code (SSSC), to come into force on October 13, 2020, which will enable electricity consumers on the Regulated Price Plan to opt out of time-of-use prices and to elect instead to be charged on the basis of tiered pricing. The OEB approved the establishment of a generic deferral account in which licensed, rate-regulated distributors could record their costs associated with implementing the customer choice initiative.

EEDO incurred $8,500 in incremental costs from its CIS billing provider to implement functionality to accommodate these amendments, which has been included in the Group 2 balance as part of this application. Note these costs were originally booked in the Account 1509 – Impacts Arising from the COVID-19 Emergency, Sub-account Costs Associated With Billing and System Changes, but are expected to be reallocated to the above noted customer choice account in 2022 as they were not directly related to the COVID-19 pandemic. .

Given the additional discussions regarding additional pricing optionality for customers currently underway[4], EEDO requests that this account remain active in the event additional incremental setup costs are incurred.

Other Regulatory Assets, Sub-account Icon F&G Meter Disposal: The purpose of this other regulatory deferral account is to record the cost of Sensus ICON model F and model G smart meters net of their accumulated amortization that must be removed from service prematurely before the end of their expected service life and replaced with new meters. These meters are exhibiting communication issues that are causing severe operational issues and are unable to meet new requirements such as data encryption. No amortization expense is recorded on these meters after they have been removed from service. Carrying charges are recorded monthly on the opening principal balance. This account was approved as part of EEDO's previous cost of service application. The related accounting order has been attached as Appendix C in this Exhibit.

EEDO replaced a total of 4,631 units between June 2013 and December 31, 2015 at an actual removed net book value of $512,493. This amount has been included in EEDO's Group 2 balances as part of this application.

EEDO requests that this sub account be closed upon approval of the 2022 balance.

Other Regulatory Assets, OEB Cost Assessment Variance: This account was established for electricity distributors and transmitters to record any material differences between OEB cost assessments currently built into rates, and cost assessments that will result from the application of the new cost assessment model effective April 1, 2016. Regulated entities are to cease recording amounts in these accounts when their rates, payment amounts or fees (as applicable) are rebased/reset (cost of service or custom IR) incorporating an updated forecast of cost assessments.

[4] ERO-019-5054 Stakeholder Feedback on Design of an "Optional Enhanced" Time-ofUse (TOU) Electricity Rate and enabling electric vehicle adoption

Table 9.1-10 – OEB Cost Assessment Variance Account Balance ($)

	2016	2017	2018	2019	2020	2021	2022F
Principal	27,693	66,415	100,469	135,963	170,912	203,432	235,952
Carrying	124	723	2,337	5,003	7,047	8,123	10,168
Total	**27,817**	**67,138**	**102,806**	**140,966**	**177,959**	**211,555**	**246,120**

Table 9.1-11 – OEB Cost Assessment Variance Calculation ($)

	2016	2017	2018	2019	2020	2021	2022F	Total
2013 CoS Provision	27,632	36,496	36,496	36,496	36,496	36,496	36,496	173,616
Actual Invoices	55,325	74,206	70,550	71,990	72,457	69,016	69,016	344,528
Variance	**27,693**	**37,710**	**34,054**	**35,494**	**35,961**	**32,520**	**32,520**	**235,952**

EEDO has included balance of $246,120 in the Group 2 DVA as part of this application, which includes a forecasted amount for 2022 (based on the 2021 invoice received).

EEDO requests that this sub account be closed upon approval of the 2022 balance.

Other Regulatory Assets, Sub-account Energy East Consultation Costs: On June 13, 2014, the Board established this deferral account to record the Energy East Pipeline Project consultation costs.

EEDO incurred $2,501 in costs related to this hearing in 2015, (including $226 in carrying charges) which has been included in the Group 2 DVA balance as part of this application.

EEDO requests that this sub account be closed upon approval of the 2022 balance.

Other Regulatory Assets, Sub-account Late Payment Penalty ("LPP") Settlement: On July 22, 2010, the Ontario Superior Court of Justice approved a settlement of the LPP Class Action[5]. As its share of this settlement, EEDO was required to pay $46,486 on June 30, 2011 to charity to assist low income electricity users. EEDO received approval from the OEB to recover this amount from ratepayers over a one year period, starting May 1, 2011. The balance remaining in this

[5] EB-2010-0295 Decision and Order, February 22, 2011

account is the variance between amounts this amount and amounts recovered from customers. No carrying charges are included on these amounts.

EEDO is requesting to credit customers the variance of $2,217 as part of the Group 2 balance and close the sub account after approval.

9.1.3 Impacts Arising from the COVID-19 Emergency – 1509

On June 27, 2021, the OEB released a report addressing Regulatory Treatment of Impacts Arising from the COVID-19 pandemic[6]. Shortly after the Ontario Government declared a state of emergency in March 2020 in response to the spread of COVID-19 in the province, the OEB established a deferral account in which rate-regulated utilities could record incremental costs related to the pandemic, the severity and duration of which was uncertain at that time.

The report provided guidance on the rules and operations of the account including criteria for an applicable means test, cost sharing and criteria for recording amounts. EEDO has included $41,738 as part of the Group 2 DVA balance in this application. The following section provides evidence of how the amounts meet the criteria presented by the Board.

Cost Overview

In response to the pandemic, EEDO has tracked $56,582 in incremental costs incurred (some subject to the net cost sharing reductions noted further in this Exhibit):

- $43,464 in waived late payment fees incurred from the period of March-September 2020.
- ($17,475) in rate rider recovery in excess of the calculated amounts used to determine the distribution revenue rate riders as a result of the May 1, 2020 distribution rate implementation date deferral.
- $0 in bad debt losses as amounts incurred were not beyond balances included in the determination of distribution rates in EEDO's previous cost of service filing (EB-2012-

[6] EB-2020-0133 Report of the Ontario Energy Board, Regulatory Treatment of Impacts Arising from the COVID-19 Emergency, June 17, 2021

0116). EEDO notes that it had originally booked a balance in this account in 2020, but reversed in 2021

- $29,221 in incremental business operating costs. This includes additional purchases of PPE, equipment as well as costs related to complying with the mandated stay-at-home orders for non-essential staff (work from home capabilities).
- $1,372 in calculated carrying charges incurred until December 31, 2022.

	2020	**2021**	**2022**
Lost Revenues	43,464	43,464	43,464
Revenue Recovery	54,836	(17,475)	(17,475)
Bad Debts	20,712	-	-
Incremental Costs	19,827	29,221	29,221
Carrying Charges	392	870	1,372
Total	**139,231**	**56,081**	**56,582**

Cost Recovery Criteria – Net Cost Sharing

The OEB will allow recovery of the costs necessary to comply with government or OEB actions aimed at providing relief to customers in response to the pandemic. This Exceptional Pool of costs will be eligible for recoveries up to 100% provided they are prudently incurred and material, and subject to an ROE plus 300 bps limitation, as outlined in the Staff Proposal.

The OEB also recognizes that some of the costs or lost revenues incurred by utilities throughout the pandemic have resulted from their compliance with OEB and other government mandated actions that support customers, and therefore, recognition of that driver is appropriate for this Account.

Based on this direction, EEDO is requesting recovery of $41,738 in incremental costs due to the COVID-19 pandemic by reducing the claim of operational (not part of the exceptional pool) to a 50% level.

	2020	**2021**	**2022**	**100%**	**50%**	**Total Claim**
Lost Revenues	43,464	43,464	43,464	43,464		**43,464**
Revenue Recovery	54,836	-17,475	-17,475	-17,475		**-17,475**
Bad Debts	20,712	-	-	0		**0**

Incremental Costs	19,827	29,221	29,221		14,611	**14,611**
Carrying Charges	392	870	1,372	905	233	**1,138**
Total	**139,231**	**56,081**	**56,582**	**26,894**	**14,844**	**41,738**

EEDO confirms that the amounts in the above claim for recovery have not been added or tracked in any other existing generic or specific deferral accounts leading to a determination that there is no double-counting between multiple ratemaking mechanisms. Further, EEDO has not included any incremental COVID-19 related cost in the OM&A presented in Exhibit 4.

Cost Recovery Criteria – Means Test

As per the OEB report, the OEB will apply a means test to recoveries in the Account based on achieved ROE compared to a utility's OEB-approved ROE less 300 bps. Recovery will be anchored to this ROE-based means test (i.e., no greater than the lower end of the dead band of 300 bps from a utility's approved ROE). This test applies to all costs recorded in the Account, other than the costs necessary to comply with government or OEB-initiated programs recorded in the Exceptional Pool (discussed in Section 4.2.2). The dead band of +/- 300 bps is a well-established tool that the OEB has used for years and provides a strong indication of whether utilities are effectively managing the impacts of the pandemic. It is a predictable and strong indicator of performance, as well as one that is administratively straightforward to implement.

EEDO's achieved ROE is greater than 300bps below the deemed rate for 2020 and 2021. The balance requested for disposition will not break this threshold.

		2020	**2021**	**Calculations**
1	Working Capital Allowance	$5,730,838	$5,230,508	
2	Average NBV	23,802,145	25,163,191	
3	**Total Rate Base**	**$29,532,983**	**$30,393,699**	3 = 1 + 2
4	Regulated Deemed Equity	$11,813,193	$12,157,479	4 = 3 * 40%
5	Adjusted Net Income	$(209,204)	$421,330	
6	Return on Equity	-1.77%	3.47%	6 = 5 / 4
7	Deemed ROE	8.98%	8.98%	
8	Deemed ROE $	$1,060,825	$1,091,742	8 = 4 * 7

9	300bps Calculation	5.98%	5.98%	9 = 7- 300bps
10	300bps Calculation $	$706,429	$727,017	10 = 4 * 9
11	**Allowable Claim**	**$915,633**	**$305,687**	11 = 5 - 10

Based on the 300 bps threshold, EEDO's claim of $41,738 would be well below the claim limit of $915,633 for 2020 and $305,687 for 2021.

PILs and Tax Variances for 2006 and Subsequent Years – 1592: For the rate years starting May 1, 2006 (or as approved by the Board), the distributor shall use this account to record the tax impact of any of specific differences that are not reflected in the distributor's rates:

As a result of amendments to the Taxation Act, the Small Business Deduction for large Canadian controlled private corporations was removed. In 2014, Collus Power Stream lost the Ontario SBD which was a low rate of 4.5% on the first $500,000.

		2014
Ontario Tax Rate	Before	4.50%
	After	11.50%
		-7.00%
Lost SBD on first $500,000		$ 500,000
		-7.00%
		$ (35,000)

EEDO incurred $35,000 in tax losses related to this change plus $3,427 in carrying charges for a total of $38,427, which has been included in the Group 2 DVA balance as part of this application.

Renewable Connection Capital Deferral Account – 1531: Changes to a distributor's Customer Information System to enable the automated settlement of FIT ("Feed-in Tariff") or microFIT contracts may be included in this account. This account consists of the purchase of radio transmission equipment to connect and communicate with renewable generation. The guidance provided in the December 2010 Accounting Procedures Handbook Frequently Asked Questions

has been followed in recording costs in this account. The Board prescribed interest rates are used to calculate the carrying charges and the interest is recorded in a sub-account.

EEDO is requesting a disposition of $1,486 related to this account.

Table 9.1-12 – Renewable Connection Capital Deferral ($)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022F
Principal	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269
Carrying	66	85	100	114	129	153	181	198	206	217
Total	**1,335**	**1,353**	**1,368**	**1,382**	**1,398**	**1,421**	**1,450**	**1,467**	**1,474**	**1,486**

Renewable Connection OM&A Deferral Acct – 1532: Incremental operating, maintenance, amortization and administrative expenses directly related to expansions to connect renewable generation facilities, and renewable enabling improvements, both as defined in the Distribution System Code, should be recorded in this operating deferral account. In addition, costs that can be recorded in this account include expenses associated with preparing a "GEA Plan" and expenses associated with changes to a distributor's Customer Information System to enable the automated settlement of FIT ("Feed-in Tariff") or microFIT contracts.

EEDO utilizes UtiliSmart's Settlement manager tool to enable the automated settlement of FIT and microFIT contracts. A prorated portion of the incremental cost built into the UtiliSmart rate (generation accounts as a % of all accounts) offset by the OEB approved MicroFit charge results in the balance of this account. The annual balances are noted below including a provision for 2022.

Table 9.1-13 – Renewable Connection OM&A Deferral ($)

	2014	2015	2016	2017	2018	2019	2020	2021	2022F
Principal	1,341	4,051	7,235	11,097	16,523	22,674	29,372	36,408	43,444
Carrying	5	34	94	203	457	890	1,227	1,413	1,787
Total	**1,346**	**4,085**	**7,329**	**11,299**	**16,980**	**23,564**	**30,600**	**37,821**	**45,230**

EEDO expects to incur $45,230 in costs (including carrying charges) based on this automation, which has been included in the Group 2 DVA balance as part of this application.

Smart Grid Capital Deferral Account – 1534: The Smart Grid Capital Deferral Account was intended to track investments related to smart grid demonstration projects. This account should also be used to record the cost of smart grid investments that are undertaken as part of a project to accommodate renewable generation. Investments related to smart grid demonstration projects and investments undertaken as part of a project to accommodate renewable generation are recorded in the capital deferral account. Operating expenses directly related to smart grid development activities are recorded in the operating deferral account. Both of these deferral accounts attract applicable carrying charges.

EEDO incurred $4,500 in capital costs, plus carrying charges related to the PeakSaver Plus program in 2013 and is seeking recovery as part of the Group 2 DVA balance as part of this application

Table 9.1-14 – Smart Grid Capital Deferral ($)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022F
Principal	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Carrying	42	108	161	211	265	349	450	511	537	578
Total	**4,542**	**4,608**	**4,661**	**4,711**	**4,765**	**4,849**	**4,950**	**5,011**	**5,037**	**5,078**

Smart Meter Capital and Recovery Offset Variance Account – 1555: Amounts recorded in this account shall include the revenues approved by the Board for smart meters and related capital costs incurred by the distributor. B. To record the revenues for smart meter funding recovered by the fixed and/or variable rate charge for each class of customer, Account 4080, Distribution Services Revenue shall be debited and this account credited.

In the previous cost of service filing, EEDO was approved to include a stranded meter net book value of $469,325 in the above noted DVA, which was offset by the collection of an 18 month rate rider[7]. EEDO collected $465,676 as a result of the rate rider. The remaining balance and applicable carrying charges (a total of $10,177) have been included in the Group 2 balance requested for disposition.

[7] EB-2012-0116 Decision and Procedural Order No. 3, October 10, 2013, page 36 of 107

Table 9.1-15 – Smart Meter Capital & Recovery Offset Deferral ($)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022F
Principal	469,326	469,326	469,326	469,326	469,326	469,326	469,326	469,326	469,326	469,326
Recovery	(18,026)	(361,566)	(465,676)	(465,676)	(465,676)	(465,676)	(465,676)	(465,676)	(465,676)	(465,676)
Carrying	1,734	5,866	6,201	6,241	6,285	6,353	6,435	6,485	6,506	6,527
Total	**453,034**	**113,626**	**9,852**	**9,891**	**9,935**	**10,003**	**10,085**	**10,135**	**10,156**	**10,177**

Meter Cost Deferral Account – 1557: The Board approved a deferral account to allow distributors to capture material prudently incurred incremental costs associated with amendments to the Distribution System Code dated May 21, 2014. This meter cost deferral account has been established for the tracking of incremental capital, operating costs, and carrying charges related to the Distribution System Code amendment requiring distributors to install interval meters (i.e. MIST meters) on any installation that is forecast by the distributor to have a monthly average peak demand during a calendar year of over 50kW. The physical meters portion of this account meet the IAS 16 Property, Plant and Equipment ("PP&E") requirements and therefore have been reclassified to PPE.

EEDO is seeking recovery of $250,901 along with $14,423 in carrying charges are part of this application.

Table 9.1-16 – Meter Cost Deferral Account ($)

	2017	2018	2019	2020	2021	2022F
Principal	95,014	210,744	220,556	230,517	240,709	250,901
Carrying	503	3,773	8,606	11,667	13,007	14,423
Total	**95,517**	**214,517**	**229,162**	**242,184**	**253,716**	**265,324**

Accounts not being requested for disposition:

Miscellaneous Deferred Debit – 1525: This account includes all debits not elsewhere provided for which will benefit future periods and shall be carried forward and charged to expense over the term of the benefit. This account includes expenses incurred in the expansion of the service area, (acquisition of Thornbury LDC) which will benefit future periods and are carried forward and charged to expense over a 25 yr period. These amounts are expected to be fully amortized by December 31, 2023.

9.1.3 Disposition of Account 1595

When approval for disposition of DVA balances is received from the OEB, the approved amounts of principal and carrying charges are transferred to Account 1595 for that rate year. Applicants are expected to request disposition of residual balances in Account 1595 Sub- accounts for each vintage year once and on a final basis. Distributors become eligible to seek disposition of these residual balances two years after the expiry of the rate rider.

EEDO is seeking to dispose of the balance of its 2018 1595 account as part of this application (included in the Group 1 account summary) as it meets the criteria below:

- May 1 rate year – If 2019 rate riders end on April 30, 2020, the balance of sub-account 1595 (2019) could be disposed when the balance as at December 31, 2022 has been audited. Therefore, sub-account 1595 (2019) would be eligible for disposition in the 2024 rate year.

EEDO is seeking to dispose the remaining balance and carrying charges (a total of $83,116) of its 2018 1595 account as part of this application (included in the Group 1 account summary)

	2018	**2019**	**2020**	**2021**	**2022**
Approved Amount	1,723,562	1,723,562	1,723,562	1,723,562	1,723,924
Recoveries	(525,769)	(1,368,607)	(1,697,683)	(1,680,603)	(1,680,603)
Carrying Charges	20,216	37,793	39,726	39,845	40,153
Total	**1,218,010**	**392,748**	**65,605**	**82,804**	**83,112**

As noted in the filing requirement, if there are material residual balances being proposed for disposition, applicants are expected to provide a detailed explanation, including quantifying any significant drivers of the residual balance. This condition is not applicable in this case as the variance is 2.5% and within the previously used +-10% threshold.

9.2 Establishment of New Deferral and Variance Accounts

EEDO is proposing the following accounts be established for use during the 5 year period covered by this Application, including the Test Year and the subsequent years covered under the proposed Price Cap IR Plan:

- Non-Utility Billing Variance Account ("NBDA"); and
- Recovery of Income Taxes Deferral Account ("RITDA").

EEDO applied the following criteria for the establishment of new deferral and variance accounts from the Filing Requirements for Electricity Distribution Rate Applications:

- Causation – The forecasted expense must be clearly outside of the base upon which rates were derived.
- Materiality – The forecasted amounts must exceed the materiality threshold of $50,000.
- Prudence – The nature of the costs and forecasted quantum must be reasonably incurred.

Non-Electricity Billing Deferral Account – NBDA

EEDO proposes to establish a NBDA for use during the Price Cap IR Term covered by this application. The purpose of the NBDA is for EEDO to record the difference between the amount of fixed billing costs attributable to non-electricity billing net of actual recoveries from the Town of Collingwood in the event the agreement to provide these services is terminated by the Town of Collingwood.

As discussed in Exhibit 4, section 4.1.2 EEDO provides non-electricity billing services to the Town of Collingwood. In the 2021 municipal budget,[8] the Town included a Directors recommendation to bring these service back in-house. Due to a shift in priorities driven by the COVID-19 pandemic,

[8] https://www.collingwood.ca/sites/default/files/uploads/documents/2021_final_budget_0.pdf , Town of Collingwood, 2021 Budget, page 61 of 103.

this business assessment did not take place. EEDO continues to have open dialogue with the Town about the continued provision of this service, but in the event that the service agreement to provide these services is terminated, EEDO will still be required to incur certain fixed billing costs in order to continue to provide these services to the utility customers (i.e. costs that will be incurred irrespective of the amount/level of customer billing activities). In EEDO's calculation of 2023 Test Year OM&A, approximately $200k of fixed billing & collecting costs were excluded from the distribution revenue requirement for billing services provided by outside vendors for activities such as meter reading, bill preparation, and bill fulfillment. The remaining portion of these non-electricity billing costs relate to employee time for providing billing services to the third party and EEDO is not seeking to include these costs in this deferral account. Substantially all of the outside vendor billing costs are fixed in nature and would continue to be incurred if non-electricity billing services were terminated. The costs being charged to third parties result in OM&A savings to EEDO ratepayers that would not otherwise exist.

EEDO is proposing to calculate simple interest on the NBDA balance, at the applicable Board approved short-term interest rate, on the monthly opening balances using the interest rate methodology as approved in EB-2006-0117.

Future audited balances in this account, together with any carrying charges, will be brought forward for approval for disposition on an annual basis.

A draft Accounting Order for the NBDA is provided in Exhibit 9, Appendix E.

Recovery of Income Taxes Deferral Account - RITDA

EEDO proposes to establish a RITDA for use during the Price Cap IR Term covered by this Application. The purpose of the RITDA is for EEDO to record the difference between the zero cash income taxes included in the revenue requirement proposed in this Application and the actual cash income taxes for its EEDO operations (as calculated at the tax rate currently in place at the time of this Application) throughout the Price Cap IR Term, commencing in the year 2023.

As noted in Table 6.2-1 of Exhibit 6, Tab 1, Schedule 1 the income taxes payable for the Test Year is zero. However, as loss-carryforwards balance for regulatory purposes related to the utility are used during the Price Cap IR Term, EEDO may pay substantial cash taxes once the utility's

loss-carryforwards for regulatory purposes are utilized against taxable income incurred during the Price Cap IR Term. EEDO expects that income taxes payable will exceed the materiality threshold during the Price Cap IR Term.

Cost of Service methodology allows for the recovery of taxes in the Test Year. In this Application, taxes included in the revenue requirement are zero in the 2023 Test Year. Whereas the year 2023 sets the base for future years' revenue under Price Cap IR, and whereas income taxes payable in subsequent years of the Price Cap IR Plan are expected to be a material positive amount, embedding such a minimal tax amount in the base revenue requirement does not allow for recovery of taxes in 2023 and beyond. Establishing the requested deferral account will enable the recording and fair recovery of incurred income tax expenditures over the Price Cap IR Term once the loss carry-forward balance for regulatory purposes is fully utilized.

As noted in Table 6.2-2 of Exhibit 6, Tab 1, Schedule 1, EEDO's legal entity loss carry-forward balance has $1,266,169 of non-utility cost loss carry-forward balances. This amount will be removed from the loss carry-forward balances for regulatory purposes such that the loss carry-forward balance going into the 2022 Bridge Year will be the sum of rows 1 through 3 from table 6.2-2 of Exhibit 6, Tab 1, Schedule 1 (i.e. $3,017,883 + $181,710 - $1,266,127 = $1,933,466). EEDO proposes that for the purposes of determining the amount to record in the RITDA for a given year that the taxable income (or losses) for the 2022 Bridge Year and any subsequent period will reduce (or increase) this loss carry-forward balance for regulatory purposes and in the year that the loss carry-forward balances is fully utilized. And for subsequent years, that amounts are added to the RITDA based on the taxable income for years once the loss carry-forward balance is fully utilized.

EEDO proposes that for the purposes of determining the amount to record in the RITDA, the actual cash income taxes each year are calculated based on the tax rate in place at the time of this Application. This will ensure no double counting of a recovery between the RITDA and Account 1592 – PILS and Tax variances due to changes in legislation.

EEDO is proposing to calculate simple interest on the RITDA balance, at the applicable Board approved short-term interest rate, on the monthly opening balances using the interest rate methodology as approved in EB-2006-0117.

Future audited balances in this account, together with any carrying charges, will be brought forward for approval for disposition on an annual basis.

A draft Accounting Order for the RITDA is provided in Exhibit 9, Appendix D.

9.3 Lost Revenue Adjustment Mechanism Variance Account

The LRAMVA is a retrospective adjustment designed to account for differences between forecast revenue loss attributable to CDM activity embedded in rates and actual revenue loss due to the impacts of CDM programs. The OEB established Account 1568 as the LRAMVA to capture the difference between the OEB-approved CDM forecast and actual results at the customer rate class level.

EEDO has previously disposed of the LRAMVA balance as of December 31, 2020.

The 2021 CDM Guidelines require distributors filing an application for 2023 rates to seek disposition of all outstanding LRAMVA balances related to previously established LRAMVA thresholds (i.e, thresholds established in a distributor's previous cost of service proceeding). As a result, EEDO is seeking outstanding LRAMVA balances for 2021 and 2022 as part of this application.

EEDO had new cost of service rates approved for 2013. This was the first COS filing where the load forecast incorporated the anticipated CDM savings related to the new CDM targets assigned to distributors.

EEDO has calculated the LRAMVA for 2021 and 2022, based on the Board's guidance as published in the April 18, 2022 Filing Requirements. Consistent with the 2020 disposition, this application includes a change to the data source used (Participation and Cost reports) as the IESO is no longer provided a workbook of annualized verified results to LDC's due to the conclusion of the Conservation First Framework. To calculate net savings values at the project level, EPCOR used results from the IESO's 2017 program evaluation (e.g., net-to-gross values and gross realization rates). Of note, EEDO has only included one additional project in the 2021 claim as all other projects have been included in previous applications. The information from this

project was downloaded from the CDM-IS tool. EEDO has used actual rate class allocations for CDM savings based on project level data. EEDO has included a supporting document with calculation detail along with the LRAMVA workform (EEDO_EB-2022-0028_LRAMVA Supporting Information) and confirms that this document does not contain any personal information.

EEDO's disposition is calculated using version 7 of the LRAMVA work form, which has been submitted with this application, along with supporting documentation. EEDO has relied on the most recent input assumptions available at the time of program evaluation.

The amounts booked are summarized in the table below.

Description	Residential	GS<50 kW	GS>50 kW	Streetlights	USL	Total
2021 Actuals	$0	$45,016	$52,659	$43,185	$0	**$140,861**
2021 Forecast	$0	($8,038)	($37,246)	($3,237)	($60)	**($48,580)**
Variance	**$0**	$36,979	$15,413	$39,948	($60)	**$92,280**
2022 Actuals	$0	$45,416	$53,496	$43,913	$0	**$142,825**
2022 Forecast	$0	($8,255)	($38,290)	($3,335)	($62)	**($49,941)**
Variance	$0	$37,161	$15,206	$40,578	($62)	**$92,883**
Carrying Charges	$0	$267	$110	$290	($0)	**$667**
Total Claim	**$0**	**$74,406**	**$30,730**	**$80,816**	**($122)**	**$185,830**

9.4 Proposed Rate Riders

EEDO has included all relevant calculations are embedded in the 2023 DVA Continuity Schedule EB-2022-0028 workform and has not proposed any billing determinants that are different from the OEB standards.

9.4.1 Rate Class Allocation

EEDO has allocated amounts by each specific rate class based on the criteria listed below: Billing determinants and customer counts used are consistent with the Load Forecast data (Exhibit 3) and Cost of Power Calculation (Exhibit 2).

Account Name	Acct Number	Allocator
LV Variance Account	1550	kWh
Smart Metering Entity Charge Variance Account	1551	# of Customers
RSVA - Wholesale Market Service Charge	1580	kWh
RSVA - Retail Transmission Network Charge	1584	kWh
RSVA - Retail Transmission Connection Charge	1586	kWh
RSVA - Power (excluding Global Adjustment)	1588	kWh
RSVA - Global Adjustment	1589	Non-RPP kWh
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	kWh
Total Group 1 accounts above (excluding 1589)		
Deferred IFRS Transition Costs	1508	kWh
Pole Attachment Revenue Variance	1508	Distribution Rev.
Retail Service Charge Incremental Revenue	1508	# of Customers
Customer Choice Initiative Costs	1508	# of Customers
Other Regulatory Assets - Icon F&G Meter Disposal	1508	kWh
Other Regulatory Assets - OEB Cost Assessment Variance	1508	kWh
Other Regulatory Assets - Energy East Consultation Costs	1508	kWh
Other Regulatory Assets - LPP Variance	1508	kWh
COVID-19 Deferral Account	1509	kWh
Total of Group 2 Accounts		
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	kWh
Renewable Generation Connection Capital Deferral Account	1531	kWh
Renewable Generation Connection OM&A Deferral Account	1532	kWh
Smart Grid Capital Deferral Account	1534	kWh
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	kWh
Meter Cost Deferral Account (MIST Meters)	1557	kWh
Variance WMS - Sub-account CBR Class B (separate rate rider if Class A Customers)	**1580**	kWh

9.4.2 Rate Rider Calculation

The following section details the recovery for each grouping in accordance with both the minimum filing requirements and Rate Design Policy.

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

Rate Class	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
Residential	kWh	137,646,072	$ 534,825	**0.0019**
GS<50kW	kWh	44,991,441	$ 177,449	**0.0020**
GS>50kW	**kW**	325,120	$ 524,118	**0.8060**
Street Lighting	**kW**	3,496	$ 4,937	**0.7061**
Unmetered Scattered Load	kWh	396,233	$ 1,574	**0.0020**
Total			**$ 1,242,904**	

Rate riders for Deferral / Variance Account Balances excluding Global Adjustment is to be calculated based on kWh/KW for all classes over 24 months.

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

Rate Class	Units	kW / kWh / # of Customers	Allocated Group 1 Balance - Non-WMP	Rate Rider for Deferral/Variance Accounts
Residential	kWh	137,646,072	$ 202,485	**0.0007**
GS<50kW	kWh	44,991,441	$ 66,185	**0.0007**
GS>50kW	**kW**	320,288	$ 190,271	**0.2970**
Street Lighting	**kW**	3,496	$ 1,828	**0.2615**
Unmetered Scattered Load	kWh	396,233	$ 583	**0.0007**
Total			**$ 461,353**	

Rate riders for NON-WMP Group 1 Deferral / Variance accounts are to be calculated based on kWh/KW for all classes over 24 months.

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

Rate Class	Units	kW / kWh / # of Customers	Allocated Sub-account 1580 CBR Class B Balance	Rate Rider for Sub-account 1580 CBR Class B
Residential	kWh	137,646,072	-$ 14,765	- **0.0001**
GS<50kW	kWh	44,991,441	-$ 4,826	- **0.0001**
GS>50kW	kWh	74,139,660	-$ 7,953	- **0.0001**
Street Lighting	kWh	1,242,766	-$ 133	- **0.0001**
Unmetered Scattered Load	kWh	396,233	-$ 43	- **0.0001**
Total			**-$ 27,720**	

Rate riders for NON-WMP Group 1 Deferral / Variance accounts are to be calculated based on kWh for all classes over 24 months.

Rate Rider Calculation for RSVA - Power - Global Adjustment (Class B)

Rate Class	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
Residential	kWh	2,078,984	-$ 7,335	- **0.0018**
GS<50kW	kWh	6,989,108	-$ 24,659	- **0.0018**
GS>50kW	kWh	49,098,250	-$ 173,227	- **0.0018**
Street Lighting	kWh	1,242,766	-$ 4,385	- **0.0018**
Unmetered Scattered Load	kWh	336	-$ 1	- **0.0018**
Total			**-$ 209,607**	

Rate riders for RSVA – Global Adjustment accounts are to be calculated based on kWh for all classes over 24 months.

Rate Rider Calculation for Group 2 Accounts

Rate Class	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
Residential	# of Customers	17,012	$ 271,929	**$ 0.67**
GS<50kW	kWh	44,991,441	$ 130,047	**$ 0.0014**
GS>50kW	**kW**	325,120	$ 517,597	**$ 0.7960**

Street Lighting	kW	3,496	-$	4,208	**-$**	**0.6018**
Unmetered Scattered Load	kWh	396,233	$	1,367	**$**	**0.0017**
Total			**$**	**916,732**		

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 customer basis. Other rate classes are calculated based on kWh/KW for all classes over 24 months.

Rate Rider Calculation for LRAMVA Recovery

Rate Class	Units	kW / kWh / # of Customers	Allocated Account 1568 Balance	Rate Rider for Account 1568
Residential	**kWh**	137,646,072		
GS<50kW	**kWh**	44,991,441	74,406	**$0.0008**
GS>50kW	**kW**	325,120	30,730	**$0.0473**
Street Lighting	**kW**	3,496	80,616	**$11.5298**
USL	**kWh**	396,233	($122)	**($ 0.0002)**
Total			**$185,630**	

Rate riders for LRAMVA recovery are to be calculated based on kWh/KW for all classes over 24 months.

Appendix A – DVA Continuity Schedule & Rate Rider Calculation

[redacted]

2023 Deferral/Variance Account Workform

Utility Name	EPCOR Electricity Distribution Ontario Inc.
Service Territory	
Assigned EB Number	EB-2022-0028
Name of Contact and Title	Tim Hesselink, Senior Manager, Regulatory Affairs
Phone Number	705-445-1880 ext. 2274
Email Address	thesselink@epcor.com

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

For all the the responses below, when selecting a year, select the year relating to the account balance. For example, if the 2019 balances that were reviewed in the 2021 rate application were to be selected, select 2019.

Question 1	**Year Selected**
For Accounts 1588 and 1589, Please indicate the year the account balances were last disposed on a final basis for information purposes.	2020
Determine whether scenario a or b below applies, then select the appropriate year. a) If the accounts balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis. b) If the accounts balances were last approved on an interim basis, and i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for diposition on an interim basis. ii) there are changes to the previously approved interim balaces, select the year of the year-end balances that were last approved for disposition on a final basis.	2020

Question 2	
For the remaining Group 1 DVAs, Please indicate the year of the account balances were last disposed on a final basis for information purposes.	2020
Determine whether scenario a or b below applies, then select the appropriate year.	

a) If the accounts balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis.

b) If the accounts were last approved on an interim basis, and

i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for diposition on an interim basis.

ii) there are changes to the previously approved interim balaces, select the year of the year-end balances that were last approved for disposition on a final basis.

2020

Question 3

Select the earliest account balance 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)

2018

Question 4

Select the earlier of i) the year of the year-end balances in which Group 2 DVAs were last disposed and ii) the earliest year of the year-end balances in which Group 2 DVAs started to accumulate.

2013

To determine whether tabs 6 and 6.2 will be generated, answer the following questions:

Question 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 selected in #1 above to the year requested for disposition) or forecasted in the test year?

Yes

Question 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 selected in #2 above to the year requested for disposition) or the forecasted in the test year?

Yes

General Notes

Notes

Pale green cells represent input cells.

Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.

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

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 assisting you in preparing or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

[redacted]

2022 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	Account Number	2019										2020							
		Opening Principal Amounts as of Jan-1-19	Transactions(1) Debit / (Credit) during 2019	OEB-Approved Disposition during 2019	Principal Adjustments(1) during 2019	Closing Principal Balance as of Dec-31-19	Opening Interest Amounts as of Jan-1-19	Interest Jan-1 to Dec-31-19	OEB-Approved Disposition during 2019	Interest Adjustments(1) during 2019	Closing Interest Amounts as of Dec-31-19	Opening Principal Amounts as of Jan-1-20	Transactions(1) Debit / (Credit) during 2020	OEB-Approved Disposition during 2020	Principal Adjustments(1) during 2020	Closing Principal Balance as of Dec-31-20	Opening Interest Amounts as of Jan-1-20	Interest Jan-1 to Dec-31-20	OEB-Approved Disposition during 2020
Group 1 Accounts																			
LV Variance Account	1550	$0				$0	$0				$0	$0			$1,785,442	$1,785,442	$0		
Smart Metering Entity Charge Variance Account	1551	$0				$0	$0				$0	$0			-$12,921	-$12,921	$0		
RSVA - Wholesale Market Service Charge[5]	1580	$0				$0	$0				$0	$0			-$231,456	-$231,456	$0		
Variance WMS – Sub-account CBR Class A[5]	1580	$0				$0	$0				$0	$0			$0	$0	$0		
Variance WMS – Sub-account CBR Class B[5]	1580	$0				$0	$0				$0	$0			-$36,057	-$36,057	$0		
RSVA - Retail Transmission Network Charge	1584	$0				$0	$0				$0	$0			$165,551	$165,551	$0		
RSVA - Retail Transmission Connection Charge	1586	$0				$0	$0				$0	$0			$220,769	$220,769	$0		
RSVA - Power (excluding Global Adjustment)[4]	1588	$0				$0	$0				$0	$0			$282,650	$282,650	$0		
RSVA - Global Adjustment [4]	1589	$0				$0	$0				$0	$0			$254,299	$254,299	$0		
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595	$0				$0	$0				$0	$0			$16,819	$16,819	$0		
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595	$0				$0	$0				$0	$0			$1,613	$1,613	$0		
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595	$0				$0	$0				$0	$0			$588,820	$588,820	$0		
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595	$0				$0	$0				$0	$0			$0	$0	$0		
Refer to the Filing Requirements for Account 1595 disposition eligibility.																			
Group 1 total requested for disposition (including Account 1589)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,445,096	$2,445,096	$0	$0	$0
Group 1 total requested for disposition (excluding Account 1589)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,190,797	$2,190,797	$0	$0	$0
RSVA - Global Adjustment requested for disposition	**1589**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$254,299	$254,299	$0	$0	$0
Group 1 total (including Account 1589)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$3,035,528	$3,035,528	$0	$0	$0
Group 1 total (excluding Account 1589)		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,781,229	$2,781,229	$0	$0	$0
RSVA - Global Adjustment	**1589**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$254,299	$254,299	$0	$0	$0

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

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, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.

3 The individual sub-accounts as well as the total for all Account 1595 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column. The recovery/refund is to be recorded in the "Transaction" column. Any vintage year of Account 1595 is only to be disposed once on a final basis. No further dispositions of these accounts are generally expected thereafter, unless justified by the distributor.

Refer to Filing Requirements for disposition eligibility of the sub-accounts. Select "yes" column BU if the sub-account is requested for disposition. Note that Accounts 1595 (2019), (2020) and (2021) will not be eligible for disposition in the 2022 rate application.

4 New accounting guidance effective January 1, 2019 for Accounts 1588 and 1589 was issued Feb. 21, 2019 titled Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589. The amount in the "Transactions" column in this DVA Continuity Schedule are to equal the transactions in the General Ledger (excluding any amounts approved for disposition, which is shown separately in the "OEB Approved Disposition" columns). Any true-ups/adjustments/reversals needed to derive the claim amount must be shown separately in the "Principal Adjustments" columns of this DVA Continuity Schedule.

5 Account 1580 RSVA WMS balance inputted into this schedule is to exclude any amounts relating to CBR. CBR amounts are to be inputted into Account 1580, sub-accounts CBR Class A and Class B separately. There is no disposition of Account 1580, sub-account CBR Class A, accounting guidance for this sub-account is to be followed. If a balance exists for Account 1580, sub-account CBR Class A at the December year-end, the balance must be explained.

6 RRR balance for Account 1580 RSVA - Wholesale Market Service Charge should equal to the control account as reported in the RRR. This would include the balance for Account 1580,Variance WMS – Sub-account CBR Class B.

[redacted]

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	Account Number	Interest Adjustments(1) during 2020	Closing Interest Amounts as of Dec-31-20	2021 Opening Principal Amounts as of Jan-1-21	Transactions Debit / (Credit) during 2021	OEB-Approved Disposition during 2021	Principal Adjustments(1) during 2021	Closing Principal Balance as of Dec-31-21	Opening Interest Amounts as of Jan-1-21	Interest Jan-1 to Dec-31-21	OEB-Approved Disposition during 2021	Interest Adjustments(1) during 2021	Closing Interest Amounts as of Dec-31-21	2022 Principal Disposition during 2022 - instructed by OEB	Interest Disposition during 2022 - instructed by OEB	Closing Principal Balances as of Dec 31-21 Adjusted for Dispositions during 2022	Closing Interest Balances as of Dec 31-21 Adjusted for Dispositions during 2022	Projected Interest on: Projected Interest from Jan 1, 2022 to December 31, 2022 on Dec 31 -21 balance adjusted for disposition during 2022 (2)	Projected Interest from January 1, 2023 to April 30, 2023 on Dec 31 -21 balance adjusted for disposition during 2022 (2)
Group 1 Accounts																			
LV Variance Account	1550	$23,181	$23,181	$1,785,442	$1,148,399	$700,993		$2,232,848	$23,181	$10,499	$17,214		$16,466	$1,084,449	$14,181	$1,148,399	$2,285	$10,439	
Smart Metering Entity Charge Variance Account	1551	-$218	-$218	-$12,921	-$13,182	-$6,330		-$19,773	-$218	-$68	-$73		-$213	-$6,591	-$195	-$13,182	-$18	-$120	
RSVA - Wholesale Market Service Charge[5]	1580	-$3,739	-$3,739	-$231,456	$266,360	-$73,348		$108,252	-$3,739	-$338	-$3,253		-$825	-$158,108	-$1,684	$266,360	$859	$2,421	
Variance WMS – Sub-account CBR Class A[5]	1580	$0	$0	$0				$0	$0				$0			$0	$0	$0	
Variance WMS – Sub-account CBR Class B[5]	1580	-$543	-$543	-$36,057	-$27,379	-$26,430		-$37,006	-$543	-$165	-$475		-$233	-$9,627	-$141	-$27,379	-$92	-$249	
RSVA - Retail Transmission Network Charge	1584	-$501	-$501	$165,551	$21,067	-$714		$187,332	-$501	$945	-$1,111		$1,555	$166,265	$1,869	$21,067	-$314	$192	
RSVA - Retail Transmission Connection Charge	1586	$957	$957	$220,769	-$8,582	$51,341		$160,846	$957	$988	$401		$1,544	$169,428	$1,839	-$8,582	-$295	-$78	
RSVA - Power (excluding Global Adjustment)[4]	1588	-$13,972	-$13,972	$282,650	-$159,332	$107,912	$352,246	$367,652	-$13,972	-$1,632	-$6,962		-$8,642	$174,738	-$5,687	$192,914	-$2,955	$1,754	
RSVA - Global Adjustment[4]	1589	$21,803	$21,803	$254,299	-$344,358	$152,471	$135,127	-$107,403	$21,803	$2,297	$17,300		$6,800	$101,828	$5,274	-$209,231	$1,526	-$1,902	
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595	$48,786	$48,786	$16,819	$17,079			$33,898	$48,786	$119			$48,905			$33,898	$48,905	$308	
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595	$17,515	$17,515	$1,613	-$6			$1,607	$17,515	$9			$17,524			$1,607	$17,524	$15	
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595	$39,438	$39,438	$588,820	-$568,504			$20,316	$39,438	$1,542			$40,980			$20,316	$40,980	$185	
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595		$0	$0	$310,638			$310,638	$0	$28,646			$28,646			$310,638	$28,646	$2,824	
Refer to the Filing Requirements for Account 1595 disposition eligibility.																			
Group 1 total requested for disposition (including Account 1589)		$75,754	$75,753	$2,445,096	$900,072	$905,895	$487,373	$2,926,646	$75,753	$12,645	$23,041	$0	$65,357	$1,522,382	$15,456	$1,404,264	$49,901	$12,765	$0
Group 1 total requested for disposition (excluding Account 1589)		$53,951	$53,949	$2,190,797	$1,244,430	$753,424	$352,246	$3,034,049	$53,949	$10,349	$5,741	$0	$58,557	$1,420,554	$10,182	$1,613,495	$48,375	$14,667	$0
RSVA - Global Adjustment requested for disposition	**1589**	$21,803	$21,803	$254,299	-$344,358	$152,471	$135,127	-$107,403	$21,803	$2,297	$17,300	$0	$6,800	$101,828	$5,274	-$209,231	$1,526	-$1,902	$0
Group 1 total (including Account 1589)		$132,707	$132,706	$3,035,528	$642,200	$905,895	$487,373	$3,259,207	$132,706	$42,842	$23,041	$0	$152,507	$1,522,382	$15,456	$1,736,825	$137,051	$15,789	$0
Group 1 total (excluding Account 1589)		$110,904	$110,903	$2,781,229	$986,558	$753,424	$352,246	$3,366,610	$110,903	$40,546	$5,741	$0	$145,707	$1,420,554	$10,182	$1,946,056	$135,525	$17,691	$0
RSVA - Global Adjustment	**1589**	$21,803	$21,803	$254,299	-$344,358	$152,471	$135,127	-$107,403	$21,803	$2,297	$17,300	$0	$6,800	$101,828	$5,274	-$209,231	$1,526	-$1,902	$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)

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) If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.

The individual sub-accounts as well as the total for all Account 1595 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column. The recovery/refund is to be recorded in the "Transaction" column. Any vintage year of Account 1595 is only to be disposed once on a final basis. No further dispositions of these accounts are generally expected thereafter, unless justified by the distributor.

Refer to Filing Requirements for disposition eligibility of the sub-accounts. Select "yes" column BU if the sub-account is requested for disposition. Note that Accounts 1595 (2019), (2020) and (2021) will not be eligible for disposition in the 2022 rate application.

New accounting guidance effective January 1, 2019 for Accounts 1588 and 1589 was issued Feb. 21, 2019 titled Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589. The amount in the "Transactions" column in this DVA Continuity Schedule are to equal the transactions in the General Ledger (excluding any amounts approved for disposition, which is shown separately in the "OEB Approved Disposition" columns). Any true-ups/adjustments/reversals needed to derive the claim amount must be shown separately in the "Principal Adjustments" columns of this DVA Continuity Schedule.

Account 1580 RSVA WMS balance inputted into this schedule is to exclude any amounts relating to CBR. CBR amounts are to be inputted into Account 1580, sub-accounts CBR Class A and Class B separately. There is no disposition of Account 1580, sub-account CBR Class A, accounting guidance for this sub-account is to be followed. If a balance exists for Account 1580, sub-account CBR Class A at the December year-end, the balance must be explained.

RRR balance for Account 1580 RSVA - Wholesale Market Service Charge should equal to the control account as reported in the RRR. This would include the balance for Account 1580,Variance WMS – Sub-account CBR Class B.

[redacted]

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

		Dec-31-21 Balances			2.1.7 RRR		
Account Descriptions	**Account Number**	**Total Interest**	**Total Claim**	**Accounts To Dispose Yes/No**	**As of Dec 31-21**	**Variance RRR vs. 2021 Balance (Principal + Interest)**	
Group 1 Accounts							
LV Variance Account	1550	$12,724	$1,161,123		$2,249,315	$1	
Smart Metering Entity Charge Variance Account	1551	-$138	-$13,320		-$19,986	-$0	
RSVA - Wholesale Market Service Charge[5]	1580	$3,280	$269,640		$70,189	-$37,238	
Variance WMS – Sub-account CBR Class A[5]	1580	$0	$0		$0	$0	
Variance WMS – Sub-account CBR Class B[5]	1580	-$341	-$27,720		-$37,238	$1	
RSVA - Retail Transmission Network Charge	1584	-$122	$20,945		$188,887	$0	
RSVA - Retail Transmission Connection Charge	1586	-$373	-$8,955		$162,391	$0	
RSVA - Power (excluding Global Adjustment)[1]	1588	-$1,201	$191,712		-$29,657	-$388,667	Please provide an explanation of the variance in the tab 3 - Appendix A
RSVA - Global Adjustment [4]	1589	-$376	-$209,607		$99,592	$200,195	Please provide an explanation of the variance in the tab 3 - Appendix A
Disposition and Recovery/Refund of Regulatory Balances (2018)[3]	1595	$49,213	$83,111	Yes	$82,804	$1	
Disposition and Recovery/Refund of Regulatory Balances (2019)[3]	1595	$17,539	$0	No	$19,131	-$0	
Disposition and Recovery/Refund of Regulatory Balances (2020)[3]	1595	$41,165	$0	No	$61,296	$0	
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595	$31,470	$0	No	$339,284	$0	
Refer to the Filing Requirements for Account 1595 disposition eligibility.							
Group 1 total requested for disposition (including Account 1589)		$62,666	$1,466,930		$3,186,007	$194,004	
Group 1 total requested for disposition (excluding Account 1589)		$63,042	$1,676,537		$3,086,415	-$6,191	
RSVA - Global Adjustment requested for disposition	**1589**	-$376	-$209,607		$99,592	$200,195	
Group 1 total (including Account 1589)		$152,840					
Group 1 total (excluding Account 1589)		$153,216					
RSVA - Global Adjustment	**1589**	-$376					

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)

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) If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.

The individual sub-accounts as well as the total for all Account 1595 sub-accounts is to agree to the RRR data. Differences need to be explained. For each Account 1595 sub-account, the transfer of the balance approved for disposition into Account 1595 is to be recorded in "OEB Approved Disposition" column. The recovery/refund is to be recorded in the "Transaction" column. Any vintage year of Account 1595 is only to be disposed once on a final basis. No further dispositions of these accounts are generally expected thereafter, unless justified by the distributor.

Refer to Filing Requirements for disposition eligibility of the sub-accounts. Select "yes" column BU if the sub-account is requested for disposition. Note that Accounts 1595 (2019), (2020) and (2021) will not be eligible for disposition in the 2022 rate application.

New accounting guidance effective January 1, 2019 for Accounts 1588 and 1589 was issued Feb. 21, 2019 titled Accounting Procedures Handbook Update - Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589. The amount in the "Transactions" column in this DVA Continuity Schedule are to equal the transactions in the General Ledger (excluding any amounts approved for disposition, which is shown separately in the "OEB Approved Disposition" columns). Any true-ups/adjustments/reversals needed to derive the claim amount must be shown separately in the "Principal Adjustments" columns of this DVA Continuity Schedule.

Account 1580 RSVA WMS balance inputted into this schedule is to exclude any amounts relating to CBR. CBR amounts are to be inputted into Account 1580, sub-accounts CBR Class A and Class B separately. There is no disposition of Account 1580, sub-account CBR Class A, accounting guidance for this sub-account is to be followed. If a balance exists for Account 1580, sub-account CBR Class A at the December year-end, the balance must be explained.

RRR balance for Account 1580 RSVA - Wholesale Market Service Charge should equal to the control account as reported in the RRR. This would include the balance for Account 1580,Variance WMS – Sub-account CBR Class B.

[redacted]

2022 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

Enter the number of utility specific Account 1508 sub-accounts that have been previously approved, regardless of whether disposition is being requested. If none, enter 1 and the generic sub-account will still be listed.

5

Identify and name each sub-account and complete the continuity schedule in the line(s) generated in the continuity schedule. Indicate whether the sub-account is requested for disposition in column BT.

		2015										2016											
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-15	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 Amounts as of Jan-1-16	Transactions Debit / (Credit) during 2016	OEB-Approved Disposition during 2016	Principal Adjustments(1) during 2016	Closing Principal Balance as of Dec-31-16	Opening Interest Amounts as of Jan-1-16	Interest Jan-1 to Dec-31-16	OEB-Approved Disposition during 2016	Interest Adjustments(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
Group 2 Accounts																							
Deferred IFRS Transition Costs	1508	$168,436	$1,981			$170,417	$8,058	$2,009			$10,067	$170,417	$18,789			$189,206	$10,067	$2,013			$12,080	$189,206	$0
Pole Attachment Revenue Variance[5]	1508	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Retail Service Charge Incremental Revenue[6]	1508	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Customer Choice Initiative Costs[7]	1508	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Other Regulatory Assets - Icon F&G Meter Disposal	1508	$351,222	$161,271			$512,493	$4,110	$5,351			$9,461	$512,493	$0			$512,493	$9,461	$5,637			$15,099	$512,493	$0
Other Regulatory Assets - OEB Cost Assessment Variance	1508	$0	$0			$0	$0	$0			$0	$0	$27,693			$27,693	$0	$124			$124	$27,693	$38,722
Other Regulatory Assets - Energy East Consultation Costs	1508	$0	$2,275			$2,275	$0	$15			$15	$2,275	$0			$2,275	$15	$25			$40	$2,275	$0
Other Regulatory Assets - LPP Variance	1508	-$2,217	$0			-$2,217	$0	$0			$0	-$2,217	$0			-$2,217	$0	$0			$0	-$2,217	$0
COVID-19 Deferral Account	1509	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Retail Cost Variance Account - Retail[6]	1518	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Misc. Deferred Debits	1525	$265,325	-$90,295			$175,030					$0	$175,030	-$59,966			$115,064	$0				$0	$115,064	-$66,159
Retail Cost Variance Account - STR[6]	1548	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Extra-Ordinary Event Costs	1572	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Deferred Rate Impact Amounts	1574	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
RSVA - One-time	1582	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Other Deferred Credits	2425	$0	$0			$0					$0	$0	$0			$0	$0				$0	$0	$0
Group 2 Sub-Total		$782,765	$75,232	$0	$0	$857,997	$12,168	$7,375	$0	$0	$19,543	$857,997	-$13,484	$0	$0	$844,514	$19,543	$7,800	$0	$0	$27,343	$844,514	-$27,437
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592		$35,000			$35,000	$0	$187			$187	$35,000				$35,000	$187	$385			$572	$35,000	
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592					$0					$0	$0				$0	$0				$0	$0	
Total including Account 1568		$782,765	$110,232	$0	$0	$892,997	$12,168	$7,562	$0	$0	$19,730	$892,997	-$13,484	$0	$0	$879,514	$19,730	$8,185	$0	$0	$27,915	$879,514	-$27,437
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522					$0					$0	$0				$0	$0				$0	$0	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522					$0					$0	$0				$0	$0				$0	$0	
Renewable Generation Connection Capital Deferral Account	1531	$1,269	$0			$1,269	$85	$15			$100	$1,269	$0			$1,269	$100	$14			$114	$1,269	$0
Renewable Generation Connection OM&A Deferral Account	1532	$1,341	$2,710			$4,051	$5	$30			$34	$4,051	$3,184			$7,235	$34	$60			$94	$7,235	$3,862
Renewable Generation Connection Funding Adder Deferral Account	1533	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Grid Capital Deferral Account	1534	$4,500	$0			$4,500	$108	$54			$161	$4,500	$0			$4,500	$161	$49			$211	$4,500	$0
Smart Grid OM&A Deferral Account	1535	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Grid Funding Adder Deferral Account	1536	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	$107,760	-$104,110			$3,650	$5,866	$336			$6,201	$3,650	-$1			$3,650	$6,201	$40			$6,241	$3,650	$0
Meter Cost Deferral Account (MIST Meters)	1557	$0	$0				$0	$0					$0			$0		$0			$0	$0	$95,014
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575					$0						$0				$0						$0	
Accounting Changes Under CGAAP Balance + Return Component	1576					$0						$0				$0						$0	

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

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, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.

3 Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition upon completion of the MIST meter deployment. A prudence review and disposition should be done in the application, outside the DVA Continuity Schedule.

4 Input the LRAMVA balance in the DVA Continuity Schedule as calculated from the LRAMVA model. The associated rate rider will be calculated in the DVA Continuity Schedule.

5 This account is effective September 1, 2018 per the OEB's letter Accounting Guidance on Wireline Pole Attachment Charges, dated July 20, 2018. The account is expected to be discontinued after rebasing, once a utility updates its pole attachment charge in base rates and disposes of the account balance.

6 The 1508 sub- account is effective May 1, 2019 per the Energy Retailer Service Charges Decision and Order (EB-2015-0304). The RCVAs are expected to be discontinued after rebasing, once updated retail service charges are reflected in the revenue requirement and the utility disposes of the account balance.

7 The 1508 sub-account is effective August 5, 2020 in accordance with the September 16, 2020 Accounting Order for the Establishment of a Deferral Account to Record Impacts Arising from Implementing the Customer Choice Initiative Ontario Energy Board File No. EB-2020-0152. Electricity distributors may record incremental costs directly attributable to the customer choice initiative in the sub-account.

8 Account 1522 is established effective Januar 1, 2018, in accordance with Report of the OEB - Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs EB-2015-0040

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

2017

Account Descriptions	Account Number	OEB-Approved Disposition during 2017	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(1) during 2017	Closing Interest Amounts as of Dec-31-17
Group 2 Accounts									
Deferred IFRS Transition Costs	1508			$189,206	$12,080	$2,272			$14,352
Pole Attachment Revenue Variance[5]	1508			$0	$0	$0			$0
Retail Service Charge Incremental Revenue[5]	1508			$0	$0	$0			$0
Customer Choice Initiative Costs[7]	1508			$0	$0	$0			$0
Other Regulatory Assets - Icon F&G Meter Disposal	1508			$512,493	$15,099	$6,154			$21,253
Other Regulatory Assets - OEB Cost Assessment Variance	1508			$66,415	$124	$599			$723
Other Regulatory Assets - Enerov East Consultation Costs	1508			$2,275	$40	$27			$68
Other Regulatory Assets - LPP Variance	1508			-$2,217	$0	$0			$0
COVID-19 Deferral Account	1509			$0	$0				$0
Retail Cost Variance Account - Retail[6]	1518			$0	$0				$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522			$0	$0				$0
Misc. Deferred Debits	1525			$48,905	$0				$0
Retail Cost Variance Account - STR[6]	1548			$0	$0				$0
Extra-Ordinary Event Costs	1572			$0	$0				$0
Deferred Rate Impact Amounts	1574			$0	$0				$0
RSVA - One-time	1582			$0	$0				$0
Other Deferred Credits	2425			$0	$0				$0
Group 2 Sub-Total		$0	$0	$817,077	$27,343	$9,052	$0	$0	$36,395
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			$35,000	$572	$420			$992
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592			$0	$0				$0
Total including Account 1568		$0	$0	$852,077	$27,915	$9,472	$0	$0	$37,387
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522			$0	$0				$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522			$0	$0				$0
Renewable Generation Connection Capital Deferral Account	1531			$1,269	$114	$15			$129
Renewable Generation Connection OM&A Deferral Account	1532			$11,097	$94	$108			$203
Renewable Generation Connection Funding Adder Deferral Account	1533			$0	$0	$0			$0
Smart Grid Capital Deferral Account	1534			$4,500	$211	$54			$265
Smart Grid OM&A Deferral Account	1535			$0	$0	$0			$0
Smart Grid Funding Adder Deferral Account	1536			$0	$0	$0			$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555			$3,650	$6,241	$44			$6,285
Meter Cost Deferral Account (MIST Meters)	1557			$95,014	$0	$503			$503
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575			$0					
Accounting Changes Under CGAAP Balance + Return Component	1576			$0					

2018

Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-18	Transactions(1) Debit / (Credit) 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
Group 2 Accounts											
Deferred IFRS Transition Costs	1508	$189,206	$0			$189,206	$14,352	$3,528			$17,879
Pole Attachment Revenue Variance[5]	1508	$0	-$11,657			-$11,657	$0	$0			$0
Retail Service Charge Incremental Revenue[5]	1508	$0	$0			$0	$0	$0			$0
Customer Choice Initiative Costs[7]	1508	$0	$0			$0	$0	$0			$0
Other Regulatory Assets - Icon F&G Meter Disposal	1508	$512,493	$0			$512,493	$21,253	$9,555			$30,808
Other Regulatory Assets - OEB Cost Assessment Variance	1508	$66,415	$34,054			$100,469	$723	$1,614			$2,337
Other Regulatory Assets - Enerov East Consultation Costs	1508	$2,275	$0			$2,275	$68	$42			$110
Other Regulatory Assets - LPP Variance	1508	-$2,217	$0			-$2,217	$0	$0			$0
COVID-19 Deferral Account	1509	$0	$0			$0	$0				$0
Retail Cost Variance Account - Retail[6]	1518	$0	$0			$0	$0				$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522	$0	$0			$0	$0				$0
Misc. Deferred Debits	1525	$48,905	-$8,160			$40,745	$0				$0
Retail Cost Variance Account - STR[6]	1548	$0	$0			$0	$0				$0
Extra-Ordinary Event Costs	1572	$0	$0			$0	$0				$0
Deferred Rate Impact Amounts	1574	$0	$0			$0	$0				$0
RSVA - One-time	1582	$0	$0			$0	$0				$0
Other Deferred Credits	2425	$0	$0			$0	$0				$0
Group 2 Sub-Total		$817,077	$14,237	$0	$0	$831,313	$36,395	$14,739	$0	$0	$51,134
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$35,000				$35,000	$992	$653			$1,644
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	$0				$0	$0				$0
Total including Account 1568		$852,077	$14,237	$0	$0	$866,313	$37,387	$15,391	$0	$0	$52,778
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522	$0	$0			$0	$0	$0			$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522	$0	$0			$0	$0	$0			$0
Renewable Generation Connection Capital Deferral Account	1531	$1,269	$0			$1,269	$129	$24			$153
Renewable Generation Connection OM&A Deferral Account	1532	$11,097	$5,426			$16,523	$203	$255			$457
Renewable Generation Connection Funding Adder Deferral Account	1533	$0	$0			$0	$0	$0			$0
Smart Grid Capital Deferral Account	1534	$4,500	$0			$4,500	$265	$84			$349
Smart Grid OM&A Deferral Account	1535	$0	$0			$0	$0	$0			$0
Smart Grid Funding Adder Deferral Account	1536	$0	$0			$0	$0	$0			$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	$3,650	$0			$3,650	$6,285	$68			$6,353
Meter Cost Deferral Account (MIST Meters)	1557	$95,014	$115,730			$210,744	$503	$3,270			$3,773
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	$0				$0					
Accounting Changes Under CGAAP Balance + Return Component	1576	$0				$0					

2019

Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-19	Transactions Debit / (Credit) during 2019	OEB-Approved Disposition during 2019	Principal Adjustments(1) during 2019	Closing Principal Balance as of Dec-31-19	Opening Interest Amounts as of Jan-1-19	Interest Jan-1 to Dec-31-19
Group 2 Accounts								
Deferred IFRS Transition Costs	1508	$189,206	$0			$189,206	$17,879	$4,251
Pole Attachment Revenue Variance[5]	1508	-$11,657	-$111,305			-$122,962	$0	-$1,425
Retail Service Charge Incremental Revenue[5]	1508	$0	-$5,184			-$5,184	$0	-$26
Customer Choice Initiative Costs[7]	1508	$0	$0			$0	$0	$0
Other Regulatory Assets - Icon F&G Meter Disposal	1508	$512,493	$0			$512,493	$30,808	$11,514
Other Regulatory Assets - OEB Cost Assessment Variance	1508	$100,469	$35,494			$135,963	$2,337	$2,666
Other Regulatory Assets - Enerov East Consultation Costs	1508	$2,275	$0			$2,275	$110	$51
Other Regulatory Assets - LPP Variance	1508	-$2,217	$0			-$2,217	$0	$0
COVID-19 Deferral Account	1509	$0	$0			$0	$0	
Retail Cost Variance Account - Retail[6]	1518	$0	$0			$0	$0	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522	$0	$0			$0	$0	
Misc. Deferred Debits	1525	$40,745	-$8,160			$32,585	$0	
Retail Cost Variance Account - STR[6]	1548	$0	$0			$0	$0	
Extra-Ordinary Event Costs	1572	$0	$0			$0	$0	
Deferred Rate Impact Amounts	1574	$0	$0			$0	$0	
RSVA - One-time	1582	$0	$0			$0	$0	
Other Deferred Credits	2425	$0	$0			$0	$0	
Group 2 Sub-Total		$831,313	-$89,155	$0	$0	$742,159	$51,134	$17,031
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$35,000				$35,000	$1,644	$786
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592	$0				$0	$0	
Total including Account 1568		$866,313	-$89,155	$0	$0	$777,159	$52,778	$17,817
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522	$0	$0			$0	$0	$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522	$0	$0			$0	$0	$0
Renewable Generation Connection Capital Deferral Account	1531	$1,269	$0			$1,269	$153	$28
Renewable Generation Connection OM&A Deferral Account	1532	$16,523	$6,151			$22,674	$457	$432
Renewable Generation Connection Funding Adder Deferral Account	1533	$0	$0			$0	$0	$0
Smart Grid Capital Deferral Account	1534	$4,500	$0			$4,500	$349	$101
Smart Grid OM&A Deferral Account	1535	$0	$0			$0	$0	$0
Smart Grid Funding Adder Deferral Account	1536	$0	$0			$0	$0	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	$3,650	$0			$3,650	$6,353	$82
Meter Cost Deferral Account (MIST Meters)	1557	$210,744	$9,813			$220,556	$3,773	$4,833
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575	$0				$0		
Accounting Changes Under CGAAP Balance + Return Component	1576	$0				$0		

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g 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) If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition upon completion of the MIST meter deployment. A prudence review and disposition should be done in the application, outside the DVA Continuity Schedule.

Input the LRAMVA balance in the DVA Continuity Schedule as calculated from the LRAMVA model. The associated rate rider will be calculated in the DVA Continuity Schedule.

This account is effective September 1, 2018 per the OEB's letter Accounting Guidance on Wireline Pole Attachment Charges, dated July 20, 2018. The account is expected to be discontinued after rebasing, once a utility updates its pole attachment charge in base rates and disposes of the account balance.

The 1508 sub- account is effective May 1, 2019 per the Energy Retailer Service Charges Decision and Order (EB-2015-0304). The RCVAs are expected to be discontinued after rebasing, once updated retail service charges are reflected in the revenue requirement and the utility disposes of the account balance.

The 1508 sub-account is effective August 5, 2020 in accordance with the September 16, 2020 Accounting Order for the Establishment of a Deferral Account to Record Impacts Arising from Implementing the Customer Choice Initiative Ontario Energy Board File No. EB-2020-0152. Electricity distributors may record incremental costs directly attributable to the customer choice initiative in the sub-account.

Account 1522 is established effective Januar 1, 2018, in accordance with Report of the OEB - Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs EB-2015-0040

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	Account Number	2020												2021											
		OEB-Approved Disposition during 2019	Interest Adjustments(1) during 2019	Closing Interest Amounts as of Dec-31-19	Opening Principal Amounts as of Jan-1-20	Transactions Debit / (Credit) during 2020	OEB-Approved Disposition during 2020	Principal Adjustments(1) during 2020	Closing Principal Balance as of Dec-31-20	Opening Interest Amounts as of Jan-1-20	Interest Jan-1 to Dec-31-20	OEB-Approved Disposition during 2020	Interest Adjustments(1) during 2020	Closing Interest Amounts as of Dec-31-20	Opening Principal Amounts as of Jan-1-21	Transactions Debit / (Credit) during 2021	OEB-Approved Disposition during 2021	Principal Adjustments(1) during 2021	Closing Principal Balance as of Dec-31-21	Opening Interest Amounts as of Jan-1-21	Interest Jan-1 to Dec-31-21	OEB-Approved Disposition during 2021	Interest Adjustments(1) during 2021	Closing Interest Amounts as of Dec-31-21	Opening Principal Amounts as of Jan-1-22	Transactions Debit / (Credit) during 2022 Forecast
Group 2 Accounts																									
Deferred IFRS Transition Costs	1508			$22,130	$189,206	$0			$189,206	$22,130	$2,589			$24,719	$189,206	$0			$189,206	$24,719	$1,078			$25,798	$189,206	$0
Pole Attachment Revenue Variance[5]	1508			-$1,425	-$122,962	-$156,360			-$279,322	-$1,425	-$2,504			-$3,929	-$279,322	-$136,447			-$415,769	-$3,929	-$1,950			-$5,880	-$415,769	-$76,448
Retail Service Charge Incremental Revenue[5]	1508			-$26	-$5,184	-$8,252			-$13,436	-$26	-$106			-$133	-$13,436	-$7,824			-$21,259	-$133	-$97			-$230	-$21,259	-$7,824
Customer Choice Initiative Costs[7]	1508			$0	$0	$8,500			$8,500	$0	$8			$8	$8,500	$0			$8,500	$8	$48			$57	$8,500	$0
Other Regulatory Assets - Icon F&G Meter Disposal	1508			$42,321	$512,493	$0			$512,493	$42,321	$7,013			$49,334	$512,493	$0			$512,493	$49,334	$2,921			$52,256	$512,493	$0
Other Regulatory Assets - OEB Cost Assessment Variance	1508			$5,003	$135,963	$34,949			$170,912	$5,003	$2,043			$7,047	$170,912	$32,520			$203,432	$7,047	$1,076			$8,123	$203,432	$32,520
Other Regulatory Assets - Enerov East Consultation Costs	1508			$161	$2,275	$0			$2,275	$161	$31			$192	$2,275	$0			$2,275	$192	$13			$205	$2,275	$0
Other Regulatory Assets - LPP Variance	1508			$0	-$2,217	$0			-$2,217	$0	$0			$0	-$2,217	$0			-$2,217	$0	$0			$0	-$2,217	
COVID-19 Deferral Account	1509			$0	$0	$138,840			$138,840	$0	$392			$392	$138,840	-$83,629			$55,210	$392	$479			$870	$55,210	-$14,611
Retail Cost Variance Account - Retail[6]	1518			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Misc. Deferred Debits	1525			$0	$32,585	-$8,160			$24,425	$0	$0			$0	$24,425	-$8,160			$16,265	$0	$0			$0	$16,265	-$8,160
Retail Cost Variance Account - STR[6]	1548			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Extra-Ordinary Event Costs	1572			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Deferred Rate Impact Amounts	1574			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
RSVA - One-time	1582			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Other Deferred Credits	2425			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Group 2 Sub-Total		$0	$0	$68,165	$742,159	$9,517	$0	$0	$751,676	$68,165	$9,466	$0	$0	$77,630	$751,676	-$203,540	$0	$0	$548,136	$77,630	$3,568	$0	$0	$81,199	$548,136	-$74,523
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			$2,431	$35,000				$35,000	$2,431	$479			$2,910	$35,000				$35,000	$2,910	$200			$3,109	$35,000	
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592			$0	$0				$0	$0				$0	$0				$0	$0				$0	$0	
Total including Account 1568		$0	$0	$70,595	$777,159	$9,517	$0	$0	$786,676	$70,595	$9,945	$0	$0	$80,540	$786,676	-$203,540	$0	$0	$583,136	$80,540	$3,768	$0	$0	$84,308	$583,136	-$74,523
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Renewable Generation Connection Capital Deferral Account	1531			$181	$1,269	$0			$1,269	$181	$17			$198	$1,269	$0			$1,269	$198	$7			$206	$1,269	$0
Renewable Generation Connection OM&A Deferral Account	1532			$890	$22,674	$6,698			$29,372	$890	$338			$1,227	$29,372	$7,036			$36,408	$1,227	$186			$1,413	$36,408	$7,036
Renewable Generation Connection Funding Adder Deferral Account	1533			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Grid Capital Deferral Account	1534			$450	$4,500	$0			$4,500	$450	$62			$511	$4,500	$0			$4,500	$511	$26			$537	$4,500	$0
Smart Grid OM&A Deferral Account	1535			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Grid Funding Adder Deferral Account	1536			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0			$0	$0	$0
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555			$6,435	$3,650	$0			$3,650	$6,435	$50			$6,485	$3,650	$0			$3,650	$6,485	$21			$6,506	$3,650	$0
Meter Cost Deferral Account (MIST Meters)	1557			$8,606	$220,556	$9,961			$230,517	$8,606	$3,060			$11,667	$230,517	$10,192			$240,709	$11,667	$1,341			$13,007	$240,709	$10,192
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575				$0				$0						$0				$0						$0	
Accounting Changes Under CGAAP Balance + Return Component	1576				$0				$0						$0				$0						$0	

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g 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) If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
2) If the LDC's rate year begins on May 1, 2022, the projected interest is recorded from January 1, 2021 to April 30, 2022 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
Account 1557 is to be recovered in a manner similar to the Smart Meter accounts. Distributors should request for disposition upon completion of the MIST meter deployment. A prudence review and disposition should be done in the application, outside the DVA Continuity Schedule.

Input the LRAMVA balance in the DVA Continuity Schedule as calculated from the LRAMVA model. The associated rate rider will be calculated in the DVA Continuity Schedule.

This account is effective September 1, 2018 per the OEB's letter Accounting Guidance on Wireline Pole Attachment Charges, dated July 20, 2018. The account is expected to be discontinued after rebasing, once a utility updates its pole attachment charge in base rates and disposes of the account balance.

The 1508 sub- account is effective May 1, 2019 per the Energy Retailer Service Charges Decision and Order (EB-2015-0304). The RCVAs are expected to be discontinued after rebasing, once updated retail service charges are reflected in the revenue requirement and the utility disposes of the account balance.

The 1508 sub-account is effective August 5, 2020 in accordance with the September 16, 2020 Accounting Order for the Establishment of a Deferral Account to Record Impacts Arising from Implementing the Customer Choice Initiative Ontario Energy Board File No. EB-2020-0152. Electricity distributors may record incremental costs directly attributable to the customer choice initiative in the sub-account.

Account 1522 is established effective Januar 1, 2018, in accordance with Report of the OEB - Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs EB-2015-0040

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	Account Number	2022 Forecast: OEB-Approved Disposition during 2022 Forecast	Principal Adjustments(1) during 2022 Forecast	Closing Principal Balance as of Dec-31-st	Opening Interest Amounts as of Jan-1-st	Interest Jan-1 to Dec-31-st	OEB-Approved Disposition during 2022 Forecast	Interest Adjustments(1) during 2022 Forecast	Closing Interest Amounts as of Dec-31-st	Closing Principal Balances as of Dec 31–1 Adjusted for Dispositions during	Closing Interest Balances as of Dec 31–1 Adjusted for Dispositions during	Total Claim	Accounts to Dispose Yes/No
Group 2 Accounts													
Deferred IFRS Transition Costs	1508			$189,206	$25,798	$1,718			$27,516	$189,206	$27,516	$216,722	
Pole Attachment Revenue Variance[5]	1508			-$492,217	-$5,880	-$4,242			-$10,122	-$492,217	-$10,122	-$502,339	
Retail Service Charge Incremental Revenue[5]	1508			-$29,083	-$230	-$241			-$470	-$29,083	-$470	-$29,554	
Customer Choice Initiative Costs[7]	1508			$8,500	$57	$77			$134	$8,500	$134	$8,634	Yes
Other Regulatory Assets - Icon F&G Meter Disposal	1508			$512,493	$52,256	$4,655			$56,910	$512,493	$56,910	$569,403	Yes
Other Regulatory Assets - OEB Cost Assessment Variance	1508			$235,952	$8,123	$2,046			$10,168	$235,952	$10,168	$246,120	Yes
Other Regulatory Assets - Enerov East Consultation Costs	1508			$2,275	$205	$21			$226	$2,275	$226	$2,501	Yes
Other Regulatory Assets - LPP Variance	1508			-$2,217	$0	$0			$0	-$2,217	$0	-$2,217	Yes
COVID-19 Deferral Account	1509			$40,600	$870	$268.09			$1,138	$40,600	$1,138	$41,738	
Retail Cost Variance Account - Retail[6]	1518			$0	$0	$0			$0	$0	$0	$0	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Carrying Charges[8]	1522			$0	$0	$0			$0	$0	$0	$0	
Misc. Deferred Debits	1525			$8,105	$0	$0			$0	$8,105	$0	$0	No
Retail Cost Variance Account - STR[6]	1548			$0	$0	$0			$0	$0	$0	$0	
Extra-Ordinary Event Costs	1572			$0	$0	$0			$0	$0	$0	$0	
Deferred Rate Impact Amounts	1574			$0	$0	$0			$0	$0	$0	$0	
RSVA - One-time	1582			$0	$0	$0			$0	$0	$0	$0	
Other Deferred Credits	2425			$0	$0	$0			$0	$0	$0	$0	
Group 2 Sub-Total		$0	$0	$473,614	$81,199	$4,302	$0	$0	$85,501	$473,614	$85,501	$551,009.51	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			$35,000	$3,109	$318			$3,427	$35,000	$3,427	$38,427.00	
PILs and Tax Variance for 2006 and Subsequent Years- Sub-account CCA Changes	1592			$0	$0				$0	$0	$0	$0.00	
Total including Account 1568		$0	$0	$508,614	$84,308	$4,620	$0	$0	$88,928	$508,614	$88,928	$589,436.51	Yes
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential[8]	1522			$0	$0	$0			$0	$0	$0	$0.00	
Pension & OPEB Forecast Accrual versus Actual Cash Payment Differential Contra Account[8]	1522			$0	$0	$0			$0	$0	$0	$0.00	
Renewable Generation Connection Capital Deferral Account	1531			$1,269	$206	$12			$217	$1,269	$217	$1,485.99	
Renewable Generation Connection OM&A Deferral Account	1532			$43,444	$1,413	$374			$1,787	$43,444	$1,787	$45,230.31	Yes
Renewable Generation Connection Funding Adder Deferral Account	1533			$0	$0	$0			$0	$0	$0	$0.00	
Smart Grid Capital Deferral Account	1534			$4,500	$537	$41			$578	$4,500	$578	$5,077.98	
Smart Grid OM&A Deferral Account	1535			$0	$0	$0			$0	$0	$0	$0.00	
Smart Grid Funding Adder Deferral Account	1536			$0	$0	$0			$0	$0	$0	$0.00	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555			$3,650	$6.506	$21			$6,527	$3.650	$6.527	$10,176.91	Yes
Meter Cost Deferral Account (MIST Meters)	1557			$250,901	$13.007	$1.416			$14,423	$250.901	$14.423	$265,324.04	
IFRS-CGAAP Transition PP&E Amounts Balance + Return Component	1575			$0						$0		$0.00	No
Accounting Changes Under CGAAP Balance + Return Component	1576			$0						$0		$0.00	No

For Accounts 1508, 1522 and 1592, only show the total control account that is reported in the RRR in the first row for that account in this tab

For all OEB-Approved dispositions, please ensure that the disposition amount has the same sign (e.g 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) If the LDC's rate year begins on January 1, 2022, the projected interest is recorded from January 1, 2021 to December 31, 2021 on the December 31, 2020 balances, adjusted to remove balances approved for disposition in the 2021 rate decision.
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Input the LRAMVA balance in the DVA Continuity Schedule as calculated from the LRAMVA model. The associated rate rider will be calculated in the DVA Continuity Schedule.

This account is effective September 1, 2018 per the OEB's letter Accounting Guidance on Wireline Pole Attachment Charges, dated July 20, 2018. The account is expected to be discontinued after rebasing, once a utility updates its pole attachment charge in base rates and disposes of the account balance.

The 1508 sub- account is effective May 1, 2019 per the Energy Retailer Service Charges Decision and Order (EB-2015-0304). The RCVAs are expected to be discontinued after rebasing, once updated retail service charges are reflected in the revenue requirement and the utility disposes of the account balance.

The 1508 sub-account is effective August 5, 2020 in accordance with the September 16, 2020 Accounting Order for the Establishment of a Deferral Account to Record Impacts Arising from Implementing the Customer Choice Initiative Ontario Energy Board File No. EB-2020-0152. Electricity distributors may record incremental costs directly attributable to the customer choice initiative in the sub-account.

Account 1522 is established effective Janaur 1, 2018, in accordance with Report of the OEB - Regulatory Treatment of Pension and Other Post-employment Benefits (OPEBs) Costs EB-2015-0040

[redacted]

2022 Deferral/Variance Account Workform

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

			A		B			C		D=A-C		E		F =B-C-E (deduct E if applicable)		
Rate Class (Enter Rate Classes in cells below as they appear on your current tariff of rates and charges)	**Units**	**# of Customers**	**Total Metered kWh**	**Total Metered kW**	**Metered kWh for Non-RPP Customers [4]**	**Metered kW for Non-RPP Customers [4]**	**Distribution Revenue**	**Metered kWh for Wholesale Market Participants (WMP)**	**Metered kW for Wholesale Market Participants (WMP)**	**Total Metered kWh less WMP consumption** *(if applicable)*	**Total Metered kW less WMP consumption** *(if applicable)*	**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**	**1568 LRAM Variance Account Class Allocation[3] ($ amounts)**	**Number of Customers for Residential and GS<50 classes[2]**
Residential	kWh	17,012	137,646,072		2,078,984		6,236,450			137,646,072	-	-	-	2,078,984	0	17,012
GS<50kW	kWh	1,833	44,991,441		6,989,108		1,343,007			44,991,441	-	-	-	6,989,108	0	1,833
GS>50kW	kW	127	131,924,542	325,120	106,883,132	288,309	1,522,042	2,581,404	4,832	129,343,138	320,288	55,203,478	-	49,098,250	0	
Street Lighting	kW	3,318	1,242,766	3,496	1,242,766	3,496	100,359			1,242,766	3,496	-	-	1,242,766	0	
Unmetered Scattered Load	kWh	30	396,233		336		7,283			396,233	-	-	-	336	0	
										-	-	-	-	-		
										-	-	-	-	-		
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Total		**22,320**	**316,201,054**	**328,616**	**117,194,326**	**291,805**	**$ 9,209,143**	**2,581,404**	**4,832**	**313,619,650**	**323,784**	**55,203,478**	**-**	**59,409,444**	**$ -**	
															$ -	
															$ -	

[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.

[redacted]

2022 Deferral/Variance Account Workform

Account Name	Acct Number	Allocator	RESIDENTIAL	GS<50kW	GS>50kW	Street Lighting	Unmetered Scattered Load
LV Variance Account	1550	kWh	505,451	165,213	484,441	4,564	1,455
Smart Metering Entity Charge Variance Account	1551	# of Customers	(12,024)	(1,296)	0	0	0
RSVA - Wholesale Market Service Charge	1580	kWh	118,344	38,682	111,205	1,068	341
RSVA - Retail Transmission Network Charge	1584	kWh	9,117	2,980	8,738	82	26
RSVA - Retail Transmission Connection Charge	1586	kWh	(3,898)	(1,274)	(3,736)	(35)	(11)
RSVA - Power (excluding Global Adjustment)	1588	kWh	84,142	27,503	79,066	760	242
RSVA - Global Adjustment	1589	Non-RPP kWh	(7,335)	(24,659)	(173,227)	(4,385)	(1)
Disposition and Recovery/Refund of Regulatory Balances (2018)	1595	kWh	36,179	11,826	34,675	327	104
Total Group 1 accounts above (excluding 1589)			**737,310**	**243,634**	**714,390**	**6,766**	**2,157**
Deferred IFRS Transition Costs	1508	kWh	94,342	30,837	90,420	852	272
Pole Attachment Revenue Variance	1508	Distribution Rev.	(340,185)	(73,258)	(83,024)	(5,474)	(397)
Retail Service Charge Incremental Revenue	1508	# of Customers	(22,525)	(2,427)	(168)	(4,393)	(40)
Customer Choice Initiative Costs	1508	# of Customers	7,794	840	0	0	0
Other Regulatory Assets - Icon F&G Meter Disposal	1508	kWh	247,868	81,019	237,565	2,238	714
Other Regulatory Assets - OEB Cost Assessment Variance	1508	kWh	107,139	35,020	102,686	967	308
Other Regulatory Assets - Energy East Consultation Costs	1508	kWh	1,089	356	1,043	10	3
Other Regulatory Assets - LPP Variance	1508	kWh	(965)	(316)	(925)	(9)	(3)
COVID-19 Deferral Account	1509	kWh	18,169	5,939	17,414	164	52
Total of Group 2 Accounts			**112,726**	**78,009**	**365,011**	**(5,645)**	**909**
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account)	1592	kWh	16,728	5,468	16,032	151	48
Renewable Generation Connection Capital Deferral Account	1531	kWh	647	211	620	6	2
Renewable Generation Connection OM&A Deferral Account	1532	kWh	19,689	6,436	18,871	178	57
Smart Grid Capital Deferral Account	1534	kWh	2,211	723	2,119	20	6
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	kWh	4,430	1,448	4,246	40	13
Meter Cost Deferral Account (MIST Meters)	1557	kWh	115,499	37,752	110,698	1,043	332
Variance WMS - Sub-account CBR Class B (separate rate rider if Class A Customers)	**1580**	kWh	**(14,765)**	**(4,826)**	**(7,953)**	**(133)**	**(43)**
Total of Group 1 Accounts (1550, 1551, 1584, 1586 and 1595)			**534,825**	**177,449**	**524,118**	**4,937**	**1,574**
Total of Account 1580 and 1588 (not allocated to WMPs)			**202,485**	**66,185**	**190,271**	**1,828**	**583**
Account 1589 (allocated to Non-WMPs)			**(7,335)**	**(24,659)**	**(173,227)**	**(4,385)**	**(1)**
Group 2 Accounts (including 1592, 1532, 1555)			**271,929**	**130,047**	**517,597**	**(4,208)**	**1,367**

[redacted]

2022 Deferral/Variance Account Workform

1a	The year Account 1589 GA was last disposed	2020	
1b	The year Account 1580 CBR Class B was last disposed	2020	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 (regardless of if the disposition was interim or final) to the current year requested for disposition)?	No	(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 (regardless of if the disposition was interim or final) to the current year requested for disposition)?	No	(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.)
3a	Enter the number of transition customer you had during the period the Account 1589 GA or Account 1580 CBR B balance accumulated	-	

Transition Customers - Non-loss Adjusted Billing Determinants by Customer

Customer	Rate Class	

3b	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 (i.e. from the year after the balance was last disposed (regardless of if the disposition was interim or final) to the current year requested for disposition).	5	

In the table, enter
i) the total Class A consumption for full year Class A customers in each rate class for each year, including any transition customer's consumption identified in table 3a above that were Class A customers for the full year before/after the transition year (E.g. If a customer transitioned from Class B to A in 2019, exclude this customer's consumption for 2019 but include this customer's consumption in 2020 as the customer was a Class A customer for the full 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.

Rate Classes with Class A Customers - Billing Determinants by Rate Class

		Transition Customers (Total Class A and B Consumption)	Class A Customer for Full Year (Total Class A Consumption)
Rate Class		Test Year Forecast	Test Year Forecast
GS>50kW	kWh	-	55,203,478
	kW	-	136,698

[redacted]

2022 Deferral/Variance Account Workform

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. 2020

	Total Metered Forecast Consumption Minus WMP		Forecast Total Metered Test Year kWh for Full Year Class A Customers		Forecast Total Metered Test Year kWh for Transition Customers		Metered Consumption for Current Class B Customers (Total Consumption LESS WMP, Class A and Transition Customers' Consumption)		% of total kWh
	kWh	kW	kWh	kW	kWh	kW	kWh	kW	
Residential	137,646,072	-	0	0	0	0	137,646,072	-	53%
GS<50kW	44,991,441	-	0	0	0	0	44,991,441	-	17%
GS>50kW	129,343,138	320,288	55,203,478	136,698	0	0	74,139,660	183,589	29%
Street Lighting	1,242,766	3,496	0	0	0	0	1,242,766	3,496	0%
Unmetered Scattered Load	396,233	-	0	0	0	0	396,233	-	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	-	-	0%
Total	313,619,650	323,784	55,203,478	136,698	-	-	258,416,172	187,085	100%

[redacted]

2022 Deferral/Variance Account Workform

Please indicate the Rate Rider Recovery Period (in months) 24

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

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

Rate Class	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
Residential	kWh	137,646,072	$ 534,825	**0.0019**
GS<50kW	kWh	44,991,441	$ 177,449	**0.0020**
GS>50kW	kW	325,120	$ 524,118	**0.8060**
Street Lighting	kW	3,496	$ 4,937	**0.7061**
Unmetered Scattered Load	kWh	396,233	$ 1,574	**0.0020**
Total			**$ 1,242,904**	

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

1580 and 1588

Rate Class	Units	kW / kWh / # of Customers	Allocated Group 1 Balance - Non-WMP	Rate Rider for Deferral/Variance Accounts
Residential	kWh	137,646,072	$ 202,485	**0.0007**
GS<50kW	kWh	44,991,441	$ 66,185	**0.0007**
GS>50kW	kW	320,288	$ 190,271	**0.2970**
Street Lighting	kW	3,496	$ 1,828	**0.2615**
Unmetered Scattered Load	kWh	396,233	$ 583	**0.0007**
Total			**$ 461,353**	

Only for rate classes with WMP customers are the Deferral/Variance Account Rate Riders for Non-WMP calculated separately in the table above. For all rate classes without WMP customers, balances in Accounts 1580 and 1588 are included in Deferral/Variance Account Rate Riders calculated in the first table above and disposed through a combined Deferral/Variance Account and Rate Rider.

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

1580, Sub-account CBR Class B

Rate Class	Units	kW / kWh / # of Customers	Allocated Sub-account 1580 CBR Class B Balance	Rate Rider for Sub-account 1580 CBR Class B
Residential	kWh	137,646,072	-$ 14,765	- **0.0001**
GS<50kW	kWh	44,991,441	-$ 4,826	- **0.0001**
GS>50kW	kW	183,589	-$ 7,953	- **0.0217**
Street Lighting	kW	3,496	-$ 133	- **0.0191**
Unmetered Scattered Load	kWh	396,233	-$ 43	- **0.0001**
Total			**-$ 27,720**	

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

Rate Rider Calculation for RSVA - Power - Global Adjustment

Balance of Account 1589 Allocated to Non-WMPs

Rate Class	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA - Power - Global Adjustment
Residential	kWh	2,078,984	-$ 7,335	- **0.0018**
GS<50kW	kWh	6,989,108	-$ 24,659	- **0.0018**
GS>50kW	kWh	49,098,250	-$ 173,227	- **0.0018**
Street Lighting	kWh	1,242,766	-$ 4,385	- **0.0018**
Unmetered Scattered Load	kWh	336	-$ 1	- **0.0018**
Total			**-$ 209,607**	

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

Rate Rider Calculation for Group 2 Accounts

Rate Class	Units	# of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
Residential	# of Customers	17,012	$ 271,929	**$ 0.67**
GS<50kW	kWh	44,991,441	$ 130,047	**$ 0.0014**
GS>50kW	kW	325,120	$ 517,597	**$ 0.7960**
Street Lighting	kW	3,496	-$ 4,208	**-$ 0.6018**
Unmetered Scattered Load	kWh	396,233	$ 1,367	**$ 0.0017**
Total			**$ 916,732**	

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 customer basis. Please choose "# of customers" for the **Residential class.**

	Continuity Schedul	Allocation	Calculated	Variance
Group 1 Total	*$ 1,466,930*	*$ 1,466,930*	*$ 1,466,930*	-
Group 2 Total	*$ 916,732*	*$ 916,732*	*$ 916,732*	-

Appendix B – Global Adjustment Analysis Workform

Ontario Energy Board

GA Analysis Workform for 2022 Rate Applications

Version 1.0

Input cells	
Drop down cells	

Utility Name EPCOR ELECTRICITY DISTRIBUTION ONTARIO INC.

Note 1

For Account 1589 and Account 1588, determine if a or b below applies and select the appropriate year related to the account balance in the drop-down box to the right.

a) If the account balances were last approved on a final basis, select the year of the year-end balances that were last approved on a final basis.
b) If the account balances were last approved on an interim basis, and
i) there are no changes to the previously approved interim balances, select the year of the year-end balances that were last approved for diposition on an interim basis. OR
ii) there are changes to the previously approved interim balances, select the year of the year-end balances that were last approved for disposition on a final basis. An explanation should be provided to explain the reason for the change in the previously approved interim balances.

(e.g. If the 2019 balances that were reviewed in the 2021 rate application were to be selected, select 2019)

Year Selected

2020

Instructions:

Year	Annual Net Change in Expected GA Balance from GA Analysis	Net Change in Principal Balance in the GL	Reconciling Items	Adjusted Net Change in Principal Balance in the GL	Unresolved Difference	$ Consumption at Actual Rate Paid	Unresolved Difference as % of Expected GA Payments to IESO
2021	$ (139,382)	$ (344,358)	$ (135,127)	$ (209,231)	$ (69,849)	$ 9,137,602	-0.8%
Cumulative Balance	**$ (139,382)**	**$ (344,358)**	**$ (135,127)**	**$ (209,231)**	**$ (69,849)**	**$ 9,137,602**	**N/A**

Account 1588 Reconciliation Summary

Year	Account 1588 as a % of Account 4705
2021	0.8%

[redacted]

GA Analysis Workform

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

Year		2021		
Total Metered excluding WMP	C = A+B	302,336,174	kWh	100%
RPP	A	186,704,181	kWh	61.8%
Non RPP	B = D+E	115,631,993	kWh	38.2%
Non-RPP Class A	D	50,868,804	kWh	16.8%
Non-RPP Class B*	E	64,763,189	kWh	21.4%

*Non-RPP Class B consumption reported in this table is not expected to directly agree with the Non-RPP Class B Including Loss Adjusted Billed Consumption in the GA Analysis of Expected Balance table below. The difference should be equal to the loss factor.

Note 3 **GA Billing Rate**

GA is billed on the 1st Estimate Note that the GA actual rates for April to June 2020 are based on the unadjusted GA rates, without the impacts of the GA deferral.

Please confirm that the adjusted GA rate was used to bill customers from April to June 2020.
For the months of April to June 2020, the IESO provided adjusted GA rates, which reflected the deferral of a portion of the GA as per the May 1, 2020 Emergency Order, and unadjusted GA rates which did not consider the GA deferral. Yes

Please confirm that the same GA rate is used to bill all customer classes. If not, please provide further details Yes

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

Note 4 **Analysis of Expected GA Amount**

Year 2020

Calendar Month	Non-RPP Class B Including Loss Factor Billed Consumption (kWh)	Deduct Previous Month Unbilled Loss Adjusted Consumption (kWh)	Add Current Month Unbilled Loss Adjusted Consumption (kWh)	Including Loss Adjusted Consumption, Adjusted for Unbilled (kWh)	GA Rate Billed ($/kWh)	$ Consumption at GA Rate Billed	GA Actual Rate Paid ($/kWh)	$ Consumption at Actual Rate Paid	Expected GA Price Variance ($)
	F	G	H	I = F-G+H	J	K = I*J	L	M = I*L	N=M-K
January	6,187,760	6,187,760	6,069,016	6,069,016	0.13331	$ 809,061	0.13307	$ 807,604	$ (1,457)
February	6,066,978	6,066,978	5,732,026	5,732,026	0.16191	$ 928,072	0.12132	$ 695,409	$ (232,663)
March	5,736,153	5,736,153	5,862,571	5,862,571	0.12749	$ 747,419	0.14960	$ 877,041	$ 129,621
April	5,840,401	5,840,401	5,090,071	5,090,071	0.14439	$ 734,955	0.17484	$ 889,948	$ 154,993
May	5,109,913	5,109,913	5,140,264	5,140,264	0.16651	$ 855,905	0.16264	$ 836,013	$ (19,893)
June	5,140,685	5,140,685	5,712,718	5,712,718	0.16410	$ 937,457	0.14472	$ 826,744	$ (110,712)
July	5,712,535	5,712,535	5,914,823	5,914,823	0.11662	$ 689,787	0.12940	$ 765,378	$ 75,591
August	5,915,550	5,915,550	6,524,045	6,524,045	0.14107	$ 920,347	0.09679	$ 631,462	$ (288,885)
September	6,523,232	6,523,232	5,645,802	5,645,802	0.09812	$ 553,966	0.14255	$ 804,809	$ 250,843
October	5,644,532	5,644,532	5,754,756	5,754,756	0.14233	$ 819,074	0.11204	$ 644,763	$ (174,312)
November	5,756,744	5,756,744	5,793,991	5,793,991	0.11850	$ 686,588	0.11367	$ 658,603	$ (27,985)
December	5,792,300	5,792,300	6,118,442	6,118,442	0.10312	$ 630,934	0.11438	$ 699,827	$ 68,894
Net Change in Expected GA Balance in the Year (i.e. Transactions in the Year)	**69,426,782**	**69,426,782**	**69,358,525**	**69,358,525**		**$ 9,313,566**		**$ 9,137,602**	**$ (175,964)**

Annual Non-RPP Class B Wholesale kWh *	Annual Non-RPP Class B Retail billed kWh (excludes April to June 2020)	Annual Unaccounted for Energy Loss kWh	Weighted Average GA Actual Rate Paid ($/kWh)**	Expected GA Volume Variance ($)
O	P	Q=O-P	R	P= Q*R
69,636,200	69,358,525	277,676	0.13174	$ 36,582

Equal to (AQEW - Class A + embedded generation kWh)(Non-RPP Class B retail kwh/Total retail Class B kWh). Note that the data for April to June 2020 should be excluded as the line loss volume variance would be reflected in the reconciling item below for #5 Impacts from GA deferral.
**Equal to annual Non-RPP Class B $ GA paid (i.e. non-RPP portion of CT 148 on IESO invoice) divided by Non-RPP Class B Wholesale kWh (as quantified in column O in the table above). Note that the data for April to June 2020 should be excluded as the line loss volume variance would be reflected in the reconciling item below for #5 Impacts from GA deferral.

Total Expected GA Variance	**$ (139,382)**

Calculated Loss Factor	1.0710
Most Recent Approved Loss Factor for Secondary Metered Customer < 5,000kW	1.071
Difference	**0.0000**

a) Please provide an explanation in the text box below if columns G and H for unbilled consumption are not used in the table above.

EPCOR bills on a calendar month (i.e. consumption used in January is billed in February). As a result, the previous month unbilled amount is reversed and

b) Please provide an explanation in the text box below if the difference in loss factor is greater than 1%

N/A

Note 5 **Reconciling Items**

	Item	Amount	Explanation	Principal Adjustments	
	Net Change in Principal Balance in the GL (i.e. Transactions in the Year)	$ (344,358)		**Principal Adjustment on DVA Continuity Schedule**	**If "no", please provide an explanation**
1a	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - prior year	$ 371,648	Reversal of 2020 RPP Trueup of GA/Power allocation of part of final reconciliation posted in GL in 2021	Yes	
1b	CT 148 True-up of GA Charges based on Actual Non-RPP Volumes - current year	$ (207,453)	RPP second true up for Oct-Dec 2021 posted in 2022	Yes	
2a	Remove prior year end unbilled to actual revenue differences	$ (3,580)		Yes	
2b	Add current year end unbilled to actual revenue differences	$ (34,227)	GA portion of Dec 2021 unbilled revenue was overaccrued by 34k	Yes	
3a	Significant prior period billing adjustments recorded in current year				
3b	Significant current period billing adjustments recorded in other year(s)				
4	CT 2148 for prior period corrections				
5					
6	Remove Prior Year GA Accrual vs. Actual	$ (32,746)	2020 year end accrual of GA costs were underaccrued by $32k. Adjustment posted in 2021.	Yes	
7	GA Accrual vs. Actual	$ 41,485	2021 year end accrual of GA costs was underaccrued by $41k	Yes	
8					
9					
10					
11					

Note 6

Adjusted Net Change in Principal Balance in the GL	$ (209,231)
Net Change in Expected GA Balance in the Year Per Analysis	$ (139,382)
Unresolved Difference	$ (69,849)
Unresolved Difference as % of Expected GA Payments to IESO	-0.8%

[redacted]

Account 1588 Reasonability

Note 7 **Account 1588 Reasonability Test**

Year	Account 1588 - RSVA Power			Account 4705 - Power Purchased	Account 1588 as % of Account 4705
	Transactions[1]	Principal Adjustments[1]	Total Activity in Calendar Year		
2021	- 159,332	352,246	192,914	24,569,578	0.8%
Cumulative	**- 159,332**	**352,246**	**192,914**	**24,569,578**	**0.8%**

Notes

1) The transactions should equal the "Transaction" column in the DVA Continuity Schedule. This is also expected to equal the transactions in the general ledger (excluding transactions relating to the removal of approved disposition amounts as that is shown in a separate column in the DVA Continuity Schedule)
2) Principal adjustments should equal the "Principal Adjustments" column in the DVA Continuity Schedule. Principal adjustments adjust the transactions in the general ledger to the amount that should be requested for disposition.

[redacted]

GA Analysis Workform - Account 1588 and 1589 Principal Adjustment Reconciliation

Note 7 **Breakdown of principal adjustments included in last approved balance:**

Account 1589 - RSVA Global Adjustment

	Adjustment Description	Amount	To be reversed in current application?	Explanation if not to be reversed in current application
1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	(371,648)	Yes	
2	Unbilled to actual revenue differences	3,580	Yes	
3	GA Accrual vs. Actual	32,746	Yes	
4				
5				
6				
7				
8				
	Total	(335,322)		
	Total principal adjustments included in last approved balance	(14,765)		
	Difference	(320,558)		

Account 1588 - RSVA Power

	Adjustment Description	Amount	To be Reversed in Current Application?	Explanation if not to be reversed in current application
1	CT 148 true-up of GA Charges based on actual RPP volumes	371,648	Yes	
2	CT 1142 true-up based on actuals	99,501	Yes	
3	Unbilled to actual revenue differences	(537,039)	Yes	
4	Cost of power accrual for 2019 vs Actual per IESO bill	102,310	Yes	
5				
6				
7				
8				
	Total	36,421		
	Total principal adjustments included in last approved balance	226,831		
	Difference	(190,411)		

Note 8 **Principal adjustment reconciliation in current application**

Notes

1) The "Transaction" column in the DVA Continuity Schedule is to equal the transactions in the general ledger (excluding transactions relating to the removal of approved disposition amounts as that is shown in a separate column in the DVA Continuity Schedule)
2) Any principal adjustments needed to adjust the transactions in the general ledger to the amount that should be requested for disposition should be shown separately in the "Principal Adjustments" column of the DVA Continuity Schedule
3) The "Variance RRR vs. 2019 Balance" column should equal principal adjustments made in the current disposition period. It should not be impacted by reversals from prior year approved principal adjustments.

Complete the table below for the current disposition period. Complete a table for each year included in the balance under review in this rate application. The number of tables to be completed is automatically generated based on data provided in the Information Sheet

Account 1589 - RSVA Global Adjustment

Year		Adjustment Description	Amount	Year Recorded in GL
2020		*Reversals of prior approved principal adjustments (auto-populated from table above)*		
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	371,648.37	2021
	2	Unbilled to actual revenue differences	(3,580.15)	2021
	3	GA Accrual vs. Actual	(32,745.95)	2021
	4			
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	335,322	
2021		*Current year principal adjustments*		
	1	CT 148 true-up of GA Charges based on actual Non-RPP volumes	(207,453)	2022
	2	Unbilled to actual revenue differences	(34,227)	2022
	3	GA Accrual vs. Actual	41,485	2022
	4			
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	(200,195)	
		Total Principal Adjustments to be Included on DVA Continuity Schedule	135,127	

Account 1588 - RSVA Power

Year		Adjustment Description	Amount	Year Recorded in GL
2020		*Reversals of prior approved principal adjustments (auto-populated from table above)*		
	1	CT 148 true-up of GA Charges based on actual RPP volumes	(371,648.37)	2021
	2	CT 1142 true-up based on actuals	(99,501.08)	2021
	3	Unbilled to actual revenue differences	537,038.81	2021
	4	Cost of power accrual for 2019 vs Actual per IESO bill	(102,310.05)	2021
	5			
	6			
	7			
	8			
		Total Reversal Principal Adjustments	(36,421)	
2021		*Current year principal adjustments*		
	1	CT 148 true-up of GA Charges based on actual RPP volumes	207,453	2022
	2	CT 1142 true-up based on actuals	117,655	2022
	3	Unbilled to actual revenue differences	16,648	2022
	4	Cost of power accrual vs Actual per IESO bill for 2021	46,911	2022
	5			
	6			
	7			
	8			
		Total Current Year Principal Adjustments	388,667	
		Total Principal Adjustments to be Included on DVA Continuity Schedule	352,246	

Appendix C – EB-2012-0116 Accounting Order

Collus PowerStream Corp.
EB-2012-0116
October 24, 2013

For greater clarity, this Accounting Order is intended to reflect the Board's Decision in EB-2012-0116. Under that Decision, Collus PowerStream Corp. ("Collus PowerStream") shall establish deferral account 1508, Other Regulatory Assets, Sub-account Stranded Assets Net Book Value ("NBV") which is to be effective immediately.

The purpose of the deferral account is to record the cost of smart meters net of their accumulated depreciation (i.e. "NBV") for meters that must be removed from service before the end of their expected service life and replaced with new meters. This account will also be used to record any sale or insurance proceeds on the meters removed from service.

In the approved Settlement Agreement, the Parties agreed to a deferral account to record the costs of the Sensus ICON model F and model G smart meters ("FG Meters") to be removed from service in 2013 and subsequent years. The Parties also agreed that the disposition of the balance in that deferral account will be considered by the Board at a later date.

The F and G models are the earlier models of the Sensus ICON smart meter. These meters were considered in the Combined Proceeding on authorized discretionary metering activities (EB-2007-0063). In that case the Board determined that the procurement process leading to the purchase of these meters was appropriate and that the meters conformed to the minimum requirements.

The Board has been informed that the FG Meters are exhibiting communication issues that are causing operational issues and are unable to meet new requirements such as data encryption. It has been determined by CollusPowerStream that replacement of the FG Meters is the most cost effective approach to solve these issues. Due to supplier concessions, the installed cost of the new meters will be very similar to the NBV of the older FG Meters being replaced.

The Parties also agreed that the new replacement smart meters should be treated as regular fixed asset additions. No special deferral account treatment has been proposed for the replacement meters.

The replacement meters for 2013 have been included in the calculation of rates. The NBV of FG Meters to be replaced in 2013 has been removed from rates, i.e.

deducted from rate base and related depreciation expense removed from the revenue requirement.

From a rates perspective, replacement of the FG Meters in 2014 onwards, results in taking out the cost of the FG Meters at their NBV and recording it in Account 1508, Other Regulatory Assets, Sub-account Stranded Assets NBV. At the same time a similar cost for the new meters is being added in service. The values of the replaced meters and new meter additions will result in a net effect that will be very slight. As such, for 2014 onwards, there will be no material differences between the meters that will be removed from service but remaining in rate base and the new meter additions in service. Accordingly, the amount in rates for the removed meters is appropriate for the recovery of the cost of the new meters in service but not yet included in rate base.

In the next cost of service application adjustments will be made to the rate base for the exclusion of the removed meters (which are recorded in Account 1508, Other Regulatory Assets, sub-account Stranded Assets NBV) and inclusion of the new in-service meter additions at their net book value. The following table summarizes the number of units to be replaced, the forecast cost of the installed replacement units and the NBV of the meters when taken out of service.

Year	Units replaced	Cost of new replacement meters	NBV of Meters taken out of service
2013 rebasing	1,500	$ 166,250	$ 184,500
2014	1,500	$ 166,250	$ 166,500
2015	1,631	$ 181,041	$ 161,469
Subtotal post rebasing replacements	3,131	$ 347,291	$ 327,969
Total	4,631	$ 513,541	$ 512,469

The NBV of the smart meters removed from service will be recorded in Account 1508 and no depreciation expenses will be recorded for these meters after they have been removed from service. Records will be maintained to support the entries in this account.

Carrying charges will be recorded monthly on the opening principal balance in this account at the Board's prescribed rates, for determination in a future proceeding as to whether these carrying charges should or should not be allowed. The carrying charges

will be recorded in Account 1508, Other Regulatory Assets, Sub-account Stranded Assets Carrying Charges.

The disposition of the balances in sub-accounts “Stranded Assets Net Book Value” and “Carrying Charges” will occur in the next cost of service application or as otherwise directed by the Board in the future, at which point the balances in each sub-account will be subject to a review or Board findings arising from a generic proceeding, if such a proceeding were to occur.

Sample accounting entries:

a) To record the NBV of smart meters taken out of service prematurely in account 1508 for recovery.

Debit	1508	Other Regulatory Assets, Sub-account Stranded Assets NBV
Credit	1860	Meters
Credit	2105	Accumulated depreciation

b) To record the carrying charges monthly on the opening principal balance of the stranded assets NBV sub-account.

Debit	1508	Other Regulatory Assets, Sub-account Stranded Assets Carrying Charges
Credit	4405	Interest and Dividend Income

Appendix D – Proposed RITDA Accounting Order

EPCOR Electricity Distribution Ontario

Accounting Order

Deferral Account for Recovery of Income Taxes

The purpose of the Recovery of Income Taxes Deferral Account ("RITDA") is for EPCOR Electricity Distribution Inc. ("EEDO") to record the difference between the zero cash income taxes included in the revenue requirement in the 2023 Test Year for EB-2022-0028 and the actual income taxes (as calculated at the tax rate in place at the time the application is approved) throughout the Price Cap IR Term, commencing in the year 2023.

Amounts will be recorded in the RITDA on an annual basis only once the loss carry-forward balance for regulatory purposes as identified in Exhibit 6, Tab 1, Schedule 1 Table 6.2-2 of EB-2022-0028 is fully utilized. That amount to be recorded is calculated as the cash income taxes calculated for EEDO, after fully using the loss carry-forward balance for regulatory purposes, based on the tax rate currently in place at the time application EB-2022-0028 is approved.

Audited balances in this account, together with any carrying charges, will be brought forward for approval for disposition on an annual basis.

Simple interest will be computed monthly on the opening balance in the RITDA in accordance with the methodology approved by the Board in EB-2006-0117.

<u>Accounting Entries</u>
To record the difference between the annual actual income taxes payable and the Board approved deemed income taxes:

> Debit/Credit Account No. 1508-10 Other Regulatory Assets sub-account Recovery of Income Taxes Deferral Account ("RITDA")
> Credit/Debit Account No. 6110 Income Tax Expense

To record simple interest on the opening monthly balance of the RITDA using the Board Approved EB-2006-0117 interest rate methodology:

Debit/Credit Account No. 1508-10-01 Other Regulatory Assets sub-account Carrying Charges on Recovery of Income Taxes Deferral Account
Credit/Debit Account No. 4405 Interest and Dividend Income

Rationale for Account

Cost of Service methodology allows for the recovery of taxes in the Test Year. In EB-2022-0028, taxes included in the revenue requirement are zero in the 2023 Test Year. Whereas the year 2023 sets the base for future years' revenue under Price Cap IR, and whereas taxes in subsequent years of the Price Cap IR Plan are expected to be a material positive amount, embedding a zero tax amount in the base revenue requirement does not allow for recovery of cash taxes in 2023 and beyond. This deferral account enables the recording and fair recovery of incurred income tax expenditures over the Price Cap IR Term.

Appendix E – Proposed NBDA Accounting Order

EPCOR Electricity Distribution Ontario

Accounting Order

Deferral Account for Non-Electricity Billing

The purpose of the Non-Electricity Billing Deferral Account ("NBDA") is for EPCOR Electricity Distribution Inc. ("EEDO") to record the difference between the amount of fixed billing costs attributable to non-electricity billing and any actual recoveries of these costs from the non-electricity billing service recipient, if any.

Amounts would only be recorded in this deferral account in the event the billing service agreement between EEDO and the Town of Collingwood is terminated by the Town of Collingwood. Monthly recording in this account would commence as of the termination date of services.

If the billing service agreement is terminated the amount to be recorded on a monthly basis: $\frac{Fixed\ billing\ costs\ attributable\ to\ non-electricity\ billing}{12\ months}$ _ $cost\ recoveries\ from\ the\ Town\ of\ Collingwood\ relating\ to\ fixed\ billing\ costs$

Audited balances in this account, together with any carrying charges, will be brought forward for approval for disposition on an annual basis.

Simple interest will be computed monthly on the opening balance in the NBDA in accordance with the methodology approved by the Board in EB-2006-0117.

<u>Accounting Entries</u>
To record the difference between the annual actual income taxes payable and the Board approved deemed income taxes:

> Debit/Credit Account No. 1508-11 Other Regulatory Assets sub-account Non-Electricity Billing Deferral Account ("NBDA")
> Credit/Debit Account No. 5310/5315 Meter Reading Expense/Customer Billing

To record simple interest on the opening monthly balance of the NBDA using the Board Approved EB-2006-0117 interest rate methodology:

Debit/Credit Account No. 1508-11-01 Other Regulatory Assets sub-account Carrying Charges on Non-Electricity Billing Deferral Account
Credit/Debit Account No. 4405/6035 Interest and Dividend Income/Other Interest Expense

Rationale for Account

In EEDO's calculation of 2023 Test Year distribution revenue requirement, approximately $200k of fixed billing & collecting costs were excluded from the distribution revenue requirement through revenue offsets for billing services provided by outside vendors for activities such as meter reading, bill preparation, and bill fulfillment. Substantially all of the outside vendor billing costs are fixed in nature and would continue to be incurred if non-electricity billing services were terminated. The costs being charged to third parties result in OM&A savings to EEDO ratepayers that would not otherwise exist.