

User Instructions for Completion of 2011 IRM Deferral and Variance Account Workform for Electricity Distributors

Chapter 1 Getting Started

Objective of Workform

Mechanism to calculate an electricity distributor's clearance of Group 1 deferral and variance accounts.

Glossary

Billing Determinants – Are retail components applied against applicable tariffs to determine an end user customer's energy bill.

Scope and Purpose of Instructions

This document is designed to help the user complete the 2011 IRM Deferral and Variance Account Workform.

Tools to Complete Workform

- Chapter 3 of the Filing Requirements for Transmission and Distribution Applications, version 2.0, July 9, 2010
- Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR), July 31, 2009.
- 2009 RRR Filings and proceeding periods, if applicable
- 2006 EDR Decision or subsequent Cost of Service Decisions and Orders

Chapter 2 Using the 2011 IRM Deferral and Variance Account Workform

Format of the Workform

The workform consists of various worksheets, which are password protected. The naming convention for the worksheets is a letter, then a number, and then a title. The input worksheets, where the user is expected to input data, are indicated by green worksheet tabs and cells. Yellow cells indicate a drop down menu, where the user selects their applicable information. The formulaic worksheets, where inputted results are calculated, are indicated by blue worksheet tabs and cells.

Contact Board staff if any problems are to occur.

Completing the Workform

Sheet: A1.1. LDC Information	User Input Required: Yes			
<p>Purpose:</p> <p>Identify applicant's name, application number, and licence number.</p>				
<p>Instructions:</p> <p>User will select their LDC from yellow drop down menu. User will also select from yellow drop down menu, applicable recovery of Global Adjustment as per most recent Board decision.</p> <p>Note: The workform will change (once the user moves off the current worksheet) according to what the user has selected with respect to Global Adjustment. The three scenarios with respect to the application of Global Adjustment are as follows:</p> <table border="1" data-bbox="308 856 1169 1402"> <tr> <td> GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – No Result: Worksheets G1.1a and G1.1b will need to be completed </td> </tr> <tr> <td> GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – Yes Result: Worksheets G1.1a and G1.1c will need to be completed </td> </tr> <tr> <td> GA Recovery Separate Distribution Charge – No GA Recovery as Electricity Component – N/A Result: Worksheet G1.1 will need to be completed </td> </tr> </table>		GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – No Result: Worksheets G1.1a and G1.1b will need to be completed	GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – Yes Result: Worksheets G1.1a and G1.1c will need to be completed	GA Recovery Separate Distribution Charge – No GA Recovery as Electricity Component – N/A Result: Worksheet G1.1 will need to be completed
GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – No Result: Worksheets G1.1a and G1.1b will need to be completed				
GA Recovery Separate Distribution Charge – Yes GA Recovery as Electricity Component – Yes Result: Worksheets G1.1a and G1.1c will need to be completed				
GA Recovery Separate Distribution Charge – No GA Recovery as Electricity Component – N/A Result: Worksheet G1.1 will need to be completed				
Sheet: A2.1 Table of Contents	User Input Required: No			
<p>Purpose:</p> <p>Summarize all the worksheets in the workform.</p>				
<p>Instructions:</p> <p>User does not input any data into this worksheet.</p>				
Sheet: A3.1 Sheet Selection	User Input Required: Yes			
<p>Purpose:</p>				

Customize the workform to specific distributor's situation.	
<p><i>Instructions:</i></p> <p>User will select from the yellow drop down menu "Show" if that particular worksheet is applicable to their LDC. User will select from the same drop down menu "Hide" if that particular worksheet is not applicable to their LDC.</p> <p>Note: The workform will change (once the user moves off the current worksheet) according to what the user has selected to "Show" and "Hide". To avoid phantom data ensure hidden sheets contain no data.</p>	
<i>Sheet:</i> B1.1. 2006 Regulatory Asset Recovery	<i>User Input Required:</i> Yes (if applicable)
<p><i>Purpose:</i></p> <p>Summarize total balance of 2006 regulatory asset recovery.</p>	
<p><i>Instructions:</i></p> <p>User will input audited December 31, 2004 balances into all green highlighted cells.</p> <p>Note: To be completed if LDC has not disposed of 2006 regulatory assets.</p>	
<i>Sheet:</i> B1.2 2006 Regulatory Asset Recovery Proportionate Share	<i>User Input Required:</i> Yes (if applicable)
<p><i>Purpose:</i></p> <p>Calculate breakdown of 2006 regulatory asset claim by rate class.</p>	
<p><i>Instructions:</i></p> <p>User will input number of customers (or connections) from December 31, 2004 into green highlighted cells.</p> <p>Note: To be completed if LDC has not disposed of 2006 regulatory assets.</p>	
<i>Sheet:</i> B1.3 Rate Class and Billing Determinants	<i>User Input Required:</i> Yes
<p><i>Purpose:</i></p> <p>Calculate breakdown of account 1590 (only applies if disposing of 2006 regulatory assets) and 1595 recovery by rate class.</p>	
<i>Instructions</i>	

<p>User will select applicable rate groups and rate class from yellow drop down menu. User will input total number of billed customers (or connections) and total billed kWh or kW as per 2010 forecast. User will input breakdown of total billed kWh non-RPP customers only. User may also input into columns "O" and "Q" residual account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.</p>	
<p><i>Sheet:</i> C1.0 2006 Deferral Variance – Continuity Schedule</p>	<p><i>User Input Required:</i> No (if applicable)</p>
<p><i>Purpose:</i></p> <p>Identify the breakdown of 2006 deferral and variance accounts.</p>	
<p><i>Instructions:</i></p> <p>User does not input any data into this worksheet.</p>	
<p><i>Sheet:</i> C1.1 2008 Board Approved Transfer of 2006 Deferral/Variance account to 1595 COS</p>	<p><i>User Input Required:</i> Yes (if applicable)</p>
<p><i>Purpose:</i></p> <p>Calculate the breakdown of 2008 Board approved disposition of 2006 deferral and variance accounts.</p> <p>Note: Applicable to a 2008 Cost of Service filer with a one year deferral and variance account rate rider.</p>	
<p><i>Instructions:</i></p> <p>User will select from yellow drop down menu Board approved disposition recovery (or refund) sunset date. User will select from second yellow drop down menu and indicate if rate rider recovery (or refund) is complete. User will input principal and interest amounts for each Group 1 and 2 accounts. User will also input principal and interest amount for each applicable rate rider recovery (or refund) period.</p>	
<p><i>Sheet:</i> C1.2 2009 Board Approved Transfer of 2007 Deferral/Variance account to 1595 COS</p>	<p><i>User Input Required:</i> Yes (if applicable)</p>
<p><i>Purpose:</i></p> <p>Calculate the breakdown of 2009 Board approved disposition of 2007 deferral and variance accounts.</p>	

<p>Instructions:</p> <p>User will select from yellow drop down menu Board approved disposition recovery (or refund) sunset date. User will input principal and interest amounts for each Group 1 and 2 accounts. User will also input principal and interest amount for each applicable rate rider recovery (or refund) period.</p>	
<p>Sheet: C1.3 2010 Board Approved Transfer of 2008 Deferral/Variance account to 1595 COS</p>	<p>User Input Required: Yes (if applicable)</p>
<p>Purpose:</p> <p>Calculate the breakdown of 2010 Board approved cost of service disposition of 2008 deferral and variance accounts.</p>	
<p>Instructions:</p> <p>User will select from yellow drop down menu Board approved disposition recovery (or refund) sunset date. User will input principal and interest amounts for each Group 1 and 2 accounts. User will also input principal and interest amount for each applicable rate rider recovery (or refund) period.</p>	
<p>Sheet: C1.4 2010 Board Approved Transfer of 2008 Deferral/Variance account to 1595 IRM</p>	<p>User Input Required: Yes (if applicable)</p>
<p>Purpose:</p> <p>Calculate the breakdown of 2010 Board approved IRM disposition of 2008 deferral and variance accounts.</p>	
<p>Instructions:</p> <p>User will select from yellow drop down menu Board approved disposition recovery (or refund) sunset date. User will input principal and interest amounts for each Group 1 accounts. User will also input principal and interest amount for each applicable rate rider recovery (or refund) period.</p>	
<p>Sheet: D1.1 Deferral Variance – Continuity Schedule 2005</p>	<p>User Input Required: Yes (if applicable)</p>
<p>Purpose:</p> <p>Calculate the difference between closing December 31, 2005 Group 1 deferral and variance accounts with audited RRR filing amount as of December 31, 2005.</p>	

<p><i>Instructions:</i></p> <p>User will input both 2005 addition and reduction transactions with respect to Group 1 accounts. User will input any 2005 Board instructed adjustments and miscellaneous adjustments. User will input interest accrued for Group 1 accounts for the period January 1 to December 31, 2005. User will also input audited RRR filing amount for all Group 1 accounts as of December 31, 2005.</p>	
<p><i>Sheet:</i> D1.2 Deferral Variance – Continuity Schedule 2006</p>	<p><i>User Input Required:</i> Yes (if applicable)</p>
<p><i>Purpose:</i></p> <p>Calculate the difference between closing December 31, 2006 Group 1 deferral and variance accounts with audited RRR filing amount as of December 31, 2006.</p>	
<p><i>Instructions:</i></p> <p>User will input both 2006 addition and reduction transactions with respect to Group 1 accounts. User will input any 2006 Board instructed adjustments and miscellaneous adjustments. User will input interest accrued for Group 1 accounts for the period January 1 to December 31, 2006. User will also input audited RRR filing amount for all Group 1 accounts as of December 31, 2006.</p>	
<p><i>Sheet:</i> D1.3 Deferral Variance – Continuity Schedule 2007</p>	<p><i>User Input Required:</i> Yes (if applicable)</p>
<p><i>Purpose:</i></p> <p>Calculate the difference between closing December 31, 2007 Group 1 deferral and variance accounts with audited RRR filing amount as of December 31, 2007.</p>	
<p><i>Instructions:</i></p> <p>User will input both 2007 addition and reduction transactions with respect to Group 1 accounts. User will input any 2007 Board instructed adjustments and miscellaneous adjustments. User will input interest accrued for Group 1 accounts for the period January 1 to December 31, 2007. User will also input audited RRR filing amount for all Group 1 accounts as of December 31, 2007.</p>	
<p><i>Sheet:</i> D1.4 Deferral Variance – Continuity Schedule 2008</p>	<p><i>User Input Required:</i> Yes (if applicable)</p>
<p><i>Purpose:</i></p> <p>Calculate the difference between closing December 31, 2008 Group 1 deferral and</p>	

variance accounts with audited RRR filing amount as of December 31, 2008.	
<p><i>Instructions:</i></p> <p>User will input both 2008 addition and reduction transactions with respect to Group 1 accounts. User will input any 2008 Board instructed adjustments and miscellaneous adjustments. User will input interest accrued for Group 1 accounts for the period January 1 to December 31, 2008. User will also input audited RRR filing amount for all Group 1 accounts as of December 31, 2008.</p>	
Sheet: D1.5 Deferral Variance – Continuity Schedule 2009	User Input Required: Yes
<p><i>Purpose:</i></p> <p>Calculate the difference between closing December 31, 2009 Group 1 deferral and variance accounts with audited RRR filing amount as of December 31, 2009.</p>	
<p><i>Instructions:</i></p> <p>User will input both 2009 addition and reduction transactions with respect to Group 1 accounts. User will input any 2009 Board instructed adjustments and miscellaneous adjustments. User will input interest accrued for Group 1 accounts for the period January 1 to December 31, 2009. User will input deferral and variance disposition balances (i.e. 2008 balances disposed of in a 2010 Decision) into column “AF”. User will also input audited RRR filing amount for all Group 1 accounts as of December 31, 2009.</p>	
Sheet: D1.6 Deferral Variance – Continuity Schedule Final	User Input Required: Yes
<p><i>Purpose:</i></p> <p>Calculate the total claim for Group 1 accounts for current year.</p>	
<p><i>Instructions:</i></p> <p>User will input current 2010 adjustments to Group 1 accounts into column “B”, if applicable. User will input 2008 Board approved interest on Group 1 accounts, prior to January 1, 2010 transfer. User will input forecasted interest on December 31, 2009 Group 1 account balances from January 1, 2010 to December 31, 2010 and from January 1, 2011 to April 30, 2011.</p>	
Sheet: E1.1 Threshold Test	User Input Required: No
<p><i>Purpose:</i></p>	

Calculate if the Group 1 audited account balances exceed the preset disposition threshold of \$0.001 per kWh.	
<i>Instructions:</i> User does not input any data into this worksheet.	
<i>Sheet:</i> F1.1 Cost Allocation – kWh	<i>User Input Required:</i> No
<i>Purpose:</i> Summarize allocation of Group 1 accounts to be disposed of by rate classes per kWh (excludes global adjustment sub-account).	
<i>Instructions:</i> User does not input any data into this worksheet.	
<i>Sheet:</i> F1.2 Cost Allocation – Non-RPP kWh	<i>User Input Required:</i> No
<i>Purpose:</i> Summarize allocation of global adjustment sub account to be disposed of by non-RPP rate classes per kWh.	
<i>Instructions:</i> User does not input any data into this worksheet.	
<i>Sheet:</i> F1.3 Cost Allocation – 1590	<i>User Input Required:</i> No
<i>Purpose:</i> Summarize allocation of account 1590 to be disposed of by rate class.	
<i>Instructions:</i> User does not input any data into this worksheet	
<i>Sheet:</i> F1.4 Cost Allocation – 1595	<i>User Input Required:</i> No
<i>Purpose:</i> Summarize allocation of account 1595 to be disposed of by rate class.	
<i>Instructions:</i> User does not input any data into this worksheet.	

<i>Sheet:</i> G1.1a Calculation of Deferral Variance Recovery Rate Rider without Global Adjustment	<i>User Input Required:</i> Yes (if applicable)
<i>Purpose:</i> Calculate deferral and variance account rate rider to be disposed of (excluding global adjustment) by rate class.	
<i>Instructions:</i> User will select from yellow drop down menu recovery period (in years) for proposed rate rider.	
<i>Sheet:</i> G1.1b Calculation of Delivery Component Global Adjustment Rate Rider	<i>User Input Required:</i> Yes (if applicable)
<i>Purpose:</i> Calculate delivery component of global adjustment rate rider.	
<i>Instructions:</i> User will select from yellow drop down menu recovery period (in years) for proposed rate rider.	
<i>Sheet:</i> G1.1c Calculation of Energy Component Global Adjustment Rate Rider	<i>User Input Required:</i> Yes (if applicable)
<i>Purpose:</i> Calculate energy component global adjustment rate rider to be disposed of by non-RPP customers.	
<i>Instructions:</i> User will select from yellow drop down menu recovery period (in years) for proposed rate rider.	
<i>Sheet:</i> G1.2 Request for Clearance of Deferral and Variance Accounts	<i>User Input Required:</i> No
<i>Purpose:</i> Summarize all Group 1 account amounts and interest amounts to be disposed of.	
<i>Instructions:</i>	

User does not input any data into this worksheet.

Submitting the Completed Workform

User should save completed workform and submit electronic version and hard copy print out through the Board's online e-Filing services and with the Board Secretary's Office.