

LDC Settlement of RPP and Global Adjustment

September 28, 2009

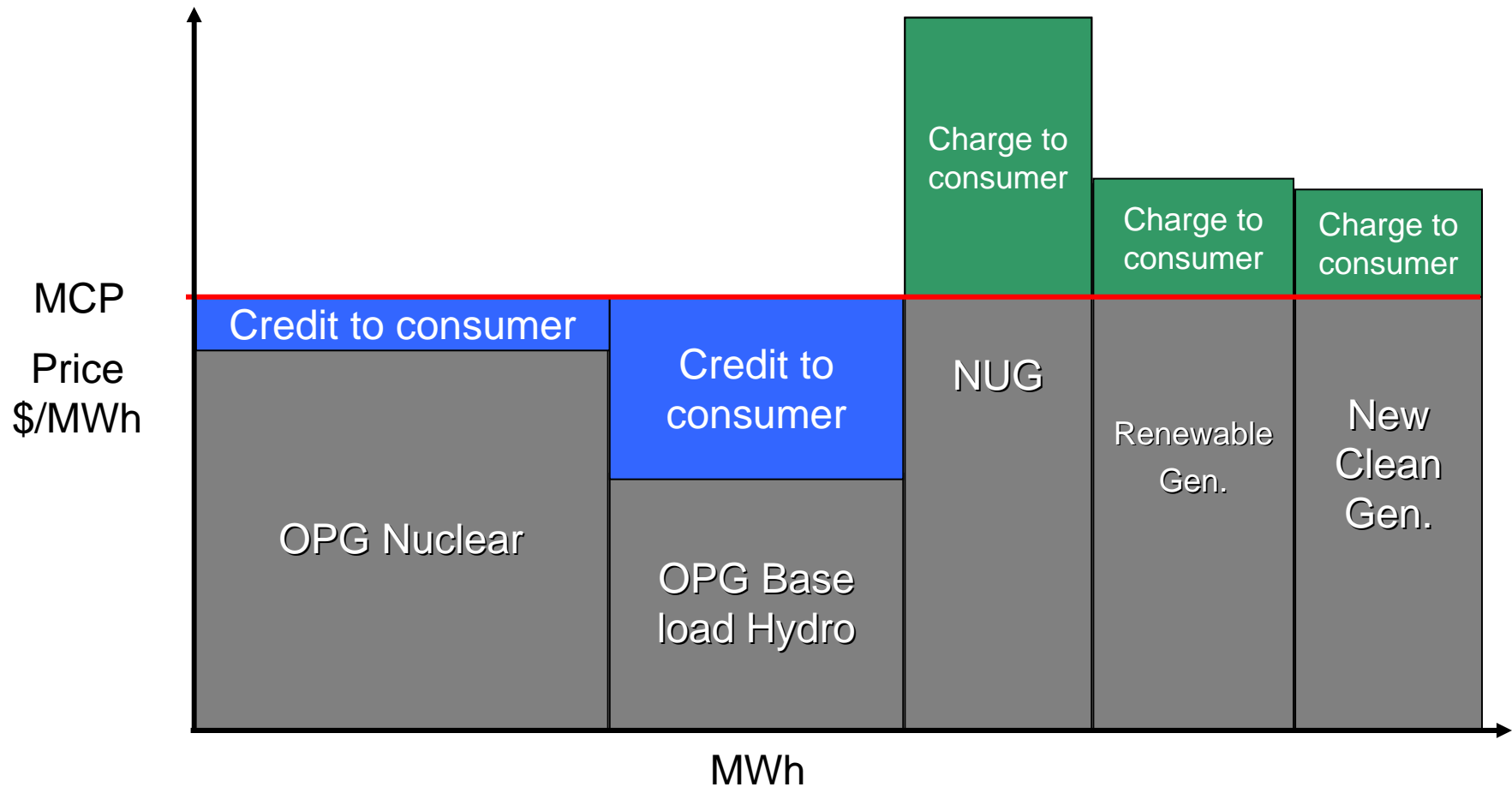


What is the Global Adjustment



- The Global Adjustment is the difference between the total payments made to certain contracted or regulated generators less any market revenues plus payments for conservation and demand management programs:
 - OPG's nuclear and base load hydro-electric assets have regulated prices
 - Non-utility generators (NUGS) have contract prices
 - Government directed contracts and initiatives
 - Demand response and renewable energy programs
- Called the “Provincial Benefit” at the retail level 3

Global Adjustment Concept



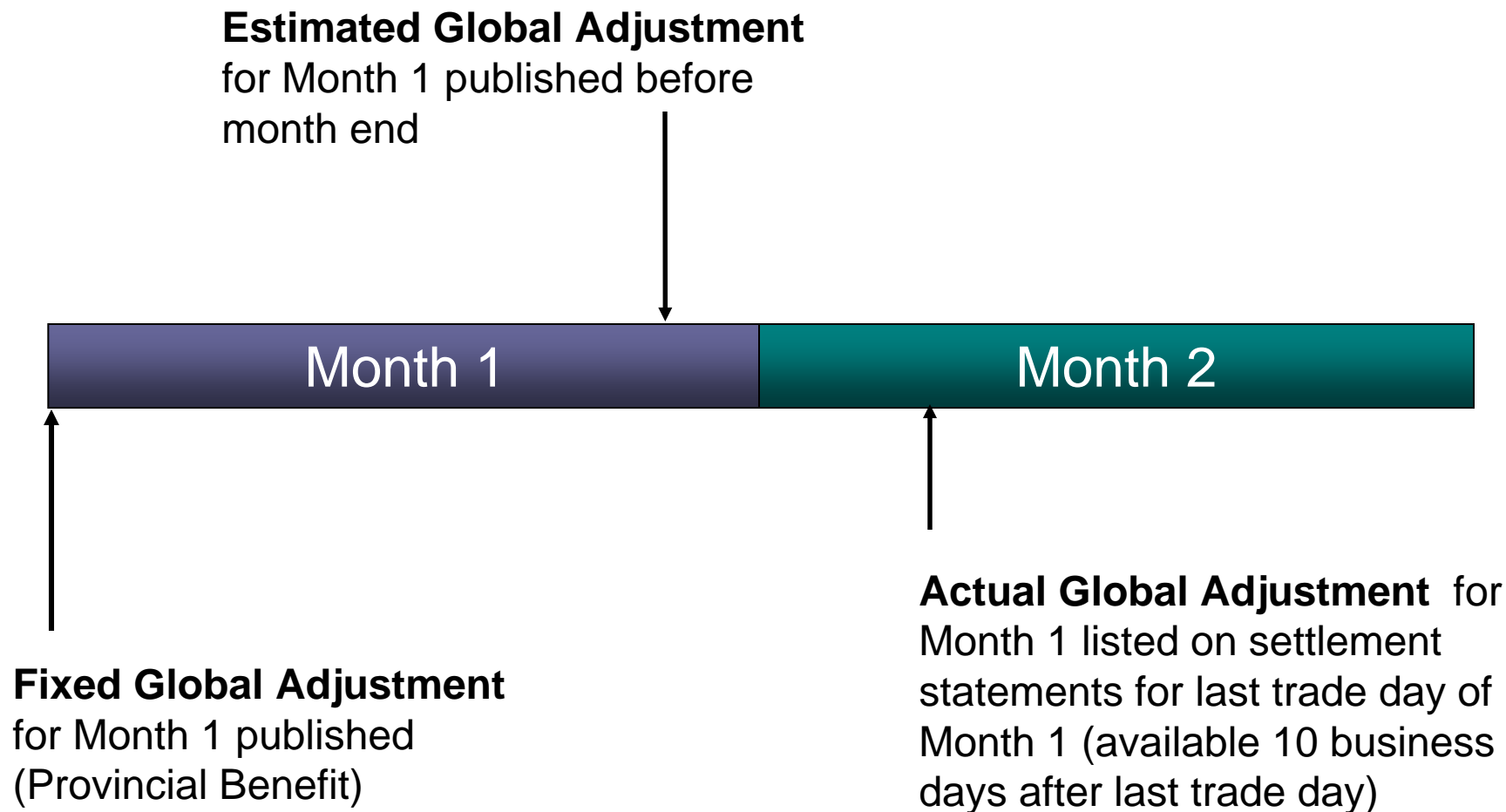
The overall relationship among GA components is demonstrated in the graph above.

Settlement of the Global Adjustment:

- The GA is allocated among Market Participants based on their share of the Ontario load, including for LDCs, embedded generation
- LDCs are responsible for submitting Embedded Generation values to the IESO.
- The GA is applied via charge type 146
- The GA collected or paid is offset to the OPA in charge type 196

Contributing Charges to the Global Adjustment			
Market Payments/Credits to Generators/Program Participants		Offset Payment /Credit to the OPA	
143	NUG Contract Adjustment Settlement Amount	193	NUG Contract Adjustment Balancing Amount
144	Regulated Nuclear Generation Adjustment Amount	194	Regulated Nuclear Generation Balancing Amount
145	Regulated Hydroelectric Generation Adjustment Amount	195	Regulated Hydroelectric Generation Balancing Amount
147	Clean Generation and Demand-Side Projects Settlement Amount (pending implementation)	197	Clean Generation and Demand-Side Projects Balancing Amount
148	Renewable Generation Settlement Amount (pending implementation)	198	Renewable Generation Balancing Amount
1330 - 1336	DR2 Program Payments to Program Participants	1380 - 1386	DR2 Program Offset charges to the OPA
1340 - 1348	DR3 Program Payments to Program Participants	1390 - 1398	DR3 Program Offset charges to the OPA
1400	OPA Contract Adjustment Settlement Amount	1450	OPA Contract Adjustment Balancing Amount
1410	Renewable Energy Standard Offer Program Settlement Amount	1460	Renewable Energy Standard Offer Program Balancing Amount
1411	Clean Energy Standard Offer Program Settlement Amount	1461	Clean Energy Standard Offer Program Balancing Amount
1412	Feed-In Tariff Program Settlement Amount	1462	Feed-In Tariff Balancing Amount
Global Adjustment			
Payment/Credit to Market Loads		Offset Payment /Credit to the OPA	
146	Global Adjustment Settlement Amount	196	Global Adjustment Balancing Amount

Global Adjustment Publications



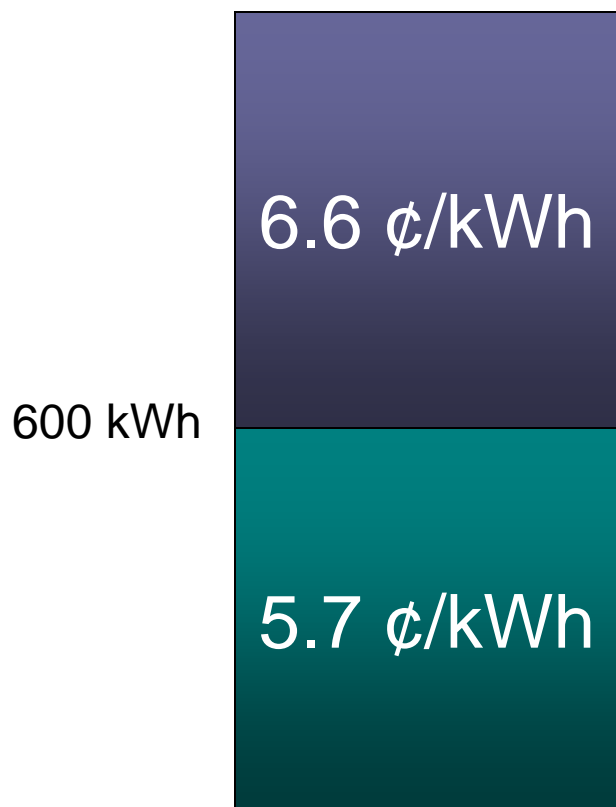
LDC Regulated Price Plan and Global Adjustment Data Submissions



- RPP prices are fixed for six month periods:
 - Smooths energy costs
 - Intended to be self-supporting over time compared to the underlying cost of energy. Prices include estimate of energy cost plus or minus funds to balance variance account from previous period
 - Effectively market energy price (HOEP) plus Global Adjustment
- Covers:
 - Load using less than 250,000 kWh/year
 - Municipal facilities, universities, colleges, schools, hospitals, and farms (until November 1, 2009)

Regulated Prices for Non-Interval Metered Residential RPP Consumers

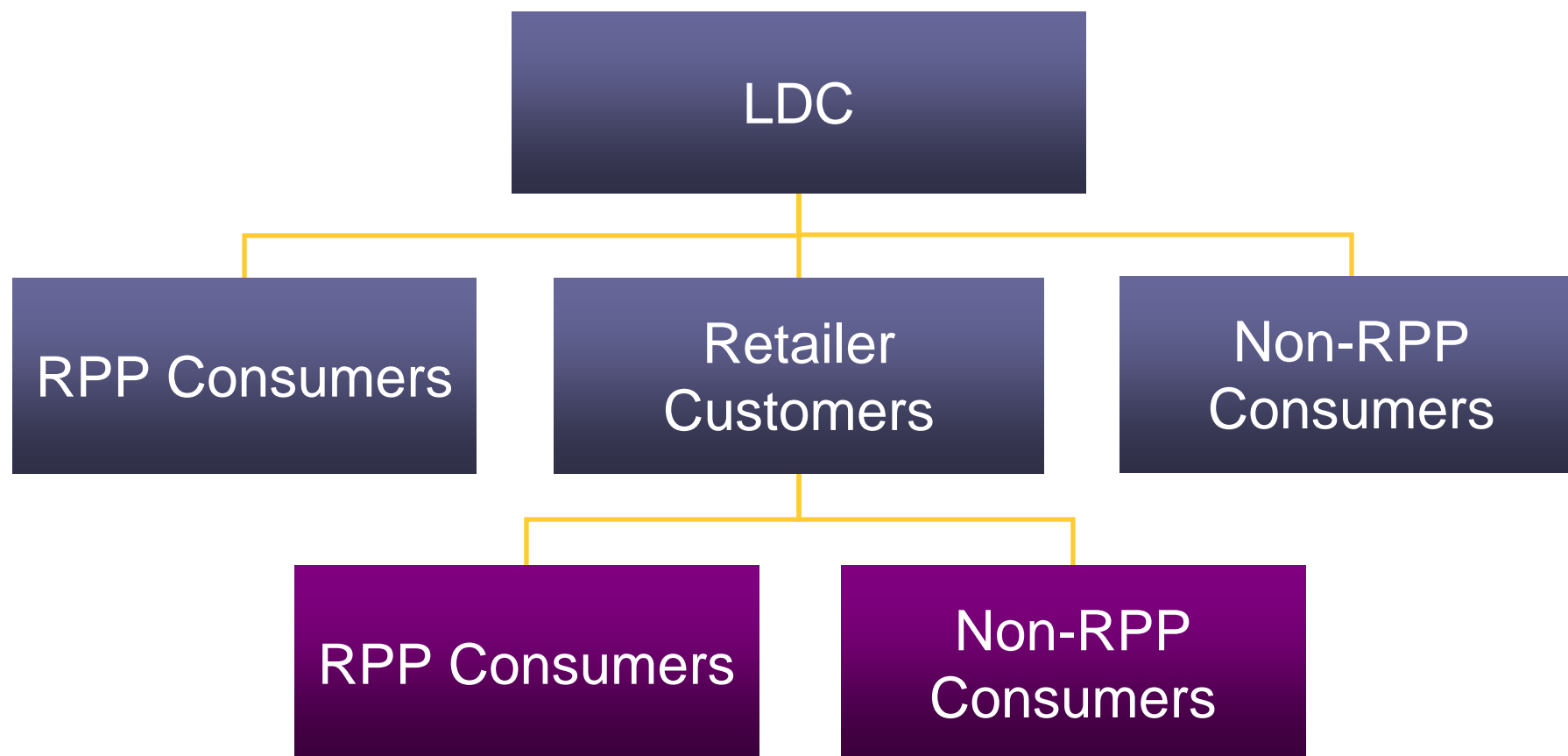
May 1 – Oct. 31, 2009



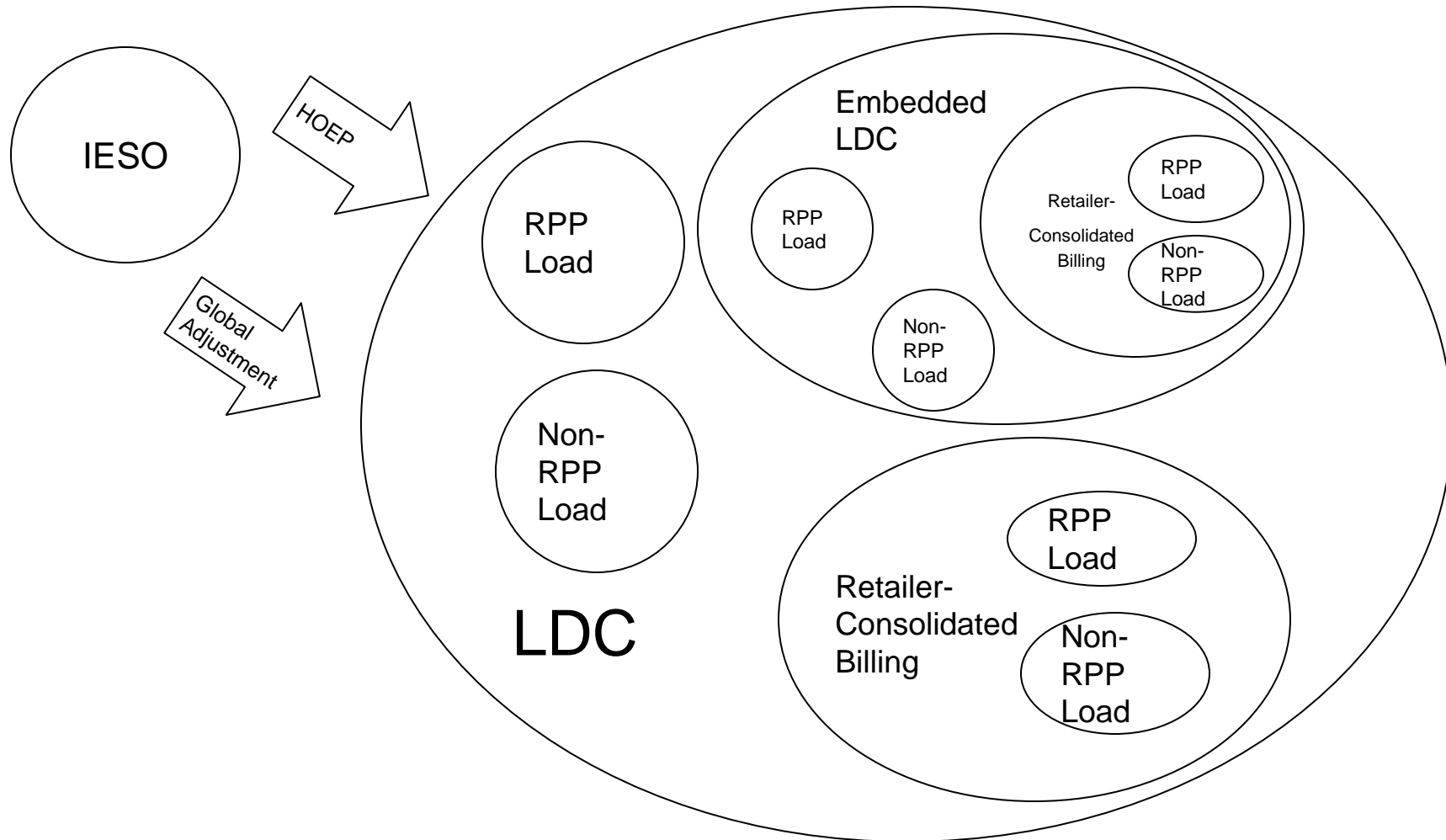
Nov. 1, 2008 – April 30, 2009



Customers Settled by an LDC



Customers Settled by an LDC



- Non-RPP consumers are billed for the Global Adjustment (i.e., Provincial Benefit)
 - Use the Provincial Benefit to bill during the month
 - Provincial Benefit for the upcoming month is published on the “Settlements” page of our website
- Bill non-RPP consumers:

Hourly Ontario Energy Price (HOEP) + Provincial Benefit

RPP Variance Account (Held by OPA)

$[RPP - (HOEP + GA)]$
Charge Type 192

IESO

HOEP + GA

$[RPP - (HOEP + GA)]$
Reported via portal
Charge Type 142

LDC

RPP rates

RPP Consumers

Global Adjustment Publications and Uses

Estimated Global Adjustment
for Month 1 published on the last
business day of the month

Used to submit variance to IESO for RPP
customers within 4 business days of
month end



Fixed Global Adjustment
for Month 1 published
Used to bill non-RPP customers
& retailers using retailer-
consolidated billing

Actual Global Adjustment for
Month 1 listed on settlement
statements for last trade day of
Month 1 (available 10 business
days after last trade day)

RPP Variance Submission

Any given monthly RPP Variance Submission to the OPA includes:

- The best estimate for the variance for the month that just ended – RPP load, HOEP, and GA rate
- The submission is both \$ and kWh for each RPP tier. Also the number of RPP customers

Plus

- Any true ups from previous months that have been calculated now that the Actual cost (HOEP and GA) to supply the actual RPP load is known (\$ only).

The LDC submits RPP variance amounts for:

- Directly connected RPP customers
- RPP customers in an Embedded LDC (value are provided by the Embedded LDC)
- RPP customers of a Retailer Consolidated Billing Account connected to the LDC (values provided by the RCB)
- RPP customers of a Retailer Consolidated Billing Account connected to the Embedded LDC (values provided by the Embedded LDC)



RPP Variance: Conventional Meters

Power to Ontario.
On Demand.



ieso

Power to Ontario. On Demand.

Regulated Price Plan vs. Market Price - Variance for Conventional Meters

(Formerly Boxes 1 to 16 of Form 1598: "Regulated Price Information - Conventional Meters")



Market Participant Name: **Powercorp**

Market Participant ID: **123456**

Date Submitted: Not Yet Submitted

Submitter:

ONLSFUT1

Settlement Period:

May 2008

Go To:

- Licensed distributors variance amounts
- Embedded distributors variance amounts
- Retailers using retailer-consolidated billing variance amounts
- Retailers using retailer-consolidated variance amounts, embedded distributor
- Licensed distributors, retailer-consolidated billing variance between fixed and actual global adjustment
- Embedded distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Submit

Submission Window: IS NOW CLOSED

Licensed distributors variance amounts

Number of Regulated Consumers

Payments to IESO

Payments from IESO

First Tier

\$

kWh

\$

kWh

Second Tier

\$

kWh

\$

kWh

To Top



iesoRPP Variance: Smart Meters

Power to Ontario.
On Demand.



Power to Ontario. On Demand.

Regulated Price Plan vs. Market Price - Variance for Smart Meters

(Formerly Boxes 29 to 55 of Form 1598: "Regulated Price Information - Smart Meters")



Market Participant Name: **Powercorp**

Market Participant ID: **123456**

Date Submitted: Not Yet Submitted

Submitter: ONLSFUT1

Settlement Period: May 2008

Go To:

Licensed distributors variance amounts

Embedded distributors variance amounts

Retailers using retailer-consolidated billing variance amounts

Retailers using retailer-consolidated variance amounts, embedded distributor

Licensed distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Embedded distributors, retailer-consolidated billing variance between fixed and actual global adjustment

[Submit](#)

Submission Window: IS NOW CLOSED

Licensed distributors variance amounts

Number of Regulated Consumers

Payments to IESO

Off Peak

Mid Peak

On Peak

\$

kWh

\$

kWh

\$

kWh

Payments from IESO

Off Peak

Mid Peak

On Peak

\$

kWh

\$

kWh

\$

kWh

[To Top](#)

LDC Global Adjustment Variance

The LDC submits a Global Adjustment variance amount for RPP loads in a Retailer Consolidated Billing account.

This payment is to true up the portion of the GA charged to the RCB for RPP customers (Fixed GA vs. Actual) as there is no such true up between the LDC and RCB. (\$ and kWh)

LDC Global Adjustment Variance

Regulated Price Plan vs. Market Price - Variance for Conventional Meters

(Formerly Boxes 1 to 16 of Form 1598: "Regulated Price Information - Conventional Meters")



Market Participant Name: **Powercorp**

Market Participant ID: **123456**

Submitter: **ONLSFUT1**

Date Submitted: **Not Yet Submitted**

Settlement Period: **May 2008**

Go To:

[Licensed distributors variance amounts](#)

[Embedded distributors variance amounts](#)

[Retailers using retailer-consolidated billing variance amounts](#)

[Retailers using retailer-consolidated variance amounts, embedded distributor](#)

[Licensed distributors, retailer-consolidated billing variance between fixed and actual global adjustment](#)

[Embedded distributors, retailer-consolidated billing variance between fixed and actual global adjustment](#)

Licensed distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Payments to IESO		Payments from IESO		
\$	<input type="text"/>	\$	<input type="text"/>	To Top
kWh	<input type="text"/>	kWh	<input type="text"/>	

Embedded distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Payments to IESO		Payments from IESO		
\$	<input type="text"/>	\$	<input type="text"/>	To Top
kWh	<input type="text"/>	kWh	<input type="text"/>	

[Submit](#)

Submission Window: IS NOW CLOSED



iesoRPP Variance: Smart Meters

Power to Ontario.

On Demand Licensed distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Payments to IESO

Off Peak

\$

kWh

Payments from IESO

Off Peak

\$

kWh

[To Top](#)

Embedded distributors, retailer-consolidated billing variance between fixed and actual global adjustment

Payments to IESO

Off Peak

\$

kWh

Payments from IESO

Off Peak

\$

kWh

[To Top](#)

[Submit](#)

Submission Window: IS NOW CLOSED

Retailer Payments for Contracts in effect before RPP



Retailer Payments

- Contracts with low volume and designated consumers in place before RPP (November 11, 2002) treated like RPP customers.
- Retailers are paid the difference between the Contract Price and HOEP or their profit
- This amount is submitted to the OPA through the IESO using charge types 149 and 199 (\$, kWh, and #of customers)
- Covered by the OPA administration fee – is not part of the RPP variance account

Like the RPP the submissions to the IESO are:

- A mix of current month estimates and true ups
- Differentiated between directly connected customers and those in an RCB or Embedded LDC

Retailer Payments for Contract Price vs. HOEP for Regulated Consumers with a Retail Contract (signed before Nov. 11, 2002)

(Formerly Boxes 17-28 and 45-56 of Form 1598)



Market Participant Name: **Powercorp**
 Market Participant ID: **123456**
 Date Submitted: Not Yet Submitted

Submitter: **ONLSFUT1**
 Settlement Period: **May 2008**

[Submit](#) Submission Window: IS NOW CLOSED

Retailers using Distributor-consolidated Billing

Number of Regulated Consumers		5000		
	Payments to IESO		Payments from IESO	
\$	<input type="text"/>	\$	40000	To Top
kWh	<input type="text"/>	kWh	5000000	

Retailers using Distributor-consolidated Billing with Embedded Distributor

Number of Regulated Consumers		<input type="text"/>		
	Payments to IESO		Payments from IESO	
\$	<input type="text"/>	\$	<input type="text"/>	To Top
kWh	<input type="text"/>	kWh	<input type="text"/>	

Retailer Payments 2

Retailers using Retailer-consolidated Billing

Number of Regulated Consumers		<input type="text"/>		
	Payments to IESO		Payments from IESO	
\$	<input type="text"/>	\$	<input type="text"/>	To Top
kWh	<input type="text"/>	kWh	<input type="text"/>	

Retailers using Retailer-consolidated Billing with Embedded Distributor

Number of Regulated Consumers		<input type="text"/>		
	Payments to IESO		Payments from IESO	
\$	<input type="text"/>	\$	<input type="text"/>	To Top
kWh	<input type="text"/>	kWh	<input type="text"/>	

Submission Window: IS NOW CLOSED

Questions

