**Purpose:**

To calculate an approximate expected balance in Account 1589 RSVA - GA and compare the expected amount to the amount in the General Ledger. Material differences between the two need to be reconciled and explained on an annual basis. Materiality is assessed on an annual basis based on a threshold of +/- 1% of the annual IESO GA charges.

Note that this is a generic analysis template, utilities may need to alter the analysis as needed for their specific circumstances. Any alterations to the analysis must be clearly disclosed and explained.

**Steps for completing the GA Analysis WorkForm:**

1. Complete Appendix A, GA Methodology description attached to the end of these instructions.
2. Complete the Information Sheet:
3. From the drop-down box, select your Utility Name. This selection will result in pre-populating RRR data for Note 2, i.e. Consumption Data Excluding Loss Factor in the WorkForm (see 2b below).
* ***NB***: The purpose of the Consumption Data table is to validate the accuracy of the kWh quantities used to calculate the expected net transactions in account 1589 RSVA -GA for the calendar year.
* kWh Consumption data will auto-populate for years 2017 onwards. For years before 2017, the kWh Consumption Data Excluding Loss Factor must be manually input. The data should agree to the RRR data reported, where applicable (i.e. Total Metered excluding WMP, RPP and non-RPP).
1. Under Note 1, check off the years over which GA balances have accumulated since they were last disposed (on interim or final basis), regardless of whether or not the balances are proposed for disposition in the current proceeding. A WorkForm sheet will open up for each year selected.
2. Under Note 2 of the GA Analysis WorkForm generated for 2017 onwards, review the pre-populated RRR data and confirm that it is accurate. If not, please explain the discrepancy.
3. Under Note 3, from the drop-down box, select the GA Billing Rate (i.e. 1st Estimate, 2nd Estimate or Actual). This selection will result in populating Column J GA Rate Billed ($/kWh) in the table under Note 4. Also confirm that the utility uses the same rate for recording unbilled revenues entry by checking off the check box. If not confirmed, please explain.
* ***NB***: The same GA rate is to be used for all non-RPP Class B customers within a customer class (per O.Reg 429/04, section 16(3)).
1. Under Note 4, complete columns F, G and H of the Table based on calendar month consumption.
	* ***NB:*** The WorkForm requires kWh volumes for revenues and expenses on a calendar month basis. It assumes kWh volumes sold adjusted for losses are equal to purchased kWh volumes based on the following formula: Billed kWh for the current calendar month’s consumption minus prior month’s kWh consumption billed in the current month month plus current month’s kWh consumption billed in subsequent months.
2. The WorkForm will calculate the Loss Factor based on the data in Notes 2 and 4. The calculated loss factor should not be significantly different from the approved loss factor for that particular year. If it is, an explanation should be provided.

Description of Columns in the table:

|  |  |
| --- | --- |
| *Column F* | The consumption column is for monthly non-RPP Class B kWh consumption billed (including losses). Total annual consumption is expected to differ from the Consumption Data Table (Note 2) by the loss factor. Utilities are expected to ensure that the difference in consumption between that in column F and the Consumption Data Table are reasonable. |
| *Column G* | Prior month’s consumption billed in the current month to be deducted. Note that not all monthly non-RPP Class B unbilled consumption may be readily available. Some estimates or allocations may be required to determine a portion of this data. |
| *Column H* | Current month’s consumption that was billed in a subsequent month is to be added. Note that not all monthly non-RPP Class B unbilled consumption may be readily available. Some estimates or allocations may be required to determine a portion of this data. |
| *Column J* | GA rates billed to customers will be auto-populated once the distributor selects the billed rate in Step 3 above. |
| *Column L* | The Actual GA rates billed by the IESO will be auto-populated. |

1. Note 5: Reconciling Items

The purpose of this section is to reconcile the difference between:

* 1. the expected net transactions for the year calculated in the WorkForm for Account 1589, and
	2. the net transactions recorded in the distributor’s General Ledger.

Reconciling items will be considered for each year requested for disposition.

1. Input the Net Change in Principal Balance in the GL:

This should equal the GA flow-through transactions recorded in Account 1589 for the year. [***N.B****.*: Please do not include dispositions in this number]

**Reconciling items:**

**1a. True-up of GA Charges based on Actual Non-RPP Volumes – prior year:**

True up of prior year non-RPP consumption impacting Account 1589 are to be shown as reconciling items and are to be determined as follows (assuming that the impact of prior year true-ups was not recorded in the GL until the current year):

* + The monthly GA costs that would have been recorded in the General Ledger would have been initially accrued per Charge Type 148 Global Adjustment from the IESO bill, and based on estimated Class B non-RPP customer kWh volumes multiplied by the IESO actual GA price per kWh for that particular month.
	+ The reconciling item relating to the prior year's true up for Account 1589 would be calculated as the difference between i) the actual Class B non-RPP volumes for the prior year (determined in the current year) multiplied by the IESO Actual GA Rate per kWh, and ii) the estimated Class B non-RPP volumes from the prior year multiplied by the IESO Actual GA Rate per kWh.

***NB****:* there may be multiple amounts included in this reconciling item depending on how many months of true-ups were not reflected in the General Ledger balance of Account 1589 as of December 31, 2017.

Example:

Balances for disposition are as of December 31, 2018 (also referred to as “current year”)

Data used in true-up of Class B Non-RPP volumes for December 2017:

* Estimated Class B non-RPP volumes - 275,000,000 kWh
* Actual Class B non-RPP volumes - 296,759,443 kWh
* IESO Global Adjustment Actual Rate - $0.1000/kWh

The estimate of GA costs for non-RPP Class B customers for December 2017 would have been $27,500,000. The actual GA cost for non-RPP Class B customers for December 2017 was $29,675,944. If the true-up was not reflected in the 2017 General Ledger, $2,175,944 should be added as an true-up reconciling adjustment for in the 2017 GA Analysis WorkForm. In addition, $2,175,944 should be included as a principal adjustment to the 2017 DVA Continuity Schedule of the Cost of Service or IRM rate application.

In the 2018 GA Analysis WorkForm, the $2,175,944 adjustment would have to be reversed and shown as ($2,175,944).

**1b. True-up of GA Charges based on Actual Non-RPP Volumes – current year (i.e. 2018):**

Current year true-up of Class B Non-RPP GA volumes impacting Account 1589 are to be shown as reconciling items and are to be determined as follows (assuming that the impact of true-ups was not recorded in the GL until the following calendar year, (i.e. 2019 in this example):

* + The GA costs in the General Ledger would have been initially recorded per Charge Type 148 Global Adjustment from the IESO bill, and based on initially estimated Class B non-RPP customer kWh volumes multiplied by the IESO actual GA price per kWh for the month.
	+ The reconciling item relating to the current year's (i.e. 2018) true up for Account 1589 would be calculated as the difference between i) the actual Class B non-RPP volumes for the current year (determined in the subsequent year, i.e. 2019) multiplied by the IESO Actual GA Rate per kWh, and ii) the estimated Class B non-RPP volumes for the current year multiplied by the IESO Actual GA Rate per kWh.

***NB:*** there may be multiple amounts included in this reconciling item depending on how many months of true-ups of volumes were not reflected in the General Ledger balance of Account 1589 as of December 31, 2018.

Example:
Data used in the accrual of GA costs for December 2018:

* Estimated Class B non-RPP volumes - 263,000,000 kWh
* Actual Class B non-RPP volumes - 277,345,455 kWh
* IESO Global Adjustment Actual Rate - $0.1100/kWh

The estimated GA costs for non-RPP Class B customers for December 2018 would have been $28,930,000. The actual GA cost for non-RPP Class B customers for December 2018 was $30,508,000. If the true-up claim was not reflected in the 2018 General Ledger, $1,578,000 should be added as a true-up reconciling adjustment for 2018 in the GA Analysis WorkForm. In addition, $1,578,000 should be included as a principal adjustment to the 2018 DVA Continuity Schedule of the Cost of Service or IRM rate application.

In the next year's (i.e. 2019) GA Analysis WorkForm, the $1,578,000 adjustment should be reversed and shown as ($1,578,000).

**2. Removal of unbilled to actual revenue differences:**

* + Distributors are required to follow accrual accounting for transaction recording and financial statement preparation. Revenue accrual accounting is performed by recording unbilled revenue for the electricity consumed by customers that they will eventually be billed for to the end of the reporting period. Unbilled revenue must be accrued for all components of a customer’s bill that will be invoiced in the future to the end of the reporting period.
	+ Unbilled revenue must be based on best data available to ensure accurate data on the distributor’s balance sheet and income statement. Generally speaking, accurate data includes kWh consumption volumes & kW demand volumes by customer and customer class using the billing rates for all items that will appear on the customer’s bill.
	+ Although unbilled revenue is an estimate, the OEB expects it to be relatively accurate. Differences between unbilled revenue accruals for a given previous fiscal year should not be significantly different from the amounts billed to customers in the subsequent year that relate to the previous fiscal year.
	+ Distributors are to record the differences between i) unbilled revenue for the GA for all customer classes and ii) the GA revenue billed in the subsequent year for the previous fiscal period.
	+ Distributors should have an approach to accurately calculate such differences and record these amounts in the GA Analysis WorkForm.

Analyses may have to be performed to identify the portion of the billed amounts that corresponded to the amount that was unbilled and recorded in the General Ledger.

**2a. Remove Prior year-end unbilled to actual revenue differences:**

The differences between prior year-end unbilled revenue and the associated billed revenue is to be identified and adjusted.

Example:

Data used to calculate the difference between in unbilled revenue for 2017 and billed revenue in 2018 relating to 2017 fiscal year (assuming the distributor records unbilled revenue using the GA 1st Estimate Rate):

|  |  |  |
| --- | --- | --- |
|  | **November 2017** | **December 2017** |
| Estimated unbilled Class B Non-RPP kWh as at Dec. 31, 2017 | 5,750,000 kWh | 335,000,000 kWh |
| Billed Class B non-RPP kwh (billed in 2018) | 4,225,750 kWh | 329,650,550 kWh |
| IESO Global Adjustment 1st Estimate Rate | $0.1230/kWh | $0.0975/kWh |

* The unbilled revenue accrual for Class B non-RPP customers at the end of 2017 was: $33,369,750 = [$32,662,500 = (335,000,000 X $0.0975/kWh)] + [$707,250 = (5,750,000 X $0.1230/kWh)]
* The amount of GA billed in 2018 related to 2017 for non-RPP Class B customers was $32,660,696 =[$32,140,929 =329,650,550 X $0.0975/kWh)] + [$519,767 = (4,225,750 X $0.1230/kWh)].
* The difference between unbilled revenue and billed revenue is $709,054.

2017 unbilled revenue was overstated in this example. A debit adjustment of $709,054 for this reconciling item should be made in the 2017 GA Analysis WorkForm. $709,054 should be included as a principal adjustment to the 2017 DVA Continuity Schedule of the Cost of Service or IRM rate application.

In the 2018 GA Analysis Workform, the $709,054 adjustment would have to be reversed and shown as ($709,054).

**2b. Add current year-end (i.e. 2018) unbilled to actual revenue differences:**

The difference between current year-end unbilled revenue and the associated billed revenue is to be identified and adjusted.

Example:

Data used to calculate the difference between in unbilled revenue for 2018 and billed revenue in 2019 relating to 2018 fiscal year (assuming the distributor records unbilled revenue using the GA 1st Estimate Rate):

|  |  |  |
| --- | --- | --- |
|  | **November 2018** | **December 2018** |
| Estimated unbilled Class B Non-RPP kWh as at Dec. 31, 2018 | 7,750,000 kWh | 348,000,000 kWh |
| Billed Class B non-RPP kwh (billed in 2019) | 6,500,000 kWh | 335,750,750 kWh |
| IESO Global Adjustment 1st Estimate Rate | 0.1185/kWh | $0.1075/kWh |

* The unbilled revenue accrual for Class B Non-RPP customers at the end of 2018 was $38,328,375 = [$37,410,000 = (348,000,000 X $0.1075/kWh)] + [$918,375 = (7,750,000 X $0.1185/kWh)]
* The amount of GA billed in 2019 related to 2018 for non-RPP Class B customers was $36,863,527 = [$36,093,206 = 335,750,750 X $0.1075/kWh)] + [$770,250 = (6,500,000 X $0.1185/kWh)].
* The difference between unbilled revenue and billed revenue is $1,464,919.

2018 unbilled revenue was overstated in this example. A debit adjustment of $1,464,919 for this reconciling item should be made in the 2018 GA Analysis WorkForm. $1,464,919 would be included as a principal adjustment to the 2018 DVA Continuity Schedule in the Cost of Service or IRM rate application. In the next year's GA Analysis Workform, the $1,464,848 adjustment would have to be reversed and shown as ($1,464,848).

**3. Removal of difference between accrual/forecast and actual relating to load transfers:**

* + Amounts pertaining to load transfers may be unknown at the end of the year and therefore, are accrued based on an estimate. A true-up to actuals would then be done in the following year.

***NB***: Per the December 21, 2015 Distribution System Code Amendment, all load transfer arrangements shall be eliminated by transferring the load transfer customers to the physical distributor by June 21, 2017.

* + This adjustment relates to long term and short-term load transfers as applicable. A distributor could have differences between accrued and actual cost as the geographic distributor or differences between accrued and billed revenue as the physical distributor. The examples are based on differences between accrued and billed revenue as physical distributor.

**3a. Remove difference between prior year accrual/forecast and actual relating to load transfers:**

Example:

Information related to load transfer revenue differences for December 2017:

Actual geographic distributor’s volumes used to calculate the difference between load transfer revenue for 2017 and billed revenue in 2018 relating to 2017 fiscal year:

* + 2017 accrued unbilled quantities - 2,500,000 kWhs
	+ 2018 billed quantities for 2017 - 3,600,000 kWhs
	+ IESO Global Adjustment weighted average 2017 Actual rate - $0.1250/kWh

The accrued unbilled revenue amount related to geographic distributors was $312,500 and the amount of GA billed to geographic distributors in 2018 related to 2017 was $450,000. 2017 accrued revenue was $137,500 lower than billed revenue in 2018 relating to 2017 fiscal year.

As the 2017 accrued unbilled revenue was lower than billed revenue, a credit adjustment of $137,500 should be made to the 2017 GA Analysis WorkForm for this reconciling item.

In the 2018 GA Analysis WorkForm, the $137,500 adjustment would have to be reversed and shown as a debit of $137,500.

**3b. Add difference between current year accrual/forecast to actual from long term load transfers:**

Example:

Information related to load transfer revenue differences for December 2018:

Geographic distributor’s volumes used to calculate the difference between load transfer revenue for 2018 and billed revenue in 2019 relating to 2018 fiscal year:

* + 2018 accrued quantities - 3,300,000 kWhs
	+ 2019 billed quantities for 2018 - 2,100,000 kWhs
	+ IESO Global Adjustment weighted average 2018 Actual rate -$0.1165/kWh

The accrued revenue amount related to geographic distributors was $384,450 and the amount of GA billed to geographic distributors in 2019 related to 2018 was $244,650. 2018 accrued revenue was $139,800 higher than billed revenue in 2019 relating to 2018 fiscal year.

As the 2018 accrued revenue was higher than billed revenue, a debit adjustment of $139,800 should be made to the 2018 GA Analysis WorkForm for this reconciling item.

In the 2019 GA Analysis WorkForm, the $139,800 adjustment would have to be reversed and shown as a credit of $139,800.

**4. Remove GA balances pertaining to Class A customers:**

* + Global Adjustment is billed to Class A customers based on their customer-specific peak demand factor (PDF).
	+ Class A customers are billed at actual GA costs. Monthly unbilled revenue relating to these customers should be accrued based on the estimated amount accrued for Charge Type 147 as part of a distributor’s cost of power accrual for GA. Therefore, there should be no variances related to Class A customers in Account 1589.
	+ For those distributors that do not follow this accounting month-end practice, they may have balances relating to GA attributable to Class A customers included as part of the balance of Account 1589.
	+ Any amounts recorded in Account 1589 relating to Class A customers must be eliminated, as the balance of Account 1589 should only relate to Class B non-RPP customers. Transactions pertaining to Class A customers are recorded in Account 1589 RSVA-GA and should net to zero. However, there may be balances pertaining to Class A customers included in the account at the end of the year due to timing issues. For example, a balance pertaining to Class A customers may exist if revenues are not accrued on the same basis as expenses.
	+ A distributor would need to do an analysis of all GA Class A transactions that would have been included in the balance of Account 1589. A distributor would need to compute the adjustment amounts relating to Class A GA by taking the sum of the following:
	+ GA billed to Class A customers,
	+ GA unbilled revenue accruals recorded relating to Class A customers
	+ GA unbilled revenue reversals recorded relating to Class A customers
	+ GA charged by the IESO for Charge Type 147
	+ GA accrued as part of the cost of power accrual for Charge Type 147

Example:

A distributor summed up all transactions relating to Class A customers and erroneously had a credit balance of $1,750,000. This amount should be eliminated from the GA Analysis WorkForm by recording a debit adjustment of $1,750,000. This adjustment is a permanent adjustment and is not reversed.

If any such balances pertaining to Class A customers exist, the distributor must also ensure that these amounts are excluded from the Account 1589 RSVA-GA balance requested for disposition.

**5. Significant prior period billing adjustments recorded in current year:**

* + Cancel and rebills for billing adjustments may be recorded in the current year revenue GL balance but would not be included in the current year consumption charged by the IESO.
	+ It is a normal part of business for distributors to make billing corrections, bill cancellations, and re-billings. Billing adjustments can be small or quite large, depending on the nature and cause of the billing adjustment.
	+ Where billing adjustments relate to prior calendar years pertaining to Class B non-RPP customers, there would be an impact to Account 1589.

Example:

* + A distributor made significant billing adjustments in the current year of $350,000 related to GA revenue for the prior two years:
	+ The revenue would have been recorded in the current period General Ledger and current period billing statistics, however,
	+ The GA costs relating to such revenue would have been paid to the IESO at actual rates in prior periods, i.e.: would not have been recorded as a cost in the current period.
	+ In this example there is a mismatch of GA revenue and costs, requiring a reconciling item in the GA Analysis WorkForm to explain the difference between the GA balance in the WorkForm and the General Ledger.
	+ In this case, a debit adjustment would be needed for $350,000 in the current period GA Analysis Workform to explain the difference between the GA balance in the Workform and the General Ledger. This is a one-time adjustment on the GA Analysis Workform, and a reversal would not be required in future periods. This is **not** a Principal Adjustment item for the DVA Continuity Schedule.

**6. Differences** **in GA charged by the IESO relating to prior period(s) or other adjustments:**

* + Differences between the following would need to be quantified:
	1. the GA amount calculated based on the GA IESO actual posted rate X total GA wholesale billing quantities [same concept as with the Analysis of Expected GA Amount (Note 4 in the WorkForm)], and
	2. the GA amount that was actually charged by the IESO on the distributor's wholesale power bill Charge Type 148, for Class B non-RPP volumes.
	+ On occasion, the IESO makes Global Adjustment corrections as the result of distributor corrections to prior fiscal years or adjustments initiated by the IESO for various reasons.
	+ For example, there may be instances where the IESO bills distributors more/less than GA costs based on actual GA Rate. Distributors should be aware of such differences, which should be identified through a distributor’s wholesale settlement processes and systems.
	+ Any amounts charged by the IESO for GA other than the distributor’s wholesale volumes would need to be identified and recorded as a reconciling item in the GA Analysis WorkForm.

Example:

* The IESO made adjustments on a distributor’s monthly invoices during the year totaling $425,000 and these adjustments would result in an effective GA rate which is different than the actual posted rate. A distributor would need to record a reconciling item in the GA Analysis WorkForm for this situation.
* The GA costs may have been recorded in the current period General Ledger, however, the additional charge or credit amounts may not have been reflected in the calculation of the expected GA amount in the WorkForm. In this example, there is a mismatch of GA revenue and costs, requiring a reconciling item in the GA Analysis WorkForm to explain the difference between the GA balance in the General Ledger and the GA Analysis Workform.
* In this case, a credit adjustment would be needed for $425,000 in the current period GA Analysis WorkForm to explain the difference. This is a one-time adjustment on the GA Analysis Workform, and a reversal would not be required in future periods. This is **not** a Principal Adjustment item for the DVA Continuity Schedule.

**7.** **Differences between actual system losses and Approved Total Loss Factors (TLF) billed to customers in the calendar year:**

* + Differences between actual system losses and TLFs billed to customers are not usually significant. However, there may be circumstances that would cause more significant differences. Where significant differences are identified, a reconciling item is required in the GA Analysis WorkForm and a distributor would be required to explain the operational reasons for the large differences.

Example:

A distributor calculates the actual system losses to be significantly greater than billed TLF to Class B non-RPP customers, the following data is applicable:

* + Total metered volumes billed and unbilled to Class B non-RPP customers was 290,000,000 kWhs
	+ Actual System Losses relating to Class B non-RPP customers is 5.50%
	+ Billed TLF relating to Class B non-RPP customers was 4.50%
	+ The weighted average actual GA rate for the year was $0.1035/kWh

In this case, the difference between the billed TLF and the actual system losses relating to Class B non-RPP customers is $300,150.

As the General Ledger in Account 1589 would reflect the actual costs related to the actual system losses, the expected GA costs calculated in the GA Analysis WorkForm would be lower and a credit adjustment of $300,150 would need to be recorded to in the GA Analysis WorkForm to explain the difference between the GA balance in the GA Analysis WorkForm and the General Ledger. This is a one-time adjustment on the GA Workform, and a reversal would not be required in future periods. This is **not** a Principal Adjustment item for the DVA Continuity Schedule.

1. **Any other items that cause differences between the expected GA amount and the GA recorded in the General Ledger**

 Any remaining unreconciled balance that is greater than +/- 1% of the annual GA payments to the IESO must be analyzed and investigated to identify any additional reconciling items, or to identify corrections to the balance requested for disposition.

In its review of Account 1589, the OEB will utilize any meaningful evidence provided by the distributor that substantiates any unreconciled balance that is greater than +/- 1% of the annual GA payments to the IESO when making a decision to approve or deny disposition of this account.

1. For each item under Note 5, indicate which of the amounts are included as “Principal Adjustments” on the DVA Continuity Schedule. Provide an explanation if the “Total Principal Adjustments on DVA Continuity Schedule” under Note 5 do not reconcile to the DVA Continuity Schedule.
2. Review Note 6 to ensure that any unresolved difference is within the materiality threshold.

**Appendix A**

**GA Methodology Description**

**Questions on Accounts 1588 & 1589[[1]](#footnote-1)**

1. Please complete the Table below for principal adjustments on the DVA Continuity Schedule for Account 1588:

|  |  |  |
| --- | --- | --- |
| **Reconciliation of Account 1588 - 2018** |  |  |
|  |  |  |
|  |  **Principal Adjustments**  | **Was the amount a "Principal Adjustment" in the previous year? (Y/N)** |
| **Balance December 31, 2018** |   |   |
| **Reversals of Principal Adjustments - previous year**  |
| 1. Reversal of Cost of Power accrual from previous year
 |  |  |
| 1. Reversal of CT 1142 true-up from the previous year
 |  |  |
| 1. Unbilled to billed adjustment for previous year
 |  |  |
| 1. Reversal of RPP vs. Non-RPP allocation
 |  |  |
| **Sub-Total Reversals from previous year (A):** |   |   |
|  |  |   |
| **Principal Adjustments - current year**  |
| 1. Cost of power accrual for 2018 vs Actual per IESO bill
 |  |   |
| 1. True-up of CT 1142 for 2018 consumption recorded in 2019 GL
 |  |   |
| 1. Unbilled accrued vs. billed for 2018 consumption
 |  |   |
| 1. True-up of RPP vs. Non-RPP allocation of CT 148 based on actual 2018 consumption
 |  |   |
| 1. Other
 |  |  |
| **Sub-Total Principal Adjustments for 2018 consumption (B)** |   |   |
| **Total Principal Adjustments shown for 2018 (A + B)** |   |   |
| **Bal. For Disposition - 1588 (should match Total Claim column on DVA Continuity Schedule** |   |   |
|  |  |  |

1. In booking expense journal entries for Charge Type (CT) 1142 and CT 148 from the IESO invoice, please confirm which of the following approaches is used:
2. CT 1142 is booked into Account 1588. CT 148 is pro-rated based on RPP/non-RPP consumption and then booked into Account 1588 and 1589 respectively.
3. CT 148 is booked into Account 1589. The portion of CT 1142 equaling RPP minus HOEP for RPP consumption is booked into Account 1588. The portion of CT 1142 equaling GA RPP is credited into Account 1589.
4. If another approach is used, please explain in detail.
5. Was the approach described in response to the above questions used consistently for all years for which variances are proposed for disposition? If not, please discuss.
6. Questions on CT 1142
	1. Please describe how the initial RPP related GA is determined for settlement forms submitted by day 4 after the month-end (resulting in CT 1142 on the IESO invoice).
	2. Please describe the process for truing up CT 1142 to actual RPP kWh, including which data is used for each TOU/Tier 1&2 prices, as well as the timing of the true up.
	3. Has CT 1142 been trued up for with the IESO for all of 2018?
	4. Which months from 2018 were trued up in 2019?
		1. Were these true ups recorded in the 2018 or 2019 balance in the General Ledger?
	5. Have all of the 2018 related true-up been reflected in the applicant’s DVA Continuity Schedule in this proceeding?
7. Questions on CT 148
8. Please describe the process for the initial recording of CT 148 in the accounts (i.e. 1588 and 1589).
9. Please describe the process for true up of the GA related cost to ensure that the amounts reflected in Account 1588 are related to RPP GA costs and amounts in 1589 are related to only non-RPP GA costs.
10. What data is used to determine the non-RPP kWh volume that is multiplied with the actual GA per kWh rate (based on CT 148) for recording as the initial GA expense in Account 1589?
11. Does the utility true up the initial recording of CT 148 in Accounts 1588 and 1589 based on estimated RPP/non-RPP consumption proportions to actuals based on actual RPP-non-RPP consumption proportions?
12. Please indicate which months from 2018 were trued up in 2019 for CT 148 proportions between RPP and non-RPP
	* 1. Were these true ups recorded in the 2018 or 2019 balance in the General Ledger?
13. Are all true-ups for 2018 consumption reflected in the DVA Continuity Schedule?
14. Questions regarding principal adjustments and reversals on the DVA Continuity Schedule:

Questions on Principal Adjustments - Accounts 1588 and 1589

1. Did the applicant have principal adjustments in its 2019 rate proceeding which were approved for disposition?
2. If yes, please provide a break-down of the total amount of principal adjustments that were approved (e.g. true-up of unbilled, true up of CT 1142, true up of CT 148 etc.) for each of Accounts 1588 and 1589.
3. Has the applicant reversed the adjustment approved in 2019 rates in its current proposed amount for disposition?

***NB***: only the principal adjustments amounts that were disposed in the previous proceeding should be reversed in this proceeding. For example, if no amount related to unbilled to billed adjustment for 2018 consumption was included in 2019 proceeding, this amount should not be included as a “reversal” from previous year.

1. Please confirm that the allocation of charge type 148 has been trued up to actual proportion of RPP/non-RPP consumption in the GL.
1. In all references in the questions relating to amounts booked to accounts 1588 and 1589, amounts are not booked directly to accounts USoA 1588 and 1589 relating to power purchase transactions, but are rather booked to the cost of power USoA 4705 Power Purchased, and 4707, Charges – Global Adjustment, respectively. However, accounts 1588 and 1589 are impacted the same way as account 4705 and 4707 are for cost of power transactions. [↑](#footnote-ref-1)