

Message

From: Nicole Hynum [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=20F92D6D8F2243E48879899BF20C657B-NICOLE HYNU]
Sent: 2018-07-19 9:48:06 PM
To: Terry Young [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=872fa3f6e61a48709b11458c0c3b6ca6-Terry Young]
CC: Carrie Aloussis [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=e34a6017e31243cea020cf50f759daaf-Carrie Alou]
Subject: FW: Variance Account

Hi Terry – Below is the draft response to Parker’s inquiry, which was developed in collaboration with Settlements. Please let us know if we are ok to reply. Regards, Nicole

Hi Parker –although the 8% HST reduction is part of the overall 25% reduction established under the Ontario Fair Hydro Plan, it does not form part of the variance account.

LDCs submit to the IESO their claims for reimbursing the 8%, which is then balanced to the Ministry. This is outlined within section 1.6.31 “Ontario Rebate for Electricity Consumers” in the following [Market Manual](#) .

Thanks, Nicole

From: Parker Gallant [mailto:parker.gallant@gmail.com]
Sent: July 18, 2018 6:26 PM
To: Nicole Hynum
Cc: Terry Young; IESO Customer Relations
Subject: Re: Variance Account

Thanks Nicole. Seems to be a lot of truing up involved due to forecasting being off each month.

I don't think I need a chat if you can simply answer/confirm two questions. I assume the variance account is for the 25% and includes the 8% portion of the HST as the bills I receive infer that by showing both the full HST cost and further on show the rebate separately.

Is that correct?

If yes I assume the 8% would not be retained by the LDC (when returned) and instead remitted to the Finance Ministry!

Is that correct?

Parker

On Tue, Jul 17, 2018 at 3:31 PM, Nicole Hynum <Nicole.Hynum@ieso.ca> wrote:

Hi Parker – when the LDCs submitted for April it would have included April estimates as well as the true up-up for March (as you can see from the table on this [page](#), the actual for March was almost \$9/MWh higher than the second estimate).

We expect a drop in value in the variance account for June (based on the actual GA for May being significantly lower than the estimate and the 2nd estimate for June being lower than the one in May). Please note that settlement data submitted to the IESO by the LDCs is not audited by the IESO (audit responsibilities reside with the OEB) and is processed as submitted. There could be occurrences when LDCs under or overstate settlement data which they can then adjust in their next month's submission or whenever they reconcile and come across an error in previous submissions.

We would be happy to set-up a call with you this week if you have further questions.

Regards, Nicole

From: Parker Gallant [mailto:parker.gallant@gmail.com]
Sent: July 13, 2018 7:58 PM
To: Nicole Hynum
Cc: Terry Young; IESO Customer Relations
Subject: Re: Variance Account

Nicole, That would make sense unless you look at the variance amount for April when it was \$255.7 and was the highest amount up to that point (discounting the first one in July 2017 which was a catch-up). The second estimate that month (April) was only slightly higher so I'm not entirely sold on the reason given for May.

Can you enlighten me on why the April amount was so high?

Maybe we will have to chat unless April's amount occurred for other reasons.

Parker

On Fri, Jul 13, 2018 at 5:32 PM, Nicole Hynum <Nicole.Hynum@ieso.ca> wrote:

Hi Parker – the increase in GA deferral in May is mainly due to most LDCs submitting settlement data to the IESO based on the second GA estimate which was unusually high (i.e., 13.2 cent/KWh) in May. LDCs submit May settlement data to IESO during the first four business days of June at which time the actual GA rate would not have been calculated yet as per IESO's settlement schedule. Each month there is a true up when LDCs submit their data to the IESO for the previous month plus an

estimate of the current month they are submitting for. If you'd like to discuss, we'd be happy to set up a call with you.

Regards,

Nicole L Hynum | Supervisor, Customer Relations

Independent Electricity System Operator (IESO) | T: (905) 855-6394 | C: (416) 627-0357

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From: Parker Gallant [<mailto:parker.gallant@gmail.com>]

Sent: July 11, 2018 5:31 PM

To: Nicole Hynum

Cc: Terry Young; IESO Customer Relations

Subject: Re: Variance Account

Nicole, Any idea when I will get a response?

Parker

On Mon, Jul 9, 2018 at 11:30 AM, Nicole Hynum <Nicole.Hynum@ieso.ca> wrote:

Hi Parker, Terry passed your inquiry along to me. We are looking into this and will have a response to your inquiry soon. Thank you.

Regards, Nicole

Nicole L Hynum | Supervisor, Customer Relations

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Conservation: www.saveONenergy.ca | Twitter: [saveONenergyOnt](#) | LinkedIn: [saveONenergy](#)

From: Parker Gallant [<mailto:parker.gallant@gmail.com>]

Sent: July 06, 2018 1:23 PM

To: Terry Young

Subject: Variance Account

Terry, I note the captioned for May is an incredible \$309.9 million! Is this a result of an adjustment or a reflection of the solar and other DX generation over the month?

Parker

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