From: Silvia Danchuk
To: Jennifer Coleman; Fauville, John; Leonard, Kate; Kaiser, Louise; Gauthier, Paul; Shah, Manoj;
cc: Darcy Mazurkewich; Silvia Danchuk;
Subject: Rule 005 RRT/DRT Provider Amendments Update
Date: Wednesday, September 08, 2010 10:17:32 AM
Attachments: June 10 Draft of Rule 005- RRT Schedule Guidelines.xls
June 10 Draft of Rule 005- DRT Schedule Guidelines.xlsx
Sept 8 Draft of Rule 005- RRT Schedule Guidelines.xlsx
Sept 08 Draft of Rule 005- DRT Schedule Guidelines.xlsx
Draft Rule 005 2010-09-08.docx
Draft Rule 005 2010-09-08 BLACKLINE COPY.docx

Good morning,

Over the summer since we met in June the AUC continued to review the information it required in the reports. In addition, to facilitate better understanding and consistency in the reporting requirements we have made two additions. First , we added schedule A which contains a purpose statement for each numbered schedule. We also added underneath each schedule, line item definitions (note that additional and undefined line items may be required as determined by the reporting entity).

Please find attached the draft RRT/DRT Rule 005 schedules (for your convenience we've included the copy of schedules we sent on June 10th). The schedules reflect our discussions on June 9th as well as the updated AUC requirements. Below is a summary of the main revisions from the previous circulated versions:

- Schedule A – Purpose of RRT/DRT schedules. This schedule summarizes the individual purpose of each schedule as applicable to Rule 005. Its intent is to provide clarification to the user.
- Schedule 1 – Net income statement. A section was added in order to provide a reconciliation of regulatory net income to the actual net income (inclusive of regulatory cost disallowances) of the provider.
- Schedule 2 – Revenue by customer class. The previous version contained one schedule identifying revenue and sales jointly. The new version now shows only revenues, while site and customer information was made into a separate schedule.
- Schedule 3 – Site and energy sales by customer class. See schedule 2.
- Schedule 4 – Energy and operating expenses. In addition to operating expenses, RRT energy expenses are separated further into physical spot market and financial forward market expenses.

- Schedule 5 – Debt capital employed and interest expense. Non-regulated and/or disallowed expenses are identified separately and adjusted against the total interest expense to calculate the RRT/DRT portion.
- Schedule 6 – Income Tax/PILOT. Lines have been added identifying permanent and temporary differences that contribute to the tax portion identified by the provider.
- Schedule 7 – Capital assets continuity schedule. The previous version schedule 7 "capital additions", has been deleted and the information combined with the capital assets continuity schedule.
- Schedule 8 – Manpower summary. Line items have been added identifying capitalized manpower and/or other reductions.
- Schedule 9 – Reserve accounts. Column headings have been changed.
- Schedule 11 – Reconciliation of schedules to audited income statement. The adjustment column has been broken down further to identify non-regulated expenses and/or disallowed expenses.

Also attached is a document with the draft Rule 005 wording, plus a document with a blacklined version showing the proposed changes from the original Rule 005 wording.

Please review the updated schedules and draft Rule 005 wording revisions. If you have any comments or concerns, please contact me by September 23rd, 2010. If required, a meeting may be scheduled to discuss the above noted AUC revisions.

Sincerely,

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