



BY EMAIL and RESS

Jay Shepherd
jay@shepherdrubenstein.com
Direct: 416-804-2767

March 21, 2018
Our File No. 20160152

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2016-0152 – OPG 2017-2021 Rates – Revised Draft PAO

We are counsel for the School Energy Coalition. Pursuant to the Board's Decision dated March 12, 2018 on the Draft PAO, these are SEC's submissions on the Revised Draft PAO.

Our comments are as follows:

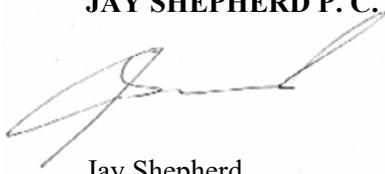
1. Appendix A, Tables 1a, 2a, 3a, 4a, and 5a. Note 12 of these Tables suggests that the monthly reference amount for Bruce Lease Net Revenues VA, Non-Derivative sub-account, is (\$5.3)/12, or 0.4417M per month. In EB-2014-0370 the PAO listed a monthly reference amount, in that case \$3.35M per month. Appendix G in this proceeding, at pages 15 and 16, does not have a monthly reference amount any more, but instead shows a formula per Mwh, which appears to be correct. The reference in these notes 12 is inconsistent with Appendix G, and is therefore either confusing or misleading.
2. Appendix G, pages 1 and 2. We are unable to reconcile the time frame of January 1, 2019 to December 31, 2021 with either the Board's PAO Decision, or para. 9 and 10 of the Revised Draft PAO. Similarly, we are unable to reconcile the riders of \$0.96/Mwh and \$1.95/Mwh with those same references, or with Appendices D, E, and I. It would appear that these pages have not been changed to reflect the PAO Decision.
3. Appendix G, pages 4 and 6. The second para. on page 4, and the last para. on page 6, refer to similar variances, with the only difference being whether SBG was the cause. It would be clearer if the

interaction between the two variances was specified, particularly with respect to the Hydroelectric Water Conditions VA, which is the more general of the two.

4. Appendix G, pages 7 and 8. In EB-2014-0370, the monthly reference amount for the Income and Other Taxes VA was a combined figure, \$4.83M per month. In this PAO, OPG has split this into hydroelectric and nuclear monthly reference amounts. This does not appear to be the result of anything in either the Board's Decision on the merits, or the PAO Decision. While we cannot identify an impact arising out of this, it would be helpful if OPG explained why the calculation was changed unilaterally, and what substantive effects they believe it may have.
5. Appendix G, page 10. The Capacity Refurbishment VA has a monthly reference amount listed. In EB-2014-0370, no monthly reference amount was listed, but whatever the reference amount is would continue to be applied for Jan-May, 2017. It would therefore be helpful if OPG identified that prior monthly reference amount. (There are a number of areas in which the January to May monthly reference amount may be an issue in a future proceeding, but in all cases the reference amounts in the last case, and in this one, are stated explicitly. This is the only one where the prior reference amount is not in the PAO.)
6. Appendix G, page 11. The Board determined that the indexing of the hydroelectric payment amounts would include the GRC. Therefore, it would appear to us that the monthly reference amount for the GRC VA should also be indexed, and the starting point should be identified specifically in the PAO.
7. Appendix H, page 2. The references to interest rates for 2017 and 2018 should be removed, since the Board has determined that there will be no entries to this account in those years, so there can be no interest.
8. Appendix I, page 1. We wonder whether the reference to an "effective date of March 1, 2018" should be to "implementation date", to avoid confusion.
9. Appendix I, Table 1D. The reference to increases from 2017 to 2018 appears to us to be misleading. While we understand that the Board has determined the smoothing approach, this is a bill impact table, and so should identify actual bill impacts. For the Medium/Large Business listed, for example (which could be a small high school), the monthly bill for OPG generation will go up by 26.6% from February to March 2018, i.e. \$1,083.29 (February rate of \$50.67/Mwh to March rate of \$64.16/Mwh). At the very least, this should be identified in a footnote.

All of which is respectfully submitted.

Yours very truly,
JAY SHEPHERD P. C.



Jay Shepherd

cc: Wayne McNally, SEC (email)
Interested Parties