

February 27, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2018-0243 – Ontario Power Generation Inc. - Order for Payment Amounts Clarification

We are legal counsel to Ontario Power Generation Inc. (“OPG”) with respect to the above noted matter. In particular, OPG seeks clarification of the scope of the Ontario Energy Board’s (“OEB”) Decision and Payment Amounts Order in this matter dated February 22, 2019 (the “EB-2018-0243 Decision and Order”).

In the EB-2018-0243 Decision and Order, the OEB accepted the settlement proposal submitted by OPG and ordered that particular payment amount riders for nuclear and hydroelectric generation apply for the January 1, 2019 to December 31, 2021 period.

Typically, subsequent to an OEB decision, the OEB establishes a process to approve a payment amounts order to reflect the OEB’s determination, which in this case is the acceptance of the settlement proposal together with the riders arising from that proposal inclusive of its attachments. The resulting payment amounts order would be supported by and set out in tabular format the balances approved for recovery, the period of disposition, the basis on which the riders are calculated and associated bill impacts. This information also parallels the issues of the proceeding, which in the current proceeding include:

1. Are the amounts recorded in the applicable deferral and variance accounts appropriate?
2. Are the balances for recovery in each of the deferral and variance accounts appropriate?
3. Are the proposed rate riders and disposition periods for the account balances appropriate?

In the EB-2108-0243 Decision and Order the foregoing aspects are absent. OPG seeks clarification as to whether the EB-2018-0243 Decision and Order encompasses these aspects as reflected in the Attachments filed by OPG with the Settlement Proposal.

In addition, pursuant to Section 78.1(1) and (2) of the OEB Act, the IESO is obliged to pay OPG with respect to output generated from prescribed facilities an amount determined in accordance with an order of the OEB. As such, a payment amounts order typically has wording directing the

IESO to make payments to OPG in accordance with the payment amounts order.¹ This direction is also absent from the EB-2018-0243 Decision and Order and OPG seeks clarification as to whether such a direction is encompassed in the scope of the EB-2018-0243 Decision and Order.

Yours truly,


Charles Keizer

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¹ For example, the Payments Amounts Order in EB-2016-0152 stated at page 13 “13. The IESO shall make payments to OPG in accordance with this order as of March 1, 2018.”