

**Board Staff Interrogatory #1**

**Interrogatory**

The Payment Amounts Order related to EB-2007-0905 was issued on December 2, 2008. Does the current accounting order application require any changes to the approved payment amounts or payment riders in the Payment Amounts Order? If yes, please identify and explain the changes.

**Response**

The current Accounting Order Application does not require any changes to the approved payment amounts or payment riders. As specified in the Payment Amounts Order, the Nuclear Payment Riders B and C and Hydroelectric Payment Rider D are only in effect until December 31, 2009 (see Payment Amounts Order page 5 paragraphs 4 and 6) and OPG is not requesting that these riders be continued. The application requests continuation of Nuclear Payment Rider A to allow continued amortization and recovery of the approved balances in the nuclear variance and deferral accounts over the approved amortization period.

**Board Staff Interrogatory #2****Interrogatory**

Please provide a continuity schedule listing the opening account balances, transactions including recoveries, interest rates and carrying charges for all deferral and variance accounts on a monthly basis for the period starting April 1, 2008 to current. In addition, please provide projected data for the remaining period to the end of 2010.

- Include accounts that require no further action beyond December 31, 2009.
- Ref: Section 2.2 - Provide clear reporting for paired accounts where one account ended on March 31, 2008 and another account started on April 1, 2008, eg. Hydroelectric water conditions variance account, nuclear liability account. Were new accounts established? Were any balances transferred?

**Response**

Continuity schedules listing opening balances, transaction details including recoveries, interest rates and carrying charges are provided in Attachment A. Interest rates for Q2 2008 through Q3 2009 are the OEB prescribed rates as published on their website. For Q4 2009 until December 31, 2010, OPG used the Q3 2009 rates.

A summary of the balances in the variance and deferral accounts described in Section 2.2 of this Application is provided below. Information on closing balances as at June 30, 2009 is in response to CME Interrogatory #4, and is included here for presentation purposes.

Numbers may not add due to rounding

|                                |  | Balances Debit (Credit) \$M (Note 1) |           |           |            |           |
|--------------------------------|--|--------------------------------------|-----------|-----------|------------|-----------|
|                                |  | Actual                               |           |           | Projection |           |
|                                |  | Apr 1/08                             | Dec 31/08 | Jun 30/09 | Dec 31/09  | Dec 31/10 |
| <b>Regulated Hydroelectric</b> |  |                                      |           |           |            |           |
| Note 3                         | Hydroelectric Water Conditions Variance Account                    | 8.0                                  | (21.6)    | (40.0)    | (53.4)     | (80.6)    |
| Note 3, 6                      | Ancillary Services net Revenue Variance Account - Hydroelectric    | 6.8                                  | (2.4)     | (12.6)    | (26.7)     | (30.4)    |
|                                | Hydroelectric Interim Period Shortfall (Rider D) Variance Account  |                                      | 0.1       | 0.6       | (1.6)      | (1.6)     |
| Total                          |  | 14.8                                 | (23.9)    | (52.0)    | (81.7)     | (112.6)   |
| <b>Nuclear</b>                 |  |                                      |           |           |            |           |
| Note 3, 6                      | Ancillary Services Net Revenue Variance Account - Nuclear          | 1.4                                  | 0.6       | 0.6       | (1.9)      | (2.6)     |
|                                | Transmission Outages and Restrictions Variance Account             | (1.7)                                | (1.3)     | (1.0)     | (0.6)      | 0.0       |
| Note 3                         | Pickering A Return to Service Deferral Account                     | 162.2                                | 129.4     | 105.9     | 81.7       | 33.0      |
| Note 2                         | Nuclear Liability Deferral Account                                 | 163.9                                | 132.3     | 109.7     | 86.2       | 39.1      |
| Note 2                         | Nuclear Development Deferral Account, Transition/Variance Account  | 15.7                                 | (21.6)    | (37.8)    | (52.2)     | (117.9)   |
|                                | Capacity Refurbishment Variance Account                            | 0.0                                  | (5.7)     | (9.1)     | 1.5        | (23.7)    |
|                                | Nuclear Fuel Cost Variance Account                                 | 0.0                                  | (1.4)     | (6.7)     | (15.7)     | 8.0       |
| Note 5                         | Income and Other Taxes Variance Account                            | 0.0                                  | 0.0       | 0.0       | 0.0        | 0.0       |
| Note 7                         | Bruce Lease Net Revenues Variance Account                          | 0.0                                  | 257.7     | 256.3     | 292.5      | 365.4     |
|                                | Nuclear Interim Period Shortfall (Rider B) Variance Account        |                                      | 0.2       | 4.2       | 5.3        | 5.3       |
| Note 4                         | Nuclear Variance and Deferral Over/Under Recovery Variance Account | 0.0                                  | 0.3       | 6.9       | 8.6        | 16.8      |
| Total                          |  | 341.5                                | 490.5     | 429.0     | 405.4      | 323.4     |

## NOTES

- Note 1 Debits represent regulatory assets and credits represent regulatory liabilities. Amounts to June 30, 2009 are based on monthly actual results. The 2009 projections reflect OPG's most recent projections of the balances in these accounts as at December 31, 2009. The 2010 projection represents preliminary estimates prepared in December 2008. Specific considerations for projections for certain accounts are provided in separate notes for these accounts.
- Note 2 As per the Payment Amounts Order, Appendix F pages 4-5, OPG transferred the respective balances from the Nuclear Liability Deferral Account, Transition and the Nuclear Development Deferral Account, Transition effective April 1, 2008 to the Nuclear Liability Deferral Account and the Nuclear Development Variance Account.
- Note 3 These accounts are "paired accounts" whereby the accounts established by O.Reg 53/05 were continued effective April 1, 2008 as per the EB-2007-0905 Payment Amounts Order, Appendix F pages 3-4.
- Note 4 This is a new account requested in the Application.
- Note 5 Account approved by EB-2007-0905 Payment Amounts Order but no entries have been recorded.
- Note 6 Projections of ancillary service net revenues are highly uncertain as these revenues are very difficult to forecast.
- Note 7 Projections for the Bruce Lease Net Revenue Variance Account are highly uncertain as net revenues are largely a factor of the market earnings of OPG's segregated funds.

# Hydroelectric Water Conditions Variance Accounts

|   | Transactions | Recovery | Cumulative      | Interest |        | Closing Balance |
|---|--------------|----------|-----------------|----------|--------|-----------------|
|   |              |          | before Interest | Rate     | Amount |                 |
| Opening Account Balance as at April 1, 2008 |              |          | 8.0             |          |        | 8.0             |
| Apr   | (3.6)        | (0.3)    | 4.1             | 4.08%    | 0.0    | 4.2             |
| May   | (4.2)        | (0.3)    | (0.3)           | 4.08%    | 0.0    | (0.3)           |
| Jun   | (3.4)        | (0.3)    | (4.1)           | 4.08%    | (0.0)  | (4.0)           |
| Jul   | (4.4)        | (0.3)    | (8.8)           | 3.35%    | (0.0)  | (8.7)           |
| Aug   | (4.3)        | (0.3)    | (13.3)          | 3.35%    | (0.0)  | (13.3)          |
| Sep   | (3.5)        | (0.3)    | (17.1)          | 3.35%    | (0.0)  | (17.1)          |
| Oct   | (2.1)        | (0.3)    | (19.5)          | 3.35%    | (0.0)  | (19.6)          |
| Nov   | (0.9)        | (0.3)    | (20.8)          | 3.35%    | (0.1)  | (20.9)          |
| Dec   | (0.4)        | (0.3)    | (21.4)          | 3.35%    | (0.1)  | (21.6)          |
| YTD   | (26.8)       | (2.7)    | (21.4)          |          | (0.2)  | (21.6)          |
| LTD   | (26.8)       | (2.7)    | (21.4)          |          | (0.2)  | (21.6)          |
| 2009  |              |          | (21.4)          |          | (0.2)  | (21.6)          |
| Jan   | (0.7)        | (0.3)    | (22.4)          | 2.45%    | (0.0)  | (22.6)          |
| Feb   | (1.7)        | (0.3)    | (24.4)          | 2.45%    | (0.0)  | (24.7)          |
| Mar   | (1.8)        | (0.3)    | (26.5)          | 2.45%    | (0.0)  | (26.8)          |
| Apr   | (4.8)        | (0.3)    | (31.6)          | 1.00%    | (0.0)  | (31.9)          |
| May   | (4.4)        | (0.3)    | (36.2)          | 1.00%    | (0.0)  | (36.6)          |
| Jun   | (3.1)        | (0.3)    | (39.6)          | 1.00%    | (0.0)  | (40.0)          |
| July-Dec Projection                         | (11.5)       | (1.8)    | (52.8)          | 0.55%    | (0.1)  | (53.4)          |
| YTD   | (27.8)       | (3.6)    | (52.8)          |          | (0.3)  | (53.4)          |
| LTD   | (54.6)       | (6.2)    | (52.8)          |          | (0.5)  | (53.4)          |
| 2010  |              |          | (52.8)          |          | (0.5)  | (53.4)          |
| Jan-Dec Projection                          | (26.8)       | 0.0      | (79.7)          | 0.55%    | (0.4)  | (80.6)          |
| YTD   | (26.8)       | 0.0      | (79.7)          |          | (0.4)  | (80.6)          |
| LTD   | (81.4)       | (6.2)    | (79.7)          |          | (0.9)  | (80.6)          |

Numbers may not add due to rounding

**Ancillary Services Net Revenue Variance Account - Hydroelectric**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative</u>      | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|------------------------|-----------------|---------------|------------------------|
|  |                     |                 | <u>before interest</u> | <u>Rate</u>     | <u>Amount</u> |                        |
| <b>Opening Account Balance as at April 1, 2008</b> |                     |                 |                        |                 |               |                        |
|  |                     |                 | <b>6.8</b>             |                 |               | <b>6.8</b>             |
| Apr  | (1.4)               | (0.3)           | 5.0                    | 4.08%           | 0.0           | 5.0                    |
| May  | (0.9)               | (0.3)           | 3.7                    | 4.08%           | 0.0           | 3.8                    |
| Jun  | (1.4)               | (0.3)           | 2.0                    | 4.08%           | 0.0           | 2.1                    |
| Jul  | (0.8)               | (0.3)           | 0.9                    | 3.35%           | 0.0           | 1.0                    |
| Aug  | (0.5)               | (0.3)           | 0.1                    | 3.35%           | 0.0           | 0.2                    |
| Sep  | (0.3)               | (0.3)           | (0.6)                  | 3.35%           | 0.0           | (0.5)                  |
| Oct  | 0.6                 | (0.3)           | (0.3)                  | 3.35%           | (0.0)         | (0.3)                  |
| Nov  | (0.5)               | (0.3)           | (1.1)                  | 3.35%           | (0.0)         | (1.1)                  |
| Dec  | (1.0)               | (0.3)           | (2.4)                  | 3.35%           | (0.0)         | (2.4)                  |
| YTD  | <b>(6.1)</b>        | <b>(3.1)</b>    | <b>(2.4)</b>           |                 | <b>0.1</b>    | <b>(2.4)</b>           |
| LTD  | <b>(6.1)</b>        | <b>(3.1)</b>    | <b>(2.4)</b>           |                 | <b>0.1</b>    | <b>(2.4)</b>           |
| <b>2009</b>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | <b>(2.4)</b>           |                 | <b>0.1</b>    | <b>(2.4)</b>           |
| Jan  | (1.1)               | (0.3)           | (3.8)                  | 2.45%           | (0.0)         | (3.8)                  |
| Feb  | (1.9)               | (0.3)           | (6.1)                  | 2.45%           | (0.0)         | (6.0)                  |
| Mar  | (1.4)               | (0.3)           | (7.9)                  | 2.45%           | (0.0)         | (7.8)                  |
| Apr  | (0.4)               | (0.3)           | (8.6)                  | 1.00%           | (0.0)         | (8.6)                  |
| May  | (1.2)               | (0.3)           | (10.2)                 | 1.00%           | (0.0)         | (10.1)                 |
| Jun  | (2.1)               | (0.3)           | (12.6)                 | 1.00%           | (0.0)         | (12.6)                 |
| July-Dec Projection                                | (12.0)              | (2.1)           | (26.6)                 | 0.55%           | (0.1)         | (26.7)                 |
| YTD  | <b>(20.1)</b>       | <b>(4.1)</b>    | <b>(26.8)</b>          |                 | <b>(0.1)</b>  | <b>(26.7)</b>          |
| LTD  | <b>(26.2)</b>       | <b>(7.2)</b>    | <b>(26.6)</b>          |                 | <b>(0.0)</b>  | <b>(26.7)</b>          |
| <b>2010</b>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | <b>(26.6)</b>          |                 | <b>(0.0)</b>  | <b>(26.7)</b>          |
| Jan-Dec Projection                                 | (3.5)               | 0.0             | (30.2)                 | 0.55%           | (0.2)         | (30.4)                 |
| YTD  | <b>(3.5)</b>        | <b>0.0</b>      | <b>(30.2)</b>          |                 | <b>(0.2)</b>  | <b>(30.4)</b>          |
| LTD  | <b>(29.7)</b>       | <b>(7.2)</b>    | <b>(30.2)</b>          |                 | <b>(0.2)</b>  | <b>(30.4)</b>          |

Numbers may not add due to rounding

**Shortfall Rider D Variance Account - Hydroelectric**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative</u>      | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|------------------------|-----------------|---------------|------------------------|
|  |                     |                 | <u>before Interest</u> | <u>Rate</u>     | <u>Amount</u> |                        |
| <u>Opening Account Balance as at April 1, 2008</u> |                     |                 |                        |                 |               |                        |
|  |                     |                 | 0.0                    |                 |               | 0.0                    |
| Apr  |                     |                 | 0.0                    | 4.08%           |               | 0.0                    |
| May  |                     |                 | 0.0                    | 4.08%           |               | 0.0                    |
| Jun  |                     |                 | 0.0                    | 4.08%           |               | 0.0                    |
| Jul  |                     |                 | 0.0                    | 3.35%           |               | 0.0                    |
| Aug  |                     |                 | 0.0                    | 3.35%           |               | 0.0                    |
| Sep  |                     |                 | 0.0                    | 3.35%           |               | 0.0                    |
| Oct  |                     |                 | 0.0                    | 3.35%           |               | 0.0                    |
| Nov  |                     |                 | 0.0                    | 3.35%           |               | 0.0                    |
| Dec  | 0.1                 |                 | 0.1                    | 3.35%           |               | 0.1                    |
| YTD  | 0.1                 | 0.0             | 0.1                    |                 | 0.0           | 0.1                    |
| LTD  | 0.1                 | 0.0             | 0.1                    |                 | 0.0           | 0.1                    |
| <u>2009</u>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | 0.1                    |                 | 0.0           | 0.1                    |
| Jan  | 0.2                 |                 | 0.4                    | 2.45%           | 0.0           | 0.4                    |
| Feb  | 0.1                 |                 | 0.5                    | 2.45%           | 0.0           | 0.5                    |
| Mar  | 0.1                 |                 | 0.6                    | 2.45%           | 0.0           | 0.6                    |
| Apr  | 0.1                 |                 | 0.7                    | 1.00%           | 0.0           | 0.7                    |
| May  | (0.1)               |                 | 0.6                    | 1.00%           | 0.0           | 0.6                    |
| Jun  | (0.1)               |                 | 0.6                    | 1.00%           | 0.0           | 0.6                    |
| July-Dec Projection                                | (2.2)               |                 | (1.6)                  | 0.55%           | (0.0)         | (1.6)                  |
| YTD  | (1.8)               | 0.0             | (1.6)                  |                 | 0.0           | (1.6)                  |
| LTD  | (1.6)               | 0.0             | (1.6)                  |                 | 0.0           | (1.6)                  |
| <u>2010</u>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | (1.6)                  |                 | 0.0           | (1.6)                  |
| Jan-Dec Projection                                 |                     | 0.0             | (1.6)                  | 0.55%           | (0.0)         | (1.6)                  |
| YTD  | 0.0                 | 0.0             | (1.6)                  |                 | (0.0)         | (1.6)                  |
| LTD  | (1.6)               | 0.0             | (1.6)                  |                 | (0.0)         | (1.6)                  |

Numbers may not add due to rounding

**Ancillary Services Net Revenue Variance Account - Nuclear**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative</u>      | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|------------------------|-----------------|---------------|------------------------|
|  |                     |                 | <u>before Interest</u> | <u>Rate</u>     | <u>Amount</u> |                        |
| <u>Opening Account Balance as at April 1, 2008</u> |                     |                 |                        |                 |               |                        |
|  |                     |                 | <u>1.4</u>             |                 |               | <u>1.4</u>             |
| Apr  | (0.1)               | (0.1)           | 1.3                    | 4.08%           | 0.0           | 1.3                    |
| May  | (0.0)               | (0.1)           | 1.2                    | 4.08%           | 0.0           | 1.2                    |
| Jun  | 0.1                 | (0.1)           | 1.3                    | 4.08%           | 0.0           | 1.3                    |
| Jul  | (0.0)               | (0.1)           | 1.2                    | 3.35%           | 0.0           | 1.2                    |
| Aug  | (0.1)               | (0.1)           | 1.0                    | 3.35%           | 0.0           | 1.0                    |
| Sep  | 0.0                 | (0.1)           | 0.9                    | 3.35%           | 0.0           | 1.0                    |
| Oct  | (0.0)               | (0.1)           | 0.9                    | 3.35%           | 0.0           | 0.9                    |
| Nov  | (0.0)               | (0.1)           | 0.8                    | 3.35%           | 0.0           | 0.8                    |
| Dec  | (0.1)               | (0.1)           | 0.6                    | 3.35%           | 0.0           | 0.6                    |
| YTD  | (0.3)               | (0.5)           | 0.6                    |                 | 0.0           | 0.6                    |
| LTD  | (0.3)               | (0.5)           | 0.6                    |                 | 0.0           | 0.6                    |
| <u>2009</u>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | <u>0.6</u>             |                 | <u>0.0</u>    | <u>0.6</u>             |
| Jan  | (0.1)               | (0.1)           | 0.5                    | 2.45%           | 0.0           | 0.5                    |
| Feb  | (0.0)               | (0.1)           | 0.4                    | 2.45%           | 0.0           | 0.4                    |
| Mar  | 0.0                 | (0.1)           | 0.3                    | 2.45%           | 0.0           | 0.4                    |
| Apr  | 0.2                 | (0.1)           | 0.5                    | 1.00%           | 0.0           | 0.5                    |
| May  | 0.1                 | (0.1)           | 0.6                    | 1.00%           | 0.0           | 0.6                    |
| Jun  | 0.0                 | (0.1)           | 0.5                    | 1.00%           | 0.0           | 0.6                    |
| July-Dec Projection                                | (2.1)               | (0.3)           | (1.9)                  | 0.55%           | (0.0)         | (1.9)                  |
| YTD  | (1.9)               | (0.7)           | (1.9)                  |                 | 0.0           | (1.9)                  |
| LTD  | (2.2)               | (1.2)           | (1.9)                  |                 | 0.0           | (1.9)                  |
| <u>2010</u>  |                     |                 |                        |                 |               |                        |
|  |                     |                 | <u>(1.9)</u>           |                 | <u>0.0</u>    | <u>(1.9)</u>           |
| Jan-Dec Projection                                 | (0.0)               | (0.7)           | (2.6)                  | 0.55%           | (0.0)         | (2.6)                  |
| YTD  | (0.0)               | (0.7)           | (2.6)                  |                 | (0.0)         | (2.6)                  |
| LTD  | (2.2)               | (1.8)           | (2.6)                  |                 | 0.0           | (2.6)                  |

Numbers may not add due to rounding

**Transmlssion Outages and Restrictions Variance Account**

| <u>Transactions</u>                                |     | <u>Recovery</u> | <u>Cumulative</u>      | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|-----|-----------------|------------------------|-----------------|---------------|------------------------|
|  |     |                 | <u>before interest</u> | <u>Rate</u>     | <u>Amount</u> |                        |
| <u>Opening Account Balance as at April 1, 2008</u> |     |                 |                        |                 |               |                        |
| Apr  | 0.0 | 0.1             | (1.7)                  |                 |               | (1.7)                  |
| May  | 0.0 | 0.1             | (1.7)                  | 4.08%           | (0.0)         | (1.7)                  |
| Jun  | 0.0 | 0.1             | (1.6)                  | 4.08%           | (0.0)         | (1.6)                  |
| Jul  | 0.0 | 0.1             | (1.6)                  | 4.08%           | (0.0)         | (1.6)                  |
| Aug  | 0.0 | 0.1             | (1.5)                  | 3.35%           | (0.0)         | (1.5)                  |
| Sep  | 0.0 | 0.1             | (1.5)                  | 3.35%           | (0.0)         | (1.5)                  |
| Oct  | 0.0 | 0.1             | (1.4)                  | 3.35%           | (0.0)         | (1.4)                  |
| Nov  | 0.0 | 0.1             | (1.3)                  | 3.35%           | (0.0)         | (1.4)                  |
| Dec  | 0.0 | 0.1             | (1.3)                  | 3.35%           | (0.0)         | (1.3)                  |
| YTD  | 0.0 | 0.1             | (1.2)                  | 3.35%           | (0.0)         | (1.3)                  |
| LTD  | 0.0 | 0.5             | (1.2)                  |                 | (0.0)         | (1.3)                  |
|  |     |                 |                        |                 |               |                        |
| <u>2009</u>  |     |                 | (1.2)                  |                 | (0.0)         | (1.3)                  |
| Jan  | 0.0 | 0.1             | (1.2)                  | 2.45%           | (0.0)         | (1.2)                  |
| Feb  | 0.0 | 0.1             | (1.1)                  | 2.45%           | (0.0)         | (1.2)                  |
| Mar  | 0.0 | 0.1             | (1.1)                  | 2.45%           | (0.0)         | (1.1)                  |
| Apr  | 0.0 | 0.1             | (1.0)                  | 1.00%           | (0.0)         | (1.1)                  |
| May  | 0.0 | 0.1             | (1.0)                  | 1.00%           | (0.0)         | (1.0)                  |
| Jun  | 0.0 | 0.1             | (0.9)                  | 1.00%           | (0.0)         | (1.0)                  |
| July-Dec Projection                                | 0.0 | 0.3             | (0.6)                  | 0.55%           | (0.0)         | (0.6)                  |
| YTD  | 0.0 | 0.7             | (0.6)                  |                 | (0.0)         | (0.6)                  |
| LTD  | 0.0 | 1.1             | (0.6)                  |                 | (0.1)         | (0.6)                  |
|  |     |                 |                        |                 |               |                        |
| <u>2010</u>  |     |                 | (0.6)                  |                 | (0.1)         | (0.6)                  |
| Jan-Dec Projection                                 | 0.0 | 0.7             | 0.1                    | 0.55%           | (0.0)         | 0.0                    |
| YTD  | 0.0 | 0.7             | 0.1                    |                 | (0.0)         | 0.0                    |
| LTD  | 0.0 | 1.8             | 0.1                    |                 | (0.1)         | 0.0                    |

Numbers may not add due to rounding



Pickering A Return to Service Deferral account - PARTS

|  | Transactions | Recovery | Cumulative<br>before Interest | Interest |            | Closing Balance |
|--|--------------|----------|-------------------------------|----------|------------|-----------------|
|  |              |          |                               | Rate     | Amount     |                 |
| <b>Opening Account Balance as at April 1, 2008</b> |              |          | <b>162.2</b>                  |          |            | <b>162.2</b>    |
| Apr  | 0.0          | (4.1)    | 158.1                         | 4.08%    | 0.6        | 158.7           |
| May  | 0.0          | (4.1)    | 154.0                         | 4.08%    | 0.5        | 155.1           |
| Jun  | 0.0          | (4.1)    | 149.9                         | 4.08%    | 0.5        | 151.6           |
| Jul  | 0.0          | (4.1)    | 145.9                         | 3.35%    | 0.4        | 147.9           |
| Aug  | 0.0          | (4.1)    | 141.8                         | 3.35%    | 0.4        | 144.2           |
| Sep  | 0.0          | (4.1)    | 137.7                         | 3.35%    | 0.4        | 140.5           |
| Oct  | 0.0          | (4.1)    | 133.6                         | 3.35%    | 0.4        | 136.8           |
| Nov  | 0.0          | (4.1)    | 129.5                         | 3.35%    | 0.4        | 133.1           |
| Dec  | 0.0          | (4.1)    | 125.5                         | 3.35%    | 0.4        | 129.4           |
| YTD  | 0.0          | (36.7)   | 125.5                         |          | 4.0        | 129.4           |
| LTD  | 0.0          | (36.7)   | 125.5                         |          | 4.0        | 129.4           |
| <b>2009</b>  |              |          | <b>125.5</b>                  |          | <b>4.0</b> | <b>129.4</b>    |
| Jan  | 0.0          | (4.1)    | 121.4                         | 2.45%    | 0.3        | 125.6           |
| Feb  | 0.0          | (4.1)    | 117.3                         | 2.45%    | 0.2        | 121.7           |
| Mar  | 0.0          | (4.1)    | 113.2                         | 2.45%    | 0.2        | 117.9           |
| Apr  | 0.0          | (4.1)    | 109.1                         | 1.00%    | 0.1        | 113.9           |
| May  | 0.0          | (4.1)    | 105.0                         | 1.00%    | 0.1        | 109.9           |
| Jun  | 0.0          | (4.1)    | 101.0                         | 1.00%    | 0.1        | 105.9           |
| July-Dec Projection                                | 0.0          | (24.5)   | 76.5                          | 0.55%    | 0.2        | 81.7            |
| YTD  | 0.0          | (49.0)   | 76.5                          |          | 1.3        | 81.7            |
| LTD  | 0.0          | (85.7)   | 76.5                          |          | 5.2        | 81.7            |
| <b>2010</b>  |              |          | <b>76.5</b>                   |          | <b>5.2</b> | <b>81.7</b>     |
| Jan-Dec Projection                                 | 0.0          | (49.0)   | 27.5                          | 0.55%    | 0.3        | 33.0            |
| YTD  | 0.0          | (49.0)   | 27.5                          |          | 0.3        | 33.0            |
| LTD  | 0.0          | (134.7)  | 27.5                          |          | 5.5        | 33.0            |

Numbers may not add due to rounding

**Nuclear Liability Deferral Account**

|   | Transactions | Recovery | Cumulative<br>before Interest | Interest |        | Closing Balance |
|---|--------------|----------|-------------------------------|----------|--------|-----------------|
|   |              |          |                               | Rate     | Amount |                 |
| Opening Account Balance as at April 1, 2008 |              |          | 163.9                         |          |        | 163.9           |
| Apr   | 0.0          | (4.0)    | 160.0                         | 4.08%    | 0.6    | 160.5           |
| May   | 0.0          | (4.0)    | 156.0                         | 4.08%    | 0.5    | 157.1           |
| Jun   | 0.0          | (4.0)    | 152.1                         | 4.08%    | 0.5    | 153.7           |
| Jul   | 0.0          | (4.0)    | 148.1                         | 3.35%    | 0.4    | 150.2           |
| Aug   | 0.0          | (4.0)    | 144.2                         | 3.35%    | 0.4    | 146.6           |
| Sep   | 0.0          | (4.0)    | 140.2                         | 3.35%    | 0.4    | 143.1           |
| Oct   | 0.0          | (4.0)    | 136.2                         | 3.35%    | 0.4    | 139.5           |
| Nov   | 0.0          | (4.0)    | 132.3                         | 3.35%    | 0.4    | 135.9           |
| Dec   | 0.0          | (4.0)    | 128.3                         | 3.35%    | 0.4    | 132.3           |
| YTD   | 0.0          | (35.6)   | 128.3                         |          | 4.0    | 132.3           |
| LTD   | 0.0          | (35.6)   | 128.3                         |          | 4.0    | 132.3           |
| 2009  |              |          | 128.3                         |          | 4.0    | 132.3           |
| Jan   | 0.0          | (4.0)    | 124.4                         | 2.45%    | 0.3    | 128.7           |
| Feb   | 0.0          | (4.0)    | 120.4                         | 2.45%    | 0.3    | 125.0           |
| Mar   | 0.0          | (4.0)    | 116.5                         | 2.45%    | 0.2    | 121.2           |
| Apr   | 0.0          | (4.0)    | 112.5                         | 1.00%    | 0.1    | 117.4           |
| May   | 0.0          | (4.0)    | 108.6                         | 1.00%    | 0.1    | 113.5           |
| Jun   | 0.0          | (4.0)    | 104.6                         | 1.00%    | 0.1    | 109.7           |
| July-Dec Projection                         | 0.0          | (23.7)   | 80.9                          | 0.55%    | 0.3    | 86.2            |
| YTD   | 0.0          | (47.5)   | 80.9                          |          | 1.3    | 86.2            |
| LTD   | 0.0          | (83.1)   | 80.9                          |          | 5.3    | 86.2            |
| 2010  |              |          | 80.9                          |          | 5.3    | 86.2            |
| Jan-Dec Projection                          | 0.0          | (47.5)   | 33.4                          | 0.55%    | 0.3    | 39.1            |
| YTD   | 0.0          | (47.5)   | 33.4                          |          | 0.3    | 39.1            |
| LTD   | 0.0          | (130.5)  | 33.4                          |          | 5.6    | 39.1            |

Numbers may not add due to rounding

**Nuclear Development Variance Account**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative<br/>before Interest</u> | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|---------------------------------------|-----------------|---------------|------------------------|
|  |                     |                 |                                       | <u>Rate</u>     | <u>Amount</u> |                        |
| <b>Opening Account Balance as at April 1, 2008</b> |                     |                 | <b>15.7</b>                           |                 |               | <b>15.7</b>            |
| Apr  | (4.0)               | (0.4)           | 11.3                                  | 4.08%           | 0.1           | 11.4                   |
| May  | (4.7)               | (0.4)           | 6.2                                   | 4.08%           | 0.0           | 6.3                    |
| Jun  | (3.1)               | (0.4)           | 2.8                                   | 4.08%           | 0.0           | 2.9                    |
| Jul  | (3.5)               | (0.4)           | (1.1)                                 | 3.35%           | 0.0           | (0.9)                  |
| Aug  | (3.8)               | (0.4)           | (5.2)                                 | 3.35%           | (0.0)         | (5.1)                  |
| Sep  | (2.2)               | (0.4)           | (7.7)                                 | 3.35%           | (0.0)         | (7.6)                  |
| Oct  | (5.7)               | (0.4)           | (13.8)                                | 3.35%           | (0.0)         | (13.7)                 |
| Nov  | (1.2)               | (0.4)           | (15.3)                                | 3.35%           | (0.0)         | (15.3)                 |
| Dec  | (6.0)               | (0.4)           | (21.6)                                | 3.35%           | (0.0)         | (21.6)                 |
| <b>YTD</b>   | <b>(34.1)</b>       | <b>(3.2)</b>    | <b>(21.6)</b>                         |                 | <b>0.0</b>    | <b>(21.6)</b>          |
| <b>LTD</b>   | <b>(34.1)</b>       | <b>(3.2)</b>    | <b>(21.6)</b>                         |                 | <b>0.0</b>    | <b>(21.6)</b>          |
| <b>2009</b>  |                     |                 |                                       |                 |               |                        |
|  |                     |                 | <b>(21.6)</b>                         |                 | <b>0.0</b>    | <b>(21.6)</b>          |
| Jan  | (3.4)               | (0.4)           | (25.4)                                | 2.45%           | (0.0)         | (25.4)                 |
| Feb  | (3.1)               | (0.4)           | (28.9)                                | 2.45%           | (0.1)         | (29.0)                 |
| Mar  | (1.5)               | (0.4)           | (30.8)                                | 2.45%           | (0.1)         | (30.9)                 |
| Apr  | (2.8)               | (0.4)           | (33.9)                                | 1.00%           | (0.0)         | (34.1)                 |
| May  | (3.8)               | (0.4)           | (38.1)                                | 1.00%           | (0.0)         | (38.3)                 |
| Jun  | 0.8                 | (0.4)           | (37.6)                                | 1.00%           | (0.0)         | (37.8)                 |
| July-Dec Projection                                | (12.1)              | (2.1)           | (51.8)                                | 0.55%           | (0.1)         | (52.2)                 |
| <b>YTD</b>   | <b>(25.9)</b>       | <b>(4.3)</b>    | <b>(51.8)</b>                         |                 | <b>(0.4)</b>  | <b>(52.2)</b>          |
| <b>LTD</b>   | <b>(60.1)</b>       | <b>(7.5)</b>    | <b>(51.8)</b>                         |                 | <b>(0.4)</b>  | <b>(52.2)</b>          |
| <b>2010</b>  |                     |                 |                                       |                 |               |                        |
|  |                     |                 | <b>(51.8)</b>                         |                 | <b>(0.4)</b>  | <b>(52.2)</b>          |
| Jan-Dec Projection                                 | (61.0)              | (4.3)           | (117.1)                               | 0.55%           | (0.4)         | (117.9)                |
| <b>YTD</b>   | <b>(61.0)</b>       | <b>(4.3)</b>    | <b>(117.1)</b>                        |                 | <b>(0.4)</b>  | <b>(117.9)</b>         |
| <b>LTD</b>   | <b>(121.0)</b>      | <b>(11.7)</b>   | <b>(117.1)</b>                        |                 | <b>(0.8)</b>  | <b>(117.9)</b>         |

**Capacity Refurbishment Variance Account**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative<br/>before Interest</u> | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|---------------------------------------|-----------------|---------------|------------------------|
|  |                     |                 |                                       | <u>Rate</u>     | <u>Amount</u> |                        |
| <b>Opening Account Balance as at April 1, 2008</b> |                     |                 | <b>0.0</b>                            |                 |               | <b>0.0</b>             |
| Apr  | (0.8)               | 0.0             | (0.8)                                 | 4.08%           | 0.0           | (0.8)                  |
| May  | (0.9)               | 0.0             | (1.7)                                 | 4.08%           | (0.0)         | (1.7)                  |
| Jun  | (0.9)               | 0.0             | (2.5)                                 | 4.08%           | (0.0)         | (2.5)                  |
| Jul  | (0.7)               | 0.0             | (3.2)                                 | 3.35%           | (0.0)         | (3.2)                  |
| Aug  | (1.3)               | 0.0             | (4.5)                                 | 3.35%           | (0.0)         | (4.5)                  |
| Sep  | (0.5)               | 0.0             | (5.0)                                 | 3.35%           | (0.0)         | (5.1)                  |
| Oct  | (1.0)               | 0.0             | (6.0)                                 | 3.35%           | (0.0)         | (6.0)                  |
| Nov  | (0.4)               | 0.0             | (6.4)                                 | 3.35%           | (0.0)         | (6.5)                  |
| Dec  | 0.8                 | 0.0             | (5.7)                                 | 3.35%           | (0.0)         | (5.7)                  |
| <b>YTD</b>   | <b>(5.7)</b>        | <b>0.0</b>      | <b>(5.7)</b>                          |                 | <b>(0.1)</b>  | <b>(5.7)</b>           |
| <b>LTD</b>   | <b>(5.7)</b>        | <b>0.0</b>      | <b>(5.7)</b>                          |                 | <b>(0.1)</b>  | <b>(5.7)</b>           |
| <b>2009</b>  |                     |                 |                                       |                 |               |                        |
|  |                     |                 | <b>(5.7)</b>                          |                 | <b>(0.1)</b>  | <b>(5.7)</b>           |
| Jan  | (0.9)               | 0.0             | (6.6)                                 | 2.45%           | (0.0)         | (6.7)                  |
| Feb  | (1.1)               | 0.0             | (7.7)                                 | 2.45%           | (0.0)         | (7.8)                  |
| Mar  | (0.1)               | 0.0             | (7.8)                                 | 2.45%           | (0.0)         | (7.9)                  |
| Apr  | (0.5)               | 0.0             | (8.3)                                 | 1.00%           | (0.0)         | (8.4)                  |
| May  | 0.0                 | 0.0             | (8.2)                                 | 1.00%           | (0.0)         | (8.4)                  |
| Jun  | (0.7)               | 0.0             | (9.0)                                 | 1.00%           | (0.0)         | (9.1)                  |
| July-Dec Projection                                | 10.6                | 0.0             | 1.7                                   | 0.55%           | (0.0)         | 1.5                    |
| <b>YTD</b>   | <b>7.3</b>          | <b>0.0</b>      | <b>1.7</b>                            |                 | <b>(0.1)</b>  | <b>1.5</b>             |
| <b>LTD</b>   | <b>1.7</b>          | <b>0.0</b>      | <b>1.7</b>                            |                 | <b>(0.2)</b>  | <b>1.5</b>             |
| <b>2010</b>  |                     |                 |                                       |                 |               |                        |
|  |                     |                 | <b>1.7</b>                            |                 | <b>(0.2)</b>  | <b>1.5</b>             |
| Jan-Dec Projection                                 | (25.1)              | 0.0             | (23.4)                                | 0.55%           | (0.1)         | (23.7)                 |
| <b>YTD</b>   | <b>(25.1)</b>       | <b>0.0</b>      | <b>(23.4)</b>                         |                 | <b>(0.1)</b>  | <b>(23.7)</b>          |
| <b>LTD</b>   | <b>(23.4)</b>       | <b>0.0</b>      | <b>(23.4)</b>                         |                 | <b>(0.2)</b>  | <b>(23.7)</b>          |

**Nuclear Fuel Cost Variance Account**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative</u><br><u>before Interest</u> | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|---|-----------------|---------------|------------------------|
|  |                     |                 |   | <u>Rate</u>     | <u>Amount</u> |                        |
| <b>Opening Account Balance as at April 1, 2008</b> |                     |                 | <b>0.0</b>                                  |                 |               | <b>0.0</b>             |
| Apr  | 0.6                 | 0.0             | 0.6   | 4.08%           | 0.0           | 0.6                    |
| May  | (0.1)               | 0.0             | 0.5   | 4.08%           | 0.0           | 0.5                    |
| Jun  | 0.5                 | 0.0             | 1.0   | 4.08%           | 0.0           | 1.0                    |
| Jul  | (0.6)               | 0.0             | 0.4   | 3.35%           | 0.0           | 0.4                    |
| Aug  | 0.1                 | 0.0             | 0.5   | 3.35%           | 0.0           | 0.5                    |
| Sep  | (0.6)               | 0.0             | (0.1)                                       | 3.35%           | 0.0           | (0.1)                  |
| Oct  | (0.7)               | 0.0             | (0.8)                                       | 3.35%           | (0.0)         | (0.8)                  |
| Nov  | (0.3)               | 0.0             | (1.1)                                       | 3.35%           | (0.0)         | (1.1)                  |
| Dec  | (0.3)               | 0.0             | (1.4)                                       | 3.35%           | (0.0)         | (1.4)                  |
| YTD  | <b>(1.4)</b>        | <b>0.0</b>      | <b>(1.4)</b>                                |                 | <b>0.0</b>    | <b>(1.4)</b>           |
| LTD  | <b>(1.4)</b>        | <b>0.0</b>      | <b>(1.4)</b>                                |                 | <b>0.0</b>    | <b>(1.4)</b>           |
| <b>2009</b>  |                     |                 |   |                 |               |                        |
|  |                     |                 | <b>(1.4)</b>                                |                 | <b>0.0</b>    | <b>(1.4)</b>           |
| Jan  | (1.0)               | 0.0             | (2.4)                                       | 2.45%           | (0.0)         | (2.4)                  |
| Feb  | (1.4)               | 0.0             | (3.8)                                       | 2.45%           | (0.0)         | (3.8)                  |
| Mar  | (0.8)               | 0.0             | (4.6)                                       | 2.45%           | (0.0)         | (4.6)                  |
| Apr  | (1.2)               | 0.0             | (5.8)                                       | 1.00%           | (0.0)         | (5.8)                  |
| May  | (0.2)               | 0.0             | (6.0)                                       | 1.00%           | (0.0)         | (6.0)                  |
| Jun  | (0.7)               | 0.0             | (6.7)                                       | 1.00%           | (0.0)         | (6.7)                  |
| July-Dec Projection                                | (8.9)               | 0.0             | (15.6)                                      | 0.55%           | (0.0)         | (15.7)                 |
| YTD  | <b>(14.2)</b>       | <b>0.0</b>      | <b>(15.6)</b>                               |                 | <b>(0.1)</b>  | <b>(15.7)</b>          |
| LTD  | <b>(15.6)</b>       | <b>0.0</b>      | <b>(15.6)</b>                               |                 | <b>(0.1)</b>  | <b>(15.7)</b>          |
| <b>2010</b>  |                     |                 |   |                 |               |                        |
|  |                     |                 | <b>(15.6)</b>                               |                 | <b>(0.1)</b>  | <b>(15.7)</b>          |
| Jan-Dec Projection                                 | 23.6                | 0.0             | 8.0   | 0.55%           | (0.0)         | 8.0                    |
| YTD  | <b>23.6</b>         | <b>0.0</b>      | <b>8.0</b>                                  |                 | <b>(0.0)</b>  | <b>8.0</b>             |
| LTD  | <b>8.0</b>          | <b>0.0</b>      | <b>8.0</b>                                  |                 | <b>(0.1)</b>  | <b>8.0</b>             |

Numbers may not add due to rounding

**Bruce Lease Net Revenues Variance Account**

|  | <u>Transactions</u> | <u>Recovery</u> | <u>Cumulative</u><br><u>before Interest</u> | <u>Interest</u> |               | <u>Closing Balance</u> |
|--|---------------------|-----------------|---|-----------------|---------------|------------------------|
|  |                     |                 |   | <u>Rate</u>     | <u>Amount</u> |                        |
| <b>Opening Account Balance as at April 1, 2008</b> |                     |                 | <b>0.0</b>                                  |                 |               | <b>0.0</b>             |
| Apr  | (53.6)              | 0.0             | (53.6)                                      | 4.08%           | 0.0           | (53.6)                 |
| May  | (29.4)              | 0.0             | (83.0)                                      | 4.08%           | (0.2)         | (83.2)                 |
| Jun  | 58.4                | 0.0             | (24.6)                                      | 4.08%           | (0.3)         | (25.1)                 |
| Jul  | 5.6                 | 0.0             | (19.0)                                      | 3.35%           | (0.1)         | (19.5)                 |
| Aug  | (45.4)              | 0.0             | (64.4)                                      | 3.35%           | (0.1)         | (65.0)                 |
| Sep  | 153.1               | 0.0             | 88.8  | 3.35%           | (0.2)         | 88.0                   |
| Oct  | 118.2               | 0.0             | 207.0                                       | 3.35%           | 0.2           | 206.5                  |
| Nov  | 44.2                | 0.0             | 251.2                                       | 3.35%           | 0.6           | 251.2                  |
| Dec  | 5.7                 | 0.0             | 256.9                                       | 3.35%           | 0.7           | 257.7                  |
| YTD  | <b>256.9</b>        | <b>0.0</b>      | <b>256.9</b>                                |                 | <b>0.8</b>    | <b>257.7</b>           |
| LTD  | <b>256.9</b>        | <b>0.0</b>      | <b>256.9</b>                                |                 | <b>0.8</b>    | <b>257.7</b>           |
| <hr/>  |                     |                 |   |                 |               |                        |
| <b>2009</b>  |                     |                 | <b>256.9</b>                                |                 | <b>0.8</b>    | <b>257.7</b>           |
| Jan  | 72.7                | 0.0             | 329.6                                       | 2.45%           | 0.5           | 330.9                  |
| Feb  | 70.3                | 0.0             | 399.9                                       | 2.45%           | 0.7           | 401.8                  |
| Mar  | (39.5)              | 0.0             | 360.4                                       | 2.45%           | 0.8           | 363.2                  |
| Apr  | (45.3)              | 0.0             | 315.1                                       | 1.00%           | 0.3           | 318.1                  |
| May  | (30.3)              | 0.0             | 284.7                                       | 1.00%           | 0.3           | 288.1                  |
| Jun  | (32.0)              | 0.0             | 252.7                                       | 1.00%           | 0.2           | 256.3                  |
| July-Dec Projection                                | 35.5                | 0.0             | 288.2                                       | 0.55%           | 0.7           | 292.5                  |
| YTD  | <b>31.3</b>         | <b>0.0</b>      | <b>288.2</b>                                |                 | <b>3.5</b>    | <b>292.5</b>           |
| LTD  | <b>288.2</b>        | <b>0.0</b>      | <b>288.2</b>                                |                 | <b>4.3</b>    | <b>292.5</b>           |
| <hr/>  |                     |                 |   |                 |               |                        |
| <b>2010</b>  |                     |                 | <b>288.2</b>                                |                 | <b>4.3</b>    | <b>292.5</b>           |
| Jan-Dec Projection                                 | 71.1                | 0.0             | 359.4                                       | 0.55%           | 1.8           | 365.4                  |
| YTD  | <b>71.1</b>         | <b>0.0</b>      | <b>359.4</b>                                |                 | <b>1.8</b>    | <b>365.4</b>           |
| LTD  | <b>359.4</b>        | <b>0.0</b>      | <b>359.4</b>                                |                 | <b>6.1</b>    | <b>365.4</b>           |

Numbers may not add due to rounding

**Shortfall Rider B Variance Account - Nuclear**

|   | Transactions | Recovery | Cumulative<br>before Interest | Interest |        | Closing Balance |
|---|--------------|----------|-------------------------------|----------|--------|-----------------|
|   |              |          |                               | Rate     | Amount |                 |
| Opening Account Balance as at April 1, 2008 |              |          | 0.0                           |          |        | 0.0             |
| Apr   |              |          | 0.0                           | 4.08%    |        | 0.0             |
| May   |              |          | 0.0                           | 4.08%    |        | 0.0             |
| Jun   |              |          | 0.0                           | 4.08%    |        | 0.0             |
| Jul   |              |          | 0.0                           | 3.35%    |        | 0.0             |
| Aug   |              |          | 0.0                           | 3.35%    |        | 0.0             |
| Sep   |              |          | 0.0                           | 3.35%    |        | 0.0             |
| Oct   |              |          | 0.0                           | 3.35%    |        | 0.0             |
| Nov   |              |          | 0.0                           | 3.35%    |        | 0.0             |
| Dec   | 0.2          |          | 0.2                           | 3.35%    |        | 0.2             |
| YTD   | 0.2          | 0.0      | 0.2                           |          | 0.0    | 0.2             |
| LTD   | 0.2          | 0.0      | 0.2                           |          | 0.0    | 0.2             |
| 2009  |              |          | 0.2                           |          | 0.0    | 0.2             |
| Jan   | 0.4          |          | 0.6                           | 2.45%    | 0.0    | 0.6             |
| Feb   | 1.1          |          | 1.7                           | 2.45%    | 0.0    | 1.7             |
| Mar   | 0.6          |          | 2.3                           | 2.45%    | 0.0    | 2.3             |
| Apr   | 0.6          |          | 2.8                           | 1.00%    | 0.0    | 2.8             |
| May   | 1.3          |          | 4.1                           | 1.00%    | 0.0    | 4.1             |
| Jun   | 0.1          |          | 4.2                           | 1.00%    | 0.0    | 4.2             |
| July-Dec Projection                         | 1.0          |          | 5.3                           | 0.55%    | 0.0    | 5.3             |
| YTD   | 5.1          | 0.0      | 5.3                           |          | 0.0    | 5.3             |
| LTD   | 5.3          | 0.0      | 5.3                           |          | 0.0    | 5.3             |
| 2010  |              |          | 5.3                           |          | 0.0    | 5.3             |
| Jan-Dec Projection                          | 0.0          | 0.0      | 5.3                           | 0.55%    | 0.0    | 5.3             |
| YTD   | 0.0          | 0.0      | 5.3                           |          | 0.0    | 5.3             |
| LTD   | 5.3          | 0.0      | 5.3                           |          | 0.1    | 5.3             |

Numbers may not add due to rounding

**Over/Under Recovery Variance Account - Nuclear**

| Opening Account Balance as at April 1, 2008 | Transactions | Recovery | Cumulative before Interest | Interest |        | Closing Balance |
|---|--------------|----------|----------------------------|----------|--------|-----------------|
|   |              |          |                            | Rate     | Amount |                 |
|   |              |          |                            |          |        |                 |
|   |              |          | 0.0                        |          |        | 0.0             |
| Apr   | 0.0          |          | 0.0                        | 4.08%    | 0.0    | 0.0             |
| May   | 0.0          |          | 0.0                        | 4.08%    | 0.0    | 0.0             |
| Jun   | 0.0          |          | 0.0                        | 4.08%    | 0.0    | 0.0             |
| Jul   | 0.0          |          | 0.0                        | 3.35%    | 0.0    | 0.0             |
| Aug   | 0.0          |          | 0.0                        | 3.35%    | 0.0    | 0.0             |
| Sep   | 0.0          |          | 0.0                        | 3.35%    | 0.0    | 0.0             |
| Oct   | 0.0          |          | 0.0                        | 3.35%    | 0.0    | 0.0             |
| Nov   | 0.0          |          | 0.0                        | 3.35%    | 0.0    | 0.0             |
| Dec   | 0.3          |          | 0.3                        | 3.35%    | 0.0    | 0.3             |
| YTD   | 0.3          | 0.0      | 0.3                        |          | 0.0    | 0.3             |
| LTD   | 0.3          | 0.0      | 0.3                        |          | 0.0    | 0.3             |
|   |              |          |                            |          |        |                 |
| 2009  |              |          | 0.3                        |          | 0.0    | 0.3             |
| Jan   | 0.6          |          | 1.0                        | 2.45%    | 0.0    | 1.0             |
| Feb   | 1.8          |          | 2.8                        | 2.45%    | 0.0    | 2.8             |
| Mar   | 0.9          |          | 3.7                        | 2.45%    | 0.0    | 3.7             |
| Apr   | 0.9          |          | 4.6                        | 1.00%    | 0.0    | 4.6             |
| May   | 2.1          |          | 6.7                        | 1.00%    | 0.0    | 6.7             |
| Jun   | 0.1          |          | 6.8                        | 1.00%    | 0.0    | 6.9             |
| July-Dec Projection                         | 1.7          |          | 8.5                        | 0.55%    | 0.0    | 8.6             |
| YTD   | 8.2          | 0.0      | 8.5                        |          | 0.0    | 8.6             |
| LTD   | 8.5          | 0.0      | 8.5                        |          | 0.0    | 8.6             |
|   |              |          |                            |          |        |                 |
| 2010  |              |          | 8.5                        |          | 0.0    | 8.6             |
| Jan-Dec Projection                          | 8.2          | 0.0      | 16.7                       | 0.55%    | 0.1    | 16.8            |
| YTD   | 8.2          | 0.0      | 16.7                       |          | 0.1    | 16.8            |
| LTD   | 16.7         | 0.0      | 16.7                       |          | 0.1    | 16.8            |

Numbers may not add due to rounding



**Board Staff Interrogatory #3**

**Interrogatory**

Ref: Section 2.2

OPG proposes no further action for the Hydroelectric Water Conditions Variance Account and Ancillary Services Net Revenue Variance Account – Hydroelectric. However, the approved account balance of \$13.4M that has a recovery period ending December 31, 2009 will continue to be recovered until December 31, 2010 as part of the Regulated Hydroelectric payment amount of \$36.66/MWh. Should a variance account be established to record the over recoveries associated with these two accounts for the period after December 31, 2009, and if not, what is the rationale for not “refunding” these over recoveries in the future?

**Response**

No, a variance account should not be established. Because the net balances for these hydroelectric accounts were relatively small, the OEB directed OPG to include these balances in the Regulated Hydroelectric test period revenue requirement and recover them through the Regulated Hydroelectric payment amount. OPG has simply proposed to continue the approach adopted by the Board.

## Board Staff Interrogatory #4

### Interrogatory

Ref: Section 4.0

OPG requests approval of a variance account to capture the difference between forecast and actual production relating to nuclear payment Rider A and Rider C.

- a) Please explain why this account was not requested or approved during the EB-2007-0905 proceeding.
- b) What will be the effective date of the proposed variance account?
- c) What are the proposed accounting journal entries for this account?
- d) On page 6 of the application, it states that the proposed account is "in principle the same treatment that the OEB approved in establishing the Hydroelectric Interim Period Shortfall (Rider D) Variance Account and Nuclear Interim Period Shortfall (Rider B) Variance Account." What are the differences in the accounting treatment between the proposed variance account and the OEB-approved Hydroelectric Interim Period Shortfall (Rider D) Variance Account and Nuclear Interim Period Shortfall (Rider B) Variance Account?
- e) What is OPG's current treatment to account for the difference between forecast and actual production in relation to nuclear payment Rider A and Rider C?

### Response

a) In EB-2007-0905, the OEB accepted that any variance in the recovery of amounts related to Nuclear Payment Riders A and C arising because of differences between forecast production and actual production would be carried forward to OPG's next payment application. The EB-2007-0905 Payment Amounts Order, Appendix F, page 2 states that "[a]s the payment rider is based upon forecast production, any differences between forecast and actual production during the test period will cause a variance. This variance shall be carried forward to OPG's next payment amount application." It was simply an oversight on OPG's part that an account to track this over/under variance was not requested as part of finalizing the Payment Amounts Order.

b) April 1, 2008.

c) For 2010, the proposed monthly journal entry for Rider A (\$2.00 per nuclear MWh) is:

Dr    Regulatory Asset

Cr    Interest revenue (at prescribed rates)

Cr    Revenue [\$2.00 \* (actual production - forecast production)]

This example assumes that actual nuclear production is lower than forecast. When actual nuclear production exceeds forecast, the accounting entry is:

Dr    Revenue [\$2.00 \* (actual production - forecast production)]

Dr    Interest expense (at prescribed rates)

1  
2 Cr Regulatory Liability  
3

4 The forecast production is the production volume used to determine the approved  
5 payment amounts. For this purpose, the monthly forecasts will be derived from the 2009  
6 forecast values for January, February and March, and an average of 2008 and 2009  
7 forecast values from April through December.  
8

9 d) All three of the accounts are intended to true-up between forecast production and  
10 actual production commencing on April 1, 2008. As noted in part a), the OEB's Payment  
11 Amounts Order requires OPG to record variances in the amount of recovery for the  
12 nuclear variance and deferral accounts for consideration in OPG's next payment  
13 amounts application.  
14

15 The difference in accounting treatment for the Nuclear and Hydroelectric Interim Period  
16 Shortfall Accounts is that variances between forecast and actual production do not  
17 continue to be recorded in these accounts after the implementation date of OPG's  
18 approved payment amounts (December 1, 2008).  
19

20 e) OPG is currently using a separate General Ledger Account to track differences  
21 between forecast and actual production. The description of the variance and the amount  
22 recorded is reflected in OPG's most recent audited financial statements (2008 fiscal) in  
23 Note 7 to the financial statements under the heading "Other Regulatory Assets and  
24 Liabilities".

**Board Staff Interrogatory #5****Interrogatory**

Ref: Section 5.0

Section 5.0 states that, "For the accounts set out in the chart below, for the period after December 31, 2009, OPG proposes to continue to record in these accounts, on a monthly basis, the difference between actual costs or revenues and the OEB-approved forecasts for the period April 1, 2008 to December 31, 2009. For this purpose, the monthly forecasts will be derived from the 2009 forecast values for January, February and March, and an average of 2008 and 2009 forecast values from April through December." Board staff developed the following table. Please confirm that the information in the table represents the proposed methodology. If not, please provide a corrected table.

| Period        | Variance  |
|---------------|---|
| January 2010  | (January 2010 Actual) vs (January 2009 Forecast)                                |
| February 2010 | (February 2010 Actual) vs (February 2009 Forecast)                              |
| March 2010    | (March 2010 Actual) vs (March 2009 Forecast)                                    |
| April 2010    | (April 2010 Actual) vs (Average of April 2008 Forecast and April 2009 Forecast) |
| May 2010      | (May 2010 Actual) vs (Average of May 2008 Forecast and May 2009 Forecast)       |
| December 2010 | (December 2010 Actual) vs (Average of December 2008 and December 2009 Forecast) |

**Response**

OPG confirms that the information in the table above represents the proposed methodology for the accounts listed in the chart in section 5.0 of OPG's Application.

## Board Staff Interrogatory #6

### Interrogatory

Do any of the methodologies noted in the application introduce forecast data that was not reviewed in the EB-2007-0905 proceeding? If yes, please provide details.

### Response

With the exception of the Income and Other Taxes Variance Account, none of the methodologies for recording entries after December 31, 2009 noted in the Application introduce forecast data that was not reviewed in the EB-2007-0905 proceeding.

For all variance accounts, the forecast information was provided in the evidence on an annual basis. In addition, for the Hydroelectric Water Conditions Variance Account, the monthly production forecast is provided in Appendix E, Table 2 of the EB-2007-0905 Payment Amounts Order.

For the Income and Other Taxes Variance Account, the OEB directed OPG as follows (EB-2007-0905 Decision with Reasons, page 128):

*To establish a benchmark to measure variations in taxes during test period [sic], the Board directs OPG to calculate the income tax provision, before consideration of any tax loss carry forwards, which would result from the revenue requirement determined in accordance with this decision. That tax provision will not form part of the test period revenue requirement **but should be used by OPG to calculate any variations in taxes that it records in the variance account** [emphasis added].*

OPG will file the income tax provision calculated in accordance with the OEB's Decision for review at its next payment amounts hearing, as per the Decision in EB-2009-0038, which states on page 15: "The Board anticipates that any issues related to tax calculations will be dealt with at the next payment amounts hearing."

**Board Staff Interrogatory #7**

**Interrogatory**

Ref: Section 5.3

Section 5.3 states that, "OPG proposes to measure monthly variances after December 31, 2009 against the monthly reference values derived by applying the methodology outlined in section 6.0." There is no section 6.0 in the current application. Please provide the methodology or the correct reference.

**Response**

The correct reference is section 5.0.