

SEC Interrogatory #042

Ref: Ex. D2-T2-S1, page 12
Ex. H1-T1, Capacity Refurbishment Account

Issue Number: 10.4

Issue: Is the proposed continuation of deferral and variance accounts appropriate?

Interrogatory

In respect to the Capacity Refurbishment Account, which books variances between planned and actual expenditures on refurbishment activity at Darlington and Pickering stations, is it OPG position that regulation 53/05 requires the continuation of a variance and deferral account for nuclear refurbishment? If yes please indicate which sections the regulation OPG relies upon for this interpretation?

Response

Yes, it is OPG's position that section 6(2).4 of O. Reg. 53/05 requires continuation of a variance account for nuclear refurbishment and other activities. This view is consistent with the OEB's Decision in EB-2007-0905 (page 123) and the OEB's Payment Amounts Order dated December 2, 2008, paragraph 11 and Appendix F.