



November 12, 2012

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

Re: Ontario Power Generation Deferral & Variance Accounts Application
AMPCO's Comments on Draft Issues List
Board File No. EB-2012-0002

Dear Ms. Walli:

In accordance with Procedural Order No. 1 dated November 6, 2012, attached please find AMPCO's edits to the Draft Issues List.

AMPCO has added a new question at the outset - *Is the proposed clearance of deferral and variance account balances appropriate?* AMPCO submits OPG's proposal to clear the account balances should be a stand-alone issue prior to reviewing the details of the accounts.

AMPCO has added "*and disposition periods*" to question # 3 as the disposition period is either two years or four years depending on the account.

AMPCO has added a new question – *Is the proposed deferral to clear the Hydroelectric Incentive Mechanism (HIM) variance account, the Hydroelectric Surplus Baseload Generation (SBG) Variance Account and the hydroelectric portion of the Capacity Refurbishment Variance Account appropriate?* as OPG has applied for this in its application and AMPCO submits it is not captured in the Draft Issues List.

AMPCO has added three questions as follows:

Would declaring OPG's nuclear payment rider interim as of January 1, 2013 be appropriate?

Would allowing OPG's current hydroelectric rider to expire be appropriate?

Are the proposed interim period shortfall riders and disposition period appropriate?

AMPCO submits the interim approvals sought by OPG are not currently reflected on the Draft Issues List.

Please do not hesitate to contact me if you have any questions or require further information.

Sincerely yours,

(ORIGINAL SIGNED)

Adam White
President
Association of Major Power Consumers in Ontario

Encl.

Copies to: OPG
Intervenors

**Ontario Power Generation Inc.
Deferral and Variance Accounts
and USGAAP**

**EB-2012-0002
DRAFT ISSUES LIST
DEFERRAL AND VARIANCE ACCOUNTS**

AMPCO's Suggested Revisions

New Question:

Is the proposed clearance of deferral and variance account balances appropriate?

1. Is the nature or type of costs recorded in the 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** to dispose of the account balances appropriate?
4. Is the proposed continuation of the Pension and OPEB Cost Variance Account until the effective date of the next payment amounts order appropriate?

New Question:

Is the proposed deferral to clear the Hydroelectric Incentive Mechanism (HIM) variance account, the Hydroelectric Surplus Baseload Generation (SBG) Variance Account and the hydroelectric portion of the Capacity Refurbishment Variance Account appropriate?

5. Is the proposed continuation of other deferral and variance accounts appropriate?

New Questions:

Would declaring OPG's nuclear payment rider interim as of January 1, 2013 be appropriate?

Would allowing OPG's current hydroelectric rider to expire be appropriate?

Are the proposed interim period shortfall riders and disposition period appropriate?

USGAAP FOR REGULATORY PURPOSES

6. Is the request to adopt USGAAP for regulatory accounting, reporting and rate-making purposes appropriate?
7. Is OPG's forecast of accounting differences between CGAAP and USGAAP appropriate?