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By electronic filing

December 20, 2012

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th floor
Toronto, ON M4P 1E4

Dear Ms Walli,

Ontario Power Generation Inc. ("OPG")
Deferral and Variance Account Clearance and Adoption of USGAAP
Board File No.: EB-2012-0002
Our File No.: 339583-000136

We enclose Interrogatories submitted on behalf of Canadian Manufacturers & Exporters ("CME") for OPG.

Yours very truly,

A handwritten signature in blue ink, appearing to read 'Peter C.P. Thompson', followed by a long horizontal flourish.

Peter C.P. Thompson, Q.C.

PCT\slc
enclosure

c. Colin Anderson (OPG)
Carlton Mathias (OPG)
Charles Keizer (Torys)
Paul Clipsham (CME)

OTT01: 5432186: v1

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application filed by Ontario Power Generation Inc. for an order or orders related to deferral and variance accounts and the adoption of USGAAP for regulatory accounting purposes.

**INTERROGATORIES OF
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)
TO ONTARIO POWER GENERATION INC. (“OPG”)**

Issue 3: Are the proposed Rate Riders and disposition periods to dispose of the account balances appropriate?

Reference: Exhibit I, Tab 1, Schedule 2, page 1, Rate & Consumer Impact Exhibit I, Tabs 1, 2 and 3

1. In order to help stakeholders gain a high level appreciation of the full potential rate and consumer impacts of all unrecovered accumulations in all of OPG's Deferral and Variance Accounts at December 31, 2012, CME seeks the following information:
 - (a) Do the amounts of \$104.5M for Regulated Hydroelectric and \$1,218.1M for Nuclear represent all unrecovered balances in all of OPG's Deferral and Variance Accounts at December 31, 2012?
 - (b) If not, then what are the amounts for Regulated Hydroelectric and Nuclear that represent all unrecovered balances in all of OPG's Deferral and Variance Accounts at December 31, 2012?
 - (c) Assume that all of the unrecovered balances in all of OPG's Deferral and Variance Accounts at December 31, 2012, are cleared to customers by way of a one-time charge, with an effective payment date in either the first quarter or second quarter of 2013. Under that assumption, please provide the following information:
 - (i) What would the one-time charge be, expressed in \$ per MWh, for the clearance of all balances in all of OPG's Regulated Hydroelectric, Deferral and Variance Accounts at December 31, 2012, compared to the amount of \$2.42/MWh that OPG is proposing?
 - (ii) What would the one-time charge be expressed in dollars per mWh to clear all balances at December 31, 2012, in all of OPG's Nuclear Deferral and Variance Accounts compared to the amount of \$8.51/MWh that OPG is proposing?

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- (iii) What would each of the charges expressed in \$ per MWh be for Regulated Hydroelectric and Nuclear if the recovery was spread out over twelve (12) months from January 1 to December 31, 2013?
 - (iv) Please express the combination of the one-time charges for Regulated Hydroelectric and Nuclear to be provided in response to questions (i) and (ii) above as a percentage of the annual bill of the typical residential consumer described at Exhibit I, Tab 1, Schedule 2.
 - (v) Please express the combined Regulated Hydroelectric and Nuclear charges to be provided in response to question (iii) above as a percentage increase in the monthly bill of the typical residential consumer described at Exhibit I, Tab 1, Schedule 2.
- (d) What are the approximate levels of incremental accumulations that OPG anticipates will occur in its Regulated Hydroelectric and Nuclear Deferral and Variance Accounts in 2013 and beyond? Are annual incremental debit accumulations in 2013 and beyond likely to be in the hundreds of millions of dollars as they have been in prior years?