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By electronic filing

May 28, 2014

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

Dear Ms. Walli,

<b>Ontario Power Generation Inc. ("OPG")</b>	
<b>2014-2015 Payment Amounts Application</b>	
<b>Board File No.:</b>	<b>EB-2013-0321</b>
<b>Our File No.:</b>	<b>339583-000168</b>

As solicitors for Canadian Manufacturers & Exporters ("CME"), we are writing comment on the communications the Board has received from counsel for the School Energy Coalition ("SEC") and from counsel for Ontario Power Generation Inc. ("OPG") pertaining to topics described in "Secondary" Issues 4.6, 4.8, 5.2, 6.13, 7.2, 8.1, 8.2, 9.7 and 9.9 of the Board's Final Issues List (Prioritized).

We agree with Mr. Shepherd that the specific items which he describes in his letters relate to materially large components of the revenue requirements for 2014 and 2015 which OPG asks the Board to approve for the purpose of deriving its regulated payment amounts for those years.

We also are of the view that the topics Mr. Shepherd wishes to pursue at hearing fall within the ambit of broader issues on the Issues List which have either been prioritized as "Primary" or as "Oral Hearing" issues.

For example, as Mr. Shepherd notes, nuclear capital expenditure items falling within the ambit of "Secondary" Issues 4.6 and 4.8 overlap with the Board's consideration of the broadly worded "Oral Hearing" Issue 4.7.

The Surplus Baseload Generation ("SBG") issue to which Mr. Shepherd refers is a significant component of any consideration by the Board of the reasonableness of the increase in revenue requirement OPG seeks for 2014 and 2015 and is a matter which overlaps with the broadly worded "Oral Hearing" Issue 1.4 pertaining to the reasonableness of the requested revenue requirement increases. The same can be said for the 2013 tax loss of \$153.8M, the material under forecasting of heavy water sales, the \$1.9B surplus in the Decommissioning and Used Fuel Funds and the \$283.5M of deferred taxes being topics to which Mr. Shepherd refers in paragraphs 3, 4, 5 and 7 of his May 26, 2014 letter.

We urge the Board to adopt a flexible approach when considering whether questions posed at the hearing relate to material matters which have relevance to the broadly worded issues which the Board has either classified as “Primary” or as “Oral Hearing” Issues. We respectfully submit that all matters pertaining to the major issues in this case having material consequences for ratepayers should be considered and decided on the basis of a complete record.

We urge the Board to refrain from precluding questioning on topics of considerable materiality before the questioners have been afforded an opportunity to frame and pose their questions in the context of the broader “Primary” and “Oral Hearing” Issues.

Yours very truly,

A handwritten signature in black ink, appearing to read 'P. Thompson', with a long horizontal flourish extending to the right.

Peter C.P. Thompson, Q.C.

PCT\slc

c. Colin Anderson (OPG)  
Paul Clipsham (CME)  
EB-2013-0321 Intervenors  
Vince DeRose and Kim Dullet (BLG)

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