

CCC Interrogatory #56

Issue Number: 12.1

Issue: Are the effective dates for new payment amounts and riders appropriate?

Interrogatory

Reference:

Reference: Ex. A1/T2/S1/p. 2

OPG is seeking approval of the proposed payment amounts to be effective January 1, 2017. In addition, OPG has sought approval for interim rates effective January 1, 2017, in the event that the payment amounts are not implemented by January 1, 2017:

- a. Given an OEB Decision cannot be issued until mid-2017 what would be the foregone revenue requirement assuming the new payment amounts, as proposed, would not be in place until July 1, 2017 (assuming no retroactive recovery)?;
- b. Given an OEB Decision cannot be issued until mid-2017 what would be the foregone revenue requirement assuming the new payment amounts, as proposed would not be in place until November 1, 2017 (assuming no retroactive recovery)?; and
- c. If a Decision is not issued until mid-2017, on what basis would OPG recover the revenue requirement related to the period from January 1, 2017 to July 1, 2017 or from the period January 1, 2017 to November 1, 2017?

Response

OPG filed its application on May 27, 2016 and believes that January 1, 2017 is an appropriate effective date.

- a. If the OEB were to issue an effective date of July 1, 2017, OPG estimates it will have foregone approximately \$480M.
- b. If the OEB were to issue an effective date of November 1, 2017, OPG estimates it will have foregone approximately \$800M.
- c. OPG would seek a revenue shortfall rider to recover the difference between existing and new rates for the period between the effective date and the implementation date. The amounts and duration of the rider would be proposed based on the amounts of revenue foregone and that consumer bill impact of the resulting revenue shortfall rider.