



PUBLIC INTEREST ADVOCACY CENTRE
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November 9, 2016

VIA E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board

Dear Ms. Walli:

**Re: EB-2016-01652 – Ontario Power Generation Inc.
Issue List Prioritization**

VECC has had the opportunity to review the submissions of Board Staff and OPG on issue prioritization and provides the following comments.

In general VECC believes the establishment of a “hierarchy of issues” prior to the technical conference and settlement conferences is likely to be premature. The completion of discovery and the opportunity to discuss the proposal frankly with the Applicant are key in understanding what financial and policy issues are material. Having said that, VECC believes the submissions of Board Staff provide a reasonable assessment of the issues but with two exceptions.

In VECC’s view, the issue of cost of capital is primary since it has a material impact on prices. It is premature in our view to exclude the debt components of this issue especially in light of the fact that Board Staff evidence on this issue is forthcoming.

We also disagree with OPG that the monitoring of the Darlington refurbishment program is of secondary value. It would seem to us that given the material amounts of monies spent, and to be spent on this program, that the reporting of its progression might be a key to efforts to maintain the cost forecast of the Applicant. It would also seem to us, that if unresolved, the issue of the nature of the mid-term review would be of primary interest to the Board.

Yours truly,



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