

December 9, 2016

BY COURIER (2 COPIES) AND RESS

Ms. Kirsten Walli

Board Secretary

Ontario Energy Board

2300 Yonge Street, Suite 2700, P.O. Box 2319

Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: EB-2016-0152 – Ontario Power Generation (“OPG”)

I am writing on behalf of Environmental Defence to provide submissions on the motion for further and better interrogatory responses by the Green Energy Coalition (“GEC”).

GEC’s first interrogatory (L-3.1-S.8 GEC-001) concerns the proposed increase in OPG’s equity ratio from 45 to 49% due to the Darlington refurbishment and Pickering. It asked OPG’s consultant to separate out the impact of these two factors on the change in the ratio and calculate the associated costs. In essence, the GEC was asking how much consumers will pay to cover the increased risks associated with (a) the Darlington Refurbishment and (b) Pickering. This is an important question. The current cost estimates on the record ignore the additional costs borne by consumers due to the increase in the risk profile. These are real and significant costs. Their quantification is, in Environmental Defence’s view, highly relevant.

OPG argues that it is “not possible” to isolate out the effects of the Darlington refurbishment and Pickering. Although that task involves judgment and an element of imprecision, so does any assessment of risk profiles or adjustments to debt/equity ratios. It is not an exact science. However, that does not mean that estimates cannot be provided. They can, especially if they are accompanied by any necessary caveats. To address the uncertainty involved in making these estimates, OPG’s consultant could provide ranges rather than a single figure. The fact that such an exercise requires professional judgment and estimation is no justification to refuse to provide information that is required to understand the full breakdown of costs that OPG seeks to recover from ratepayers.

Environmental Defence respectfully requests that the Board direct OPG to answer this important interrogatory.

Yours truly,



Kent Elson