Filed: 2017-03-28 EB-2016-0152 J10.5 Page **1** of **1**

1 <u>UNDERTAKING J10.5</u>

Undertaking

On a best efforts basis, to reconcile average age of hydro plants in LEI's study (66 years) with the average age used in Navigant's study (85 years).

Response

The following response was provided by LEI.

The difference between the average age values in the two studies is mainly due to the fact that LEI calculated a MW-weighted average age, whereas Navigant appears to have used the median age of the facilities included in their study. As shown in the attached spreadsheet, when LEI calculates a median age for OPG's facilities using the data in its study, the result is a median of 87.5 years across the plants' individual ages. This figure compares to Navigant's calculation of 84.5 years (shown on page 8 of Navigant Hydro Benchmarking Study, dated August 17, 2015, filed as Exhibit A1-3-2, Attachment 2).

The attached Excel file shows LEI's calculation of the MW-weighted average age of OPG's hydro fleet of 66 years shown in Figure 15 on page 27 of LEI's TFP Study (dated February 19, 2016; filed as Exhibit A1-3-2, Attachment 1). For this undertaking, LEI calculated a median across the plants' individual ages of 87.5 years.

• Attachment 1: J10.5 – LEI calculated average age of OPG hydro plants

Filed: 2017-03-28 EB-2016-0152 J10.5 Attachment 1 Page 1 of 2

Calculation of MW-weighted average age of OPG hydro plants

Prepared for:
Ontario Power Generation
in support of incentive rate-making for OPG's prescribed assets

Filing reference: EB-2016-0152 OPG Undertaking J10.5 (from OEB oral hearing on March 20, 2017)

Date: March 28, 2017



Prepared by: London Economics International LLC Julia Frayer, Ian Chow, Kelima Yakupova, Jarome Leslie, and Barbara Porto

HYDROELECTRIC PLANT LISTING BY PLANT GROUP BY RIVER SYSTEM FOR LEI'S TFP STUDY

Data provided by OPG				
Plant name by OPG hydro group	Capacity (MW)	In-Service Year	Age (years)	
Niagara PG				
Welland Canal				
Decew Falls ND1	23	1898	118	
Decew Falls NF23	144	1944	72	
Niagara River Sir Adam Beck I	427	1922	94	
Sir Adam Beck II	1,499	1954	62	
Sir Adam Beck PGS	174	1957	59	
Ottawa-St. Lawrence PG				
Madawaska River				
Mountain Chute	170	1967	49	
Barrett Chute	176	1942	74	
Calabogie	5	1917	99	
Stewartville	182	1948	68	
Arnprior	82	1976	40	
Ottawa River				
Otto Holden	243	1952	64	
Des Joachims	429	1950	66	
Chenaux	144	1950	66	
Chats Falls	96	1931	85	
St. Lawrence R.H. Saunders	1.045	1050	58	
Northwest PG	1,045	1958	38	
Aguasabon River				
Aguasabon	51	1948	68	
Nipigon River		- 1-40		
Pine Portage	142	1950	66	
Cameron Falls	92	1921	95	
Alexander	69	1930	86	
Kaministiquia River				
Silver Falls	48	1959	57	
Kakabeka Falls	25	1906	110	
English River Manitou Falls	73	1956	60	
Caribou Falls	91	1958	58	
Winnipeg River (South Branch)		1730	30	
Whitedog Falls	68	1958	58	
Northeast PG				
Abitibi River				
Abitibi Canyon	349	1933	83	
Otter Rapids	182	1961	55	
Matabitchuan River				
Matabitchuan	10	1910	106	
Montreal River				
Indian Chute	3	1924	92	
Lower Notch	274	1971	45	
Central Hydro PG				
Mississippi River	2.7	1020	06	
High Falls Rideau River	2.7	1920	96	
Merrickville	1.7	1915	101	
Trent River				
Lakefield	1.8	1928	88	
Auburn	2	1911	105	
Seymour	5.7	1909	107	
Ranney Falls	10.4	1922	94	
Hagues Reach	3.6	1925	91	
Meyersberg Sille Johnd	5.2	1924	92	
Sills Island Frankford	1.8	1900	116	
Frankford Sidney	2.6 4.4	1913 1911	103 105	
Beaver River	4.4	1711	103	
Eugenia Falls	6.1	1915	101	
Muskoka River (South Branch)		-		
Trethewey Falls	1.8	1929	87	
Hanna Chute	1.4	1926	90	
South Falls	5.0	1907	109	
Muskoka (Musquash) River				
Ragged Rapids	8.3	1938	78	
Big Eddy Severn River	8.0	1941	75	
Big Chute	10.0	1993	23	
South River	10.0	1773	23	
Elliot Chute	1.6	1929	87	
Bingham Chute	1.0	1923	93	
Nipissing	1.8	1909	107	
Sturgeon River				
Crystal Falls	8.4	1921	95	
	1			
Wanapitei River				
Wanapitei River Stinson	5.4	1925	91	
	5.4 4.6 2.8	1925 1905 1912	91 111 104	

LEI's calculations	
	Result
MW-weighted average of plants' ages	66.1
median	87.5

Notes: Data provided by OPG for the TFP Study. The plant list does not include HESA contracts and does not include plants that OPG has sold as of 2014, the last year of LEI's TFP Study.

Filed: 2017-03-28 EB-2016-0152 J10.6 Page **1** of **1**

1	UNDERTAKING J10.6
2	
3	<u>Undertaking</u>
4	
5	TO PROVIDE THE AMOUNT OF CRVA ELIGIBLE CAPITAL SPENDING IN 2016
6	
7	
8	
9	<u>Response</u>
10	
11	As this undertaking arose in relation to a discussion of CRVA-eligible in-service
12	additions provided in response to Ex. L.11.1-15 SEC-095 and on pages 3 and 4 or
13	Ex. K10.5 as prepared by SEC, OPG understands the request to be for CRVA in-
14	service additions for 2016.
15	
16	In 2016, OPG placed less than \$1M into service related to CRVA-eligible hydroelectric
17	projects.
18	
19	