

1 **UNDERTAKING J20.2**

2
3 **Undertaking**

4
5 To provide a simplified calculation of the impact on hydroelectric revenue requirement if
6 ROE is updated from 9.33% to 8.78% assuming the I-factor is held constant.
7

8
9 **Response**

10
11 The impact on the regulated hydroelectric revenue requirement if ROE is updated from
12 9.33% to 8.78% and the I-factor is held constant is approximately \$25M per year over
13 the IR period (assuming that all other components of the revenue requirement are held
14 at the EB-2013-0321 approved amounts). OPG notes that this calculation is simplistic
15 as OPG has not rebased the hydroelectric payment amounts since EB-2013-0321.