



January 26, 2018

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Submitted via email

Dear Ms. Walli:

Re: EB-2016-0152 (OPG Draft Payment Amounts Order)

1. AMPCO has reviewed the Draft Payment Amounts Order (PAO) that was filed by the Applicant in this proceeding on January 17, 2018.
2. AMPCO has also had the benefit of reviewing the submissions of the School Energy Coalition (SEC) that were filed with the Board on January 25, 2018.
3. AMPCO agrees with SEC that the PAO proposes unacceptably high bill increases for non-residential customers in 2018 and then again in 2020. When the proposed smoothed payment amounts in 2019 and 2021 are considered, OPG's proposed "smoothing" in could in fact lead to a bill roller coaster for larger customers.
4. In particular, AMPCO endorses SEC's position that, from a customer perspective, what was actually paid by customers in 2017 is the relevant consideration when evaluating an appropriate year over year increase for 2018, and the overall rate (i.e. payment amount) smoothing proposal. What matters for customers is what was actually paid in 2017, not what would have been paid had the new rates, and OPG's rate smoothing proposal, been implemented January 1, 2017. OPG's rate smoothing proposal is developed based on the latter calculation. More representative of the impact on customers of OPG's proposal are SEC's calculations as summarized in the table at paragraphs 3.2.4 of its submissions. These corrected calculations illustrate a more significant impact on non-residential customers in 2018 than suggested in OPG's filing.
5. As SEC has noted, large customers don't "bank" the difference between amounts billed and amounts ultimately determined by the Board as billable for the subject

period. The difference in bills actually received by AMPCO members in 2017 and those to be received in 2018 and during the rest of the rate plan period is what counts, from a budgeting and rate impact perspective.

6. AMPCO also agrees that OPG's simplifying assumption that no further rate riders will be applied to OPG's payment amounts prior to 2022 is unrealistic. SEC's alternative proposal employs more reasonable assumptions.
7. Despite the higher deferral amounts entailed in SEC's alternative rate smoothing proposal, AMPCO agrees that SEC's proposal better recognizes the impacts of the approved payment amount increases on large electricity consumers not subject to the RPP and not afforded the benefit of the "Fair Hydro Plan".
8. AMPCO supports SEC's proposal to mitigate the relatively large WAPA (and associated bill) increases in 2018 and 2020 that result from OPG's proposal, and on behalf of its members, Ontario's largest electricity consumers, endorses the alternative proposal summarized by SEC in the table at paragraph 3.3.3 of its submissions.

All of which is respectfully submitted.

A handwritten signature in black ink, appearing to read 'Colin Anderson', with a stylized flourish at the end.

Colin Anderson
President

cc Saba Zadeh, OPG
Charles Keizer, Torys LLP
Mark Passi, AMPCO
Ian Mondrow, Gowling WLG
Intervenors of Record, EB-2016-0152