



**EB-2018-0002**

**Ontario Power Generation Inc.**

**Application for deferral account related to nuclear liabilities, depreciation and amortization expense effective January 1, 2018**

**INTERIM ORDER  
January 31, 2018**

Ontario Power Generation Inc. (OPG) filed an application with the Ontario Energy Board (OEB) on December 29, 2017 under section 78.1 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B). The application seeks approval to establish a deferral account to record, from January 1, 2018 until the effective date of the OEB's next payment amounts order, the revenue requirement impact of changes to nuclear liabilities and depreciation and amortization expense resulting from changes to station end-of-life dates for OPG's Pickering prescribed nuclear facilities that were effective December 31, 2017.

The application was filed in response to the OEB's 2017-2021 payment amounts proceeding Decision and Order issued on December 28, 2017 (the Decision and Order). The Decision and Order<sup>1</sup> referred to previous payment amounts orders<sup>2</sup>. These payment amounts orders generally set out that OPG file an accounting order application if OPG proposes to change station end-of-life for depreciation and amortization purposes, the change impacts the calculation of nuclear liabilities (other than as a result of an Ontario Nuclear Funds Agreement Reference Plan update) and revenue requirement, and the impact exceeds \$10 million. A similar deferral account was also approved in a prior OPG proceeding.<sup>3</sup>

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<sup>1</sup> EB-2016-0152, December 28, 2017 Decision and Order, page 84 & 85

<sup>2</sup> EB-2012-0002 deferral and variance account payment amounts order issued on April 18, 2013 and EB-2013-0321 2014-2015 payment amounts order issued on December 18, 2014

<sup>3</sup> EB-2015-0374 March 10, 2016 deferral account application

OPG proposed that a new deferral account be approved to record the revenue requirement impact effective January 1, 2018 until the effective date of the OEB's next nuclear payment amounts order. As the revenue requirement impact commences January 1, 2018, OPG requested that the OEB issue an interim order effective January 1, 2018, approving the establishment of the requested deferral account on an interim basis. An interim order may permit the revenue requirement impacts to be recorded in a deferral account pending the OEB's final order in respect of the application.

The OEB approves the establishment of the new deferral account on an interim basis to allow OPG to begin booking entries in January 2018. The determination to allow the deferral account on an interim basis is made without prejudice to the OEB's final determination regarding the establishment of the account, the mechanics of such an account or of the effective date of any such account.

**IT IS THEREFORE ORDERED THAT:**

1. OPG shall establish the following new deferral account on an interim basis effective January 1, 2018, pending the outcome of this proceeding: Impact Resulting from Changes to Pickering Station End-of-Life Dates (December 31, 2017) Deferral Account.

**ADDRESS**

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**DATED** at Toronto, **January 31, 2018**

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary