

June 18, 2020

VIA RESS AND EMAIL

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
27th Floor,
2300 Yonge Street,
Toronto, ON M4P 1E4

Dear Ms. Long:

Re: Board File No. EB-2020-0133
Reply Comments of Ontario Power Generation Inc.

The Ontario Energy Board (“OEB”) has established a deferral account to track the impacts arising from the COVID-19 emergency (“Deferral Account”) effective on March 24th, 2020. The account applies to all OEB rate-regulated utilities. On May 14th, 2020, the OEB issued a draft issues list for its consultation on the Deferral Account. On May 28th, 2020 the OEB held a preliminary stakeholder meeting on the draft issues list, and invited comments by stakeholders to be submitted by June 11th, 2020. The OEB has also allowed for stakeholder reply comments by June 18th, 2020. Below are OPG’s reply comments on the June 11th stakeholder submissions.

The COVID-19 emergency continues to evolve with many of the industry impacts unlikely to be fully realised in the short term. Impacts of the pandemic will vary over time, and across utilities depending on such factors as location, type of service, and the extent and way human resources are deployed. To that end, OPG’s June 11th submissions focussed on simplifying and consolidating the issues list to allow the consultation to proceed efficiently. In that submission, OPG proposed revisions to the list that laid out a lesser number of issues aimed at establishing a common set of principles and criteria to help to inform amounts eligible for recording and recovery in, and the overall operation of the Deferral Account. While OPG believes that such principles and criteria should be sufficiently broad to address a range of varied circumstances that different utilities may experience, OPG also believes that the consideration of these issues should take place without unnecessarily expanding the scope of the consultation beyond its stated purpose.¹ Striking this balance at the issue list stage is important to ensuring that the consultation supports issuance of practical

¹ “The objective of the consultation is to assist the OEB in the development of new accounting guidance related to the Account and filing requirements, where appropriate, for the review and disposition of the Account, giving due regard to bill impacts on customers.” (OEB’s May 14th letter, p. 2)

and timely guidance.

OPG has observed that many of the June 11th stakeholder comments have taken a different approach than OPG. In particular, some comments proposed revisions to the issues list that if adopted would expand the consultation beyond its scope and/or result in a relatively longer list of discrete or niche issues. Indeed, a number of submissions propose issues effectively aimed at examining the underlying need for the Deferral Account, with some inviting the OEB to consider imposing conditions on utilities that may go beyond the OEB's jurisdiction. OPG does not support these modifications, many of which appear to be inconsistent with the objectives of the consultation, may introduce overly broad topics, and overall lead to a more prolonged consultation process.

In addition and consistent with its submission above, OPG believes it is not helpful or practical to the establishment of the principles and parameters around the Deferral Account at this stage to consider issues that focus on narrow aspects that are germane to a select few or individual utilities. As an example, SEC's suggested modification to Issue 11 references their understanding of differences relative to forecast in OPG's combined nuclear production from Darlington station's Unit #2 and #3 during the Darlington Refurbishment Program. Utility specific circumstances such as these are best left to a proceeding relating to that utility when the appropriate facts and context are known and not as part of a stakeholder consultation intended to establish the principles and criteria for the Deferral Account generally.

The proposed changes of the Ontario Energy Association on behalf of CLD+, to replace issue #16 (b) with the following wording are also consistent with OPG's submissions.

"What factors in addition to those already outlined in the OEB guidelines for electricity distributors, transmitters and natural gas distributors, and any public policy imperatives, should the OEB take into consideration in considering any cost sharing?"

OPG finds this revised wording to be an improvement from the draft issues list and supports the OEB adopting these revisions. OPG agrees that the proposed wording connects the question of cost sharing back to established OEB guidance, and finds that it will help to advance this consultation more effectively.

Yours truly,

"original signed by"

Lindsey Arseneau-MacKinnon

Cc:

B. MacDonald, Ontario Power Generation Inc. (by email)

A. Collier, Ontario Power Generation Inc. (by email)