

Elson Advocacy

April 27, 2021

BY EMAIL AND RESS

Ms. Christine Long

Board Secretary

Ontario Energy Board

2300 Yonge Street, Suite 2700, P.O. Box 2319

Toronto, Ontario M4P 1E4

Dear Ms. Long:

Re: EB-2020-0290 Ontario Power Generation Payment Amounts Application

I am writing on behalf of Environmental Defence to request an order that OPG release the IESO's and OPG's cost-benefit analyses of the Pickering Generating Station life extension, including the assumptions underlying these. This would resolve three disputed interrogatory refusals and may resolve some or all of the other disputed refusals regarding this topic.¹ This documentation can be released with little or no effort because it already exists and is held by OPG. The most efficient approach is for the information to be released as soon as possible.

This documentation is clearly relevant for the following reasons.

1. OPG included the IESO's analysis of its previous life extension in its previous payment amounts application.²
2. The OEB found that the IESO analysis was relevant in the previous payment amounts proceeding. In its previous decision the OEB expressly stated that "the examination of the IESO's assessment in this proceeding was informative."³ It felt the issue was important enough to direct the IESO to have a witness available at the hearing to speak to the issue. Specifically, the OEB held that it:

"would benefit from a better understanding of the cost-benefit analysis and other factors that the IESO finds relevant to the continued operation of Pickering. OPG and the IESO are directed to have an IESO witness available as part of the oral hearing. The purpose of having the witness available is for the OEB to gain a better understanding of the cost-benefit analysis completed by the IESO and the considerations around that analysis."⁴

¹ The three disputed refusals are Environmental Defence interrogatories 10, 13, and 19.

² EB-2016-0152, Exhibit F2-2-3, Attachment 1 (IESO October 2015 Analysis).

³ EB-2016-0152, Decision and Order, December 28, 2017, p. 64.

⁴ EB-2016-0152, OEB Motion Decision, February 16, 2017, p. 5.

3. The documentation is relevant not only to an assessment of the costs to enable the extension of Pickering's life but also to the reasonableness of the projected OM&A costs during its extended life. In the very least, the documentation provides context that the OEB has found informative in the past.
4. O. Reg. 53/05 does not preclude an assessment of the costs of Pickering's operations nor require the Board to accept the need for the life extension as it has for other projects and other costs.⁵ Although OPG points to an Ontario Government news release supporting the life extension, a news release is not equivalent to a regulation.⁶ Furthermore, the Ontario Government had stronger support for the previous life extension as detailed in the previous Long-Term Energy Plan, and yet the OEB found that the IESO analysis was relevant in that previous proceeding. In short, the indication of support does not obviate the OEB's duty and jurisdiction to protect consumers by reviewing the costs of Pickering and its life extension.
5. OPG argues that it need not disclose this documentation because the OEB stated in the previous payment amounts decision that generation planning is not within scope. However, this ignores the fact that the OEB expressly relied on the very same documentation in that case. In the previous case the OEB declined to order the IESO to redo its analysis based on updated assumptions.⁷ But the OEB *did not* say that evidence regarding cost-effectiveness is out of scope. Indeed, it said the opposite when it relied on the IESO analysis and directed the IESO to provide a witness to speak to it.⁸

OPG can release this existing documentation without prejudice to any arguments it wishes to make in this proceeding. The most expeditious approach is for this documentation to be released before day two of the technical conference (May 6). To make that possible, we ask that the OEB address this request writing, with OPG providing its responding submissions in writing on Thursday, April 29th at noon and Environmental Defence providing any reply on the same day by 4:45 pm. We believe resolving this matter up-front could avoid potential future delay in this proceeding.

Yours truly,



Kent Elson

cc: Parties in the above proceeding

⁵ E.g. O. Reg. 53/05, s. 6(2) 12 (stating "the Board shall accept the need for the Darlington Refurbishment Project") and 6(2) 13 (precluding the Board from changing hydroelectric rates).

⁶ Exhibit F2-1-1, Attachment 7.

⁷ EB-2016-0152, OEB Motion Decision, February 16, 2017, p. 5.

⁸ EB-2016-0152, OEB Motion Decision, February 16, 2017, p. 5; EB-2016-0152, Decision and Order, December 28, 2017, p. 64.