LPMA Interrogatory #6

Interrogatory

Ref: Exhibit B1, Tab 1, Sch. 1, Att. 1

a) Please explain and provide all relevant calculations and assumptions used to arrive at the (43.21) Nuclear HST lead time days shown in Table 10.

b) Under the statutory approach used, are the HST lead times days based on the invoice date or the payment date?

c) How does that the calculation of the Nuclear NST lead time days tie back into the invoice and payment days shown in Table 14?

Response

The following responses were prepared by Navigant Consulting Inc. ("Navigant"):

a) Please see Attachment 1 that provides detailed data tables for the requested Nuclear Revenue HST lead time days calculations. The following calculations were performed by Navigant to arrive at the resulting lead time:

- 'HST Benefit Days' – calculated as 'HST Collection Date' minus 'HST Remittance Date'
- 'Weighting' – calculated as monthly payment amount divided by total annual payment amount
- 'HST Weighted' – calculated as column 'HST Benefit Days' multiplied by 'Weighting'

b) The statutory approach was not used in the calculation of HST lead time days for revenues. As noted above, the HST lead times for revenues are calculated based on the HST Remittance Date and HST Collection Date, both per OPG records.

c) The HST Collection Date column in Attachment 1 corresponds to the Payment Date column for the invoices identified in Table 14. Although included for reference in Attachment 1, the Invoice Date in Table 14 does not enter the calculation of the HST lead time days.