Board Staff Interrogatory #263

Interrogatory

Reference:
Exhibit F3 / Tab 1 / Schedule 3 / Table 1

Question(s):

a) Please confirm that the regulatory affair costs set out in Table 1 of Exhibit F3 / Tab 1 / Schedule 3 reflect only the regulatory affairs costs allocated to the nuclear business. If not, please explain and provide the nuclear allocated amounts.

b) Please confirm that the nuclear allocated regulatory affairs costs are entirely allocated to the base OM&A budget.

c) Please explain the significant intervenor cost awards budgeted in both 2021 ($1.7 million) and 2022 ($2.7 million) and provide the total cost award amount approved in OPG's 2017-2021 Payment Amounts Proceeding.

d) Please explain the significant consultant costs budgeted for the 2024-2026 period (totaling approximately $5 million).

Response

a) The regulatory affairs costs set out at Ex. F3-1-1, Table 1 reflect Regulatory Affairs costs allocated to the regulated hydroelectric and nuclear businesses. Table 1 below provides the nuclear allocated amounts.

Table 1
Base OM&A Costs Allocated to Nuclear Operations ($K)
Regulatory Affairs Department
Numbers may not add due to rounding.

Line No.	Group	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Recurring Costs:											
1	**Salaries/wages, operating expenses**	1,822.2	2,099.1	1,908.7	1,967.7	1,935.1	1,860.6	1,846.2	1,827.6	1,957.5	1,659.8	1,246.0
	Regulatory Proceeding Costs:											
2	**Expert Witnesses/Consultants**	1,064.7	1,208.4	513.4	2,434.0	1,264.4	1,891.7	416.1	424.7	1,259.9	1,191.8	486.4
3	**Intervenor cost awards**	50.7	1,172.9	994.4	63.2	67.4	1,057.3	1,671.7	251.6	256.0	258.2	1,602.2
4	**Other**	53.3	82.3	81.3	78.4	90.3	81.4	98.3	100.1	101.6	133.4	78.2
5	**Total Regulatory Proceeding Costs**	1,168.8	2,463.7	1,589.1	2,575.5	1,422.1	3,030.4	2,186.1	776.4	1,617.4	1,583.4	2,166.8
6	**OEB Annual Assessment and Sect 30**	870.5	1,101.2	1,066.9	1,112.6	717.1	1,000.6	1,019.3	1,041.2	1,059.5	1,068.6	820.6
7	**Total Regulatory Affairs Division**	3,861.5	5,663.9	4,564.7	5,655.7	4,074.4	5,891.5	5,051.6	3,645.3	4,634.5	4,311.8	4,233.5
8	**External Legal Costs**	434.2	765.1	138.8	56.1	267.3	1,135.2	169.3	169.6	46.1	468.9	569.5

b) Confirmed.

c) OPG has budgeted total intervenor costs awards of $4.4M across 2021 and 2022 based on its forecast of intervenor costs for this proceeding (see Ex. L-F3-1-SEC-136). The total cost award amount approved in OPG's 2017-2021 Payment Amounts Proceeding was $3.8M.

d) The consultant and expert witness costs budgeted for the 2024-2026 period are in support of OPG's 2027-2031 major rates application, which is expected to cover payment amounts for both nuclear and regulated hydroelectric facilities.