Board Staff Interrogatory #257

Interrogatory

Reference:
Exhibit F3 / Tab 1 / Schedule 4 / p. 1
Exhibit F3 / Tab 1 / Schedule 1 / Table 3
Exhibit F2 / Tab 2 / Schedule 1 / Table 1
Exhibit F4 / Tab 4 / Schedule 1 / Table 3

Preamble:

OPG noted its cost allocation methodology distributes OPG's central and common costs across its operations and to its subsidiary businesses. This includes the costs of corporate support services, operations and project support groups as well as centrally held costs.

a) For each year of the 2022-2026 Custom IR term, please provide the following:

   i. The percentage of OPG's total corporate support service costs (both regulated and unregulated) that is allocated to the nuclear business segment. Please provide this at the same level of detail as Table 3 in Exhibit F3 / Tab 1 / Schedule 1.

   ii. The percentage of OPG's total operations and project support group costs (both regulated and unregulated) that is allocated to the nuclear business segment. Please provide this at the same level of detail as Table 1 in Exhibit F2 / Tab 2 / Schedule 1.

   iii. The percentage of OPG's total centrally held costs (both regulated and unregulated) that is allocated to the nuclear business segment. Please provide this at the same level of detail as Table 3 in Exhibit F4 / Tab 4 / Schedule 1.

b) For each year of the 2017-2021 term, please provide the following:

   i. The percentage of OPG's total corporate support service costs (both regulated and unregulated) that was allocated to the nuclear business segment on an OEB-approved and actual basis. Please also provide the variance between OEB-approved and actual. Please provide this at the same level of detail as Table 3 in Exhibit F3 / Tab 1 / Schedule 1.

ii. The percentage of OPG's total operations and project support group costs (both regulated and unregulated) that was allocated to the nuclear business segment on an OEB-approved and actual basis. Please also provide the variance between OEB-approved and actual. Please provide this at the same level of detail as Table 1 in Exhibit F2 / Tab 2 / Schedule 1.

iii. The percentage of OPG's total centrally held costs (both regulated and unregulated) that was allocated to the nuclear business segment on an OEB-approved and actual basis. Please also provide the variance between OEB-approved and actual. Please provide this at the same level of detail as Table 3 in Exhibit F4 / Tab 4 / Schedule 1.

Response

Refer to Attachment 1 for the percentage of OPG's total corporate support service costs (both regulated and unregulated) that is allocated to the nuclear segment for 2017 Actual through 2026 Plan and for the EB-2016-0152 forecasts for 2017-2021, and the variance between the two. As the OEB directed disallowance of a portion of the corporate support services costs in EB-2016-0152 cannot be applied on a total OPG basis, it is not possible to determine the requested percentage on an OEB-approved basis.

Refer to Attachment 2 for the percentage of OPG's total operations and project support costs (both regulated and unregulated) that was allocated to the nuclear segment for 2017 Actual to 2026 Plan and for the EB-2016-0152 forecasts for 2017-2021, and the variance between the two. As the OEB directed disallowance of a portion of the corporate support services costs in EB-2016-0152 cannot be applied on a total OPG basis, it is not possible to determine the requested percentage on an OEB-approved basis.

Refer to Attachment 3 for the percentage of OPG's total centrally held costs (both regulated and unregulated) that was allocated to the nuclear segment for 2017 Actual through 2026 Plan and for the EB-2016-0152 forecasts for 2017-2021, and the variance between the two. As there is no basis to apply, on a total OPG basis, the adjustment for the difference accrual and cash amounts for pension and OPEB reflected by the OEB in the EB-2016-0152 approved amounts, it is not possible to determine the requested percentage on an OEB-approved basis. For the same reason, the 2017-2021 percentage for EB-2016-0152 forecasts is calculated excluding this adjustment shown at Ex. F4-1-1, Table 2a, lines 2 and 10.