Board Staff Interrogatory #324

Interrogatory

Reference:
Exhibit H1 / Tab 1 / Schedule 1 / p. 8

Question(s):

a) Please clarify what is meant by "calculated actual" and how it is different from actual, if at all.

b) Please explain why calculated actual is used instead of actual? Please advise whether it is to isolate the impact of actual flow / water conditions on production.

Response

a) and b)

"Calculated actual hydroelectric production" refers to the calculated, hypothetical production resulting from entering actual flow for the month into the forecast model used to determine the OEB-approved hydroelectric production forecast that underpins the EB-2013-0321 payment amounts. In line with the approved scope of the Hydroelectric Water Conditions Variance Account, the intent of this calculation is to quantify and isolate the impact of changes in water conditions from other causes of variance between the forecast production and actual production, the latter being the actual electricity generated at OPG's regulated hydroelectric facilities.

Using actual hydroelectric production in the calculation would result in the variance account trueing up for variances other than those related to changes in flow conditions.