Environmental Defence Interrogatory #27

Interrogatory

Reference:
Reference: H1-1-1, pages 1 and 38.

Questions:

For each of the following deferral/variance accounts please state their forecast balances including interest costs at the end of each calendar year from 2021 to 2026 inclusive:

(a) Darlington Refurbishment Project component of the Capacity Refurbishment Variance Account;
(b) The hydro-electric component of the Capacity Refurbishment Variance Account;
(c) The Fitness For Duty Deferral Account;
(d) The portion of the Nuclear Development Variance Account related to the preliminary planning and preparation costs incurred for a SMR generating station at the Darlington site;
(e) The Rate Smoothing Deferral Account;
(f) The Pickering Closure Deferral Account; and
(g) All other deferral and variance accounts.

Response

OPG does not have projections of likely balances in the deferral and variance accounts at the end of each calendar year to 2026, and is unable to assess a potential range of such amounts at this time. In Attachment 1, OPG has provided a projection of balances in its nuclear deferral and variance accounts at December 31, 2021, in the format of the continuity of account balance schedules filed at Ex. H1-1-1, Tables 1a and 1b. The projections are based on 2021 forecasts in the 2020-2026 Business Plan that underpins this application, as updated for the impacts of the changes to the Pickering Units 1 & 4 accounting end-of-life dates as of December 31, 2020 (Ex. L-H1-01-Staff-337).

The projected portion of the Nuclear Development Variance Account related to the preliminary planning and preparation costs for an SMR generating station at Darlington as at December 31, 2021 is approximately $262M.

Beyond 2021, OPG currently has no basis to project amounts that likely would be recorded in the accounts, as variances would depend on a host of variables that are outside of OPG's control and are very difficult to predict.