Board Staff Interrogatory #340

Interrogatory

Reference:
Exhibit H1 / Tab 2 / Schedule 1 / Table 2

Question(s):

a) Please reconcile the updated column (b) in Exhibit H1 / Tab 2 / Schedule 1 / Table 2 to the Payment Amount Order in OPG's 2017-2021 Payment Amounts Proceeding. Please explain any differences.

Response

Amortization amounts at Ex. H1-2-1, Table 2, col. (b), as updated on March 12, 2021, correspond directly, on an account by account basis, to such amounts at the EB-2016-0152 Payment Amounts Order ("PAO"), Appendix. E, Table 1, col. (g), with the exception of individual amounts for the Capacity Refurbishment Variance Account ("CRVA") at Ex. H1-2-1, Table 2, lines 5 and 6 due to a difference in presentation only, as discussed below. [1] The $24.2M sum of these lines 5 and 6 agrees to the same for the two CRVA amortization amounts at EB-2016-0152 PAO, Appendix E, Table 1, col. (g), lines 4 and 5. Similarly, the grand total of $76.3M at Ex. H1-2-1, Table 2, col. (b) line 25 agrees to EB-2016-0152 PAO, App. E, Table 1, col. (g), line 16.

The two CRVA components at Ex. H1-2-1 represent the Darlington Refurbishment Program ("DRP") (excluding D2O Storage Project) portion and the non-DRP portion, respectively. The presentation of the CRVA balance in these categories was adopted to enable reconciliation with OPG's proposal to defer the clearance of the DRP portion of the account to a future application.

In EB-2016-0152 Payment Amounts Order, Appendix E, Table 1, the CRVA amounts were presented as between a capital portion and a non-capital portion. As there were no other CRVA-eligible nuclear capital projects other than the DRP, the entire capital portion was DRP-related. The non-capital portion included both DRP and non-DRP amounts.

The above presentation difference has been reconciled in Chart 1 below.

[1] CRVA balances at lines 7 and 8 of Ex. H1-2-1, Table 2 do not have corresponding amortization in the EB-2016-0152 PAO as they relate exclusively to additions made subsequent to that order, for DRP Accelerated Investment Incentive CCA and the D2O Storage Project, respectively.

Chart 1 ($M)
Reconciliation of Nuclear CRVA Amortization (EB-2016-0152 vs EB-2020-0290)

EB-2016-0152 Categories		EB-2020-0290 Categories		
		DRP	Non-DRP	Total
Capacity Refurbishment Variance - Nuclear - Capital Portion	(13.1)	(13.1)	0.0	(13.1)
Capacity Refurbishment Variance - Nuclear - Non-Capital Portion	(11.1)	(4.2)	(6.8)	(11.1)
Total	(24.2)	(17.4)	(6.8)	(24.2)