Board Staff Interrogatory #331

Interrogatory

Reference:
Exhibit H1 / Tab 1 / Schedule 1 / p. 21
Exhibit H1 / Tab 1 / Schedule 1 / Table 15

Preamble:

OPG noted that, as part of the 2019 non-capital entries in the CRVA, it recorded a debit adjustment of $24.0 million related to the reference plan amount against which variances in the Fuel Channel Life Extension Project costs were being determined since June 1, 2017. The adjustment was made to correct an error made by OPG in the draft payment amounts order submission in OPG's 2017-2021 Payment Amounts Proceeding, which was subsequently reproduced in the final Payment Amounts Order.

OPG referenced a number of exhibits from OPG's 2017-2021 Payment Amounts Proceeding to highlight where the error occurred.

Question(s):

a) Please file the referenced exhibits on the record of the current proceeding and describe how the error occurred.

b) Please confirm that Note 4 at Exhibit H1 / Tab 1 / Schedule 1 / Table 15 provides the detailed calculation for the adjustment made to correct for the error.

Response

a) The following exhibits are included as attachments to this response:
   - EB-2016-0152 Payment Amounts Order, App. G, pp. 8-10 (Attachment 1)
   - EB-2016-0152, Ex. L-4.1-1 Staff-024 (Attachment 2)
   - EB-2016-0152, Ex. F2-1-1, Table 1 (Attachment 3)
   - EB-2016-0152, Ex. F2-3-1, Table 1 (Attachment 4)

   Ex. H1-1-1, p. 21, Footnote 36 also references EB-2016-0152, Ex. F2-3-2, Table 1a. However, that reference is to the nuclear project OM&A table filed in the current proceeding and not EB-2016-0152. A more appropriate reference for Ex. H1-1-1, Footnote 36, is to EB-2016-0152, Ex. F2-3-1, Table 1, line 11, cols. (e) to (g). The cited table is included as Attachment 4.

The error occurred in drafting EB-2016-0152, Ex. L-4.1-1 Staff-024, which was subsequently relied upon in preparing Appendix G of the EB-2016-0152 Payment Amounts Order. The Fuel Channel Life Extension Project costs included in Ex. L-4.1-1 Staff-024 were stated in error as they were not equal to the 2017-2021 forecasts reflected in the evidence in that application, and therefore were not equal to the amounts included in the nuclear revenue requirements approved by the OEB in EB-2016-0152. The OEB-approved nuclear revenue requirements included the Fuel Channel Life Extension Project costs as stated at EB-2016-0152, Ex. F2-3-1, Table 1, and these are the costs that should have been provided as the CRVA reference amounts in the EB-2016-0152 Payment Amounts Order. As noted at Ex. H1-1-1, p. 21, OPG identified the error in 2019 during the preparation of this application.

b) Confirmed. For clarity, the sum of line 3d across the three periods shown in Note 4 at Ex. H1-1-1, Table 15 equals $23.7M, which is the total amount of the adjustment covering this period, as stated at Ex. H1-1-1, p. 22, line 11. In preparing this response, OPG noted that the reference at Ex. H1-1-1, p. 21, line 10 (and cited in the preamble) of $24.0M should read $23.7M.