Board Staff Interrogatory #322

Interrogatory

Reference:
Exhibit H1 / Tab 1 / Schedule 1 / pp. 8-9

Preamble:

The reference above describes the computation of deviations of actual monthly flows from historical median monthly flows.

Question(s):

a) Please clarify why monthly production forecasts for 2015 are used to calculate deviations for January 1 to June 30 of each year, while the average of corresponding monthly production forecasts for 2014 and 2015 is used to calculate deviations for July 1 to December 31 of each year.

Response

a) Ontario Regulation 53/05 established the newly regulated facilities as prescribed facilities as of July 1, 2014. The OEB approved the production forecast for the newly regulated facilities as of July 1, 2014 and did not approve a forecast for these facilities for January through June of the same year. Because there is no OEB-approved production forecast for the newly regulated facilities for January through June of 2014, only the 2015 OEB-approved production forecast is used as the reference for January 1 to June 30. As there is an OEB approved forecast for July 1 to December 31 for both 2014 and 2015, the average is used as the reference for these months. This methodology has been used consistently and accepted by the OEB for purposes of the Hydroelectric Water Conditions Variance Account in EB-2014-0370, EB-2016-0152 and EB-2018-0243.