Board Staff Interrogatory #337

Interrogatory

Reference:
Exhibit H1 / Tab 1 / Schedule 1 / pp. 38-41

Preamble:

OPG proposed the establishment of the Impact Resulting from Optimization of Pickering Station End-of-Life Dates Deferral Account to record the revenue requirement impacts from the change of the EOL dates for Pickering NGS Units 1 and 4 and Pickering NGS Units 5-8.

OPG stated that it is not able to provide the total revenue requirement impact associated with the changes being implemented as of December 31, 2020 at this time, primarily because the final year-end information required to calculate the December 31, 2020 ARO / ARC adjustment is not yet available. Accordingly, these changes are not reflected in OPG's application.

On January 20, 2021, the OEB issued an interim order approving the establishment of the Impact Resulting from Optimization of Pickering Station End-of-Life Dates Deferral Account as OPG stated that the revenue requirement impact of the revision to the Pickering NGS EOL dates commences January 1, 2021.

Question(s):

a) Please provide the revenue requirement impact and the associated calculations for the components of the revenue requirement impact for the EOL dates change for Pickering NGS Units 1 and 4.

b) Please provide the revenue requirement impact and the associated calculations for the components of the revenue requirement impact for the EOL dates change for Pickering NGS Units 5 to 8.

c) Please provide the entries that OPG has recorded and expects to record in this account in 2021.

Response

a) Refer to Ex. L-F4-01-Staff-271.

b) There have been no changes made to the EOL dates for accounting purposes for Pickering NGS Units 5-8 as at December 31, 2020. The EOL date changes made as of December 31, 2020 relate to Pickering NGS Units 1 and 4 only (see Ex. L-F4-01-Staff-269, Attachment 1, p, 4).

c) Attachment 1 provides the annual 2021 revenue requirement impact of the changes made to the Pickering NGS Units 1 and 4 EOL dates effective December 31, 2020 that OPG expects to record in the proposed Impact Resulting from Optimization of Pickering Station End-of-Life Dates Deferral Account. As at March 31, 2021, OPG has recorded approximately one quarter of these amounts.