

## DRAFT ISSUES LIST<sup>1</sup>

### 1. GENERAL

- 1.1. Secondary - Has OPG responded appropriately to all relevant Board directions from previous proceedings?
- 1.2. Primary - Are OPG's economic and business planning assumptions appropriate for the nuclear assets?
- 1.3. Primary - Is the overall increase in nuclear payment amounts reasonable given the overall bill impact on customers?

### 2. RATE BASE

- 2.1. Primary - Are the amounts proposed for nuclear rate base appropriate?

### 3. CAPITAL STRUCTURE AND COST OF CAPITAL

- 3.1. Primary - Are OPG's proposed capital structure and rate of return on equity appropriate?
- 3.2. Secondary – Are OPG's proposed costs for the long-term and short-term debt components of its capital structure appropriate?

### 4. CAPITAL PROJECTS

#### Nuclear

- 4.1. Primary - Do the costs associated with the nuclear projects that are subject to section 6(2)4 of O. Reg. 53/05 and proposed for recovery meet the requirements of that section?
- 4.2. Primary - Are the proposed nuclear capital expenditures and/or financial commitments reasonable?
- 4.3. Primary - Are the proposed test period in-service additions for nuclear projects (excluding those for the Darlington Refurbishment Program) appropriate?

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<sup>1</sup> The draft Issues List includes prioritization of issues into primary and secondary issues as specified in EB-2011-0286, *Filing Guidelines for Ontario Power Generation*, November 11, 2011.

1 4.4. Primary - Are the proposed test period in-service additions for the Darlington  
2 Refurbishment Program appropriate?  
3

4 **5. PRODUCTION FORECASTS**

5 **Nuclear**

6 5.1. Primary - Is the proposed nuclear production forecast appropriate?  
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8 **6. OPERATING COSTS**

9 **Nuclear**

10 6.1. Primary - Is the test period Operations, Maintenance and Administration budget for  
11 the nuclear facilities appropriate?

12 6.2. Primary - Are the benchmarking results and targets flowing from OPG's nuclear  
13 benchmarking reasonable?

14 6.3. Secondary - Is the forecast of nuclear fuel costs appropriate?

15 6.4. Primary - Is the test period Operations, Maintenance and Administration budget for  
16 the Darlington Refurbishment Program appropriate?

17 6.5. Primary - Are the test period expenditures related to extended operations for  
18 Pickering appropriate?  
19

20 **Corporate Costs**

21 6.6. Primary - Are the test period human resource related costs for the nuclear facilities  
22 (wages, salaries, benefits, incentive payments, FTEs and pension costs)  
23 appropriate?

24 6.7. Primary - Are the corporate support services costs allocated to the nuclear  
25 business appropriate?

26 6.8. Primary - Are the centrally held costs allocated to the nuclear business  
27 appropriate?  
28  
29  
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1       **Depreciation**

2       6.9. Secondary - Is the proposed test period nuclear depreciation expense  
3               appropriate?  
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5       **Income and Property Taxes**

6       6.10. Secondary - Are the amounts proposed to be included in the test period nuclear  
7               revenue requirement for income and property taxes appropriate?  
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9       **Other Costs**

10      6.11. Secondary - Are the asset service fee amounts charged to the nuclear business  
11               appropriate?  
12

13   **7. OTHER REVENUES**

14      **Nuclear**

15      7.1. Secondary - Are the forecasts of nuclear business non-energy revenues  
16               appropriate?  
17

18      **Bruce Generating Station**

19      7.2. Secondary - Are the test period costs related to the Bruce Generating Station, and  
20               costs and revenues related to the Bruce lease appropriate?  
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22   **8. NUCLEAR WASTE MANAGEMENT AND DECOMMISSIONING LIABILITIES**

23      8.1. Primary - Is the revenue requirement impact of the nuclear liabilities appropriately  
24               determined?  
25

26   **9. DEFERRAL AND VARIANCE ACCOUNTS**

27      9.1. Secondary - Is the nature or type of costs recorded in the deferral and variance  
28               accounts appropriate?

29      9.2. Secondary - Are the balances for recovery in each of the deferral and variance  
30               accounts appropriate?

31      9.3. Secondary - Are the proposed disposition amounts appropriate?

- 1        9.4. Secondary - Is the disposition methodology appropriate?  
2        9.5. Secondary - Is the proposed continuation of deferral and variance accounts  
3                appropriate?  
4        9.6. Primary - Are the deferral and variance accounts that OPG proposes to establish  
5                appropriate?

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7        **10. REPORTING AND RECORD KEEPING REQUIREMENTS**

- 8        10.1. Secondary – Are the proposed reporting and record keeping requirements  
9                appropriate?

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11        **11. METHODOLOGIES FOR SETTING PAYMENT AMOUNTS AND RATE SMOOTHING**

- 12        11.1. Primary - Has OPG responded appropriately to Board direction on establishing  
13                incentive regulation?  
14        11.2. Secondary - Is the design of the regulated hydroelectric and nuclear payment  
15                amounts appropriate?  
16        11.3. Primary - Is OPG's proposal for smoothing nuclear payment amounts consistent  
17                with O. Reg. 53/05?

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19        **12. IMPLEMENTATION**

- 20        12.1. Primary - Are the effective dates for new payment amounts and riders appropriate?