| 1  | COMPARISON OF ASSET SERVICE FEES  |
|----|---|
| 2  |   |
| 3  | 1.0 PURPOSE   |
| 4  | This evidence presents the period-over-period changes in the asset service fees charged to  |
| 5  | the nuclear business unit.  |
| 6  |   |
| 7  | 2.0 OVERVIEW  |
| 8  | This evidence supports the approval sought for asset service fees. Exhibit F3-2-2 Table 2   |
| 9  | provides a comparison of budget to actual amounts and the year-over-year asset service fee  |
| 10 | costs for 2013 to 2021 for the nuclear business.  |
| 11 |   |
| 12 | 3.0 PERIOD-OVER-PERIOD CHANGES - TEST YEARS, NUCLEAR  |
| 13 | 2017 Plan versus 2016 Budget (\$27.9M versus \$28.4M)                                       |
| 14 | Asset Service fees are relatively stable from 2016 to 2017.                                 |
| 15 |   |
| 16 | 2018 Plan versus 2017 Plan (\$27.9M versus \$27.9M)   |
| 17 | No change.  |
| 18 |   |
| 19 | 2019 Plan versus 2018 Plan (\$28.3M versus \$27.9M)   |
| 20 | Asset Service fees are relatively stable from 2018 to 2019.                                 |
| 21 |   |
| 22 | 2020 Plan versus 2019 Plan (\$22.9M versus \$28.3M)   |
| 23 | The asset service fee for the nuclear business unit decreased by \$5.4M in 2020 compared to |
| 24 | 2019 plan due to lower IT depreciation expense and tax-adjusted return.                     |
| 25 |   |
| 26 | 2021 Plan versus 2020 Plan (\$20.7 versus \$22.9M)  |
| 27 | The asset service fee for the nuclear business unit decreased by \$2.2M in 2021 compared to |
| 28 | 2020 plan due to lower IT depreciation expense and tax-adjusted return.                     |
| 29 |   |
| 30 | 4.0 PERIOD-OVER-PERIOD CHANGES – BRIDGE YEAR, NUCLEAR                                       |
| 31 | 2016 Budget versus 2015 Actual (\$28.4M versus \$32.9M)                                     |

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- 1 The asset service fee for the nuclear business unit decreased by \$4.5M in the 2016 budget
- 2 versus 2015 mainly due to the planned sale of OPG's Head Office.
- 3

## 4 5.0 PERIOD-OVER-PERIOD CHANGES - HISTORICAL YEARS, NUCLEAR

## 5 2015 Actual versus 2015 OEB Approved (\$32.9M versus \$26.8M)

- 6 Actual asset service fees for nuclear increased by \$6.1M versus the 2015 Board approved
- 7 amount due to higher than planned depreciation expense and tax-adjusted return as a result
- 8 of the implementation of the Enterprise System Consolidation Program.
- 9

## 10 2015 Actual versus 2014 Actual (\$32.9M versus \$23.3M)

- 11 Actual asset service fees for nuclear increased by \$9.6M compared to 2014 actual costs due
- 12 to higher than planned depreciation expense and tax-adjusted return as a result of the
- 13 implementation of the Enterprise System Consolidation Program.
- 14
- 15 2014 Actual versus 2014 OEB Approved (\$23.3M versus \$23.3M)
- 16 No change.
- 17
- 18 2014 Actual versus 2013 Actual (\$23.3M versus \$22.7M)
- 19 Asset Service fees are relatively stable from 2013 to 2014.

20

- 21 2013 Actual versus 2013 Budget (\$22.7M versus \$22.7M)
- 22 No change.

Numbers may not add due to rounding.

 Table 1

 Comparison of Asset Service Fees - Regulated Hydroelectric (\$M)

Intentionally left blank (See Ex. A1-3-1)

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## Table 2 Comparison of Asset Service Fees - Nuclear (\$M)

| Line |                      | 2013   | (c)-(a) | 2013   | (g)-(c) | 2014         | (g)-(e) | 2014   | (k)-(g) | 2015         | (k)-(i) | 2015   |
|------|----------------------|--------|---------|--------|---------|--------------|---------|--------|---------|--------------|---------|--------|
| No.  | <b>Business Unit</b> | Budget | Change  | Actual | Change  | OEB Approved | Change  | Actual | Change  | OEB Approved | Change  | Actual |
|      |                      | (a)    | (b)     | (c)    | (d)     | (e)          | (f)     | (g)    | (h)     | (i)          | (j)     | (k)    |
|      |                      |        |         |        |         |              |         |        |         |              |         |        |
| 1    | Nuclear              | 22.7   | 0.0     | 22.7   | 0.6     | 23.3         | 0.0     | 23.3   | 9.6     | 26.8         | 6.1     | 32.9   |
|      |                      |        |         |        |         |              |         |        |         |              |         |        |

| Line |                      | 2014   | (c)-(a) | 2016   | (e)-(c) | 2017 | (g)-(e) | 2018 | (i)-(g) | 2019 | (k)-(i) | 2020 |
|------|----------------------|--------|---------|--------|---------|------|---------|------|---------|------|---------|------|
| No.  | <b>Business Unit</b> | Actual | Change  | Budget | Change  | Plan | Change  | Plan | Change  | Plan | Change  | Plan |
|      |                      | (a)    | (b)     | (c)    | (d)     | (e)  | (f)     | (g)  | (h)     | (i)  | (j)     | (k)  |
|      |                      |        |         |        |         |      |         |      |         |      |         |      |
| 2    | Nuclear              | 32.9   | (4.5)   | 28.4   | (0.5)   | 27.9 | 0.0     | 27.9 | 0.4     | 28.3 | (5.4)   | 22.9 |
|      |                      |        |         |        |         |      |         |      |         |      |         |      |

| Line |                      | 2020 | (c)-(a) | 2021 |
|------|----------------------|------|---------|------|
| No.  | <b>Business Unit</b> | Plan | Change  | Plan |
|      |                      | (a)  | (b)     | (c)  |
|      |                      |      |         |      |
| 3    | Nuclear              | 22.9 | (2.2)   | 20.7 |
|      |                      |      |         |      |

Numbers may not add due to rounding.