

# **SETTLEMENT PROPOSAL**

**Ontario Power Generation Inc.**

Application to Dispose of December 31, 2014 Balances  
in Certain Deferral and Variance Accounts

**EB-2014-0370**

**June 16, 2015**

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**Ontario Power Generation Inc.  
Deferral and Variance Accounts  
EB-2014-0370**

**SETTLEMENT PROPOSAL**

**A. PREAMBLE**

This Settlement Proposal is filed with the Ontario Energy Board (the “OEB”) in connection with an application by Ontario Power Generation Inc. (“OPG”) for an order or orders approving the disposition of certain deferral and variance account balances as at December 31, 2014 (“the Application”).

Pursuant to the OEB’s Procedural Order No. 1 dated February 23, 2015, a Settlement Conference was scheduled to be held commencing May 4, 2015. In an effort to expedite the formal settlement discussions, OPG invited all parties to participate in settlement discussions prior to the scheduled Settlement Conference. The settlement discussions were held at the offices of Torys LLP on April 20 and April 24, 2015 and were facilitated by Mr. C. Hausmann, an independent facilitator who conducted the discussions, with the prior agreement of the Parties, in a manner consistent with the process contemplated by the OEB’s *Practice Direction on Settlement Conferences* (the “Practice Direction”).

**The Parties**

OPG invited all intervenors in EB-2014-0370 to participate in the settlement discussions, namely:

- Association of Major Power Consumers in Ontario (“AMPCO”)
- Canadian Manufacturers & Exporters (“CME”)
- Consumers Council of Canada (“CCC”)
- Energy Probe Research Foundation (“EP”)
- Just Energy Ontario L.P. (“Just Energy”)
- London Property Management Association (“LPMA”)
- Planet Energy (Ontario) Corp. (“Planet Energy”)
- Power Workers’ Union (“PWU”)
- School Energy Coalition (“SEC”)
- Society of Energy Professionals (“Society”)
- Summitt Energy Management Inc. (“Summitt”)

With the exception of Just Energy, Planet Energy and Summitt, which did not respond to OPG’s invitation, all of the above-listed intervenors participated in the settlement discussions in respect of all issues in the proceeding. As such, for purposes of this Settlement Proposal, all of the

intervenors in EB-2014-0370 other than Just Energy, Planet Energy and Summitt are hereinafter referred to as the “Parties”. OEB staff also participated in the settlement discussions, but in accordance with the Practice Direction is neither a Party nor a signatory to this Settlement Proposal. Although OEB Staff is not a Party to this Settlement Proposal, OEB Staff who did participate in the settlement discussions are bound by the same confidentiality provisions that apply to the Parties to the proceeding.

This document is called a “Settlement Proposal” because it is proposed by the Parties to the OEB to settle certain issues in this proceeding. It is termed a proposal as between the Parties and the OEB. However, as between the Parties, and subject only to the OEB’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual rights and obligations, and to be binding and enforceable in accordance with its terms. As set forth later in the Preamble, this agreement is subject to a condition subsequent, that if this Settlement Proposal is not accepted by the OEB in its entirety, then unless amended by the Parties it is null and void and of no further effect. In entering this agreement, the Parties understand and agree that, pursuant to the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B) (the “Act”) the OEB has the exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

### **Confidentiality**

The Parties agree that the settlement discussions shall be subject to the rules relating to confidentiality and privilege contained in the Practice Direction. The Parties understand this to mean that the documents and other information provided, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement - or not - of each issue during the settlement discussions are strictly confidential and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, other than as may be necessary to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal.

### **Parameters of the Proposed Settlement**

Without prejudice to the positions of the Parties with respect to issues that might otherwise be considered in this proceeding should a hearing be required, the Parties have organized this Settlement Proposal in a manner that is consistent with the Final Issues List as set out in Appendix ‘A’ of the Issues List Decision dated April 15, 2015, which sets out four distinct issues. An additional section has been added to address other aspects of the proposed settlement that do not fit neatly into one of the issues in the Final Issues List.

The Parties are pleased to inform the OEB that, with one exception, the Parties have reached agreement on all issues. If the Settlement Proposal is accepted by the OEB, the Parties will not adduce any evidence or argument during the hearing on any of the settled issues as the Applicant and those intervenors who take any position on the settled issues agree to the proposed

settlement. With respect to the one unsettled matter, the Parties are in agreement that a hearing will be required and are recommending that this hearing be conducted in writing.

The positions agreed to by the Parties on each of the settled issues are identified throughout this Settlement Proposal. A party who is noted as taking no position on an issue may or may not have participated in the discussion on that particular issue, but in either case takes no position on the settlement reached or on the sufficiency of the evidence filed to date.

The Settlement Proposal describes the agreements reached on the settled issues and identifies the Parties who agree or who take no position on each issue. For each issue, the Settlement Proposal provides a direct reference to the supporting evidence on the record to date. In this regard, the Parties who agree with the individual settlements of particular issues are of the view that the evidence provided is sufficient to support the Settlement Proposal in relation to such settled issue and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the OEB to make findings on the settled issues.

Best efforts have been made to identify all of the evidence that relates to each settled issue. The supporting evidence for each settled issue is identified individually by reference to its exhibit number in an abbreviated format such that, for example, Exhibit A4, Tab 1, Schedule 1 will be referred to as A4-1-1. A concise description of the content of each reference is also provided. In this regard, OPG's response to an interrogatory ("IR") is described by citing the name of the Party and the number of the IR (e.g. OEB Staff IR #1). The identification and listing of the evidence that relates to each issue is provided to assist the OEB. The identification and listing of the evidence that relates to each settled issue is not intended to limit any Party who wishes to assert, either in any other proceeding, or in a hearing in this proceeding, that other evidence is relevant to a particular settled issue, or that evidence listed is not relevant to the issue, or that the concise description of the issue prepared by OPG is incorrect or incomplete.

According to the Practice Direction (p. 4), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. OPG and the other Parties who participated in the settlement discussions agree that no settled issue requires an adjustment mechanism other than as may be expressly set forth herein.

With the exception of the one unsettled matter, all of the issues contained in this proposal have been settled by the Parties as a package and none of the provisions of these are severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this Settlement Proposal. The distinct issues addressed in this proposal are intricately interrelated, and reductions or increases to the agreed-upon amounts or changes in other agreed-upon parameters may have financial consequences in other areas of this proposal, which may be unacceptable to one or more of the Parties. If the OEB does not accept this package in its entirety, then there is no settlement (unless the Parties agree that any portion of the package that the OEB does accept may continue as part of a valid Settlement Proposal).

In the event the OEB directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no party will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue prior to its re-submission to the OEB.

None of the Parties can withdraw from this Settlement Proposal except in accordance with Rule 30.05 of the Rules. Moreover, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of the Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not OPG is a party to such proceeding.

Attached to this Settlement Proposal are:

Attachment 1: Statement of Entries into the Variance Accounts which are disputed.

Attachment 2: Tables showing amortization, riders and impacts assuming entries approved as proposed by OPG.

Attachment 3: Tables showing amortization, riders and impacts assuming entries are adjusted as proposed by certain parties.

The Attachments to this Settlement Proposal provide further support for the Settlement Proposal. The Parties acknowledge that the Attachments were prepared by OPG. While the intervenors have reviewed the Attachments, the intervenors are relying upon their accuracy, and the accuracy of the underlying evidence, in entering into this Settlement Proposal.

### **Summary of the Proposed Settlement**

The Parties were able to reach agreement on all but one matter. This unsettled matter results in partial settlement of issues 1, 2 and 3. The Parties have therefore agreed that, subject to OEB approval of this Settlement Proposal, only the unsettled matter needs to be considered through a hearing. All parties agree that the one unsettled matter is best considered by the OEB through a written hearing.

In particular, the one unsettled matter concerns whether certain amounts recorded in respect of the period January 1, 2014 to October 31, 2014 in all accounts except the Pension and OPEB Cost Variance Account are appropriate. An agreed statement of the amounts in dispute related to this account is set out in Attachment 1. While all other issues in this proceeding have been settled, the OEB's determination as to the appropriate amounts recorded in respect of the period January 1, 2014 to October 31, 2014 in all accounts except the Pension and OPEB Cost Variance

Account will affect the overall balances for recovery and, in turn the appropriate amounts for the rate riders.

OPG applied to the OEB pursuant to 78.1 of the Act, for an order or orders approving the disposition of certain deferral and variance account balances as at December 31, 2014.

As indicated in the updated Application, the audited balances of OPG's deferral and variance accounts as at December 31, 2014 are \$322.4M for regulated hydroelectric and \$1,657.5M for nuclear. Of these amounts, the total December 31, 2014 balances for which OPG seeks recovery are balances of \$190.6M for regulated hydroelectric and \$1,557.8M for nuclear.

As noted, the recovery of certain of the amounts recorded in respect of the period January 1, 2014 to October 31, 2014 are disputed by the Parties and will therefore require determination by the OEB through a written hearing.

As part of the overall settlement, the Parties have agreed that the amounts in the Pension and OPEB Cost Variance Account that have accrued since December 31, 2012 are appropriate and that OPG shall clear these balances over a 72-month period from July 1, 2015 to June 30, 2021 rather than over the 24-month period as proposed in the Application.

In addition, the Parties have agreed that no interest will be applied to the Bruce Lease Net Revenues Variance Account during the period of January 1, 2015 to December 31, 2016.

The particulars of the Settlement Proposal are detailed below by issue as set out in the Final Issues List. Rate and residential consumer impact are discussed in Section C.

## **B. DEFERRAL AND VARIANCE ACCOUNTS**

### ***1. Are the amounts recorded in the deferral and variance accounts appropriate?***

#### **Partially Settled**

There is an agreement to partially settle this issue as follows.

#### Background

In its Application, OPG has requested approval to clear the audited December 31, 2014 balances in all but three of its deferral and variance accounts. The three excluded accounts are the Gross Revenue Charge Variance Account, Pension and OPEB Cash Payment Variance Account and the Pension and OPEB Cash Versus Accrual Differential Deferral Account (the “Excluded Accounts”). The three excluded accounts were newly authorized in EB-2013-0321. Except for the excluded accounts, the nature of the amounts recorded in each of OPG’s deferral and variance accounts is described in H1-1-1.

As part of clearing the account balances, OPG has sought to recover interest that has been recorded using the generic rate of interest for deferral and variance accounts prescribed by the OEB for each of the accounts as described in H1-1-1. The audited actual year-end 2014 balances in all accounts are shown in the updated H1-1-2, Table 1, column (d). The December 31, 2014 balances for which OPG seeks recovery are debit balances totalling \$190.6M for regulated hydroelectric and \$1,557.8M for nuclear, as shown in column (c) of H1-1-2, Tables 15 and 16, respectively.

#### Settlement of Issue

For the purposes of settlement, the Parties accept the evidence of OPG that the nature or type of amounts recorded in the deferral and variance accounts as at December 31, 2014 other than the Excluded Accounts, as proposed by OPG, are consistent with the terms of those accounts and therefore appropriate for recovery, subject to the following:

- The Parties request that the OEB determine by written hearing whether the amounts recorded in all accounts except the Pension and OPEB Cost Variance Account for the period January 1, 2014 to October 31, 2014, for regulated hydroelectric and nuclear, are appropriate.

The dispute between the Parties with respect to amounts recorded for the period January 1, 2014 to October 31, 2014 is described in Attachment 1.

Other than the Excluded Accounts and the disputed amounts recorded for the period January 1, 2014 to October 31, 2014, the parties have considered the amounts entered into the accounts and for the purposes of settlement have accepted the evidence of OPG that the amounts entered into the accounts have been calculated in accordance with the appropriate Payment Amounts Order or



orders, these being: EB-2012-0002 for the 2013 entries into accounts or sub-accounts not cleared in EB-2013-0321; EB-2012-0002 for the January 1, 2014 to October 31, 2014 entries into the Pension and OPEB Cost Variance Account; and EB-2013-0321 for the November 1, 2014 to December 31, 2014 entries. Amortization and interest amounts included in the December 31, 2014 balances have also been entered in accordance with the relevant Payment Amounts Orders. For clarity, the amounts entered in all accounts in respect of 2013 and the period November 1, 2014 to Dec 31, 2014 are not disputed.

The parties agree that a written hearing is the appropriate way for the OEB to determine the unsettled matter because the parties consider the dispute to be narrow and primarily legal in nature. The parties consider the record to be complete with no further discovery required.

### **Approval**

Parties in Support: OPG, AMPCO, CME, CCC, EP, LPMA, SEC, Society (*Society takes no position on the unsettled matter.*)

Parties Taking No Position: PWU

### **Evidence**

The evidence in relation to this issue includes the following:

H1-1-1	Overview of Deferral and variance Accounts
H1-1-2	Update for Audited Actual Balances for Deferral and Variance Accounts
L-H-Staff-001	OEB Staff IR #1
L-H-Staff-002	OEB Staff IR #2
L-H-Staff-003	OEB Staff IR #3
L-H-Staff-004	OEB Staff IR #4
L-H-Staff-005	OEB Staff IR #5
L-H-Staff-006	OEB Staff IR #6
L-H-Staff-007	OEB Staff IR #7
L-H-Staff-008	OEB Staff IR #8
L-H-Staff-011	OEB Staff IR #11
L-H-Staff-013	OEB Staff IR #13
L-H-Staff-014	OEB Staff IR #14
L-H-Staff-015	OEB Staff IR #15
L-H-AMPCO-001	AMPCO IR#1
L-H-AMPCO-002	AMPCO IR#2
L-H-AMPCO-003	AMPCO IR#3
L-H-AMPCO-004	AMPCO IR#4
L-H-AMPCO-005	AMPCO IR#5

L-H-CCC-002	CCC IR #2
L-H-CCC-004	CCC IR #4
L-H-CCC-005	CCC IR #5
L-H-CCC-007	CCC IR #7
L-H-CME-001	CME IR #1
L-H-EP-001	EP IR #1
L-H-LPMA-003	LPMA IR #3
L-H-PWU-001	PWU IR #1

**2. Are the balances for recovery in each of the deferral and variance accounts appropriate?**

**Partially Settled**

There is an agreement to partially settle this issue as set out under issue 1.

Background

OPG filed an update to its Application on February 20, 2015. Included in the update was H1-1-2 Table 1, which provides the audited actual balances for the deferral and variance accounts as at December 31, 2014. These amounts were replicated in Column (a) of H1-1-2 Table 15 and Table 16 for regulated hydroelectric and nuclear, respectively.

Overall, the total audited actual December 31, 2014 balances for all of OPG's accounts are balances of \$322.4M for regulated hydroelectric and \$1,657.5M for nuclear. After removing the Excluded Accounts and accounting for OEB approved amortization from EB-2013-0321, the total audited actual December 31, 2014 balances for recovery proposed in this Application are balances of \$190.6M for regulated hydroelectric and \$1,557.8M for nuclear as set out in column (c) of H1-1-2 Tables 15 and 16, respectively.

Settlement of Issue

There is an agreement to partially settle this issue as set out under issue 1.

**Approval**

Parties in Support: OPG, AMPCO, CME, CCC, EP, LPMA, SEC, Society  
(*Society takes no position on the unsettled matter.*)

Parties Taking No Position: PWU

**Evidence**

The evidence in relation to this issue includes the following:

H1-1-1	Overview of Deferral and variance Accounts
H1-1-2	Update for Audited Actual Balances for Deferral and Variance Accounts
H1-2-1	Clearance of Deferral and Variance Accounts
L-H-CCC-008	CCC IR #8
L-H-LPMA-002	LPMA IR #2
L-H-PWU-002	PWU IR #2
L-I-Staff-016	OEB Staff IR #16

3. *Are the proposed rate riders and disposition periods for the account balances appropriate?*

**Partially Settled**

There is an agreement to partially settle this issue as follows.

Background

In its Application, OPG has requested separate payment riders for the regulated hydroelectric accounts and the nuclear accounts. For accounts other than the Pension and OPEB Cost Variance Account and the Bruce Lease Net Revenues Variance Account, OPG sought to clear the account balances over an 18-month period from July 1, 2015 to December 31, 2016. For the Pension and OPEB Cost Variance Account, OPG sought to continue to dispose of the remaining portion of the December 31, 2012 balances over the 120 months remaining as per the terms of the OEB-approved settlement in EB-2012-0002. For amounts in the Pension and OPEB Cost Variance Account that have accrued since December 31, 2012, OPG proposed to clear these balances over a 24-month period from July 1, 2015 to June 30, 2017. For the Bruce Lease Net Revenues Variance Account - Derivative Sub-Account, OPG sought to clear the balance using the method as per the terms of the OEB-approved settlement in EB-2012-0002.

Settlement of Issue

For the purposes of reaching a settlement, the Parties agree that the recovery periods for disposing of the account balances and the amortization amounts for 2015 and 2016 for each account, as set out in columns (d), (e) and (f) of Tables 1 and 2 of Attachment 2, are appropriate, subject to the following changes relative to OPG's Application:

- *All Accounts Except the Pension and OPEB Cost Variance Account* - As indicated under Issue #1, the Parties have requested that the OEB determine by way of written hearing whether the amounts recorded in respect of the period January 1, 2014 to October 31, 2014 in all Accounts except the Pension and OPEB Cost Variance Account for both regulated hydroelectric and nuclear, are appropriate. As such, the appropriate balance for these accounts will be subject to the OEB's determination. Final calculation of the rate riders will therefore depend on the OEB's findings as to the appropriate balance for recovery in all Accounts except the Pension and OPEB Cost Variance Account.
- *Pension and OPEB Cost Variance Account* - The Parties have agreed that the amounts in the Pension and OPEB Cost Variance Account that have accrued since December 31, 2012 are appropriate and shall be cleared over a 72-month period from July 1, 2015 to June 30, 2021.

Regarding the Pension and OPEB Cost Variance Account – Post 2012 Additions, the Parties have agreed that a 72-month recovery period appropriately balances OPG’s cash flow needs with a concern over consumer impacts.

The parties agree that the proposal for clearance of the balance in the Pension and OPEB Cost Variance Account – Future Recovery Component over a period of 10 years is appropriate as it is consistent with the 12 year amortization period commencing in 2013 agreed to and approved in EB-2012-0002.

The parties agree that the proposal for clearance of the Bruce Lease Net revenues Variance Account - Derivative Sub-Account is appropriate as it follows the terms agreed to and approved in EB-2012-0002, by recovering amounts equal to the amount of supplemental rent rebate forecast to be payable to Bruce Power for each year and associated tax impacts, adjusted by the difference between amounts previously recovered in respect of the balance of the sub-account, and the actual rent rebates paid by OPG to Bruce Power and associated income taxes.

Tables showing calculations of amortization, riders and impacts assuming disputed account entries are approved as proposed by OPG are contained in Attachment 2. Tables showing calculations of amortization, riders and impacts assuming disputed account entries are adjusted as proposed by certain parties are contained in Attachment 3.

## Approval

Parties in Support: OPG, AMPCO, CME, CCC, EP, LPMA, SEC, Society  
(*Society takes no position on the unsettled matter.*)

Parties Taking No Position: PWU

## Evidence

The evidence in relation to this issue includes the following:

H1-1-2	Update for Audited Actual Balances for Deferral and Variance Accounts
H1-2-1	Clearance of Deferral and Variance Accounts
I1-1-1	Regulated Hydroelectric and Nuclear Riders
I1-1-2	Rate and Consumer Impact
I1-1-3	IESO Settlement Process
L-A-CCC-001	CCC IR #1
L-H-Staff-010	OEB Staff IR #10
L-H-CCC-003	CCC IR #3
L-H-CCC-006	CCC IR #6
L-H-CCC-008	CCC IR #8
L-H-CME-002	CME IR #2
L-H-CME-003	CME IR #3

L-H-LPMA-001	LPMA IR #1
L-H-LPMA-002	LPMA IR #2
L-H-PWU-002	PWU IR #2
L-H-PWU-003	PWU IR #3
L-I-Staff-016	OEB Staff IR #16

**4. *Is the proposed continuation of deferral and variance accounts appropriate?***

**Settled**

There is an agreement to settle this issue as follows.

Background

At H1-3-1 of the Application, OPG indicates that it is not proposing any new deferral or variance accounts or any changes to the accounts that the OEB has approved for continuation or that the OEB established in EB-2013-0321.

Settlement of Issue

The Parties agree that the proposed continuation of the deferral and variance accounts, as proposed by OPG, is appropriate subject to the following:

- *Bruce Lease Net Revenues Variance Account* - The Parties agree that no interest will be applied by OPG to the Bruce Lease Net Revenues Variance Account during the period of January 1, 2015 to December 31, 2016.

For purposes of this settlement the parties agreed that no interest be applied to the Bruce Lease Net Revenues Variance Account during the period of January 1, 2015 to December 31, 2016. This proposal is consistent with the treatment of interest in the same account in the approved settlement in EB-2012-0002. The Parties have not reached agreement on whether interest should be charged on that account after December 31, 2016, and all Parties reserve their right to take whatever positions they believe are appropriate in any subsequent proceeding in which the OEB considers whether interest should be charged on this account after 2016.

**Approval**

Parties in Support: OPG, AMPCO, CME, CCC, EP, LPMA, SEC, Society

Parties Taking No Position: PWU

**Evidence**

The evidence in relation to this issue includes the following:

L-H-Staff-009            OEB Staff IR #9  
L-H-Staff-012            OEB Staff IR #12

## C. OTHER ASPECTS OF SETTLEMENT

For the purposes of reaching a partial settlement, the Parties further agree, as follows:

- *Rate and Consumer Impacts* - The Parties are presenting for the OEB's information two different methodologies for calculating the impact of the proposed payment riders on OPG's overall average rates and on a typical residential electricity consumer for the OEB's information.

One methodology, which OPG applies at I1-1-2 of the Application and which is set out in H1-1-2, Table 17, compares the production-weighted average hydroelectric and nuclear rates and riders that would apply on average over the 2 years 2015 and 2016, including changes to riders already approved by the OEB, with the production-weighted average 2014 hydroelectric and nuclear rates and riders approved by the OEB in EB-2013-0321. Calculations of rate and consumer impact using this method are shown at Attachment 2, Tables 3 and 4 and at Attachment 3, Tables 3 and 4.

An alternative methodology compares the production-weighted average hydroelectric and nuclear rates and riders that would apply over the 18 months July 1, 2015 to December 31, 2016, including changes to riders already approved by the OEB, with the production-weighted average 2015 hydroelectric and nuclear rates and riders approved by the OEB in EB-2013-0321. This calculation is shown in Attachment 3 to this Settlement Proposal. Calculations of rate and consumer impact using this method are shown at Attachment 2, Tables 5 and 6 and at Attachment 3, Tables 5 and 6.

The two alternative methodologies are both intended to describe the same thing, i.e. the rate and consumer impacts of the OEB's decision in this proceeding. The difference is one of presentation only. Except with respect to the January to October 2014 entries in all Accounts other than the Pension and OPEB Cost Variance Account, there is no disagreement with respect to the rates or riders, only with the way they should be characterized on the public record. The Parties have resolved the disagreement by presenting the impacts both ways.

### **Approval**

Parties in Support: OPG, AMPCO, CME, CCC, EP, LPMA, SEC, Society

Parties Taking No Position: PWU



**ATTACHMENTS**

## **Statement of Entries into the Variance Accounts Which are Disputed**

### **1.0 Introduction**

As noted in Section B1 of this Settlement Proposal, with the exception of the Pension and OPEB Cost Variance Account, entries made into the accounts relating to the period January 1, 2014 through October 31, 2014 are disputed by the Parties.

OPG has made entries into the accounts based on the difference between actual amounts and forecast amounts underpinning the rates approved in EB-2010-0008.

Some parties dispute that accounting, saying instead that the amounts recorded for that period should be the difference, if any, between actual amounts and forecast amounts included in the approved EB-2013-0321 revenue requirement.

The impacts of these differing interpretations are set out in section 2.0, below. Section 3.0 sets out the amortization, riders and impacts of the differing interpretations.

### **2.0 Summary of Alternative Account Entries**

While there is only one matter in dispute, it affects the January to October, 2014 entries made into most accounts to varying degrees. Chart 1, below, lists the disputed accounts and compares entries made by OPG for the period January to October 2014 with the entries that would result if calculated using the interpretation of certain of the parties. Entries made by OPG for this period have a debit (payable to OPG) total \$165.4M. Entries made pursuant to the alternative proposed by certain intervenors would have a credit (payable to ratepayers) total of \$98M for a difference of (\$263M).

Chart 2, below, illustrates the calculation of additions to and deductions from the disputed accounts for January to October, 2014 under both scenarios. Positive amounts represent amounts to be recovered from ratepayers and negative amounts represent those to be repaid to ratepayers. The Tax Loss Variance Account and the Impact for USGAAP Deferral Account are not included in this chart since new entries into these accounts ceased before the relevant time period, meaning the entries would be nil for January to October, 2014 no matter what the interpretation. The Hydroelectric Deferral and Variance Over/Under Recovery Variance, Nuclear Development Variance and Nuclear Deferral and Variance Over/Under Recovery Variance accounts are also excluded from this chart as the dispute has no impact on the entries in these accounts.

Chart 1

<b>Alternative Account Transactions for the Period January 1, 2014 to October 31, 2014 (\$M) -Disputed Accounts Only-</b>				
<i>Line No.</i>	<i>Account</i>	<i>OPG Proposed Entries Based on EB-2010-0008 Forecasts</i>	<i>Proposed by Some Parties Based on EB-2013-0321 Forecasts</i>	<i>Difference</i>
		(a)	(b)	(c) = (b)-(a)
	<b><u>Previously Regulated Hydroelectric:</u></b>			
1	Hydroelectric Water Conditions Variance	(1.7)	(23.9)	(22.2)
2	Ancillary Services Net Revenue Variance – Hydroelectric	(12.1)	(17.3)	(5.3)
3	Hydroelectric Incentive Mechanism Variance	(2.4)	(2.9)	(0.4)
4	Hydroelectric Surplus Baseload Generation Variance	22.7	27.4	4.7
5	Income and Other Taxes Variance – Hydroelectric	(0.0)	(0.0)	0.0
6	Capacity Refurbishment Variance – Hydroelectric	117.3	(0.1)	(117.4)
7	Hydroelectric Deferral and Variance Over/Under Recovery Variance	0.6	0.6	0.0
8	Total	124.3	(16.2)	(140.5)
	<b><u>Nuclear:</u></b>			
9	Nuclear Liability Deferral	81.6	-	(81.6)
10	Nuclear Development Variance	1.2	1.2	-
11	Ancillary Services Net Revenue Variance – Nuclear	0.3	(0.3)	(0.6)
12	Capacity Refurbishment Variance - Nuclear – Capital Portion	6.3	2.9	(3.4)
13	Capacity Refurbishment Variance - Nuclear – Non-Capital Portion	(2.4)	2.2	4.6
14	Bruce Lease Net Revenues Variance – Derivative Sub-Account	(57.5)	(57.5)	-
15	Bruce Lease Net Revenues Variance – Non-Derivative Sub-Account - EB-2012-0002 Additions	-	-	-
16	Bruce Lease Net Revenues Variance – Non-Derivative Sub-Account - Post 2012 Additions	41.1	(38.6)	(79.7)
17	Income and Other Taxes Variance – Nuclear	(2.7)	(3.5)	(0.8)
18	Pickering Life Extension Depreciation Variance	(39.0)	-	39.0
19	Nuclear Deferral and Variance Over/Under Recovery Variance	12.1	12.1	-
20	Total	41.1	(81.4)	(122.5)
21	<b>Grand Total</b>	165.4	(97.6)	(263.0)

**Chart 2**

<b>Alternative Approaches to Entries for the Period January 1, 2014 to October 31, 2014 for Nuclear and Previously Regulated Hydroelectric (\$M unless otherwise stated)</b>						
<b>Account / Item</b>	<b>OPG Proposed Entries Based on EB-2010-0008 Forecasts</b>			<b>Entries Proposed by Some Parties Based on EB-2013-0321 Forecasts</b>		
	<b>Jan-Oct 2014 Actual</b>	<b>EB-2010- 0008 Forecast</b>	<b>OPG Proposed Entries Based on EB- 2010-0008 Forecasts</b>	<b>Jan-Oct 2014 Actual</b>	<b>EB-2013- 0321 Forecast</b>	<b>Entries Proposed by Some Parties Based on EB- 2013-0321 Forecasts</b>
	(a)	(b)	(c) = (a)-(b)	(d)	(e)	(f) = (d)-(e)
<b>Water Conditions Variance</b>						
Production (GWh) <sup>1</sup>	15,579	15,484	(96)	16,584	15,639	(945)
Payment Amount (\$/MWh)			35.78			40.20
Revenue			(3.4)			(38.0)
GRC/Water Rental Costs			1.7			14.1
Total			<b>(1.7)</b>			<b>(23.9)</b>
<b>Ancillary Services Net Revenues Variance</b>						
<b>Hydroelectric</b>						
Ancillary Services Net Revenue	<b>44.5</b>	<b>32.4</b>	<b>(12.1)</b>	<b>44.5</b>	<b>27.1</b>	<b>(17.3)</b>
<b>Nuclear</b>						
Ancillary Services Net Revenue	2.1	2.5	0.3	2.1	1.4	(0.7)
<i>EB-2013-0321 Impact Statement (Ex. N1) Adjustment</i>	N/A	N/A	N/A	N/A	(0.5)	(0.5)
Nuclear Total	<b>2.1</b>	<b>2.5</b>	<b>0.3</b>	<b>2.1</b>	<b>1.9</b>	<b>(0.3)</b>
<b>Hydroelectric Incentive Mechanism (HIM) Variance</b>						
HIM Net Revenue <sup>2,3</sup>	<b>15.7</b>	<b>10.8</b>	<b>(2.4)</b>	<b>15.7</b>	<b>10.0</b>	<b>(2.9)</b>
<b>Hydroelectric Surplus Baseload Generation Variance</b>						
Foregone Production due to SBG Conditions (GWh)	1,061	-	1,061	1,061	-	1,061
Payment Amount (\$/MWh)			35.78			40.20
Revenue			38.0			42.6
GRC/Water Rental Costs			(15.3)			(15.3)
Total			<b>22.7</b>			<b>27.4</b>

**Chart 2 (Continued)**

<b>Alternative Approaches to Entries for the Period January 1, 2014 to October 31, 2014 for Nuclear and Previously Regulated Hydroelectric (\$M unless otherwise stated)</b>						
<b>Account / Item</b>	<b>OPG Proposed Entries Based on EB-2010-0008 Forecasts</b>			<b>Entries Proposed by Some Parties Based on EB-2013-0321 Forecasts</b>		
	<b>Jan-Oct 2014 Actual</b>	<b>EB-2010- 0008 Forecast</b>	<b>OPG Proposed Entries Based on EB- 2010-0008 Forecasts</b>	<b>Jan-Oct 2014 Actual</b>	<b>EB-2013- 0321 Forecast</b>	<b>Entries Proposed by Some Parties Based on EB- 2013-0321 Forecasts</b>
	(a)	(b)	(c) = (a)-(b)	(d)	(e)	(f) = (d)-(e)
<b>Income and Other Taxes Variance<sup>4</sup></b>						
<b>Hydroelectric</b>						
Income Tax Impacts	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)
<b>Nuclear</b>						
Income Tax Impacts	(8.8)	(6.1)	(2.7)	(12.5)	(9.0)	(3.5)
<b>Nuclear Liability Deferral</b>						
Depreciation Expense	43.1	-	43.1	43.1	43.1	-
Return on Rate Base	(0.6)	-	(0.6)	(0.6)	(0.6)	-
Variable Expenses	24.4	-	24.4	24.4	24.4	-
Income Tax Impact	14.7	-	14.7	14.7	14.7	-
<b>Total</b>	<b>81.6</b>	<b>-</b>	<b>81.6</b>	<b>81.6</b>	<b>81.6</b>	<b>-</b>
<b>Bruce Lease Net Revenues Variance</b>						
Bruce Lease Net Revenues <sup>5</sup>	(122.2)	(105.8)	(16.4)	(121.2)	(33.5)	(87.7)
<i>EB-2013-0321 Impact Statement (Ex. N1) Adjustment</i>			N/A			8.4
Total Addition			(16.4)			(96.1)
Addition Derivative Sub- Account			(57.5)			(57.5)
Addition to Non-Derivative Sub-Account			41.1			(38.6)
<b>Pickering Life Extension Depreciation Variance<sup>6</sup></b>						
Life Extension Impact	(39.0)	-	(39.0)	(39.0)	(39.0)	-

**Chart 2 (Continued)**

<b>Alternative Approaches to Entries for the Period January 1, 2014 to October 31, 2014 for Nuclear and Previously Regulated Hydroelectric (\$M unless otherwise stated)</b>						
<b>Cost Item</b>	<b>OPG Proposed Entries Based on EB-2010-0008 Forecasts</b>			<b>Entries Proposed by Some Parties Based on EB-2013-0321 Forecasts</b>		
	<b>Jan-Oct 2014 Actual</b>	<b>EB-2010- 0008 Forecast</b>	<b>OPG Proposed Entries Based on EB- 2010-0008 Forecasts</b>	<b>Jan-Oct 2014 Actual</b>	<b>EB-2013- 0321 Forecast</b>	<b>Entries Proposed by Some Parties Based on EB- 2013-0321 Forecasts</b>
	(a)	(b)	(c) = (a)-(b)	(d)	(e)	(f) = (d)-(e)
<b>Capacity Refurbishment Variance Account <sup>7</sup></b>						
<b>Hydroelectric Projects</b>						
Niagara Tunnel - Cost of Capital	82.9	0.0	82.9	76.9	76.9	0.0
Niagara Tunnel – Depreciation	12.2	0.0	12.2	12.2	12.2	0.0
Niagara Tunnel - Income Tax Impact	10.6	(10.0)	20.6	7.5	7.5	0.0
Sir Adam Beck Projects	6.0	4.4	1.6	5.6	6.0	(0.4)
<i>EB-2013-0321 Impact Statement (Ex. N1) Adjustment</i>	N/A	N/A	N/A	N/A	(0.3)	0.3
Hydroelectric Total	111.7	(5.6)	117.3	102.1	102.2	(0.1)
<b>Nuclear Projects</b>						
Darlington Refurbishment - Cost of Capital	7.5	0.0	7.5	6.9	9.2	(2.2)
Darlington Refurbishment - Depreciation	3.7	0.0	3.7	3.7	3.8	(0.1)
Darlington Refurbishment - Income Tax Impact	(5.9)	(1.1)	(4.8)	(6.0)	(15.4)	9.4
<i>EB-2013-0321 Impact Statement (Ex. N1) Adjustment</i>	N/A	N/A	N/A	N/A	4.2	(4.2)
Nuclear Subtotal – Capital	5.2	(1.1)	6.3	4.6	1.7	2.9
Non-Capital Costs	41.8	44.2	(2.4)	41.8	28.9	12.9
<i>EB-2013-0321 Impact Statement (Ex. N1) Adjustment</i>	N/A	N/A	N/A	N/A	10.7	(10.7)
Nuclear Subtotal – Non-Capital Costs	41.8	44.2	(2.4)	41.8	39.6	2.2
Nuclear Total	47.1	43.1	3.9	46.4	41.3	5.1

Notes to Chart 2:

1. Actual production values in cols. (a) and (d) represent imputed values based on production models used to generate the OEB-approved production forecasts, and as such, differ between EB-2010-0008-based actuals and EB-2013-0321 actuals.
2. Credit to ratepayers in col. (c) is 50% of the HIM net revenues above the annual threshold of \$13M (per EB-2012-0002 Payment Amounts Order) prorated for 10 months.
3. Credit to ratepayers in col. (f) is 50% of the HIM net revenues above the previously regulated hydroelectric portion of \$12M of the annual 2014 threshold of \$51M (per EB-2013-0321 Payment Amounts Order), prorated for 10 months.
4. Actual tax impacts reflect imputed amounts based on corresponding OEB-approved forecasts adjusted for qualifying tax changes or differences.
5. Actuals do not match since col. (a) is calculated in accordance with CGAAP and col. (d) is calculated in accordance with USGAAP to maintain consistency with their corresponding forecast amounts.
6. Additions to this account are recorded as a credit of \$3.9M/month per EB-2012-0002 Payment Amounts Order during the period from January 1, 2013 until the effective date of new nuclear payment amounts excluding riders. The EB-2013-0321 Payment Amounts Order ordered that only amortization be recorded in this account, and therefore, there would be no additions if the EB-2013-0321 order is applied to the January to October 2014 period.
7. Actuals in col. (d) do not match certain corresponding lines in col. (a) due to differences in OEB-approved capital structure, return on equity, and debt ratio established in EB-2010-0008 and EB-2013-0321.

### **3.0 Calculation of Amortization, Riders and Impact**

#### **3.1 Amortization, Riders and Impact – OPG Scenario**

Attachment 2, Tables 1 and 2 show the calculation of amortization amounts and riders that would result from the recovery of December 31, 2014 balances which include the entries into the disputed accounts during January 1, 2014 and October 31, 2014 made by OPG, and using the Settlement Proposal's amortization period for amounts in the Pension and OPEB Cost Variance Account that have accrued since December 31, 2012.

As set out in Table 1 of Attachment 2, the total resulting amortization amount for regulated hydroelectric would be \$155.6M over the 18-month period from July 1, 2015 to December 31, 2016. This amortization amount is proposed to be divided by 48.8 TWh to calculate a hydroelectric payment amount rider of \$3.19/MWh for July 1, 2015 to December 31, 2016.

As set out in Table 2 of Attachment 2, the total resulting amortization amount for nuclear would be \$777.1M over the 18-month period from July 1, 2015 to December 31, 2016. This amortization amount is proposed to be divided by 71.7 TWh to calculate a nuclear payment amount rider of \$10.84/MWh for July 1, 2015 to December 31, 2016.

Using Method 1, the change to the production-weighted average of OPG's hydroelectric and nuclear rates and riders is estimated at 7.2% as set out in Table 4 of Attachment 2. The resulting residential consumer impact is estimated at \$1.93/month or 1.5% on a typical monthly bill of \$132.57 as set out in Table 3 of Attachment 2.

Using Method 2, the change to the production-weighted average of OPG's hydroelectric and nuclear rates and riders is estimated at 11.4% as set out in Table 6 of Attachment 2. The resulting residential consumer impact is estimated at \$3.02/month or 2.3% on a typical monthly bill of \$132.57 as set out in Table 5 of Attachment 2.

#### **3.1 Amortization, Riders and Impact – Alternative Scenario**

Attachment 3, Tables 1 and 2 show the calculation of amortization amounts and riders that would result from the recovery of December 31, 2014 balances which include the alternative entries into the disputed accounts, and using the Settlement Proposal's amortization period for amounts in the Pension and OPEB Cost Variance Account that have accrued since December 31, 2012.

As set out in Table 1 of Attachment 3, the total resulting amortization amount for regulated hydroelectric would be \$14.1M over the 18-month period from July 1, 2015 to December 31, 2016. This amortization amount is proposed to be divided by 48.8 TWh to calculate a hydroelectric payment amount rider of \$0.29/MWh for the period July 1, 2015 to December 31, 2016.

As set out in Table 2 of Attachment 3, the total resulting amortization amount for nuclear would be \$654.6M over the 18-month period from July 1, 2015 to December 31, 2016. This



amortization amount is proposed to be divided by 71.7 TWh to calculate a nuclear payment amount rider of \$9.13/MWh for July 1, 2015 to December 31, 2016.

Using Method 1, the change to the production-weighted average of OPG's hydroelectric and nuclear rates and riders is estimated at 4.2% as set out in Table 4 of Attachment 3. The resulting residential consumer impact is estimated at \$1.13/month or 0.9% on a typical monthly bill of \$132.57 as set out in Table 3 of Attachment 3.

Using Method 2, the change to the production-weighted average of OPG's hydroelectric and nuclear rates and riders is estimated at 7.4% as set out in Table 6 of Attachment 3. The resulting residential consumer impact is estimated at \$1.95/month or 1.5% on a typical monthly bill of \$132.57 as set out in Table 5 of Attachment 3.

#### **4.0 Capacity Refurbishment Variance Account (CRVA) Net Revenue Offset**

Also in dispute is whether or not net revenues of \$8.0M (CCC IR #4) attributable to the production from the new Niagara Tunnel earned by OPG during the period from January to October 2014 should be used to reduce the related cost entries into the CRVA, should the OEB find that the cost entries proposed by OPG for that period are appropriate.

Table 1  
 Ex H1-1-2 Table 15 Revised per Settlement Proposal and Assuming Disputed Accounts Recovered as Proposed by OPG  
Calculation of Deferral and Variance Account Recovery Payment Rider - Regulated Hydroelectric (\$M)

Line No.	Account	Actual Balance at December 31, 2014 <sup>1</sup>	EB-2013-0321 Board Approved Amortization 2015 <sup>2</sup>	(a)-(b)	Recovery Period (Months)	Amortization Jul - Dec 2015	Amortization Jan - Dec 2016	(e)+(f)	(c)-(g)
				2014 Balance Less 2015 Approved Amortization				Amortization Jul 2015 - Dec 2016	Unamortized APPROVED Balance At Dec 31, 2016
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Hydroelectric Water Conditions Variance	(8.5)	0.0	(8.5)	18	(2.8)	(5.6)	(8.5)	0.0
2	Ancillary Services Net Revenue Variance - Hydroelectric	(16.5)	0.0	(16.5)	18	(5.5)	(11.0)	(16.5)	0.0
3	Hydroelectric Incentive Mechanism Variance	(7.5)	(5.0)	(2.5)	18	(0.8)	(1.7)	(2.5)	0.0
4	Hydroelectric Surplus Baseload Generation Variance	67.1	19.2	47.9	18	16.0	31.9	47.9	0.0
5	Income and Other Taxes Variance - Hydroelectric	(0.2)	0.0	(0.2)	18	(0.1)	(0.1)	(0.2)	0.0
6	Capacity Refurbishment Variance - Hydroelectric	232.6	112.7	119.9	18	40.0	79.9	119.9	0.0
7	Pension and OPEB Cost Variance - Hydroelectric - Historic	0.0	0.0	0.0	18	0.0	0.0	0.0	0.0
8	Pension and OPEB Cost Variance - Hydroelectric - Future	10.5	0.0	10.5	120	1.1	1.1	2.1	8.4
9	Pension and OPEB Cost Variance - Hydroelectric - Post 2012 Additions	35.5	0.0	35.5	72	3.0	5.9	8.9	26.6
10	Hydroelectric Deferral and Variance Over/Under Recovery Variance	4.5	0.0	4.5	18	1.5	3.0	4.5	0.0
11	<b>Total (lines 1 through 10)</b>	<b>317.6</b>	<b>127.0</b>	<b>190.6</b>				<b>155.6</b>	<b>35.0</b>
12	Forecast Production <sup>3</sup> (TWh)							48.8	
13	Regulated Hydroelectric Payment Rider (\$/MWh) (line 11 / line 12)							3.19	

Notes:

- From Ex. H1-1-2 Table 1.
- From EB-2013-0321 Payment Amounts Order App. E, Table 1, col. (e).
- Board-approved 2014-2015 previously regulated hydroelectric production from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2 multiplied by 18 months divided by 24 months, plus July 1, 2014 to December 31, 2015 newly regulated hydroelectric production from EB-2013-0321 Payment Amounts Order, App. C, Table 1, line 2, col. (c).

Table 2  
 Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Disputed Accounts Recovered as Proposed by OPG  
 Calculation of Deferral and Variance Account Recovery Payment Rider - Nuclear (\$M)

Line No.	Account	Actual Balance at December 31, 2014 <sup>1</sup>	EB-2013-0321 Board Approved Amortization 2015 <sup>2</sup>	(a)-(b)	Recovery Period (Months)	Amortization Jul - Dec 2015	Amortization Jan - Dec 2016	(e)+(f)	(c)-(g)
				2014 Balance Less 2015 Approved Amortization				Amortization Jul 2015 - Dec 2016	Unamortized APPROVED Balance At Dec 31, 2016
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Nuclear Liability Deferral	285.7	0.0	285.7	18	95.2	190.5	285.7	0.0
2	Nuclear Development Variance	58.8	56.5	2.3	18	0.8	1.6	2.3	0.0
3	Ancillary Services Net Revenue Variance - Nuclear	1.7	0.0	1.7	18	0.6	1.2	1.7	0.0
4	Capacity Refurbishment Variance - Nuclear - Capital Portion	13.2	5.7	7.6	18	2.5	5.0	7.6	0.0
5	Capacity Refurbishment Variance - Nuclear - Non-Capital Portion	1.3	0.0	1.3	18	0.4	0.8	1.3	0.0
6	Bruce Lease Net Revenues Variance - Derivative Sub-Account <sup>3</sup>	153.8	0.0	153.8	n/a	(10.4)	64.1	53.7	100.0
7	Bruce Lease Net Revenues Variance - Non-Derivative Sub-Account - EB-2012-0002	37.3	0.0	37.3	18	18.7	18.7	37.3	0.0
8	Bruce Lease Net Revenues Variance - Non-Derivative Sub-Account - Post 2012 Additions	123.8	0.0	123.8	18	41.3	82.5	123.8	0.0
9	Income and Other Taxes Variance - Nuclear	(13.2)	0.0	(13.2)	18	(4.4)	(8.8)	(13.2)	0.0
10	Pension and OPEB Cost Variance - Nuclear - Historic	0.0	0.0	0.0	18	0.0	0.0	0.0	0.0
11	Pension and OPEB Cost Variance - Nuclear - Future	214.7	0.0	214.7	120	21.5	21.5	42.9	171.7
12	Pension and OPEB Cost Variance - Nuclear - Post 2012 Additions	678.6	0.0	678.6	72	56.5	113.1	169.6	508.9
13	Pickering Life Extension Depreciation Variance	7.8	0.0	7.8	18	2.6	5.2	7.8	0.0
14	Nuclear Deferral and Variance Over/Under Recovery Variance	56.4	0.0	56.4	18	18.8	37.6	56.4	0.0
15	<b>Total (lines 1 through 14)</b>	<b>1,619.9</b>	<b>62.2</b>	<b>1,557.8</b>				<b>777.1</b>	<b>780.7</b>
16	Forecast Production <sup>4</sup> (TWh)							71.7	
17	Nuclear Payment Rider (\$/MWh) (line 15 / line 16)							10.84	

Notes:

- From Ex. H1-1-2 Table 1.
- From EB-2013-0321 Payment Amounts Order Appendix F, Table 1, col. (e).
- Amortization in cols. (e) and (f) is from Ex. H1-1-2 Table 13c, lines 20 and 21.
- Board-approved 2014-2015 nuclear production from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2 multiplied by 18 months divided by 24 months.

Settlement Privileged

**Ex H1-1-2 Table 17 Revised per Settlement Proposal, Assuming Disputed Accounts Recovered as Proposed by OPG and Using Method 1**

Annualized Residential Consumer Impact  
Test Period January 1, 2015 to December 31, 2016

Line No.	Description	Amount
		(a)
1	<b>Typical Consumption<sup>1</sup> (kWh/Month)</b>	842
2	<b>Typical Usage of OPG Generation (kWh/Month)</b> (line 1 x line 11)	489
3	<b>Typical Bill<sup>1</sup> (\$/Month)</b>	132.57
4	<b>Typical Bill Impact (\$/Month)</b> (line 2 x line 8 / 1000)	<b>1.93</b>
5	<b>Typical Bill Impact (%)</b> (line 4 / line 3)	<b>1.5%</b>
6	EB-2013-0321 Payment Amounts Order OPG weighted average rate for 2015 <sup>2</sup> (\$/MWh)	54.75
7	Blended OPG 2015-16 weighted average rate with proposed riders <sup>3</sup> (\$/MWh)	58.69
8	Change in OPG weighted average rate (\$/MWh) (line 7 - line 6)	3.94
9	Approved 2014-15 OPG Regulated Production <sup>4</sup> (TWh)	161.6
10	Forecast of Provincial Demand <sup>5</sup> (TWh)	278.3
11	OPG Proportion of Consumer Usage (line 9 / line 10)	58.1%

Notes:

- Typical monthly consumption (800 kWh) and typical monthly bill are based on the OEB "Bill Calculator" for estimating monthly electricity bills (using Time of Use pricing), available at: <http://www.ontarioenergyboard.ca/OEB/Consumers/Electricity/Your+Electricity+Utility>  
 Typical Consumption includes line losses.
- From Ex. M-1-1, Attachment 2, Table 4, line 11, col. (a).
- From Ex. M-1-1, Attachment 2, Table 4, line 11, col. (b).
- From Ex. I1-1-2 Table 2, line 7.
- Based on forecast demand for 2014 (139.5 TWh) and 2015 (138.8 TWh) from Table 3.1 of IESO 18-Month Outlook Update for September 2014 to February 2016, published September 4, 2014.

Table 4  
**Ex H1-1-2 Table 18 Revised per Settlement Proposal, Assuming Disputed Accounts Recovered as Proposed by OPG and Using Method 1**  
 Computation of Percent Change in Payment Amounts  
EB-2013-0321 to EB-2014-0370

Line No.	Description	Note	Nov-Dec 2014 per EB-2013-0321 Payment Amounts Order	Weighted Average 2015-16 per EB-2013-0321 Payment Amounts Order plus EB-2014-0370	((b)/(a))-1 Percent Change In Payment Amounts
			(a)	(b)	(c)
1	Previously Regulated Hydroelectric Rate Including Rider (\$/MWh)	1	42.22	45.56	8%
2	Newly Regulated Hydroelectric Rate including Rider (\$/MWh)	2	41.93	44.23	5%
3	Nuclear Rate Including Rider (\$/MWh)	3	63.47	68.09	7%
4	Approved 2014-15 Previously Regulated Hydroelectric Production (TWh)	4	41.1	41.1	
5	Approved 2014-15 Newly Regulated Hydroelectric Production (TWh)	4	24.8	24.8	
6	Approved 2014-15 Nuclear Production (TWh)	4	95.6	95.6	
7	Total Approved 2014-15 Production (TWh) (line 4 + line 5 + line 6)		161.6	161.6	
8	Previously Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 1 x line 4 / line 7)		10.74	11.59	
9	Newly Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 2 x line 5 / line 7)		6.45	6.80	
10	Nuclear Portion of Production-Weighted Average Rate (\$/MWh) (line 3 x line 6 / line 7)		37.56	40.29	
11	Total Production-Weighted Average Rate (\$/MWh) (line 8 + line 9 + line 10)		54.75	58.69	
12	<b>OVERALL CHANGE IN PAYMENT AMOUNTS FROM EB-2013-0321 TO EB-2014-0370</b>				<b>7.2%</b>
	((line 11 col. (b) / line 11 col. (a)) -1)				

Notes:

- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$40.20/MWh) plus EB-2012-0002 Approved Hydroelectric Rider 2014-A from EB-2012-0002 Payment Amounts Order, App. A, Table 1, line 13, col. (h) (\$2.02/MWh)  
 Col. (b) is production-weighted average of approved and proposed rates and riders for 2015 - 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$41.93/MWh).  
 Col. (b) is production-weighted average of approved and proposed rates and riders for 2015 - 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 3 (\$59.29/MWh) plus EB-2012-0002 Approved Nuclear Rider 2014-A from EB-2012-0002 Payment Amounts Order, App. A, Table 2, line 13, col. (h) (\$4.18/MWh)  
 Col. (b) is production-weighted average of approved and proposed rates and riders for 2015 - 2016.
- Previously regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2.  
 Newly regulated hydroelectric from EB-2013-0321 Ex. E1-1-1, Table 1, line 8, col. (e) plus col. (f).  
 Nuclear from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2.  
 Forecast production is held constant in cols. (a), (b), (c), (d) and (e) at values approved in order to isolate the effect of the overall change in payment amounts.

Table 5

**Ex H1-1-2 Table 17 Revised per Settlement Proposal, Assuming Disputed Accounts Recovered as Proposed by OPG and Using Method 2**

Annualized Residential Consumer Impact  
Test Period January 1, 2015 to December 31, 2016

Line No.	Description	Amount
		(a)
1	Typical Consumption <sup>1</sup> (kWh/Month)	842
2	Typical Usage of OPG Generation (kWh/Month) (line 1 x line 11)	489
3	Typical Bill <sup>1</sup> (\$/Month)	132.57
4	Typical Bill Impact (\$/Month) (line 2 x line 8 / 1000)	3.02
5	Typical Bill Impact (%) (line 4 / line 3)	2.3%
6	EB-2013-0321 Payment Amounts Order OPG weighted average rate for 2015 <sup>2</sup> (\$/MWh)	54.16
7	Blended OPG 2015-16 weighted average rate with proposed riders <sup>3</sup> (\$/MWh)	60.34
8	Change in OPG weighted average rate (\$/MWh) (line 7 - line 6)	6.18
9	Approved 2014-15 OPG Regulated Production <sup>4</sup> (TWh)	161.6
10	Forecast of Provincial Demand <sup>5</sup> (TWh)	278.3
11	OPG Proportion of Consumer Usage (line 9 / line 10)	58.1%

Notes:

- 1 Typical monthly consumption (800 kWh) and typical monthly bill are based on the OEB "Bill Calculator" for estimating monthly electricity bills (using Time of Use pricing), available at:  
<http://www.ontarioenergyboard.ca/OEB/Consumers/Electricity/Your+Electricity+Utility>  
 Typical Consumption includes line losses.
- 2 From Ex. M-1-1, Attachment 2, Table 6, line 11, col. (a).
- 3 From Ex. M-1-1, Attachment 2, Table 6 line 11, col. (b).
- 4 From Ex. I1-1-2 Table 2, line 7.
- 5 Based on forecast demand for 2014 (139.5 TWh) and 2015 (138.8 TWh) from Table 3.1 of IESO 18-Month Outlook Update for September 2014 to February 2016, published September 4, 2014.

Numbers may not add due to rounding.

EB-2014-0370  
Exhibit M  
Tab 1  
Schedule 1  
Attachment 2  
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Settlement Privileged

Table 6  
**Ex H1-1-2 Table 18 Revised per Settlement Proposal, Assuming Disputed Accounts Recovered as Proposed by OPG and Using Method 2**  
Computation of Percent Change in Payment Amounts  
EB-2013-0321 to EB-2014-0370

Line No.	Description	Note	Jan - Jun 2015 per EB-2013-0321 Payment Amounts Order	Weighted Average Jul '15-Dec '16 per EB-2013-0321 Payment Amounts Order plus EB-2014-0370	((b)/(a))-1 Percent Change In Payment Amounts
			(a)	(b)	(c)
1	Previously Regulated Hydroelectric Rate Including Rider (\$/MWh)	1	46.24	45.40	-2%
2	Newly Regulated Hydroelectric Rate including Rider (\$/MWh)	2	41.93	45.12	8%
3	Nuclear Rate Including Rider (\$/MWh)	3	60.62	70.57	16%
4	Approved 2014-15 Previously Regulated Hydroelectric Production (TWh)	4	30.8	30.8	
5	Approved 2014-15 Newly Regulated Hydroelectric Production (TWh)	4	17.9	17.9	
6	Approved 2014-15 Nuclear Production (TWh)	4	71.7	71.7	
7	Total Approved 2014-15 Production (TWh) (line 4 + line 5 + line 6)		120.5	120.5	
8	Previously Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 1 x line 4 / line 7)		11.84	11.62	
9	Newly Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 2 x line 5 / line 7)		6.24	6.72	
10	Nuclear Portion of Production-Weighted Average Rate (\$/MWh) (line 3 x line 6 / line 7)		36.08	42.00	
11	Total Production-Weighted Average Rate (\$/MWh) (line 8 + line 9 + line 10)		54.16	60.34	
12	<b>OVERALL CHANGE IN PAYMENT AMOUNTS FROM EB-2013-0321 TO EB-2014-0370</b>				<b>11.4%</b>
	((line 11 col. (b) / line 11 col. (a)) -1)				

Notes:

- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$40.20/MWh) plus EB-2013-0321 Approved Previously Regulated Hydroelectric Rider from EB-2013-0321 Payment Amounts Order, App. E, Table 1, line 15, col. (e) (\$6.04/MWh)  
Col. (b) is production-weighted average of approved and proposed rates and riders for July 2015 - December 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$41.93/MWh).  
Col. (b) is production-weighted average of approved and proposed rates and riders for July 2015 - December 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 3 (\$59.29/MWh) plus EB-2013-0321 Approved Nuclear Rider EB-2013-0321 Payment Amounts Order, App. F, Table 1, line 18, col. (e) (\$1.33/MWh)  
Col. (b) is production-weighted average of approved and proposed rates and riders for July 2015 - December 2016.
- Previously regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2 multiplied by 10 months and divided by 24 months.  
Newly regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. C, Table 1, line 2, col. (c).  
Nuclear from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2 multiplied by 10 months and divided by 24 months.  
Forecast production is held constant in cols. (a), (b), (c), (d) and (e) at values approved in order to isolate the effect of the overall change in payment amounts.

Table 1  
**Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries**  
Calculation of Deferral and Variance Account Recovery Payment Rider - Regulated Hydroelectric (\$M)

Line No.	Account	Balance at December 31, 2014 <sup>1</sup>	EB-2013-0321 Board Approved Amortization 2015 <sup>2</sup>	(a)-(b)	Recovery Period (Months)	Amortization Jul - Dec 2015	Amortization Jan - Dec 2016	(e)+(f) Amortization Jul 2015 - Dec 2016	(c)-(g)
				2014 Balance Less 2015 Approved Amortization					Unamortized APPROVED Balance At Dec 31, 2016
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Hydroelectric Water Conditions Variance	(30.9)	0.0	(30.9)	18	(10.3)	(20.6)	(30.9)	0.0
2	Ancillary Services Net Revenue Variance - Hydroelectric	(21.8)	0.0	(21.8)	18	(7.3)	(14.5)	(21.8)	0.0
3	Hydroelectric Incentive Mechanism Variance	(7.9)	(5.0)	(3.0)	18	(1.0)	(2.0)	(3.0)	0.0
4	Hydroelectric Surplus Baseload Generation Variance	71.9	19.2	52.7	18	17.6	35.1	52.7	0.0
5	Income and Other Taxes Variance - Hydroelectric	(0.2)	0.0	(0.2)	18	(0.1)	(0.1)	(0.2)	0.0
6	Capacity Refurbishment Variance - Hydroelectric	114.5	112.7	1.7	18	0.6	1.2	1.7	0.0
7	Pension and OPEB Cost Variance - Hydroelectric - Historic	0.0	0.0	0.0	18	0.0	0.0	0.0	0.0
8	Pension and OPEB Cost Variance - Hydroelectric - Future	10.5	0.0	10.5	120	1.1	1.1	2.1	8.4
9	Pension and OPEB Cost Variance - Hydroelectric - Post 2012 Additions	35.5	0.0	35.5	72	3.0	5.9	8.9	26.6
10	Hydroelectric Deferral and Variance Over/Under Recovery Variance	4.5	0.0	4.5	18	1.5	3.0	4.5	0.0
11	<b>Total (lines 1 through 10)</b>	176.1	127.0	49.1				14.1	35.0
12	<b>Forecast Production<sup>3</sup> (TWh)</b>							48.8	
13	<b>Regulated Hydroelectric Payment Rider (\$/MWh)</b> (line 11 / line 12)							0.29	

Notes:

- 1 Assumes alternate disputed account entries except for lines 7 to 9.
- 2 From EB-2013-0321 Payment Amounts Order App. E, Table 1, col. (e).
- 3 Board-approved 2014-2015 previously regulated hydroelectric production from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2 multiplied by 18 months divided by 24 months, plus July 1, 2014 to December 31, 2015 newly regulated hydroelectric production from EB-2013-0321 Payment Amounts Order, App. C, Table 1, line 2, col. (c).



Table 2  
 Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries  
 Calculation of Deferral and Variance Account Recovery Payment Rider - Nuclear (\$M)

Line No.	Account	Balance at December 31, 2014 <sup>1</sup>	EB-2013-0321 Board Approved Amortization 2015 <sup>2</sup>	(a)-(b)		Recovery Period (Months)	Amortization Jul - Dec 2015	Amortization Jan - Dec 2016	(e)+(f) Amortization Jul 2015 - Dec 2016	(c)-(g) Unamortized APPROVED Balance At Dec 31, 2016
				2014 Balance Less 2015 Approved Amortization						
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Nuclear Liability Deferral	204.1	0.0	204.1	18	68.0	136.1	204.1	0.0	
2	Nuclear Development Variance	58.8	56.5	2.3	18	0.8	1.5	2.3	0.0	
3	Ancillary Services Net Revenue Variance - Nuclear	1.1	0.0	1.1	18	0.4	0.8	1.1	0.0	
4	Capacity Refurbishment Variance - Nuclear - Capital Portion	9.8	5.7	4.1	18	1.4	2.7	4.1	0.0	
5	Capacity Refurbishment Variance - Nuclear - Non-Capital Portion	5.9	0.0	5.9	18	2.0	4.0	5.9	0.0	
6	Bruce Lease Net Revenues Variance - Derivative Sub-Account <sup>3</sup>	153.9	0.0	153.9	n/a	(10.4)	64.1	53.7	100.1	
7	Bruce Lease Net Revenues Variance - Non-Derivative Sub-Account - EB-2012-0002	37.3	0.0	37.3	18	18.7	18.7	37.3	0.0	
8	Bruce Lease Net Revenues Variance - Non-Derivative Sub-Account - Post 2012 Additions	44.1	0.0	44.1	18	14.7	29.4	44.1	0.0	
9	Income and Other Taxes Variance - Nuclear	(14.0)	0.0	(14.0)	18	(4.7)	(9.3)	(14.0)	0.0	
10	Pension and OPEB Cost Variance - Nuclear - Historic	0.0	0.0	0.0	18	0.0	0.0	0.0	0.0	
11	Pension and OPEB Cost Variance - Nuclear - Future	214.7	0.0	214.7	120	21.5	21.5	42.9	171.7	
12	Pension and OPEB Cost Variance - Nuclear - Post 2012 Additions	678.6	0.0	678.6	72	56.5	113.1	169.6	508.9	
13	Pickering Life Extension Depreciation Variance	46.8	0.0	46.8	18	15.6	31.2	46.8	0.0	
14	Nuclear Deferral and Variance Over/Under Recovery Variance	56.4	0.0	56.4	18	18.8	37.6	56.4	0.0	
15	<b>Total (lines 1 through 14)</b>	<b>1,497.5</b>	<b>62.2</b>	<b>1,435.4</b>				<b>654.6</b>	<b>780.8</b>	
16	Forecast Production <sup>4</sup> (TWh)							71.7		
17	Nuclear Payment Rider (\$/MWh) (line 15 / line 16)							9.13		

Notes:

- Assumes alternate disputed account entries except for lines 10 to 12.
- From EB-2013-0321 Payment Amounts Order Appendix F, Table 1, col. (e).
- Amortization in cols. (e) and (f) is from Ex. H1-1-2 Table 13c, lines 20 and 21.
- Board-approved 2014-2015 nuclear production from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2 multiplied by 18 months divided by 24 months.

Table 3  
**Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries  
 and Using Method 1**  
 Annualized Residential Consumer Impact  
Test Period January 1, 2015 to December 31, 2016

Line No.	Description	Amount
		Balance
1	Typical Consumption <sup>1</sup> (kWh/Month)	842
2	Typical Usage of OPG Generation (kWh/Month) (line 1 x line 11)	489
3	Typical Bill <sup>1</sup> (\$/Month)	132.57
4	Typical Bill Impact (\$/Month) (line 2 x line 8 / 1000)	1.13
5	Typical Bill Impact (%) (line 4 / line 3)	0.9%
6	EB-2013-0321 Payment Amounts Order OPG weighted average rate for 2015 <sup>2</sup> (\$/MWh)	54.75
7	Blended OPG 2015-16 weighted average rate with proposed riders <sup>3</sup> (\$/MWh)	57.05
8	Change in OPG weighted average rate (\$/MWh) (line 7 - line 6)	2.30
9	Approved 2014-15 OPG Regulated Production <sup>4</sup> (TWh)	161.6
10	Forecast of Provincial Demand <sup>5</sup> (TWh)	278.3
11	OPG Proportion of Consumer Usage (line 9 / line 10)	58.1%

Notes:

- 1 Typical monthly consumption (800 kWh) and typical monthly bill are based on the OEB "Bill Calculator" for estimating monthly electricity bills (using Time of Use pricing), available at: <http://www.ontarioenergyboard.ca/OEB/Consumers/Electricity/Your+Electricity+Utility>  
Assumes alternate disputed account entries except for lines 10 to 12.
- 2 From Ex. M-1-1, Attachment 3, Table 4, line 11, col. (a).
- 3 From Ex. M-1-1, Attachment 3, Table 4, line 11, col. (b).
- 4 From Ex. I1-1-2 Table 2, line 7.
- 5 Based on forecast demand for 2014 (139.5 TWh) and 2015 (138.8 TWh) from Table 3.1 of IESO 18-Month Outlook Update for September 2014 to February 2016, published September 4, 2014.

Table 4  
**Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries  
 and Using Method 1**

Computation of Percent Change in Payment Amounts  
EB-2013-0321 to EB-2014-0370

Line No.	Description	Balance Note	Nov-Dec 2014 per EB-2013-0321 Payment Amounts Order	Weighted Average 2015-16 per EB-2013-0321 Payment Amounts Order plus EB-2014-0370	((b)/(a))-1 Percent Change In Payment Amounts
			(a)	(b)	(c)
1	Previously Regulated Hydroelectric Rate Including Rider (\$/MWh)	1	42.22	43.37	3%
2	Newly Regulated Hydroelectric Rate including Rider (\$/MWh)	2	41.93	42.14	0%
3	Nuclear Rate Including Rider (\$/MWh)	3	63.47	66.81	5%
4	Approved 2014-15 Previously Regulated Hydroelectric Production (TWh)	4	41.1	41.1	
5	Approved 2014-15 Newly Regulated Hydroelectric Production (TWh)	4	24.8	24.8	
6	Approved 2014-15 Nuclear Production (TWh)	4	95.6	95.6	
7	Total Approved 2014-15 Production (TWh) (line 4 + line 5 + line 6)		161.6	161.6	
8	Previously Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 1 x line 4 / line 7)		10.74	11.04	
9	Newly Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 2 x line 5 / line 7)		6.45	6.48	
10	Nuclear Portion of Production-Weighted Average Rate (\$/MWh) (line 3 x line 6 / line 7)		37.56	39.53	
11	Total Production-Weighted Average Rate (\$/MWh) (line 8 + line 9 + line 10)		54.75	57.05	
12	<b>OVERALL CHANGE IN PAYMENT AMOUNTS FROM EB-2013-0321 TO EB-2014-0370</b>				<b>4.2%</b>
	((line 11 col. (b) / line 11 col. (a)) -1)				

Notes:

- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$40.20/MWh) plus EB-2012-0002 Approved Hydroelectric Rider 2014-A from EB-2012-0002 Payment Amounts Order, App. A, Table 1, line 13, col. (h) (\$2.02/MWh)  
 Assumes alternate disputed account entries except for lines 10 to 12.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$41.93/MWh).  
 Col. (b) is production-weighted average of approved and proposed rates and riders for 2015 - 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 3 (\$59.29/MWh) plus EB-2012-0002 Approved Nuclear Rider 2014-A from EB-2012-0002 Payment Amounts Order, App. A, Table 2, line 13, col. (h) (\$4.18/MWh)  
 Col. (b) is production-weighted average of approved and proposed rates and riders for 2015 - 2016.
- Previously regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2.  
 Newly regulated hydroelectric from EB-2013-0321 Ex. E1-1-1, Table 1, line 8, col. (e) plus col. (f).  
 Nuclear from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2.  
 Forecast production is held constant in cols. (a), (b), (c), (d) and (e) at values approved in order to isolate the effect of the overall change in payment amounts.

Table 5

**Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries and Using Method 2**

Annualized Residential Consumer Impact  
Test Period January 1, 2015 to December 31, 2016

Line No.	Description	Amount
		Balance
1	Typical Consumption <sup>1</sup> (kWh/Month)	842
2	Typical Usage of OPG Generation (kWh/Month) (line 1 x line 11)	489
3	Typical Bill <sup>1</sup> (\$/Month)	132.57
4	Typical Bill Impact (\$/Month) (line 2 x line 8 / 1000)	1.95
5	Typical Bill Impact (%) (line 4 / line 3)	1.5%
6	EB-2013-0321 Payment Amounts Order OPG weighted average rate for 2015 <sup>2</sup> (\$/MWh)	54.16
7	Blended OPG 2015-16 weighted average rate with proposed riders <sup>3</sup> (\$/MWh)	58.15
8	Change in OPG weighted average rate (\$/MWh) (line 7 - line 6)	3.99
9	Approved 2014-15 OPG Regulated Production <sup>4</sup> (TWh)	161.6
10	Forecast of Provincial Demand <sup>5</sup> (TWh)	278.3
11	OPG Proportion of Consumer Usage (line 9 / line 10)	58.1%

Notes:

- 1 Typical monthly consumption (800 kWh) and typical monthly bill are based on the OEB "Bill Calculator" for estimating monthly electricity bills (using Time of Use pricing), available at: <http://www.ontarioenergyboard.ca/OEB/Consumers/Electricity/Your+Electricity+Utility>  
 Assumes alternate disputed account entries except for lines 10 to 12.
- 2 From Ex. M-1-1, Attachment 3, Table 6, line 11, col. (a).
- 3 From Ex. M-1-1, Attachment 3, Table 6 line 11, col. (b).
- 4 From Ex. I1-1-2 Table 2, line 7.
- 5 Based on forecast demand for 2014 (139.5 TWh) and 2015 (138.8 TWh) from Table 3.1 of IESO 18-Month Outlook Update for September 2014 to February 2016, published September 4, 2014.

Table 6  
 Ex H1-1-2 Table 16 Revised per Settlement Proposal and Assuming Alternate Disputed Account Entries  
 and Using Method 2

Computation of Percent Change in Payment Amounts  
 EB-2013-0321 to EB-2014-0370

Line No.	Description	Balance Note	Jan - Jun 2015 per EB-2013-0321 Payment Amounts Order	Weighted Average Jul '15-Dec '16 per EB-2013-0321 Payment Amounts Order plus EB-2014-0370	((b)/(a))-1 Percent Change In Payment Amounts
			(a)	(b)	(c)
1	Previously Regulated Hydroelectric Rate Including Rider (\$/MWh)	1	46.24	42.50	-8%
2	Newly Regulated Hydroelectric Rate including Rider (\$/MWh)	2	41.93	42.22	1%
3	Nuclear Rate Including Rider (\$/MWh)	3	60.62	68.86	14%
4	Approved 2014-15 Previously Regulated Hydroelectric Production (TWh)	4	30.8	30.8	
5	Approved 2014-15 Newly Regulated Hydroelectric Production (TWh)	4	17.9	17.9	
6	Approved 2014-15 Nuclear Production (TWh)	4	71.7	71.7	
7	Total Approved 2014-15 Production (TWh) (line 4 + line 5 + line 6)		120.5	120.5	
8	Previously Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 1 x line 4 / line 7)		11.84	10.88	
9	Newly Regulated Hydroelectric Portion of Production-Weighted Average Rate (\$/MWh) (line 2 x line 5 / line 7)		6.24	6.29	
10	Nuclear Portion of Production-Weighted Average Rate (\$/MWh) (line 3 x line 6 / line 7)		36.08	40.98	
11	Total Production-Weighted Average Rate (\$/MWh) (line 8 + line 9 + line 10)		54.16	58.15	
12	<b>OVERALL CHANGE IN PAYMENT AMOUNTS FROM EB-2013-0321 TO EB-2014-0370</b>				<b>7.4%</b>
	((line 11 col. (b) / line 11 col. (a)) -1)				

Notes:

- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$40.20/MWh) plus EB-2013-0321 Approved Previously Regulated Hydroelectric Rider from EB-2013-0321 Payment Amounts Order, App. E, Table 1, line 15, col. (e) (\$6.04/MWh)  
 Assumes alternate disputed account entries except for lines 10 to 12.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 3 (\$41.93/MWh).  
 Col. (b) is production-weighted average of approved and proposed rates and riders for July 2015 - December 2016.
- Col. (a) is payment amount from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 3 (\$59.29/MWh) plus EB-2013-0321 Approved Nuclear Rider EB-2013-0321 Payment Amounts Order, App. F, Table 1, line 18, col. (e) (\$1.33/MWh)  
 Col. (b) is production-weighted average of approved and proposed rates and riders for July 2015 - December 2016.
- Previously regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. B, Table 1, line 2 multiplied by 10 months and divided by 24 months.  
 Newly regulated hydroelectric from EB-2013-0321 Payment Amounts Order, App. C, Table 1, line 2, col. (c).  
 Nuclear from EB-2013-0321 Payment Amounts Order, App. D, Table 1, line 2 multiplied by 10 months and divided by 24 months.  
 Forecast production is held constant in cols. (a), (b), (c), (d) and (e) at values approved in order to isolate the effect of the overall change in payment amounts.