Filed: 2012-09-24 EB-2012-0002 Exhibit A1 Tab 1 Schedule 2 Page 1 of 5

**ONTARIO ENERGY BOARD** 1 2 3 **IN THE MATTER OF** the Ontario Energy Board Act, 1998; 4 5 **AND IN THE MATTER OF** an Application by Ontario Power 6 Generation Inc. for an order or orders approving the 7 disposition of the balances as of December 31, 2012 in its 8 deferral and variance accounts and approving the adoption 9 of USGAAP for regulatory purposes. 10 11 APPLICATION 12 13 1. The applicant, Ontario Power Generation Inc. ("OPG") is a corporation, incorporated 14 under the Ontario Business Corporations Act, with its head office in the City of Toronto. 15 The principal business of OPG is the generation and sale of electricity in Ontario. 16 17 2. In this Application, OPG applies to the Ontario Energy Board ("OEB") pursuant to section 18 78.1 of the Ontario Energy Board Act, 1998, for an order or orders approving the disposition of the balances as of December 31, 2012 in its deferral and variance 19 20 accounts, except for the balances in the Hydroelectric Incentive Mechanism Variance 21 Account and Hydroelectric Surplus Baseload Generation Variance Account, and the hydroelectric portion of the Capacity Refurbishment Variance Account. To clear the 22 23 account balances, OPG seeks separate payment riders for the nuclear and regulated 24 hydroelectric accounts for the generating facilities prescribed under Ontario Regulation 25 53/05 ("O. Reg. 53/05"), as amended, of the Act. 26 27 3. OPG proposes that for accounts other than the Pension and OPEB Cost Variance Account and the Bruce Lease Net Revenues Variance Account, clearance of the account 28 29 balances would occur over a two-year period from January 1, 2013 through December 31, 2014. For the Pension and OPEB Cost Variance Account and the Bruce Lease Net 30 31 Revenues Variance Account, OPG proposes account balance clearance over a four-year 32 period from January 1, 2013 through December 31, 2016.

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Updated: 2013-02-08 EB-2012-0002 Exhibit A1 Tab 1 Schedule 2 Page 2 of 5

OPG is seeking an order continuing the authorization to post entries into the Pension and
 OPEB Cost Variance Account beyond the current expiration date of December 31, 2012
 set by the OEB. OPG proposes that this authorization continue until the effective date of
 the next OEB order establishing new payment amounts. If this request is not decided by
 December 31, 2012, OPG requests interim authority to continue posting entries into this
 account pending the OEB's decision.

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8 5. OPG seeks an order from the OEB approving the adoption of Generally Accepted
9 Accounting Principles of the United States of America ("USGAAP") for regulatory
10 purposes.

11

6. OPG seeks an order of the OEB continuing the current payment rider for the prescribed
nuclear facilities beyond December 31, 2012, if an order approving a new nuclear
payment rider is not implemented by January 1, 2013. Since the OEB's order will be
based on audited account balances that will not be available until February 2013, OPG
seeks a declaration that the current nuclear payment rider is interim as of January 1,
2013.

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To achieve the requested disposition of the balances in the deferral and variance
accounts (as described in paragraph 2 above), OPG is seeking payment riders covering
both 2013 and 2014 of \$2.60/MWh and \$8.34/MWh for Hydroelectric and Nuclear,
respectively. Since the OEB's order will be based on audited account balances that will
not be available until February 2013, OPG seeks interim period shortfall riders with an
expiry date of December 31, 2014.

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8. The Application will be supported by written evidence. The written evidence filed by OPG
 may be supplemented or amended from time to time by OPG prior to the OEB's final
 decision on the Application.

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30 9. OPG requests that pursuant to section 34.01 of the OEB Rules of Practice and31 Procedure, this proceeding be conducted by way of a written hearing.

1	10. OPG further applies to the	OEB pursuant to the provisions of the Act and the OEB Rules
2	of Practice and Procedure f	or such orders and directions as may be necessary in relation
3	to the Application and the p	roper conduct of this proceeding.
4		
5	11. The persons affected by the	his Application are all electricity consumers in Ontario. It is
6	impractical to set out the na	ames and addresses of the consumers because they are too
7	numerous.	
8		
9	12. OPG requests that copies	of all documents filed with the OEB by each party to this
10	Application along with copie	es of all comments filed with the OEB in accordance with Rule
11	24 of the OEB Rules of F	Practice and Procedure be served on the applicant and the
12	applicant's counsel as follow	vs:
13		
14	(a) The applicant:	Colin Anderson
15		Director, Ontario Regulatory Affairs
16		Ontario Power Generation Inc.
17		
18	Mailing address:	H18 G2
19		700 University Avenue
20		Toronto ON M5G 1X6
21		
22	Telephone:	416-592-3326
23		
24	Facsimile:	416-592-8519
25		
26	Electronic mail:	opgregaffairs@opg.com
27		
28		
29		
30	(b) The applicant's Counse	: Charles Keizer
31		Torys LLP

Filed: 2012-09-24 EB-2012-0002 Exhibit A1 Tab 1 Schedule 2 Page 4 of 5

1 2 Mailing address: 79 Wellington St. W. 3 PO Box 270 4 **Toronto Dominion Centre** 5 Toronto ON M5K 1N2 6 Telephone: 7 416-865-0040 8 9 Facsimile: 416-865-7380 10 11 Electronic mail: ckeizer@torys.com 12 13 14 15 (c) The applicant's Counsel: Carlton D. Mathias 16 Assistant General Counsel 17 Ontario Power Generation Inc. 18 19 Mailing address: H18 A24 20 700 University Avenue 21 Toronto ON M5G 1X6 22 23 Telephone: 416-592-4964 24 25 Facsimile: 416-592-1466 26 27 Electronic mail: carlton.mathias@opg.com 28 29 30 31

Filed: 2012-09-24 EB-2012-0002 Exhibit A1 Tab 1 Schedule 2 Page 5 of 5

1	Dated at Toronto, Ontario, this 24th day of September, 2012.
2	
3	
4	Ontario Power Generation Inc.
5	
6	[Original signed by]
7	
8	Charles Keizer
9	Torys LLP