

## **CAPITAL BUDGET – CORPORATE GROUPS**

### **1.0 PURPOSE AND OVERVIEW**

This evidence provides an overview of the capital budgets of OPG's corporate groups for the historical years, bridge years, and the test period, and provides explanations for period-over-period variances.

### **2.0 CAPITAL EXPENDITURES SUMMARY**

Capital expenditures by OPG's corporate groups for the prescribed facilities are presented in Ex. D3-T1-S1 Table 1. OPG's business planning and budgeting process (described in Ex. A2-T2-S1) provides detailed information about the process through which expenditures are classified as capital in nature and how such projects are managed. Once these projects are completed, the assets associated with them are declared to be in service. In the case where the assets can be directly assigned to either regulated hydroelectric or nuclear facilities or business units, they are in service additions to the rate base for the respective business units. If the assets are held centrally, the regulated business units are charged a service fee for the use of these assets (as described in Ex. F3-T3-S1).

### **3.0 PERIOD-OVER-PERIOD VARIANCES**

Period-over-period comparisons of capital expenditures by OPG corporate groups are presented in Ex. D3-T1-S1 Table 2.