

1 **COMPARISON OF REGULATED HYDROELECTRIC OTHER**
2 **REVENUES**

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4 **1.0 PURPOSE**

5 This evidence presents period-over-period comparisons of other revenues for the regulated
6 hydroelectric facilities.
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8 **2.0 OVERVIEW**

9 Exhibit G1-T1-S2 Table 1 applies to all three sections below.
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11 **3.0 PERIOD-OVER-PERIOD CHANGES – TEST PERIOD**

12 2009 Plan versus 2008 Plan

13 The difference between the operating reserve (“OR”), reactive support/voltage control, and
14 automatic generation control (“AGC”) revenue projections for 2009 and those for 2008 is due
15 an allowance for inflation, which is estimated at three percent. The difference for the black
16 start capability projections is due to an expected revenue increase of five percent as per the
17 terms of the contract for subsequent periods.
18

19 2008 Plan versus 2007 Actual

20 The difference between revenue projections for 2008 and revenues for 2007 is the same as
21 described above.
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23 **4.0 PERIOD-OVER-PERIOD CHANGES – BRIDGE YEAR**

24 2007 Actual versus 2007 Budget

25 The actual 2007 ancillary service revenue for the regulated hydroelectric assets is
26 approximately \$4M higher than 2007 budget. This is due mainly to higher than forecast
27 amounts of AGC requested by the IESO at Sir Adam Beck II than forecasted.
28

29 2007 Actual versus 2006 Actual

30 After the existing AGC contract was signed in May 2006, the IESO reduced the amount of
31 AGC it requested from 150 MW to 100 MW. This change is responsible for the difference in

1 other revenues between the 2006 actual and 2007 actual, with the reduction equaling
2 approximately \$700 K per month. OPG expects this quantity to be further reduced as the
3 IESO has indicated that it expects to take less than 100 MW of AGC from OPG in the future.
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5 **5.0 PERIOD-OVER-PERIOD CHANGES – HISTORICAL YEARS**

6 2006 Actual versus 2006 Budget

7 The actual 2006 ancillary service revenue for the regulated hydroelectric assets is
8 approximately \$4.5M more than 2006 budget. This is due mainly to the AGC contract that
9 was signed with the IESO for the period of November 2005 - May 2007 which resulted in
10 increased revenue for 2006.
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12 2005 Actual versus 2005 Budget

13 The actual 2005 ancillary service revenues for the regulated hydroelectric assets is
14 approximately \$4.9M less than the 2005 budget. This is due to the timing of the execution of
15 the new contract and a retroactive payment for the latter part of 2005 being made in 2006.
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