Message

Sent: 2017-11-30 8:02:20 AM

Here is what I am running by opg – any thoughts on approach before I do that? Thx

Would it be the IESO or would it be OPG that would ultimately go to the Ontario Energy Board to recover these costs?

As per the legislation, OPG provides the clean energy adjustment recoverable for a specific period to the OEB who establishes the rate for specified consumers.

If it is the IESO, my understanding is the OFHPA creates the deferral and variance account that enables the IESO to recover costs from future rates. If it is OPG, would they already have a deferral and variance account to house these costs until it is recovered? Or does the legislation apply to OPG as well?

Parts of the legislation do apply to OPG. The IESO has the original right to recover from future rates. This creates the regulatory asset, like the fair hydro predecessor – RPP or . The IESO right to recover and any obligations will be transferred to the financing entity. While the financing entity is better able to speak to their accounting than I am, my understanding is they will have a variance account which will be consolidated into OPG.

Finally, when it comes time to recover those costs, would it go through the OEB prudence review or is that not necessary as a result of the OFHPA legislation?

The OFHPA legislation covers the OEB oversight. Note – can we be more specific here?

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