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RESS and Overnight Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2011-0286 – Consultation Regarding OPG’s 2013-2014 Payment Amounts Application – Reply to Late Intervenor Submissions

This letter is in respect of the submissions of School Energy Coalition (SEC), Canadian Manufacturers and Exporters (CME) and Consumers Council of Canada (CCC) in the consultation regarding OPG’s 2013-2014 payment amounts application, EB-2011-0286. These parties submitted their comments after the deadline established by the OEB of 4:45 p.m. on September 23. As a result, they had the opportunity to read OPG’s comments before they made their submissions. OPG believes that no party should be advantaged as a result of making late submissions and in fairness, OPG should have the opportunity of a brief reply. OPG limits its reply to only those issues that directly relate to OPG’s initial comments, specifically, the filing guidelines related to the revenue requirement work form (RRWF) and IFRS and CGAAP information requirements for 2011.

Revenue Requirement Work Form

In its comments, OPG proposes that it would be more efficient and effective for OPG to develop the revenue requirement work form (RRWF) included in the draft filing guidelines and sets out its understanding of the intent of the RRWF. SEC submits that the OEB should build a RRWF in its preferred format and OPG should file in both the OEB’s format and OPG’s preferred format. This is an extremely inefficient way to proceed, which would require both OPG and the OEB to develop the same tool in parallel. In light of the fact that the OEB has not yet defined their preferred format for the RRWF, the unnecessary work of building an OEB RRWF for OPG should be avoided. Instead, the filing guidelines should specify the intent of the RRWF and allow OPG to build on the work it has already undertaken for the payment amounts order to create a tool that meets that intent.

IFRS and CGAAP Information for 2011

OPG has indicated that it will provide 2011 and 2012 information on both a CGAAP and modified IFRS basis but that since a large amount of information is redundant, it

will highlight the items for which there are differences. SEC submits that OPG should add an additional column to its tables to show both CGAAP and IFRS information for 2011. The approach proposed by SEC is impractical as it will expand many tables that are already complex and detailed. In the majority of cases it will result in tables with separate IFRS and CGAAP columns that present identical numbers. OPG proposes that 2011 will be presented on an IFRS basis, supplemented with details in schedules that explain the differences if CGAAP were used. There will be exceptions to this approach, where the starting point for information is presented in CGAAP. Examples include historic Return on Equity, where the audited prescribed facility financial statements that are the starting point for the calculation are CGAAP, and deferral and variance accounts, where rates associated with the accounts were established on a CGAAP basis (consistent with the July 28, 2009 *Report of the Board: Transition to IFRS*). In these areas, reconciliations to IFRS will be provided in the detailed schedules. OPG's approach will allow parties reviewing the application to focus on areas where there are differences between IFRS and CGAAP rather than providing large volumes of redundant information that make those differences more difficult to discern.

Respectfully submitted,

[Original signed by]

Barbara Reuber

cc:	Charles Keizer	Torys LLP (via email)
	Carlton Mathias	OPG (via email)
	Jay Shepherd	SEC (via email)
	Peter Thompson	CME (via email)
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