DRAFT ISSUES LIST

1. GENERAL
   1.1. Secondary - Has OPG responded appropriately to all relevant Board directions from previous proceedings?
   1.2. Primary - Are OPG’s economic and business planning assumptions appropriate for the nuclear assets?
   1.3. Primary - Is the overall increase in nuclear payment amounts reasonable given the overall bill impact on customers?

2. RATE BASE
   2.1. Primary - Are the amounts proposed for nuclear rate base appropriate?

3. CAPITAL STRUCTURE AND COST OF CAPITAL
   3.1. Primary - Are OPG’s proposed capital structure and rate of return on equity appropriate?
   3.2. Secondary – Are OPG’s proposed costs for the long-term and short-term debt components of its capital structure appropriate?

4. CAPITAL PROJECTS
   Nuclear
   4.1. Primary - Do the costs associated with the nuclear projects that are subject to section 6(2)4 of O. Reg. 53/05 and proposed for recovery meet the requirements of that section?
   4.2. Primary - Are the proposed nuclear capital expenditures and/or financial commitments reasonable?
   4.3. Primary - Are the proposed test period in-service additions for nuclear projects (excluding those for the Darlington Refurbishment Program) appropriate?

---

1 The draft Issues List includes prioritization of issues into primary and secondary issues as specified in EB-2011-0286, Filing Guidelines for Ontario Power Generation, November 11, 2011.
4.4. Primary - Are the proposed test period in-service additions for the Darlington Refurbishment Program appropriate?

5. PRODUCTION FORECASTS

Nuclear

5.1. Primary - Is the proposed nuclear production forecast appropriate?

6. OPERATING COSTS

Nuclear

6.1. Primary - Is the test period Operations, Maintenance and Administration budget for the nuclear facilities appropriate?

6.2. Primary - Are the benchmarking results and targets flowing from OPG’s nuclear benchmarking reasonable?

6.3. Secondary - Is the forecast of nuclear fuel costs appropriate?

6.4. Primary - Is the test period Operations, Maintenance and Administration budget for the Darlington Refurbishment Program appropriate?

6.5. Primary - Are the test period expenditures related to extended operations for Pickering appropriate?

Corporate Costs

6.6. Primary - Are the test period human resource related costs for the nuclear facilities (wages, salaries, benefits, incentive payments, FTEs and pension costs) appropriate?

6.7. Primary - Are the corporate support services costs allocated to the nuclear business appropriate?

6.8. Primary - Are the centrally held costs allocated to the nuclear business appropriate?
Depreciation
6.9. Secondary - Is the proposed test period nuclear depreciation expense appropriate?

Income and Property Taxes
6.10. Secondary - Are the amounts proposed to be included in the test period nuclear revenue requirement for income and property taxes appropriate?

Other Costs
6.11. Secondary - Are the asset service fee amounts charged to the nuclear business appropriate?

7. OTHER REVENUES

Nuclear
7.1. Secondary - Are the forecasts of nuclear business non-energy revenues appropriate?

Bruce Generating Station
7.2. Secondary - Are the test period costs related to the Bruce Generating Station, and costs and revenues related to the Bruce lease appropriate?

8. NUCLEAR WASTE MANAGEMENT AND DECOMMISSIONING LIABILITIES
8.1. Primary - Is the revenue requirement impact of the nuclear liabilities appropriately determined?

9. DEFERRAL AND VARIANCE ACCOUNTS
9.1. Secondary - Is the nature or type of costs recorded in the deferral and variance accounts appropriate?
9.2. Secondary - Are the balances for recovery in each of the deferral and variance accounts appropriate?
9.3. Secondary - Are the proposed disposition amounts appropriate?
9.4. Secondary - Is the disposition methodology appropriate?

9.5. Secondary - Is the proposed continuation of deferral and variance accounts appropriate?

9.6. Primary - Are the deferral and variance accounts that OPG proposes to establish appropriate?

10. REPORTING AND RECORD KEEPING REQUIREMENTS

10.1. Secondary – Are the proposed reporting and record keeping requirements appropriate?

11. METHODOLOGIES FOR SETTING PAYMENT AMOUNTS AND RATE SMOOTHING

11.1. Primary - Has OPG responded appropriately to Board direction on establishing incentive regulation?

11.2. Secondary - Is the design of the regulated hydroelectric and nuclear payment amounts appropriate?

11.3. Primary - Is OPG’s proposal for smoothing nuclear payment amounts consistent with O. Reg. 53/05?

12. IMPLEMENTATION

12.1. Primary - Are the effective dates for new payment amounts and riders appropriate?