In this Application, OPG is seeking the following specific approvals:

- The approval of a revenue requirement of $1,435.7M for the regulated hydroelectric facilities and a revenue requirement of $5,473.9M for the nuclear facilities for the period of January 1, 2011 through December 31, 2012 (the “test period”) as set out in Ex. I1-T1-S1.

- The approval of a rate base of $3,803.4M and $3,787.4M for the regulated hydroelectric facilities for the years 2011 and 2012, respectively and $4,041.3M and $4,150.8M for the nuclear facilities for the years 2011 and 2012, respectively, as summarized in Ex. B1-T1-S1.

- The inclusion of construction work in progress (“CWIP”) amounts for the Darlington Refurbishment Project of $125.5M in 2011 and $306.0M in 2012 in the rate base for the nuclear facilities and recovery of the associated cost of capital as presented in Ex. D2-T2-S2.

- Approval of a production forecast of 38.4 TWh for the test period for the regulated hydroelectric facilities and 98.9 TWh for the test period for the nuclear facilities. The production forecast is presented in Exhibit E.

- Approval of a deemed capital structure of 53 per cent debt and 47 per cent equity and a combined rate of return on rate base of 7.18 per cent and 7.21 per cent for 2011 and 2012, respectively, including a rate of return on equity (“ROE”) forecast of 9.85 per cent, as presented in Ex. C1-T1-S1.

- Approval of a payment amount for the regulated hydroelectric facilities, effective March 1, 2011 of $37.38/MWh for the average hourly net energy production (MWh) from the regulated facilities in any given month (the “hourly volume”) for each hour of that month.
Production over the hourly volume will receive the market price from the Independent Electricity System Operator ("IESO")-administered energy market. Where production from the regulated hydroelectric facilities is less than the hourly volume, OPG’s revenues will be adjusted by the difference between the hourly volume and the actual net energy production at the market price from the IESO-administered market. The payment amount for the regulated hydroelectric facilities is set out in Ex. I1-T2-S1.

• Approval of a payment amount for the nuclear facilities, effective March 1, 2011 of $55.34/MWh.

• Approval for recovery of the audited December 31, 2010 variance and deferral account balances for the regulated hydroelectric and nuclear facilities as described in Ex. H1-T1-S2 and disposition, beginning March 1, 2011, at a rate derived as described in Ex. H1-T2-S1.

• Approval to establish, re-establish or continue variance and deferral accounts as follows:
  o A variance account to record the deviation from forecast revenues associated with differences in regulated hydroelectric electricity production due to differences between forecast and actual water conditions.
  o A variance account to record the deviation from forecast net revenues for ancillary services from the regulated hydroelectric facilities and the nuclear facilities.
  o A variance account to record the deviation from forecast capital and non-capital costs and firm financial commitments associated with work to increase the output of, refurbish or add operating capacity to a regulated facility.
  o A variance account to record the deviation from forecast costs incurred and firm financial commitments made in the course of planning and preparation for the development of proposed new nuclear generation facilities.
  o A variance account to record the deviation between actual and forecast nuclear fuel costs.
  o A deferral account to record non-capital costs associated with the planned return-to-service of units at the Pickering A Generating Station.
A deferral account to record the revenue requirement impact of any change in the nuclear decommissioning liability resulting from an approved reference plan as defined in the Ontario Nuclear Funds Agreement.

A variance account to capture the tax impact of changes in tax rates, rules and assessments.

A variance account to record the variance between the tax loss mitigation amount which underpins the EB-2007-0905 Payment Amounts Order and the tax loss amount resulting from the re-analysis of the prior period tax returns based on the OEB’s directions in EB-2007-0905 Decision with Reasons as to the re-calculation of those tax losses.

A variance account to capture differences between forecast and actual costs and revenues related to the lease of the Bruce nuclear facilities.

A variance account to record the difference between forecast and actual IESO non-energy charges incurred by the regulated hydroelectric and nuclear facilities.

A variance account to record the difference between forecast and actual pension and other post-employment benefit costs and associated tax effects related to the regulated hydroelectric and nuclear facilities.

Variance accounts to record the over/under recovery amounts for the hydroelectric variance and deferral accounts and nuclear variance and deferral accounts, respectively.

Evidence supporting the continuation of existing variance and deferral accounts and the creation of new ones is provided in Ex. H1-T3-S1.

- An order from the OEB declaring OPG’s current payment amounts interim as of March 1, 2011, if the order or orders approving the payment amounts are not implemented by March 1, 2011.