

OM&A PURCHASED SERVICES NUCLEAR OPERATIONS

1.0 PURPOSE

This evidence presents the purchases of OM&A services for nuclear operations (excluding Darlington Refurbishment) that meet the threshold of one per cent of the OM&A expense before taxes, consistent with OEB filing guidelines.

2.0 OVERVIEW

This evidence supports the approval sought for the purchased services portion of nuclear OM&A costs. An overview of OPG's procurement process which is applicable to the nuclear facilities is presented in Ex. F3-3-1.

The nuclear operations OM&A expense before taxes is equal to the sum of nuclear base, project and outage OM&A. This sum is \$1,718.9M in 2017, \$1,728.9M in 2018, \$1,763.8M in 2019, \$1,760.9M in 2020, and \$1,671.6M in 2021 as presented in Ex. F2-1-1 Table 1. For the nuclear facilities the threshold of one per cent of the operations OM&A expense before taxes is, therefore approximately \$17M.

Information on vendor contracts for nuclear operations purchased services for nuclear base, outage and project OM&A expenditures at or above the \$17M threshold for 2013-2015 is presented in Chart 1.

Total purchases for the vendors listed in Chart 1 are \$136.2M in 2013, \$129.4M in 2014, and \$166.7M in 2015.

Chart 1
Purchase of Services - Nuclear Operations Contracts

Vendor Name	Description/Nature of Activities	Tendering Process		Justification, if not Competitive
		Competitive	Single Source	
Black & McDonald Ltd.	Provider of general construction and Engineering-Procurement-Construction ("EPC") services in 2013-2015 (see Ex. D2-2-3 Section 3.6)	X	X	<p>In 2012, a competitive process was used to select Black & McDonald and ES Fox to enter into an Extended Service-Master Service Agreement for EPC services.</p> <p>Individual work packages are issued to these vendors to obtain competitive bids. In limited circumstances, consistent with OPG policies and procurement governance, work packages may be single sourced.</p>
ES Fox Ltd.	Provider of general construction and Engineering-Procurement-Construction ("EPC") services in 2013-2015	X	X	
AMEC-NSS	Provider of engineering services, safety analysis services and specialized code development and maintenance.	X	X	<p>A mix of sole source and competitive bid.</p> <p>Nuclear safety analysis work is primarily sole source, reflecting their unique skill set in the marketplace. Work packages are competitively bid where competition is available.</p>

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		Competitive	Single Source	
Candu Owners Group	<p>The CANDU Owners Group Inc. is a not-for-profit organization which provides programs for the support, development, operation and maintenance of CANDU reactor technology.</p> <p>All CANDU Operators in the world are members of the CANDU Owners Group Inc.</p>		X	Not applicable due to the nature of the services provided