CME Interrogatory #12

Interrogatory

Reference:
Exhibit A2, Tab 2, Schedule 1, Attachment 1

OPG stated that it is targeting an estimated cumulative savings in 2% inflation-adjusted Base OM&A costs in addition to the costs reductions attributable to the shutdown of the Pickering units.

OPG stated that the savings referred to in the business plan are attributable to four drivers – technology and innovation, organizational design, asset optimization, and real estate footprint. With respect to these savings:

(a) Please confirm if the savings referred to in the business are the savings that OPG estimates will be worth $180 million in Exhibit A2, Tab 2, Schedule 1;
(b) For each driver/category, please break out each initiative or project that OPG is, or is planning to undertake, and describe each one;
(c) Please provide the estimated savings for each initiative;
(d) Please provide any costs of the initiative.

Response

a) The reference to total Base OM&A savings targets in the business plan refers to OPG's regulated and unregulated business over the 2020-2026 period, whereas the $180M referenced in Ex. A2-2-1, p. 2 refers specifically to the targeted savings for operations and project support and corporate support allocated to nuclear over the 2020-2024 period.

b), c), d)

The four drivers referenced in the question align to the categories described in Ex. A2-2-1, p. 20: Digital Strategy, Resource Optimization, Project Management, and Real Estate and Workplace Transformation, respectively. See Ex. L-A2-02-CME-013 for more information on these initiatives.