OPG Nuclear 2020-2026 Business Plan

Strategy Session II | June 19, 2019

ONTARIO POWER GENERATION

Agenda

1. Customer Engagement Results
2. Next Steps - High Level Work Plan for Rate Application Preparation

Customer Engagement Status Update

Refresher

- In OPG's next rate application to the OEB, OPG will be required to clearly demonstrate how customer input informed the business plan underpinning the application.
- Accordingly, for purposes of OPG's 2022-2026 rate application to the OEB, OPG undertook a customer engagement initiative to gather feedback related to OPG's values and strategic imperatives, key business decisions and investments.

Customer Engagement Status Update

Overall Priorities

- In 2018, OPG embarked on the engagement, which sought customer's feedback on OPG's strategic imperatives and nuclear value framework. Most customers said that OPG's top priorities should be:
  - producing low-cost power
  - ensuring generation reliability
  - minimizing impact on the environment (which includes how we dispose of nuclear waste)
  - operating in a safe manner

- OPG's business plan should demonstrably reflect these priorities. While specific business planning decisions depend on the circumstances of the business unit, each business unit should be able to demonstrate how these priorities have informed decisions throughout the business plan.

Customer Engagement Status Update

Specific Investment Options

- The 2018 engagement informed the content of the 2019 engagement, which identified specific capital investment decisions that OPG is considering as part of this upcoming business plan. For Nuclear, OPG sought customer input on the following investment options (which are detailed in Appendix A):
  - Making the Pickering Station Site Available for Other Uses after Shutdown
  - Darlington Vapour Recovery System
  - Darlington Air Compressors Replacement
  - Darlington Crane Project
  - Investing in Technology to Create Efficiencies

- We will be meeting with the specific BUs which are impacted by the findings to discuss the results and how they can be incorporated in the upcoming business plan.

Customer Engagement Status Update

Online Survey Results – Key Takeaways

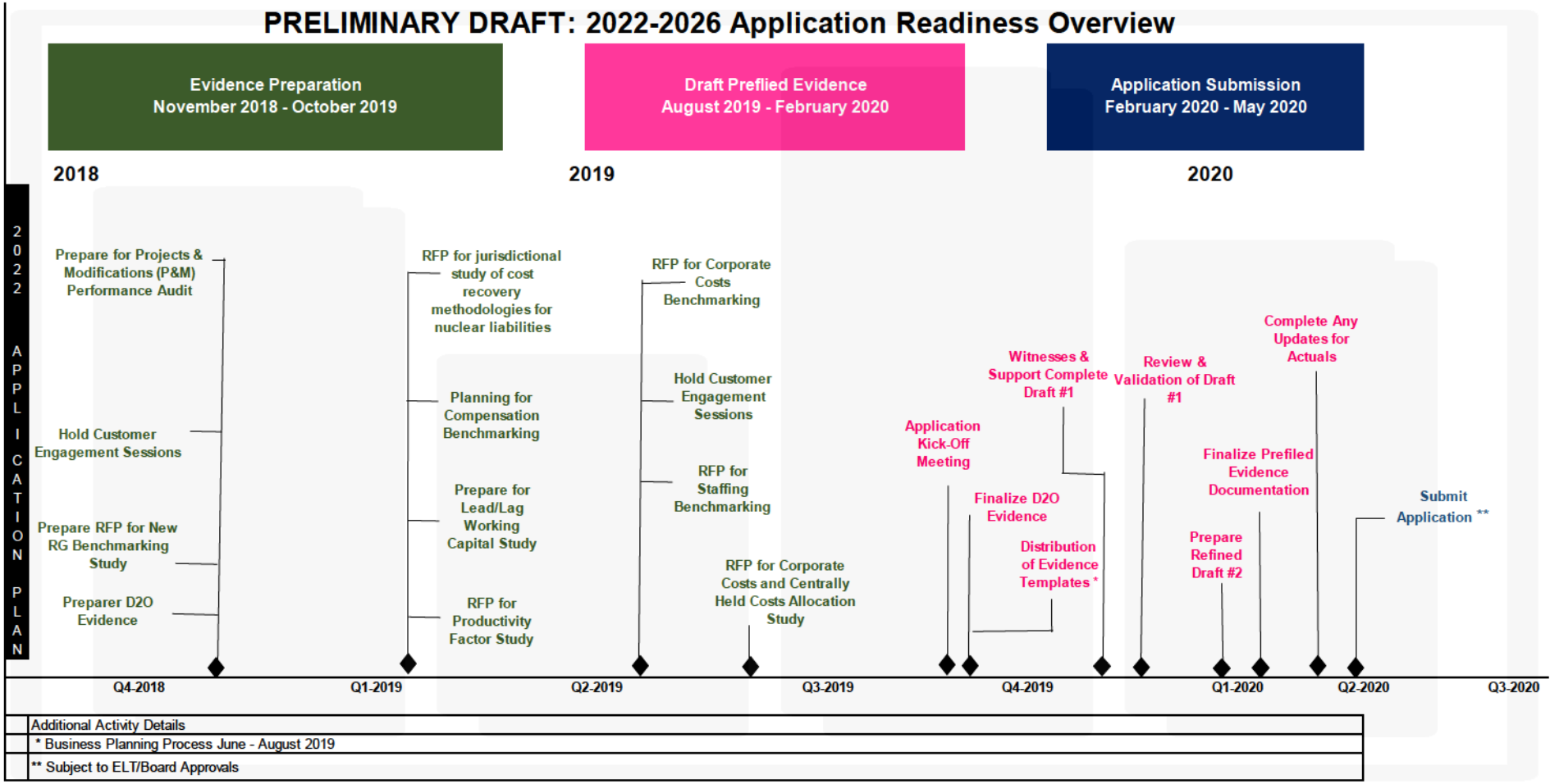
Supports Current Plan

- The majority of Ontarians are willing to pay something for an accelerated approach to making the Pickering Station site available for other uses.
- Customers want OPG to be proactive and replace all 19 air compressors.
- The preferred option is for OPG to only invest in new technology if savings are guaranteed.

Not Supports Current Plan

- Customers want OPG to be proactive and replace the VRS.
- Customers preferences are divided when it comes to refurbishment options for the cranes at Darlington Station.

OEB Strategy – Next Rate Application Timeline



DO NOT FORWARD