AMPCO Interrogatory #15

Interrogatory

Reference: Ex D2 T1 S1 P5

OPG indicates there are five phases in the life cycle of a nuclear project: Initiation, Development, Definition, Execution and Closeout.

a) Please discuss any changes in OPG's definition of the five phases in the life cycle of a nuclear project since EB-2016-0152 and the impact of the changes.

b) Please advise which of the five phases are funded by OM&A budgets.

Response

a) As presented in EB-2016-0152, Ex. D2-1-1, Section 3.1, there were five project phases: Identification, Initiation, Definition, Execution, and Closeout.

   In the current project lifecycle as described in Ex. D2-1-1, p. 5, Figure 2, and Attachment 1, the five project phases are: Initiation, Development, Definition, Execution and Closeout.

   The Initiation phase now is focussed on identifying the initial project scope, schedule, conceptual funding and applicable stakeholders for the preferred alternative; and the Development phase is focussed on the development of the preliminary design and the scope of work document; outlining the specifications and preliminary schedule and cost information along with relevant project strategies in accordance with the design requirements; identifying and assessing project risks; and issuing the Project Management Plan ("PMP"). This allowed for clearer distinction between the objectives of the Initiation and Development phases.

   OPG maintains an Identification stage as a "lead in" to the Initiation phase as shown in Ex. D2-1-1, p. 5, Figure 2 and Attachment 1, and described in Ex. D2-1-1, Section 3.2, p. 6.

b) For capital projects, work undertaken during the project Identification stage and Initiation phase are funded from OM&A budgets. As described in OPG's Capitalization Policy (Ex. D4-1-1, p. 2, lines 8-11), project development costs are capitalized once the preferred alternative for a new capital asset or capital improvement to an existing asset is selected.