AMPCO Interrogatory #19

Interrogatory

Reference: Ex D2 T1 S1 P7

OPG provides the Value Framework with seven risk areas.

a) Please explain how cost and affordability is considered in the Value Framework.

b) Please explain how value for money is assessed in the Value Framework.

Response

a) The Value Framework provides a quantitative means to evaluate each asset investment option's benefits with reference to the option's ability to mitigate key risks. The Value Framework requires the quantification of the value of each asset investment option based on the summation of all benefits in the seven value framework risk areas listed at Ex. D2-1-1, p. 7. OPG then compares these benefits to the cost of each asset investment option to determine the Asset Investment Net Value ("AINV"), or net benefit. This model selects the preferred investment options that have the highest AINV to address an investment need. While affordability is not listed as a specific element of the Value Framework, it is considered indirectly by prioritizing projects that maximize overall value based on the Value Framework through the process described in Ex. L-D2-01-AMPCO-017.

b) Value for money is assessed by quantifying each investment option's AINV as described in OPG's response to part a).