AMPCO Interrogatory #17

Interrogatory

Reference: Ex D2 T1 S1 P6

Please explain how projects are prioritized between the different AMOCs.

Response

Asset investments are prioritized between the different Asset Management Oversight Committees ("AMOCs") in a consistent, integrated manner. As described in Ex. D2-1-1, Section 3.2.3, asset investment options are reviewed by the appropriate Site AMOC (e.g., Darlington, Pickering or IRI) to evaluate the recommended options and alternatives, feasibility of options and risk assessment. Once reviewed, a selected option may be approved as a candidate project for potential inclusion in the business plan.

At the time of business planning, all selected asset investment options that have been endorsed by the appropriate site AMOC undergo a prioritization among all AMOCs. Asset investment options are prioritized within funding, resource and scheduling constraints with a goal of setting the start date of each asset investment option to maximize overall value based on the Value Framework (Ex. D2-1-1, p. 8). The Value Framework is a quantitative means to evaluate each asset investment option's benefits and costs with reference to the option's ability to mitigate key risks. This allows OPG to generate an Asset Investment Net Value (See Ex. L-D2-01-AMPCO-19), which reflects expected risk mitigation benefits compared to costs, for each asset investment option and is used as the basis to prioritize investments. This can result in plans to advance or defer investments to maximize overall value across all potential investments.

The results of the investment prioritization process are reviewed by key stakeholders to verify the assumptions, including project cost forecasts, pertaining to their portfolio, which may be revised as necessary. This allows for additional adjustments in an iterative process to better refine the project prioritization.

Following this process, a summary of prioritized candidate projects are presented to the Nuclear AMOC for concurrence. Upon Nuclear AMOC concurrence, a prioritized list of candidate projects is included in the business plan subject to the business planning approval process (see Ex. D2-1-3, Tables 5a and 5b and Ex. F2-3-3, Table 4 for current list).