CCC Interrogatory #32

Interrogatory

Reference: Exhibit D2/T2/S 10/ pp. 39-41, p. 110-111

When OPG determined to proceed with planning for DRP it investigated alternative solutions for addressing heavy water storage. Two approaches were considered: construction of a new building at a different location at or around Darlington, and adding storage to an existing Darlington building. During development of the 2012 Full Release Definition BCS (discussed below in Section 13.3) (see Attachment 2m), two additional alternatives were considered: limiting the project to the 1,700 m3 required to support refurbishment and construction of a drum warehouse to hold the approximately 7,200 drums that would be required to store the heavy water drained from two units undergoing overlapping refurbishment.

The 2015 Superseding Release Execution BCS also analyzed three alternatives for completing the project in light of its progress to date and compared them to the preferred alternative (Alternative 1).

a) Please confirm that the alternatives described in Ex. D2/T/2/S 10/ pp. 39-41 and 110-111 comprise all of the alternatives to the D20 Storage Project that OPG considered. If additional alternatives were considered, please provide details of those alternatives including when they were considered, the estimated cost of those alternatives, and the reasons why those alternatives were rejected;
b) Please confirm that the alternatives detailed in Ex. D2/T/2/S 10/ pp. 39-41 were all considered in relation to the D20 Storage Project at an estimated cost of $108.148M pursuant to the 2012 Full Release Definition BCS, and that the alternatives detailed in Ex. D2/T/2/S 10/ pp. 110-111 were all considered in relation to the D20 Storage Project at an estimated cost of $381.1M pursuant to the 2015 Superseding Release Execution BCS;
c) Please advise which, if any, of the examined alternatives to the D20 Storage Project would, as compared to the total claimed cost of $510M, have been preferable had the full cost of the D20 Storage Project been known at time the alternatives were considered. If none of the alternatives would have been preferable despite the final cost of the D20 Storage Project please explain why not.

Response

a) Not confirmed. As discussed in Ex. D2-2-10, at p. 42, in the spring of 2011, OPG convened a value engineering workshop whose purposes included to “review the alternatives being considered and attempt to augment them.” For information on

the alternatives considered there, see the response to Ex. L-D2-02-AMPCO-97 and the materials attached to that response.

b) Not confirmed. The alternatives examined in the BCS were evaluated on a qualitative basis and on a NPV basis against the operational improvement scope. (Ex. D2-2-10, Attachment 2o, pp. 8-9 and Attachment 2p, pp. 8-9).

c) OPG cannot answer the hypothetical question as posed. What OPG can say is throughout the project's life, including at the time of the 2018 Superseding Release Execution BCS (Ex. D2-2-10, Attachment 2q), which estimated the project's cost at up to $510M, the D2O Storage Project was evaluated as the best solution to address OPG's need to store heavy water for DRP and for operational improvement purposes.