UNDERTAKING JT3.15

Undertaking

TO PROVIDE THE EVIDENTIARY REFERENCE FOR LIFE-TO-DATE CONTRIBUTIONS OPG HAS MADE TO THE FUND, WITH THE AMOUNT OF CONTRIBUTIONS AND THE FUNDED STATUS OF THE FUND.

Response

Upon further review, OPG has determined that the requested information, being the annual contributions made to the ONFA segregated funds life to date and the percentage funded by these contributions each year, is not fully on the record of this proceeding. Attachment 1 provides this information for each of the Decommissioning Segregated Fund and Used Fuel Segregated Fund since their inception in 2003, for the prescribed facilities and the Bruce facilities.[1]

The information in Attachment 1 demonstrates that a substantial portion of the segregated fund contribution requirements was met in earlier years of the period, reflecting the "front-loaded" nature of the funding arrangements.

In particular, as outlined in Section 3.2.1 of Ex. C2-1-1, the contribution profile in Attachment 1 reflects ONFA requirements that result in about three-quarters of the long-term used fuel management costs of the Used Fuel Segregated Fund being funded over the assumed remaining operating periods of the nuclear stations per the 1999 ONFA Reference Plan. These operating periods did not contemplate subsequent station refurbishment or extended operation decisions and therefore are much shorter than the operating lives expected currently. Attachment 1 also reflects a special one-time contribution of $334M OPG was required to make to the Used Fuel Segregated Fund in 2007 pursuant to the ONFA. With respect to the Decommissioning Segregated Fund, the Province of Ontario made a substantial contribution to the Decommissioning Segregated Fund in 2003, as noted in the above evidence.

[1] Although the ONFA segregated funds were established in 2003, the ONFA includes calculations and contributions effective as of OPG's inception in 1999. The contribution amounts shown for 2003 in Attachment 1 include the accumulated initial amounts transferred to the ONFA segregated funds upon inception in July 2003.