UNDERTAKING JT1.6

Undertaking

TO PROVIDE OVERTIME COSTS FOR OPG AND EACH CONTRACTOR BY YEAR FOR THE PROJECT, AS WELL AS TOTAL LABOUR COSTS FOR OPG AND EACH CONTRACTOR BY YEAR FOR THE DURATION OF THE PROJECT.

Response

The use of overtime and the monitoring of overtime costs differs depending on the contract type and invoicing method. Chart 1 below provides straight time and overtime costs for D2O Storage Project ESMSA contractors (and their Tier 1 subcontractors) that invoiced OPG through one of OPG's billing systems that capture overtime separately for ESMSA contractors. Chart 1 does not include costs for any contractors that invoiced OPG through alternative invoicing methods as significant time and effort would be required to sum the straight time and overtime amounts in each of these invoices for each year of the project.

Chart 1 also does not include any portion of a contract executed under a fixed price or milestone payment agreement. Further, as explained in Ex. D2-2-10, s. 10.11, pp. 95-97, in June 2017, OPG and CanAtom reached a comprehensive settlement agreement that resulted in, among other things, a settlement for all costs incurred or committed up to April 21, 2017 and a target cost/maximum price to complete the remaining scope of the D2O Storage Project (excluding commissioning costs). From this time to the end of CanAtom's work, OPG made milestone payments and did not track CanAtom's labour costs as the contract de-risked OPG from any CanAtom labour cost increases.

Chart 1 – Straight Time and Overtime Costs for OPG, B&M, CanAtom and Other Contractors

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
OPG										
Straight Time	$728,817	$2,882,211	$3,194,909	$3,364,044	$4,631,708	$3,333,142	$2,468,869	$5,141,514	$1,816,841	$90,671
Overtime	$111,080	$448,707	$634,628	$1,783,487	$806,779	$314,716	$177,385	$772,719	$122,313	$11,611
B&M										
Straight Time	$214,588	$6,907,114	$8,664,933							
Overtime	$2,218	$2,930,150	$2,225,244							
CanAtom										
Straight Time				$9,748,801	$55,150,890	$11,305,347	$32,886	$1,569,117	$1,037,370	
Overtime				$884,027	$10,466,299	$1,782,533	$21,476	$422,323	$60,793	
Other Contractors										
Straight Time	$105,861	$634,476	$1,366,281	$4,653,890	$1,275,391	$462,315	$143,293	$509,322	$69,119	
Overtime			$147,673	$1,229,172	$107,171	$16,377	$8,867			

Note 1: The above costs are inclusive of performance fee. Performance fee pool deductions would have been taken from these costs before they were paid to the contractor.

Note 2: The above costs are inclusive of overtime that was included in the 4x10 and 5x10 shift schedules worked on the project. See Ex. L-D2-02-Staff-171(b) for details of the D2O Storage Project shift schedule.

Note 3: Amounts for 2021 are as of March 31, 2021.