UNDERTAKING JT1.12

Undertaking

TO FILL IN BLANKS IN CHART IN KT1.1 ON A BEST EFFORTS BASIS, AND TO INCLUDE OTHER MATERIAL ESTIMATES IN THE EVIDENCE OR KNOWN TO OPG.

Response

Please see Chart 1 below. OPG prepared this chart at SEC's request. OPG does not agree that the items that SEC included represent valid estimates of the project's anticipated costs at various points in time. In particular, the estimate derived from Ex. D2-2-10, p. 66 "Chart 3 – B&M's Growing Estimates of EPC Project Costs" represent unverified estimates of future costs put forth by B&M that were never accepted by OPG and were included in OPG's evidence for the sole purpose of demonstrating B&M's inability to provide a stable estimate of project costs in the months leading to the termination of the B&M contract. As OPG states in Ex. D2-2-10, at p. 65 "As shown in the chart below, B&M's EPC contract cost estimate increased substantially month after month. The information provided with these estimates was not sufficient to allow OPG to verify the basis for the forecast increases."

Additionally, the estimates in Chart 1 are not directly comparable to one another as some of the lines requested by SEC are estimates for portions of the project only. As OPG has explained in Ex. L-D2-02-SEC-094, the approved estimates of the D2O Storage Project's total cost at various points in time are those contained in OPG's BCS.

Chart 1: Estimates related to the D2O Storage Project

D2O Storage Project Cost Estimates							
	Date of Estimate	Total Estimated Cost ($M)	Entity that Provided the Estimate	General Contractor	Total Cost Expended on the Project At Date of Estimate ($M)	Notes	Evidence Reference
Faithful & Gould Construction Costs Estimate	Early 2012	$ 64.60	Faithful & Gould (OPG)	N/A	$ 3.40	Estimate of overnight cost for construction only based on the project information available at the time. OPG did not complete a contemporaneous estimate of the total project cost	D2-2-10, p.43
2012 Full Release Definition BCS	Jun-12	$ 108.00	OPG Project Team	B&M	$ 3.48	Estimate to complete the D2O Storage Project based on then current information	D2-2-10, Attachment 2m
2012 Partial Release Execution BCS	Aug-12	$ 108.00	OPG Project Team	B&M	$ 4.59	Estimate to complete the D2O Storage Project based on then current information	D2-2-10, Attachment 2n
2013 Full Release Execution BCS	May-13	$ 110.02	OPG Project Team	B&M	$ 15.16	Estimate to complete the D2O Storage Project based on then current information	D2-2-10, Attachment 2o
B&M EPC Estimate	Jan-14	$ 123.50	B&M	B&M	$ 56.53	EPC only estimates demonstrating B&Ms ongoing challenge to produce a stable cost estimate. OPG did not complete contemporaneous estimates of total project cost	D2-2-10, p.66, Chart 3
B&M EPC Estimate	Feb-14	$ 133.10	B&M	B&M	$ 60.84		
B&M EPC Estimate	Apr-14	$ 224.90	B&M	B&M	$ 74.62		
B&M EPC Estimate	May-14	$ 253.70	B&M	B&M	$ 85.71		
B&M EPC Estimate	Jul-14	$ 282.10	B&M	B&M	$ 100.96		
2014 Faithful & Gould Estimate	Jul-14	$ 345.00	Faithful & Gould/OPG/B&M	B&M	$ 100.96	Estimate to complete the D2O Storage Project including forecast and incurred costs	D2-2-10, p.66
B&M EPC Estimate	Sep-14	$ 286.60	B&M	B&M	$ 109.55	See comment above regarding B&M EPC estimates	D2-2-10, p.66, Chart 3
2015 Superseding Release Execution BCS	Mar-15	$ 381.00	OPG Project Team	OPG	$ 142.60	Estimate to complete the D2O Storage Project based on then current information	D2-2-10, Attachment 2p
CanAtom Estimate of Costs to Complete	Aug-16	$ 146.00	CanAtom	CanAtom	$ 163.09	Estimates of costs to complete the D2O Storage Project. OPG did not prepare a contemporaneous estimates of the total project cost	L-D2-02-SEC-104 Attachment 1
CanAtom Estimate of Costs to Complete	Oct-16	$ 187.00	CanAtom	CanAtom	$ 309.39		
CanAtom Estimate of Costs to Complete	Jan-17	$ 242.00	CanAtom	CanAtom	$ 353.52		
High Bridge Estimate to Complete	Mar-17	$ 108.50	High Bridge (CanAtom)	CanAtom	$ 373.01	Estimate of the cost to complete the remaining project scope over approximately 18 months. OPG did not prepare a contemporaneous estimate of the total project cost	D2-2-10, p.93
CanAtom Estimate of Costs to Complete	Apr-17	$ 270.00	CanAtom	CanAtom	$ 380.50	See comment above regarding CanAtom estimates to complete	L-D2-02-SEC-104 Attachment 1
2018 Superseding Release Execution BCS	Dec-17	$ 510.00	OPG Project Team	CanAtom	$ 399.21	Estimate to complete the D2O Storage Project and actual D2O Storage Project final cost	D2-2-10, Attachment 2q