Energy Probe Interrogatory #56

Interrogatory

Reference:
Exhibit F3, Tab 1, Schedule 1, Table 1

a) Does the table reflect the changes related to the 2020 reorganization?

b) Please list the Corporate OM&A savings resulting from the reorganization.

c) Please provide a version of Table 1 showing the CAGR.

d) Please explain the OM&A reductions in 2023-2026.

e) Specifically list the lower costs related to closure of Pickering NGS.

f) Are these costs to be recorded in the Pickering Closure Deferral account?

Response

a) Yes.

b) The annual total cost savings associated with the management headcount reductions as a result of the organizational realignment are approximately $35M, of which $2M is attributable to corporate support on a total OPG basis. Approximately 80% of the total savings and 75% of the corporate support savings are estimated to the nuclear facilities and reduce the costs included in this application.

c) Attachment 1 provides a version of Table 1 showing the CAGR from 2016-2026.

d) The primary drivers of the lower OM&A costs over the 2023-2026 period at Ex. F3-1-1, Table 1, which presents total OPG corporate support costs, are the same as those for Ex. F3-1-1, Table 3, which presents such costs allocated to the nuclear facilities. The reportable year-over-year variances are set out in Ex. F3-1-2. In summary, the main reasons for the decline are reduced staffing levels following the planned shutdown of Pickering units, lower leasing and utilities costs due to the consolidation of work locations into the Clarington Campus, and lower real estate project costs.

e) See Ex. L-F4-03-Energy Probe-060, parts b) and d).

f) See Ex. L-F4-03-Staff-212, part c).