Board Staff Interrogatory #240

Interrogatory

Reference:
Exhibit F2 / Tab 5 / Schedule 1 / Table 1 / Line 1

Preamble:

Footnote 1 at the above reference states the nuclear fuel costs related to Darlington NGS includes the impact of an initial fuel load required prior to unit start up of each of the refurbished Darlington NGS units.

Question(s):

a) Please clarify the meaning of Footnote 1. Do the values at the above reference include or exclude the capitalized amount?

b) For each year between 2022 and 2026, please clarify what is the new fuel load cost that OPG proposes to capitalize and what is the new fuel load cost that OPG proposes to expense?

Response

a) The footnote is clarifying that the expensed portion of the new fuel load for the Darlington units returning to service is included in the Darlington nuclear fuel costs shown in Ex. F2-5-1, Table 1, line 1. These one-time fuel expenses during the IR term contribute between $13.8M to $15.3M to the nuclear fuel bundle costs as shown in Chart 1 below.

   Exhibit F2-5-1 sets out nuclear fuel expenses and therefore excludes the capitalized portion of the new fuel loads. For greater clarity and with reference to Chart 1 below, the total cost of the new fuel load for Unit 2, for example, is $32.1M comprising a $17.1M capitalized in-service amount and $15.0M fuel expense.

b) See Chart 1 below

Chart 1

	2019	2020 [1]	2021	2022	2023	2024	2025	2026	SOURCE
Units in-service date		Unit 2-Jun 2020				Unit 3 Jan 2024	Unit 1 Apr 2025	Unit 4 Oct 2026	
New Load at Darlington - Capital Expenditure	16.8	0.2	0.0	0.0	16.5	16.9	0.0	18.1	D2-1-2, Table 2 line 7
New Load at Darlington - Capital In Service	0	17.1	0.0	0.0	0.0	16.5	16.9	18.1	D2-1-3, Table 4 lines 7, 19, 31, and 43.
New Load at Darlington - Fuel Expensed [2]	0	15.0	0.0	0.0	0.0	14.9	15.3	13.8	Footnote 1 to Table F2-5-1

[1] 2020 Actual

[2] New fuel loaded into reactor is expensed over four months. The amount for Unit 4 in 2026 represents three months as the unit is scheduled to return to service in October 2026