Board Staff Interrogatory #242

Interrogatory

Reference:
Exhibit F2 / Tab 5 / Schedule 1 / pp. 6-7

Preamble:

OPG stated that it has adopted a minimum uranium concentrate inventory target of 288,000 KgU, representing a four-month supply to feed the production of uranium dioxide. For 2026, OPG has lowered its strategic uranium concentrate inventory target to 225,000 KgU.

Question(s):

a) What is the connection between the reduced inventory target for 2026 and the nuclear production forecast for 2026? For example, does the target continue to represent a four-month supply to feed the production of uranium dioxide, but for fewer operating units?

Response

a) The minimum uranium concentrate inventory target of 288,000 KgU represents four months of forward usage of uranium concentrate to feed the production of uranium dioxide required for six units.

   The 21.9% reduction in the uranium inventory target from 288,000 to 225,000 KgU by the end of 2026 represents an approximate five month supply for the four units at Darlington. An approximate five month supply target rather than a four month target was established by the end of 2026 reflecting the uncertainty given the unique challenge of ensuring sufficient fuel bundles are available to support three, one-time full loads of new fuel bundles when each Darlington unit returns to service over the period 2024-2026 (Unit 4 October 2026). This target will be continually monitored and adjusted going forward with an expectation of moving to a four month supply target post-2026, subject to ongoing forecasts of supply/demand balances in world uranium markets.