Board Staff Interrogatory #248

Interrogatory

Reference:
Exhibit F2 / Tab 8 / Schedule 1 / pp. 1, 3-5

Preamble:

OPG forecasted OM&A expenses of $66 million in 2020 and $206 million in 2021 for preliminary planning and preparation expenditures for an SMR generating station at Darlington NGS. There was no forecast of planning and preparation expenditures for the development of an SMR included in OPG's 2017-2021 Payment Amounts Proceeding. OPG stated that it will record the preliminary planning and preparation amounts in 2020 and 2021 related to the SMR project in the NDVA.

Question(s):

a) Please file the Memorandum of Understanding signed by the Government of Ontario with respect to the development of SMRs in Canada.

b) Please confirm that the total estimated costs of the preliminary planning and preparation expenditures of $272 million are broken down as follows: (i) Technology Developer Selection - $190 million; (ii) Licensing - $20 million; and (iii) Project Development and Oversight - $62 million.

c) Please confirm that if OPG's investment decision is to not go forward with the construction of an SMR generating station that it will write-off the amounts recorded in the NDVA related to the preliminary planning and preparation work (and not seek recovery of these amounts from ratepayers).

Response

a) See Attachment 1.

b) Confirmed.

c) Not confirmed. OPG expects to seek recovery of all prudently incurred costs related to preliminary planning and preparation activities for an SMR generating station at the Darlington site, irrespective of whether the project ultimately proceeds to construction. As discussed in Ex. F2-8-1, OPG will record these costs in the Nuclear Development Variance Account ("NDVA") pursuant to O. Reg. 53/05, section 5.4 (1) and seek their recovery in a future proceeding.