AMPCO Interrogatory #152

Interrogatory

Reference: F2 T8 S1 P1

OPG is seeking approval of annual OM&A costs of $2.2M, $2.2M, $2.3M, $2.3M, and $2.3M for the years 2022-2026, respectively.

OPG indicates the forecast OM&A costs during the IR term are for work to preserve the option to build new nuclear at Darlington, and do not assume development of an Small Modular Reactor (SMR) generating station, pending the investment decision on the project.

a) Please explain in more detail what the test period costs are for.

b) What is the status of OPG's investment decision on SMR?

c) Please provide all OPG approvals to date related to the SMR proposal and include supporting documentation.

d) What is OPG's business driver for SMR?

e) Has the Province of Ontario directed OPG to pursue SMR? If yes, please provide the Directive.

f) When does OPG expect to seek OEB approval of SMR?

Response

a) The 2013 Long Term Energy Plan provides direction to OPG to maintain the necessary approvals should future construction of new reactors at Darlington be required (see Ex. L-F2-08-Staff-247). OPG has an existing approved Environmental Assessment ("EA") and CNSC Site Preparation Licence for the Darlington New Nuclear Project ("DNNP") site, both of which must be maintained to continue to secure the option for new nuclear at Darlington in the future, for the benefit of Ontarians. Maintenance of the EA and licence requires continued site environmental monitoring, completion of environmental commitments made during the Joint Review Panel Hearings for the EA and reporting requirements as outlined in the licence.

b) As indicated in Ex. F2-8-1, OPG is in the initial planning and preparation phase of developing an SMR at Darlington, and neither an SMR proposal nor a business case has been developed. OPG intends to develop a proposal by late 2021 upon which an investment decision can be made.

c) See b) above.

d) See Ex. F2-8-1, pp. 2-3 and Ex. L-F2-08-AMPCO-158.

e) No, the Province of Ontario has not provided a Directive to OPG to pursue SMRs. The Province of Ontario has publicly supported the development and deployment of SMRs through the Memorandum of Understanding signed by the Government of Ontario with respect to the development of SMRs in Canada (See Ex. L-F2-08-Staff-248, Attachment 1). On November 13, 2020, OPG announced resumption of planning activities for future nuclear power generation at its Darlington site, to host a SMR, with the Minister of Energy, Northern Development and Mines and Minister of Indigenous Affairs publicly giving support.

f) OPG expects to seek recovery of eligible amounts recorded in the Nuclear Development Variance Account related to SMR development in a future proceeding. The specific timing of a request for disposition will depend on the timing and scope of OPG's future applications involving deferral and variance accounts clearance.