UNDERTAKING J3.3

Undertaking

OPG TO IDENTIFY THE DOLLAR AMOUNTS ASSOCIATED WITH THE D2O PROJECT THAT WAS REMOVED FROM OPG'S EB-2016-0152 APPLICATION WHEN OPG FILED THE N2 IMPACT STATEMENT, SPECIFICALLY TO VALIDATE THE $365.9 MILLION IN 2017 INDICATED IN THE DECISION AND RECONCILE IT WITH THE $381 MILLION

Response

OPG confirms that the $365.9M in-service addition to the D2O Storage Project forecast in 2017 (EB-2016-0152, Decision and Order, p. 32, Table 12, line 2) was removed from the EB-2016-0152 application when the N2 Impact Statement was filed (EB-2016-0152, Ex. N2-1-1, p. 4, Chart 2, lines 1 and 2).

Forecast depreciation of $6.9M in 2017 and $10.7M in 2018-2021 (EB-2016-0152, Decision and Order, p. 85, Table 26, line 3) related to the above in-service addition and was also removed through the N2 Impact Statement (EB-2016-0152, Ex. N2-1-1, p. 4, Chart 2, line 5).

The estimated total project cost at the time in 2017, based on the full release from the 2015 Superseding Release Execution BCS was $381.1M (Ex. D2-2-10, Attachment 2p). The difference between the $365.9M in-service addition removed from the EB-2016-0152 application and this $381.1M amount comprises: 1) $14.6M capital amount that had already been approved for inclusion in rate base and formed part of the nuclear rate base approved in EB-2016-0152, and 2) $0.7M in OM&A removal costs incurred in 2013 (Ex. D2-2-10, Footnote 1).

There were no changes to nuclear liabilities or associated asset retirement costs ("ARC") in the EB-2016-0152 application from removing the above in-service addition. The change in the ARC amortization shown in the EB-2016-0152 Decision and Order at p. 85, Table 26, line 2 stemmed from updates made to reflect projected changes in nuclear liabilities and associated ARC arising from the 2017-2021 ONFA Reference Plan (EB-2016-0152, Ex. N1-1-1) and did not pertain to the D2O Storage Project.