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BY RESS

April 10, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario
M4P 1E4

Dear Ms. Marconi:

Re: EB-2023-0336 – An Application by Ontario Power Generation Inc. (“OPG”) for an order or orders relating to impacts from the Market Renewal Program on prescribed generating facilities, and the disposition of balances in its deferral and variance accounts as of December 31, 2022 (the “Application”) Undertaking Responses

OPG is filing 7 undertaking responses (JT1.1, JT1.5, JT1.6, JT1.7, JT1.11, JT1.12 and JT1.14) arising from the technical conference that took place on April 4, 2024. The remaining undertakings will be filed shortly. OPG has submitted these documents through the Regulatory Electronic Submissions System. This material will also be made available on OPG’s website at www.opg.com.

Respectfully submitted,



Matt Kirk

cc: Peter Cuff, OPG
Charles Keizer, Torys LLP
Intervenor of Record

UNDERTAKING JT1.1

Undertaking

TO EXPLAIN WHAT PORTION OF THE MARKET IS CONSTITUTED BY OPG'S
REGULATED HYDROELECTRIC GENERATORS AND WHAT PORTION IS BY THE
UNREGULATED GENERATORS OF OPG.

Response

OPG's regulated hydroelectric segment and unregulated hydroelectric segment
represent approximately 17% and 3%, respectively, of installed generating capacity in
Ontario as at December 31, 2023 as reported by the Independent Electricity System
Operator ("IESO").

UNDERTAKING JT1.5

Undertaking

TO PROVIDE COMMENT ON INSTANCES WHERE A PIR WAS REQUIRED.

Response

Under OPG's current governance, a post-implementation review ("PIR") is required for Level A and Level B projects¹, and strategic projects or programs. Of the regulated hydroelectric projects completed under this governance for which OPG is seeking recovery through the Capacity Refurbishment Variance Account in this proceeding, only the Ranney Falls Generating Station G3 project, the Sir Adam Beck I Generating Station – Units G1, G2 Replacement project, and the Sir Adam Beck I Generating Station – Unit G5 Major Overhaul project meet these criteria. Additionally, under the current governance, a PIR can be required at the discretion of the project sponsor or line approver. Under OPG's previous governance, a requirement for a comprehensive PIRs (equivalent to the current PIRs) was established at the discretion of the project sponsor or line approver.

¹ Project level (Level A to Level D) is a function of the life cycle cost and overall complexity of the project. Further details on this internal classification under OPG's project management governance can be found at EB-2020-0290 Ex. L-D2-01-AMPCO-034, Attachment 1, p. 23.

UNDERTAKING JT1.6

Undertaking

TO FILE THE REFERENCED DOCUMENT, IF IT BECOMES AVAILABLE; IF NOT AVAILABLE, TO CONFIRM THE DATES IN IT, IF KNOWN.

Response

The document referenced in this undertaking, which is the Post-Implementation Review ("PIR") for the Sir Adam Beck I Generating Station – Unit G5 Major Overhaul Project, is scheduled to be completed in October 2024.

UNDERTAKING JT1.7

Undertaking

TO CONFIRM HOW MUCH OF INTERNAL OPG COSTS RELATE TO INTERNAL LABOUR COSTS.

Response

Of the \$22.3M of internal OPG costs incurred over 2020-2022 in connection with non-capital preliminary planning and preparation activities for a Darlington SMR as referenced in Ex. L-H-Staff-05, part a), \$19.8M relates to internal OPG labour costs.

Chart 1

Cost Category	(\$M)			
	2020	2021	2022	Total
Licensing	2.3	3.5	0.0	5.8
OPG Project Management and Engineering Oversight	2.8	11.0	0.1	13.9
OPG Site Specific and Other Activities	0.0	0.0	0.2	0.2
Total	5.1	14.5	0.3	19.8

Numbers may not add due to rounding

UNDERTAKING JT1.11

Undertaking

TO CONFIRM WHETHER PROJECTS OPG SEEKS RECOVERY FOR THROUGH
THE CRVA FOR PRE-JUNE 1, 2017, INCREASED OPERATING CAPACITY.

Response

OPG confirms that none of the regulated hydroelectric projects placed into service
before June 1, 2017¹ for which OPG is seeking recovery through the Capacity
Refurbishment Variance Account in this proceeding resulted in increased station
generating capacity.

¹ As referenced in Ex. H1-1-1, p. 16, lines 6-15.

UNDERTAKING JT1.12

Undertaking

IF THE RESPONSE TO THE PREVIOUS UNDERTAKING QUESTION IS SUCH THAT THERE WERE INCREASES IN CAPACITY RESULTING FROM ANY OF THOSE PROJECTS, TO INDICATE WHEN THAT INCREMENTAL CAPACITY CAME ONLINE.

Response

For the regulated hydroelectric projects outlined in Ex. L-H-SEC-01, Chart 5, which have actual in-service additions between June 1, 2017 and December 31, 2021 and resulted in increased hydroelectric generating capacity, Chart 1 below sets out the dates when such incremental capacity came online.

Chart 1

Project	Maximum Continuous Rating (MCR) Increase (MW)	Date Synchronized to Grid
Sir Adam Beck I GS – Unit G10 Major Overhaul and Upgrade	45.9 to 55.0	June 9, 2017
Sir Adam Beck I GS – Unit G5 Major Overhaul	53.1 to 58.0	September 21, 2021
Sir Adam Beck I GS – Units G1, G2 Replacement	0 to 57.5 per unit	G1: October 26, 2022 G2: May 19, 2022
Ranney Falls GS G3	0.8 to 10	June 27, 2022

Refer to Ex. JT1.11 for discussion of projects with in-service additions before June 1, 2017.

UNDERTAKING JT1.14

Undertaking

WITH REFERENCE TO COLUMN XI, ADDITIONS TO SBGVA, TO CONFIRM THE CALCULATIONS USED FOR ADDITIONS.

Response

SBGVA additions are calculated at a station level based on forgone production due to SBG conditions multiplied by the approved regulated hydroelectric payment amount less applicable gross revenue charge ("GRC"). In Ex. L-H-SEC-04, Attachment 1, amounts in column xi "Addition to SBGVA" are an aggregation of such SBGVA additions for all stations in a given hour, which may include entries in connection with the Sir Adam Beck facilities that are subject to a GRC rate of \$14.40/MWh or other stations that are subject to lower GRC rates.

Additionally, in preparing this response, OPG discovered that an incorrect regulated hydroelectric payment amount value was displayed in column ii of Ex. L-H-SEC-04, Attachment 1 for 2021 and 2022. The \$43.15/MWh value shown for those years in column ii should be \$43.88/MWh. Values presented in all other columns are unaffected, and there is no impact to any additions made to the SBGVA, which were calculated using the correct approved payment amounts. OPG will file a corrected version of Ex. L-H-SEC-04, Attachment 1.