UNDERTAKING JT5.24

Undertaking

SEC/AMPCO/CCC - June 17, 2026 Motion

Item # 4

Forecast CCR balances included in DNNP DVAs each year between 2026 and 2031. (TC Transcript, Day 5, p.99-100).

Response

The Applicants are providing the following response in accordance with the resolution discussions in response to the Motions Letter filed by SEC, CCC, and AMPCO on June 17, 2026. As such, the Applicants have assigned Undertaking JT5.24 for this response.

The Applicants are not able to provide a forecast of the entries in the Darlington New Nuclear Project Variance Account re Capital Cost Amounts through 2031 as such balances would depend, among others, on the capital expenditures that would be incurred by DNNP LP in respect of the Darlington New Nuclear Project ("DNNP") Units 2-4. As discussed in Ex. D2-4-8, Section 5.0 and Ex. L-D2-AMPCO-077, DNNP Units 2-4 are currently in the definition phase, with no Release Quality Estimates yet developed and future progression into the execution phase subject to requisite approvals that have not yet been received. There are also no DNNP Units 2-4 expenditures included in DNNP LP's 2026-2031 Business Plan (Ex. A1-4-4, Attachment 1).

For illustrative purposes, in Attachment 1, the Applicants have provided a calculation of hypothetical annual concurrent cost recovery ("CCR") interest amounts based on the total indicative capital expenditures for DNNP Units 2-4 included in OPG's 2025-2031 Business Plan, excluding such definition phase expenditures for which funding had been released by OPG's Board of Directors as of the time the Application and which are included in Ex. I1-1-1, Table 6 for purposes of DNNP LP's proposed revenue requirements in this Application. For clarity, these indicative expenditures also underpin the calculation of the corporate credit metrics provided in Ex. JT5.22.

In providing the calculation in Attachment 1, the Applicants maintain that these amounts are not relevant to any requested approval in this proceeding. As noted by OPG's Mr. Kogan at Tr. Tech. Conf., June 2, 2026, pp. 99-100, the CCR amounts included in the proposed DNNP LP revenue requirements are based on capital expenditures "in line with the business plan that underpins the application for OPG and DNNP LP and … reflecting the approvals for DNNP units that were in place at the time." For clarity, there continue to be no approvals in place to proceed with the execution of DNNP Units 2-4.

Table 1

Calculation of Hypothetical Concurrent Cost Recovery - Indicative Darlington New Nuclear Program Units 2-4 Capital Expenditures Based on OPG's Business Plan

January 1, 2026 to December 31, 2031 ($M)

No.	Description	Note	2026	2027	2028	2029	2030	2031
			(a)	(b)	(c)	(d)	(e)	(f)
1	**Opening Balance**		0.0	0.0	29.7	659.5	2,008.9	4,049.9
2	**Capital Expenditures**	1	0.0	29.7	629.8	1,349.4	2,041.0	2,382.4
3	**In-Service**		0.0	0.0	0.0	0.0	0.0	0.0
4	**Closing Balance** (line 1 + line 2 - line 3)		0.0	29.7	659.5	2,008.9	4,049.9	6,432.3
5	**Capital Costs for Purposes of Calculating CCR** ((line 1 + line 4) / 2)		0.0	14.8	344.6	1,334.2	3,029.4	5,241.1
6	**OPG Cost of Long-Term Borrowing**	2	3.65%	4.58%	4.78%	4.90%	4.97%	4.98%
7	**Concurrent Cost Recovery** (line 5 x line 6)		0.0	0.7	16.5	65.4	150.5	261.2

Notes

1 Hypothetical DNNP Units 2-4 capital expenditures per Ex. A2-2-1, Att. 1, p. 38, less such expenditures covered by existing approved funding releases included in Ex. I1-1-1, Table 6 (per Ex. D2-4-8, Section 5.0).

2 Per Ex. C1-1-1, Tables 1-5: line 2, col. (c).