



**Written submission from the
Nuclear Transparency Project**

**Mémoire de
Nuclear Transparency Project**

In the Matter of

À l'égard de

**Consolidated Financial guarantee proposed
by Ontario Power Generation (OPG)**

**Garantie financière consolidée proposée par
Ontario Power Generation (OPG)**

Public Hearing - Hearing in writing based on
written submissions

Audience Publique - Audience fondée sur des
mémoires

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nuclear
transparency
project

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Submitted via email

September 19, 2022

To President Velshi and Members of the Canadian Nuclear Safety Commission,

Re: Ontario Power Generation's application for a Consolidated Financial Guarantee for the 2023-2027 period

We would like to begin by thanking the Commission for this opportunity to provide comments on this Regulatory Oversight Report (ROR). We would also like to recognize the efforts of Canadian Nuclear Safety Commission (CNSC) staff, and other intervenors for their informative submissions on this matter.

About NTP

The Nuclear Transparency Project (NTP) is a Canadian-registered not-for-profit organization dedicated to supporting open, informed, and equitable public discourse on nuclear technologies. NTP advocates for robust public access to data and other types of information and helps to produce accessible analysis of publicly available information, all with a view to supporting greater transparency in the Canadian nuclear sector.

NTP is comprised of a multi-disciplinary group of experts working to examine the economic, ecological, and social facets and impacts of the Canadian nuclear sector. The organization produces public reports, academic articles, and other publicly accessible resources. It also regularly intervenes in nuclear regulatory decision-making processes. The organization seeks to support youth and early career scholars, especially those from underrepresented communities in their respective disciplines. NTP also recognizes a responsibility to model the transparency and accountability practices for which it advocates. We are committed to interdisciplinary, cross-sectoral, and equitable collaborations and dialogue between regulators, industry, civil society, members of host and potential host communities, as well as academics and professionals from science, technology, engineering and math (STEM) fields, the social sciences, and humanities.

About this intervention

NTP's intervention was made possible by CNSC funding through its Participant Funding Program (PFP). These submissions were drafted by NTP founder and coordinator Pippa Feinstein, JD LL.M in collaboration with Finance PhD Candidate Noémie Bucourt, BSc MS.

Our funding and submissions were organized with the Commission's Participant Funding Program two weeks ago, with funding and deliverables only finalized one week ago. As such, these submissions are fairly preliminary and cursory. We have been able to submit information requests to Ontario Power Generation (OPG) and CNSC staff. When we receive responses, we hope to be able to conduct further analysis and present findings to OPG and CNSC staff at that time. We would not expect and do not request these proceedings to be delayed until that time.

NTP comments on OPG's proposed consolidated financial guarantee

The consolidated financial guarantee being reviewed by the CNSC in these written hearings concerns a crucial aspect of OPG's routine costs of doing business. When nuclear facilities were first constructed decades ago, their operating lives were known and the high level waste they generated in used fuel was similarly known and characterized. In this way, ensuring enough funds to cover decommissioning and waste management was required along with whatever other costs were associated with generating electricity. OPG and CNSC staff's use of the term "financial guarantee" is thus different from its traditional understanding in finance as an arrangement to address unplanned events such as bank defaults. This is also important to note in this instance as the legislated requirements for OPG's financial guarantee, and its terms negotiated in the Ontario Nuclear Funds Agreement, are relatively recent developments (established in the early 2000s).

NTP welcomes the additional transparency ushered in by this regulatory oversight of financial guarantees. It also recognizes that these guarantees should always have been required and publicly disclosed as routine business operations.

NTP has generated three recommendations to assist the Commission in better promoting nuclear transparency at future hearing processes to consider licensees' financial guarantees. They are as follows:

Recommendation 1: that in future Document Information Summaries (DIS), OPG include more detailed breakdowns of its projected costs over its 5-year financial guarantee periods. This information should be itemized by facility and by relevant time periods in which activities are performed or planned.

Recommendation 2: that OPG consider posting the annual financial reports it prepares for CNSC staff on the regulatory reporting webpage on its website. Currently the all the regulatory reports on this webpage relate to environmental monitoring.

Recommendation 3: that in future Document Information Summaries (DIS), OPG and CNSC staff explain the calculation of discount rates in more detail for members of the public.