

OM&A PURCHASED SERVICES – REGULATED HYDROELECTRIC

1.0 PURPOSE

This evidence presents the purchases of OM&A expense services and products for the regulated hydroelectric facilities that meet the threshold of \$20M in total OM&A expense, consistent with the OEB's filing requirements.

2.0 OVERVIEW

As detailed in Ex. F1-2-1, Section 3.1, OM&A purchased services represent the costs of specialized external services, primarily for construction and maintenance services supporting work programs. An overview of OPG's procurement processes is presented in Ex. F3-3-1. Consistent with the OEB's letter dated September 17, 2024, issued in EB-2024-0136, OPG has included nine years of historical data for its regulated hydroelectric business, for the period 2016-2024.

Total OM&A purchased services expenditures for all contractors for the historical period (2016-2024) was \$57.1M in 2016, \$53.2M in 2017, \$57.1M in 2018, \$56.5M in 2019, \$49.9M in 2020, \$64.7M in 2021, \$78.3M in 2022, \$80.2M in 2023, and \$71.4M in 2024. For OM&A purchased services where costs are allocated to both the regulated and non-regulated facilities within Renewable Generation (such as work centers), only the amounts allocated to regulated hydroelectric facilities have been included (details on OPG's cost allocation methodology are described in Ex. F3-1-4 and Ex. F1-2-1). The average annual OM&A purchased services for the regulated hydroelectric facilities for all contractors over the period of 2016-2024 was \$63.1M.

Information on contractor contracts for OM&A purchased services within the regulated hydroelectric business that are equal to or in excess of the \$20M threshold, per supplier, for the years 2016 through to 2024 is presented in Chart 1.

Chart 1 – Purchase of Services – Regulated Hydroelectric OM&A Contracts

Contractor Name	Description/Nature of Activities	Tendering Process		Rationale if Single Source
		Competitive	Single Source	
Andritz Hydro Canada Inc.	Original Equipment Manufacturer and provider of general construction and Engineering-Procurement-Construction (“EPC”) services in 2016-2024, primarily related to design, supply, and construction for unit overhauls.	X	X	1. Contracts were under the \$500k single-source threshold, or 2. Andritz was the owner of the Intellectual Property (OPG was obligated to purchase directly from the contractor).
Barclay Constructors Limited	Provider of shoreline erosion services in 2016-2024.	X	X	Contracts were under the \$500k single-source threshold.
GDB Constructeurs	Provider of general construction and EPC services in 2016-2024, primarily related to concrete repair work at regulated hydroelectric generating stations and dams, and site construction work related to unit overhauls.	X	X	1. Contracts were under the \$500k single-source threshold, or 2. GDB was already on-site performing similar work; the contract was extended to ensure consistency.
Stuart Olsen Industrial Constructors Inc	Provider of general construction and EPC services in 2016-2024, primarily related to site construction work for unit overhauls.	X		No single-source contracts.
M. Sullivan & Son Limited	Provider of general construction and EPC services in 2016-2024, primarily related to concrete repair work at regulated hydroelectric generating stations and dams, safety booms and site construction work related to unit overhauls.	X	X	Contracts were under the \$500k single-source threshold.