COMPARISON OF NUCLEAR FUEL COSTS

1.0 PURPOSE
The purpose of this evidence is to present period-over-period comparisons of nuclear fuel costs.

2.0 OVERVIEW
Exhibit F2-T5-S2 Table 1 sets out the comparison of budget and actual nuclear fuel costs over the calendar years 2005 - 2009. See Ex. F2-T5-S1 for a general discussion of key drivers associated with nuclear fuel costs.

3.0 PERIOD-OVER-PERIOD CHANGES - TEST PERIOD

2009 Plan versus 2008 Plan
The increase in nuclear fuel costs for Darlington is due to higher unit prices for new fuel loaded ($25.1M) partially offset by lower energy production ($5.9M).

The increase in nuclear fuel costs for Pickering A is due to higher unit prices for new fuel loaded ($6.1M) and higher energy production ($0.5M).

The increase in nuclear fuel costs for Pickering B is due to higher unit prices for new fuel loaded ($14.7M) and higher energy production ($0.8M).

Higher unit prices for new fuel loaded are mainly due to the impact of increases in uranium market prices on uranium supply contract prices as explained in Ex. F2-T5-S1.

2008 Plan versus 2007 Actual
The increase in nuclear fuel costs for Darlington is due to higher energy production ($2.8M) and higher unit prices for new fuel loaded ($18.6M).

The increase in nuclear fuel costs for Pickering A is due to higher unit prices for new fuel loaded ($3.7M) and higher energy production ($6.5M).
The increase in nuclear fuel costs for Pickering B is due to higher unit prices for new fuel loaded ($10.3M) and higher energy production ($4.9M).

Higher unit prices for new fuel loaded are mainly due to the impact of increases in uranium market prices on uranium supply contract prices as explained in Ex. F2-T5-S1.

4.0 PERIOD-OVER-PERIOD CHANGES - BRIDGE YEAR

2007 Budget versus 2007 Actual
The increase in nuclear fuel costs for Darlington is due to higher energy production ($0.9M) and higher unit prices for new fuel loaded ($2.5M).

The decrease in nuclear fuel costs for Pickering A is due to lower energy production (-$7.3M).

The decrease in nuclear fuel costs for Pickering B is due to lower energy production (-$4.8M) and higher fuel utilization efficiency (-$1.3M).

2007 Actual versus 2006 Actual
The increase in nuclear fuel costs for Darlington is due to higher unit prices for new fuel loaded ($6.2M), and higher energy production ($0.5M).

The decrease in nuclear fuel costs for Pickering A is due to lower energy production (-$4.8M), partially offset by higher unit prices for new fuel loaded ($0.5M).

The increase in nuclear fuel costs for Pickering B is due to higher unit prices for new fuel loaded ($2.8M), partially offset by lower energy production ($-0.3M), and higher fuel utilization efficiency ($-0.5M).

Higher unit prices for new fuel loaded are mainly due to the impact of increases in uranium market prices on uranium supply contract prices as discussed in Ex. F2-T5-S1.
5.0 PERIOD-OVER-PERIOD CHANGES - HISTORICAL YEARS

2006 Actual versus 2006 Budget
Fuel costs for Darlington were on budget due to lower energy production (-$0.9M) being
offset by higher unit prices for new fuel loaded ($0.8M) and lower fuel utilization efficiency
($0.1M).

The decrease in nuclear fuel costs for Pickering A is due to lower energy production (-$1.0M)
partially offset by lower fuel utilization efficiency ($0.2M).

The decrease in nuclear fuel costs for Pickering B is due to lower energy production (-$2.6M)
and higher fuel utilization efficiency (-$0.2M).

Higher unit prices for new fuel loaded are mainly due to the impact of increases in uranium
market prices on uranium supply contract prices and an increase in fuel bundle
manufacturing contract prices.

2006 Actual versus 2005 Actual
The increase in fuel costs for Darlington is due to higher fuel price ($2.0M) and lower fuel
utilization efficiency ($0.1M) offset by lower energy production (-$1.1M).

The increase in fuel costs for Pickering A is due to higher energy production ($5.4M) and
higher fuel price ($0.2M) partially offset by higher fuel utilization efficiency (-$1.2M).

The decrease in fuel costs for Pickering B is due to lower energy production (-$0.7M) and
higher fuel utilization efficiency (-$0.3M) offset by higher fuel price ($0.5M).

2005 Actual vs. 2005 Budget
Fuel costs for Darlington were $0.2M under budget with lower energy production (-$0.7M)
offset by lower fuel utilization efficiency ($0.5 M).
Fuel costs for Pickering A is $1.9M under budget due to lower energy production (-$2.3M) partially offset by lower fuel utilization efficiency ($0.4M).

Fuel costs for Pickering B were $0.2M over budget with higher energy production ($0.6M) offset by lower unit prices for new fuel loaded (-$0.1M) and higher fuel utilization efficiency (-$0.3M).