

August 3, 2004

Mr. Jake Epp
Chair
Ontario Power Generation
700 University Avenue
Toronto M5G 1X6

Dear Mr. Epp:

Re: Pickering A Unit #1 re-start

On July 7, 2004 at the Queen's Park Media Studio, the Honourable Dwight Duncan said that "Rigorous public scrutiny will ensure that the project [Pickering A Unit #1 re-start] stays on track and on budget."

According to the July 7th speaking notes for Kenneth Roberts of Schiff Hardin:

"Schiff believes Unit 1 is capable of Return to Service by September 2005 at a cost of \$900 million. The harshest critic of OPG should have the necessary tools to determine whether the Unit 1 Project is on budget and on schedule."

On July 7th OPG issued a media backgrounder: *Major Milestones in the Pickering A Unit 1 Return to Service Project*. The backgrounder provides a list of major engineering milestones that are to be met by October 15, 2004; December 1, 2004; January 15, 2005; March 15, 2005; June 1, 2005 and September 1, 2005.

However, the backgrounder does not provide any financial or budget targets for the Pickering re-start.

Could you please provide me with OPG's forecast, as of July 7, 2004, of its cumulative financial expenditures on the Pickering re-start as of each of its major milestones, namely, October 15, 2004; December 1, 2004; January 15, 2005; March 15, 2005; June 1, 2005; and September 1, 2005.

Yours sincerely,

Jack Gibbons
Chair

cc. Dwight Duncan