

## **TC Energy's Response to regulatory amendments to support financing for Ontario Power Generation's major nuclear projects (ERO 025-0501)**

This submission is made by TC Energy, which is a significant investor in the energy sector in Ontario. We are pleased to provide commentary to the Environmental Registry of Ontario regarding the proposed regulatory amendments to support financing for Ontario Power Generation's major nuclear projects.

TC Energy supports the Ministry of Energy and Mines' proposed actions as laid out in this consultation.

- 1) ***Regulatory amendments to establish a Concurrent Cost Recovery mechanism to allow Ontario Power Generation (OPG) to recover debt interest during the construction period of the Darlington New Nuclear Project (DNNP) and Pickering Refurbishment Project.*** TC Energy understands that establishing positive conditions for financing and operating long-life infrastructure is important in achieving financeability at a reasonable cost of capital which is beneficial to ratepayers. In particular, when it comes to long-life infrastructure with long construction times, establishing Concurrent Cost Recovery mechanisms helps achieve these goals, and benefit both ratepayers by lowering long-term costs, and the project by enhancing project financeability during the construction period. We support this proposed action.
- 2) ***Adding a new prescribed generator under O.Reg. 53/05 to enable OPG to enter into commercial partnerships for SMRs that are built as part of DNNP.*** TC Energy has extensive and longstanding experience building and financing long-life energy infrastructure under cost-of-service rate regulation – in particular, building and operating interprovincial natural gas transmission pipelines regulated by the Canadian Energy Regulator. Allowing equity partnerships for DNNP will have multiple benefits – allowing the participation of Indigenous and other investors, and by allowing DNNP to be built under Ontario Energy Board rate regulation. Rate regulation is a strong commercial underpinning for large, long-life energy infrastructure assets which provides both financeability and lower costs of capital benefitting ratepayers and provides accountability and transparency as project cost recovery requires OEB approval and intervenors would be able to participate through a public process.

TC Energy appreciates the opportunity to provide feedback.