

EPCOR SOUTHERN BRUCE GAS INC.

Phase 1

April 27, 2017

South Bruce Expansion Applications

**Applications to serve the Municipality of Arran-Elderslie, the
Municipality of Kincardine and the Township of Huron-Kinloss
with natural gas distribution services**

EB-2016-0137 | EB-2016-0138 | EB-2016-0139

INTRODUCTION

On March 3, 2017 the Ontario Energy Board (the “OEB” or the “Board”) issued Procedural Order No. 2 for proceedings EB-2016-0137, EB-2016-0138 and EB-2016-0139 relating to the submission of gas franchise agreements for the Municipality of Arran-Elderslie, the Municipality of Kincardine and the Township of Huron-Kinloss (collectively, the “Southern Bruce Communities”) by EPCOR Southern Bruce Gas Inc. (“EPCOR”).

The purpose of this submission is to present to the OEB the positions of EPCOR on the preliminary issues list attached as Schedule “B” to the procedural order and the draft filing requirements attached as Schedule “C” to the procedural order. EPCOR has structured its submission to respond to each of the issues.

THRESHOLD ISSUES

Issue #1: Keeping in mind the principles set out in the Decision with Reasons for the generic community expansion proceeding (EB-2016-0004), what should the process for selecting a proponent look like when there are competing proposals for serving a community?

Any Board process for selecting a proponent to provide new gas services to a community must respect the authority granted to both municipalities and the OEB in the governing statute (i.e., the *Municipal Franchises Act*¹ (“MFA”).

The relevant statutory provisions in the case of an initial franchise arrangement (i.e., in an unserved municipality) are sections 3 and 9 of the MFA. Section 3 of the MFA prohibits a municipality from granting rights to construct or operate any part of a natural gas works in the municipality unless there is a municipal by-law assented to by municipal electors. However, by virtue of section 9 of the MFA, no by-law granting such rights can be submitted to the municipal electors for their assent unless the terms, conditions and time period associated with such grant have been approved by the OEB after a public hearing.

Granting an initial franchise arrangement is a three-step process. The first step involves a municipality and gas distributor coming to an arrangement as to the terms, conditions and time period associated with providing gas service in the municipality. The second step involves the gas distributor seeking, and the OEB approving (or not), the proposed franchise agreement. If OEB approval is given, the third step is for the municipal council to then pass the enabling by-law and execute the franchise agreement.

The process begins with a municipality proposing a franchise agreement, and ends with the municipality having to pass a by-law and sign a franchise agreement that the OEB has approved. If the municipality does not bring forward a franchise agreement, there is no role for the OEB. If the municipality decides to not pass a by-law or sign the OEB-approved franchise agreement, there is no valid gas franchise in that municipality. The OEB’s role in the process is limited to the second step in the process. The MFA is clear that the OEB’s authority with an initial franchise agreement is limited to the approval or non-approval of the franchise agreement submitted to it – the OEB does not have the authority to choose the initial gas franchisee for the municipality, nor does it have authority to impose an initial franchise agreement on a municipality.

¹ *Municipal Franchises Act*, R.S.O. 1990, c. M.55 (“MFA”).

The respective jurisdiction of the OEB and the municipality in granting an initial franchise agreement is to be contrasted with other sections in the MFA – specifically, the renewal of franchise agreements (section 10) and the granting of a Certificate of Public Convenience and Necessity (“CPCN”)(section 8) – where the jurisdiction of the OEB is exclusive (i.e., there is no role for the municipality). This distinction between initial franchise agreements (section 9, MFA) and franchise renewals (section 10, MFA) was recognized by the OEB in its 1986 generic review of franchise arrangements (*EBO 125*)², at paras. 2.12 and 2.13:

2.12 Under section 9 of the Municipal Franchise Act the Board is required to either approve or not approve the agreement. The terms of the Act do not expressly give the Board the power to impose an agreement on the parties.

2.13 In the case of a renewal of a franchise agreement, if the utility and municipality cannot agree on renewal terms, the Board has jurisdiction under section 10 of the Act to order that the agreement be extended on such terms and conditions as the Board deems to be in the public interest.

The distinction is further supported by the legislative history of section 10, which was added to the MFA in 1969. Prior to that time a municipality had a common law right to terminate a franchise upon the expiry of a franchise agreement. The Minister of Municipal Affairs at the time stated that section 10 of the MFA was specifically intended to allow the OEB to implement a renewal of a franchise where there was no agreement between the municipality and the utility, and to give the OEB authority over the terms of any franchise renewal (Hansard, November 26, 1969 at p. 8936). Thus, the purposes of section 10 of the MFA are to: (a) provide a mechanism for the resolution of a franchise dispute when the municipality and the gas distributor cannot agree on a franchise renewal; (b) ensure that the municipality’s wishes are not paramount or determinative in the context of a franchise renewal; and (c) ensure that franchise renewal determinations are made in the broad public interest. These purposes have been acknowledged and accepted by the OEB and Ontario courts in franchise renewal matters (*Kingston/Pittsburgh*, *EBA 825* (2000) paras. 4.0.2 to 4.0.5; *Union Gas v. Township of Dawn* (1977) 76 D.L.R. 613 at 621-22). Thus, the addition of section 10 meant that a utility that had come into a municipality and expended time and capital to build a system in the initial franchise term, could not (at franchise renewal time) be subject to bad faith demands of a municipality (on the recognition that the utility could hardly move its assets at that point in time), or the status of the municipal-gas utility relationship at any given point in time. There are other cases that reinforce this point (see *Re City of Peterborough and Consumers Gas* (1980), 111 D.L.R. (3d) 234; and *Centra Gas*, *EBA 767/ 768/769/783* at pp. 15-16).

Section 9 of the MFA does not exclude municipal jurisdiction in the same way that section 10 does. Consequently, any Board process devised for this proceeding must respect the statutory jurisdiction of the municipality with respect to initial franchise agreements set out in the MFA. The wording of Procedural Order No. 2, and particularly draft issue number 4, is worrisome in this regard, because it appears to contemplate an initial competition among gas utilities for a CPCN (i.e., section 8 MFA – a provision where the OEB has exclusive jurisdiction), followed by an award of an initial franchise agreement (i.e., section 9 MFA – a provision where the municipality and OEB both have jurisdiction) to the utility awarded that CPCN. By setting up the process in this way, the OEB will do indirectly what it cannot do directly; namely, nullify the statutory jurisdiction of the

² Report of the Board on the Review of Franchise Agreements, E.B.O. 125, May 21, 1986.

municipality to select a preferred gas utility. It will have (in reference to the three step process provided by section 9 of the MFA) eliminated the municipality's jurisdiction in step 1.

Should the OEB conduct a competitive process to award a CPCN against the wishes of a municipality when the municipality has already conducted a competitive process and selected a gas franchisee, the OEB, by awarding the franchise to a proponent other than the one chosen by the municipality, oversteps its statutory authority contained in section 9 of the MFA. In such circumstances, as the OEB is no longer giving or refusing its approval but essentially imposing the gas franchisee, the municipality is stripped of its right to choose its own franchisee and is forced to accept the franchisee selected by the OEB or forgo gas expansion to its community.

In this proceeding, the Southern Bruce Communities have already exercised their initial jurisdiction to select a franchisee (step 1 in the section 9 process) and have brought forward a franchise application (step 2 in the section 9 process). The Board cannot now, in exercising its power under section 9, nullify the municipalities' initial jurisdiction – by either deferring the section 9 application while it exercises its section 8 MFA authority, or ignoring the municipalities jurisdiction under section 9 (i.e., the preference of the municipalities, and the extensive work already undertaken, in selecting EPCOR as the franchisee). Any Board process in this proceeding, therefore, must incorporate the work of the Southern Bruce Communities to date.

Ultimately, the municipalities seeking gas expansion are in the best position to determine their communities' particular needs and circumstances. Should a municipality wish to conduct its own competitive selection process for its gas franchise, it is outside the OEB's statutory jurisdiction and duplicative for the OEB to subsequently hold a second competitive process which will allow unsuccessful bidders to re-open the competition and receive a second chance. Additionally, the communities seeking to realize the economic benefits of natural gas are prejudiced through the undue delay and additional costs.

There may very well be instances where municipalities are seeking proponents to expand service into their area and choose not to be responsible for holding a competition. In those instances, with the consent of the municipality the OEB can initiate a selection process with the municipality's participation focused on delineating the particular needs of the area, as would be reflected in the Reference Plan discussed in draft issue #4.

EPCOR believes that the competitive process conducted by the Southern Bruce Communities is an appropriate framework from which the OEB can draw in finalizing a competitive process for future expansion opportunities. EPCOR believes that this process incorporated many of the characteristics as recommended by the OEB Staff in its submission in this proceeding of March 24, 2017. The process should include strict deadlines, decision criteria, common filing requirements, written process, common interrogatories and a presentation to community representatives. For further detail, please see EPCOR's additions to the draft filing requirements attached as Appendix A to this submission.

While EPCOR supports the OEB's desire to implement a competitive process for new expansion opportunities, EPCOR respectfully submits that the gas franchises for the Southern Bruce Communities should not be subject to a second competitive process as a legitimate competitive process has already been conducted. A second process is not consistent with the wishes of, or statutory jurisdiction granted to, the Southern Bruce Communities. Given the jurisdictional constraints as detailed above, the extensive period of time that has passed since the conclusion of the Southern Bruce Communities request for information, the considerable cost that both EPCOR

and the Southern Bruce Communities have incurred to date to further the project and the prejudice to EPCOR resulting from the announcement of certain details of its winning proposal, the OEB should view the gas franchise for the Southern Bruce Communities as a transitional case that should not be subject to a newly created competitive process.

Issue #2: Should the funding of this process be treated as a business development cost or a regulatory expense, recoverable from future ratepayers? What other approaches should the OEB consider?

EPCOR believes that expenses incurred by proponents competing to expand service into a new area should be treated similar to those incurred while competing in a Canadian Public-Private-Partnerships (“P3”) procurement process. In those projects, bidding costs have traditionally been treated as a business development expense, with no recourse to the project.

That having been said, the Board may want to take into account the number and level of binding commitments from proponents that the Board may require when adjudicating future competitive processes and whether the Board develops a Reference Plan. If the Board requires that the winning proponent make a number of binding commitments such as: long term rate stability period; definitive construction schedule; minimum system routing; and customers connected, without a mechanism to update certain costs as would be enabled through the use of a Reference Plan, then the competing proponents will expend significant effort in developing their bids to mitigate the risk associated with making the commitments. This level of commitment is typical in a P3 and experience has demonstrated that in order to attract serious competitors, the vendor will offer an honorarium to partially offset development costs. Otherwise, the cost of competing will act as a disincentive to competition. If the Board required a lesser level of commitment from the winning bidder, or implemented a Reference Plan update mechanism similar to that recommended by EPCOR below, then the entirety of the bid development costs should be treated as a business development expense.

Issue #3(a): In its Decision with Reasons for the generic community expansion proceeding (EB-2016-0004), the OEB introduced the idea of a rate stability feature for its framework for natural gas expansion:

A minimum rate stability period of 10 years (for example) would ensure that rates applied for are representative of the actual underpinning long-term costs. The utility would bear the risk for that 10-year period if the customers they forecast did not attach to the system.

How should a rate stability period be implemented for the South Bruce areas?

EPCOR agrees with the OEB Staff that a minimum rate stability period should be implemented for the Southern Bruce Communities. However, EPCOR believes the rate stability period should be for longer than the five year period associated with an Incentive Regulation Mechanism term. A minimum ten year period would allow the municipalities to enjoy the benefits of competition while not being overly onerous for the successful utility.

Issue #3(b): Is a 10-year rate stability period too long or too short?

A minimum ten year rate stability period is appropriate. EPCOR notes that in Canadian P3's, which have demonstrated a history of reducing infrastructure costs to municipalities, it is not unusual for a rate stability period to be materially longer than ten years.

Issue #3(c): Should proponents have the opportunity to update costs during the rate stability period? If so, what types of costs?

Applicants should have the opportunity to update costs which have been identified as beyond the applicant's control. These include costs relating to changes in law, inflation (measured against a pre-approved index), certain extreme weather related incidents, and commodity supplier's reinforcement costs. If applicants are not permitted to update these costs, the ultimate impact on the rate payer would be higher because applicants will have to include a material risk premium to account for the unpredictability of these costs in their bids. An update mechanism means that only actual costs, absent any risk premium, will be included in rates. With respect to a commodity supplier's reinforcement costs, the OEB should review the reasonableness of proposed reinforcement costs so that ratepayers are not harmed by excessive costs. If a supplier is a competitor, care should be taken to ensure that there is clear separation between individuals providing reinforcement costs for internal use versus responding to external requests. There should also be the same level of urgency in providing information for internal and external requests.

As discussed in draft issue #4(c) below, a second category of costs that could be updated includes those associated with certain commitments that are measured against the Reference Plan.

Issue #4(a): In expanding natural gas service to new areas, the OEB expects to approve franchise agreements following the results of a certificate competition. The selection process is primarily about finding the best value for consumers over the long term, after analyzing the supply plans and associated costs.

Is there a need for a common format for applications to be able to appropriately assess and compare the value propositions of different proponents – for example through establishing filing requirements?

Please see EPCOR's comments in draft issue #1 above regarding the OEB approving franchise agreements subsequent to completion of a certificate competition in the case of Southern Bruce Expansion. With respect to future competitions, EPCOR agrees with the OEB Staff that there is a need for a common format for applications. Lack of a common format will make it very difficult to transparently rank competing applications and ensure that the optimal application is selected. However, the format should provide flexibility to allow proponents to address unique requirements of the respective municipalities propose creative and innovative options for the project.

Issue #4(b): If so, please provide comments on the draft filing requirements attached at Schedule C.

EPCOR supports the draft filing requirements in Schedule C of Procedural Order No. 2 and is generally in agreement with the additions as suggested by the OEB Staff. A mark-up of the draft filing requirements with the additions of EPCOR and the additions suggested by OEB Staff supported by EPCOR, is attached as Appendix A to this submission.

Issue #4(c): Should the OEB use a Reference Plan based on a set of working assumptions such as long term system demand? What other parameters should be set in a Reference Plan?

EPCOR believes that the use of a Reference Plan is a critical component of a competitive process. Without such a Plan it is not clear how competing proposals could be ranked in a transparent manner and, as discussed below, the Plan would establish metrics for which the winning proponent would be held responsible.

The Reference Plan should be completed in consultation and coordination with the impacted municipalities and include a standard suite of parameters. The standard suite of parameters would include: the minimum routing of system expansion (allowing identified customer groups, and minimum number of customers, to access the system); a schedule detailing a “long date” for completion of specified segments of the system; and a guarantee that the system will have the capacity to service any customers requesting service along the minimum route (the utility will be subject to financial penalties if it does not provide service to a specified customer base). The specifics of each parameter would then be finalized after consultation with the affected municipalities. EPCOR believes that the inclusion of a minimum route is particularly important as it directly impacts the cost metrics of any expansion (i.e. total cost, cost per customer, and cost per km) and enables the municipality to ensure the economic benefits of natural gas are realized by a combination of potential users that may be unique to that area.

The Reference Plan should also include a “long date” for submission of a complete leave to construct application and a target date for an OEB decision on that application. Having met the date for submission, a delay of the targeted decision date should then be reflected in the in-service date included in the Reference Plan. The inclusion of a target date for an OEB decision will mitigate the risk associated with a major scheduling milestone which is impacted by factors not in control of the proponent.

EPCOR believes that inclusion of the above parameters in a Reference Plan will address the issue as to whether a complete leave to construct application need be developed by each proponent to mitigate the risk of making binding commitments. Under the scenario in which a Reference Plan is a component of the competitive process, proponents will be able to update the cost implications of material differences between the values of the mandated parameters and values identified in a leave to construct application filed by the winning proponent. It is important, however, that differences in costs which may be updated should be the result of factors not in control of the proponent. Also, the magnitude of any cost updates must flow from the proponent’s bid. As an example, the bid would include the cost per kilometre of construction used to develop the bid. If the minimum route is subsequently modified due to specified circumstances (i.e. results of the Environmental Report, or the Indigenous Consultation Report) the winning proponent will then use that cost per kilometre in calculating the costs of any modification. Those costs could then be included in rate base. However, if the cost to construct the system changed because the bidder did not accurately forecast the cost of pipe or cost of trenching, as an example, the winning bidder would not be able to include any of that increase in rate base as they are responsible for the accuracy of the bid.

A Reference Plan as described above should be prescriptive enough to allow the OEB to make a comparison between proposals but not be so prescriptive as to discourage innovation and creativity. Such a Reference Plan could also be developed within a short timeframe and at a reasonable cost. Given their binding nature, many of the commitments made by the successful

proponent, as detailed in the Reference Plan, could be stated in the Franchise Agreement. This would include parameters such as date for submission of a leave to construct or an in service date.

Issue #4(d): Should applicants have the opportunity to create their own proposals by applying their own demand forecasts, construction phasing, etc. as opposed to a Reference Plan?

Applicants should understand that achieving the parameters included in the Reference Plan would be necessary for any bid to be compliant. Non-compliant bids should not be considered in a competitive process. An applicant will then be free, as an example, to provide service to a geographical area that is expanded from that included in the minimum route or provide service in a timeframe that is shorter than the long date included in the Reference Plan. The OEB should consider areas where a proposal exceeded specified minimum requirements as a positive and increase the points awarded to that applicant appropriately.

Issue #5: How should the costs of proposals be compared? (e.g. \$/month, \$/system capacity, use of demand day, delivery capacity of the system for comparison)

If the Board adopts the use of a Reference Plan that includes minimum system coverage, capacity to service customers along the minimum route, and minimum schedule for completion of segments of the project, then EPCOR agrees that standardized costing metrics can be used as one criteria used to compare competing proposals. The comparators as recommended by the OEB Staff such as cost per kilometer of line constructed, OM&A per customer and cost per unit of throughput will be useful. However, absent the framework provided by a Reference Plan, it is not clear how the use of standardized costing metrics will result in a useful ranking of competing plans. If an applicant chose not to meet certain service area, scheduling and capacity parameters then it could propose a system expansion that would minimize costing criteria but not achieve the objectives of the municipality of maximizing the economic benefits of the system expansion. As an example, costing criteria could be minimized by only servicing more densely populated areas, or customers closest to an existing system, or customers with steady demand versus a more seasonal demand such as grain dryers. Relying on costing criteria in this scenario could led the OEB to select a sub-optimal solution from the perspective of the municipality.

In addition to the use of costing metrics, when ranking competing proposals it is important that the Board also compare the level of risk that individual utilities are willing to take and other factors that a proponent is willing to include that will benefit the municipality. This will ensure that stakeholders fully capture the benefits of competition.

EPCOR is supportive of the OEB Staff recommendation that the costs of making any commitments (in addition to participating in the competitive process) should not borne by existing rate payers, and should be demonstrated in the competing utility's next cost-based rate application.

Issue #6: Should measures be put in place to ensure completion of the proposed projects, and if so, what should these measures be?

EPCOR agrees with the OEB Staff that measures should be put in place to ensure completion of the project and implementation of any commitments made by the winning proponent. While EPCOR supports the measure proposed by the OEB Staff of rescinding approval if construction has not been initiated within a certain time period, EPCOR believes there should be interim

measures prior to rescinding approval, as this is a dramatic step and the OEB may be reluctant to take this step except in the most extreme cases. These interim steps should include financial penalties which can be escalated if a proponent continues to miss project deliverables as detailed in the Reference Plan and its winning bid. Any such penalty would not be recoverable by the utility. This is similar to practices on Canadian P3 projects, and generally ensures that the interests of the municipality are met.

All of which is respectfully submitted.

Appendix A

EPCOR Southern Bruce Gas Inc. Submission

**EB-2016-0137
EB-2016-0138
EB-2016-0139**

April 27, 2017

DRAFT FILING REQUIREMENTS
FOR
COMPETITIVE FRANCHISE/CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY APPLICATIONS

When there are multiple parties' interested in being granted the same franchise agreement and Certificate of Public Convenience and Necessity to serve an area, the OEB will apply the following decision criteria:

- Organization
- Technical capability
- Financial capacity
- Proposed community supply
- Schedule
- Costs –~~construction and administration~~/support costs
- Other factors

The OEB will require the following information to be filed as part of an applicant's filing. The requirements are separated into three main sections:

- (A) The capability of the applicant to serve the area;
- (B) The applicant's Plan for serving the area; and
- (C) Other factors to support the expansion.

(A) CAPABILITY OF THE APPLICANT

1. Background Information

The applicant must provide the following information:

- 1.1** Contact information for each of the following persons:
- a) the applicant;
 - b) primary representative for the applicant;
 - c) any legal representative;
 - d) any affiliates of the applicant.

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the persons listed above.

- 1.2** Confirmation that the applicant has not previously had a licence or permit revoked and is not currently under investigation by any regulatory body

2. Organization

- 2.1 An overview of the applicant's relevant utility experience - construction and operations
- 2.2 A description of the applicant's organizational structure and ownership, and a chart to illustrate the structure
- 2.3 Identification and description of the role of any third parties to be used in the applicant's ongoing operations
- 2.4 Evidence that the applicant's business practices are consistent with good utility practices and that it possesses or can obtain all the required licenses and permits to function as a gas distribution utility

3. Technical Capability

- 3.1 A description of previous projects of equivalent nature, magnitude and complexity undertaken by the applicant, to demonstrate that it has the technical capability to engineer, plan, construct, operate and maintain the gas distribution system and obtain all necessary environmental and other approvals
- 3.2 A landowner, municipal and community consultation plan, to demonstrate the applicant's ability to conduct successful consultations with landowners, municipalities and local communities. If community consultation has already begun, a description of consultations conducted to date should be filed
- 3.3 An Indigenous consultation plan, to demonstrate the applicant's ability to conduct successful consultations with affected Indigenous communities, as may be delegated by the Crown. The applicant should have already contacted the Ministry of Energy to inquire as to whether the proposed project triggers a duty to consult with Indigenous communities. If no Indigenous communities have been identified, an Indigenous consultation plan need not be filed. If consultation has already begun, a description of consultations conducted to date should be filed
- 3.4 Evidence that the applicant's business practices are consistent with good utility practices and that it possesses or can obtain all the required licenses and permits to function as a gas distribution utility

4. Financial Capacity

The applicant must demonstrate that it has the financial capability necessary to develop, construct, operate and maintain safe and reliable service to customers in the proposed area. To that end, the applicant shall provide the following:

- 4.1 Evidence that it has capital resources that are sufficient to develop, finance, construct, operate and maintain safe and reliable service to the proposed area
- 4.2 Evidence of the current credit rating of the applicant, its parent or associated companies
- 4.3 Evidence that the financing, construction, operation, and maintenance of safe and reliable service to the proposed area will not have a significant adverse effect on the applicant's creditworthiness or financial condition
- 4.4 Evidence adhering to the proposed tariffs and proposed rate structure, including the rate stability period proposed, will not have a significant adverse effect on the applicant's creditworthiness or financial condition

(B) PLAN FOR SERVING THE AREA

5. Proposed Community Supply

The applicant must provide an overview of its proposed supply to the area, including:

- 5.1 A description of the specific areas to be served
- 5.2 A description of assumptions regarding preliminary load forecasts, including penetration rates
- 5.3 A description of customer counts and the categories of customers to be served
- 5.4 A description of other value adds to the community (i.e. future direct benefit, proposed future synergies)
- 5.5 A description of the infrastructure that will be required to serve the area, including the interconnection of any new infrastructure with the existing gas distribution system
- 5.6 A statement as to whether a leave to construct application will be triggered by the proposed infrastructure, and if yes, when that application is expected to be filed
- 5.7 A description of the lands that will be impacted by infrastructure and plans to obtain control of this land through an easement, lease, planned purchase, or other agreement
- 5.8 A description of any significant issues anticipated in land acquisition or

permitting and a plan to mitigate them

- 5.9 A description of all permits and approvals required, including Environmental Assessments, any Duty to Consult, and regulatory approvals
- 5.10 A map illustrating the planned infrastructure and areas to be served
- 5.11 Identification of municipal and/or community support, if any, and provision of any resolutions passed by the relevant municipality
- 5.12 Proposed Terms and Conditions of Service

6. Costs of Supply and Customer Rates

- 6.1 Evidence of the underlying ~~long term cost structure~~ revenue requirement expected for serving the area during the rate stability period, including details separating out costs (OM&A per customer and cost per unit of throughput over the same time period must be included)
- 6.2 A description of costs that the applicant is willing to commit to
- 6.3 A description of any major assumptions underlying the expected ~~cost structure requirement~~ over the rate stability period
- 6.4 A description of the tariffs and proposed rate structure and rates including the rate stability period and conditions under which the rates may change during the rate stability period
- 6.5 A description and costing of any upstream reinforcements that will be triggered by the proposed infrastructure
- 6.6 Budget for developing and constructing the line, with transmission and distributions aspects of the expansion costed separately. Cost per kilometer of line constructed must be included

7. Schedule

- 7.1 The applicant must file a schedule that describes milestones and estimated dates, including a description of milestones that the applicant has committed to, such as penalties and proposed termination dates
- 7.2 Proposed reporting requirements, including milestones, construction costs, cost commitments and timing

(C) OTHER FACTORS

The applicant should provide any other information that it considers relevant to its application to serve the area.