

**Renewed Regulatory Framework for Electricity  
Distribution Network Investment Planning (EB-2010-0377)  
Staff Information Session, December 8 & 9, 2011,  
Questions of the Electrical Contractors Association of Ontario**

**Project costs**

1. In the enhanced regulatory framework for distributor network investment plans, what information will be required in respect of the project costs for a network investment proposal in order to ensure that the proposal is “demonstrably economically efficient and cost-effective”?
2. Specifically, how will project costs, and the procurement of services in connection therewith, be assessed for economic efficiency?
3. In order to ensure that project costs are economically efficient:
  - (a) Will there be rules put in place to ensure competitive procurement of services?
  - (b) Will contracting out and/or public tendering be mandated?
  - (c) What protections will be put in place to ensure that there are no work guarantees or other arrangements (i.e. agreements between distributors and labour unions) which require project work to be done “in-house” and/or allow for cross-subsidization between a distributor and its affiliate at the expense of economic efficiency?
4. What consideration has been given to the manner in which other jurisdictions regulate procurement and assess project cost in order to ensure that network investment proposals are economically efficient?

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