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E-mail: yury.tsimberg@kinectrics.com

March 24, 2017

Re: Thunder Bay Hydro Electricity Distribution Inc. 2017 Rate Application (EB-20160105)

 My name is Yury Tsimberg and I am Director of Asset Management at Kinectrics Inc. (Kinectrics) which is one of the largest engineering consulting firms with the Head Office and most of the facilities located at 800 Kipling Ave, Unit 2, in Toronto, Canada. The link below provides a brief description of Kinectrics business areas and expertise.

http://www.youtube.com/watch?NR=1&feature=endscreen&v=8MUf z0FK00

- 2. I was hired by Thunder Bay Hydro Electricity Distribution Inc. (TBH) to provide evidence in relation to the TBH's 2017 Rate Application to the Ontario Energy Board (EB-2016-0105). In 2016 Kinectrics Inc. was hired by TBH in 2016 to perform Asset Condition Assessment (ACA) study involving the LDC's major distribution assets and as Kinectrics project leader on this project I am well familiar with methodology, assumptions and data used in the study. Furthermore, I am a recognize industry leader in this business area with my brief CV attached in the Appendix 1 with considerable expertise not only in conducting ACA studies but also in advising utilities on preparing their Distribution System Plans (DSPs) in accordance with the OEB's Filing Requirements for Electricity Transmission and Distribution Applications Chapter 5 "Consolidated Distribution System Plan Filing Requirements" and reviewed several of the DSPs prepared by some of the Ontario's LDC on OEB's behalf as Kinectrics is OEB's Vendor of Record for such reviews. I have over 30 years of utility and consulting experience in electrical industry, both as an engineer and company executive. I hold B.A.Sc. and M. Eng. Degrees in Electrical Engineer from the University of Toronto and am a Registered Professional Engineer in the Province of Ontario, Canada.
- I was instructed by TBH to provide expert testimony at their OEB hearing particularly as it relates to reasonableness of the capital investment levels requested under System Renewal category based on the findings of the Kinectrics 2016 ACA study.
- 4. My expert evidence will be based on intimate knowledge of the Kinectrics methodology that went into performing TBH's ACA and producing the report in support of the TBH's DSP, review of the TBH's DSP, experience gained from performing similar work for numerous LDCs and utilities in North America outside of Ontario, and firsthand knowledge of the developments in the Asset Management Area as a result of being Canadian representative and Asset Management Group Convener at CIGRE Standing Committee SC1.
- I acknowledge that my testimony at the OEB hearing will be in accordance with the OEB's section 13 of the Rules of Practice and Procedure and Form A confirming that and signed by me is included in Appendix 2
- Following the review of TBH's DSP, I am of the opinion that the DSP is aligned well with the Chapter 5 document and provides all the required information in the

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prescribed format and with appropriate level of detail, particularly regarding the following aspects:

- Using Asset Management Process in developing Capital and OM&A longterm plans
- Explicitly incorporating recommendations and findings from Kinectrics ACA study regarding System Renewal investment requirements.
- Pacing of the investments over the planning period to strike a balance between asset needs and impact on the rate payers.
- Incorporating to the extent possible input from the consultations with the customers in determining investment requirements.
- Participating in coordinated planning with appropriate third parties.
- Addressing system needs for integrating Renewable Energy Generation (REG).
- Establishing performance measures to facilitate continuous improvement process.
- 7. TBH has put in place a prioritization process for ranking projects within individual Investment Categories based on their impact on criteria driven by Corporate Business Values. This being a good start, it is recommended that the prioritization process be refined in the future to reduce to the extent possible the level of subjectivity and to allow prioritization across different Investment Categories.

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## **FORM A**

Proceeding: Thunder Bay Hydro Electricity Distribution Qu. 2017 Rate application (EB-2016-0105)
ACKNOWLEDGMENT OF EXPERT'S DUTY

- 1. My name is YUFY TSImberg (name). I live at Thornhill (city), in the ... Ontario (province/state) of Canada
- 3. I acknowledge that it is my duty to provide evidence in relation to this proceeding as follows:
  - (a) to provide opinion evidence that is fair, objective and non-partisan;
  - (b) to provide opinion evidence that is related only to matters that are within my area of expertise; and
  - (c) to provide such additional assistance as the Board may reasonably require, to determine a matter in issue.
- I acknowledge that the duty referred to above prevails over any obligation which I
  may owe to any party by whom or on whose behalf I am engaged.

Date

march 10,2017

Signature

## Yury Tsimberg, P. Eng., M. Eng.

**Yury Tsimberg** is a Director of Asset Management with Kinectrics Inc. where for the last several years he has been leading consulting services in Asset Management area. In this capacity he successfully completed a number of Asset Management projects across North America, taught Asset Management courses all over the world, and was a presenter at many industry conferences and forums.

Prior to joining Kinectrics, Yury spent 30 years with Ontario Hydro and Hydro One in various areas of the electrical utility transmission and distribution business, including Asset Management, system planning, operations, M&A, Regulatory, transmission lines maintenance and customer service. In his last position with Hydro One, Yury was a Manager of the Asset Strategies and Standards Department, where his accountabilities included development of asset specific strategies, standards and policies for transmission and distribution assets, and creating new customized applications and tools for enabling utilization of "state-of-the-art" Asset Management techniques and methodologies.

Yury Tsimberg was Canadian member of the international panel revising PAS 55 specification, the only Canadian member on NERC Committees developing North American transmission planning standards and is currently Canadian representative and management team member as the Asset Management Convener for CIGRE Study Committee SC1 "System Development and Economics".

Yury holds Bachelor of Applied Science and Master of Engineering Degrees in Electrical Engineering from the University of Toronto and is a Registered Professional Engineer in the Province of Ontario, Canada.