

Question #8

Reference: Exhibit 4/Tab 3/Schedule 2, page 5 and page 12

- a) Regarding the additional engineering technician hired, please elaborate with respect to “the increased regulatory requirements and additional requirements for internal engineering support” that this position addresses.
- b) Please explain which regulatory requirements have increased such that regulatory officer hired in 2006 cannot handle them without the help of the engineering technician.

OPDC RESPONSE:

Response to (a):

The primary factor influencing the increase in regulatory costs is the need to add a staff member in the engineering department in order to adequately address the increased regulatory requirements and regulatory reporting to agencies such as the ESA and the OPA.

In particular, the newly hired engineering technician will be focused on ensuring compliance with Regulation 22/04. This regulation has resulted in substantial time demands on engineering staff to perform inspections, project reviews and documentation. In addition, Government initiatives such as the FIT and microFIT are placing an increased demand on engineering resources.

Response to (b):

The engineering technician and the regulatory officer, although both involved in regulatory tasks, have distinctly different functions within the organization and both require the dedication of a full-time resource. The engineering technician duties, detailed above, are focused on satisfying regulatory requirements in the engineering department and specifically the requirements of Regulation 22/04 from the ESA.

The regulatory officer, hired in 2006, is focused on satisfying regulatory issues related to the OEB. This includes, but is not limited to; numerous regulatory filings and reporting, monitoring information sources to identify regulatory issues that may impact OPDC, providing support to all departments on regulatory issues and directly responding to customer inquiries on regulatory matters.