

VECC-1

Exhibit 1 Appendix I P1

Appendix I states a project duration of 2 years.

- a) Please provide the start date and forecast completion date of the project.
- b) Please provide a breakdown of costs in each year.
- c) Please provide and explain any variances in scope, schedule and cost for the project.
- d) Please provide the contingency amount for the project in \$ and %.
- e) Please explain any contingency amounts used.

Response:

- a) Please refer to response to SEC-4b).
- b) Please refer to response to SEC-4c).
- c) Please refer to response to SEC-4a).
- d) The contingency amount for the project is \$140,387 or 7% of the total project cost.
- e) Contingency provisions are standard project practice for budgeting purposes.

VECC-2

Exhibit 1 Appendix J P1

Appendix J states a project duration of 1 year.

- a) Please provide the start date and forecast completion date of the project.
- b) Please provide the contingency amount for the project in \$ and %.

Response:

- a) Please refer to the response to SEC-5b).
- b) There is no contingency amount for the project as it is a fixed price.

VECC-3

Exhibit 1 P48-51

Please identify any capital programs/projects in 2020 that Burlington Hydro considers to be discretionary and explain why.

Response:

- a) Burlington Hydro provides a revised capital forecast in its response to interrogatory Staff-14b). A summary of the changes compared to the capital expenditures filed on October 10, 2019 in EB-2019-0023 is provided in Table 1 below.

Table 1 – 2019/2020 Updated Capital Expenditures

Category	2019/2020 Forecast as Filed on 10/10/19	2019/2020 Forecast as per Staff-14	Increase/ (Decrease) vs. Budget
System Access	\$11,817,500	\$14,348,953	\$2,531,453
System Renewal	\$2,735,000	\$2,067,486	-\$667,514
System Service	\$2,702,287	\$1,570,966	-\$1,131,321
General Plant	\$5,251,500	\$5,887,426	\$635,926
Total	\$22,506,287	\$23,874,831	-\$1,162,909

Burlington Hydro experienced an increase in non-discretionary system access projects (primarily new connections) of \$2.5M as compared to the forecast filed on October 10, 2019 in EB-2019-0023. Approximately 50% of this was mitigated by cancelling or deferring 2020 discretionary projects as follows:

- System Renewal: deferred renewals at municipal substations including the replacement of a station transformer
- System Service: deferred automated switch replacement program and slowed the pace of projects that were addressing growth in North East Burlington
- General Plant: deferred vehicle replacement and cancelled 2nd floor upgrades at Burlington Hydro's head office; more than offset by the increase due to CIS/GIS projects as identified in Staff 14-b)

As a result, Burlington Hydro does not consider any capital programs/projects to be discretionary in 2020. The 2020 forecast includes non-discretionary system access projects, system renewal projects required to operate the business safely and reliability, system service projects to meet growth and general plant projects to keep the business running. Any discretionary projects originally included in the 2020 forecast were either cancelled, deferred or are underway and cannot be cancelled or deferred.