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February 26, 2021

Delivered by Email & RESS

Ms. Christine Long
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON
M4P 1E4

Dear Ms. Long:

**Re: EB-2020-0249/EB-2018-0219 – PUC Distribution Inc.
SSG ICM Application
Undertaking Responses**

In accordance with Decision on Confidentiality and Procedural Order No. 7 dated February 3, 2021, please enclosed undertaking responses from PUC Distribution Inc. in the technical conference held on February 17, 2021 in the above noted proceeding.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

A handwritten signature in black ink, appearing to read 'Flora Ho', is written over a horizontal line.

Flora Ho

/Encl.

cc: Intervenor of record in EB-2020-0249/2018-0219

EB-2020-0249/EB-2018-0219

2022 Incremental Capital Module (ICM) Application

Sault Smart Grid (SSG)

PUC Distribution Inc.

Response to Technical Conference Undertakings

Filed: February 26, 2021

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UNDERTAKING JTC1.1

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – Attachment 5 – Summary of Survey Results

Undertaking:

To provide a copy of the background blurb that accompanied the survey.

Response:

PUC Distribution Inc. (“PUC Distribution”) has provided a copy of Smart Grid Survey introduction with questions attached as Appendix JTC 1-1 – Smart Grid Survey with Intro.

UNDERTAKING JTC1.2

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – Staff 42 - Attachment 8 – Draft Accounting Order

Undertaking:

To provide a corrected version of the accounting order.

Response:

PUC Distribution has provided an updated draft accounting order attached in Appendix JTC 1-2 Sault Smart Grid 2022 ICM Draft Accounting Order.

UNDERTAKING JTC1.3

Reference:

None.

Undertaking:

To provide the parent company's shareholder agreement.

Response:

PUC Distribution has provided a copy of PUC Inc.'s shareholder agreement with The City of Sault Ste. Marie and two amending agreements provided as appendices:

- Appendix JTC 1-3-1– PUCIncShareholderAgreement25July2000
- Appendix - JTC 1-3-2 – PUC Inc Shareholder Agreement Amendment 20April2009
- Appendix - JTC 1-3-3– PUC Inc Shareholder Amending Agreement 21March2013

UNDERTAKING JTC1.4

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses - Attachment 2 - Closed Session Minutes - PUC Distribution Inc. January 22, 2020

Undertaking:

For minutes of meetings and records predating January 2020, indicating the proposal and the presentations to the PUC Inc. Board to pursue the amended project, and any resolutions and approvals that were made by PUC Inc. Board.

Response:

For ease of reference, PUC Distribution has consolidated all of the evidence as it relates to presentation to the City, and PUC Inc., PUC Services Inc., and PUC Distribution Boards in Table 1 below. This includes presentations and updates regarding the project prior to and during the original application in EB-2018-0219 as well as more recent updates that pertain more specifically to this amended application.

At these meetings, the Chief Executive Officer of PUC Distribution provided an update regarding the SSG project to the City, PUC Inc., PUC Services Inc., and PUC Distribution Boards. In most cases, it was by way of a verbal update, which would be included under an agenda item, such as “Board and CEO Session”. There was no specific agenda item or reference made to the SSG project in the minutes of these meetings. As such, the meeting minutes of those meetings have not been provided. This is signaled in Table 1 below, if the description indicates that it is a verbal update.

The Resolution of the Shareholder of PUC Services Inc. and PUC Inc. approving the SSG Project was provided as Appendix 8 to the Interrogatory Responses dated May 31, 2019 in the original application under EB-2018-0219.

Between the original application and amended application, the actual physical SSG Project has not changed. What has changed is: 1) PUC Distribution is financing the project differently (from a P3 structure to a traditional utility finance model); and 2) PUC Distribution issued an RFP to solicit tenders to achieve a reduced price for the SSG Project.

The approval to purchase the IE materials necessarily means that: 1) the Board fully understood about the change from the P3 to the utility finance model – there would be no need to purchase the

IE materials if the SSG Project was still proceeding under the P3 structure with IE; and 2) The purchased IE materials necessarily informed the detail that was included in the RFP to solicit bids from third parties.

Table 1 – Timeline of Stakeholder Meetings and Updates

Date	Description	Evidence Reference
June 25, 2018	Resolution of the Shareholder of PUC Services Inc. and PUC Inc. approving the SSG Project	Appendix 8 to the Interrogatory Responses dated May 31, 2019 in EB-2018-0219
June 27, 2018	Relevant part of the presentation to PUC Inc. for the Board of Director for their approval of the capital expenditure for SSG Project	Amended Application Appendix AA5 - Appendix 5 JTC2_5 Smart Grid Overview BoD June 27 2018
February 27, 2019	Meeting with PUC Services Inc. and PUC Inc. Board containing verbal update on SSG Project	Appendix JTC 1-4 page 1
April 3, 2019	Closed Session Meeting with PUC Services Inc. containing verbal update on SSG Project	Appendix JTC 1-4 page 2
May 22, 2019	Closed Session Meeting with PUC Services Inc. containing verbal update on SSG Project	Appendix JTC 1-4 page 3
June 26, 2019	Closed Session Meeting with PUC Inc, PUC Services Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 4
September 25, 2019	Closed Session Meeting with PUC Services Inc. and PUC Inc. containing verbal update on SSG Project	Appendix JTC 1-4 page 5

October 23, 2019	Closed Session Meeting with PUC Services Inc., PUC Distribution Inc., and PUC Inc., containing verbal update on SSG Project	Appendix JTC 1-4 page 6
November 27, 2019	Closed Session Meeting with PUC Inc. containing verbal update on SSG Project	Appendix JTC 1-4 page 7
December 9, 2019	Closed Session Meeting with PUC Services Inc. containing SSG agenda item	Appendix JTC 1-4 pages 8 to 13
January 22, 2020	Closed Session Meeting with PUC Distribution containing SSG agenda item	Interrogatory Response EB-2020-0249/EB-2018-0219 dated January 26, 2021 – Attachment 2 Closed Session Minutes – PUC Distribution Inc. January 22, 2020
January 22, 2020	Closed Session Meeting with PUC Services Inc. containing SSG agenda item	Appendix JTC 1-4 page 14
February 26, 2020	Closed Session Meeting with PUC Services Inc. containing SSG agenda item – Infrastructure Energy Asset Purchase Update	Appendix JTC 1-4 page 15
February 26, 2020	Closed Session Meeting with PUC Inc. containing SSG agenda item – Infrastructure Energy Asset Purchase Update	Appendix JTC 1-4 page 16
April 7, 2020	Closed Session Meeting with PUC Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 17
April 22, 2020	Closed Session Meeting with PUC Services Inc., PUC Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 18 to 19

May 13, 2020	<p>Closed Session Meeting with PUC Services Inc., containing verbal update on SSG Project</p> <p>Closed Session Meeting with PUC Inc., containing SSG agenda item</p>	<p>Appendix JTC 1-4 page 20</p> <p>Appendix JTC 1-4 page 21</p> <p>Interrogatory Response EB-2020-0249/EB-2018-0219 dated January 26, 2021 – Attachment 4 Information Note dated May 13, 2020</p>
June 24, 2020	Closed Session Meeting with PUC Inc., PUC Services Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 22
September 30, 2020	Closed Session Meeting with PUC Inc. containing SSG agenda item	Appendix JTC 1-4 page 23
September 30, 2020	Closed Session Meeting with PUC Services Inc. containing SSG agenda item	Appendix JTC 1-4 page 24 to 30
October 28, 2020	Closed Session Meeting with PUC Inc., PUC Services Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 31
November 25, 2020	Closed Session Meeting with PUC Inc., PUC Services Inc., PUC Distribution containing verbal update on SSG Project	Appendix JTC 1-4 page 32 to 33
January 25, 2021	City Council Meeting containing SSG Project update	Interrogatory Response EB-2020-0249/EB-2018-0219 dated January 26, 2021 – Attachment 1 Slide Deck for City Council Presentation - January 25, 2021

Note that information in Appendix JTC 1-4 that are irrelevant to the proceedings have been redacted.

UNDERTAKING JTC1.5

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – Staff 10(a) and Attachment 1 - Slide Deck for City Council Presentation - January 25, 2021

Undertaking:

To provide a link to the meeting on the City's website.

Response:

PUC Distribution has provided a link to City Council meeting minutes website for access to minutes of January 25, 2021 council meeting along with a link to video of the meeting.

January 25, 2021 Meeting Minutes, Item 5.5 –

<https://saultstemarie.ca/City-Hall/City-Departments/Corporate-Services/City-Clerk/Council-Agendas-and-Minutes.aspx>

Video (time~17:10)

<https://www.youtube.com/watch?v=lTLfosr7qgI>

UNDERTAKING JTC1.6

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – SEC-25

Undertaking:

To provide the Board with a baseline of the existing employees included in this budget of 4.6 million, the existing employees, what percentage of their time is already included in rates, and what is the increment you have added here in this budget and where did it come from.

Response:

PUC Distribution submits that the costs attributable to PUC Distribution of \$4,569,228 identified in SEC-25 are all incremental and includes incremental labour costs together with other incremental third party costs (for example, legal, IE purchased engineering costs) or incremental equipment and material costs drawn from inventory.

Clearly third party costs directly related to the SSG Project are incremental, as are the added material and equipment costs.

With regards to incremental labour costs, because PUC Distribution has no direct employees, all labour required to be performed for PUC Distribution is the responsibility of PUC Services Inc. (“PUC Services”) under our shared services model.

Due to the lack of time available in preparing these undertaking responses, PUC Distribution was unable to prepare a complete update to Appendix 2-K to compare the 2021 and 2022 FTE numbers and associated costs as well as tracking associated changes year over year to reflect the reasons for variances. Through this detailed analytic exercise, PUC Distribution does believe that it would be possible to clearly identify which FTE costs were truly incremental to existing rates due to the SSG Project and which FTE costs were embedded in existing rates.

PUC Distribution will be required to file an update to Appendix 2-K as part of its next cost of service application, and at the same time PUC Distribution will be expected to reconcile actual costs to approved costs.

In this case, PUC Distribution believes that it would be reasonable to as part of its next rebasing application, validate that the costs attributable to PUC Distribution are actually incremental to existing costs embedded in rates. PUC Distribution expects that this would involve demonstrating incremental third party costs, as well as incremental equipment costs as well as updating Appendix 2-K to reflect the EB-2017-0071 settlement proposal reductions, as well as

reconciling both 2021 and 2022 actual FTEs and associated costs (both those included in base rates as well as incremental costs associated with the SSG project).

UNDERTAKING JTC1.7

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – CCC-3

Undertaking:

To confirm the change in total project cost as affected by the change in the CWIP rates.

Response:

PUC Distribution has reviewed and confirmed the revised total project costs for the CWIP and provided as Appendix JTC 1-7 – Project Cost Estimates.

Reference:

Undertaking:

Response:

[illegible]

UNDERTAKING JTC1.9

Reference:

EB-2020-0249/EB-2018-0219 – PUC Interrogatory Responses – ED 1(b)

Undertaking:

To provide the sort of figures to illustrate how much higher the losses are at peak times than at off-peak times.

Response:

From a general theory perspective PUC Distribution would support the assumption of the intervenors question that savings at on-peak would be higher than off-peak based on the technical line losses of line conductors being a non-linear function of load current (I^2) but unfortunately were not able to determine a reliable estimate based on PUC Distribution's existing data.

In an attempt to gather the required system data and complete calculations to determine a variance in system losses from an on-peak time to an off-peak time, it was determined that the granularity of the substation data being recorded in our SCADA historian does not allow for the required accuracy to complete the calculations. PUC Engineering staff attempted to compare meter consumption data for all customers on a specific substation feeder with the loading/energy data for that feeder during the same timeframes. The totalized AMI meter data was available but with the substation feeder data recorded in the SCADA historian being rounded to the nearest 0.1MW along with the few unknown loads, such as streetlights, the data is not accurate enough to provide a confident loss to consumption ratio as the differences in losses are small and within the error ranges of the source SCADA information.

APPENDIX JTC 1-1 - SMART GRID SURVEY WITH INTRO

Survey- Smart Grid Project

Your PUC. Your Say.

WE WANT TO HEAR FROM YOU.

New advances in technology are changing the way we distribute electricity, and as a result, are providing new options for customers.

With new technologies, customers will be better equipped to exercise more control on their energy consumption, and technological advances mean safer options, and an eventual decrease in the price of electricity.

All of this is possible, but it requires investments TODAY so electricity will continue to be safe, reliable, and affordable for TOMORROW.

Please take our 1-minute survey to help us plan for the future.



Your Trusted Utility for a Brighter Tomorrow

PUC Smart Grid Project - December 2020

PUC Distribution- Your Trusted Utility for a Brighter Tomorrow

PUC Distribution is proposing to undertake a large, innovative capital project that will modernize the Sault Ste. Marie electrical grid, provide significantly increased reliability, lower energy consumption by customers, and provide a significant reduction in provincial carbon emissions. Natural Resources Canada (NRCan) has provided 8 million dollars towards the 33 million dollar Sault Smart Grid project. As a result of the funding and the energy savings customers will benefit from, the average PUC Distribution customer bill is expected to decrease. We'd like to know how you feel about the proposed project.

Question Title

1. There are three options PUC is evaluating with respect to the Smart Grid Project:

- ☐ Option 1. Complete the project as proposed over a 2 year period, utilizing NRCan funding, and achieving a net bill decrease for PUC Distribution customers
- ☐ Option 2. Complete the project over ten years (not eligible for NRCan funding), and result in small increases on an annual basis to PUC Distribution customer bills
- ☐ Option 3. Don't undertake the project. No bill changes. No improvement to reliability. No reduction in provincial carbon emissions.

Question Title

2. After learning that the Smart Grid Project will result in considerable carbon savings in the province of Ontario, does that make you more inclined to support it?

- ☐ Yes
- ☐ No

Question Title

3. After learning that the Smart Grid Project will result in better power quality and significantly increased reliability, does that make you more inclined to support it?

- ☐ Yes
- ☐ No

APPENDIX JTC 1-2 - SAULT SMART GRID 2022 ICM DRAFT ACCOUNTING ORDER

PUC Distribution Inc.

2022 ICM Application – The Sault Smart Grid project

EB-2020-0249

Draft Accounting Order

Account 1508 Other Regulatory Assets

Sub-accounts Contributed Capital

February 26, 2020

PUC Distribution Inc. - 2022 ICM Application – The Sault Smart Grid project

PUC Distribution Inc. (“PUC”) shall establish nine (9) deferral sub-accounts to capture the accounting treatment for the ICM application EB-2020-0249/EB-2018-0219 for The Sault Smart Grid Project (the “Project”). The following is a list of the nine (9) accounts with their descriptions, including a request for approval of three (3) additional sub-accounts to record capital contribution amounts received against the Project.

1) Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures

This sub-account shall be used to record actual ICM capital amounts, subject to the assets being used or useful (i.e. in service). For incremental capital assets under construction, the normal accounting treatment will continue as construction work in progress prior to these assets going into service and hence, being eligible for recording in this sub-account.

2) Account 1508 Other Regulatory Assets, Sub-account ICM Carrying Charges

Carrying charges calculated based on the actual revenue requirement associated with the approved ICM shall be recorded in this sub-account. Carrying charges shall be calculated using simple interest applied to the opening balances in *Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures*. The interest rate shall be the rate prescribed by the Board.

3) Account 1508 Other Regulatory Assets, Sub-account ICM Depreciation Expense

This account shall be used to record the depreciation expense associated with the eligible capital amounts recorded in *Account 1508 Other Regulatory Assets, Sub-account Incremental Capital Expenditures*.

4) Account 1508 Other Regulatory Assets, Sub-account Accumulated Depreciation

This account shall be credited with the amounts charged to *Account 1508 Other Regulatory Assets, Sub-account Depreciation Expense*.

5) Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Revenue

Amounts recorded in this account shall include the actual rate rider revenues collected in relation to the Board-approved rate riders determined for the ICM project.

6) Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Carrying Charges

This account shall be used to record the carrying charges that apply to *Account 1508 Other Regulatory Assets, Sub-account ICM Rate Rider Revenues*. Carrying charges shall be calculated using simple interest applied to the opening balances in the account and shall be recorded monthly in a separate carrying charges sub-account of this account. The interest rate shall be the rate prescribed by the Board.

PUC Distribution shall establish three (3) new sub-accounts to record amounts associated with capital contributions received for the Project. These three (3) new accounts will capture capital contributions, associated carrying charges and amortization, as described below.

7) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital

This sub-account shall be used to record amounts received in contributed capital for the Project.

8) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue Carrying Charges

This sub-account shall be used to record carrying charges on *Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital*. Carrying charges shall be calculated using simple interest applied to the opening balances in the account. The interest rate shall be the rate prescribed by the Board.

9) Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue Amortization

This sub-account shall be used to record the amortization associated with the capital contribution amounts recorded *Account 1508 Other Regulatory Assets, Sub-account Deferred Revenue – Contributed Capital*.

The following outlines the accounting entries in the year the Project assets are placed into service:

<u>OEB #</u>	<u>Description</u>
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Dr: 1508	Other Regulatory Assets - Sub-account Incremental Capital Expenditures
Cr: 2055	Construction Work in Progress

To record the transfer of construction work in progress relating to the ICM capital expenditures.

Dr: 1508	Other Regulatory - Sub-account ICM Capital Expenditures Carrying Charges
Cr: 1525	Misc. Deferred Debits/Credits

To record carrying charges on the ICM capital expenditures.

Dr: 1508	Other Regulatory - Sub-account "ICM Depreciation Expense"
Cr: 1508	Other Regulatory - Sub-account "Accumulated Depreciation"

To record depreciation expense related to the ICM capital expenditures.

Dr: 1100	Cash/Accounts Receivable
Cr: 1508	Other Regulatory - Sub-account "ICM Rate Riders

To record the collection of ICM rate rider billings.

Dr: 1525	Misc. Deferred Debits/Credits
Cr: 1508	Other Regulatory - sub-account "ICM Rate Rider Carrying Charges"

To record carrying charges on the ICM rate riders collected

Dr: 1110	Account Receivable
Cr: 1508	Other Regulatory – Sub-account “Deferred Revenue – Contributed Capital”

To record the amount received in contributed capital for the Project.

Dr: 1525	Misc. Deferred Debits/Credits
Cr: 1508	Other Regulatory - Sub-account "Deferred Revenue -Carrying Charges"

To record carrying charges on the contributed capital received for the Project.

Dr: 1508	Other Regulatory – Sub-account “Deferred Revenue – Contributed Capital”
Cr: 1508	Other Regulatory - Sub-account "Deferred Revenue Amortization"

To record the amortization associated with contributed capital for the Project.

The following outlines the entries upon approval of the ICM included with PUC's next Cost of Service rebasing application planned for 2023:

<u>OEB #</u>	<u>Description</u>
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Dr: 1600-1990	1606-1990 PP&E Accounts
Cr: 1508	Other Regulatory Assets - Sub-account Incremental Capital Expenditures
<i>To transfer the ICM capital expenditures into the applicable fixed asset accounts.</i>	

Dr: 5705	Depreciation Expense
Cr: 1508	Other Regulatory - Sub-account "ICM Depreciation Expense"
<i>To transfer the ICM depreciation expense to the depreciation expense account.</i>	

Dr: 1508	Other Regulatory - Sub-account "Accumulated Depreciation"
Cr: 2105	Accumulated Depreciation
<i>To transfer accumulated depreciation to the accumulated depreciation account.</i>	

Dr: 1508	Other Regulatory - Sub-account "ICM Rate Riders
Cr: 4080	Distribution Revenue
<i>To transfer previously collected funds to a revenue account.</i>	

Dr: 1508	Other Regulatory - Sub-account "Deferred Revenue -Carrying Charges"
Dr: 1508	Other Regulatory - sub-account "ICM Rate Rider Carrying Charges"
Dr: 1525	Misc. Deferred Debits/Credits
Cr: 1508	Other Regulatory - Sub-account ICM Capital Expenditures Carrying Charges
<i>To reverse carrying charges, which would be included in a revenue requirement true-up, as approved.</i>	

Dr: 1508	Other Regulatory – Sub-account “Deferred Revenue – Contributed Capital”
Cr: 2440	Deferred Revenue Liability
<i>To transfer contributed capital for the Project to deferred revenue.</i>	

Dr: 1508	Other Regulatory - Sub-account "Deferred Revenue Amortization"
Cr: 4245	Government and Other Assistance Directly Credited to Income
<i>To transfer the amortization of deferred revenue to income.</i>	

APPENDIX JTC 1-3-1 - PUC INC SHAREHOLDER AGREEMENT 25 JULY 2000

(Ontario)

SHAREHOLDER AGREEMENT (FOR HOLDING COMPANY)

THIS AGREEMENT is made as of July 25, 2000,

B E T W E E N :

THE CITY OF SAULT STE. MARIE, a corporation
incorporated under the laws of Ontario,

OF THE FIRST PART,

- and -

PUC INC., a corporation incorporated under the laws of
Ontario,

OF THE SECOND PART.

WHEREAS the *Electricity Act*, 1998 (the "Electricity Act") was passed by the Legislature of Ontario and given Royal Assent on October 30, 1998;

AND WHEREAS section 144 of the *Electricity Act* provides that after November 7, 2000, no municipal corporation shall generate, transmit, distribute or retail electricity (as such terms are defined in the *Electricity Act*) except through one or more corporations incorporated under the Ontario *Business Corporations Act* (the "OBCA");

AND WHEREAS pursuant to Section 142(1) of the *Electricity Act*, a municipal corporation may cause one or more corporations to be incorporated under the OBCA in order to generate, transmit, distribute or retail electricity;

AND WHEREAS the City of Sault Ste. Marie has caused corporations to be incorporated under the OBCA, such corporations comprising a corporation known as PUC Distribution Inc. to distribute electricity to the customers presently served by the Public Utilities Commission of Sault Ste. Marie, a corporation known as PUC Energies Inc. to retail electricity and to engage in competitive business activities, a corporation known as PUC Services Inc. to provide management, operations and maintenance services to PUC Distribution Inc. as well as to the City of Sault Ste. Marie in respect of its water utility and a corporation known as PUC Telecom Inc.

to engage in the provision of telecommunications services (such corporations hereinafter referred to as ASubsidiary Corporations@); the City of Sault Ste. Marie had also caused PUC Inc. to be incorporated to hold shares of the Subsidiary Corporations (holding shares in the Subsidiary Corporations being the business of PUC Inc. (the "Business")) and, in turn, have all its shares held by the City;

AND WHEREAS the City of Sault Ste. Marie is the sole shareholder of PUC Inc.;

AND WHEREAS the City of Sault Ste. Marie and PUC Inc. have agreed to enter into this Agreement as being in their respective best interests and for the purpose of providing for the operation of PUC Inc. and the Subsidiary Corporations;

AND WHEREAS, pursuant to Section 108 of the *Business Corporations Act* (Ontario), the City of Sault Ste. Marie wishes to restrict in part the powers of the directors to manage or supervise the management of the business and affairs of PUC Inc.;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements herein contained the parties hereto agree as follows:

1. To the extent that this Agreement specifies that any matters may only be or shall be dealt with or approved by or shall require action by the City of Sault Ste. Marie, the discretion and powers of the directors of PUC Inc. to manage or supervise the management of the business and affairs of PUC Inc. with respect to such matters are correspondingly restricted.

2. PUC Inc. confirms its knowledge of this Agreement and will carry out and be bound by the provisions of this Agreement to the full extent that it has the capacity and power at law to do so.

3. None of the matters described in Schedule "A" hereto shall be taken by PUC Inc. unless approved by:

- (1) a resolution of the City of Sault Ste. Marie passed at a duly called and convened meeting of shareholders; or
- (2) a resolution in writing signed by the City of Sault Ste. Marie.

A resolution of the City of Sault Ste. Marie shall, in turn, not be passed or signed unless approved by the Council of the City of Sault Ste. Marie by a resolution or by-law passed at a meeting of Council.

4. This Agreement may be terminated at any time by the City of Sault Ste. Marie.

5. No modification of or amendment to this Agreement is valid or binding unless set forth in writing and duly executed by the parties hereto.

6. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto.

7. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the parties have executed this Agreement.

THE CITY OF SAULT STE. MARIE

Per: 
MAYOR - STEPHEN E. BUTLAND

Per: 
CITY CLERK - DONNA P. IRVING

PUC INC.

Per: 

Per: 

Schedule "A"

Matters Requiring the Approval of the Shareholder of PUC Inc.

- (a) any change in the articles or by-laws of PUC Inc.;
- (b) any change in the authorized or issued capital of PUC Inc.;
- (c) the appointment of directors from time to time for PUC Inc.;
- (d) the entering into of any agreement or the making of any offer or the granting of any right capable of becoming an agreement to allot or issue any shares of PUC Inc.;
- (e) any action which may lead to or result in a material change in the nature of the Business of PUC Inc.;
- (f) the entering into of any agreement other than in the ordinary course of PUC Inc.'s Business;
- (g) the borrowing of any money, the issuance of any debt, the giving of any security or the making or incurring of any single capital expenditure or acquisition in excess of \$3,000,000 or any capital expenditures which, in the aggregate, are in excess of \$6,000,000 in any financial year of PUC Inc. by PUC Inc. and the Subsidiary Corporations on a consolidated basis;
- (h) the taking of any steps to wind-up or terminate the corporate existence of PUC Inc. or any Subsidiary Corporation;
- (i) the sale, lease, exchange or disposition of assets of PUC Inc. or any Subsidiary Corporation having a value in excess of \$3,000,000;
- (j) the sale, lease, exchange or disposition of any shares of any Subsidiary Corporation;
- (k) the taking, holding, subscribing for or agreeing to purchase or acquire shares in the capital of any body corporate other than the Subsidiary Corporations by PUC Inc.;
- (l) the entering into of a partnership, strategic alliance, joint venture or of any other arrangement for the sharing of profits, union of interests, or reciprocal concession with any person by PUC Inc.;
- (m) the entering into of an amalgamation, merger or consolidation with any other body corporate by PUC Inc.;

- (n) the initial capital structure of each Subsidiary Corporation, and any changes thereto prior to December 31, 2001;
- (o) the initial capital structure of each Subsidiary Corporation by PUC Inc., and any changes thereto, prior to December 31, 2001; or
- (p) a change in the auditors of PUC Inc. and the Subsidiary Corporations.

APPENDIX JTC 1-3-2 - PUC INC SHAREHOLDER AGREEMENT 20 APRIL 2009

MEMORANDUM

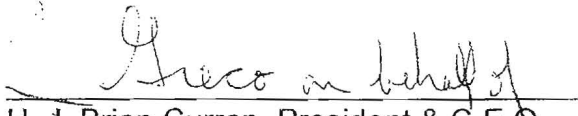
TO: CITY OF SAULT STE. MARIE MAYOR AND COUNCILLORS
FROM: H. J. BRIAN CURRAN, PRESIDENT & C.E.O. PUC INC.
DATE: April 20, 2009
SUBJECT: Shareholder Resolutions

Attached are two resolutions for approval by the shareholder.

I propose that Council consider the resolutions in the following sequence:

1. approval of 2009 PUC Inc. capital budget;
2. amending the shareholder agreement with respect to authorized capital expenditures;

I will be in attendance at Council on April 27th to address the resolutions.


H. J. Brian Curran, President & C.E.O.

cc PUC Inc. Board
City of Sault Ste. Marie, C.A.O.
City Clerk
City Solicitor

RESOLUTION OF THE SHAREHOLDER

OF

PUC INC.

2009 CAPITAL EXPENDITURES

WHEREAS the affiliates of PUC Inc have identified the following capital expenditures for 2009:

PUC Distribution	\$12.76 million, of which \$6.18 million is for smart meters
PUC Services	\$2.94 million
PUC Telecom	\$154, 662
PUC Energies	\$6,507

WHEREAS the Board of PUC Inc. at its meeting of November 26, 2008 approved the operating and capital budgets for the PUC Inc. affiliates.

WHEREAS according to the PUC Inc. Shareholder Agreement, PUC Inc. must seek approval for capital expenditures which, in the aggregate, exceed \$6 million.

RESOLVED that approval is given this 27th day of April 2009 to the capital budgets of the PUC Inc. affiliates for 2009.

THE CORPORATION OF THE
CITY OF SAULT STE. MARIE

Per: _____

~~John Rowsell, Mayor~~
Bryan Hayes, Acting Mayor

Per: _____

~~Donna Irving, Clerk~~
Malcolm White, Deputy Clerk

MALCOLM WHITE
Deputy City Clerk
City of Sault Ste. Marie
District of Algoma

RESOLUTION OF THE SHAREHOLDER

OF

PUC INC.

INCREASE IN CAPITAL SPENDING AUTHORITY

WHEREAS capital expenditures for PUC Inc. affiliates, particularly for PUC Distribution and PUC Services, have increased significantly over the past two years: in the case of PUC Distribution to replace aging infrastructure and in the case of PUC Services to replace and expand its rolling stock;

WHEREAS clause (g) of Schedule "A" of the Shareholder Agreement for PUC Inc. dated July 25, 2000 requires the approval of the Shareholder of PUC Inc. on:

"the borrowing of any money, the issuance of any debt, the giving of any security or the making or incurring of any single capital expenditure or acquisition in excess of **\$3,000,000** or any capital expenditures which, in aggregate, are in excess of **\$6,000,000** in any financial year of PUC Inc. and the Subsidiary Corporations on a consolidated basis.";


WHEREAS the affiliates of PUC Inc. will in aggregate have annual capital expenditures in the future that will exceed \$6,000,000 for the replacement of electrical distribution infrastructure, and to replace aging rolling stock and purchase additional equipment for PUC Services;

RESOLVED that approval is given this 27th day of April 2009 to PUC Inc. to amend clause (g) of Schedule "A" of the Shareholder Agreement for PUC Inc. with respect to "matters requiring the approval of the Shareholder of PUC Inc." as follows:

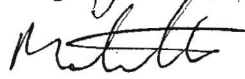
"the borrowing of any money, the issuance of any debt, the giving of any security or the making or incurring of any single capital expenditure or acquisition in excess of **\$5,000,000** or any capital expenditures which, in aggregate, are in excess of **\$10,000,000** in any financial year of PUC Inc. and the Subsidiary Corporations on a consolidated basis."

THE CORPORATION OF THE
CITY OF SAULT STE. MARIE

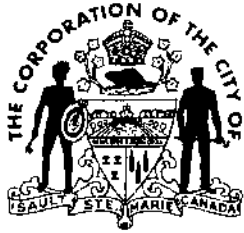
Per:


~~John Rowsell, Mayor~~
Bryan Hayes, Acting Mayor

Per:


~~Donna Irving, Clerk~~
MALCOLM WHITE
Deputy City Clerk
City of Sault Ste. Marie
District of Algoma

APPENDIX JTC 1-3-3 - PUC INC SHAREHOLDER AGREEMENT 21 MARCH 2013



CITY COUNCIL RESOLUTION

Date: March 4, 2013

Agenda Item

MOVED BY
SECONDED BY

Councillor
Councillor

P. Mick

~~L. Turco~~ R. Niro

RESOLVED THAT BY-LAW 2013-44 being a by-law to authorize the execution of an amending agreement to the Shareholder Agreement between the City and PUC Inc. be PASSED in open Council this 4th day of March, 2013.

☒ CARRIED ☐ DEFEATED ☐ AMENDED ☐ DEFERRED
☐ REFERRED ☐ OFFICIALLY READ NOT DEALT WITH



SIGNATURE

<input type="checkbox"/> C.A.O.	<input type="checkbox"/> Comm. Community Services	<input type="checkbox"/> Mayor
<input checked="" type="checkbox"/> City Solicitor	<input type="checkbox"/> Comm. P.W. & Transportation	<input type="checkbox"/> Dir. Libraries
<input checked="" type="checkbox"/> Comm. Finance/Treasurer	<input type="checkbox"/> City Clerk	<input type="checkbox"/> E.D.C.
<input checked="" type="checkbox"/> Comm. Eng. & Planning	<input type="checkbox"/> Fire Chief	<input type="checkbox"/> Cons. Authority
<input type="checkbox"/> Comm. Human Resources	<input type="checkbox"/> Police Chief	<input checked="" type="checkbox"/> PUC

AMENDING AGREEMENT

THIS AGREEMENT is made as of the 4th day of March, 2013.

B E T W E E N:

THE CORPORATION OF THE CITY
OF SAULT STE. MARIE, a corporation incorporated
under the laws of the Province of Ontario

OF THE FIRST PART

- and -

PUC INC., a corporation incorporated under the
laws of the Province of Ontario

OF THE SECOND PART

WHEREAS the parties hereto are parties to a Shareholder Agreement dated July 25th, 2000 (the "Agreement");

AND WHEREAS the parties have agreed to amend the Agreement as more particularly set forth herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and the covenants and agreements herein contained the parties hereto agree as follows:

1. The Agreement is amended by adding to Schedule "A" the following:

"(q) The making of any single donation exceeding the sum of \$10,000.00 or donations exceeding \$50,000.00 in the aggregate during any one calendar year."

2. The Agreement is further amended by adding to the end of paragraph 2 the following:

"PUC Inc. further confirms that effective as of the date hereof:

(a) Meetings of the Directors of PUC Inc. shall be open to the public save and except meetings that may be held in camera consistent with the rules for in camera meetings set out in Section 239 of the Municipal Act, S.O. 2001, c.25 and amendments thereto;

- (b) Notice of the Directors' meetings of PUC Inc. shall be posted on the website for PUC Inc. and in the local press in advance of all meetings;
- (c) Promptly following Directors meetings minutes of such meetings shall be delivered to the Clerk for the Corporation of the City of Sault Ste. Marie; and
- (d) The Agreement shall be reviewed annually at the annual meeting of the Shareholder or at such other times as may be requested in writing by either of the parties."

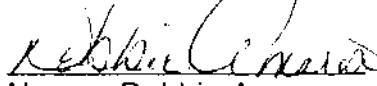
3. The Agreement is hereby further amended by deleting paragraph 6.


4. Save and except as amended herein the Agreement shall remain in full force and effect.

5. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

6. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

THE CORPORATION OF THE
CITY OF SAULT STE. MARIE

Per: 
Name: Debbie Amaroso
Title: Mayor


Per: 
Name: Malcolm White
Title: City Clerk


APPROVED BY
CITY OF SAULT STE. MARIE

BY-LAW# 2013-44

(We have authority to bind the Corporation)

PUC INC.

Per: 
Name:
Title:

Per: 
Name:
Title:

(We have authority to bind the Corporation)

APPENDIX JTC 1-4 - AGENDA AND MEETING MINUTES

PUC SERVICES INC
February 27, 2019 - 4:30 p.m.

1.0	[REDACTED]
2.0	[REDACTED]
3.0	[REDACTED]
4.0	[REDACTED]
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6.0	[REDACTED]
7.0	[REDACTED]
8.0	[REDACTED]
9.0	[REDACTED]
[REDACTED]	

10.0	[REDACTED]
11.0	BOARD AND CEO SESSION
12.0	[REDACTED]
13.0	[REDACTED]
14.0	[REDACTED]



BOARD OF DIRECTORS MEETING – PUC Services Inc.

500 Second Line E – Board Room, Level 4

Wednesday April 3, 2019– 4:30 P.M.

CLOSED SESSION AGENDA (Concurrent with PUC Inc.)

- 1.0 [REDACTED]
- 2.0 [REDACTED]
- 3.0 [REDACTED]
- 4.0 [REDACTED]
- 5.0 [REDACTED]
- 6.0 [REDACTED]

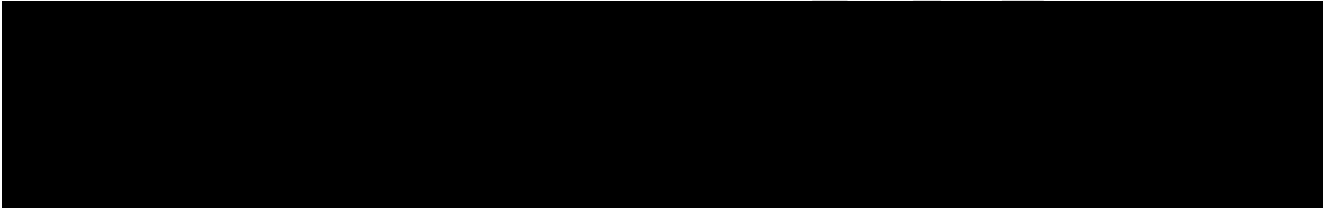
- 7.0 [REDACTED]
- 8.0 **BOARD AND CEO SESSION**
- 9.0 [REDACTED]
- 10.0 [REDACTED]
- 11.0 [REDACTED]



BOARD OF DIRECTORS MEETING – PUC Services Inc.
500 Second Line E – Board Room, Level 4
Wednesday May 22, 2019– 4:30 P.M.

CLOSED SESSION AGENDA (Concurrent with PUC Inc.)

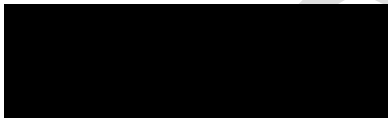
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BOARD AND CEO SESSION



CONFIDENTIAL

PUC INC., PUC SERVICES INC. and PUC DISTRIBUTION INC.
June 26, 2019 – 5:00 p.m. - CLOSED MEETING

1.0 [REDACTED]	
[REDACTED]	2.0 [REDACTED] 3.0 [REDACTED]
[REDACTED]	4.0 [REDACTED] 5.0 [REDACTED] 6.0 [REDACTED]

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[REDACTED]

[REDACTED]

8.0 [REDACTED]

9.0 Board and CEO Session

9.1 Smart Grid Update

10.0 [REDACTED]

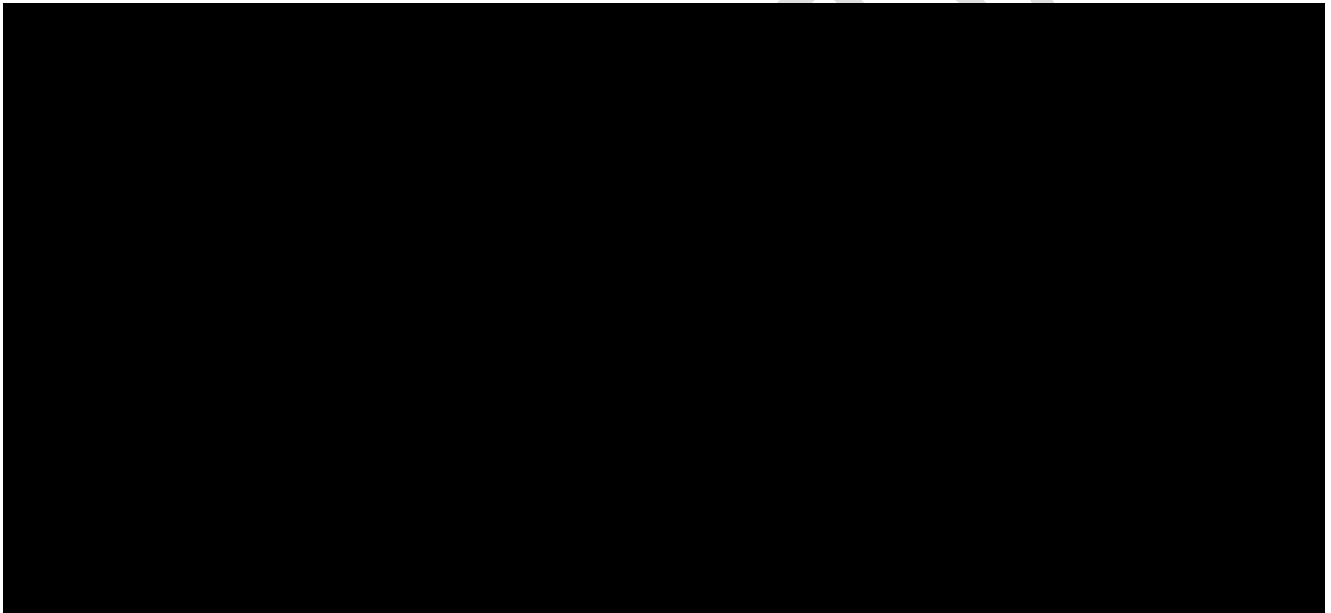
11.0 [REDACTED]



BOARD OF DIRECTORS MEETING – PUC Services Inc. and PUC Inc.
500 Second Line E – Board Room, Level 4
Wednesday September 25, 2019– 4:30 P.M.

CLOSED SESSION AGENDA

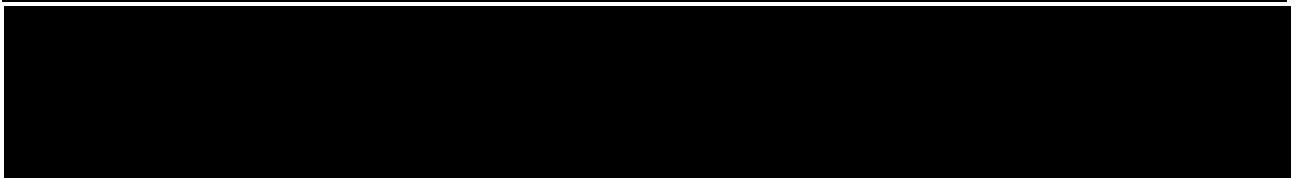
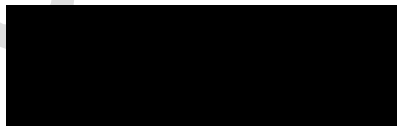
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9.0 **BOARD AND CEO SESSION**



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PUC INC., PUC SERVICES INC. and PUC DISTRIBUTION INC.
October 23, 2019 – 4:30 p.m. - CLOSED MEETING

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		4.0 5.0 6.0

[REDACTED]

[REDACTED]

8.0 [REDACTED]

9.0 Board and CEO Session

[REDACTED]

10.0 [REDACTED]

11.0 [REDACTED]



BOARD OF DIRECTORS MEETING – PUC Inc.

500 Second Line E – Board Room, Level 4

Wednesday November 27, 2019– 4:30 P.M.

CLOSED SESSION AGENDA – *(Concurrent with PUC Services Inc. and PUC Distribution Inc.)*

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7.0 **BOARD AND CEO SESSION**

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December 9, 2019
Meeting No. 09

PUC SERVICES INC. BOARD MEETING CLOSED SESSION MINUTES

Concurrent with:	PUC Inc., PUC Distribution Inc.	
Date and Time:	Monday December 9, 2019 – 4:30 p.m.	
Location:	PUC Board Room	
Members Present:	Jim Boniferno, Chair Andy McPhee, Vice-Chair Elaine Pitcher	Jim Rennie – by phone John Naccarato – <i>Arrived following the Board/CEO Session where he declared a conflict</i> Cecilia Bruno
Regrets:	Carla Fabbro Christian Provenzano	Paul Christian
Staff Present:	Robert Brewer, President & CEO Claudio Stefano, VP Operations & Engineering Kelly McLellan, VP, Finance & Corporate Support Andrew Hallett, Director, Water Operations	Kevin Bell, VP Customer Engagement & Business Development Trina Avery, Executive Assistant
Guests:	P. McAuley, M. Howson	

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]



December 9, 2019
Meeting No. 09

[REDACTED]

[REDACTED]

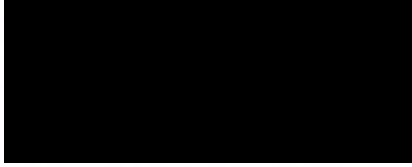
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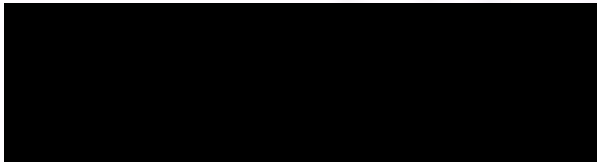
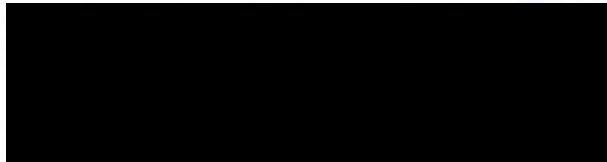
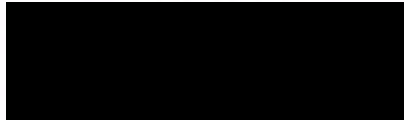


December 9, 2019
Meeting No. 09



8.4 SSG

R. Brewer reviewed an information note on the Sault Smart Grid Project. Hoping to have an agreement negotiated by the end of the month.



Chair



Secretary



December 9, 2019
Meeting No. 09

PUC INC. BOARD MEETING CLOSED SESSION MINUTES

Concurrent with:	PUC Services Inc., PUC Distribution Inc.	
Date and Time:	Monday December 9, 2019 – 4:30 p.m.	
Location:	PUC Board Room	
Members Present:	Jim Boniferro, Chair Andy McPhee, Vice-Chair Cecilia Bruno Paul Christian	Jim Rennie – by phone John Naccarato <i>Arrived following the Board/CEO Session where he declared a conflict</i> Elaine Pitcher
Regrets:	Christian Provenzano	Carla Fabbro
Staff Present:	Robert Brewer, President & CEO Claudio Stefano, VP Operations & Engineering Kelly McLellan, VP, Finance & Corporate Support	Kevin Bell, VP Customer Engagement & Business Development Trina Avery, Executive Assistant
Guests:	P. McAuley, M. Howson	

[REDACTED]

[REDACTED]

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December 9, 2019
Meeting No. 09

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



December 9, 2019
Meeting No. 09

[REDACTED]

[REDACTED]

8.5 SSG

R. Brewer reviewed an information note on the Sault Smart Grid Project. Hoping to have agreement negotiated by the end of the month.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Chair

[REDACTED]

Secretary



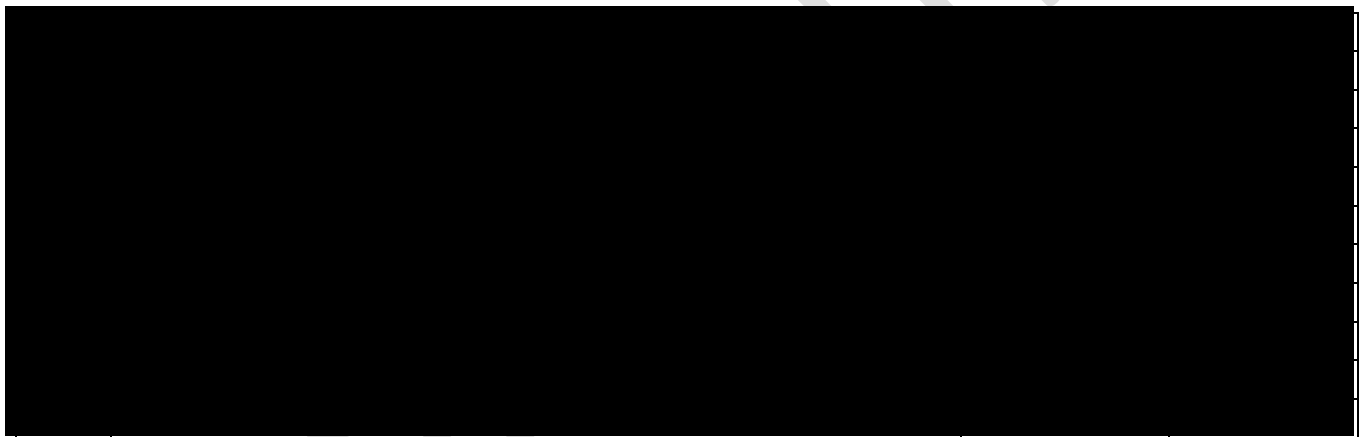
BOARD OF DIRECTORS MEETING – PUC Services Inc.

500 Second Line E – Board Room, Level 4

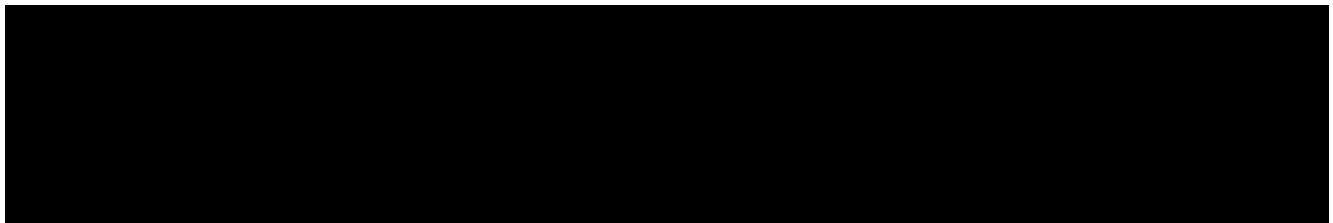
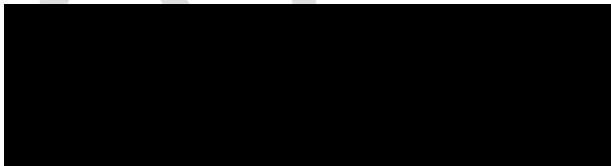
Wednesday January 22, 2020 - 4:30 P.M.

CLOSED SESSION AGENDA – (Concurrent with PUC Inc. and PUC Distribution Inc.)

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7.5	Smart Grid – Settlement with IE	Recommendation /Approval	Material to be provided as soon as available
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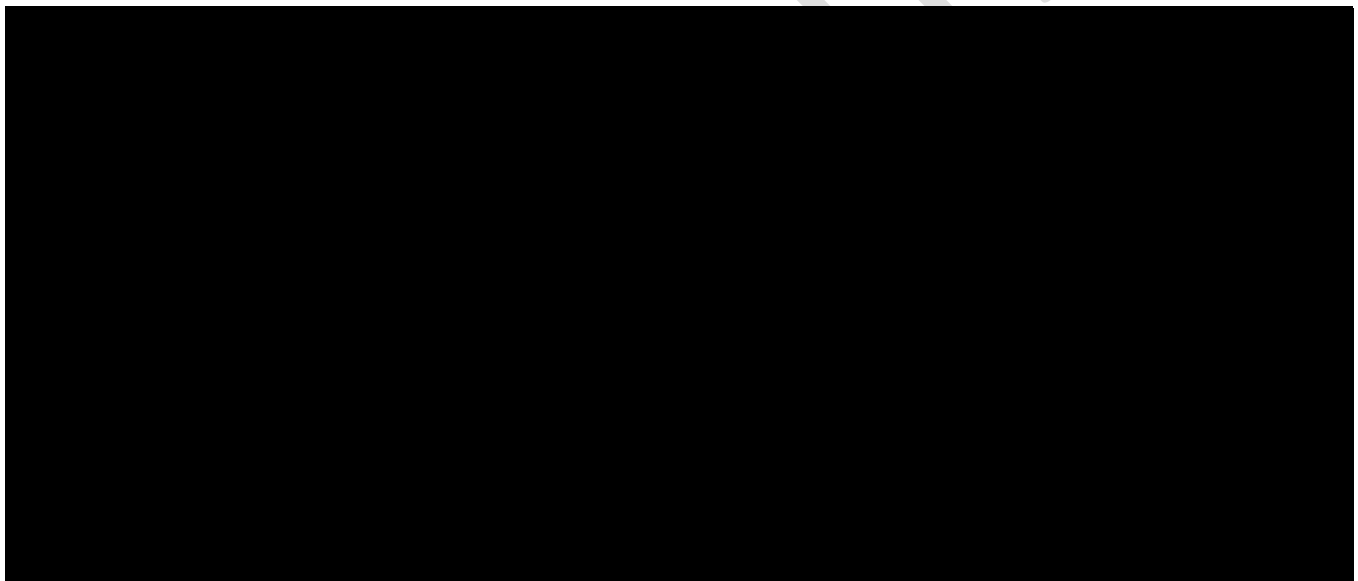
BOARD OF DIRECTORS MEETING – PUC Services Inc.

500 Second Line E – Board Room, Level 4

Wednesday February 26, 2020 - 4:30 P.M.

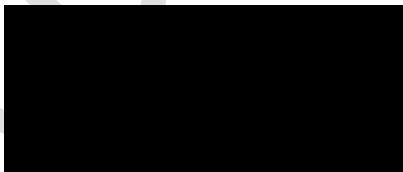
CLOSED SESSION AGENDA – *(Concurrent with PUC Inc. and PUC Distribution Inc.)*

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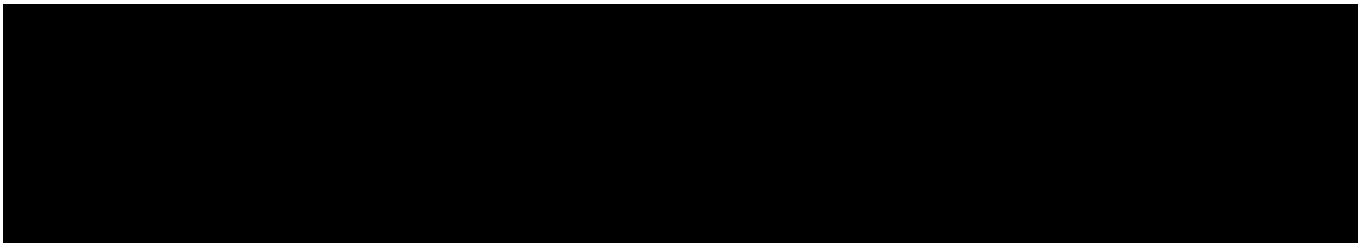
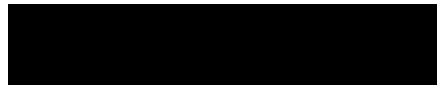


7.6	Infrastructure Energy Asset Purchase Update	Information	Package
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BOARD OF DIRECTORS MEETING – PUC Inc.

500 Second Line E – Board Room, Level 4

Wednesday February 26, 2020– 4:30 P.M.

CLOSED SESSION AGENDA—(Concurrent with PUC Services Inc. and PUC Distribution Inc.)

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7.6 Infrastructure Energy Asset Purchase Update

Information

Package

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PUC INC., and PUC DISTRIBUTION INC.
April 7, 2020 – 4:30 p.m. - CLOSED MEETING

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Date		Time		Location		Activity		Remarks	

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10.0 Board and CEO Session

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PUC INC., PUC Services Inc., and PUC Distribution Inc.
April 22, 2020 – 4:30 p.m. - CLOSED MEETING

1.0 [REDACTED]	
[REDACTED]	2.0 [REDACTED] 3.0 [REDACTED]
[REDACTED]	4.0 [REDACTED] 5.0 [REDACTED] 6.0 [REDACTED]

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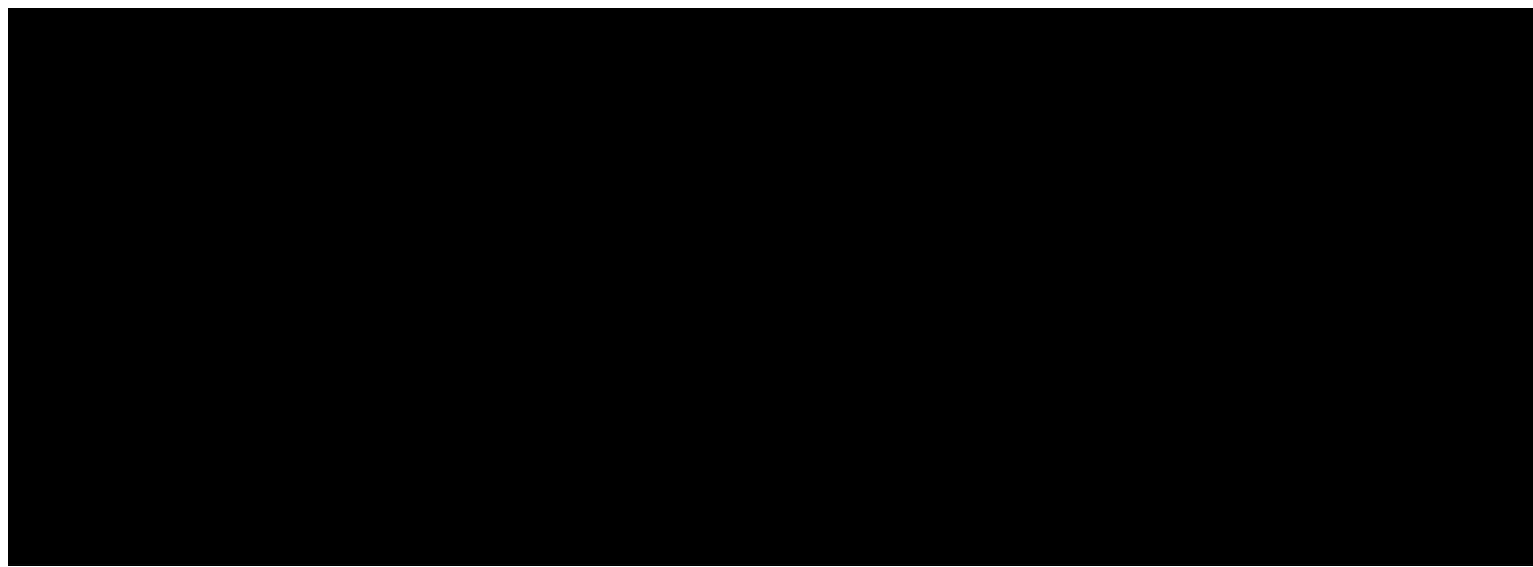
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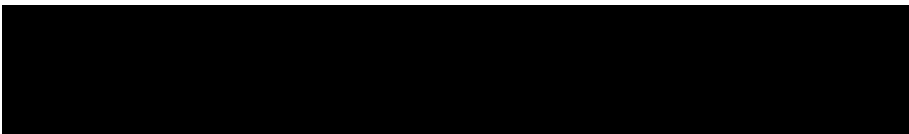
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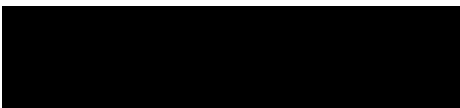
[REDACTED]

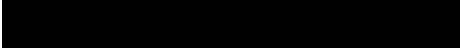


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10.0 Board and CEO Session

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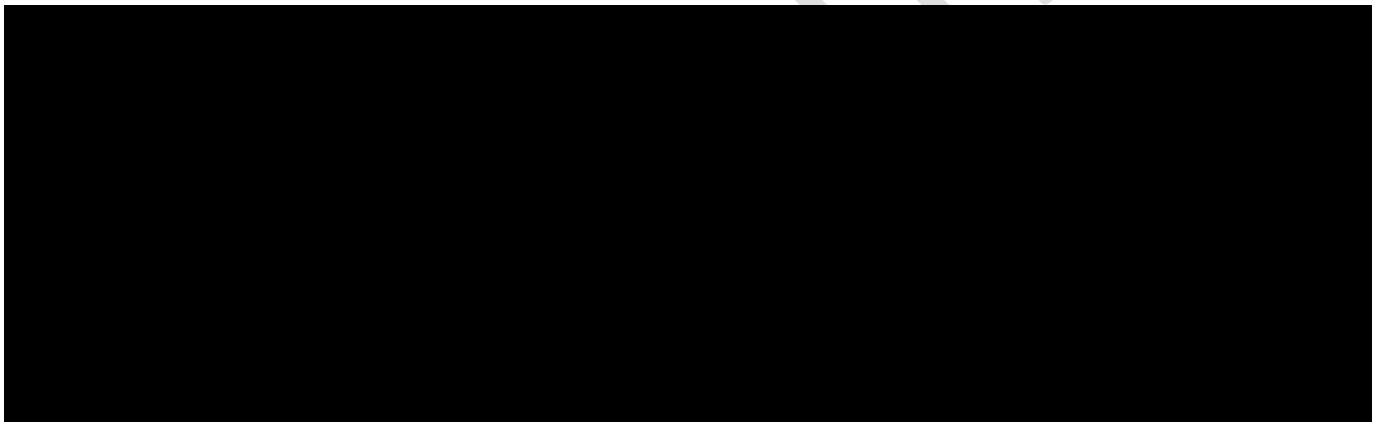
BOARD OF DIRECTORS MEETING – PUC Services Inc.

VIA Zoom Video Conference

May 13, 2020 - 4:30 P.M.

CLOSED SESSION AGENDA – *(Concurrent with PUC Inc. and PUC Distribution Inc.)*

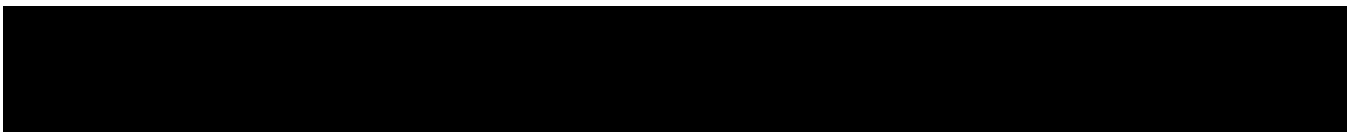
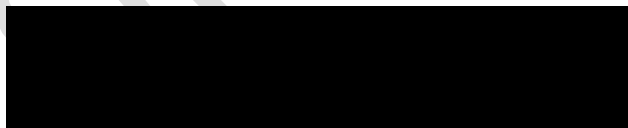
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BOARD and CEO SESSION





BOARD OF DIRECTORS MEETING – PUC Inc.

VIA Zoom Video Conference

Wednesday May 13, 2020– 4:30 P.M.

CLOSED SESSION AGENDA—(Concurrent with PUC Distribution Inc. and PUC Services Inc.)

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7.5

SSG Update

Information

Package

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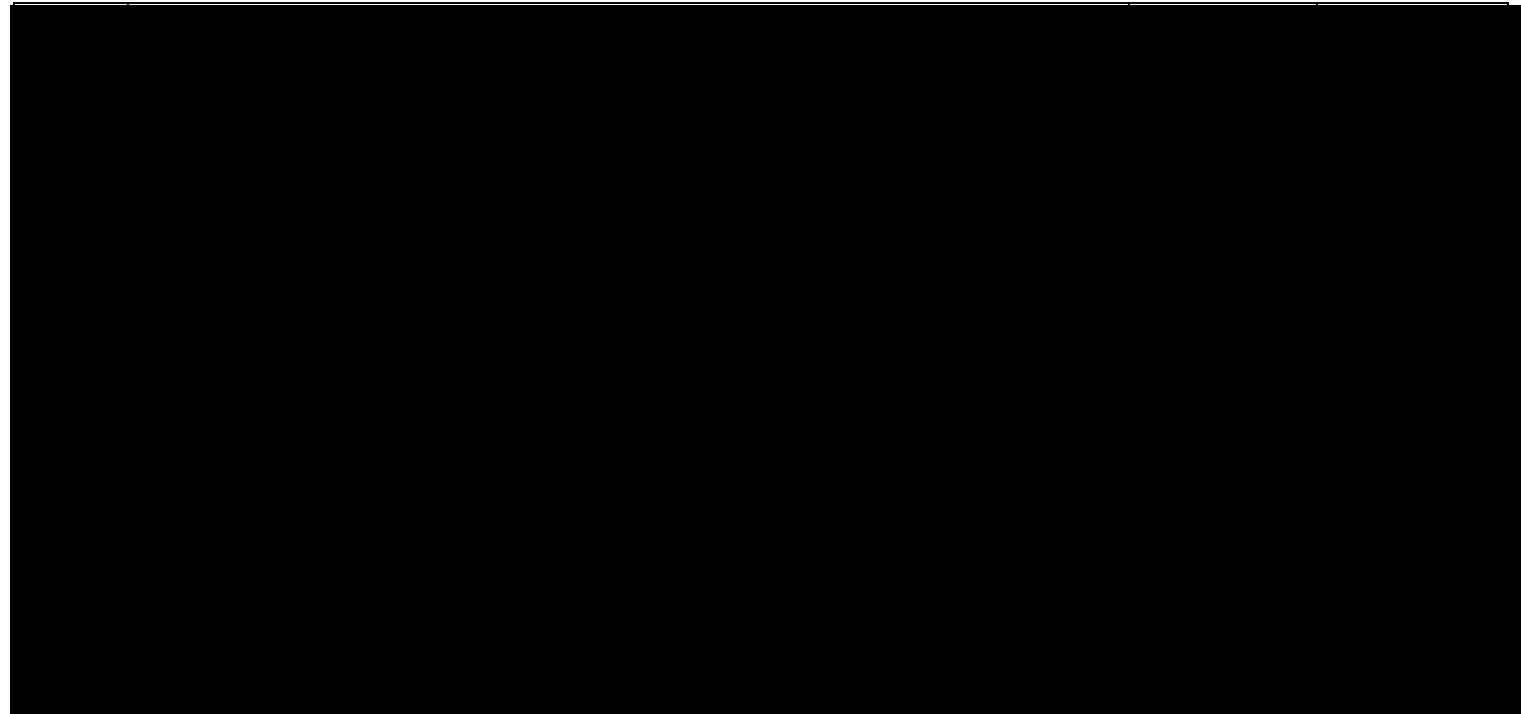
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PUC INC., PUC Services Inc., and PUC Distribution Inc.
June 24, 2020 – 4:30 p.m. - CLOSED MEETING

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10.0 Board and CEO Session

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BOARD OF DIRECTORS MEETING – PUC Inc.

VIA Zoom Video Conference

Wednesday September 30, 2020– 4:30 P.M.

CLOSED SESSION AGENDA—(Concurrent with PUC Distribution Inc. and PUC Services Inc.)

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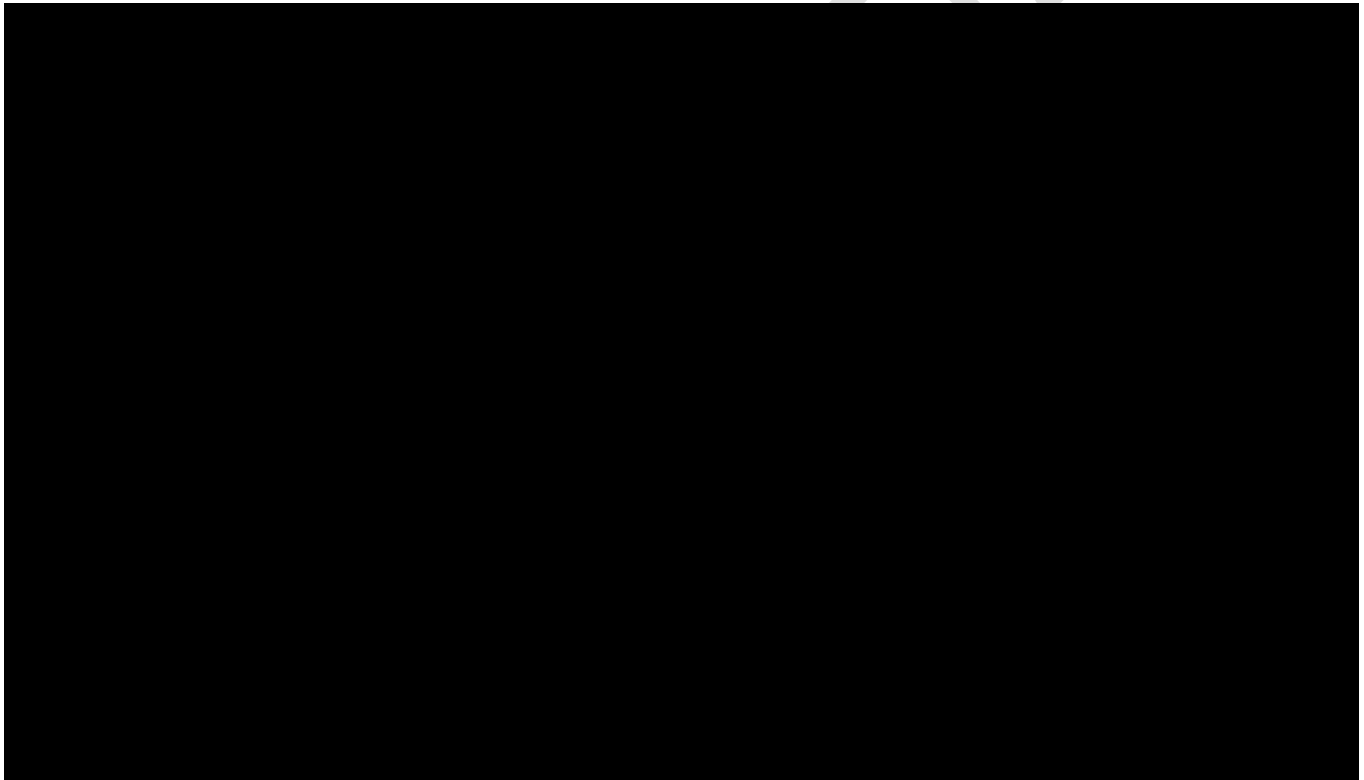
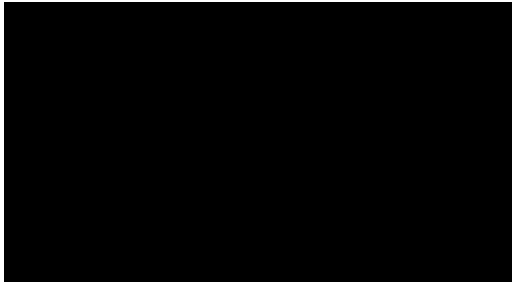
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7.14 SSG Update

Information

At Meeting

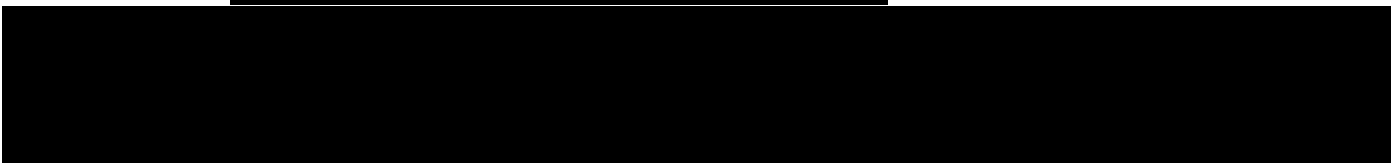
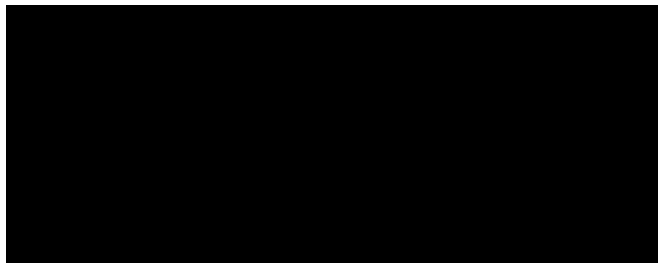
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September 30, 2020
Meeting No. 08

PUC SERVICES INC. BOARD MEETING CLOSED SESSION MINUTES

Concurrent with:	PUC Inc., PUC Distribution Inc.	
Date and Time:	Wednesday September 30, 2020 – 4:30 p.m.	
Location:	Held by Zoom Meeting- Video Conference	
Members Present:	Jim Boniferno, Chair Andy McPhee, Vice-Chair Elaine Pitcher(<i>left mtg. at 7:45 p.m. returned at 8:30 p.m.</i>) Ila Watson	Carla Fabbro Cecilia Bruno Neil Strom
Regrets:	Christian Provenzano	
Staff Present:	Robert Brewer, President & CEO Claudio Stefano, VP Operations & Engineering Kelly McLellan, VP, Finance & Corporate Development Katie Elliott, Manager, Corporate Communications	Kevin Bell, VP Customer Engagement & Business Development Trina Avery, Executive Assistant
Guests:		

[REDACTED]

[REDACTED]

[REDACTED]

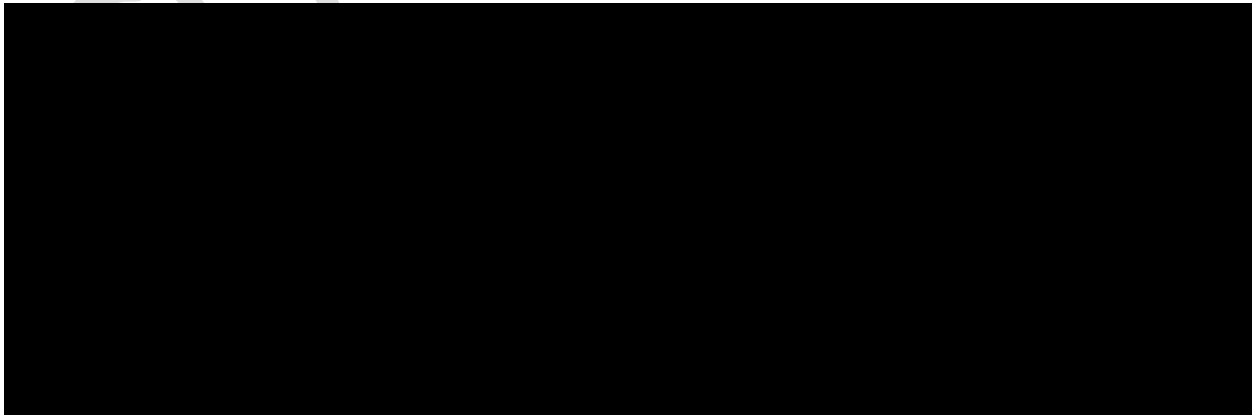
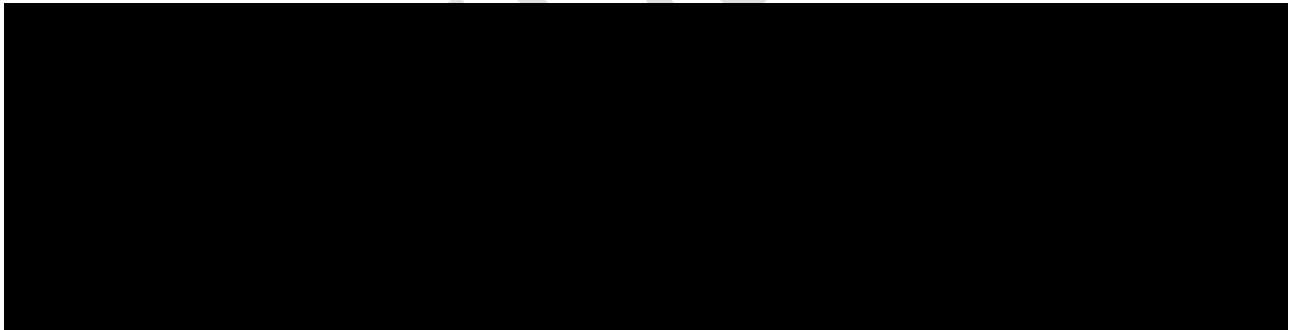
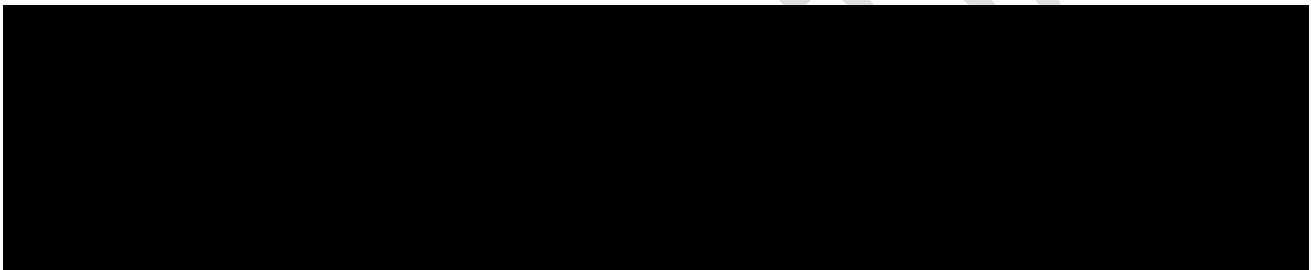
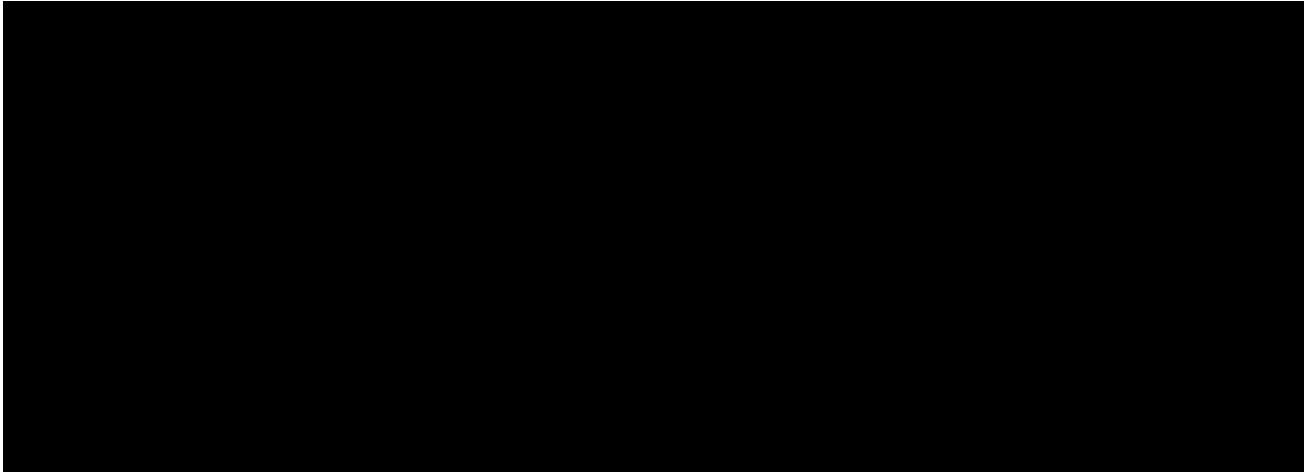
[REDACTED]

[REDACTED]

[REDACTED]



September 30, 2020
Meeting No. 08





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[REDACTED]

[REDACTED]

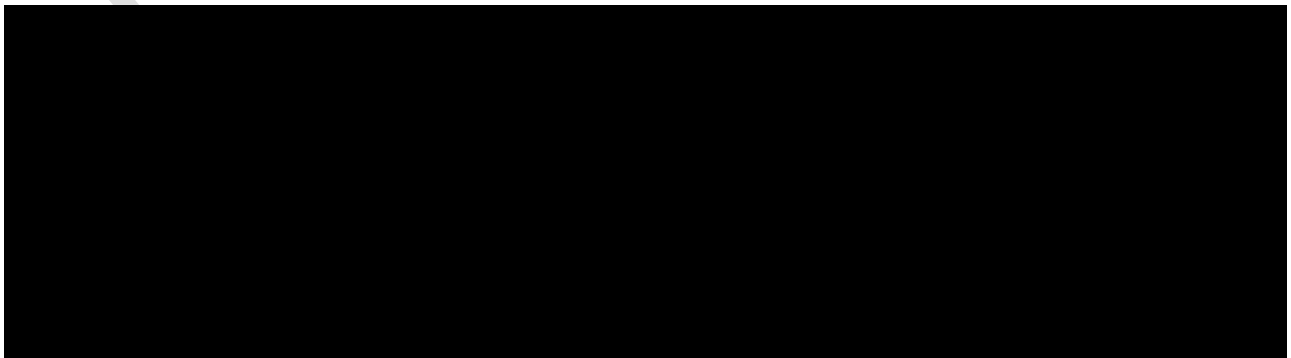
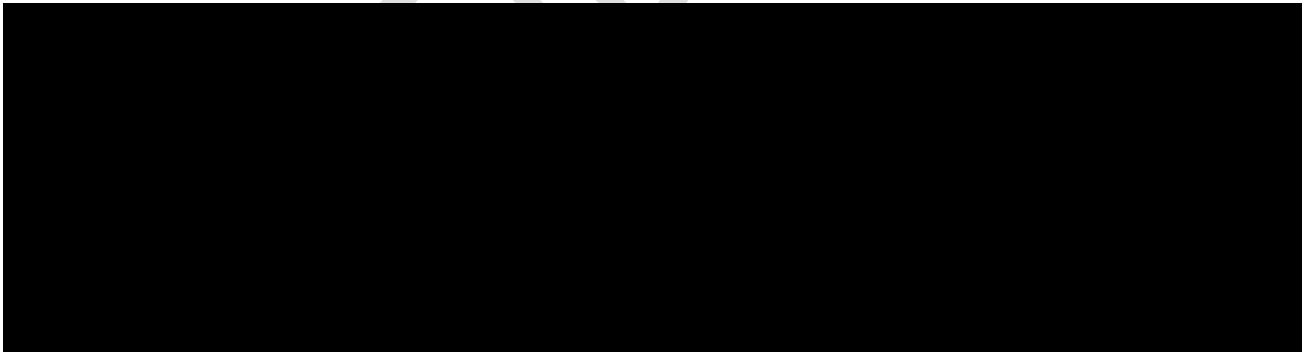
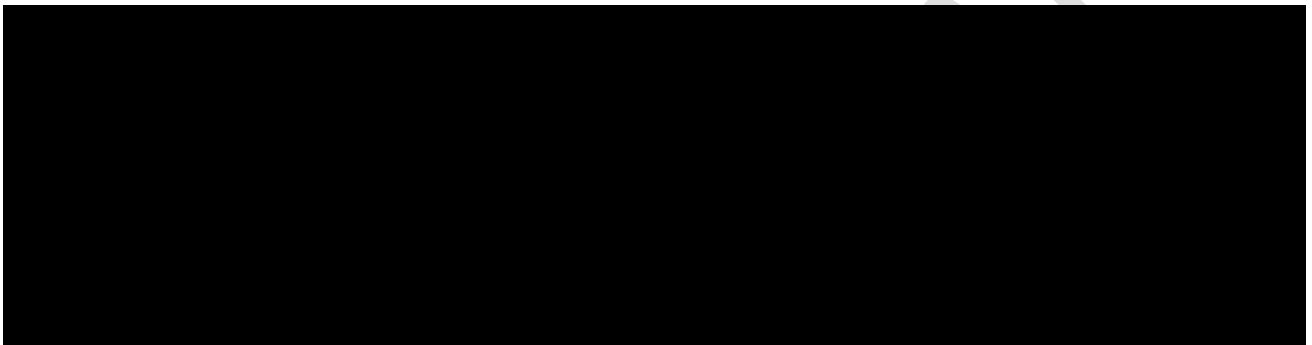
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[REDACTED]

[REDACTED]



September 30, 2020
Meeting No. 08





September 30, 2020
Meeting No. 08

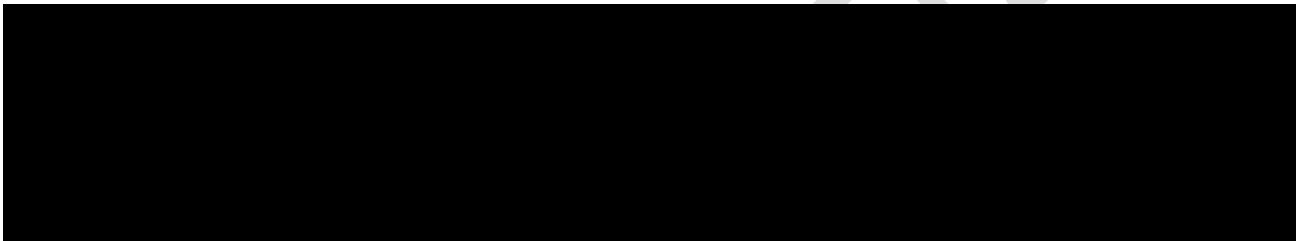
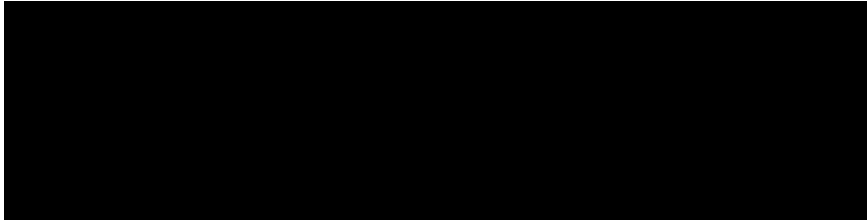
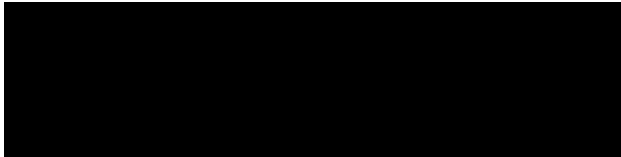
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

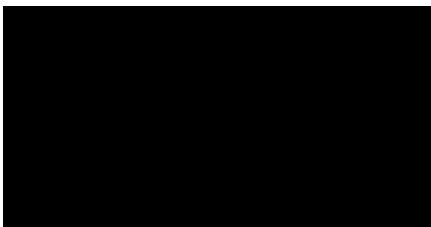
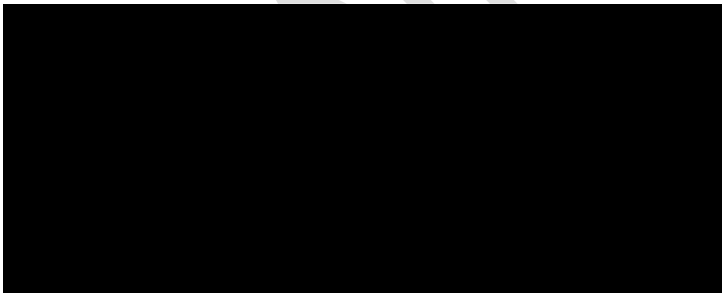


7.13. SSG Update

K. Bell provided an update.

Covid has had an impact on some of the progression. The process has been extended.

Great news on the year extension for the grant funding with NRCan. Moves completion deadline out to March 2023. Removes the pressure to execute this in a tight timeframe.





September 30, 2020
Meeting No. 08

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Chair

Secretary

PUC INC., PUC Services Inc., and PUC Distribution Inc.
October 28, 2020 – 4:30 p.m. - CLOSED MEETING

	1.0		Time
	2.0		10 min
	3.0		
	4.0		
	5.0		
	6.0		

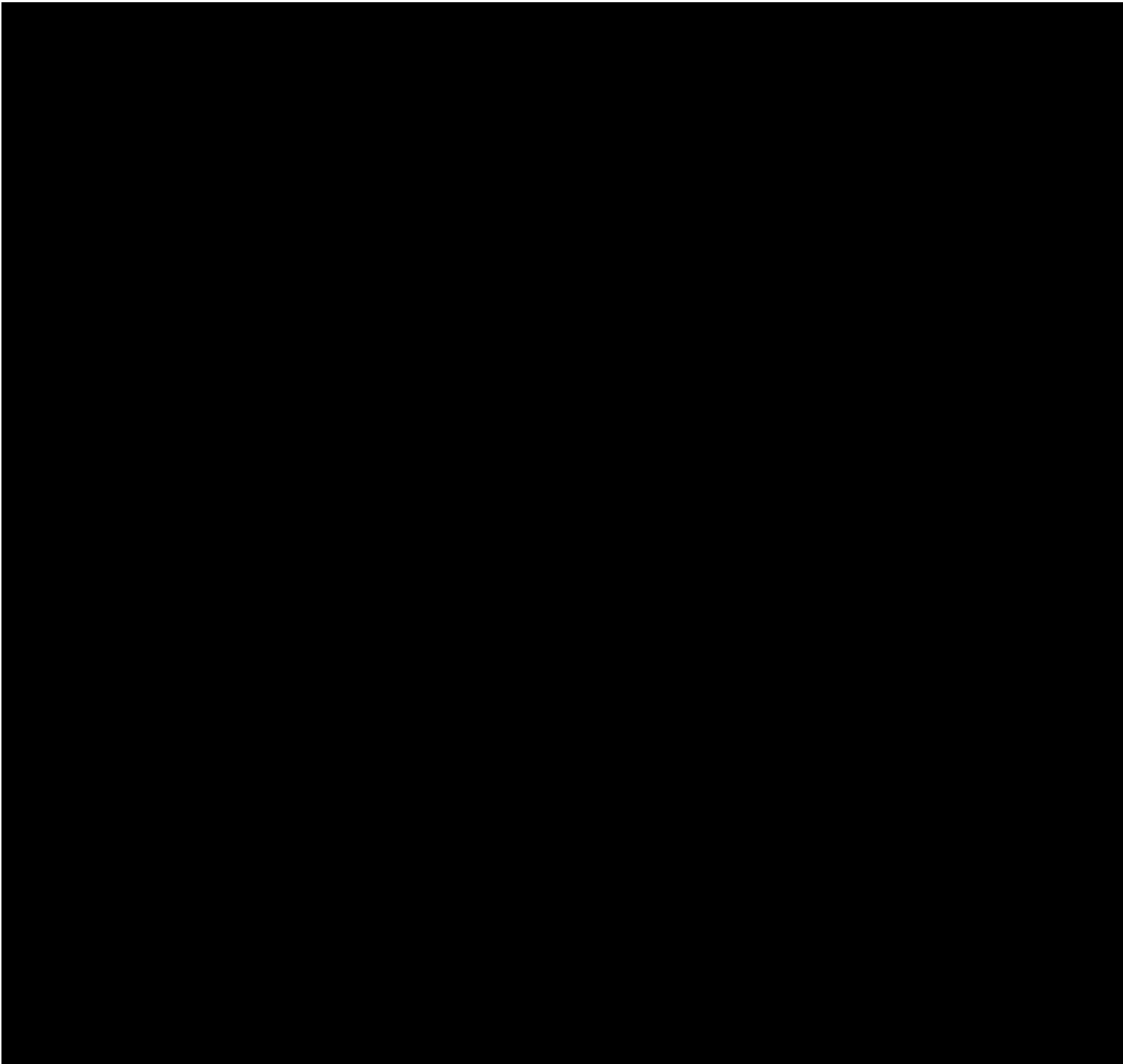
The image consists of a large, solid black rectangle that occupies the majority of the frame. In the top-left corner, there is a small white rectangular box containing the text "7.0" in a bold, black font.

Board and CEO Session

11/11/2016

**PUC INC., PUC Services Inc., and PUC Distribution Inc.
November 25, 2020 – 4:30 p.m. - CLOSED MEETING**

<div>[REDACTED]</div> <div>[REDACTED]</div>	1.0	[REDACTED]	Time
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	3.0	[REDACTED]	
	4.0	[REDACTED]	
	5.0	[REDACTED]	
	6.0	[REDACTED]	





8.0 [Redacted]
9.0 [Redacted]

10.0 Board and CEO Session

[Redacted]

11.0 [Redacted]
12.0 [Redacted]

[Redacted]

[Redacted]

APPENDIX JTC 1-7 - PROJECT COST ESTIMATE

Revised Application			Original Application		
2020/2021 Smart Grid Project			2021/2020 Smart Grid Project		
Project Costing w/ EPC & PUC Cost Estimate			(Appendix 1 reference to Leidos Preliminar Design - VVM 2014/10/17)		
VVM (excludes AMI, SCADA, Comm, etc.)	Qty	Total	VVM (excludes AMI, SCADA, Comm, etc.)	Qty	Total
DS with new LTC's (incremental)		-	DS with new LTC's (incremental)	2	1,200,000
48 feeders (note Sub 16 LTC)			48 feeders (note Sub 16 LTC)		
> Bus/Padmount /Feeder/ VReg's(per set of 3)	44	5,316,678	> Bus/Padmount /Feeder/ VReg's(per set of 3)	44	9,240,000
> feeder balancing Vregs	6	332,922	> feeder balancing Caps	6	49,500
> feeder balancing Caps	6	255,802	> feeder balancing Vregs	6	565,800
		5,905,402			9,975,300
Engineering (check sum)	1	2,362,042	Engineering		3,205,800
Add'l Scope & Contingency	1	462,846	Contingency		-
		8,730,290			13,181,100
Project Mgmt/ Ext'l Commissioning Review	1	379,800	Project Mgmt/ Ext'l Commissioning Review		1,645,550
Contract/Regulatory/ Legal	1	334,433	Regulatory/Financial/Legal		1,132,830
VVM		9,444,523	VVM		15,959,480
DA (excludes AMI, SCADA, Comm, etc.)			DA (excludes AMI, SCADA, Comm, etc.)		
			34.5 kV TT (10DS and TS)	6	318,000
Reclosers	40	3,982,933	Reclosers	38	3,192,000
SW's(pole)	40	3,731,157	SW's(pole)	40	2,560,000
2 way padmount SW's	12	746,775	2 way padmount SW's	3	342,000
4 way padmount SW's	8	2,438,597	4 way padmount SW's	4	496,000
OH FCI's	40	61,972	OH FCI's	32	230,400
UG FCI's	40	77,220	UG FCI's	37	229,400
Poles (added qty for adjacent lift/siting issues)	120	1,420,456	Poles (added qty for adjacent lift/siting issues)	90	1,035,000
		12,459,110			8,402,800
Engineering (check sum)	1	5,205,849	Engineering		3,456,800
Add'l Scope & Contingency	1	844,036	Add'l Scope & Contingency		-
		18,508,995			11,859,600
Project Mgmt/ Ext'l Commissioning Review	1	759,600	Project Mgmt/ Ext'l Commissioning Review		1,501,250
Contract/Regulatory/ Legal	1	684,389	Regulatory/Financial/Legal		1,298,610
DA		19,952,983	DA		14,659,460
AMI Integration, SCADA, OMS, CIS, Comm, etc.)			AMI Integration, SCADA, OMS, CIS, Comm, etc.)		
All IT H/W, S/W, SCADA, OMS, GIS, communication			All IT H/W, S/W, SCADA, OMS, GIS, communication		
		-	type work combined in to central sub-project.		
VVO/FLSIR/OMS/CIS/AMI	1	2,013,446	34.5 kV TT SW	14	490,000
		-	FLIR SW	1	450,000
		2,013,446	AMI/OMS/CIS	1	637,500
Engineering (check sum)	1	1,284,009			1,577,500
Add'l Scope & Contingency	1	-	Engineering (check sum)		1,337,400
		3,297,455	Contingency (30% design)		-
Project Mgmt/ Ext'l Commissioning Review	1	126,600			2,914,900
Contract/Regulatory/ Legal	1	116,652	Project Mgmt/ Ext'l Commissioning Review		523,800
AMI		3,540,707	Contract/Regulatory/ Legal		331,560
		3,540,707	AMI		3,770,260
Project Estimate Total System		32,938,213	Project Estimate Total System		34,389,200

Construction	Engineering	Ctct Legal/Reg	Project Mgmt
21,684,840	8,851,900	1,135,473	1,266,000
65.8%	26.9%	3.4%	3.8%
32,938,213			
Note: Engineering includes EPC+PUCD			
	6,060,205	2,791,695	8,851,900

Construction	Engineering	Ctct Legal/Reg	Project Mgmt
19,955,600	8,000,000	2,763,000	3,670,600
58.0%	23.3%	8.0%	10.7%
34,389,200			