Society Interrogatory #7

Interrogatory

Reference:
Exhibit D3-1-2, Attachment 2, Clarington Corporate Campus Business Case Summary.

Regarding Kipling to Clarington Move of Staff

a) How many people are to be moved from Kipling to the new proposed Clarington building assuming that all these employees agree to the move?
b) What is the possible maximum relocation costs for all these employees?
c) What is a reasonable square feet that needs to be included in the new Clarington building for each employee?
d) Please provide an estimate of the total Clarington building cost which is required to accommodate the people in item a).
e) What cost savings can be quantified by moving these employees to Clarington in productivity improvements?
f) What is is b) + d) – e)?
g) In the event f) above is negative, why is OPG making this decision to move these employees if it does not make sense financially?
h) What are the plans for the sale of the buildings at Kipling and when will that occur?
i) Have the expected sales revenues for Kipling been reflected in the Clarington cost/ benefit analysis? Please explain why or why not this has been done.
j) What is the basis of the estimated expected sales revenues?
k) What will OPG do with the money it receives from the sale of that site?
l) What are the estimated environmental remediation costs for Kipling before it can be sold? Would these costs exceed the sale price of Kipling or as a minimum offset a material amount of the expected sale revenues? Have these expected costs been reflected in the cost/ benefit analysis for Clarington? If not, why not?
m) What portion of the proceeds from the Kipling-site sale will accrue to the ratepayer?
n) On what date does OPG expect to vacate its staff from the Kipling building?

Response

a) OPG's current estimate is that approximately [redacted] are to be moved from the Kipling campus to the new building at Clarington. This is subject to further refinement based on organizational needs and finalization of staff relocation plans.

b) Refer to Ex. L-D3-01-Society-006 (b).

c) Refer to Ex. L-D3-01-Society-006 (c).

d) Refer to Ex. L-D3-01-Society-006 (d).

e) Refer to Ex. L-D3-01-Society-006 (e).

f) Refer to Ex. L-D3-01-Society-006 (f).

g) Refer to Ex. L-D3-01-Society-006 (g).

h) [redacted]

i) The financial evaluation of the Clarington Campus project does not factor in proceeds from any asset sales. Further, any proceeds from a sale of the Kipling campus would be common both to the preferred alternative and the base case (Ex. D3-1-2, Attachment 2, pp. 3-5), which therefore would not impact the outcome of the evaluation.

j) – k) OPG declines to answer on the basis of relevance. Any proceeds or costs associated with a sale of the Kipling campus property do not impact approvals sought in this application. Like OPG's head office sold in 2017, the Kipling campus property is not a prescribed facility and has never been included in OPG's rate base. As the OEB stated in EB-2016-0152 (Decision on Issues List Prioritization, December 21, 2016, p. 2), "The OEB also notes that OPG's head office is not a regulated asset."

l) Refer to parts i) and j) – k) above.

m) Refer to Ex. L-F3-02-Staff-265 (f).

n) Refer to Ex. L-D3-01-Society-012 (a) for the current estimated date at which OPG plans to release its space at the Kipling campus, [redacted]

[redacted]