CCMBC-1

Reference: Exhibit 1, Tab 1, Schedule 4, page 7

Preamble: "Alectra Utilities is requesting approval of ICM funding of $25.4MM in 2023 and $26.9MM in 2024, respectively, for the PowerStream and Enersource RZs, for a total investment of $52.3MM. Alectra Utilities is experiencing an increase in localized cable failures and plans to address these cables through a combination of two cable renewal strategies: cable injection and cable replacement. Based on the analysis of recent underground cable failures and asset condition assessment analysis, Alectra Utilities has identified the volume of localized hotspots with the highest probability of imminent failure. These are the neighbourhoods included for ICM funding."

a) **Why is Alectra seeking OEB approval for ICM funding for two years, 2023 and 2024, instead of for one year?**

b) **For how many years have Alectra and its predecessors, PowerStream and Enersource, been renewing their underground cables using cable injection and cable replacement?**

c) **Is Alectra requesting ICM funding for all of its 2023 and 2024 cable renewal PRZ and ERZ projects. If the answer is yes, please explain why. Of the answer is no, please list the cable renewal PRZ and ERZ projects for which Alectra is not seeking ICM funding approval.**

d) **Are there underground cable renewal projects in Alectra's other rate zones? If the answer is no, please explain why not. If the answer is yes, please file a list of cable renewal projects in other Alectra rate zones.**

Response:

a) As provided in Exhibit 1, Tab 1, Schedule 2, p.2, in the OEB's Decision in Alectra Utilities' 2020 rate application, the OEB stated that Alectra Utilities may consider a multi-year ICM that meets the ICM criteria if it seeks further ICM funding.

b) Alectra Utilities assumes that cable replacement as a method of cable renewal has been going on for more than 20 years. For cable injection, the Enersource Rate Zone investigated cable injection and a pilot project was completed in 2014. In the PowerStream Rate Zone, a pilot project was completed in 2009, with implementation commencing in 2010.

c) Alectra Utilities has projects in both base and ICM funding for cable renewal as identified in Exhibit 2, Tab 1, Schedule 1, page 9. Table 1 below, provides the base projects in the PowerStream and Enersource Rate Zones for which Alectra Utilities is not seeking ICM funding.

Table 1 – Base Projects in PowerStream and Enersource Rate Zones ($MM)

Project #	Project Name	2023	2024
151424	Cable and Transformer Replacement Project - (AREA21) - Miss. Valley & Bloor, Mississauga	$ 0.40	$ 2.43
151904	Cable Replacement Project - (AREA54) - Copenhagen Rd, Mississauga	$ -	$ 2.22
150263	Cable Replacement Project - East - Left Behind Cable	$ 2.13	$ 3.01
151428	Cable Injection - (AREA30) - Eglinton Ave W & Miss Rd, Mississauga	$ 0.60	$ -
151433	Cable Injection - (AREA46) - Glen Erin & Aquitane, Mississauga	$ 1.00	$ -
151408	Cable and Transformer Replacement Project - (AREA24) - Burnhamthorpe & Miss. Road, Mississauga	$ 1.60	$ -
151465	Cable Replacement - Mississauga Left Behind Cable	$ 0.02	$ 0.61
151855	Cable Replacement and Switchgear Removal - (AREA19) - Fieldgate and Ponytrail Dr, Mississauga	$ 1.56	$ -
151516	Cable Replacement Project - (AREA46)- Millcreek Dr & Erin Mills Pkway, Mississauga	$ 1.54	$ -
151366	Cable Injection Project - (M19) - Markham - Steeles - McCowan - 14th, Markham	$ 2.08	$ -
151911	Cable Replacement Project - (A05) - Golf Links, Aurora	$ 1.95	$ 1.96
152281	Cable Replacement Project - (M31) - Denison and Birchmount, Markham	$ 1.75	$ -
151457	Cable Injection Project - (V25) - Major Mackenzie - Keele - Rutherford - Jane, Vaughan	$ 0.57	$ -
151336	Cable Replacement Project - (BA22) - Sunnidale and Anne, Barrie	$ 1.58	$ 2.04
151360	Cable Injection Project - (M31) - 14th - Old Kennedy - Steeles - Warden, Markham	$ 1.37	$ 1.43
152383	Cable Injection - (AREA 39) - Erin Mills Pkway & Thomas St, Mississauga	$ -	$ 0.92
151430	Cable Injection- (AREA 38) - Bristol & Creditview, Mississauga	$ -	$ 0.83

152388	Cable Injection Project - (V17) - Langstaff - Railway - Rutherford - Dufferin, Vaughan	$ -	$ 1.73
152385	Cable Injection Project - (R23) - Bathurst - Weldrick - Yonge - Carville, Richmond Hill	$ -	$ 1.64
150262	Cable Replacement Project - (M33) - 16th Avenue and Village Parkway, Markham	$ -	$ 0.56
151363	Cable Injection Project - (M25) - 14th - McCowan - Steeles - Old Kennedy, Markham	$ 1.32	$ 1.36
151362	Cable Injection Project - (M39) - 16th - Warden - Hwy 7 - Woodbine, Markham	$ 1.21	$ 2.08
151364	Cable Injection Project - (V23) - Hwy 7 - Keele - Langstaff - Jane, Vaughan	$ 1.17	$ -
151458	Cable Injection Project - (V31) - Langstaff - Weston - Rutherford - Jane, Vaughan	$ 1.07	$ -
150255	Cable Replacement Project - (B23) - Cundles Rd and Janine St, Barrie	$ -	$ 1.17

d) Please see Alectra Utilities' response to SEC-2 for a list of cable renewal projects in all rate zones.

CCMBC-2

Reference: Exhibit 2, Tab 1, Schedule 1, page 1

Preamble: "On February 10, 2022, the OEB issued a Letter re: Incremental Capital Modules During Extended Deferred Rebasing Periods (the "ICM Policy Update Letter"). The letter provides an update to the OEB's ICM policy for electricity distributors during extended rebasing deferral periods arising from utility consolidations."

a) In Alectra's opinion, what is it able to do now that it was not able to do before the OEB issued its February 10, 2022, letter?

b) Does the OEB in its February 10, 2022, letter specifically allow multi-year ICM funding applications or is Alectra basing its decision to file a multi-year ICM funding application on the EB-2019-0018, Partial Decision and Order?

c) Did Alectra make any submissions or any requests or proposals to the OEB and/or to the Ministry of Energy in 2020, 2021 or 2022, asking that the OEB change its ICM policy? If the answer is yes, please file copies of all communications between Alectra and the OEB and/or the Ministry pf Energy regarding ICM policy. If the requests were made verbally, please file a list of dates of the meetings, including virtual meetings, and names of the persons who were present at the meetings.

Response:

a) As discussed in Exhibit 2, Tab 1, Schedule 1, pp. 1-2, the OEB's February 10, 2022 letter permits distributors that are in an extended deferral period following consolidation (i.e., years six to ten of their deferral period), to apply for incremental capital funding for an annual capital program, under certain conditions.

b) The OEB's February 10, 2022 letter does not address the filing of a multi-year ICM. In the OEB's Partial Decision and Order in Alectra Utilities' 2020 EDR application, the OEB stated that Alectra Utilities may consider a multi-year ICM that meets the ICM criteria if it seeks

further ICM funding.[1] Further, the OEB also stated that it had "previously approved a multi-year ICM, and there is no explicit prohibition in the Funding of Capital policy".[2] The OEB previously approved a multi-year ICM for Toronto Hydro.[3] This application filed by Alectra is consistent with OEB policy in relation to the availability of, and basis for, ICM funding for consolidating distributors.

c) Alectra Utilities respectfully declines to respond on the basis of relevance. The matter at issue before the OEB is the application and Alectra Utilities' ICM proposal filed in this proceeding. The establishment of the OEB's policies or any consideration of matters by entities external to the OEB are not at issue before the OEB for purposes of it considering and concluding on Alectra Utilities' application.

[1] EB-2019-0018, Partial Decision and Order, January 30, 2020, p.28
[2] Ibid
[3] Toronto Hydro, EB-2012-0064, Partial Decision and Order, April 2, 2013, p.8

CCMBC-3

Reference: Exhibit 2, Tab 1, Schedule 1, page 5

Preamble: "The PCI of 3.0% is a placeholder to be updated with the OEB's approved PCI for 2023 and 2024 when it is available."

What would Alectra do if the Threshold CAPX Price Cap IR totals for 2023 and 2024 for PRZ and ERZ increase or decrease due to the change in PCI from the placeholder amount of 3.0%?

Response:

Alectra Utilities will update the ICM models and calculation of the materiality threshold for the PowerStream and Enersource RZ to reflect the OEB-approved inflation factor for the respective rate year.

CCMBC-4

Reference: Exhibit 2, Tab 1, Schedule 1, page 6, Table 4, and page 14, Table 11.

a) Please confirm that Alectra plans to complete and place in service all PRZ projects that make up the $97.8 million Threshold CAPX Price Cap IR total for 2023 and the $98.1 million Threshold CAPX Price Cap IR total for 2024.

b) Please confirm that Alectra plans to complete and place in service all ERZ projects that make up the $52.2 million Threshold total for 2023 and the $52.7 million Threshold CAPEX Price Cap IR total for 2024.

c) What would be the earnings impact if Alectra did not complete and place in service all of the PRZ and ERZ project that are within the Threshold CAPEX Price Cap IR totals referenced in (a) and (b) above while still collecting the requested ICM riders? Specifically, would Alectra over-earn and how would the over-earnings be treated?

Response:

a) As provided in Exhibit 2, Tab 1, Schedule 1, p.4, the materiality threshold value serves to define the level of capital expenditures that a distributor should be able to manage within current rates. Alectra Utilities' capital budget for the PowerStream RZ for 2023 and 2024 is compared to the threshold values for each respective year to determine the maximum eligible incremental capital.

The threshold value is formulaic and only serves to demonstrate what is funded in rates. Alectra Utilities' planned capital expenditures for the PowerStream RZ for 2023 and 2024 of $120MM and $119MM are provided in Table 5 of Exhibit 2, Tab 1, Schedule 1.

Please also note that the threshold value for the PowerStream RZ for 2024 is $99.1MM (and not $98.1MM).

b) Please see Alectra Utilities' response to part a) on the purpose of the threshold value in the ICM formula. Alectra Utilities' planned capital expenditures for the Enersource RZ for 2023

and 2024 of $65.3MM and $60.6MM are provided in Table 12 of Exhibit 2, Tab 1, Schedule 1.

c) Alectra Utilities assumes that the question is asking about the ICM true-up process. Alectra Utilities will true-up any variance between the approved and actuals amounts in accordance with the OEB's ICM policy. Section 7.4 of the *Report of the Board – New Policy Options for the Funding of Capital Investments: The Advanced Capital Module*, dated September 18, 2014, states that, "at the time of the next cost of service or Custom IR application, a distributor will need to file calculations showing the actual ACM/ICM amounts to be incorporated into the test year rate base. At that time, the Board will make a determination on the treatment of any difference between forecasted and actual capital spending under the ACM/ICM, if applicable, and the amounts recovered through ACM/ICM rate riders and what should have been recovered in the historical period during the preceding Price Cap IR plan term."

Alectra Utilities intends to complete all OEB-approved ICM projects.

CCMBC-5

Reference: Exhibit 2, Tab 1, Schedule 1, page 9

Preamble: "This assessment identified 78 projects that will address hotspots for cable failures in need of renewal over the 2023 to 2024 time period. Based on the engineering assessment, Alectra Utilities identified 20 high priority projects in the Enersource RZ and 32 high priority projects in the PowerStream RZ on the verge of cascading failures with an urgent need for renewal. Of these 52 projects, base funding was sufficient to address 24 cable renewal projects. Alectra Utilities is requesting ICM funding for the next 28 high priority cable renewal projects in need of urgent cable renewal in these two RZs (17 projects in the PowerStream RZ and 11 projects in the Enersource RZ)."

a) **Are the 24 cable renewal projects that were selected for base funding of higher or lower priority than the 28 projects that were selected for the ICM funding request?**

b) **Will all 24 projects that will be funded through base funding be completed and placed in service in 2023 and 2024?**

c) **Please file a list of the 24 cable renewal projects that includes project name, length of cable renewed, injection or replacement, and cost estimate.**

Response:

a) Please see Alectra Utilities' response to AMPCO-18 l).

b) All 24 projects will be placed into service in the years they are listed for execution. Where multi-year projects are listed, the projects are designed such that the scope in the given year allows for assets to be placed in service.

c) Alectra Utilities has attached an excel file, CCMBC-5_Attachment_1, containing the 24 projects with the project code, title, type of renewal, cost estimate and length.

CCMBC-5

Attachment 1
ICM Projects (km of cable)

Project #	Project Name	SubCategory	2023 ($MM)	2024 ($MM)	km of cable
151424	Cable and Transformer Replacement Project - (AREA21) - Miss. Valley & Bloor, Mississauga	Cable Remediation –Replacement	$ 0.40	$ 2.43	5
151904	Cable Replacement Project - (AREA54) - Copenhagen Rd, Mississauga	Cable Remediation –Replacement	$ -	$ 2.22	3.92
150263	Cable Replacement Project - East - Left Behind Cable	Cable Remediation –Replacement	$ 2.13	$ 3.01	9.09
151428	Cable Injection - (AREA30) - Eglinton Ave W & Miss Rd, Mississauga	Cable Remediation – Injection	$ 0.60	$ -	6.51
151433	Cable Injection - (AREA46) - Glen Erin & Aquitane, Mississauga	Cable Remediation – Injection	$ 1.00	$ -	10.9
151408	Cable and Transformer Replacement Project - (AREA24) - Burnhamthorpe & Miss. Road, Mississauga	Cable Remediation –Replacement	$ 1.60	$ -	2.86
151855	Cable Replacement and Switchgear Removal - (AREA19) - Fieldgate and Ponytrail Dr, Mississauga	Cable Remediation –Replacement	$ 1.56	$ -	2.77
151516	Cable Replacement Project - (AREA46)- Millcreek Dr & Erin Mills Pkway, Mississauga	Cable Remediation –Replacement	$ 1.54	$ -	2.75
151366	Cable Injection Project - (M19) - Markham - Steeles - McCowan - 14th, Markham	Cable Remediation – Injection	$ 2.08	$ -	22.58
151911	Cable Replacement Project - (A05) - Golf Links, Aurora	Cable Remediation –Replacement	$ 1.95	$ 1.96	6.94
152281	Cable Replacement Project - (M31) - Denison and Birchmount, Markham	Cable Remediation –Replacement	$ 1.75	$ -	3.11
151457	Cable Injection Project - (V25) - Major Mackenzie - Keele - Rutherford - Jane, Vaughan	Cable Remediation – Injection	$ 0.57	$ -	6.21
151336	Cable Replacement Project - (BA22) - Sunnidale and Anne, Barrie	Cable Remediation –Replacement	$ 1.58	$ 2.04	6.39
151360	Cable Injection Project - (M31) - 14th - Old Kennedy - Steeles - Warden, Markham	Cable Remediation – Injection	$ 1.37	$ 1.43	30.33
152383	Cable Injection - (AREA 39) - Erin Mills Pkway & Thomas St, Mississauga	Cable Remediation – Injection	$ -	$ 0.92	8.37
151430	Cable Injection- (AREA 38) - Bristol & Creditview, Mississauga	Cable Remediation – Injection	$ -	$ 0.83	8.95
152388	Cable Injection Project - (V17) - Langstaff - Railway - Rutherford - Dufferin, Vaughan	Cable Remediation – Injection	$ -	$ 1.73	18.63
152385	Cable Injection Project - (R23) - Bathurst - Weldrick - Yonge - Carville, Richmond Hill	Cable Remediation – Injection	$ -	$ 1.64	17.64
150262	Cable Replacement Project - (M33) - 16th Avenue and Village Parkway, Markham	Cable Remediation –Replacement	$ -	$ 0.56	0.98
151363	Cable Injection Project - (M25) - 14th - McCowan - Steeles - Old Kennedy, Markham	Cable Remediation – Injection	$ 1.32	$ 1.36	29.04
151362	Cable Injection Project - (M39) - 16th - Warden - Hwy 7 - Woodbine, Markham	Cable Remediation – Injection	$ 1.21	$ 2.08	35.6
151364	Cable Injection Project - (V23) - Hwy 7 - Keele - Langstaff - Jane, Vaughan	Cable Remediation – Injection	$ 1.17	$ -	12.78
151458	Cable Injection Project - (V31) - Langstaff - Weston - Rutherford - Jane, Vaughan	Cable Remediation – Injection	$ 1.07	$ -	11.62
150255	Cable Replacement Project - (B23) - Cundles Rd and Janine St, Barrie	Cable Remediation –Replacement		$ 1.17	2.06

CCMBC-6

Reference: Exhibit 2, Tab 1, Schedule 1, pages 7 and 8; Exhibit 3, Tab 1, Schedule 4, page 8, Table 28

Preamble: "Alectra Utilities' overall capital budget for all rate zones is $287.8MM in 2023 and $293.5MM in 2024. The proposed 2023 and 2024 ICM cable renewal investment in the PowerStream RZ of $16.6MM and $18.2MM, respectively, is significant relative to the overall capital budget. Alectra Utilities has assessed project-specific materiality in the context of the OEB's ICM Policy Update Letter. Alectra Utilities is eligible to request ICM funding for an annual capital program, subject to the requirements identified in the Letter. The proposed investments will allow Alectra Utilities to renew cables in 17 neighbourhoods over the 2023 to 2024 period."

a) **Please add two columns to Table 28. In the first column show the percentage of that each of the 2023 project cost estimate of the $287.8 million 2023 Alectra capital budget. In the second column show the percentage that each 2024 project cost estimate forms of the 2024 Alectra capital budget of $293.5 million.**

b) **Is Alectra applying for ICM funding for a capital program or a capital project?**

c) **Please explain the difference between a capital project and a capital program.**

Response:

a) Please see Table 1, below for the percentage of each project cost estimate to Alectra Utilities' 2023 and 2024 overall capital budget.

Table 1 – ICM Project List

Project #	Project Name	2023	% of 2023 Budget	2024	% of 2024 Budget
151329	Cable Replacement – Raymerville Drive Area in Markham (M21)	$1.5	0.5%	$1.6	0.5%
151361	Cable Injection – Cairns Drive of Markham (M21)	$1.7	0.6%	$1.9	0.6%
151367	Cable Injection – McNaughton Road Area of Vaughan (V26)			$1.9	0.7%
151403	Cable Replacement - Montevideo & Battleford Area in Mississauga (Area 46)	$1.4	0.5%		
151407	Cable Replacement – Glen Erin & Burnhamthorpe of Mississauga (Area 25)	$2.2	0.8%	$2.3	0.8%
151431	Cable Injection – Glen Erin Dr & Bell Harbour Dr in Mississauga (Area 39)	$0.9	0.3%		
151432	Cable Injection – Edwards Boulevard Area in Mississauga (Area 43 & 51)			$1.3	0.4%
151435	Cable Injection – Derry Road & Ninth Line (Area 56)	$1.0	0.4%	$1.1	0.4%
151436	Cable Injection – Winston Churchill & The Collegeway (Area 58 & 59)	$1.0	0.4%	$1.1	0.4%
151456	Cable Injection – Sovereign Court Area in Vaughan (V50)			$1.6	0.6%
151459	Cable Injection – Creditstone Road Area in Vaughan (V24)			$2.1	0.7%
151461	Cable Injection - Jacob Keffer Parkway Area in Vaughan (V17)	$1.6	0.6%		
151517	Cable Injection - 8th Line & Highway 11 Area in Bradford (BR5)			$1.3	0.4%
151520	Cable Injection – Willow Farm Lane of Aurora (A09)	$1.1	0.4%		
151889	Cable Replacement – Tomken Trail in Mississauga (Area 36)			$2.0	0.7%
151895	Cable Replacement – Main Feeder Cable on Cantay Road (Area 44)	$0.9	0.3%		
151901	Cable Replacement – Hemus Square in Mississauga (Area 16)	$0.7	0.2%		
151902	Cable Replacement – Dixie Road & Winding Trail (Area 19)	$0.6	0.2%		
151903	Cable Replacement – South Millway Area in Mississauga (Area 25)			$1.0	0.3%
151912	Cable Replacement - Ashbridge Traffic Circle Area in Vaughan (V51)	$2.6	0.9%		
151913	Cable Replacement – Cochrane Drive & Scolberg in Markham (M44)	$2.5	0.9%	$2.5	0.9%
151914	Cable Replacement – Aviva Park Area of Vaughan (V36)	$2.4	0.8%		
151935	Cable Replacement - Larkin Ave Area of Markham (M15)			$1.8	0.6%
152373	Cable Replacement - St. Joan of Arc Area of Vaughan (V26)			$1.6	0.5%
152375	Cable Replacement – Hammond Drive Area in Aurora (A09)			$1.3	0.4%
152379	Cable Replacement – Batson Drive in Aurora (A10)	$1.7	0.6%		
152386	Cable Injection - Kersey Crescent Area in Richmond Hill (R23)	$1.5	0.5%		
152387	Cable Injection – Rainbridge Ave (V51)			$0.6	0.2%
	Total Proposed ICM Investment	**$25.3**	**8.8%**	**$27.0**	**9.2%**

As provided in Exhibit 2, Tab 1, Schedule 1, p.7, Alectra Utilities has assessed project-specific materiality in the context of the OEB's February 10, 2022 ICM Policy Update Letter.

b) Alectra Utilities is applying for ICM funding for underground cable renewal investments in the PowerStream and Enersource Rate Zones ("RZs"). In order to coordinate planning, resourcing and execution of these efforts across the rate zone, Alectra Utilities has identified 28 distinct projects to address urgent and necessary cable renewal work in these two RZs. These projects form a part of the larger cable replacement or injection program that Alectra Utilities needs to undertake over time.

c) Please see response to (b) above. The OEB's February 10, 2022 Letter re: *Incremental Capital Modules During Extended Deferred Rebasing Period* provides additional flexibility for

electricity distributors in years six to ten of their deferral period to apply for incremental capital funding for an annual capital program. This application filed by Alectra is consistent with OEB policy in relation to the availability of, and basis for, ICM funding for consolidating distributors.

CCMBC-7

Reference: Exhibit 3, Tab 1, Schedule 2, page 1

Preamble: "The first generation of underground cable technology was installed in the early 1960s, coincident with the start of large-scale municipal growth and expansion. These assets are first generation cable technology, also known as Cross Linked Polyethylene Cable ("XLPE"), most of which are beyond their useful life and in very poor condition. This first generation cable was buried directly in the ground which has led to early degradation."

a) What is the useful life of XLPE cable and how was it determined?

b) Are there industry standards for cable condition? If there are please file the standard(s) or provide a reference and explain how Alectra is adhering to those standards. If there are no standards, please explain how Alectra classifies that a cable is in "very poor condition" as different from poor condition.

Response:

a) Alectra Utilities harmonized its condition assessment in 2018. The harmonization was informed by the condition assessments conducted by the legacy utilities that formed Alectra Utilities and a relevant industry study conducted by Kinectrics ("Asset Depreciation Study for the Ontario Energy Board"). The latter was commissioned by the OEB in 2010 (EB-2010-0178).

The typical useful life depends on the type of XLPE used in the cable (Tree retardant versus non-tree retardant) and construction type (direct buried versus in-duct).

Alectra Utilities' condition assessment assumes the useful life of XLPE assets are equal to, or greater than the useful life identified in the Kinectrics study. Table 1 below provides a comparison of the useful life of XLPE cable between Alectra Utilities' Asset Condition Assessment and the Kinectrics report.

Table 1 – Comparison of XLPE TUL between Alectra ACA and 2010 Kinectrics Study

XLPE Cable Type/Construction	Kinectrics Typical Useful Life (EB-2010-0178)	Alectra Utilities' Typical Useful Life	Difference
Non-Tree Retardant Direct Buried Cable	25 Years	30 Years	Alectra utilizes a useful life that is five more years than Kinectrics.
Tree Retardant Direct Buried Cable	30 Years	35 Years	Alectra utilizes a useful life that is five more years than Kinectrics.
Tree-Retardant or Strand-Blocked In-Duct Cable	40 Years	40 Years	Alectra use the same TUL as Kinectrics' TUL.

b) Asset Condition Assessment is an analytical computation to determine the health of the asset. Alectra Utilities asset condition methodology, which was harmonized in 2018, was reviewed by Kinectrics and deemed "appropriate in serving as the basis for identifying system sustainment needs[1]". As provided in Alectra Utilities' DSP filed in its 2020 rate application, the classification of Very Poor refers to the asset having a health index of less than 25%[2], whereas the classification of Poor refers to the asset having a health index between 25% and 50% (25% < HI < 50%). Alectra Utilities is not aware of an industry standard for performing a cable asset condition assessment.

[1] EB-2019-0018, Exhibit 4, Tab 1, Schedule 1, DSP, Appendix E, Kinectrics Inc ACA Assurance Review

[2] EB-2019-0018, Exhibit 4, Tab 1, Schedule 1, Section 5.3.3, p.302

CCMBC-8

Reference: Exhibit 3, Tab 1, Schedule 1, pages 12 and 13

Preamble: "Since 2018, Alectra Utilities has invested $ 236.1MM in cable renewal, including addressing an increasing volume of emerging hotspots of cable failures through investments in Emerging Underground Projects."

a) For accounting purposes was the entire $236.1 million cost of cable renewal treated as Capital or was some treated as OM&A?

b) Please list all cable related activities and indicate which activities are treated as Capital and which are treated as OM&A.

c) Please confirm that during the 10-year rebasing deferral period, Alectra is not able to recover from ratepayers incremental OM&A costs that were not included in base rates but can recover incremental Capital costs through an OEB approved ICM rider.

d) Did any of the $236.1 million invested in cable renewal since 2018 generate incremental revenues? If the answer is no, please explain why not. If the answer is yes, what was the amount of incremental revenue generated.

Response:

a) Alectra Utilities confirms that the entire $236.1MM related to cable renewal was all capital expense and did not include any OM&A from splicing (repairing) cables from reactive failures.

b) There are three main activities related to cable:
   a. Installation – CAPEX
   b. Termination – CAPEX (on new/renewal installs) and OPEX (reactive repair)
   c. Splicing – CAPEX (on new/renewal installs) and OPEX (reactive repair)

c) Alectra Utilities is permitted to apply for inflationary increases to rates (IRM) and funding for incremental capital projects through the ICM mechanism. Alectra Utilities is not able to recover from ratepayers incremental OM&A costs during the rebasing deferral period. The only exception is in circumstances where the OEB may approve a deferral account for utilities to recover costs.

d) None of the $236.1MM generated any incremental revenues. As these are renewal projects, they target existing well-established areas. If any cable renewal project overlapped with a net new incremental load, then a portion of the costs would be assigned to the new development.

CCMBC-9

Reference: Exhibit 3, Tab 1, Schedule 1, Page 9

Preamble: "The global supply chain challenges stemming from the ongoing global COVID-19 pandemic and most recent conflict in Ukraine are driving upward pressure on availability and cost of materials, services and labour."

a) Please describe the materials, services, and labour that Alectra normally buys from Ukraine together with the typical annual quantities purchased and the cost.

b) Where is Alectra buying these materials, services, and labour now that they are no longer available from Ukraine?

Response:

a) and b)

Alectra Utilities is not aware of any material, service or labour it acquires that originates from Ukraine. The reference to the conflict in Ukraine and upward pressure on materials, services and labour is with respect to the impact of gas prices on transportation costs and consequently an increase in material costs. Global supply chain events have also led to increases in certain material costs.

CCMBC-10

Reference: Exhibit 4, Tab 1, Schedule 1, Attachments 5 and 6, 2023 and 2024 Project Listings PRZ

a) Please refile the 2023 and 2024 PRZ project list tables separating the PRZ projects for which Alectra is seeking ICM funding for other PRZ projects and show sub-totals for ICM and for non-ICM PRZ projects.

b) Please identify PRZ projects that are generating incremental revenue.

Response:

a) and b)

Table 1 and 2 below present the projects for which Alectra Utilities is seeking ICM funding and non-ICM funding and indicates which projects will generate incremental revenue.

Table 1 - 2023 Capital Project Listing - PowerStream Rate Zone

SYSTEM ACCESS	$MM	Incremental Revenue
New Residential Subdivision and Condo Tower Development - Alectra East	9.0	Yes
New Subdivision Development - Secondary Service Lateral - Alectra East	2.1	Yes
New Services - PowerStream RZ	2.1	Yes
Road Authority Projects - East North	2.0	No
Road Authority Expenditure PS South	1.9	No
Services (New and Upgrades) - Commercial, Industrial and Institutional (ICI) Projects - East South	1.9	Yes
Services (New and Upgrades) - Layouts - East South	1.5	Yes
Barrie TS Upgrade Feeders and Metering	1.2	No
Renew Meter Equipment - PowerStream RZ	1.2	No
Sub-Total Material Projects	**23.0**	
Miscellaneous Projects (under materiality threshold)	3.5	Yes
Total System Access	**26.5**	

SYSTEM RENEWAL		
Reactive Capital, Alectra East - Distribution Equipment	8.6	No
Pole Renewal - East	5.6	No
Switchgear Renewal - East	3.2	No
Transformer Renewal - East	2.8	No
Cable Replacement Project - East - Left Behind Cable	2.1	No
Cable Injection Project - (M19) - Markham - Steeles - McCowan - 14th, Markham	2.1	No
Cable Replacement Project - (A05) - Golf Links, Aurora	2.0	No
Cable Replacement Project - (M31) - Denison and Birchmount, Markham	1.8	No
Joint Use Pole Removal - Alectra East	1.7	No
Cable Replacement Project - (BA22) - Sunnidale and Anne, Barrie	1.6	No
Rebuild 13.8 kV Pole line on Miller Ave to 27.6 kV with Road Widening	1.5	No
Underground Asset Renewal-Alectra Initiated Distribution System Projects-East	1.4	No
Cable Injection Project - (M31) - 14th - Old Kennedy - Steeles - Warden, Markham	1.4	No
Cable Injection Project - (M25) - 14th - McCowan - Steeles - Old Kennedy, Markham	1.3	No
Cable Injection Project - (M39) - 16th - Warden - Hwy 7 - Woodbine, Markham	1.2	No
Storm Hardening - Four-Circuit Poles - Alectra East	1.2	No
Cable Injection Project - (V23) - Hwy 7 - Keele - Langstaff - Jane, Vaughan	1.2	No
Cable Injection Project - (V31) - Langstaff - Weston - Rutherford - Jane, Vaughan	1.1	No
Reactive Capital, Alectra East - Storm Damage	1.0	No
Non-ICM Miscellaneous Projects (under materiality threshold)	6.2	No
Sub-Total Non-ICM Projects	**48.8**	
Cable Replacement Project – (V51) – Ashbridge Circle area in Vaughan	2.6	No
Cable Replacement Project - (M44) - Cochrane Dr (North) - Scolberg (South), Markham	2.5	No
Cable Replacement Project - (V36) - Aviva Park, Vaughan	2.4	No
Cable Replacement Project - (A10) -Batson Dr, Aurora	1.7	No
Cable Injection Project - (M21) - Cairns Drive area of Markham	1.7	No
Cable Injection Project - (V17) - Jacob Keffer Parkway area of Vaughan	1.6	No
Cable Injection Project - (R23) - Kersey Cr area of Richmond Hill	1.5	No
Cable Replacement Project - (M21) - Raymerville Dr, Markham	1.5	No

Cable Injection Project - (A09) - Willow Farm Lane of Aurora	1.1	No
Sub-Total ICM Projects	**16.6**	
Total System Renewal	**65.5**	
SYSTEM SERVICE		
Vaughan TS#4 Feeder Integration - Part 3	3.4	No
Install Two 27.6kV Ccts on 16th Ave from Hwy 404 to Woodbine Ave	2.3	No
Implementation of Enterprise DERMS Platform	1.3	No
Sub-Total Material Projects	**6.9**	
Miscellaneous Projects (under materiality threshold)	5.0	No
Total System Service	**11.9**	

1

2

Table 2 - 2024 Capital Project Listing - PowerStream Rate Zone

SYSTEM ACCESS	$M M	Incremental Revenue
New Residential Subdivision and Condo Tower Development - Alectra East	8.9	Yes
New Subdivision Development - Secondary Service Lateral - Alectra East	2.2	Yes
New Services - PowerStream RZ	2.1	Yes
Road Authority Projects - East North	2.0	No
Services (New and Upgrades) - Commercial, Industrial and Institutional (ICI) Projects - East South	2.0	Yes
Road Authority Expenditure PS South	2.0	No
Services (New and Upgrades) - Layouts - East South	1.5	Yes
Renew Meter Equipment - PowerStream RZ	1.3	No
Sub-Total Material Projects	**22.1**	
Miscellaneous Projects (under materiality threshold)	3.7	Yes
Total System Access	**25.8**	
SYSTEM RENEWAL		
Reactive Capital, Alectra East - Distribution Equipment	8.9	No
Pole Renewal - East	5.6	No
Switchgear Renewal - East	3.5	No
Cable Replacement Project - East - Left Behind Cable	3.0	No
Transformer Renewal - East	3.0	No
Cable Injection Project - (M39) - 16th - Warden - Hwy 7 - Woodbine, Markham	2.1	No
Cable Replacement Project - (BA22) - Sunnidale and Anne, Barrie	2.0	No
Cable Replacement Project - (A05) - Golf Links, Aurora	2.0	No
Joint Use Pole Removal - Alectra East	1.8	No

Cable Injection Project - (V17) - Langstaff - Railway - Rutherford - Dufferin, Vaughan	1.7	No
Cable Injection Project - (R23) - Bathurst - Weldrick - Yonge - Carville, Richmond Hill	1.6	No
Cable Injection Project - (M31) - 14th - Old Kennedy - Steeles - Warden, Markham	1.4	No
Cable Injection Project - (M25) - 14th - McCowan - Steeles - Old Kennedy, Markham	1.4	No
Storm Hardening - Four-Circuit Poles - Alectra East	1.3	No
Cable Replacement Project - (B23) - Cundles Rd and Janine St, Barrie	1.2	No
Underground Asset Renewal-Alectra Initiated Distribution System Projects-East	1.1	No
Reactive Capital, Alectra East - Storm Damage	1.1	No
Non-ICM Miscellaneous Projects (under materiality threshold)	7.1	No
Sub-Total Non-ICM Projects	**49.8**	
Cable Replacement Project - (M44) - Cochrane Dr (North) - Scolberg (South), Markham	2.5	No
Cable Injection Project - (V24) - Creditstone Rd area of Vaughan	2.1	No
Cable Injection Project - (V26) - McNaughton Road area of Vaughan	1.9	No
Cable Injection Project - (M21) - Cairns Drive area of Markham	1.9	No
Cable Replacement Project - (M15) - Larkin Ave area of Markham	1.8	No
Cable Injection Project - (V50) - Sovereign Court area of Vaughan	1.6	No
Cable Replacement Project - (V26) - St. Joan of Arc area of Vaughan	1.6	No
Cable Replacement Project - (M21) - Raymerville Dr, Markham	1.6	No
Cable Replacement Project - (A09) - Hammond Dr area of Aurora	1.3	No
Cable Injection Project - (BR5) - 8th Line and Highway 11, Bradford	1.3	No
Cable Injection Project - (V51) - Rainbridge Ave, Vaughan	0.6	No
Sub-Total ICM Projects	**18.2**	
Total System Renewal	**68.0**	
SYSTEM SERVICE		
Vaughan TS#4 Feeder Integration - Part 3	3.1	No
Extend feeder 24M8 from Hwy 7 to 16th Ave in Markham	1.3	No
Implementation of Enterprise DERMS Platform	1.3	No
Sub-Total Material Projects	**5.7**	
Miscellaneous Projects (under materiality threshold)	4.7	No
Total System Service	**10.5**	

1

CCMBC-11

Reference: Exhibit 4, Tab 1, Schedule 1, Attachments 7 and 8, 2023 and 2024 Project Listings PRZ

a) Please refile the 2023 and 2024 ERZ project list tables separating the ERZ projects for which Alectra is seeking ICM funding for other ERZ projects and show sub-totals for ICM and for non-ICM ERZ projects.

b) Please identify ERZ projects that are generating incremental revenue.

Response:

a) and b)

Alectra Utilities assumes that the question is referring to the tables provided in Attachments 9 and 10 in Exhibit 4, Tab 1, Schedule 1.

The table below presents the projects for which Alectra Utilities is seeking ICM funding and non-ICM funding and indicates which projects will generate incremental revenue.

Table 1- 2023 Capital Project Listing - Enersource Rate Zone

SYSTEM ACCESS	$MM	Incremental Revenue
Road Authority Projects - Central South	3.8	No
New Residential Subdivision and Condo Tower Development - Alectra Central South	2.8	Yes
Service (new and upgrades) - Commercial, Industrial and Institutional (ICI) Projects - Central South	2.5	Yes
Customer Initiated Distribution System Projects - Central South	1.4	Yes
New Services - Enersource RZ	1.3	Yes
Sub-Total Material Projects	**11.8**	
Miscellaneous Projects (under materiality threshold)	2.7	Yes
Total System Access	**14.5**	
SYSTEM RENEWAL	**$MM**	
Lines Central-South - Reactive Renewal	3.9	No
Pole Renewal - Central South	3.3	No
Switchgear Renewal - Central South	1.8	No

Cable and Transformer Replacement Project - (AREA24) - Burnhamthorpe & Miss. Road, Mississauga	1.6	No
Cable Replacement and Switchgear Removal - (AREA19) - Fieldgate and Ponytrail Dr, Mississauga	1.6	No
Cable Replacement Project - (AREA46)- Millcreek Dr & Erin Mills Pkway, Mississauga	1.5	No
Transformer Renewal - Central South	1.3	No
Joint Use Pole Removal - Central South	1.2	No
Underground Asset Renewal-Alectra Initiated Distribution System Projects-Central South	1.1	No
Cable Injection - (AREA46) - Glen Erin & Aquitane, Mississauga	1.0	No
Non-ICM Miscellaneous Projects (under materiality threshold)	5.3	No
Sub-Total Non-ICM Projects	**23.6**	
Cable and Transformer Replacement Project - (AREA25) - Glen Erin & Burnhamthorpe, Mississauga	2.2	No
Cable Replacement Project - (AREA46) - Montevideo & Battleford, Mississauga	1.4	No
Cable Injection - (AREA58 & 59) - Winston Churchill & The Collegeway, Mississauga	1.0	No
Cable Injection - (AREA56) - Derry Rd W & Ninth Line, Mississauga	1.0	No
Cable Replacement- Main Feeder Cable on Cantay Road, Mississauga (AREA 44)	0.9	No
Cable Injection - (AREA 39) - Glen Erin Dr and and Bell Harbour Dr, Mississauga	0.9	No
Cable Replacement Project - (AREA16) - Hemus Square, Mississauga	0.7	No
Cable Replacement Project - (AREA19) - Dixie Rd and Winding Trail, Mississauga	0.6	No
Sub-Total ICM Projects	**8.7**	
Total System Renewal	**32.3**	
SYSTEM SERVICE	**$MM**	
New build - 44kV Feeder Extension York/Meadowpine, Mississauga	2.3	No
New build - 25M9 Extension to Derry Rd, Mississauga	2.3	No
Sub-Total Material Projects	**4.6**	
Miscellaneous Projects (under materiality threshold)	2.2	No
Total System Service	**6.8**	

1

Table 2 - 2024 Capital Project Listing - Enersource Rate Zone

SYSTEM ACCESS	$MM	Incremental Revenue
Road Authority Projects - Central South	3.9	No
New Residential Subdivision and Condo Tower Development - Alectra Central South	3.2	Yes
Service (new and upgrades) - Commercial, Industrial and Institutional (ICI) Projects - Central South	2.6	Yes
Customer Initiated Distribution System Projects - Central South	1.5	Yes
New Services - Enersource RZ	1.3	Yes
Sub-Total Material Projects	**12.6**	
Miscellaneous Projects (under materiality threshold)	2.7	Yes
Total System Access	**15.4**	
SYSTEM RENEWAL	**$MM**	
Lines Central-South - Reactive Renewal	3.9	No
Pole Renewal - Central South	2.9	No
Cable and Transformer Replacement Project - (AREA21) - Miss. Valley & Bloor, Mississauga	2.4	No
Cable Replacement Project - (AREA54) - Copenhagen Rd, Mississauga	2.2	No
Switchgear Renewal - Central South	1.9	No
Joint Use Pole Removal - Central South	1.3	No
Transformer Renewal - Central South	1.1	No
Underground Asset Renewal-Alectra Initiated Distribution System Projects-Central South	1.1	No
Switch Renewal - Central South	1.0	No
Non-ICM Miscellaneous Projects (under materiality threshold)	5.7	No
Sub-Total Non-ICM Projects	**23.6**	
Cable and Transformer Replacement Project - (AREA25) - Glen Erin & Burnhamthorpe, Mississauga	2.3	No
Cable Remediation-Main Feeder Cable (S5230 to S5227), Mississauga	2.0	No
Cable Injection - (AREA43-51) Hurontario & Derry Rd W , Mississauga	1.3	No
Cable Injection - (AREA56) - Derry Rd W & Ninth Line, Mississauga	1.1	No
Cable Injection - (AREA58 & 59) - Winston Churchill & The Collegeway, Mississauga	1.1	No

Cable Replacement Project - (AREA25) - South Millway, Mississauga	1.0	No
Sub-Total ICM Projects	**8.7**	
Total System Renewal	**32.3**	
SYSTEM SERVICE	**$MM**	
Miscellaneous Projects (under materiality threshold)	2.2	No
Total System Service	**2.2**	

1

CCMBC-12

Reference: Exhibit 4, Tab 1, Schedule 1, Attachment 11, Innovative Customer Engagement Report, pages 11 and 12, About this Consultation

a) **Please file copies of the exact Workbooks were offered to survey participants in PRZ and ERZ.**
b) **Please indicate what information presented in the Workbook was provided by Alectra.**
c) **Please indicate which questions in the Workbook were authored or drafted by Alectra.**
d) **Did Alectra select the options that were offered to survey participants in the Workbooks?**

Response:

a) Alectra Utilities engaged Innovative Research Group ("Innovative") to undertake a customer engagement process seeking customer input on two topics: a broad engagement on customer needs and outcome priorities for future system investments, and a focused engagement on investments to renew underground cable in the PowerStream and Enersource RZs.

Innovative worked with Alectra Utilities to develop and finalize a residential version of the workbook as a starting point. In total, 24 different versions of the workbook were programmed in order to provide accurate language, sample bills, forecast rate increases for the next rate period, and ICM rate impacts (ERZ and PRZ only) for each rate class within each rate zone. Details about each of these variables are provided below:

Language: Throughout the workbook, minor adjustments were made to the language to describe the different incentives offered to residential versus business customers, and so that residential customers were asked questions like "What matters to you?" (for example), while business customers would be asked "What matters to your organization?".

Sample bills: On page 8 of the workbook, respondents were shown a sample bill which reflects their rate zone and rate class.

Forecast rate increases: On slide 13, current rates and forecast increases for the next rate period were shown in a chart. The data provided reflected respondents' rate class and rate zone.

ICM Rate impacts: Only customers in the former Enersource (ERZ) and PowerStream (PRZ) rate zones were asked for feedback on cable injection and cable replacement strategies. Both rate zones were provided background information and examples from their service territory to allow them to make informed choices. Further, within each of ERZ and PRZ, the rate impact information was customized for each rate class.

Each of the 24 programmed versions of the workbook were tested thoroughly to ensure that all respondents were shown the workbook for their rate zone and rate class, without any additional information that did not apply to them. A copy of the workbook is provided as Attachment 1.

b) Innovative worked with Alectra Utilities to develop the customer engagement workbook. Alectra Utilities provided detailed information on the different potential approaches to addressing deteriorated underground cable. Specifically, Alectra Utilities provided the trade-offs between bill impacts, reliability outcomes, and volume of cable injected or replaced under four different scenarios, including a "status quo" approach that would maintain the level of investment that would be funded within base rates. For each option, where applicable, Alectra Utilities also provided the proposed incremental capital amount over the 2023 and 2024 period, the monthly and cumulative bill impact over the 2-year period; and the expected outcomes/benefits of the proposed investment. Alectra Utilities drafted questions on the cable injection and cable replacement strategies presented to customers and reviewed and provided feedback on the content included in the entire workbook.

Innovative prepared the Customer Engagement Report filed as Attachment 11. The conclusions drawn, and opinions expressed in the report are those of Innovative.

c) Please see Alectra Utilities' response to part b).

d) Yes, Alectra Utilities selected the investment options that were presented to survey participants in the ICM survey.

CCMBC-12

Attachment 1
2022 ICM Application CE Workbook

Customer Engagement
Online Workbook

February 2022

STRICTLY PROPRIETARY AND CONFIDENTIAL

About this Customer Engagement

Welcome to Alectra Utilities' future planning survey!

Alectra Utilities' planners need to know what matters to you. Alectra Utilities is preparing to update its long term investment plan. This plan will determine the investments Alectra Utilities makes in equipment and infrastructure, the services it provides, and the rates you pay.

Today Alectra Utilities needs to ask you about two things:

1. **Your experience with Alectra Utilities and how they can do better**.
2. **What outcomes matter most to you/your organization.**

This survey will take approximately 10 minutes to complete and can be done so at your convenience. Once you begin, your progress will be saved, and you can return to the customer engagement at any time.

All individual responses will be kept confidential. Innovative Research Group (INNOVATIVE), an independent research company, has been hired to gather your feedback. Click on the link at the bottom of the page to learn more about INNOVATIVE's privacy policy.

[RES:] Those who complete the questions that follow will be invited to enter a draw to win one of ten (10) $500 cash prizes.

[BUS:] In appreciation for your time, Alectra Utilities will add another $20 charitable donation to one of the local charities supported by the AlectraCARES Community Support Program. The more customers like you who complete this survey, the greater the donation pool. The contributions will be allocated based on your preferences in the final question.

If you are reading this on a smaller mobile device, you may want to consider accessing the survey from a tablet, desktop computer or laptop instead so that it is easier for you to read.

To complete each page, please scroll to the bottom, completing any questions as you come to them, and click "next" to move to the next page.

About this Customer Engagement

Welcome to Alectra Utilities' future planning survey!

Alectra Utilities' planners need to know what matters to you. Alectra Utilities is preparing to update its long term investment plan. This plan will determine the investments Alectra Utilities makes in equipment and infrastructure, the services it provides, and the rates you pay.

Today Alectra Utilities needs to ask you about three things:

1. **Your experience with Alectra Utilities and how they can do better**.
2. **What outcomes matter most to you/your organization.**
3. **A reliability issue Alectra Utilities feels is important to address before the next update of its long term plan.**

This survey will take approximately 15 minutes to complete and can be done so at your convenience. Once you begin, your progress will be saved, and you can return to the customer engagement at any time.

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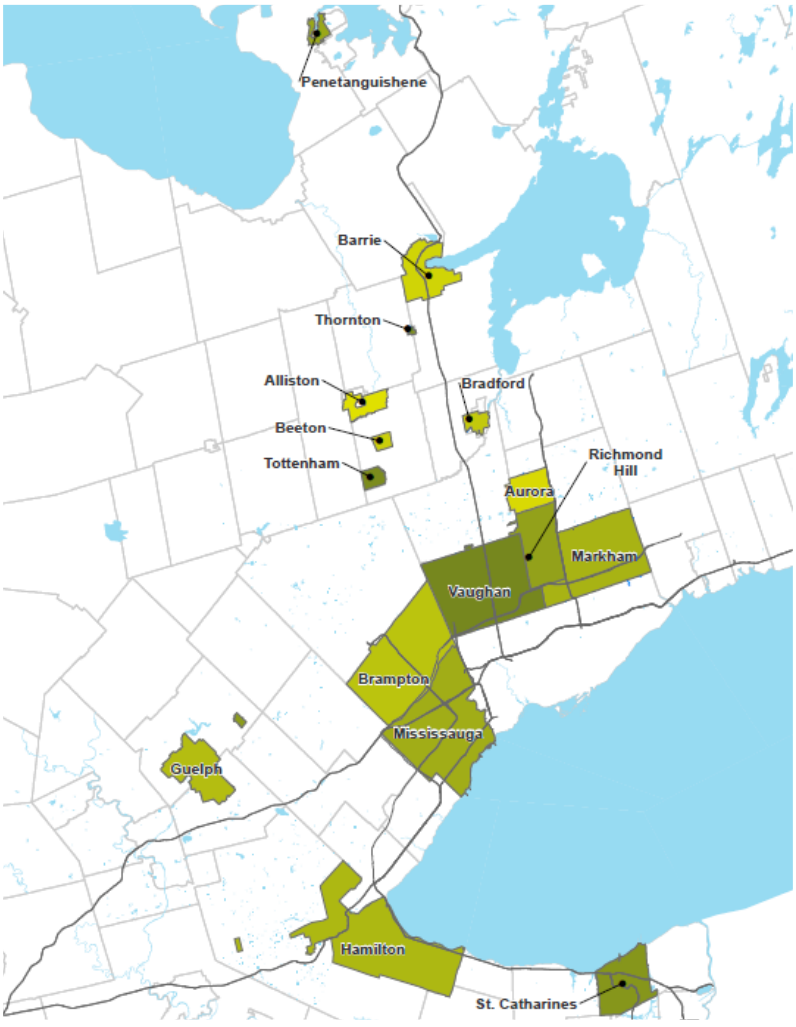
To complete each page, please scroll to the bottom, completing any questions as you come to them, and click "next" to move to the next page.

Who is Alectra Utilities?

Alectra Utilities Corporation serves approximately one million homes and businesses across a 1,900 square kilometre service territory, comprising 17 communities including Alliston, Aurora, Barrie, Beeton, Brampton, Bradford West Gwillimbury, Guelph, Hamilton, Markham, Mississauga, Penetanguishene, Richmond Hill, Rockwood, St. Catharines, Thornton, Tottenham and Vaughan. Alectra Utilities is the union of five leading Ontario utilities – Enersource, Horizon Utilities, Brampton Hydro, PowerStream and Guelph Hydro.

Guelph Hydro Electric Systems Inc. | hydro one Brampton | horizon UTILITIES Looking beyond | enersource | PowerStream = alectra utilities



Alectra Utilities provides services to customers in all of these areas. However, customer rates are based on the cost of serving only the area that you live in.

Alectra Utilities provides services to customers in all of these areas. However, customer rates are based on the cost of serving only the area(s) in which your organization operates.

Electricity 101

How are electricity distribution rates set in Ontario?

The electricity industry in Ontario is regulated by the Ontario Energy Board (OEB). The OEB sets electricity rates in Ontario.

- Electricity distributors are funded by the distribution rates paid by their customers. Periodically, distributors are required to file rate applications with the OEB to justify the amount of funding they need to safely and reliably distribute electricity to their customers.
- The OEB requires electricity distributors, such as Alectra Utilities, to consider customers' needs, outcomes and preferences as it develops its business plan and distribution system plan, as well as make spending and investment decisions.
- Customers will have at least three opportunities to provide input into Alectra Utilities' long term planning process:

1. **Provide Input**
Provide initial input to planners through this workbook on their needs and priorities. Planners will consider these views as they develop their initial update to Alectra Utilities' plans. This is the primary way the views collected in this workbook will be used.

2. **Provide Feedback**
Provide feedback on Alectra Utilities' draft plan when it is developed.

3. **Formal Hearing**
Participate in the formal hearing process of the OEB as it reviews Alectra Utilities' plan.

- Alectra Utilities will also consider the views of customers received through regular customer contact and conduct research on specific topics as needed.
- In addition, if a need emerges between major planning cycles, the OEB permits utilities to make a specific application for additional funding for a rate increase. **[ONLY IF ERZ OR PRZ:]** In this community, Alectra Utilities has identified a need for additional funding to deal with growing reliability issues related to underground cables. Later in this workbook, you will be asked for your views on this issue.

Q1. Before this survey, how familiar were you with how electricity distribution rates are set in Ontario?

- □ Very familiar and could explain the process to others in detail
- □ Somewhat familiar, but didn't know how much about the process
- □ Not familiar at all with the process of how electricity distribution rates are set
- □ Don't know

Electricity 101

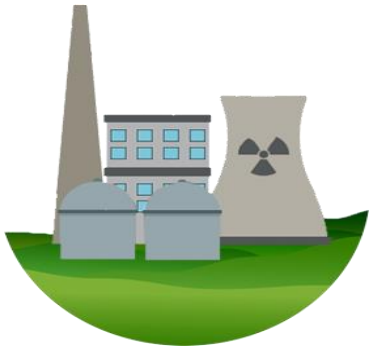
What is Alectra Utilities' role in Ontario's electricity system?

Ontario's electricity system is owned and operated by public, private and municipal corporations across the province. It is made up of three key components: **generation**, **transmission** and **distribution**.

Generation

Where electricity comes from

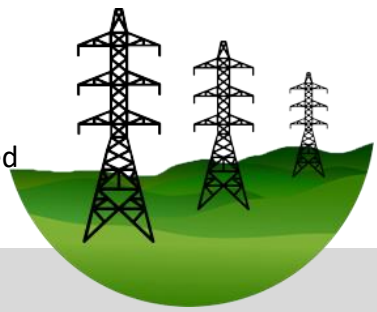
Ontario gets its electricity from a mix of energy sources. About half comes from nuclear power. The remainder comes from a mix of hydroelectric, natural gas, wind and solar.



Transmission

How electricity travels across Ontario

Once electricity is generated, it must be transported to urban and rural areas across the province. This happens by way of high voltage transmission lines that serve as highways for electricity. The province has more than 30,000 kilometres of transmission lines, most of which is owned and operated by Hydro One.

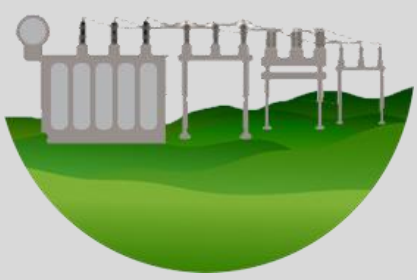


Local Distribution

How electricity is delivered to the end-consumer

Alectra Utilities is responsible for the last step of the journey: distributing electricity to customers through its distribution system.

- Alectra Utilities manages all aspects of the electricity distribution business throughout 17 communities in Ontario and is regulated by the Ontario Energy Board (OEB).
- Across Alectra Utilities' service territory, there are 16,400 km of overhead powerlines and 22,140 km of primary underground cable.
- Alectra Utilities is entirely funded through the rates its customers pay and does not receive taxpayer money to fund its operations or its investments in the distribution system.



Q2. How familiar are you with Alectra Utilities, which operates the electricity distribution system in your community?

□ Very familiar □ Somewhat familiar □ Not familiar at all □ Don't know

Q3. Generally, how satisfied or dissatisfied are you with the services you/your organization receives from Alectra Utilities?

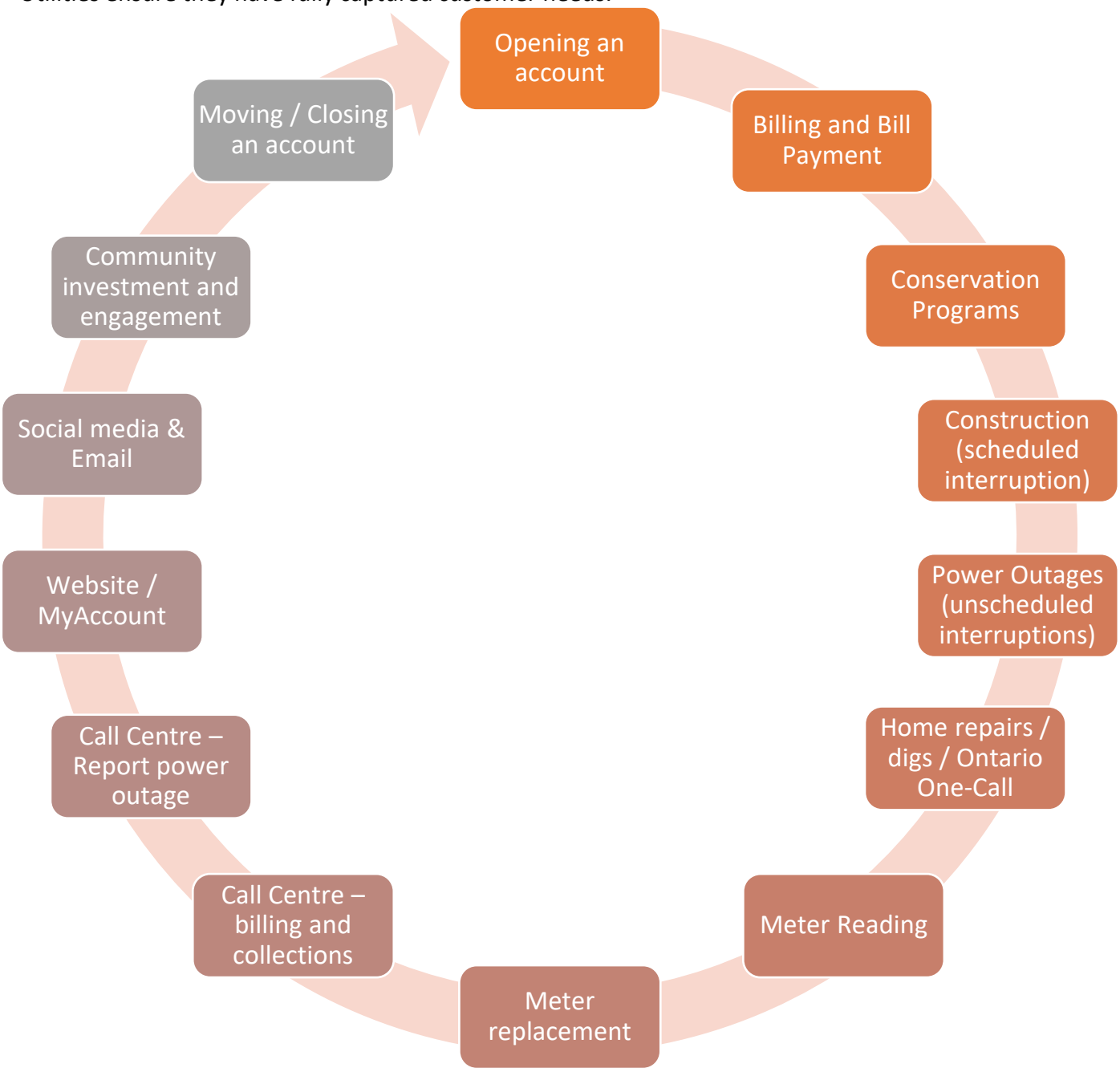
□ Very satisfied □ Somewhat satisfied □ Neither satisfied nor dissatisfied
□ Somewhat dissatisfied □ Very dissatisfied □ Don't know

Q4. Is there anything in particular you would like Alectra Utilities to do to improve its services to you/organization? [OPEN]

Customer Outcomes

Customer Service

There are many ways that customers interact with Alectra Utilities. The diagram below is based on a review of previous customer feedback and intended to help you recall various ways you may have interacted with Alectra Utilities. Please review and then answer the questions below to help Alectra Utilities ensure they have fully captured customer needs.



5. **Thinking about all the contacts you/your organization may have had with Alectra Utilities since becoming a customer, how satisfied are you with the customer service you have received from Alectra Utilities?**

□ Very satisfied □ Somewhat satisfied □ Somewhat dissatisfied □ Very dissatisfied □ Don't know
□ Have never had contact with my distributor

6. **Thinking about all the contacts you/your organization may have had with Alectra Utilities, do you have any specific suggestions about how Alectra Utilities could do a better job of meeting your needs?**

Rates 101

How much of my electricity bill goes to Alectra Utilities?

- Every item and charge on your bill is mandated by the provincial government or regulated by the Ontario Energy Board (OEB), the provincial energy regulator.
- While **Alectra Utilities** is responsible for collecting payment for the entire electricity bill – as well as water charges for many of its communities – Alectra Utilities retains only a portion of the electricity delivery charge. The electricity delivery charge also includes Hydro One transmission costs and system losses.
- Distribution makes up about 22% of the typical residential customer's bill.
- The rest of your bill is passed onto provincial transmission companies, power generation companies, the provincial government and regulatory agencies.

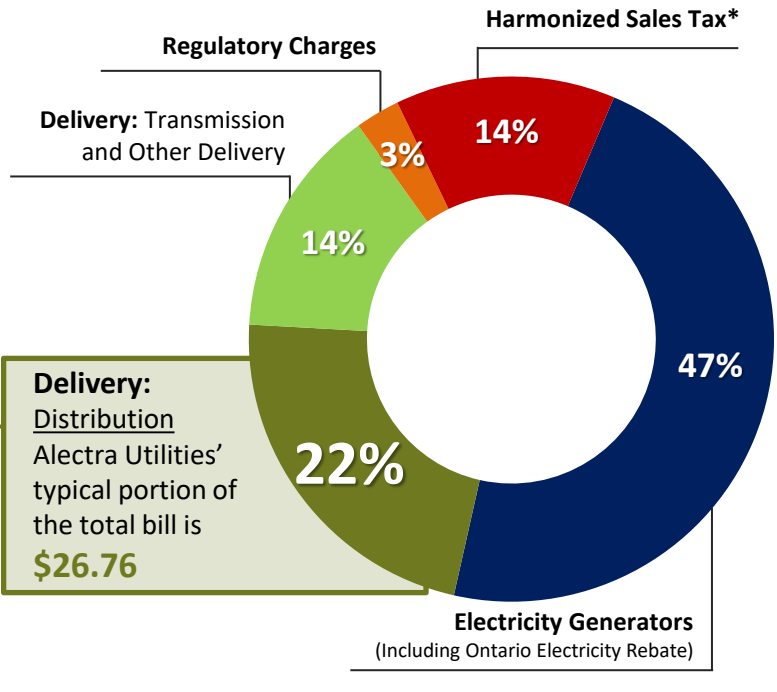
Alectra Utilities Sample Monthly Bill
(Based on monthly usage of 750 kWh)

Account Number:
000 000 000 000 0000

Meter Number:
00000000

Your Electricity Charges	
Electricity	
Off-Peak @ 8.2 ¢/kWh	39.36
Mid-Peak @ 11.3 ¢/kWh	15.26
On-Peak @ 17 ¢/kWh	22.95
Delivery	43.77
Regulatory Charges	3.28
Total Electricity Charges	**$124.62**
HST	16.20
Ontario Electricity Rebate	($21.18)
Total Amount	**$119.63**

Delivery:
Distribution
Alectra Utilities' typical portion of the total bill is
$26.76



Note: Graph may not total 100% due to rounding.

* HST is calculated before applying the Ontario Electricity Rebate and is therefore above 13%.

Q7. Before this survey, how familiar were you with the amount of your/your organization's electricity bill that went to Alectra Utilities?

- □ Very familiar
- □ Somewhat familiar
- □ Not familiar
- □ Don't know

Note: In the online workbook, bill impacts differed based on rate zone and rate class. Enersource Residential is shown above.

Customer Outcomes

What are the goals you want Alectra Utilities to focus on?

Now let's talk about outcomes. Alectra Utilities talks to customers to better understand how it should set spending priorities with the money customers pay for service.

In recent conversations with customers, a number of possible goals were identified as potential priorities for Alectra Utilities. Below you will find a list of these potential priorities.

Q8. How important are each of these potential Alectra Utilities priorities to you/your organization as a customer?

Priority Areas	
Delivering reasonable electricity distribution prices.	Not at all important 0 — Extremely Important 10 ○ Don't know
Ensuring reliable electrical service.	Not at all important 0 — Extremely Important 10 ○ Don't know
Helping customers reduce and better manage their electricity consumption.	Not at all important 0 — Extremely Important 10 ○ Don't know
Minimizing impact on the environment including climate change	Not at all important 0 — Extremely Important 10 ○ Don't know
Protecting the safety of employees and customers	Not at all important 0 — Extremely Important 10 ○ Don't know
Providing quality customer service	Not at all important 0 — Extremely Important 10 ○ Don't know
Enabling customer choice to access new electricity services (e.g. electricity storage and distributed generation, such as solar panels)	Not at all important 0 — Extremely Important 10 ○ Don't know

Q9. Are there any other important priorities that Alectra Utilities should be focusing on that weren't included in the list above? [OPEN]

Customer Outcomes

Setting Priorities

Sometimes Alectra Utilities has to choose between goals that have a similar level of priority. When that happens, planners need to understand what matters most to you/your organization.

Q10. Thinking again about the things Alectra Utilities should be focusing on, please rank your top 3 priorities.

Drag and drop the priorities in order, starting with the priority most important to you, followed by the second most important, and ending with the third most important. You can rank up to 3 priorities. If you are not sure, please select the option "Don't know".

	Ranking [Require to rank a minimum of one option and a maximum of three options]
Delivering reasonable electricity distribution prices.	
Ensuring reliable electrical service.	
Helping customers reduce and better manage their electricity consumption.	
Minimizing impact on the environment including climate change	
Protecting the safety of employees and customers	
Providing quality customer service	
Enabling customer choice to access new electricity services (e.g. electricity storage and distributed generation, such as solar panels)	
Don't know	

Customer Outcomes

Reliability Experience and Priorities

Now let's focus a little deeper on reliability.

Q11. Have you experienced any power outages at home/your organization in the past 12 months which lasted longer than one minute? If so, approximately how many power outages did you experience?

_____

☐ **None**

Q11a. [IF RES AND Q11>0] How significant are these disruptions in your home?

□ Very significant □ Somewhat significant □ Not very significant □ Not significant at all □ Don't know

Q11b. [BUS] Have you experienced any momentary outages of less than a minute and/or power quality issues (such as voltage surges and sags) at your organization in the past 12 months? If so, approximately how many momentary outages and/or power quality issues did you experience?

_____

☐ **None**

Q11c. [IF BUS AND Q11b>0] How significant are these momentary disruptions in your organization?

□ Very significant □ Somewhat significant □ Not very significant □ Not significant at all □ Don't know

Q11d. [IF BUS AND Q11b>0] Please tell us what sort of impacts these momentary disruptions have on your business. [OPEN]

Note: In the online workbook, respondents were able to scroll down directly to the information on the following page.

When it comes to reliability, there are different outcomes Alectra Utilities can focus on. They can focus on the number of outages or the length of outages. They can focus on day-to-day reliability or preparedness for extreme weather events. They can focus on power quality or communicating with customers during outages. Different priorities require a different mix of investments.

Q12. [RES] Thinking about your own personal needs at home, please look at the following outcomes and rank the three that matter most to you.

Q12. [BUS] Thinking about your organization's needs, please look at the following outcomes and rank the three that matter most.

Drag and drop the priorities in order, starting with the priority most important to you, followed by the second most important, and ending with the third most important. You can rank up to 3 priorities. If you are not sure, please select the option "Don't know".

Reliability Outcome	Ranking [Require to rank a minimum of one option and a maximum of three options]
Reducing the overall number of day-to-day outages (lasting longer than one minute)	
Reducing the overall length of day-to-day outages	
Reducing the number of outages during extreme weather events (e.g. ice storms, windstorms, and thunderstorms)	
Reducing the length of time to restore power during extreme weather events (e.g. ice storms, windstorms, and thunderstorms)	
Improving the quality of power, as judged by momentary interruptions in power or power surges that can affect equipment and lighting	
Improving communication during outages	
Don't know	

Rates 101

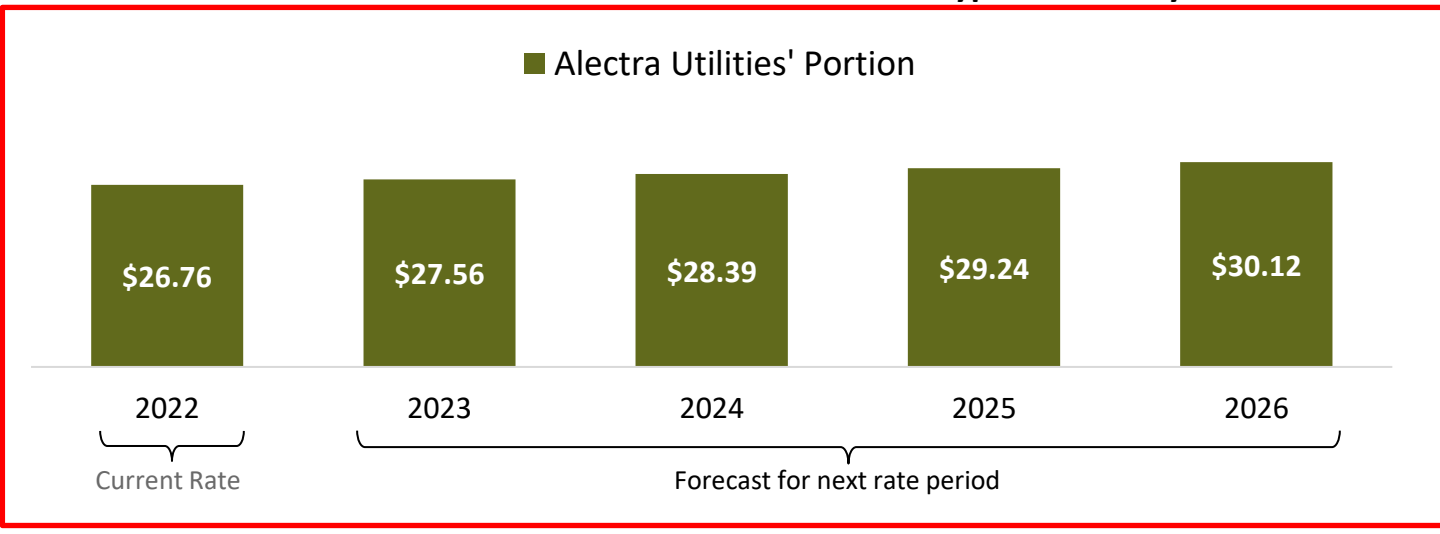
How much can you expect to pay over the next few years?

The earlier questions will be used to inform planners as they begin the process of Alectra Utilities' next major planning cycle. That process will impact rates beginning in 2027. Now the workbook will turn to an issue with underground electricity cables that Alectra Utilities feels should not wait until the new planning cycle is complete. If any additional effort is made to deal with this issue, it will require an increase in the rates you pay before 2027.

Before discussing a potential rate increase, it is important to understand the rates increases that have been previously approved. The rates you currently pay to Alectra Utilities were set earlier by the OEB through a public process for each of Alectra Utilities' predecessor firms. Until new rates are set by the OEB in 2027, your future rate increases will be limited by an **OEB-set Price Cap Formula**. The OEB has established a savings target for each of the predecessor firms. Each year Alectra Utilities is permitted to increase rates to reflect inflation minus that savings target. This requires Alectra Utilities to keep cost increases below inflation.

For customers in your area and rate class, the distribution charge for the typical bill is estimated to increase by 3.0% on average, per year, for the next five years.

Estimated Increase in Alectra Utilities' Portion of a Typical Monthly Bill†



† On November 18, 2021, the OEB approved a Price Cap Adjustment for Alectra Utilities of 3.0% for rate changes effective 2022. This 3.0% increase has been used to forecast the rates for 2023 to 2026. Actual impacts may differ from these estimates based on subsequent Price Cap Adjustments determined by the OEB.

Q13. Before this survey, how familiar were you with the OEB requirement for Alectra Utilities to find savings every year?

- □ Very familiar
- □ Somewhat familiar
- □ Not familiar at all
- □ Don't know

Responding to Evolving Needs

As mentioned earlier, Alectra Utilities has identified a growing problem with underground electricity cables that it feels needs to be addressed now. OEB rules allow the utility to apply for additional rate increases for capital projects or programs that are prudent, needed and not supported by existing rates.

The next questions are about this proposal.

Note: In the online workbook, bill impacts differed based on rate zone and rate class. Enersource Residential is shown above.

Choices

Underground Cable Renewal

Alectra Utilities has identified a growing reliability issue it feels should not wait until the core planning cycle is complete. This is an issue with Alectra Utilities' underground cables which make up the majority of Alectra Utilities' distribution system.

Over the last five years, customer hours of interruption due to underground cable failures have increased by an average of 11% annually. Alectra Utilities has identified that the failures of direct-buried first generation underground cable is impacting a growing number of communities in Mississauga.

Underground cable has now become the single largest cause of electricity outages due to deterioration from ground moisture and corrosion. Over the past five years, there have been an average of 194 outages every year due to these type of equipment failure. The typical outage results in 375 customers losing power for an hour. Once any specific circuit has its first outage due to cable failure, it is more likely to experience additional outages.

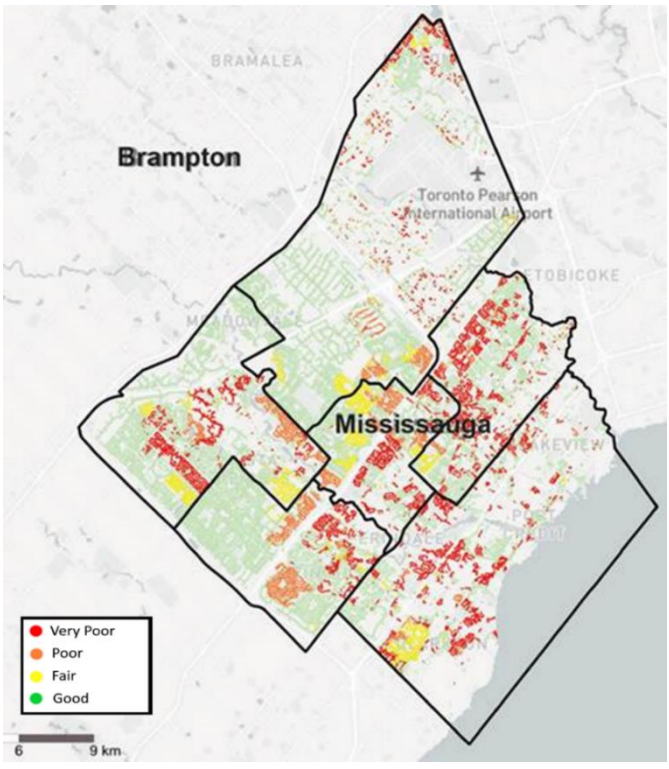


Image: Heat map of cable health condition

Impact on Customers

Although Alectra Utilities has been working to renew underground cable on the grid, in some neighbourhoods the rate of underground cable failures has almost doubled since 2018. As a result, customers served by underground cable have been experiencing a greater number of prolonged power outages.

One example of an impacted community in Mississauga is the Sir John's Homestead neighbourhood in Erindale. Over the last three years, customers in the community have experienced nine failures, resulting in a 200% increase in the rate of failures. In addition to the increasing frequency of cable failures in the community, the complexity and costs of emergency repairs required to restore power are increasing, with outages increasing in duration over two and a half hours. Ultimately, the cable deteriorates to the point that emergency repairs are no longer an option resulting in an emergency replacement at a higher cost and inconvenience to residents and businesses in the community.

Choices

Underground Cable Renewal

Alectra Utilities has identified a growing reliability issue it feels should not wait until the core planning cycle is complete. This is an issue with Alectra Utilities' underground cables which make up the majority of Alectra Utilities' distribution system.

Over the last five years, customer hours of interruption due to underground cable failures have increased by an average of 11% annually. Alectra Utilities has identified that the failures of direct-buried first generation underground cable is impacting a growing number of communities in York and Simcoe regions.

Underground cable has now become the single largest cause of electricity outages due to deterioration from ground moisture and corrosion. Over the past five years, there have been an average of 162 outages every year due to these type of equipment failure. The typical outage results in 307 customers losing power for two hours. Once any specific circuit has its first outage due to cable failure, it is more likely to experience additional outages.

Image: Heat map of cable health condition across former Powerstream service territory (Barrie shown in inset)

Impact on Customers

Although Alectra Utilities has been working to renew underground cable on the grid, in some neighbourhoods the rate of underground cable failures has almost doubled since 2018. As a result, customers served by underground cable have been experiencing a greater number of prolonged power outages.

One example of an impacted community is the Batson Drive neighbourhood in Aurora. Over the last three years, the customers in the community have experienced eleven failures, resulting in an 80% increase in the rate of failures. In addition to the increasing frequency of cable failures in the community, the complexity and costs of emergency repairs required to restore power are increasing. Ultimately, the cable has deteriorated to the point that emergency repairs are no longer an option resulting in an emergency replacement at a higher cost and inconvenience to residents and businesses in the community.

Choices

Underground Cable Renewal

There are two things Alectra Utilities can do to reduce outages from underground cables failures and to avoid higher future costs.

1. **Cable Injection**: For cable that is still in fair condition, Alectra Utilities can inject a fluid that re-enforces the weakened insulation. Cable injection can add up to 20 years to the life of a fair condition cable and is six times cheaper than replacement. While cable in fair condition does not have the same level of reliability issues as cable in poor or very poor condition, the injection process also prevents further outages. Once a cable moves from fair to poor condition, the injection process is no longer possible.

Image: Cable injection preparation

2. **Planned Replacement:** For cable in worse condition, Alectra Utilities can avoid the problem of escalating outages on problem lines by replacing the cable once there is clear evidence the cable is beginning the cycle of escalating outages. This is more cost efficient than waiting until the cable experiences multiple outages. It also provides a significant reduction in unplanned outages. The new cable is installed in a protective duct and is expected to reliably perform for at least 45 years. That allows Alectra Utilities to plan any disruption due to repairs to minimise unexpected impacts on customers.

Image: Cable-duct being installed along a residential street

Image: Cable truck parked in residential neighbourhood

The current funding does not permit Alectra Utilities to increase renewal of underground cable to keep pace with the increasing rate of cable failure. Within its current funding, Alectra Utilities cannot address this problem without limiting its ability to achieve other important performance levels.

Note: In the online workbook, options were set up to be rotated to avoid order issues

Pacing Investments in the Underground System

[IF ERZ ONLY:] Under the plan funded by current rates, the number of outages is expected to increase by approximately 19% over the next 5 years. In the following discussion, please keep in mind that the average outage caused by underground cable results in 375 customers losing power for an hour.

[IF PRZ ONLY:] Under the plan funded by current rates, the number of outages is expected to increase by approximately 32% over the next 5 years. In the following discussion, please keep in mind that the average outage caused by underground cable results in 307 customers losing power for two hours.

Injection for Cables in Fair Condition

The goal of injecting cables currently in fair condition is to extend the life of the cables by up to 20 years. Paying more now will provide lower long-term costs to rate payers and prevent further outages.

Q14. Which of the following cable injection strategies would you prefer?

	Option	Cable injected	Expected Outcome
○	**Increase investment in cable injection by $6.4MM over 2 years** ***Additional Rate Impact* $0.04** *per month in 2023 and* **$0.05** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* **$1.08** *per year*	**Additional 69.37 km**	This investment will allow Alectra Utilities to inject cables in 6 neighbourhoods. Over a 5 year period this work is expected to prevent 36 outages. The $6.4MM investment today will offset future costs to customers of approximately $60.91MM.
○	**Increase investment in cable injection by $4.3MM** ***Additional Rate Impact* $0.03** *per month in 2023 and* **$0.03** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* **$0.72** *per year*	**Additional 44.65 km**	This investment will allow Alectra Utilities to inject cables in 4 neighbourhoods. Over a 5 year period this work is expected to prevent 24 outages. The $4.3MM investment today will offset future costs to customers of approximately $42.05MM.
○	**Increase investment in cable injection by $2.1MM** ***Additional Rate Impact* $0.01** *per month in 2023 and* **$0.02** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* **$0.36** *per year*	**Additional 22.71 km**	This investment will allow Alectra Utilities to inject cables in 2 neighbourhoods. Over a 5 year period this work is expected to prevent 12 outages. The $2.1MM investment today will offset future costs to customers of approximately $26.78MM.
○	**Maintain current level of planned investment in cable injection** ***Within current rates***	**35.97 km**	Alectra Utilities assumes that without additional investment it would be unable to avoid approximately 36 outages. This will result in additional future costs of approximately $60.91MM.
○	**Don't know**		

Additional Feedback *(Optional)*

Note: In the online workbook, table content differed based on rate zone and rate class. Enersource Residential is shown above.

Replacing Underground Cable in Poor or Very Poor Condition

The goal of replacing cable in poor or very poor condition is to avoid unplanned outages. Paying more now would reduce the number of outages likely to occur in the next few years as well as provide some efficiency savings and reduce unplanned disruption to neighbourhoods.

Q15. Which of the following cable replacement strategies would you prefer?

	Option	Cable replaced	Expected Outcome
○	**Increase investment in cable replacement by $11.0MM** ***Additional Rate Impact*** ***$0.09*** *per month in 2023 and* ***$0.08*** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* ***$2.04*** *per year*	**Additional 21.21 km**	This investment will allow Alectra Utilities to replace cables in 8 neighbourhoods. Over a 5 year period this work is expected to prevent 100 outages. The $11.0MM investment today will offset future costs to customers of approximately $23.06MM.
○	**Increase investment in cable replacement by $8.6MM** ***Additional Rate Impact*** ***$0.06*** *per month in 2023 and* ***$0.06*** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* ***$1.44*** *per year*	**Additional 14.74 km**	This investment will allow Alectra Utilities to replace cables in 6 neighbourhoods. Over a 5 year period this work is expected to prevent 80 outages. The $8.6MM investment today will offset future costs to customers of approximately $19.43MM.
○	**Increase investment in cable replacement by $5.4MM** ***Additional Rate Impact*** ***$0.05*** *per month in 2023 and* ***$0.03*** *per month in 2024. The cumulative impact from 2023 and 2024 is an additional* ***$0.96*** *per year*	**Additional 9.25 km**	This investment will allow Alectra Utilities to replace cables in 3 neighbourhoods. Over a 5 year period this work is expected to prevent 43 outages. The $5.4MM investment today will offset future costs to customers of approximately $15.42MM.
○	**Maintain current level of planned investment in cable replacement** ***Within current rates***	**18.4 km**	Alectra Utilities assumes that without additional investment it would be unable to avoid approximately 100 outages. This will result in additional future costs of approximately $23.06MM.
○	**Don't know**		

Additional Feedback *(Optional)*

Note: In the online workbook, table content differed based on rate zone and rate class. Enersource Residential is shown above.

Alectra Utilities Customer Engagement

Planning for the Future

Now we would like to shift the focus, and ask you some general questions about the electricity system in Ontario.

To what extent do you agree or disagree with the following statements?

The cost of my electricity bill has a major impact on my finances and requires I do without some other important priorities.

- □ Strongly agree
- □ Somewhat agree
- □ Somewhat disagree
- □ Strongly disagree
- □ Don't know/No opinion

Customers are well served by the electricity system in Ontario.

- □ Strongly agree
- □ Somewhat agree
- □ Somewhat disagree
- □ Strongly disagree
- □ Don't know/No opinion

Note: In the online workbook, only residential customers were shown this page.

Now we would like to shift the focus, and ask you some general questions about the electricity system in Ontario.

To what extent do you agree or disagree with the following statements?

The cost of my organization's electricity bill has a major impact on the bottom line of my organization and results in some important spending priorities and investments being put off.

- □ Strongly agree
- □ Somewhat agree
- □ Somewhat disagree
- □ Strongly disagree
- □ Don't know/No opinion

Customers are well served by the electricity system in Ontario.

- □ Strongly agree
- □ Somewhat agree
- □ Somewhat disagree
- □ Strongly disagree
- □ Don't know/No opinion

Note: In the online workbook, only business customers were shown this page.

About you

More about you

The following questions are for statistical purposes only. This information is used to segment and group similar people together when the survey results are analysed.

Do you identify as…

- ☐ A man
- ☐ A woman
- ☐ Prefer to self-describe **[SPECIFY]**
- ☐ Prefer not to say

What age category do you fall into?

- ☐ Under 18
- ☐ 18-24
- ☐ 25-34
- ☐ 35-44
- ☐ 45-54
- ☐ 55-64
- ☐ 65-74
- ☐ 75 or older
- ☐ Prefer not to say

Including yourself, how many people live in your household?

- ☐ Single person household
- ☐ 2 people
- ☐ 3 people
- ☐ 4 people
- ☐ 5 people
- ☐ 6 people
- ☐ 7 of more people
- ☐ Prefer not to say

Which of the following categories best describes the total annual income, after taxes, of all the members of your household?

- ☐ Less than $28,000
- ☐ $28,000 to less than $39,000
- ☐ $39,000 to less than $48,000
- ☐ $48,000 to less than $52,000
- ☐ $52,000 or more
- ☐ Prefer not to say

Note: In the online workbook, only residential customers were shown this page.

About your organization

More about your organization

The following questions are for statistical purposes only. This information is used to segment and group similar people together when the survey results are analysed.

Which of the following best describes the sector in which your business operates?

- □ Commercial
- □ Manufacturing/Industrial
- □ Data Centre
- □ Hospitality
- □ Restaurant/Tavern
- □ Retail
- □ Warehouse
- □ Real Estate
- □ Other. Please specify:
- □ Don't know

Including yourself, how many people work at your organization?

- □ 1 person
- □ 2 to 5 people
- □ 6 to 10 people
- □ 11 to 25 people
- □ 26 to 50 people
- □ More than 50 people
- □ Don't know

Do you personally do any of the following things in your organization?
Please check all that apply.

- □ Deal with electrical utility companies
- □ Understand and select electricity-related equipment for your business
- □ Manage electricity use by your company

Note: In the online workbook, only business customers were shown this page.

Final Thoughts

Feedback on Alectra Utilities' customer engagement

These last few questions are about the customer engagement that you just completed. In order to do better in the future, Alectra Utilities wants to understand whether this new way of collecting customer feedback has worked or not.

Overall, do you have a favourable or unfavourable impression of the customer engagement you just completed?
□ Very favourable □ Somewhat favourable □ Somewhat unfavourable □ Very unfavourable □ Don't know
In this customer engagement, do you feel that Alectra Utilities provided too much information, not enough, or just the right amount?
□ Too little information □ Just the right amount of information □ Too much information
Was there any content missing that you would have liked to have seen included in this customer engagement? (OPEN)
□ None
Is there anything that you would still like answered?
□ None

Thank you

Thank you for taking the time to provide feedback.

In appreciation for your time, Alectra Utilities will be making a $20 charitable donation to a charity in your area that is supported by the AlectraCARES Community Support Program. As more customers like you complete this survey, the total donation pool grows!

Please select which charity you would like to support from the drop-down menu below.

- ***Camp Winston Foundation:*** Located on Sparrow Lake in the Muskoka region of Ontario, Camp Winston is a unique retreat for children with complex neurobiological disorders who need highly specialized support.
- ***CMHA (Canadian Mental Health Association), Ontario Division:*** An organization committed to making mental health possible for all. CMHA Ontario achieves its mission by being a leader in the evolution of Ontario's mental health and addictions system.
- ***Canadian Roots Exchange:*** The first and largest Indigenous youth led, capacity building, and change making organisation in the country.
- ***Children's Aid Foundation of Canada:*** Canada's leading charity dedicated to standing up for children and families involved in the child welfare system and standing alongside youth with lived experience.
- ***Jennifer Ashleigh Children's Charity:*** Financially assists seriously ill children and their families to fill in the financial gaps when families have exhausted all other support so that they can focus on the health of their child.
- ***Our Youth at Work Association:*** Our mandate is to educate and connect the next generation of students in the trades, powerline technicians, engineers, computer science, business, human resources, law and medicine with the best companies and leaders in Canada.
- ***Outward Bound Canada:*** Committed to helping Canadian youth change the trajectory of their lives, offering social-emotional education through experiential adventures in the outdoors.
- ***Pediatric Oncology Group of Ontario (POGO):*** POGO works to ensure that everyone affected by childhood cancer has access to the best care and support, and is the official advisor to Ontario's Ministry of Health on children's cancer control and treatment.
- ***Sunnybrook:*** With 1.3 million patient visits each year, Sunnybrook has established itself across three campuses and is home to Canada's largest trauma centre. Sunnybrook's groundbreaking research changes the way patients are treated around the world.
- ***The Earth Rangers Foundation:*** A kids' conservation organization, committed to instilling environmental knowledge, positivity, and the confidence to take action in every child in Canada.
- ***United Way:*** A federated network of local United Way offices serving more than 5,000 communities across Canada to raise funds and invest in improving lives in the community.

01	Camp Winston Foundation
02	CMHA (Canadian Mental Health Association), Ontario Division
03	Canadian Roots Exchange
04	Children's Aid Foundation of Canada
05	Jennifer Ashleigh Children's Charity
06	Our Youth at Work Association
07	Outward Bound Canada
08	Pediatric Oncology Group of Ontario (POGO)
09	Sunnybrook
10	The Earth Rangers Foundation
11	United Way
97	I do not wish to support any of these charities

Note: In the online workbook, only business customers were shown this page.

CCMBC-13

Reference: Exhibit 4, Tab 1, Schedule 1, Attachment 12, Guidehouse Assurance Review, pages 2 and 3, *Summary Assessment*

a) Please file a list of all documents that Alectra provided to Guidehouse.

b) Guidehouse concluded that "reduced investments for renewal replacements will accelerate and increase the volume of deteriorated underground assets, resulting in degraded reliability and unacceptable levels of service to customers located in areas most susceptible to prolonged and repeat interruptions."

i. By how much would the volume of deteriorated underground assets increase?

ii. What is the measure of reliability that Guidehouse is referring to and by how much would reliability degrade?

Response:

a) Please see Alectra Utilities' response to SEC-11.

b) i) ii)
As provided in Exhibit 3, Tab 1, Schedule 2, page 7, one out of every four neighbourhoods will be serviced by deteriorated cable. This statement is based on the fact that without the ICM funding the total population of 'Very Poor' and 'Poor cable' will be 5,712km, or 25% of the XLPE cable population. The greater the population of 'Very Poor' and 'Poor' cable, the greater likelihood of cable failures, which would degrade reliability.