



Hydro One Networks Inc.

483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Kathleen Burke

Director, Applications Delivery
T 416-770-0592
Kathleen.Burke@HydroOne.com

BY EMAIL AND RESS

September 16, 2022

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2022-0149 - Wataynikaneyap Power LP's ("Watay") Approval of 2023 Electricity Transmission Rates Application – Interrogatories to Applicant

As directed in the Ontario Energy Board's ("OEB") Procedural Order No. 1 issued August 18, 2022, Hydro One Networks Inc. ("Hydro One") is filing interrogatories in respect of the above-noted proceeding.

An electronic copy of the interrogatories has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Burke". The signature is written in a cursive, flowing style.

Kathleen Burke

WATAYNIKANEYAP POWER LP
Application for electricity transmission rates and other charges
EB-2022-0149

Hydro One Networks Inc. Interrogatories
September 16, 2022

1 **HONI-1:**

2
3 **Reference:**

4 Exhibit A-6-1, Indigenous, Métis and Customer Engagement

5 Exhibit B-1-2, Project Planning and Development

6 Exhibit B-1-4, Project Organization and Execution

7
8 **Preamble:**

9 In Exhibit B-1-2, Page 12-13:

10
11 Throughout 2021, WPLP with the assistance of OSLP continued to engage
12 and communicate with potentially impacted Indigenous and Metis
13 communities on a variety of issues, including but not limited to routing
14 changes, permanent land access plans, permitting work, back-up power,
15 employment and training opportunities, and IPA transfers. In particular,
16 during 2021 WPLP with support from OSLP held:

- 17
- 18 • seven in-person meetings with communities, during which the
19 discussions related to topics that included, but were not limited to, the
20 proposed permanent access for operational purposes for the project,
21 updates on project status, archaeology, health and safety, permitting,
22 land access, IPA transfer, backup power, and Indigenous participation,
23 along with community-specific questions and feedback;
 - 24 • eight community-specific radio shows (some with Microsoft Teams
25 option) to provide updates on the Transmission Project, land protocols,
26 COVID protocols, and Indigenous participation. Participating First
27 Nation members had the opportunity to call in to ask questions;
 - 28 • over a dozen teleconferences to address community-specific project
29 related issues, including, but not limited to, routing, substation
30 locations, and COVID impact;
 - 31 • monthly meetings with Community leadership on COVID-19; and
 - 32 • four videoconferences for the Community Liaisons presenting
33 information and Indigenous participation opportunities associated with
34 the right of way and access, tower preparation and assembly, tower
35 erection and stringing, and substations.

1 **Interrogatory:**

- 2 a) What Indigenous participation opportunities have been presented to communities in
3 terms of: employment and training; procurement services; and right of way and access,
4 tower preparation and assembly, tower erection and stringing, and substations, and
5 what are the results/uptake from these opportunities?
6
7 b) Please provide a summary of the feedback received from the communities as part of
8 the activities described in the Preamble, including any areas of concern expressed by
9 attendees.
10
11 c) Please provide any reports provided by OSLP to WPLP regarding the activities
12 described in the Preamble, and their outcomes.
13
14 d) Please summarize the Capacity building and Meaningful Participation as described
15 at Exhibit B-01-04, pp. 2-4 performed to date.
16

17
18 **HONI-2:**

19
20 **Reference:**

21 Exhibit B-1-1, Page 2, Transmission System Project Plan
22

23 **Interrogatory:**

24 Please provide a status update with respect to the connection of the McDowell Lake First
25 Nation community including current and future engagement with the community and an
26 estimate of when distribution service and IPA transfer discussions will begin.
27

28
29 **HONI-3:**

30
31 **Reference:**

32 Exhibit B-1-1, Page 5, Transmission System Project Plan
33

34 **Interrogatory:**

35 With respect to the line to Pickle Lake:

- 36 a) Please describe the status of the line and performance to-date including
37 commissioning, loading, trouble, etc.
38
39 b) Is any further construction work required for this line?

1 **HONI-4:**

2
3 **Reference:**

4 Exhibit B-1-2, Page 10, Project Planning and Development

5
6 **Interrogatory:**

7 With respect to required permits under section 28(2) of the *Indian Act* ("28(2) permits"):

- 8 a) How many 28(2) permits have been issued and what lands do they cover?
- 9
- 10 b) Were there any First Nation community or leadership concerns with the issuance of
- 11 28(2) permits?
- 12
- 13 c) Please provide a copy of your standard 28(2) permit.
- 14
- 15 d) The 28(2) permit templates continue to change. Please provide an update on the 28(2)
- 16 template permits and how they may impact connection.
- 17

18
19 **HONI-5:**

20
21 **Reference:**

22 Exhibit B-1-3, Project Schedule

23
24 **Interrogatory:**

- 25 a) Are there any material changes to the schedule as filed in the Application? Specifically,
- 26 are there any changes to the proposed community connection dates?
- 27
- 28 b) If so, please provide an updated project schedule and explanation of the changes, by
- 29 community,
- 30
- 31 c) Please provide a status update, by community, regarding readiness for all connecting
- 32 communities and the supporting structure in place.

1 **HONI-6:**

2
3 **Reference:**

4 Exhibit B-1-3, Page 2, Project Schedule

5
6 **Interrogatory:**

7 With respect to project schedule:

8 a) Please provide an update on the current estimated connection dates for:

9 i. North Caribou Lake

10 ii. Kingfisher Lake

11
12 b) The connection date for Sachigo has been delayed by 10 months. Please describe the
13 reasons for the delay.

14
15 c) Understanding whether a connection date might be shifted to a future year is important
16 for HORCI's planning and operations. Please provide an assessment, by community,
17 of the risk and likelihood that the in-service date will shift to the following year.

18
19
20 **HONI-7:**

21
22 **Reference:**

23 Exhibit B-1-3, Page 5-6, Project Schedule

24
25 **Interrogatory:**

26 What material procurement is complete and what remains outstanding? For outstanding
27 materials, is WPLP aware of any actual or potential delays? If so, what lead times are
28 being used?

1 **HONI-8:**

2
3 **Reference:**

4 Exhibit B-1-4, Project Organization and Execution

5
6 **Interrogatory:**

- 7 a) Have there been any notable changes to the operations and maintenance resources,
8 organizational structure, plan or strategy since the filing of the Application?
9
10 b) What key tasks are currently being done to ensure sufficient operations and
11 maintenance capacity for both new and existing communities?
12
13 c) Describe all agreements with suppliers, contractors, partners to deliver operating and
14 maintenance services going forward.
15
16 d) Have transportation contracts (i.e., planes/helicopters) been formalized?
17
18 e) In respect of the Interim O&M strategy, how long is it expected to be in place? What
19 steps has WPLP taken to develop a post-Interim O&M strategy?
20

21
22 **HONI-9:**

23
24 **Reference:**

25 Exhibit B-1-3, Page 5, Project Schedule

26
27 **Interrogatory:**

28 WPLP identifies key schedule risks in five main categories¹ and states that “WPLP and its
29 EPC contractor have a number of risk management processes and mechanisms in place,
30 as further described in Section B of Exhibit B-1-4.” Section B of Exhibit B-1-4 describes
31 “Contractor Coordination and Oversight” but does not explicitly address the mitigation
32 plans for each of the five key schedule risks. Please explain the likelihood and impact of
33 each risk and describe the specific mitigation plans for each of the five risks identified in
34 Exhibit B-1-3 at pages 5 and 6.

¹ Material and Equipment Delivery; Access Considerations; Third-Party Factors; Routing Changes; Construction Execution

1 **HONI-10:**

2
3 **Reference:**

4 Exhibit B-1-4, Page 4, Project Organization and Execution

5
6 **Interrogatory:**

7 a) Please provide a status update and a summary of the discussions between
8 Wawakapewin First Nation and the Backup Power Working Group on whether an
9 alternative, to critical asset backup only, is available on the provision of back-up power
10 to Wawakapewin.

11
12
13 **HONI-11:**

14
15 **Reference:**

16 Exhibit B-1-4, Page 11, Project Organization and Execution

17
18 **Interrogatory:**

19 Please provide copies of the latest quarterly and annual reports from Valard and Hatch to
20 WPLP.

21
22
23 **HONI-12:**

24
25 **Reference:**

26 Exhibit D-1-1, Page 2-5, Proposed Scorecard

27
28 **Interrogatory:**

29 With respect to the proposed scorecard:

- 30 a) What safety practices, programs or initiatives are going to be put in place to drive
31 positive safety performance?
32
33 b) What reliability practices, programs or initiatives are going to be put in place to drive
34 positive performance?
35 c) How is customer satisfaction going to be monitored and evaluated?
36
37 d) How is on-going community satisfaction (i.e., participating communities) going to be
38 monitored or evaluated?
39
40 e) What customer practices, programs or initiatives are going to be put in place to drive
41 positive performance?

- 1 f) Can you provide examples of HSE related metrics you are considering?
2
3 g) Have project performance milestones been considered as a scorecard measure?
4
5 h) How is public policy responsiveness going to be monitored or evaluated?
6
7

8 **HONI-13:**
9

10 **Reference:**

11 Exhibit C-2-1, Tables 5; and Appendix A, Table A-1
12 EB-2021-0134, Settlement Proposal, Attachment A, Table 3
13

14 **Preamble:**

15 For 2023 in-service additions, WPLP included a forecast of EPC contract Change Orders
16 as of December 31, 2021 that include both executed/pending Change Orders within the
17 following categories: routing changes, design changes, 2021 forest fire impacts, and
18 additional scope. WPLP has determined that the estimates in the Change Orders exceed
19 application materiality. WPLP noted that the cost for certain change orders are not yet
20 known, such as the cost impact of 2021 forest fires (relating to the MNEF Emergency Area
21 Order 2021-13) and the route change continues to be under negotiation with the EPC
22 contractor.
23

24 **Interrogatory:**

- 25 a) Please confirm whether the scope of the EPC Change Orders (i.e., changes to routing,
26 design requirements, 2021 forest fire impacts, and additional scope) has changed
27 relative to those approved in the settlement agreement in EB-2021-0134.
28 i. If not confirmed, please discuss how WPLP has been managing the risk of cost
29 increases to EPC projects that result from the change orders.
30
31 b) For each of the Change Orders identified in Table 5, please show the breakdown of
32 the Change Orders that have been executed and are pending execution (or in the
33 negotiation process) and segregate the Change Order costs attributable to "Remotes
34 Connection Lines" and "Line to Pickle Lake", as applicable.
35
36 c) Please explain the difference in the Change Order costs of \$11.441M shown in Exhibit
37 C-2-1, Table 5 (page 6) and \$24.690M shown in Table A-1 of Exhibit C-2-1, Appendix
38 A (page 13).