

**POST CONSTRUCTION FINANCIAL REPORT
AS AT MARCH 31, 2023**

2020 London Lines Replacement Project

In compliance with the Ontario Energy Board Order EB-2020-0192 and Condition 8, the following is a Post Construction Financial Report on the capital pipeline, stations, services, and abandonment cost for the 2020 London Lines Replacement Project (Project).

The Project actual cost as at March 31, 2022 was \$126,599,896 or 23% lower than estimated. However, the total does not take into account forecasted costs of remaining Abandonment work scheduled in 2023 and clean up in 2024. The following explains any significant variances.

Table 1: Project Cost Forecast to Actual

Item No.	Description	Project Estimate (\$)	Actual Cost (\$)	Remaining to Spend (Forecast \$)	Variance (\$)	Variance (%)
Mainline Costs						
1	Materials	5,616,000	5,458,397	80,000	(77,603)	-1%
2	Construction and Labour	77,321,000	63,189,065	250,000	(13,881,935)	-18%
3	Contingency	11,402,000	-	-	(11,402,000)	-100%
4	IDC	867,000	733,162	-	(133,838)	-15%
5	Incremental Mainline Capital Costs	95,206,000	69,380,624	330,000	(25,495,376)	-27%
6	Indirect Overhead	21,881,000	14,798,336	98,637	(6,984,027)	-32%
7	Total Mainline Capital Costs	117,087,000	84,178,960	428,637	(32,479,403)	-28%
Stations Costs						
8	Materials	1,823,000	3,212,641	27,417	1,417,058	78%
9	Construction and Labour	8,221,000	15,587,366	671,134	8,037,499	98%
10	Contingency	1,310,000	-	138,445	(1,171,555)	-89%
11	IDC	142,000	132,080	24,570	14,651	10%
12	Incremental Station Capital Costs	11,496,000	18,932,087	861,566	8,297,653	72%
13	Indirect Overhead	2,640,000	4,104,854	256,056	1,720,910	65%
14	Total Station Capital Costs	14,136,000	23,036,941	1,117,622	10,018,563	71%
Services Costs						
15	Materials	125,000	142,644	-	17,644	14%
16	Construction and Labour	4,005,000	8,905,691	-	4,900,691	122%
17	Contingency	619,000	-	-	(619,000)	-100%
18	IDC	49,000	102,497	-	53,497	109%
19	Incremental Services Capital Costs	4,798,000	9,150,832	-	4,352,832	91%
20	Indirect Overhead	991,000	2,033,572	-	1,042,572	105%
21	Total Services Capital Costs	5,789,000	11,184,404	-	5,395,404	93%
Abandonment						
22	Materials	-	18,008	-	18,008	0%
23	Construction and Labour	19,776,000	6,683,370	27,510,204	14,417,573	73%
24	Contingency	2,633,000	-	2,013,679	(619,321)	-24%
25	IDC	-	155	-	155	0%
26	Incremental Abandonment Capital Costs	22,409,000	6,701,533	29,523,883	13,816,415	62%
27	Indirect Overhead	4,677,000	1,498,058	8,819,688	5,640,746	121%
28	Total Abandonment Capital Costs	27,086,000	8,199,591	38,343,571	19,457,162	72%
29	Total Cost	164,098,000	126,599,896	39,889,830	2,391,726	1%

Item No.	Catgeory	Variance Explanation
1	Mainline: Materials	See Item 7 for comments.
2	Mainline: Construction and Labour	See Item 7 for comments.
3	Mainline: Contingency	See Item 7 for comments.
4	Mainline: IDC	See Item 7 for comments.
6	Mainline: Indirect Overhead	See Item 7 for comments.
7	Mainline: Total Mainline Capital Costs	Mainline actual costs are 28% less than the original filed budget. The budgeted amount was based on the information available at the time of the LTC filing. As the project was developed, project efficiencies were found that allowed for easier installation resulting in lower overall costs. Additionally, specialized equipment was secured that allowed for greater daily production rates during installation, lowering costs below what was originally projected. 99.5% of expected spend has been charged to the project with 0.5% remaining to spend after March 31, 2023.
8	Stations: Materials	See Item 14 for comments.
9	Stations: Construction and Labour	See Item 14 for comments.
10	Stations: Contingency	See Item 14 for comments.
11	Stations: IDC	See Item 14 for comments.
12	Stations: Incremental Station Capital Costs	See Item 14 for comments.
13	Stations: Indirect Overhead	See Item 14 for comments.
14	Stations: Total Station Capital Costs	Station actual costs were 63% higher than the original filed budget. At the time of the LTC filing, the scope of the station installation and abandonment requirements were not fully developed. IFC drawings were not available to inform the original budget, and many drawings had not yet been initiated, leading to greater uncertainty regarding costs associated with the station work. For instance, without stamped drawings, material costs could not be accurately estimated. Similarly, contractors were unable to provide accurate pricing because the necessary reference materials were not available. Additionally, ongoing delays due to procurement challenges related to the COVID-19 pandemic extended the station installation schedule from one year to two years, resulting in increased costs. 95.4% of expected spend has been charged to the project with 4.6% remaining to spend after March 31, 2023.
15	Services: Materials	See Item 21 for comments.
16	Services: Construction and Labour	See Item 21 for comments.

17	Services: Contingency	See Item 21 for comments.
18	Services: IDC	See Item 21 for comments.
19	Services: Incremental Services Capital Costs	See Item 21 for comments.
20	Services: Indirect Overhead	See Item 21 for comments.
21	Services: Total Services Capital Costs	Service actual costs were 93% higher than the original filed budget. At the time of the LTC filing, the list of services needing to be replaced was not yet finalized. The total number of services that were installed exceeded the number expected, resulting in increased costs. Additionally, multiple contractors needed to be secured to complete different portions of the work, and the work itself was more complex than originally expected due to the length of some services and site conditions during some of the installations.
22	Abandonment: Materials	See Item 28 for comments.
23	Abandonment: Construction and Labour	See Item 28 for comments.
24	Abandonment: Contingency	See Item 28 for comments.
25	Abandonment: IDC	See Item 28 for comments.
26	Abandonment: Incremental Abandonment Capital Costs	See Item 28 for comments.
27	Abandonment: Indirect Overhead	See Item 28 for comments.
28	Abandonment: Total Abandonment Capital Costs	Abandonment actual costs are 70% less than the original filed budget because the majority of abandonment work has not commenced so the costs have not yet been realized. Abandonment work was deferred from original timeline until 2023 due to delays associated with archeological assessments and obtaining landowner agreements to complete the removal work. Forecast remaining spend is accurate to March 31, 2023 and is subject to change. 17.6% of expected spend has been charged to the project with 82.4% remaining to spend after March 31, 2023. Note: Abandonment costs were not included in Enbridge Gas's ICM request for rate recovery.
29	Total Cost	Total costs are 1% more than the original filed budget. Note: not all work is complete and costs are carrying into 2023 & 2024 (such as abandonment work, station clean up, etc.).