

April 30, 2024

VIA RESS

Ms. Nancy Marconi
Registrar
ONTARIO ENERGY BOARD
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, Ontario M4P 1E4

Dear Ms. Marconi:

Re: EB-2024-0063 – Generic Proceeding to Consider Cost of Capital Parameters and Deemed Capital Structure.

Per Procedural Order 1, parties must inform the OEB of their plans to file expert evidence in this proceeding. The Electricity Distributors Association, with 47 LDC members representing 50 electricity distribution companies in Ontario, has retained Nexus Economics (“Nexus”) for this proceeding and will file expert evidence prepared by Nexus. This expert evidence may address any or all of the issues listed in the Issues List for this proceeding, and additional evidence addressing other matters the OEB may identify over the course of this generic proceeding.

Nexus will be represented by:

- Lawrence Kaufmann, PhD
- Frank Pampush, PhD
- Ralph Zarumba, MA

Lawrence Kaufmann, PhD

Dr. Kaufmann is the President of LKaufmann Consulting and an expert in regulatory economics, particularly in the field of performance-based regulation (PBR). For more than 30 years, he has advised companies and public agencies, particularly energy utilities and regulators, on various regulatory and industry restructuring issues. Duties include PBR design, developing service quality incentive plans, analyzing appropriate code of conduct policies for competitive markets, and providing supporting empirical research, including index-based and statistical evaluations of utility cost performance and total factor productivity growth. Dr. Kaufmann’s Canadian experience includes significant projects in Alberta, British Columbia, and Ontario. He advised the Ontario Energy Board on both the Third- and Fourth-Generation incentive regulation plans for Ontario’s electricity

transmission and distribution companies, the latter of which has been in effect for over a decade. He has advised regulators and energy utilities in Britain, Germany, Israel, Mexico, Bolivia, Argentina, Brazil, Japan, New Zealand, Jamaica, Curacao and Australia. He holds a Ph.D. in Economics from the University of Wisconsin-Madison.

Frank Pampush, PhD

Dr. Francis X. (Frank) Pampush provides expert analysis, economic and financial studies, and models that are used to address complex business decisions and disputes. Dr. Pampush's experience includes the analysis of network industries such as communications / Internet, electricity production/transmission/distribution, and oil and gas pipelines.

Dr. Pampush's specialties are economic valuations, damages assessments, cost of capital, and data analytics. He has developed or managed the development of discounted cash flow valuation models and damages analyses for the oil exploration and production industry in Latin America, the telecommunications equipment and services industries in the U.S. and Japan, the U.S. wholesale electric power market, and beverage bottling industries in Latin America. He has statistically analyzed credit rating determinants for investor-owned and public power corporations. He has provided expert reports and/or testimony on the cost of capital, discount rates, and country risk before the Federal Energy Regulatory Commission (FERC), the Regulatory Authority of Bermuda, the Puerto Rico Energy Commission, and the to Israel Electric Corporation. He has served as the expert in wholesale electric power contract price negotiations and for the cost of capital. Dr. Pampush earned a BA in Economics from Miami University (Ohio) and a PhD in Economics from the University of North Carolina.

Ralph Zarumba, MA

Ralph Zarumba will be the engagement director for this project and a subject matter expert on regulatory and economic issues. Mr. Zarumba is an economist with 38 years of experience specializing in the regulation of public utilities and electric system planning. He has extensive experience assisting Ontario utilities, trade associations, and the OEB. He has advised clients on regulatory strategy, innovative pricing and cost-of-service analysis, securitization, calculation revenue requirements, electric transmission pricing, cost-of-service issues, valuation of damages, market price forecasting, merger/acquisition/divestiture of assets, and other related services. He has taught advanced electric power pricing and DER Compensation at Michigan State University and the University of Missouri.

Mr. Zarumba has appeared as an expert witness before the U.S. FERC, the Alberta Utilities Commission, the Ontario Energy Board, the New Brunswick Energy and Utility Board, the Nova Scotia Utility and Review Board, the Bermuda Regulatory Authority, and the state regulators in Illinois, Indiana, Kansas, Massachusetts, Minnesota, Montana, New Jersey,

New Mexico, New York and the Commonwealth of Puerto Rico. Outside of his North American work, he has advised clients in thirteen other countries.

Mr. Zarumba holds a B.S. in Economics from Illinois State University and an M.A. in Economics from DePaul University.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Ted Wigdor", is centered below the "Sincerely yours," text. The signature is fluid and cursive.

Ted Wigdor
Vice President, Policy, Government & Regulatory Affairs