

Exhibit 4:

Operating Expenses

Interrogatory Responses



TABLE OF CONTENTS

EXHIBIT 4 – OPERATING EXPENSES INTERROGATORIES	12
4-STAFF/CCC/VECC/AMPCO-109.....	12
Oshawa Power Response	12
4-CCC-110	19
Oshawa Power Response	20
4-CCMBC-111.....	21
Oshawa Power Response	21
4-AMPCO-112.....	21
Oshawa Power Response	22
4-CCC-113	24
Oshawa Power Response	24
4-STAFF-114	25
Oshawa Power Response	25
4-VECC-115.....	26
Oshawa Power Response	26
4-CCC/VECC-116	28
Oshawa Power Response	29
4-CCC/VECC-117	29
Oshawa Power Response	29
4-CCC/VECC-118	30
Oshawa Power Response	30
4-CCC/VECC/AMPCO-119	31
Oshawa Power Response	32
4-CCC/CCMBC/VECC-120	34
Oshawa Power Response	35
4-CCC/VECC-121	38
Oshawa Power Response	38
4-CCC-122	38
Oshawa Power Response	39
4-CCC/VECC-123	40
Oshawa Power Response	40

4-CCC/VECC-124	41
Oshawa Power Response	41
4-CCC/VECC/AMPCO-125	42
Oshawa Power Response	42
4-CCC-126	43
Oshawa Power Response	43
4-CCC/VECC/AMPCO-127	44
Oshawa Power Response	45
4-CCC/VECC-128	46
Oshawa Power Response	46
4-CCC/VECC-129	47
Oshawa Power Response	47
4-CCC/VECC-130	49
Oshawa Power Response	50
4-VECC-131	53
Oshawa Power Response	54
4-STAFF/SEC/CCMBC/VECC-132	55
Oshawa Power Response	56
4-CCC/VECC-133	57
Oshawa Power Response	58
4-CCC/VECC-134	58
Oshawa Power Response	59
4-CCC/VECC/AMPCO/STAFF-135	60
Oshawa Power Response	61
4-CCC/VECC-136	67
Oshawa Power Response	67
4-CCC-137	68
Oshawa Power Response	68
4-CCC/CCMBC-138	68
Oshawa Power Response	69
4-AMPCO-139	70
Oshawa Power Response	70
4-CCC-140	71

Oshawa Power Response	71
4-STAFF/CCMBC-141	72
Oshawa Power Response	72
4-CCC/VECC-142	72
Oshawa Power Response	74
4-VECC-143.....	82
Oshawa Power Response	83
4-CCC/CCMBC/VECC/AMPCO-144	85
Oshawa Power Response	85
4-AMPCO-145.....	86
Oshawa Power Response	86
4-CCC/STAFF-146.....	88
Oshawa Power Response	91
4-STAFF-147	98
Oshawa Power Response	98
4-STAFF/SEC/CCMBC-148	100
Oshawa Power Response	101
4-STAFF-149	101
Oshawa Power Response	101
4-STAFF-150	102
Oshawa Power Response	102
4-STAFF/CCMBC-151	105
Oshawa Power Response	105
4-STAFF/CCMBC-152	106
Oshawa Power Response	106
4-STAFF-153	106
Oshawa Power Response	107
4-CCC/VECC-154	108
Oshawa Power Response	108
4-STAFF/CCMBC-155	110
Oshawa Power Response	111
4-VECC-156.....	111
Oshawa Power Response	112

4-SEC-157	112
Oshawa Power Response	112
4-SEC-158	112
Oshawa Power Response	113
4-SEC-159	113
Oshawa Power Response	113
4-SEC/CCMBC-160	115
Oshawa Power Response	115
4-SEC-161	117
Oshawa Power Response	117
4-SEC/STAFF/VECC-162	117
Oshawa Power Response	118
4-SEC/CCMBC-163	119
Oshawa Power Response	119
4-SEC-164	119
Oshawa Power Response	119
4-SEC/CCMBC-165	120
Oshawa Power Response	120
4-SEC-166	120
Oshawa Power Response	120
4-SEC/AMPCO-167	120
Oshawa Power Response	121
4-SEC-168	122
Oshawa Power Response	122
4-SEC-169	124
Oshawa Power Response	124
4-VECC-170	127
Oshawa Power Response	127
4-CCC-171	129
Oshawa Power Response	129
4-CCC-172	130
Oshawa Power Response	130
4-SEC-173	131

Consultant Response.....	131
4-SEC-174	131
Consultant Response.....	131
4-SEC/CCMBC-175	133
Consultant Response:.....	133
4-SEC/CCMBC-176	133
Consultant Response.....	133
4-SEC-177	134
Consultant Response.....	134
4-SEC-178	135
Consultant Response.....	135
4-SEC-179	135
Oshawa Power Response	135
4-SEC-180	136
Oshawa Power Response	136
4-SEC/CCMBC-181	137
Consultant Response.....	138
Oshawa Power Response	138
4-CCC-182	138
Consultant Response.....	139
Oshawa Power Response	139
Consultant Response.....	140
Oshawa Power Response	140
4-DRC-183	141
Oshawa Power Response	141
4-DRC-184	143
Oshawa Power Response	144

TABLES

IRR Table 4-1: Updated 2-JA – Summary of Recoverable OM&A Expenses.....	13
IRR Table 4-2: Updated 2-JB	14

IRR Table 4-3: Updated 2-JC – OM&A Programs Table	15
IRR Table 4-4: Updated 2-K – Employee Costs	16
IRR Table 4-5: Updated 2-L – Employee Costs	16
IRR Table 4-6: Updated Table 4-26 – Added and Eliminated Roles	18
IRR Table 4-7: Material Variances from Application.....	19
IRR Table 4-8: Changes Between 2025-2026 Provisional and Final Budget	20
IRR Table 4-9: Subcontractor Cost Variance and Explanation.....	22
IRR Table 4-10: Software and Hardware Fee Costs Variance and Explanation	23
IRR Table 4-11: Other Costs Variance and Explanation	23
IRR Table 4-12: OM&A Cost Drivers Breakdown	24
IRR Table 4-13: 2021-2026 OEB Annual Assessment Costs.....	27
IRR Table 4-14: One-time regulatory costs incurred as of July 15, 2025	27
IRR Table 4-15: One-time regulatory costs incurred 2022-2024	27
IRR Table 4-16: Consulting Costs	28
IRR Table 4-17: Operations Supervision Program Cost Breakdown	29
IRR Table 4-18: Overhead Line Operations Program Cost Breakdown	30
IRR Table 4-19: Distribution Station Operations Program Cost Breakdown.....	31
IRR Table 4-20: Vegetation Management Program Cost Breakdown	32
IRR Table 4-21: Tree Trimming Costs by Area	32
IRR Table 4-22: Tree Trimming Costs by Year	33
IRR Table 4-23: Underground Locations Program Cost Breakdown	35
IRR Table 4-24: 2025 Bridge Year and 2026 Test Year Forecast for Locates	36
IRR Table 4-25: 2024 Actuals and 2025 Bridge Year Forecast Locate Costs.....	37
IRR Table 4-26: System Control Operations Program Cost Breakdown	38

IRR Table 4-27: Metering Program Cost Breakdown	39
IRR Table 4-28: Engineering Administration Program Cost Breakdown	40
IRR Table 4-29: Maintenance Supervision Program Cost Breakdown	41
IRR Table 4-30: Overhead Lines Maintenance Program Cost Breakdown	42
IRR Table 4-31: Underground Lines Maintenance Program Cost Breakdown	44
IRR Table 4-32: Distribution Station Maintenance Program Cost Breakdown.....	45
IRR Table 4-33: Meter Reading & Data Management Program Cost Breakdown	46
IRR Table 4-34: Customer Billing Program Cost Breakdown	48
IRR Table 4-35: Contract Detail and Pricing Model.....	48
IRR Table 4-36: Customer Success and Collecting Program Cost Breakdown	50
IRR Table 4-37: Call Centre Financial Analysis	52
IRR Table 4-38: Customer Service Role Outsourcing – FTE Impacts.....	55
IRR Table 4-39: Communications & Community Relations Program Cost Breakdown .	58
IRR Table 4-40: General Administration Program Cost Breakdown.....	59
IRR Table 4-41: Reconciliation of Exhibit 4, Tables 4-18 and 4-19	60
IRR Table 4-42: Information Technology Program Cost Breakdown.....	64
IRR Table 4-43: Human Resources & Safety Program Cost Breakdown.....	67
IRR Table 4-44: Facilities Program Cost Breakdown	69
IRR Table 4-45: Current Facility Costs (2021-2026)	70
IRR Table 4-46: Historical Turnover Rates (2021-2024)	70
IRR Table 4-47: Regulatory Affairs Cost Breakdown	71
IRR Table 4-48: 2021 to 2026 Mid-Year FTE values by Program (Application)	75
IRR Table 4-49: Changes to 2025 FTEs and Implications on 2026 Test Year	76

IRR Table 4-50: Update to 2021 to 2026 End of Year FTE values by Program (July 2025).....	77
IRR Table 4-51: Update to 2021 to 2026 Mid-Year FTE values by Program (July 2025)	77
IRR Table 4-52: Updated New/Eliminated Roles Table by Mid-Year FTEs.....	79
IRR Table 4-53: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – O&M	80
IRR Table 4-54: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – Customer Service	80
IRR Table 4-55: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – Administrative & General	81
IRR Table 4-56: Change from 2021 to 2026 FTEs by Program and Sub-Program	84
IRR Table 4-57: Call Centre Compensation Costs (2021-2023)	85
IRR Table 4-58: Change from 2021 to 2026 in Compensation Costs (Salaries & Benefits).....	85
IRR Table 4-59: Vacancies & Vacancy Rate (2021-2024)	86
IRR Table 4-60: Total Benefits & Compensation by Category	87
IRR Table 4-61: Percentage Salary Increases (2021-2026).....	88
IRR Table 4-62: Sample Automation and Digitization Projects	96
IRR Table 4-63: Compensation Costs and End-of-Year FTEs (2021-2026).....	108
IRR Table 4-64: Memberships (2021-2026)	112
IRR Table 4-65: Labour & Benefit Cost Driver Explanation.....	113
IRR Table 4-66: General & Administration 2021 OEB-Approved to 2021 Actuals.....	114
IRR Table 4-67: Operations & Maintenance Variance 2021 OEB-Approved to 2021 Actuals	114
IRR Table 4-68: O&M Program FTEs Variance 2021 OEB-Approved to 2021 Actuals.....	115
IRR Table 4-69: Adjustment to end of year FTE Counts Without Outsourcing.....	116

IRR Table 4-70: Number of Employees Eligible for Incentive Pay (2021-2024, 2026)	122
IRR Table 4-71: Reconciliation of Table 4-26 (Updated) and Table 4-32 (Application)	123
IRR Table 4-72: 2021 Shared Services Breakdown	124
IRR Table 4-73: 2022 Shared Services Breakdown	125
IRR Table 4-74: 2023 Shared Services Breakdown	125
IRR Table 4-75: 2024 Shared Services Breakdown	126
IRR Table 4-76: 2025 Shared Services Breakdown	126
IRR Table 4-77: 2026 Shared Services Breakdown	127
IRR Table 4-78: Board Expenses Cost Breakdown	129
IRR Table 4-79: Capital & Maintenance In-House vs. Contracted Work (2021-2024)	140
IRR Table 4-80: Forecast of ZEV (2024-2037)	142

FIGURES

IRR Figure 4-1: Collections Costs	53
IRR Figure 4-2: Collections Costs	57
IRR Figure 4-3: AR Greater Than 30 Days (2022-2025)	103
IRR Figure 4-4: Total Field Collection Spend vs Recoveries at the Door	103
IRR Figure 4-5: Accounts Receivable Trend (2014-2025)	104
IRR Figure 4-6: PLT Rate Benchmarking (Before and After Negotiation)	109
IRR Figure 4-7: Forecast PLT Rate Benchmarking (2026)	110

ATTACHMENTS

- Attachment 4-1: 2021 Organizational Chart
- Attachment 4-2: 2026 Organizational Chart
- Attachment 4-3: Finance Regulatory Organizational Chart After Restructuring

Attachment 4-4: Finance Regulatory Organizational Chart Before Restructuring

Attachment 4-5: Korn Ferry Compensation Market Analysis

Attachment 4-6: Call Centre Outsourcing Contract

Attachment 4-7: Contract Between Oshawa Power and 2825407 Inc.

Attachment 4-8: Marjorie Richards Workforce Proposal

Exhibit 4 – Operating Expenses Interrogatories

4-Staff/CCC/VECC/AMPCO-109

Ref. 1: Chapter 2 Appendices

Question(s):

- a) Please update the 2025 and 2026 OM&A budgets in the Chapter 2 Appendices 2-JA, 2-JB, and 2-JC, 2-K, and 2-L.
 - a. Please include additional columns for 2024 and 2025 that show OM&A by program for the first six months of the year and last six months of the year (with 2025 last six months being forecasted).
- b) Please provide an updated version of Table 4-26 for any updates.
- c) Please provide explanations for any material variances from the initial application.

Oshawa Power Response

- a) Oshawa Power has provided the 2024 Actual OM&A split into the first six months and last six months. The 2025 Bridge Year forecast has also been updated to separate out the first six months of actual costs and the remaining six months of forecast. All requested updated appendices are provided in the Tables below.

IRR Table 4-1: Updated 2-JA – Summary of Recoverable OM&A Expenses

Appendix 2-JA
Summary of Recoverable OM&A Expenses

	2021 Last Rebasing Year OEB Approved	2021 Last Rebasing Year Actuals	2022 Actuals	2023 Actuals	Jan-June 2024 Actuals	July-Dec 2024 Actuals	2024 Actuals	Jan-June 2025 Actuals	July-Dec 2025 Fcst	2025 Bridge Year (Fcst)	2026 Test Year
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS			MIFRS			MIFRS	MIFRS
Operations	\$ 2,891,000	\$ 2,427,693	\$ 2,613,290	\$ 3,143,980	\$ 1,754,732	\$ 1,078,458	\$ 2,833,190	\$ 1,464,421	\$ 1,916,831	\$ 3,381,252	\$ 4,003,063
Maintenance	\$ 1,349,949	\$ 996,991	\$ 1,103,692	\$ 1,175,488	\$ 737,876	\$ 704,441	\$ 1,442,317	\$ 785,836	\$ 589,386	\$ 1,375,222	\$ 1,349,796
SubTotal	\$ 4,240,949	\$ 3,424,684	\$ 3,716,982	\$ 4,319,468	\$ 2,492,608	\$ 1,782,899	\$ 4,275,507	\$ 2,250,257	\$ 2,506,217	\$ 4,756,474	\$ 5,352,859
%Change (year over year)			8.5%	16.2%			-1.0%			11.2%	12.5%
%Change (Test Year vs Last Rebasing Year - Actual)											26.2%
Billing and Collecting	\$ 3,500,467	\$ 2,862,727	\$ 3,254,066	\$ 3,949,857	\$ 1,882,706	\$ 3,016,939	\$ 4,899,646	\$ 2,323,703	\$ 2,701,917	\$ 5,025,619	\$ 5,247,373
Community Relations	\$ 239,216	\$ 230,409	\$ 297,797	\$ 422,398	\$ 157,894	\$ 112,694	\$ 270,588	\$ 118,509	\$ 164,277	\$ 282,786	\$ 394,033
Administrative and General	\$ 5,885,460	\$ 6,782,354	\$ 7,110,887	\$ 7,072,385	\$ 4,697,470	\$ 4,656,732	\$ 9,354,202	\$ 4,629,474	\$ 5,182,467	\$ 9,811,940	\$ 11,277,725
SubTotal	\$ 9,625,144	\$ 9,875,490	\$ 10,662,750	\$ 11,444,640	\$ 6,738,070	\$ 7,786,365	\$ 14,524,435	\$ 7,071,686	\$ 8,048,660	\$ 15,120,346	\$ 16,919,131
%Change (year over year)			8.0%	7.3%			26.9%			4.1%	11.9%
%Change (Test Year vs Last Rebasing Year - Actual)											75.8%
Total	\$ 13,866,092	\$ 13,300,173	\$ 14,379,731	\$ 15,764,108			\$ 18,799,942			\$ 19,876,820	\$ 22,271,990
%Change (year over year)		-4.5%	8.1%	9.6%			19.3%			5.7%	12.1%
											60.6%

	2021 Last Rebasing Year OEB Approved	2021 Last Rebasing Year Actuals	2022 Actuals	2023 Actuals	Jan-June 2024 Actuals	July-Dec 2024 Actuals	2024 Actuals	Jan-June 2025 Actuals	July-Dec 2025 Fcst	2025 Bridge Year (Fcst)	2026 Test Year
Operations ⁴	\$ 2,891,000	\$ 2,427,693	\$ 2,613,290	\$ 3,143,980	\$ 1,754,732	\$ 1,078,458	\$ 2,833,190	\$ 1,464,421	\$ 1,916,831	\$ 3,381,252	\$ 4,003,063
Maintenance ⁵	\$ 1,349,949	\$ 996,991	\$ 1,103,692	\$ 1,175,488	\$ 737,876	\$ 704,441	\$ 1,442,317	\$ 785,836	\$ 589,386	\$ 1,375,222	\$ 1,349,796
Billing and Collecting ⁶	\$ 3,500,467	\$ 2,862,727	\$ 3,254,066	\$ 3,949,857	\$ 1,882,706	\$ 3,016,939	\$ 4,899,646	\$ 2,323,703	\$ 2,701,917	\$ 5,025,619	\$ 5,247,373
Community Relations ⁷	\$ 239,216	\$ 230,409	\$ 297,797	\$ 422,398	\$ 157,894	\$ 112,694	\$ 270,588	\$ 118,509	\$ 164,277	\$ 282,786	\$ 394,033
Administrative and General ⁸	\$ 5,885,460	\$ 6,782,354	\$ 7,110,887	\$ 7,072,385	\$ 4,697,470	\$ 4,656,732	\$ 9,354,202	\$ 4,629,474	\$ 5,182,467	\$ 9,811,940	\$ 11,277,725
Total	\$ 13,866,092	\$ 13,300,173	\$ 14,379,731	\$ 15,764,108	\$ 9,230,678	\$ 9,569,264	\$ 18,799,942	\$ 9,321,942	\$ 10,554,878	\$ 19,876,820	\$ 22,271,990
%Change (year over year)		-4.5%	8.1%	9.6%			19.3%			5.7%	12.1%

IRR Table 4-2: Updated 2-JB

Appendix 2-JB

OM&A	2021 Actuals	2022 Actuals	2023 Actuals	Jan-Jun 2024	Jul-Dec 2024	2024 Actuals	Jan-Jun 2025	Jul-Dec 2025	2025 Revised Bridge Year Fcst	2026 Test Year
<i>Reporting Basis</i>	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS
Opening Balance ^a	13,866,092	13,300,173	14,379,721	15,764,109	18,461,355	15,764,109	18,799,943	18,578,894	18,799,943	19,876,822
Bad Debt Provision	-\$ 97,130	\$ 61,453	\$ 699,959	-\$ 619,818	\$ 971,952	\$ 352,134	-\$ 471,952	\$ -	-\$ 471,952	\$ 200,000
Subcontract Services	\$ 494,476	\$ 270,812	\$ 146,708	\$ 360,879	-\$ 480,053	-\$ 119,174	\$ 319,975	\$ 427,605	\$ 747,580	\$ 310,581
Labour & Benefits net of Allocations	-\$ 1,106,870	\$ 566,448	\$ 151,568	\$ 2,652,462	-\$ 540,381	\$ 2,112,081	\$ 403,622	\$ 553,346	\$ 956,968	\$ 1,686,180
Materials	\$ 55,715	-\$ 5,679	\$ 72,109	\$ 965	-\$ 22,163	-\$ 21,198	-\$ 59,002	\$ 28,188	-\$ 30,814	-\$ 26,856
Software and Hardware Fees	\$ 216,441	-\$ 187,338	\$ 122,983	\$ 265,927	\$ 93,524	\$ 359,451	\$ 227,570	-\$ 38,117	\$ 189,453	\$ 23,467
Audit & Legal	\$ 34,790	-\$ 44,554	\$ 20,610	-\$ 27,800	-\$ 10,085	\$ 37,885	\$ 41,187	\$ 2,706	\$ 43,893	-\$ 12,464
Insurance	-\$ 39,601	\$ 27,673	\$ 65,801	\$ 24,496	\$ 1,149	\$ 25,645	\$ 20,532	-\$ 772	\$ 19,760	\$ 44,235
Management Fees	-\$ 130,017	\$ 22,665	\$ 24,756	\$ 127,603	\$ 74,152	\$ 201,755	-\$ 9,358	\$ 51,482	\$ 42,124	-\$ 35,311
Safety Supplies	-\$ 30,727	\$ 3,995	\$ 65,826	\$ 88,615	-\$ 43,458	\$ 45,157	-\$ 152,659	\$ -	-\$ 152,659	\$ 1,612
OEB Regulatory Fees	-\$ 53,389	\$ 50,461	\$ 21,768	\$ 15,888	\$ 19,290	\$ 35,178	\$ 8,827	\$ 18,160	\$ 26,987	\$ 54,780
Consulting	\$ 34,952	\$ 210,095	-\$ 76,548	-\$ 102,127	\$ 263,633	\$ 161,506	-\$ 340,283	\$ 54,141	-\$ 286,142	-\$ 84,457
LEAP Donations	\$ 12,534	\$ 928	\$ 1,522	\$ 38,800	-\$ 37,396	\$ 1,404	\$ 1,122	\$ -	\$ 1,122	\$ 41,438
Rent	\$ 4,861	\$ 725	-\$ 3	\$ 3,238	-\$ 1,619	\$ 1,619	\$ 137	\$ 4,389	\$ 4,526	\$ 67,758
Communications	\$ 48,027	\$ 10,967	-\$ 157	-\$ 43,016	-\$ 36,649	-\$ 79,665	\$ 83,422	\$ 32,805	\$ 116,227	-\$ 57,356
Training	-\$ 143,334	\$ 2,513	\$ 57,162	-\$ 35,020	\$ 16,170	-\$ 18,850	\$ 41,656	\$ -	\$ 41,656	-\$ 19,430
Other	\$ 133,351	\$ 88,383	\$ 10,323	-\$ 53,846	\$ 70,522	\$ 16,676	-\$ 335,845	\$ 163,995	-\$ 171,850	\$ 200,991
Closing Balance ^a	\$13,300,173	14,379,721	15,764,109	18,461,355	18,799,943	18,799,943	18,578,894	19,876,822	19,876,822	22,271,990

IRR Table 4-3: Updated 2-JC – OM&A Programs Table

Appendix 2-JC OM&A Programs Table

Programs	2021 OEB Approved	2021 Actuals	2022 Actuals	2023 Actuals	Jan-June 2024 Actuals	July-Dec 2024 Actuals	2024 Actuals	Jan-June 2025 Actuals	July-Dec 2025 Fcst	2025 Revised Bridge Year Fcst	2025 Bridge Year Fcst	2026 Test Year	Variance (Test Year vs. 2024 Actuals)	Variance (Test Year vs. 2021 OEB Approved)	Variance 2025 Bridge Yr to Revised Bridge Yr
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Operation															
Operations Supervision	455,301	415,942	250,953	283,333	90,951	67,337	158,288	32,891	71,165	104,056	116,887	348,193	189,905	-107,108	12,831
Overhead Lines Operations	753,124	251,295	838,380	419,239	975,541	-56,775	918,765	480,606	742,472	1,223,078	650,479	1,197,997	279,232	444,873	-572,599
Underground Lines Operations	41,556	56,878	60,620	34,501	17,459	5,798	23,257	11,250	4,801	16,051	24,147	24,751	1,495	-16,805	8,097
Distribution Station Operations	92,323	100,650	149,088	314,557	-70,976	449,258	378,281	281,879	56,958	338,838	233,060	238,181	-140,100	145,858	-105,777
Vegetation Management	157,790	140,061	162,646	202,004	84,872	84,872	169,743	107,500	107,500	215,000	215,000	220,375	50,632	62,585	0
Underground Locates	321,070	433,389	340,520	457,350						0		484,343	484,343	163,273	0
System Control Operations	286,997	376,912	256,755	474,884	27,360	203,212	230,572	199,176	182,968	382,144	277,109	283,844	53,272	-3,153	-105,035
Motoring	359,346	306,615	330,914	395,016	220,255	-34,047	186,208	122,299	349,107	471,407	382,713	398,739	212,531	39,393	-88,693
Engineering Administration	423,493	345,950	223,415	563,096	409,271	358,805	768,076	228,819	401,859	630,678	666,261	806,639	38,564	383,147	35,583
													0	0	0
													0	0	0
Sub-Total	2,891,000	2,427,693	2,613,290	3,143,980	1,754,732	1,078,458	2,833,190	1,464,421	1,916,831	3,381,252	2,565,658	4,003,063	1,169,873	1,112,063	-815,594
Maintenance															
Maintenance Supervision	409,281	95,690	211,261	229,137	89,853	57,378	147,232	52,785	50,852	103,637	101,704	128,717	-18,515	-280,564	-1,933
Overhead Lines Maintenance	424,896	326,471	245,980	283,019	298,389	162,726	461,115	280,200	127,820	408,020	559,679	574,046	112,930	149,150	151,659
Underground Lines Maintenance	313,830	172,232	203,391	236,107	88,048	223,744	311,791	113,764	118,478	232,241	194,467	199,328	-112,463	-114,501	-37,774
Distribution Station Maintenance	201,942	402,598	443,060	427,226	261,586	260,593	522,179	339,088	292,237	631,325	439,540	447,705	-74,474	245,763	-191,784
													0	0	0
													0	0	0
Sub-Total	1,349,949	996,991	1,103,692	1,175,488	737,876	704,441	1,442,317	785,836	589,386	1,375,222	1,295,390	1,349,796	-92,521	-152	-79,832
Billing and Collecting															
Meter Reading & Data Mgmt.	446,414	274,990	605,191	548,125	379,502	373,244	752,746	412,472	352,026	764,497	700,578	868,875	116,129	422,461	-63,919
Customer Billing	1,124,771	1,109,647	1,125,229	1,361,082	628,519	670,944	1,299,464	717,077	961,044	1,678,121	1,589,946	1,343,538	44,075	218,767	-88,175
Customer Success & Collecting	1,473,746	1,119,685	1,103,787	920,832	624,684	750,799	1,375,483	694,155	888,847	1,583,002	1,476,555	1,834,959	459,476	361,213	-106,446
Bad Debt Expense	455,536	358,406	419,859	1,119,818	250,000	1,221,952	1,471,952	500,000	500,000	1,000,000	1,000,000	1,200,000	-271,952	744,464	0
													0	0	0
													0	0	0
Sub-Total	3,500,467	2,862,727	3,254,066	3,949,857	1,882,706	3,016,939	4,899,646	2,323,703	2,701,917	5,025,619	4,767,079	5,247,373	347,727	1,746,906	-258,540
Community Relations															
Communications & Community Relations	239,216	230,409	297,797	422,398	157,894	112,694	270,588	118,509	164,277	282,786	335,661	394,033	123,445	154,817	52,875
													0	0	0
													0	0	0
Sub-Total	239,216	230,409	297,797	422,398	157,894	112,694	270,588	118,509	164,277	282,786	335,661	394,033	123,445	154,817	52,875
Administrative and General															
General Administration	2,610,949	3,377,547	3,552,454	3,144,238	2,569,301	2,081,780	4,651,081	2,587,531	2,786,045	5,373,576	5,637,225	6,294,835	1,643,754	3,683,886	263,649
Information Technology	744,509	1,095,997	817,258	1,118,633	687,602	831,663	1,519,265	591,221	762,173	1,353,395	1,745,262	1,921,339	402,074	1,176,830	391,868
Human Resources & Safety	429,508	444,171	453,197	529,014	292,354	258,547	550,902	257,606	287,190	544,797	459,274	507,210	-43,692	77,702	-85,522
Insurance	262,553	222,952	250,625	316,426	166,593	167,741	334,334	174,529	173,757	348,286	380,851	389,970	55,636	127,417	32,564
Audit Legal Consulting	278,018	347,760	513,301	457,363	163,719	417,266	580,984	140,944	190,291	331,235	231,784	241,814	-339,171	-36,204	-99,451
Facilities	769,344	686,659	836,866	780,080	382,837	371,331	754,168	396,224	431,950	828,175	807,876	870,610	116,442	101,266	-20,299
Regulatory Affairs (assessments, application costs)	415,032	361,643	412,104	433,872	224,880	244,170	469,050	238,939	257,099	496,037	514,197	550,818	81,767	135,785	18,160
Board Expenses	375,547	245,625	275,080	292,758	210,184	284,234	494,418	242,479	293,961	536,440	484,957	501,129	6,712	125,582	-51,483
													0	0	0
													0	0	0
Sub-Total	5,885,460	6,782,354	7,110,887	7,072,385	4,697,470	4,656,732	9,354,202	4,629,474	5,182,467	9,811,940	10,261,426	11,277,725	1,923,523	5,392,264	449,486
Miscellaneous															
													0	0	0
Total	13,866,092	13,300,173	14,379,731	15,764,108	9,230,678	9,569,264	18,799,942	9,321,942	10,554,878	19,876,820	19,225,214	22,271,990	3,472,048	8,405,897	-651,606

IRR Table 4-4: Updated 2-K – Employee Costs

**Appendix 2-K
Employee Costs**

	2021 OEB Approved	2021 Actuals	2022 Actuals	2023 Actuals	Jan-June 2024	July to Dec 2024	2024 Actuals	Jan-June 2025	July to Dec 2025	2025 Bridge Year	2026 Test Year
Number of Employees (FTEs including Part-Time)¹											
Management (including executive)	19	16	15	17	20	20	20	22	22	22	23
Non-Management (union and non-union)	72	65	57	63	66	66	66	65	65	65	74
Total	91	81	72	80	86	86	86	87	87	87	97
Total Salary and Wages including overtime and incentive pay											
Management (including executive)	\$ 3,287,025	\$ 2,716,112	\$ 2,997,510	\$ 2,508,481	\$1,673,573	\$1,781,528	\$ 3,455,101	\$2,173,264	\$2,265,162	\$ 4,438,426	\$ 5,137,242
Non-Management (union and non-union)	\$ 5,913,480	\$ 5,507,000	\$ 5,618,413	\$ 6,820,067	\$3,785,804	\$3,545,468	\$ 7,331,272	\$3,793,143	\$3,979,217	\$ 7,772,360	\$ 8,648,463
Total	\$ 9,200,505	\$ 8,223,111	\$ 8,615,923	\$ 9,328,548	\$ 5,459,377	\$ 5,326,996	\$10,786,373	\$ 5,966,407	\$ 6,244,379	\$12,210,786	\$13,785,705
Total Benefits (Current + Accrued)											
Management (including executive)	\$ 944,970	\$ 535,486	\$ 510,628	\$ 654,766	\$441,136	\$357,230	\$ 798,366	\$537,200	\$481,387	\$ 1,018,587	\$ 1,137,899
Non-Management (union and non-union)	\$ 1,821,265	\$ 1,884,448	\$ 1,891,106	\$ 2,053,284	\$1,401,088	\$962,555	\$ 2,363,641	\$1,246,223	\$1,301,293	\$ 2,547,516	\$ 3,105,589
Total	\$ 2,766,235	\$ 2,419,934	\$ 2,401,734	\$ 2,708,050	\$ 1,842,222	\$ 1,319,785	\$ 3,162,007	\$ 1,783,423	\$ 1,782,680	\$ 3,566,103	\$ 4,243,488
Management (including executive)	\$ 4,231,995	\$ 3,251,598	\$ 3,508,138	\$ 3,163,248	\$ 2,114,709	\$ 2,138,758	\$ 4,253,467	\$ 2,710,464	\$ 2,746,549	\$ 5,457,013	\$ 6,275,142
Non-Management (union and non-union)	\$ 7,734,745	\$ 7,391,448	\$ 7,509,520	\$ 8,873,351	\$ 5,186,890	\$ 4,508,023	\$ 9,694,913	\$ 5,039,366	\$ 5,280,510	\$10,319,876	\$11,754,052
Total	\$11,966,740	\$10,643,046	\$11,017,657	\$12,036,598	\$ 7,301,599	\$ 6,646,781	\$13,948,380	\$ 7,749,830	\$ 8,027,059	\$15,776,889	\$18,029,194
Total Compensation Breakdown (Capital, OM&A)											
OM&A	\$ 9,122,833	\$ 7,565,659	\$ 8,228,864	\$ 8,551,676	\$5,478,809	\$4,864,205	\$10,343,014	\$5,552,301	\$6,091,807	\$11,644,108	\$13,489,209
Capital	\$ 2,843,907	\$ 3,077,387	\$ 2,788,793	\$ 3,484,922	\$1,822,791	\$1,782,575	\$ 3,605,366	\$2,197,529	\$1,935,252	\$ 4,132,781	\$ 4,539,985
Total	\$11,966,740	\$10,643,046	\$11,017,657	\$12,036,598	\$ 7,301,600	\$ 6,646,780	\$13,948,381	\$ 7,749,830	\$ 8,027,059	\$15,776,889	\$18,029,194

IRR Table 4-5: Updated 2-L – Employee Costs

**Appendix 2-L
Recoverable OM&A Cost per Customer and per FTE ¹**

	2021 OEB Approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Reporting Basis							
OM&A Costs							
O&M	\$ 4,240,949	\$ 3,424,684	\$ 3,716,982	\$ 4,319,468	\$ 4,275,507	\$ 4,756,474	\$ 5,352,859
Admin Expenses ⁶	\$ 9,625,144	\$ 9,875,490	\$ 10,662,750	\$ 11,444,640	\$ 14,524,435	\$ 15,120,346	\$ 16,919,131
Total Recoverable OM&A from Appendix 2-JA ⁵	\$ 13,866,092	\$ 13,300,173	\$ 14,379,731	\$ 15,764,108	\$ 18,799,942	\$ 19,876,820	\$ 22,271,990
Number of Customers ^{2,4}	61,008	59,955	60,629	61,915	62,899	63,245	64,083
Number of FTEs ^{3,4}	91	81	72	80	86	87	97
Customers/FTEs	667	742	843	772	728	729	664
OM&A cost per customer							
O&M per customer	\$70	\$57	\$61	\$70	\$68	\$75	\$84
Admin per customer	\$158	\$165	\$176	\$185	\$231	\$239	\$264
Total OM&A per customer	\$227	\$222	\$237	\$255	\$299	\$314	\$348
OM&A cost per FTE							
O&M per FTE	\$46,400	\$42,358	\$51,711	\$53,832	\$49,502	\$54,811	\$55,459
Admin per FTE	\$105,308	\$122,146	\$148,341	\$142,630	\$168,165	\$174,238	\$175,291
Total OM&A per FTE	\$151,708	\$164,504	\$200,052	\$196,462	\$217,668	\$229,048	\$230,750

b) An updated version of Table 4-26 is provided below, and reflects the following revisions:

1. New PLT apprentice hired in 2024 instead of 2025

2. Technical Services Technician noted for 2025 is a backfill for a retiring employee, not an incremental new position
3. Operations System Specialist role (GIS) in O&M became Operations Technology Specialist role in Administration & General in 2021
4. Director of Engineering & Operations role created and hired in 2025 instead of 2026
5. Quality Assurance Specialist created in 2023 and eliminated in 2024
6. Supervisor, Customer Service was eliminated in 2021, then a new one created in 2024 with an updated title of Supervisor, Services & Escalation
7. Meter Operator title updated to Meter Data Operator
8. Corporate Controller role eliminated in 2022 not 2021
9. Supervisor, Accounting role updated to Manager, Accounting
10. Operational Technology Specialist (GIS) role created in 2022 and eliminated in 2023
11. Manager, HR & Health & Safety role was created in 2022 and eliminated in 2023
12. Inventory & Procurement Clerk title updated to Stockkeeper

For more details about the updates to 2025 and 2026 FTE forecasts, see response to 4-CCC/VECC-142 b).

IRR Table 4-6: Updated Table 4-26 – Added and Eliminated Roles

Added and Eliminated Roles	2021 OEB- Approved to 2021 Actuals	2021 to 2022 Actuals	2022 to 2023 Actuals	2023 to 2024 Actuals	2024 actuals to 2025 Bridge Year	2025 Bridge Year to 2026 Test Year	Update
Operations & Maintenance							
PLTs	-6		-1			1	
PLT sub-foreperson			1				
PLT apprentice		2	-5	1		1	1. Revision (PLT apprentice hired in late 2024 instead of 2025)
PME sub-foreperson		1					
PME apprentice	1		-1			2	
Operations Coordinator				1			
P&C/SCADA						1	
Engineering Intern	2.67			1			
Technical Services Technician							2. Revision (role noted for 2025 is a backfill for retiring employee, not an incremental new position)
Manager of Metering & Operations	-1						
Operational Systems Specialist (GIS)	-1						3. Revision (role in O&M became Operations Technology Specialist role in Admin & General)
Manager, Stations and P&C			1				
Manager Distribution Design & System Planning				1			
Engineer in Training				-1	-1		
Director of Engineering & Operations					1		4. Revision (role hired in 2025 instead of 2026)
Technical Services Supervisor	-1						
Maintenance Planner	-1						
Distribution Supervisor			-1				
Customer Service							
Manager, Communications		1	-1				
Communications Coordinator			1				
Quality Assurance Specialist			1	-1			5. Revision (role creation / elimination reversed in original table)
Supervisor, Customer Service / Services & Escalation	-1			1			6. Revision (role missing from table, similar role was eliminated in 2021 then a new one created in 2024 with an updated
Customer Service Representatives				-12.5			
Director Meter to Cash					1		
Operations Developer	-1						
Business Analyst, Customer Service	1						
Manager, Metering and Operational Data			1				
Meter Operator / Meter Data Operator				1			7. Revision (both titles used for this role)
GIS Analyst						1	
Administration & General							
Corporate Controller		-1					8. Revision (role eliminated in 2022)
VP, Finance, Business & Corporate Services / CFO	1						
VP, Engineering & Operations		-1					
Managing Director			1				
Administrative Assistant			1				
CTO, Director of Business Transformation			1				
Director, Communications & Marketing			1				
Director, Regulatory & Commercial Affairs				1			
Senior Contracts Specialist & Privacy Officer			1				
Senior Regulatory Analyst / Supervisor, Regulatory Affairs			1				
Regulatory Coordinator / Analyst				1			
Director of Finance				1			
Senior Manager, Financial Accounting			1	-1			
Manager, Financial Reporting				-1			
Supervisor / Manager, Accounting				1			9. Revision (role updated to be hired at the Manager level)
Supervisor, Financial Reporting				1			
Financial Analyst / Senior Financial Analyst	1	1	1	-2		1	
Manager, Governance					1		
Project Lead / Operations Excellence Manager	1				-1		
Project Manager			1	1			
Integration and Automation Architect			1				
Senior Network Engineer			1				
IT Analyst				1			
Operational Technology Specialist (GIS)		1	-1				10. Revision (role added to reflect change from Operational System Specialist in O&M to this role in A&G)
Cyber Security Analyst						1	
Business Analyst						1	
Manager, HR and Health & Safety		1	-1				11. Revision (role added to reflect that it was created in 2022 then eliminated in 2023)
Senior Payroll Specialist			1	-0.4			
Buyer	-1						
Inventory & Procurement Clerk / Stockkeeper		1					12. Revision (both titles used for this role)
Supply Chain Analyst						1	
Total	-5	6	6	-6	1	10	

- c) Oshawa Power notes in the table below, the material variances for 2025 from the Application.

IRR Table 4-7: Material Variances from Application

2025 Bridge Yr vs 2025 Fcst		
OM&A Program	Description	Amount
OH Lines	Subcontract \$50k higher labour for operation work and more details with allocation of labour out to capital and affiliates\$500k	-572,599
Substation Operations/Mtce	increased operations and maintenance work	-297,561
Customer Success/Collecting	Increase in Subcontract call centre	-106,446
General Administration	Labour allocation for one time affiliate work/lower pay incentive due to departures and delayed hiring/future employee benefit decrease	263,649
Audit Legal Consulting	Increased consulting for Finance and Engineering	-99,451
Software Mtce	Delayed software implementations to later in 2025	391,868
Other		-231,065
Total		-651,606

4-CCC-110

Ref. 1: Exhibit 4, pp.6-7

Question(s):

- (P. 6) Please provide the 2023-2024 OM&A budget (or the most recent budget that was created using Oshawa PUC Networks' two-year budgeting cycle).
- (P. 7) Please provide the 2025-2026 "provisional budget" that was approved by the CEO and presented to Oshawa PUC Networks' Board of Directors for approval.
- (P. 7) Please explain any changes between the 2025-2026 "provisional budget" and the final budget.
- (P. 7) Please confirm that the final budget is the OM&A amounts for 2025 and 2026 reflected in the application. If this is not correct, please explain.

Oshawa Power Response

a) The most recent is the 2025 and 2026 budget – see response in part b).

	Provisional 2025	Provisional 2026	Final 2026
Total Revenues	33,296,017	41,187,559	41,662,913
Total Expenses	27,295,148	29,958,113	30,706,924
Income From Operations	6,000,869	11,229,446	10,955,989
Net Interest	2,919,770	3,422,793	4,301,587
Taxes	26,830	61,524	61,524
Net Income	3,054,269	7,745,129	6,592,878

b) Approved provisional budget above in a).

c) Changes explained below for Total Expenses

IRR Table 4-8: Changes Between 2025-2026 Provisional and Final Budget

Category	Change from provisional	
Labour and Benefits	-\$245,666	Updates to established salary bands and union wages.
Board Fees	-\$34,934	Management fees are related to board expenses. As stated in appendix 2-N, it is projected that the board will have increase corporate cost allocated in 2026.
Subcontractors	-\$225,000	Increase call centre support as a result of the bad debt increase in 2024.
Donations	-\$60,119	Leap program increase.
Bad Debt	-\$250,000	In 2024, bad debt actualized at \$1.5M. Due to the increase management decided to adjust to meet the economic conditions facing Oshawa Power.
Depreciation	\$66,909	Recalculation based on updated DSP.
Total	-\$748,811	

d) Confirmed.

4-CCMBC-111

Ref. 1: Exhibit 4, page 8

Question(s):

- a) The Ministry of Energy and Electrification issued its renewed Letter of Direction to the OEB on December 19, 2024, which included a list of expectations and directives. Please provide Oshawa PUC Networks' cost estimate of implementing each expectation or directive.
- b) The OEB currently has more than 30 active policy initiatives and consultations. Please provide Oshawa PUC Networks' cost estimate of implementing each initiative and consultation participation.

Oshawa Power Response

- a) Oshawa Power is excited to engage and assist in the implementation of the Ministry of Energy and Electrification's Letter of Direction and the policy initiatives of the OEB. Given these initiatives are still in the consultation phase, Oshawa Power does not wish to speculate on costs related to these initiatives until the framework has been fully fleshed out.
- b) See a).

4-AMPCO-112

Ref. 1: Exhibit 4, p. 8

Question(s):

- a) Please provide a detailed breakdown and explanation of the variance in subcontractor costs shown in Table 4-2.
- b) Please provide a detailed breakdown and explanation of the variance in software and hardware fees shown in Table 4-2.
- c) Please provide a detailed breakdown and explanation of the variance in Bad Debt Expense shown in table 4-2.

- d) Please provide a detailed breakdown and explanation of the variance in “Other” costs shown in Table 4-2.

Oshawa Power Response

- a) Provided below is the detailed breakdown and explanation of the variances in subcontractor costs shown in Table 4-2.

IRR Table 4-9: Subcontractor Cost Variance and Explanation

<u>Explanation</u>	<u>Variance</u>
Property Maintenance	110,913
Security Patrol and Monitoring that did not previously take place in 2020	148,987
Outsourced Customer Service Call Centre that took place in 2024	660,560
CIS System inflationary pressure and enhancements	190,746
Addition of dedicated debt collectors and meter technicians	413,225
Need for Meter Reading subcontractor services for wholesale meter work, driven by retirements and loss of expertise within the organization, leading to increased subcontractor costs	233,499
Other	93,053
	1,850,984

- b) Provided below is the detailed breakdown and explanation of the variances in Software and hardware fees costs shown in Table 4-2.

IRR Table 4-10: Software and Hardware Fee Costs Variance and Explanation

Factors Driving Change	Variance
Increase in User Licenses	205,706
Office Licenses	118,996
Previously under Consulting	91,923
GIS Software	68,787
Platform Automation	55,350
Records Management Software	49,838
Software Enhancements	43,270
Cyber Security	25,000
Field Software	25,000
Other	61,798
Total Variance	745,669

- c) Please refer to 4-Staff/SEC/CCMBC/VECC-132 for Bad Debt variance.
- d) “Other” variance in Table 4-2 is comprised of increased costs as shown below.

IRR Table 4-11: Other Costs Variance and Explanation

Other Cost Driver Breakdown	
Corporate Memberships	\$33,909
Facilities Repairs and Mtce	\$53,875
Utilities	\$13,238
Community Relations	\$35,185
Donations	\$10,250
Vehicle costs in OM&A	42,810
Total	\$189,267

4-CCC-113

Ref. 1: Exhibit 4, pp.8-9

Question(s):

Please provide a breakdown of the OM&A cost escalation between 2021 and 2026 broken down between inflationary pressure and all other factors.

Oshawa Power Response

Please see below for breakdown of Table 4-2 OM&A cost between 2021 and 2026. Of the total change in OM&A of \$8,405,897, inflationary pressure accounts for \$2,350,076 of the change. Inflation from 2021 to 2024 is based off of Bank of Canada while 2025 and 2026 inflationary assumptions are 3.0% and 2.5%, respectively. This rate is used for all the drivers with the exception Union wages and Rent. Inflation on wages for employees' part of the union are calculated using the average increase in CBA rate per year.

IRR Table 4-12: OM&A Cost Drivers Breakdown

OM&A Cost Drivers	Total Change	Inflationary	Other	Commentary on Other Factors
Bad Debt Provision	744,464		744,464	Driven by various factors, refer "Challenges with Outstanding Customer Debt" on pages 45-50 of Exhibit 4
Subcontract Services	1,850,984	93,053	1,757,931	See 4-AMPCO-112 (a) for drivers
Labour & Benefits net of Allocations	4,366,376	2,035,403	2,330,973	"Other" includes changes in allocation to capital, industry benchmark adjustments, and change in headcounts over the year.
Materials	43,277	42,743	534	
Software and Hardware Fees	745,669	38,130	707,539	See 4-AMPCO-112 for "Software & Hardware" drivers
Insurance	143,514	61,260	82,254	Increase in insurance coverage
Management Fees	125,972		125,972	See 4-SEC/Staff/VECC-162 for driver
OEB Regulatory Fees	135,785		135,785	Increase in cost driven by increased cost assessments, see page 61 of Exhibit 4
LEAP Donations	78,784		78,784	Change driven by revenue growth, refer to table 4-45 for 2026 LEAP donation calculation.
Rent	79,486	79,486	-	No change to rental space, change due to inflation
Other	91,588	-	91,587	
			-	
			-	
Total Change	8,405,898	2,350,076	6,055,823	

4-Staff-114

Ref. 1: Exhibit 4, pp.12-15

Question(s):

Please summarize the efficiency measures Oshawa PUC Networks considered and implemented to **minimize** the increase to the OM&A expense since the last cost of service application beyond those in reference 1 given that OM&A expenses are increasing by 61% or \$13.9 million in five years.

Oshawa Power Response

Oshawa Power has seen significant increases to OM&A expenses due to inflation, market uncertainties, higher materials and delivery costs and increased labour costs. In accordance with OEB guidance, Oshawa Power adopts a total cost benchmarking model when assessing its efficiency in cost performance with other LDCs within the same peer group. Oshawa Power reviews total cost metrics including Total Cost per Customer, Total Cost per Kilometre of Line, actively and program-based benchmarking metrics (See Table 1-26).

In addition, Oshawa Power takes a proactive approach in seeking cost reduction initiatives to manage operating costs:

- Outsourcing and Strategic Contracting – Oshawa Power adopts flexible and cost-efficient arrangements including outsourcing Customer Information System and billing printing services to reduce operational costs and maximize savings, which has successfully brought the unit cost to below industry average (average billing cost of \$20.77 per customer compared to the industry of \$36.41 per customer for the period between 2019 and 2023).
- Asset Management and Maintenance – Oshawa Power assesses and seeks areas where technology could be utilized with the intention to improve efficiency in maintain the electricity grid. Specific examples:
 - By adopting timed trimming cycles and selective outsourcing while maintaining reliable services through efficient management of vegetation in areas with denser growth, Oshawa Power achieved lower than industry

average in this cost at \$13.70 compared to industry spend of \$38.70 during 2019 to 2023 (page 85, Exhibit 1).

- With streamlined maintenance processes and use of in-house staff for routine line operation for Power's lines, Oshawa Power achieved lower than industry average in this cost at \$880.89 compared to industry spend of \$1,849.13 during 2019 to 2023 (pages 85-86, Exhibit 1)
- Staff Optimization – Oshawa Power seeks to review and optimize its workforce by conducting a Resource Optimization Review by expert consultant Lise Galli of Marjorie Richards & Associates Ltd. in 2024 (page 29 Exhibit 1), in addition to the implementation of a time coding software to better track staff time (page 9, Exhibit 1).

4-VECC-115

Ref. 1: Exhibit 4, pp. 61, 108

Ref. 2: Appendix 2-M

Question(s):

- a) Please provide the actual and forecast OEB annual assessment costs for 2021 through 2026.
- b) Please update the one-time regulatory costs associated with this application to show the amounts incurred to date.
- c) For the amounts shown in the years 2022-2024 please show the actual year the amount was incurred.
- d) Please provide a detailed breakdown of all the consulting costs (consultant, cost and nature of work).
- e) Please explain the nature of "incremental operating expenses" of Oshawa PUC Networks staff (54,879 + 29,852) that was incurred for this application and explain how it was determined to be "incremental."

Oshawa Power Response

- a) See Table below.

IRR Table 4-13: 2021-2026 OEB Annual Assessment Costs

Year	OEB Cost Assessments
2021 Actuals	\$236,274
2022 Actuals	\$261,089
2023 Actuals	\$291,862
2024 Actuals	\$337,527
2025 Bridge (Forecast)	\$361,373
2026 Test Year (Forecast)	\$369,959

b) See Table below.

IRR Table 4-14: One-time regulatory costs incurred as of July 15, 2025

Regulatory Costs	Actual Costs
Expert Witness costs	
Legal costs	\$69,125
Consultants' costs	\$276,683
Intervenor costs	\$0
OEB Section 30 Costs (applicatio	\$0
Incremental Operating Expenses	\$95,114
Sub-total - One-time costs	\$440,922

c) See Table below.

IRR Table 4-15: One-time regulatory costs incurred 2022-2024

Regulatory Costs	2022 Actual	2023 Actual	2024 Actual
Expert Witness costs	0		
Legal costs	0	16,103	704
Consultants' costs	0	92,538	139,289
Intervenor costs	0		
OEB Section 30 Costs (applicatio	0		
Incremental Operating Expenses	0	417	54,462
Sub-total - One-time costs	0	109,058	194,454

d) See Table below.

IRR Table 4-16: Consulting Costs

Consultant	Costs	Nature of work
Verve	69,596	Cost of Service DSP Filing Support
Metsco	63,382	Asset Condition Assessment, Asset Valuation
Elenchus	57,205	CoS Filing Support Services, Strategic advice, Load Forecast, Cost Allocation, Rate Design
Acumen	28,500	Strategic Asset Management Plan and Risk based project prioritization
Marjorie Richards & Associates	58,000	Staffing Study
Total Costs	276,683	

- e) Contract employee engaged to provide assistance with the 2026 Cost of Service Application. This position/employee is incremental headcount and is not included in OEB -approved rates.

4-CCC/VECC-116

Ref. 1: Exhibit 4, pp.26-27

Question(s):

- a) (PP. 26-27) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the operations supervision program.

		Historical					
Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Operations Supervision	455,301	415,942	250,953	283,333	158,288	116,887	348,193
Salaries / Benefits							
Contracted Labour							

- b) (P. 27) Please explain the very significant decline in operation supervision costs between 2023 actual and 2024 and 2025.

Oshawa Power Response

a) See completed Table below.

IRR Table 4-17: Operations Supervision Program Cost Breakdown

Programs	Last Rebasings Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS			
Operations Supervision	455,301	415,942	250,953	283,333	158,288	116,887	348,193	-107,108	-39,359	189,905
Labour and Benefits	466,827	413,153	248,626	280,763	154,327	116,387	347,680	-119,147	-53,675	193,353
Contracted Labour	0	0	0	0	0	0	0	0	0	0
Other	-11,527	2,789	2,327	2,570	3,960	500	513	12,039	14,316	-3,448

b) Since 2021, a few positions were eliminated that were part of the Operations Supervision Costs (Manager, Metering and Operations, Operational System Specialist and one Distribution Supervisor. The eliminated positions form the decrease in costs between 2023 actual and 2024 and 2025.

4-CCC/VECC-117

Ref. 1: Exhibit 4, pp.27-28

Question(s):

(PP. 27-28) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the overhead line operations program.

Programs	Last Rebasings Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Overhead Lines Operations	753,124	251,295	838,380	419,239	918,765	650,479	1,197,997	444,873	-501,829	279,232
Salaries / Benefits										
Contracted Labour										

Oshawa Power Response

See updated chart below.

IRR Table 4-18: Overhead Line Operations Program Cost Breakdown

Programs	Last Rebasings Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS			
Overhead Lines Operations	753,124	251,295	838,380	419,239	918,765	650,479	1,197,997	444,873	-501,829	279,232
Labour and Benefits	362,868	-80,580	386,794	-50,201	518,797	204,635	728,209	365,341	-443,448	209,412
Contracted Labour	85,512	12,061	95,463	70,431	72,074	59,220	73,124	-12,388	-73,451	1,049
Materials	109,887	125,711	129,394	176,399	190,201	203,264	208,345	98,458	15,824	18,144
Repairs and Mtce	86,904	73,727	63,365	57,410	49,294	70,012	71,763	-15,141	-13,177	22,468
Other	107,953	120,375	163,363	165,200	88,399	113,348	116,557	8,604	12,422	28,158

4-CCC/VECC-118

Ref. 1: Exhibit 4, p. 29

Question(s):

- a) (P. 29) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the distribution station operations program.

Programs	Last Rebasings Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Distribution Station Operations	92,323	100,650	149,088	314,557	378,281	233,060	238,181
Salaries / Benefits							
Contracted Labour							
Security Measures							

- b) (P. 29) Please further discuss the security measures installed and how the costs of the technology associated with those measures is proposed to be recovered (capital or operational).

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-19: Distribution Station Operations Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS			
Distribution Station Operations	92,323	100,650	149,088	314,557	378,281	233,060	238,181	145,858	8,327	-140,100
Labour and Benefits	41,311	51,416	79,982	83,512	103,453	88,782	90,296	48,985	10,105	-13,157
Contracted Labour	900	49,234	69,106	110,085	120,269	18,278	18,885	17,985	48,334	-101,384
Security Measures	50,000	0	0	120,960	154,560	126,000	129,000	79,000	-50,000	-25,560
Other	112	0	0	0	0	0	0	-112	-112	0

- b) As stated in Exhibit 4, page 29, Oshawa Power has experienced copper thefts and unauthorized access at all substation locations over the past several years. To deter and prevent these thefts and unauthorized access, Oshawa Power has subcontracted a local security company to conduct frequent after-hours security visits to these locations. Since conducting these visits, Oshawa Power has seen a drastic decrease in theft, thereby reducing any reactive capital expenses that would have been incurred in the replacement of stolen copper.

4-CCC/VECC/AMPCO-119

Ref. 1: Exhibit 4, pp. 30-31

Question(s):

- a) (P. 31) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the vegetation management program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Vegetation Management	157,790	140,061	162,646	202,004	169,743	215,000	220,375
Salaries / Benefits							
Contracted Labour							

- b) (P. 30) Please provide the cost associated with each of the three tree trimming areas (shown in Figure 4-6).

- c) (P. 30) Please provide, by year between 2021-2026, which tree trimming area (as shown in Figure 4-6) was completed and include the percentage completion rate for each area
- d) (P. 30) Please provide the term of the existing contract (e.g., 2024-2026, 2023-2027, etc.).
- e) (P. 30) Please explain the process that Oshawa PUC Networks undertook to enter the tree trimming contract. As part of the response, please provide details about the RFP, the number of bidders, the selection process, etc.
- f) Please provide the unit accomplishments for each of the years 2021 to 2024 and the forecast for 2025 to 2030.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-20: Vegetation Management Program Cost Breakdown

Programs	Last Rebas Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS			
Vegetation Management	157,790	140,061	162,646	202,004	169,743	215,000	220,375	62,585	-17,729	50,632
Labour and Benefits	0	3,090	3,439	1,485	10,878	0	0	0	3,090	-10,878
Contracted Labour	157,790	136,971	159,207	200,519	158,865	215,000	220,375	62,585	-20,819	61,510

- b) See Table below.

IRR Table 4-21: Tree Trimming Costs by Area

2023 - Area 2	2024 - Area 3	2025 - Area 1
\$178,100.10	\$143,922.15	\$172,094.36

- c) See Table below.

IRR Table 4-22: Tree Trimming Costs by Year

2021	2022	2023	2024	2025	2026
Area 3 - 100%	Area 1 - 100%	Area 2 - 100%	Area 3 - 100%	Area 1 - 100%	Area 2 - Scheduled

- d) Current 3 Year contract expires December 31, 2025 (2023 – 2025).
- e) Oshawa Power released RFP 036 for Tree Trimming Services. The RFP was sent to five local tree trimming contractors to which two formal proposals were received. Of the three companies that did not respond, one company stated that they were too busy to respond, one did not have the specialized employees required to complete the work (work within proximity to electrical equipment) and the other company did not have sufficient resources to complete this size of work. With the 2 proposals received, a selection process was conducted and based on the following criteria:
1. Understanding of Requirements (5%),
 2. Qualifications/Experience (15%),
 3. Lead Personnel (25%),
 4. Methodology and Approach (15%),
 5. Price Proposal (25%) and
 6. References (15%).
- The awarded contractor provided all the required information and was the lowest priced proposal. The effective date of this new contract is January 1, 2026 to December 31, 2030
- f) No specific units are measured – the area defined is considered one (1) unit and is 100% completed each year and inspected by internal staff for quality and completion. The forecast for 2025 – 2030 is 100%-unit completion each year.

4-CCC/CCMBC/VECC-120

Ref. 1: Exhibit 4, pp. 31-32

Ref. 2: Exhibit 9, pp. 21-23

Question(s):

- a) Please confirm, complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the underground locates program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Underground Locates	321,070	433,389	340,520	457,350	575,001	586,194	484,343
Salaries / Benefits							
Contracted Labour							

- b) (Ex. 9, p. 22) Please complete the following table to include the 2026 forecast number of locates and unit cost per locate.

Locate Costs	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Forecast
Locate Costs	\$433,389	\$340,520	\$457,350	\$575,001	\$586,194	\$ 484,343.00
Number of locates	10,289	6,853	6,462	7,051	6,697	
Unit cost per locate	\$42.12	\$49.69	\$70.78	\$81.55	\$87.53	

- c) (Ex. 9, p. 22) Please provide a reference to Oshawa PUC Networks' 2021 rebasing proceeding showing where the OEB approved locate costs of \$321k for the 2021 test year.

(Ex. 4, p. 32 and Ex. 9, p. 22) Please reconcile the 2024 actual locate costs of \$534,888 cited at Exhibit 4, p. 32 and the 2024 actual locate costs of \$575,001 shown in Table 9-11 at Exhibit 9, p. 22.

- d) (Ex. 4, p. 32) Oshawa PUC Networks states that the increased locate costs between 2021 and 2026 were beyond its control (due to increased staffing costs for locate sub-contractors). Please:

- i) Provide the term of the existing contract (e.g., 2024-2026, 2023-2027, etc.)
 - ii) Explain the process that Oshawa PUC Networks undertook to enter the locates contract. As part of the response, please provide details about the RFP, the number of bidders, the selection process, etc.
 - iii) Discuss what happened with respect to the locates-related contract after Bill 93 was implemented.
- e) (Ex. 9, p. 21-22) Please advise whether it is Oshawa PUC Networks' position that the entire increase in locate costs (relative to OEB approved and escalated by the IRM adjustment factor) in 2024 and 2025 is a direct result of Bill 93. If not, please show which costs were excluded from the balance in the GOCA account.
- f) (Ex. 9, P. 22) Please advise whether the locate costs recorded in the GOCA are entirely contractor costs or are Oshawa PUC Networks administrative costs also reflected.
- g) (Ex. 9, p. 22) Please explain the significant decline in the number of locates between 2021 and 2025.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-23: Underground Locations Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS	MFRS			
Underground Locates	321,070	433,389	340,520	457,350	0	0	484,343	163,273	112,319	484,343
Labour and Benefits	0	0	0	0	0	0	0	0	0	0
Contracted Labour	321,070	433,389	340,520	457,350	0	0	484,343	163,273	112,319	484,343

- b) See Table below.

IRR Table 4-24: 2025 Bridge Year and 2026 Test Year Forecast for Locates

Locate Costs	2025 Forecast	2026 Forecast
Locate Costs	\$586,194	\$484,343
Number of locates	6,697	5,425
Unit cost per locate	\$87.53	\$89.28

- c) See Oshawa Power's 2021 Cost of Service Application (EB-2020-0048), Exhibit 4, Table 4-15 – Chapter 2 Filing Requirement Appendix 2-JC – OM&A Cost by Program 2015-2021, Page 28.
- d) See details below.
- i) Current contract term is February 1, 2023 – January 31, 2026
 - ii) Oshawa Power is a member of the Locate Alliance Consortium (LAC). The LAC works with a Locate Service Provider (LSP) to provide locates on behalf the member utilities. The LAC, alongside the member utilities conduct an RFP process using standardized terms and conditions get a cost-effective service for all members.
 - iii) Increased staffing costs from the locate provider to meet increased demand and reduce late locates due to Bill 93.
- e) Oshawa Power's position is not that the entire increase in locate costs is a direct result of Bill 93. However, the large majority of our locate costs (approx. 96%) are directly impacted as a result of Bill 93.

Oshawa Power follows the proposed accounting entries for recording balances in the GOCA Variance Account as outlined in the OEB Decision and Order EB-2023-0143 Getting Ontario Connected Act Variance Account dated October 31, 2023. The proposed entries/methodology captures the entire increase in all locate costs and removes the OEB approved escalated by IRM adjustment factor (Revenue Requirement).

Oshawa Power's analysis indicates: If only Promark (LSP) costs were considered (the costs directly impacted by Bill 93), there would have been a slightly higher

balance in our GOCA variance account. This is because the minimal costs attributed to Ontario One Call and Planview have not escalated at the same rate received in rates. This is helping to lower the impact of the Promark costs on the GOCA variance account balance.

IRR Table 4-25: 2024 Actuals and 2025 Bridge Year Forecast Locate Costs

Description	2024 Actuals	2025 Forecast
Promark	\$552,954	\$563,686
Ontario One Call	\$19,071	\$19,458
Planview	\$2,976	\$3,050
Total	\$575,001	\$586,194
Less: Rev Req (IRM)	\$358,887	\$371,269
1508 GOCA Variance	\$216,114	\$214,924

- f) The locate cost recorded in GOCA are entirely contractor related costs. Costs recorded in the GOCA account are entirely contractor costs
- g) Oshawa Power has determined that during the months of May – August 2021, there was a 40% increase in locate requests compared to the same period in 2022, 2023 & 2024. Data shows that this period is when customers were in COVID lockdown and therefore speculation is that many customers were at home and conducting home renovation projects (decks, fences etc.) which increased the number of locate requests, hence the decline from 2021 to 2025.

4-CCC/VECC-121

Ref. 1: Exhibit 4, p. 32

Question(s):

(P. 32) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the system control operations program.

Programs	Last Rebasings Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals					
System Control Operations	286,997	376,912	256,755	474,884	230,572	277,109	283,844	-3,153	89,915	53,272
Salaries / Benefits										
Contracted Labour										

Oshawa Power Response

See completed Table below.

IRR Table 4-26: System Control Operations Program Cost Breakdown

Programs	Last Rebasings Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
System Control Operations	286,997	376,912	256,755	474,884	230,572	277,109	283,844	-3,153	89,915	53,272
Labour and Benefits	286,997	376,912	256,755	474,884	230,572	277,109	283,844	-3,153	89,915	53,272
Contracted Labour	0	0	0	0	0	0	0	0	0	0

4-CCC-122

Ref. 1: Exhibit 4, p. 33

Question(s):

- a) (P. 33) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the metering program.

Programs	Last Rebasing Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Metering	359,346	306,615	330,914	395,016	186,208	382,713	398,739
Salaries / Benefits							
Contracted Labour							

- b) (P. 33) Please explain how the large proposed metering replacement program starting in 2026 (\$1.1M / year) has been reflected in the 2026 OM&A forecast in the context that increased capital work appears to have an offsetting impact on the metering operations program (as discussed on page 33).

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-27: Metering Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>	<i>MIFRS</i>			
Metering	359,346	306,615	330,914	395,016	186,208	382,713	398,739	39,393	-52,732	212,531
Labour and Benefits	300,766	255,517	304,085	255,208	88,315	299,713	313,664	12,898	-45,250	225,349
Contracted Labour	0	100	0	94,400	54,720	48,000	49,200	49,200	100	-5,520
Communications	47,124	50,289	26,214	44,569	39,932	35,000	35,875	-11,249	3,165	-4,057
Other	11,456	709	615	839	3,240	0	0	-11,456	-10,747	-3,240

- b) The proposed meter replacement program will be entirely outsourced and will have no material impact on the day-to-day administration and management costs described on page 33. As stated in Exhibit 4, page 33, only in 2024 did increase capital work, combined with vacancies offset any OM&A costs. The forecast for 2026 does not show any reduction in OM&A because of the replacement program.

4-CCC/VECC-123

Ref. 1: Exhibit 4, p. 34

Question(s):

(P. 34) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the engineering operations program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Engineering Administration	423,493	345,950	223,415	563,096	768,076	666,261	806,639
Salaries / Benefits							
Contracted Labour							

Oshawa Power Response

See completed Table below.

IRR Table 4-28: Engineering Administration Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Engineering Administration	423,493	345,950	223,415	563,096	768,076	666,261	806,639	383,147	-77,542	38,564
Salaries and Benefits	346,911	215,978	142,494	448,670	665,293	617,066	756,214	409,303	-130,933	90,921
Contracted Labour	0	8,795	9,747	17,640	480	0	0	0	8,795	-480
Memberships/License	34,803	41,654	41,527	43,189	46,616	3,273	3,355	-31,448	6,850	-43,261
Repairs and Mtce	18,353	70,551	30,557	30,372	30,372	31,283	32,065	13,713	52,198	1,693
Other	23,426	8,974	-909	23,226	25,315	14,639	15,005	-8,421	-14,453	-10,310

4-CCC/VECC-124

Ref. 1: Exhibit 4, pp. 36-37

Question(s):

(P. 36) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the maintenance supervision program.

		Historical					
Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Maintenance Supervision	409,281	95,690	211,261	229,137	147,232	101,704	128,717
Salaries / Benefits							
Contracted Labour							

Oshawa Power Response

See completed Table below.

IRR Table 4-29: Maintenance Supervision Program Cost Breakdown

[illegible]

4-CCC/VECC/AMPCO-125

Ref. 1: Exhibit 4, pp. 37-38

Question(s):

- a) (P. 37) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the overhead line maintenance program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Overhead Lines Maintenance	424,896	326,471	245,980	283,019	461,115	559,679	574,046
Salaries / Benefits							
Contracted Labour							

- b) (P. 38) Please provide additional details regarding Oshawa PUC Networks' statement that it has refined its inspection and maintenance programs to go above and beyond the OEB's DSC. Please provide the cost of this incremental effort with respect to overhead lines. Please also provide specific examples of proactive maintenance measures that have extended overhead line asset life (and link to where these extended useful lives are reflected in the application either through reduced capital replacements or reduced annual depreciation expense).

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-30: Overhead Lines Maintenance Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Overhead Lines Maintenance	424,896	326,471	245,980	283,019	461,115	559,679	574,046	149,150	-98,425	112,930
Labour and Benefits	141,521	20,742	73,744	10,803	287,735	215,529	221,292	79,771	-120,779	-66,443
Contracted Labour	267,563	298,248	162,770	256,403	172,045	344,150	352,754	85,191	30,685	180,709
Other	15,812	7,481	9,465	15,813	1,336	0	0	-15,812	-8,331	-1,336

- a) OEB DSC Appendix C provides minimal inspection requirements that, in the opinion of Oshawa Power do not generally capture all requirements to proactively inspect and maintain the distribution system. To increase reliability and conduct a proactive approach, Oshawa Power implemented further maintenance programs such as Switch Maintenance (both single and gang operated) and InfraRed Scanning to capture anomalies and proactively replace and/or repair those anomalies. This proactive style maintenance has extended the life of those assets and has lowered the requirement to replace those assets. The incremental cost of these additional programs is shown in the variance explanation table within Exhibit 4, page 37.

4-CCC-126

Ref. 1: Exhibit 4, p. 38

Question(s):

- a) (P. 38) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the underground line maintenance program.

Programs	Last Rebasement Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Underground Lines Maintenance	313,830	172,232	203,391	236,107	311,791	194,467	199,328
Salaries / Benefits							
Contracted Labour							

- b) (P. 38) Please provide the line item(s) in the capital program budget (Appendix 2-AA) where the capital rehabilitation costs can be found (and provide the relevant costs for each year of the historical period).

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-31: Underground Lines Maintenance Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Underground Lines Maintenance	313,830	172,232	203,391	236,107	311,791	194,467	199,328	-114,501	-141,598	-112,463
Labour and Benefits	231,063	132,914	127,839	137,013	107,975	119,467	122,453	-108,609	-98,149	14,478
Contracted Labour	58,277	30,905	60,000	68,854	200,922	75,000	76,875	18,598	-27,373	-124,047
Other	24,490	8,414	15,551	30,241	2,894	0	0	-24,490	-16,076	-2,894

- b) Costs can be found in “Underground System Rebuild Program” line item on Appendix 2-AA. Relevant costs for each historical year (2021-2025) are presented in separate columns of Appendix 2-AA.

4-CCC/VECC/AMPCO-127

Ref. 1: Exhibit 4, p. 39

Question(s):

- a) (P. 39) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the distribution station maintenance program.

Historical							
Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Distribution Station Maintenance	201,942	402,598	443,060	427,226	522,179	439,540	447,705
Salaries / Benefits							
Contracted Labour							

- b) (P. 39) Please provide the incremental cost related to conducting substation maintenance per NETA MTS standards (relative to the previous approach). Please also provide specific examples of proactive maintenance measures that have extended station asset life (and link to where these extended useful lives are reflected in the application either through reduced capital replacements or reduced annual depreciation expense).

Oshawa Power Response

a) See completed Table below.

IRR Table 4-32: Distribution Station Maintenance Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Distribution Station Maintenance	201,942	402,598	443,060	427,226	522,179	439,540	447,705	245,763	200,656	-74,474
Labour and Benefits	166,555	240,157	319,929	334,049	443,879	355,130	361,184	194,629	73,602	-82,694
Contracted Labour	14,252	42,602	54,498	75,750	53,248	73,858	75,705	61,453	28,350	22,457
Repairs and Mtce	8,608	91,709	33,092	10,314	11,904	10,552	10,816	2,209	83,102	-1,088
Materials	12,527	28,129	28,221	7,114	13,148	0	0	-12,527	15,602	-13,148
Other	0	0	7,321	0	0	0	0	0	0	0

b) Incremental costs are as shown in table above. A specific example of proactive Maintenance is conducting DOBLE (Power Factor)/Dissipation) testing as a method to detect any defects in the insulation of electrical systems and take proactive action to prevent loss. This type of testing is used to determine the condition of a transformer, as it can detect winding and bushing insulation integrity and potential problems in the winding and core. The test essentially applies a high voltage AC signal to the equipment under test, measures the resulting current waveform, and calculates the power factor. This proactive testing has allowed Oshawa Power to better monitor its potential replacement of Power Transformers and utilizes a strategic approach using trending data to gauge replacement as opposed to an age-based approach.

4-CCC/VECC-128

Ref. 1: Exhibit 4, pp. 41-42

Question(s):

(P. 41) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the meter reading & data management program.

Programs	Last Rebasing Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Meter Reading & Data Mgmt.	446,414	274,990	605,191	548,125	752,746	700,578	868,875
Salaries / Benefits							
Contracted Labour							

Oshawa Power Response

a) See completed Table below.

IRR Table 4-33: Meter Reading & Data Management Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Meter Reading & Data Mgmt.	446,414	274,990	605,191	548,125	752,746	700,578	868,875	422,461	-171,425	116,129
Labour and Benefits	295,376	212,223	177,744	179,268	362,242	391,642	552,216	256,840	-83,153	189,974
Contracted Labour	94,227	213,052	300,795	294,536	388,780	308,936	316,659	222,432	118,825	-72,121
Licenses	42,002	66,514	123,198	73,466	0	0	0	-42,002	24,512	0
Other	14,810	-216,800	3,455	856	1,724	0	0	-14,810	-231,609	-1,724

4-CCC/VECC-129

Ref. 1: Exhibit 4, pp. 42-43

Question(s):

- a) (P. 43) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the customer billing program.

		Historical					
Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Customer Billing	1,124,771	1,109,647	1,125,229	1,361,082	1,299,464	1,589,946	1,343,538
Salaries / Benefits							
Contracted Labour							

- b) (PP. 42-43) Please provide a summary of the key details with respect to the customer billing contract. As part of this response, please provide the term of the contract (i.e., start date and end date), breakdown between fixed and variable pricing, and annual escalation clauses.
- c) (PP. 42-43) Please explain the process that Oshawa PUC Networks undertook to enter the customer billing contract. As part of the response, please provide details about the RFP, the number of bidders, the selection process, etc.
- d) (PP. 43) Please provide the e-billing subscriber estimate (%) for 2026 based on the most up-to-date information. As part of the response, please provide the reduction (\$) that was included in the 2026 forecast to reflect the 2026 e-billing subscriber estimate.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-34: Customer Billing Program Cost Breakdown

Programs	Last Rebasement Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Customer Billing	1,124,771	1,109,647	1,125,229	1,361,082	1,299,464	1,589,946	1,343,538	218,767	-15,124	44,075
Labour and Benefits	0	0	0	0	0	0	0	0	0	0
Contracted Labour	625,052	582,141	604,660	726,752	689,987	1,014,090	753,286	128,234	-42,911	63,299
Postage and Printing	499,719	527,506	520,569	634,330	609,476	575,856	590,252	90,533	27,787	-19,224

- b) The initial contract was signed in 2005. The latest renewal was 2018 and contains no escalation amounts. The contract is currently year to year pending renegotiation with the vendor. Below is a summary of the contract details and the pricing model for each item. Prices have not been included at the request of the vendor.

IRR Table 4-35: Contract Detail and Pricing Model

Item	Pricing Model
Billing	Per Bill
Standard Billing Adjustments	Per Bill
New Service Setups	Per new service
eBilling	Monthly Fixed
Custom Report Writing	Per Hour
Training	Per Hour
Hosting – General	Monthly Fixed
Hosting – Licensing	Per User
Cashiering	Monthly Fixed
Billing & Sync Adjustment	Per Event

- c) Billing has been outsourced by Oshawa Power for over 20 years and has been with the same vendor, who had also been hosting and managing the billing software, until 2025. Oshawa Power does not have records of the selection process at that time.

- d) At the time of response, Oshawa Power had 54.1% of customers on e-billing. Oshawa Power does not believe a reduction is warranted to reflect the updated 2026 e-billing subscriber estimate since the application was only filed 3 months ago.

4-CCC/VECC-130

Ref. 1: Exhibit 4, pp. 44-50, 75, 80

Question(s):

- a) (P. 47) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the customer success and collecting program.

Programs	Last Rebasement Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Customer Success and Collecting	1,473,746	1,119,685	1,103,787	920,832	1,375,483	1,476,555	1,834,959
Salaries / Benefits							
Contracted Labour							

- b) (P. 44) Please provide a summary of the key details with respect to the call centre contract. As part of this response, please provide the term of the contract (i.e., start date and end date), breakdown between fixed and variable pricing, and annual escalation clauses.
- c) Please explain the process Oshawa PUC Networks undertook to enter the call centre contract. As part of the response, please provide details about the RFP, the number of bidders, the selection process, etc.
- d) (P. 44) Please provide the FTE count for call centre employees before and after the outsourcing occurred in 2024. As part of the response, please also provide the proposed number of call center FTEs in 2026. Please also provide the average total direct compensation cost for call centre employees based on the 2026 forecast for these employees.

- e) (PP. 47-48) Please provide a financial analysis showing the total incremental costs/savings between the previous approach of staffing the call centre in-house relative to the contracting approach for each year 2024, 2025 and 2026. The analysis should reflect the incremental contracting costs and the reduced Oshawa PUC Networks labour costs.
- f) (PP. 46-47) Please provide the incremental costs incurred, or forecast to be incurred, related to the additional collection efforts for each year 2025 and 2026 relative to the period before the change in approach was implemented. As part of the response, please advise whether these additional collection efforts are handled by an affiliate of Oshawa PUC Networks (and are charged at a market price to the regulated utility).
- g) (P. 49) With respect to the insurance coverage, please:
- Advise whether there is only insurance coverage for large unpaid bills (i.e., \$2,500 or higher).
 - Explain how the claim payments are reflected in the forecast of bad debt.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-36: Customer Success and Collecting Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Customer Success and Collecting	1,473,746	1,119,685	1,103,787	920,832	1,375,483	1,476,555	1,834,959	361,213	-354,061	459,476
Labour and Benefits	1,239,878	912,033	846,263	695,335	550,060	484,260	655,048	-584,829	-327,845	104,988
Contracted Labour	110,809	95,706	89,630	105,872	641,036	906,725	1,091,893	981,084	-15,104	450,858
Licenses	12,179	17,414	55,072	45,334	83,675	26,191	26,846	14,667	5,235	-56,829
Materials	0	613	0	7,772	16,811	0	0	0	613	-16,811
Bank Charges	68,905	67,653	75,518	55,896	64,839	55,000	56,375	-12,530	-1,251	-8,464
Other	41,975	26,266	37,303	10,623	19,063	4,380	4,797	-37,178	-15,709	-14,266

- b) The contract with the call center is dated December 4, 2023, commencing on February 9, 2024. This contract is in effect for three years from the effective date

of December 4th 2023 ending on December 4th 2026. The current rates of pricing are as follows.

3. Fees and Billing Rates

3.1 The Services will be billed as follows:

Type of Billing	Rate (Pre GST)
Agent Training	
Agent Billing	
Senior Billing	
Set up	

- c) Oshawa Power performed a market assessment and selected the current vendor based on their existing experience with other utilities in Ontario, in order to minimize the impact to customers. Oshawa Power did not select through a formal RFP process because there are limited reputable vendors available with direct Ontario utility experience.
- d) Prior to outsource in 2024, Oshawa Power had three full time and six part time CSRs, as well as one full time team lead. Oshawa Power now has no call centre FTEs employed and will continue to have none in 2026. The entire function has been outsourced. The only FTEs involved with call centre functions are involved in management functions. These savings have been accounted for in the 2026 and ongoing budgets.
- e) A summary of the original analysis is shown below, with adjusted figures to account for increased call volumes seen in 2024/2025 that are expected to continue. The projected savings have been accounted for in the 2026 and ongoing budgets.

IRR Table 4-37: Call Centre Financial Analysis

	2024	2025	2026	2027	2028	2029	2030	Total 5 years
Projected Insourced Cost	\$603,766	\$621,879	\$640,535	\$659,751	\$679,544	\$699,930	\$720,928	\$4,022,569
Original Estimated Outsourced Cost	\$200,000	\$206,000	\$212,180	\$218,545	\$225,102	\$231,855	\$238,810	\$1,332,492
Original Estimated Savings	\$403,766	\$415,879	\$428,355	\$441,206	\$454,442	\$468,076	\$482,118	\$2,690,076
Adjusted Estimated Insourced Cost*	\$905,649	\$932,819	\$960,803	\$989,627	\$1,019,316	\$1,049,896	\$1,081,392	\$6,033,853
Estimated Outsourced Cost*	\$435,000**	\$614,000***	\$675,000****	\$695,250	\$716,108	\$737,591	\$759,718	\$4,197,667
Adjusted Estimated Savings*	\$470,649	\$318,819	\$285,803	\$294,377	\$303,209	\$312,305	\$321,674	\$1,836,186

* Original estimates adjusted for increased call volumes (projected to continue) of about 150% in 2024 over previous years' typical volumes.

** Actual costs in 2024

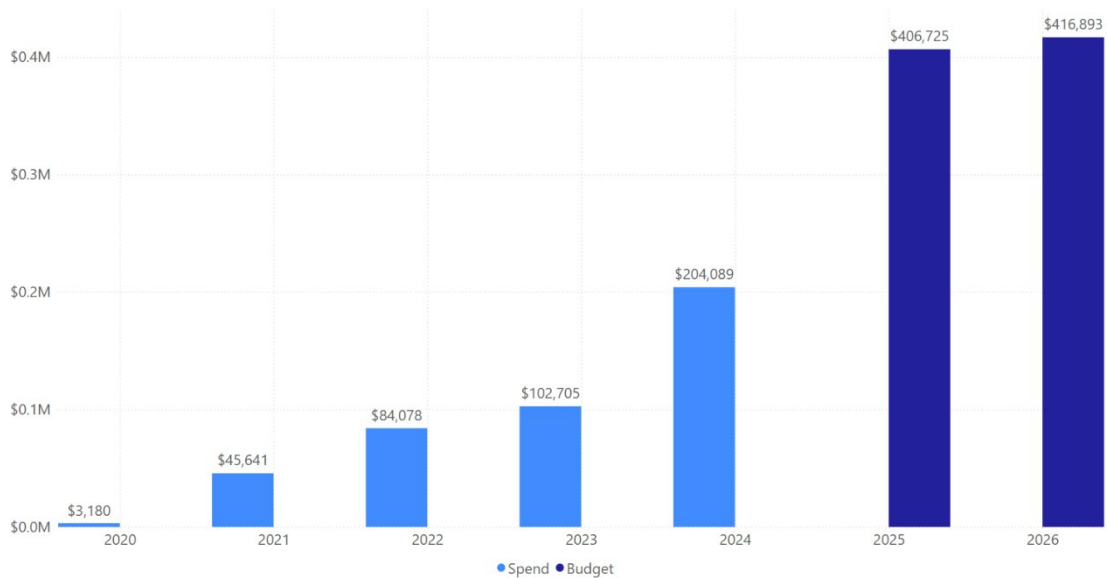
*** Projected costs in 2025, lower than expected due to contractor staffing shortage

**** Budgeted 2026 costs

- f) Collections activities have been contracted to an Oshawa Power affiliate since 2023 and are provided at market rate. The budget for 2025 is \$406,725 and for

2026 is \$416,893.

IRR Figure 4-1: Collections Costs



g) With respect to insurance coverage:

- i. Oshawa Power's insurance provider covers between 10% and 80% of the claim amount for commercial accounts with claims over \$2,500. The maximum payout for any single account is capped at \$70,000.
- ii. The forecast of bad debt factors in historical trends, which include insurance payouts. Dollars recovered from insurance are therefore factored into the bad debt forecast.

4-VECC-131

Ref. 1: Exhibit 4, pp. 44-50, 75, 80

Question(s):

- a) The evidence states: "Oshawa Power outsourced the call centre in 2024 and thus shifted 12.5 positions to subcontracted costs from the 2021 OEB Approved

to 2026 Test Year.” With respect to Appendix 2-K in what year are these 12.5 positions removed?

- b) Please clarify if 12.5 refers to FTEs and if not please clarify the number of FTEs removed from Appendix 2-K due to the outsourcing.
- c) For the last full year the 12.5 positions were employed was the total compensation paid?

Oshawa Power Response

- a) The call centre roles were included in the 2021 Test Year as 12.5 FTEs made up of full-time, part-time, and team lead customer service representative (CSR) positions. These 12.5 FTEs were included in the 91.4 FTE roles in 2021 OEB-Approved. The call centre operated with fewer than 12.5 FTEs from 2021 to 2024, leveraging 3 full time, 6 part-time, and a team lead. In 2023, CSRs were 5.5 FTEs of the end of year based on there being numerous vacancies. In 2024, customer service representatives were 0.6 FTEs of the end of year FTE count, accounting for the call centre closing early in the year.

Appendix 2-K FTE values reflect mid-year FTE estimates based on an average of FTEs at end of year and previous end of year, as instructed in Note 4 of Appendix 2-L. Therefore the removal of these roles are reflected in FTE counts for in 2024 (average of 2023 and 2024 end of year FTE counts at end of year, 3.1 FTE for CSRs) and 2025 (average of 2024 and 2025 end of year FTE counts at end of year, 0.3 FTE for CSRs) in Appendix 2-K.

In addition, had the call centre remained in-house, there would have been a need to increase FTEs to 10.0 to address the increased call volumes associated with increased collections activity beginning in April 2024, see Exhibit 4, pages 44-47.

IRR Table 4-38: Customer Service Role Outsourcing – FTE Impacts

Customer Service Representative FTEs	2023	2024	2025	2026
FTEs (end of year)	5.5	0.6	0.0	0.0
Reduction due to Call Centre Outsourcing (end of year)	0.0	4.9	5.5	5.5
Additional FTEs needed to meet demand in 2024 onwards	NA	4.5	4.5	4.5
FTEs without outsourcing (end of year)	5.5	10.0	10.0	10.0
FTEs (mid-year)	6.0	3.1	0.3	0.0
Reduction due to Call Centre Outsourcing (mid-year)	0.0	2.5	5.2	5.5
Additional FTEs needed to meet demand in 2024 onwards	1.0	4.5	4.5	4.5
FTEs without outsourcing (mid-year)	7.0	10.0	10.0	10.0

- b) See a).
- c) No, because the 12.5 FTEs were not in place from 2021 to 2024, the total compensation for all 12.5 FTEs was not fully paid.

4-Staff/SEC/CCMBC/VECC-132

Ref. 1: Exhibit 4, p.50

Ref. 2: Exhibit 1, p.30

Ref. 3: Exhibit 1, p.119

Question(s):

- a) Please provide the methodology used to forecast the bad debt amount for 2026.
- a. Please explain why Oshawa PUC Networks' bad debt expense will increase by 20% in 2026 to \$1.2 million compared to \$1.0 million in 2025, given increased collection activities, as well as Oshawa PUC Networks' goal to reduce bad debt to pre-pandemic numbers.
- b) Please provide the actual bad debt incurred to date for 2025. Please explain how this amount is calculated (e.g. length of arrears of account, etc.)
- c) Please explain why bad debt increased significantly in 2023 by \$700k compared to 2022.

- d) How does Oshawa PUC Networks believe the requested greater than 20% increase to distribution rates for residential customers will affect the bad debt expense in 2026?
- e) Please provide any internal analysis or study of the relationship between current bad debt levels of the Applicant and the COVID-19 pandemic.

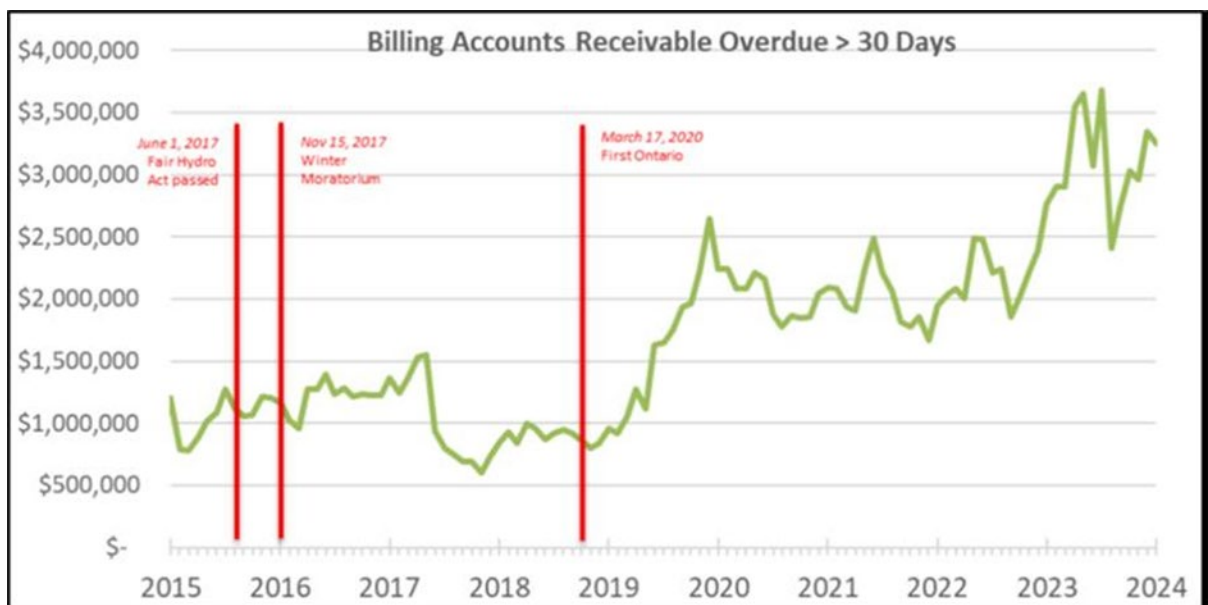
Oshawa Power Response

- a) As described in Exhibit 4, the 2024 bad debt expense was approximately \$1.4M and has been growing significantly year-over year, but increased in 2023, as shown in Exhibit 4, Figure 4-11. Oshawa Power expects to lower the bad debt significantly in 2025 by collecting on major accounts in arrears, but projects that the aggregate bad debt will subsequently continue to grow at the same post-pandemic rate.
- b) Bad debt as of June 2025 is \$500k. Management compares to last year's data (AR aging buckets, write-offs) and trending to calculate bad debt provision.
- c) Bad debt has increased steadily year-over-year, especially in 2023. Oshawa Power attributes this increase to macro-economic factors.
- d) Oshawa Power attributes the bad debt increase primarily to macro-economic conditions evidenced by the large arrears increases in recent years with only marginal rate increases. The increase unfortunately follows the trend across most products and services due to recent economic conditions and may continue due to current economic uncertainty. Oshawa Power requires this increase in rates to sustainably run the business and provide the service levels expected by our customers. However, because of the sensitivity to our customers' financial difficulties, as reflected by the bad debt expense, Oshawa Power, with the rate increase, will continue to remain one of the lowest-cost and most efficiently run utilities in the province, with one of the highest reliability rates. Additionally, to mitigate upward pressures on bad debts due to increasing economic uncertainty and high unemployment rates in Oshawa, Oshawa Power is also requesting increased LEAP contributions (see Exhibit 4, section 4.7)). With this and with the increased collections activities, Oshawa Power expects bad debt to remain relatively even over the rate period, barring any new major economic events. It

should be emphasized though the current economic uncertainty could have unpredictable effects on bad debt in Oshawa.

- e) Please refer to the section titled “Challenges with Outstanding Customer Debt” on pages 45-46 of Exhibit 4. Figure 4-10 from Exhibit 4 is illustrative of the impact as it highlights the ‘First Ontario Covid-19 Lockdown’ and the subsequent marked increase in overdue accounts that has not yet subsided. It is expected to continue with the continued economic volatility and uncertainty, and with continued high unemployment rates in Oshawa.

IRR Figure 4-2: Collections Costs



4-CCC/VECC-133

Ref. 1: Exhibit 4, p. 52

Question(s):

(P. 52) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the communications and customer relations program.

Programs	Last Rebasing Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Communications & Community Relati	239,216	230,409	297,797	422,398	270,588	335,661	394,033
Salaries / Benefits							
Contracted Labour							
LEAP Funding							

Oshawa Power Response

See completed Table below.

IRR Table 4-39: Communications & Community Relations Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Communications & Community Relations	239,216	230,409	297,797	422,398	270,588	335,661	394,033	154,817	-8,807	123,445
Salaries and Benefits	96,736	98,527	173,128	201,997	106,047	147,693	166,379	69,642	1,791	60,332
Contracted Labour	38,297	38,459	43,008	64,921	40,285	50,000	51,125	12,828	162	10,840
Leap funding	33,542	33,542	34,470	35,992	37,396	38,518	99,793	66,251	0	62,397
Comm Relations	21,228	34,296	18,389	42,529	60,648	74,550	56,414	35,185	13,068	-4,234
Other	49,413	25,585	28,802	76,959	26,212	24,900	20,323	-29,090	-23,828	-5,889

4-CCC/VECC-134

Ref. 1: Exhibit 4, pp. 53-55

Question(s):

- a) (PP. 54-55) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the general administration program. In the context of the broad range of activities included in the general administration program, please link the various line items that are added to the table to the related activity (e.g, supply chain, IT, HR, etc.).

Programs	Last Rebasing Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
General Administration	2,610,949	3,377,547	3,552,454	3,144,238	4,651,081	5,637,225	6,294,835
Salaries / Benefits							
Contracted Labour							

b) (PP. 53-54) Please explain whether the entirety of the labour and benefit costs associated with corporate, finance, regulatory, supply chain, IT and HR departments are included in the general administration budget (or is it only executive compensation that is included). Please provide a detailed discussion of which labour costs are part of the general administration program relative to the other programs in the Administrative & General category. As part of the response, please reconcile the FTEs shown in Table 4-19 (on page 54) to the program categories shown in Table 4-18 (on page 53).

Oshawa Power Response

a) See completed Table below.

IRR Table 4-40: General Administration Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
General Administration	2,610,949	3,377,547	3,552,454	3,144,238	4,651,081	5,637,225	6,294,835	3,683,886	766,598	1,643,754
Salaries and Benefits All Depts	2,274,519	2,824,978	2,955,955	2,654,575	4,251,202	5,208,187	5,855,371	3,580,852	550,459	1,604,170
Contracted Labour Finance and Reg	40,211	128,264	196,674	114,334	15,286	10,000	10,250	-29,961	88,053	-5,036
Corp Memberships	87,502	89,740	88,363	89,930	112,080	118,450	121,411	33,909	2,238	9,331
Bank Charges	79,033	79,874	69,815	80,933	66,341	72,445	74,256	-4,776	841	7,915
Materials	40,711	58,875	-85,357	68,144	63,853	66,988	68,663	27,952	18,164	4,809
Travel and Training All Depts	77,071	46,753	40,213	42,465	133,692	123,270	126,052	48,981	-30,318	-7,640
Other	11,903	149,063	286,791	93,857	8,626	37,884	38,832	26,929	137,161	30,205

b) Oshawa Power confirms that all union, non union and management for Corporate, Finance, Regulatory, Supply Chain and Retiree labour and benefits are included General Administration program. Short term pay incentive for all non-union staff is included in the General Administration program. Facilities, Information Technology, Human Resources and Safety labour and benefits are

included in their individual programs within the Administrative and General category. See Table below for reconciliation.

IRR Table 4-41: Reconciliation of Exhibit 4, Tables 4-18 and 4-19

Administrative & General FTEs	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
General Administration	14.6	16.9	16.5	24.5	25.5	25.3	28.9
Information Technology	3.0	2.4	4.0	5.5	7.6	8.0	10.3
Human Resources and Safety	3.0	3.0	3.5	3.2	2.9	2.6	2.9
Insurance							
Audit Legal Consulting							
Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Regulatory Affairs							
Board Expenses							
Total	21.6	23.3	25.0	34.2	37.0	36.9	43.2

4-CCC/VECC/AMPCO/Staff-135

Ref. 1: Exhibit 4, pp. 54, 56-58, 73

Question(s):

- (P. 54) Please provide a detailed job description for each of the 10.3 positions (FTEs) included as part of the Information Technology program budget. As part of the response, please highlight the roles that were created during the 2021-2025 period.
- (P. 57) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the IT operations program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Information Technology	744,509	1,095,997	817,258	1,118,633	1,519,265	1,745,262	1,921,339
Salaries / Benefits							
Contracted Labour							
Software Subscriptions							

- c) (P. 57) Please advise whether Oshawa PUC Networks has undertaken a benchmarking exercise with respect to its IT cost relative to other similar businesses. If so, please provide this study.
- d) (P. 57) Please discuss the extent to which the software licenses include support to Oshawa PUC Networks for the installation, use, troubleshooting, etc. of the software.
- e) (P. 57, 73) Please further explain the need for an in-house cyber security analyst. As part of the response, please discuss whether the systems/software that Oshawa PUC Networks purchases already include cyber security tools (and assistance from the vendor(s)).
- f) (P. 57) Please advise whether Oshawa PUC Networks has collaborated with other LDCs to negotiate software license discounts.
- g) (P. 58) Please provide a quantification of the capital savings included in the IT-related capital budget (with reference to where these savings can be found in the application) resulting from the “migration from traditional capital purchases to subscriptions...”
- h) Please differentiate costs for new GIS tools, automation tools, and OMS that are in both the OM&A and capital programs.

Oshawa Power Response

- a) See below for descriptions of each role.

2021 Test Year

IT/Network Analyst

This role was included in the 2021 Test Year as continuing role from the last rate period to support the implementation of new technology systems and ensure the stability, security, and scalability of the organization’s IT infrastructure. As the organization expanded and digital operations became more complex, reliance on manual support processes and legacy systems led to inefficiencies, increased downtime, and greater security risks. This role was to ensure the smooth deployment and support of critical IT systems, including endpoint management, user support, hardware upgrades, and cybersecurity controls. The specialized

technical knowledge required to support these initiatives extended beyond the capacity of the existing team. This role was previously outsourced, however ownership inside the organization was required to maintain security and organization in the best interests of Oshawa Power and its customers.

Manager IT

This role was included in the 2021 Test Year but in 2024, this role was enhanced to lead the modernization and optimization of the organization's technology infrastructure to support business growth, improve cybersecurity posture, and align systems with industry best practices. This role was a strategic investment to ensure successful delivery of critical IT initiatives, including cloud migration, cybersecurity enhancements, and enterprise application upgrades. The expertise required for these projects exceeded the current capabilities of the internal team, necessitating leadership with deep technical knowledge and project management experience.

2021-2025

IT Specialist / IT Analyst (2)

In 2021, an IT Specialist was added to support the IT/Network Analyst. In 2024, another role was added to enhance frontline technical support during a period of significant organizational and technological growth. As new systems were implemented and the number of end users increased, the demand for timely, effective IT support outpaced the capabilities of the existing team, leading to delays, inefficiencies, and increased user frustration.

Project Manager (2)

In 2023, this role was established to create and support the Project Management Office (PMO) to manage organizational projects across all areas including the ERP and CIS projects, as well as other business transformation efforts. A second role was created in 2024. Please refer to 4-CCC/Staff-146 u) for more details.

Integration and Automation Architect

In 2023, this role was added to improve operational efficiency, create capacity among existing staff, and work across departments to identify and implement cost-saving automation, digitization, and modernization initiatives. This included projects such as purchase order and invoicing digitization, as well as mobile field solutions. Please refer to 4-CCC/Staff-146 v) for more details.

Senior Network Engineer

In 2023, this role was established to lead the modernization of the organization's network infrastructure in alignment with its strategic growth and evolving cybersecurity requirements. As the company expanded and introduced more cloud-based services, legacy network systems presented limitations in performance, scalability, and security, posing operational and compliance risks. This role reflected Oshawa Power's focus on modernizing its IT infrastructure, cybersecurity, and business transformation initiatives. This role has performed tasks such as introducing network layering and segmentation, replacing out of support infrastructure, and adding Network Access Controls – all critical to maintaining good cyber security posture.

2026

Cyber Security Analyst

This role will collaborate with external vendors to address increasing cyber risks, strengthen network and system security, manage risk, status reporting, security audits, and vulnerability assessments. Please refer to 4-CCC/VECC/AMPCO/Staff-135 e) for more details.

Business Analyst

This role will design, maintain, test, and oversee IT applications; act as a bridge between IT and business teams; support internal applications such as CIS, ERP, customer portal, and phone system. Please refer to 4-Staff/CCMBC-152 a) for more details.

IT Student (0.3)

To support the team and invest in student learning within the industry.

b) See completed Table below.

IRR Table 4-42: Information Technology Program Cost Breakdown

	Last Rebas ing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Programs										
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Information Technology	744,509	1,095,997	817,258	1,118,633	1,519,265	1,745,262	1,921,339	1,176,830	351,488	402,074
Labour and Benefits	318,375	314,059	461,916	609,471	712,287	664,558	792,554	474,178	-4,317	80,267
Contracted Labour	40,000	0	14,330	51,626	18,655	0	0	-40,000	-40,000	-18,655
Software Mtoe Fees	163,417	587,119	107,556	287,885	586,639	831,796	893,654	730,237	423,701	307,015
Hardware Mtoe Fees	141,695	30,044	44,586	72,488	115,489	59,045	60,521	-81,174	-111,651	-54,968
Communications	74,637	126,979	148,181	78,307	74,499	186,624	171,289	96,652	52,342	96,790
Other	6,385	37,797	40,689	18,856	11,695	3,240	3,321	-3,064	31,412	-8,374

c) Oshawa Power engaged a consultant to perform a Resource Optimization Review, which included reviewing its technical staff compliment against seven of Oshawa Power's peers (see Exhibit 4, Attachment 4-1). The results of the review helped inform the staffing compliment outlined in Exhibit 4, section 4.3.5. Not limited to technology staff, the study found that Oshawa Power had a significantly higher Customer to Employee ratio than other comparable Ontario utilities, meaning that Oshawa Power operates much leaner than its peers.

Additionally, including the technology spend accounted for in this Application, Oshawa Power will remain one of the lowest cost utilities in the province, and the lowest in its area. Informal and anecdotal assessments of technology staff compliments and technology spending were also performed with neighbouring utilities, reenforcing the results of the review. Oshawa Power remains confident that our technology spend is lean and prudent, especially when compared to similar utilities.

d) The extent of support provided as part of licensing or maintenance fees differs between vendors and products, however typical support contracts include basic troubleshooting and support for potential software defects, specialized tasks, and system downtime. Typically, support and maintenance does not cover routine tasks that can be executed by a trained and competent individual, or configuration of the product, though some support contracts include a number of

labour hours for these purposes. The extent of support vendors will provide for routine tasks often depends on the relationship with the vendor and the amount of good will support they are willing to provide before producing a statement of work for paid services.

- e) As cyber security becomes an increasing item of focus for Oshawa Power, and as Oshawa Power continues to implement the controls and monitors recommended by the OEB Cyber Security and other frameworks, the associated volume of work in sifting through alerts and events has also increased. This is new work in the upcoming cost-of-service period that has become necessary since the rapid maturity of Oshawa Power's Cyber Security posture in following the aforementioned frameworks, thus requiring the new role.

Oshawa Power does not expect to maintain the in-house expertise to forgo the need for a third-party security services, such as a Security Operations Centre (SOC), as these require highly available (24/7), highly specialized and continually adapting resources that we do not have the scale to satisfy. As such, Oshawa Power currently utilizes, and expects to continue utilizing, third party services, such as a SOC, for the monitoring and management of many of its security tools such as System Incident and Event Management (SIEM) and Endpoint Detection and Response (EDR).

Consequently, because of this requirement for more granular and constant monitoring and alerting, there is much work required from the Oshawa Power team. There are dozens to hundreds of daily alerts from various sources including third party information services, the SOC, and various other monitoring systems that by nature often produce many false-positives as well as legitimate alerts. The cyber security analyst will work together with the third party SOC, internal staff, third party security auditors, and other specialists and systems to monitor, respond to and sort through the many various incidents, reports and alerts to ensure that Oshawa Power appropriately addresses Cyber-security concerns in a timely manner. Additionally, this role will be responsible for reviewing the security posture and recommending changes or updates to address any potential vulnerabilities, managing the cyber-risk management

program and vulnerability management program's day-to-day tasks. This role is best served by internal staff rather than external services due to the close and constant collaboration required with technology staff, vendors and other staff and partners, as well as due to the broad access requirements for this role.

- f) Oshawa Power is part of the Utilities Standards Forum and has taken advantage of its group rates and vendors when applicable. Oshawa Power has also participated in buying groups such Kinetic GPO to secure negotiated group pricing.
- g) Changing to subscription-based software would decrease capital spend for that item and increase OM&A spend. An example of this would be Microsoft Exchange Server: Until version 2025 Oshawa Power was using an on-premise version of this email server. In 2025, Oshawa Power changed to a hosted subscription-based version of this email server and will no longer purchase the licensing as a capital expense. The capital dollars that were previously used to purchase this software would not show as a reduction in the capital budget directly but in aggregate would allow capital spend to be redirected to other high-value efforts such as automation and digitization which would lead to an increase in labour capacity and reduce the new staff required to run the business. Oshawa Power does not have an exhaustive list of all software that has changed from capital to operating and how those dollars were reallocated as it is often not a one-to-one exchange. For example, Oshawa Power previously used Microsoft System Centre for various management functions, which was on-premise software purchased with capital dollars, and has recently eliminated the need to continue to purchase System Centre due to various existing subscription-based tools being able to substitute its functionality. Those dollars were not 'reallocated' or 'reduced', because Oshawa Power determines capital projects and spend on a case-by-case basis. Consequently, the sum of the capital requirement is determined by the sum of the needs evaluated rather than an accounting of what is being added or removed from the previous years and the specific dollars cannot be traced that way.

- h) The purchase and implementation of the new tools, such as GIS software, would be capitalized. The ongoing support and maintenance of these same tools would be captured in subsequent years under OM&A.

4-CCC/VECC-136

Ref. 1: Exhibit 4, pp. 58-59

Question(s):

- a) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the Human Resources & Safety program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Human Resources & Safety	429,508	444,171	453,197	529,014	550,902	459,274	507,210
Salaries / Benefits							
Contracted Labour							

Oshawa Power Response

See completed Table below.

IRR Table 4-43: Human Resources & Safety Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Human Resources & Safety	429,508	444,171	453,197	529,014	550,902	459,274	507,210	77,702	14,663	-43,692
Labour and Benefits	307,509	365,558	371,974	434,096	265,997	225,557	245,778	-61,731	58,049	-20,219
Contracted Labour	1,400	1,228	16,328	1,478	1,621	40,562	41,576	40,176	-172	39,955
Safety Supplies	21,405	4,931	19,375	34,997	206,453	64,497	74,109	52,705	-16,473	-132,344
Trades Training	79,382	29,923	43,388	66,682	53,122	29,107	29,835	-49,546	-49,459	-23,287
Other	19,813	42,530	2,132	-8,239	23,708	99,551	115,912	96,099	22,718	92,203

4-CCC-137

Ref. 1: Exhibit 4, pp.59

Question(s):

- a) Please advise whether Oshawa PUC Networks' insurance coverage includes provisions for cyber security.
- b) Please explain the process that Oshawa PUC Networks undertook with respect to selecting its insurance policy. As part of the response, please provide details about the RFP, the number of bidders, the selection process, etc.

Oshawa Power Response

- a) Yes. Oshawa Power's insurance coverage includes provisions for cyber security.
- b) Oshawa Power selects insurance carrier based on industry best practice, expertise of carrier in the energy industry, geographic focus, history of service, and coverage policies, etc. in addition, volatility of increased pricing from the open insurance market is a major consideration factor. Oshawa Power effected a program of insurance with MEARIE since November 1986, and is also the industry of choice based on its operating framework and focus on the Ontario energy distributors industry, as well as offering a one-stop Experience to its clients/members, which is the primary factor in OPUCN selecting their services. Further, Oshawa Power conducts third party annual review of MEARIE insurance policies to ensure the coverage is adequate and reasonable for risks faced by Oshawa Power.

4-CCC/CCMBC-138

Ref. 1: Exhibit 4, pp.60-61

Question(s):

- a) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the facilities program.

Programs	Last Rebasing Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Facilities	769,344	686,659	836,866	780,080	754,168	807,876	870,610
Salaries / Benefits							
Contracted Labour							
Leases							

- b) With respect to Oshawa PUC Networks' current administrative and operational facility, please provide a detailed breakdown of the total annual costs associated (e.g., lease payments, maintenance, insurance, etc.) for each year during the period 2021-2025.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-44: Facilities Program Cost Breakdown

Programs	Last Rebasing Year (2021 OEB- Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Facilities	769,344	686,659	836,866	780,080	754,168	807,876	870,610	101,266	-82,685	116,442
Labour/Benefits/Contracted labour	291,710	145,149	254,367	163,233	160,754	268,607	272,085	-19,625	-146,562	111,331
Leases	341,964	341,401	348,229	351,098	352,717	361,631	425,000	83,036	-563	72,283
Utilities	34,768	40,692	32,238	40,975	52,886	50,306	48,006	13,238	5,923	-4,879
Repairs and Mtce	64,927	55,076	66,245	102,835	137,246	121,688	118,802	53,875	-9,851	-18,444
Materials/Other	35,974	104,341	135,787	121,940	50,566	5,644	6,717	-29,257	68,367	-43,849

- b) See table below for total annual costs from 2021-2025 associated with current administrative and operational facility.

IRR Table 4-45: Current Facility Costs (2021-2026)

	2021 Test	2021	2022	2023	2024	2025 Bridge	2026 Test
Rent	341,964	341,401	348,229	351,098	352,717	361,631	425,000
Maintenance	59,761	136,941	252,933	185,881	134,307	223,132	216,854
Utilities Expense	91,637	98,375	102,638	106,598	110,813	112,000	114,800
Phone System	55,810	37,217	41,056	28,898	32,697	32,136	32,939
Other	220,171	72,725	92,011	107,606	129,894	78,977	81,017
	769,344	686,659	836,866	780,080	760,429	807,876	870,610

4-AMPCO-139

Ref. 1: Exhibit 4, p. 63

Question(s):

- Please provide the turnover rate for each of the years 2021 to 2024.
- Please provide the current turnover rate for 2025.
- Please provide the turnover rate assumption for 2026.

Oshawa Power Response

- See below for 2021 to 2024 turnover rates.

IRR Table 4-46: Historical Turnover Rates (2021-2024)

Year	Turnover
2021	25%
2022	15%
2023	8%
2024	12%
Average	15%

b) 5%.

c) 8%.

4-CCC-140

Ref. 1: Exhibit 4, pp.108-109

Question(s):

Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with the regulatory affairs program.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Regulatory Affairs (assessments, app	415,032	361,643	412,104	433,872	469,050	514,197	550,818
OEB Cost Assessment							
One-Time Rebasing Costs							
Consulting							
Legal							

Oshawa Power Response

See completed Table below.

IRR Table 4-47: Regulatory Affairs Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Regulatory Affairs (assessments, application costs)	415,032	361,643	412,104	433,872	469,050	514,197	550,818	135,785	-53,389	81,767
OEB Cost Assessments	255,175	247,604	284,732	303,973	353,258	373,673	382,567	127,392	-7,571	29,309
One-Time Rebasing Costs	137,557	113,372	113,372	113,372	113,372	113,372	140,420	2,863	-24,185	27,048
Consulting	17,000	667	8,000	15,333	0	17,804	18,249	1,249	-16,333	18,249
Legal	5,300	0	6,000	1,194	2,420	9,348	9,582	4,282	-5,300	7,162

4-Staff/CCMBC-141

Ref. 1: Exhibit 4, p.34

Question(s):

Has Oshawa PUC Networks allocated all engineering administrative costs to OM&A or the respective capital programs?

Oshawa Power Response

Oshawa Power allocates Technical Services Technicians and Engineers labour and benefits for work performed directly attributable to a capital project or O&M project. Labour that is administrative or supervisory in nature will remain within O&M under the program Engineering Administration.

4-CCC/VECC-142

Ref. 1: Exhibit 4, pp. 26, 41, 54, 63, 67

Question(s):

The combined year-end FTE count from each of Tables 4-13, 4-17 and 4-19 is set out in the table below. Please confirm, or correct, the below table that sets out FTE at the program/department level.

O&M Program FTEs	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Operations							
Distribution	29.0	22.0	22.0	25.5	23.4	24.0	30.0
Metering Service - Technicians	3.0	2.0	2.0	2.3	2.7	3.0	3.0
System Control - Operators	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineering	4.0	2.0	1.0	4.0	4.3	4.0	5.0
Technical Services	5.0	6.0	6.0	6.0	7.7	8.0	8.7
Operations Management	7.0	4.0	3.0	2.0	2.0	2.0	3.0
Sub-Total	50.0	38.0	36.0	41.8	42.0	43.0	51.7
Customer Service							
Communications	1.0	0.0	2.0	1.5	1.0	2.0	2.3
Customer Service	15.5	8.0	9.5	7.5	3.2	3.0	4.0
Metering / Reading	3.3	1.0	1.0	2.0	2.5	3.0	4.0
Sub-Total	19.8	9.0	12.5	11.0	6.7	8.0	10.3
Admin & General							
Corporate	4.0	7.0	4.0	7.2	8.6	8.8	9.0
Finance & Regulatory	7.3	7.9	9.5	14.3	13.8	13.5	15.6
Supply Chain	3.3	2.0	3.0	3.0	3.2	3.0	4.3
IT Operations	3.0	2.4	4.0	5.5	7.6	8.0	10.3
Human Resources	2.0	2.0	2.5	2.2	1.9	1.6	1.9
Health & Safety	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sub-Total	21.6	23.3	25.0	34.2	37.0	36.9	43.2
Total	91.4	70.3	73.5	87.0	85.7	87.9	105.2

Please explain the difference in total FTEs in the above table and the number of FTEs provided in Table 4-20. Please also re-state the above table showing FTEs by program/department on the same basis as Table 4-20.

- a) Please provide an update to the above table on the same basis as Table 4-20 that reflects the best available information regarding the 2025 FTE count. As part of this response, please discuss any implications of the 2025 updated FTE count on the 2026 forecast.

- b) Please explain the differences between Table 4-20 and Table 4-26. For example, Table 4-20 shows a reduction of 9 FTEs between 2021 actual and 2022 actual. In contrast, Table 4-26 shows an increase of 5 staff. To the extent possible, please provide Table 4-26 on the same basis as Table 4-20.
- c) Please provide a full listing of all position titles (broken out by program/department) for each of 2024 actual, 2025 forecast and 2026 forecast in table format (similar to Table 4-26 but for all positions instead of only positions that had additions or eliminations). As part of the response, please include the number of FTEs that are in each position (same basis as Table 4-20) and highlight which positions are proposed to be created between 2024 and 2026.
- d) Please provide a similar table as requested above (i.e., full listing of positions broken out by program/department) that highlights the following:
- The positions that were in place at the time that the Resource Optimization Review was completed.
 - The positions that Oshawa PUC Networks proposes to create / fill (or has already created/filled) resulting from the Resource Optimization Review
 - Other positions that Oshawa PUC Networks proposes to create / fill (or has already created / filled) that were not recommended as part of the Resource Optimization Review.

Oshawa Power Response

- a) The values in shown in the table above reflecting Tables 4-13, 4-17 and 4-19 are confirmed. The combined FTEs per year reflects end of year FTE counts for each year, with the 2021 to 2024 actuals aligning with Oshawa Power's Reporting and Record-keeping requirements (RRR) filings for those years.
- b) The FTE counts provided in Table 4-20 (Appendix 2-K) reflect calculated mid-year FTE counts for all years, based on an average of end of year FTE counts and previous end of year FTE counts. For the 2021 Test Year, 2021 OEB-approved FTE counts are shown. The mid-year averages were calculated in Appendix 2-K following the direction provided in Note 4 in Appendix 2-L. Appendix 2-L automatically populates FTE values from Appendix 2-K.

The table above reflecting Tables 4-13, 4-17 and 4-19 has been restated below to reflect mid-year values calculated using an average of prior year and end of year FTE values.

IRR Table 4-48: 2021 to 2026 Mid-Year FTE values by Program (Application)

Program Mid-Year FTEs	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year
Operations & Maintenance							
Distribution	29.0	25.5	22.0	23.8	24.4	23.7	27.0
Metering Service - Technicians	3.0	2.5	2.0	2.2	2.5	2.8	3.0
System Control - Operators	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineering	4.0	3.0	1.5	2.5	4.2	4.2	4.5
Technical Services	5.0	5.5	6.0	6.0	6.8	7.8	8.3
Operations Management	7.0	5.5	3.5	2.5	2.0	2.0	2.5
Sub-Total	50.0	44.0	37.0	38.9	41.9	42.5	47.3
Customer Service							
Communications	1.0	0.5	1.0	1.8	1.3	1.5	2.2
Customer Service	15.5	11.8	8.8	8.5	5.3	3.1	3.5
Metering / Reading	3.3	2.2	1.0	1.5	2.3	2.8	3.5
Sub-Total	19.8	14.4	10.8	11.8	8.8	7.3	9.2
Administrative & General							
Corporate	4.0	5.5	5.5	5.6	7.9	8.7	8.9
Finance & Regulatory	7.3	7.6	8.7	11.9	14.0	13.6	14.6
Supply Chain	3.3	2.7	2.5	3.0	3.1	3.1	3.7
IT Operations	3.0	2.7	3.2	4.8	6.5	7.8	9.2
Human Resources	2.0	2.0	2.3	2.4	2.1	1.8	1.8
Health & Safety	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sub-Total	21.6	22.4	24.1	29.6	35.6	36.9	40.0
Total	91.4	80.8	71.9	80.2	86.4	86.8	96.5

- c) The Table below discussed the changes to roles and vacancies in 2025 and implications on the 2026 Test Year forecast.

IRR Table 4-49: Changes to 2025 FTEs and Implications on 2026 Test Year

Role	Department	Update to 2025 Bridge Year	Application	Update July 1rs	Change	Implication on 2026 Test Year
Operations & Maintenance						
Meter Technician	Meter Service - Technician	Following a 2024 departure, vacant role was not filled in early 2025 as anticipated, new technician to start in September 2025.	1.0	0.3	-0.7	No change to roles requested in 2026.
Manager Stations and P&C	Engineering	Following a February 2025 departure, vacant role has not yet been filled. Plan to re-hire in September 2025.	1.0	0.5	-0.5	No change to roles requested in 2026.
Director Engineering and Operations	Operations Management	Role was hired in April 2025 instead of 2026 to support demand realizing more quickly than anticipated.	0.0	0.8	0.8	No change to roles requested in 2026.
Program sub-total					-0.4	
Customer Service						
Manager, Customer Services	Customer Service	Filled in June 2025 instead of 2026 to address demand arising from increased collections activity, with a change in title to Customer Excellence Program Manager.	0.0	0.6	0.6	No change to roles requested in 2026.
Program sub-total					0.6	
Total					0.2	

For clarity, updates to both end of year FTEs, and mid-year FTEs (based on an average of end of year and previous end of year counts) are provided, with updates to 2025 Bridge and 2026 Test Year FTE forecasts. While only 2025 Bridge Year FTEs have changed, because of how mid-year FTEs are calculated using previous year FTEs, 2026 mid-year FTEs are also updated.

IRR Table 4-50: Update to 2021 to 2026 End of Year FTE values by Program (July 2025)

Program/Department	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year (Application)	2025 Bridge Year (July 2025)	2026 Test Year
Operations & Maintenance								
Distribution	29.0	22.0	22.0	25.5	23.4	24.0	24.0	30.0
Metering Service - Technicians	3.0	2.0	2.0	2.3	2.7	3.0	2.3	3.0
System Control - Operators	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineering	4.0	2.0	1.0	4.0	4.3	4.0	3.5	5.0
Technical Services	5.0	6.0	6.0	6.0	7.7	8.0	8.0	8.7
Operations Management	7.0	4.0	3.0	2.0	2.0	2.0	2.8	3.0
O&M Program Total	50.0	38.0	36.0	41.8	42.0	43.0	42.6	51.7
Customer Service	0	0	0	0	0	0	0	0
Communications	1.0	0.0	2.0	1.5	1.0	2.0	2.0	2.3
Customer Service	15.5	8.0	9.5	7.5	3.2	3.0	3.6	4.0
Metering / Reading	3.3	1.0	1.0	2.0	2.5	3.0	3.0	4.0
Customer Service Program Total	19.8	9.0	12.5	11.0	6.7	8.0	8.6	10.3
Administrative & General								
Corporate	5.0	8.0	5.0	7.2	8.6	8.8	8.8	9.0
Finance & Regulatory	7.3	7.9	9.5	14.3	13.8	13.5	13.5	15.6
Supply Chain	3.3	2.0	3.0	3.0	3.2	3.0	3.0	4.3
IT Operations	3.0	2.4	4.0	5.5	7.6	8.0	8.0	10.3
Human Resources	1.0	1.0	1.5	2.2	1.9	1.6	1.6	1.9
Health & Safety	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative & General Total	21.6	23.3	25.0	34.2	37.0	36.9	36.9	43.2
Total	91.4	70.3	73.5	87.0	85.7	87.9	88.0	105.2

IRR Table 4-51: Update to 2021 to 2026 Mid-Year FTE values by Program (July 2025)

Program/Department	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year (Application)	Updated 2025 Bridge Year (July IR Update)	2026 Test Year (Application)	Updated 2026 Test Year (July IR Update)
Operations & Maintenance									
Distribution	29.0	25.5	22.0	23.8	24.4	23.7	23.7	27.0	27.0
Metering Service - Technicians	3.0	2.5	2.0	2.2	2.5	2.8	2.5	3.0	2.7
System Control - Operators	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineering	4.0	3.0	1.5	2.5	4.2	4.2	3.9	4.5	4.3
Technical Services	5.0	5.5	6.0	6.0	6.8	7.8	7.8	8.3	8.3
Operations Management	7.0	5.5	3.5	2.5	2.0	2.0	2.4	2.5	2.9
O&M Program Total	50.0	44.0	37.0	38.9	41.9	42.5	42.3	47.3	47.1
Customer Service	0	0	0	0	0	0	0	0	0
Communications	1.0	0.5	1.0	1.8	1.3	1.5	1.5	2.2	2.2
Customer Service	15.5	11.8	8.8	8.5	5.3	3.1	3.4	3.5	3.8
Metering / Reading	3.3	2.2	1.0	1.5	2.3	2.8	2.8	3.5	3.5
Customer Service Program Total	19.8	14.4	10.8	11.8	8.8	7.3	7.6	9.2	9.5
Administrative & General									
Corporate	5.0	6.5	6.5	6.1	7.9	8.7	8.7	8.9	8.9
Finance & Regulatory	7.3	7.6	8.7	11.9	14.0	13.6	13.6	14.6	14.6
Supply Chain	3.3	2.7	2.5	3.0	3.1	3.1	3.1	3.7	3.7
IT Operations	3.0	2.7	3.2	4.8	6.5	7.8	7.8	9.2	9.2
Human Resources	1.0	1.0	1.3	1.9	2.1	1.8	1.8	1.8	1.8
Health & Safety	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative & General Total	21.6	22.4	24.1	29.6	35.6	36.9	36.9	40.0	40.0
Total	91.4	80.8	71.9	80.2	86.4	86.8	86.9	96.5	96.6

d) Table 4-26 in Exhibit 4 has been updated to reflect corrections and updates to

roles and vacancies in 2025 and implications on 2026. See 4-Staff/CCC/VECC/AMPCO-109 b), IRR Table 4-1.

Table 4-20 in Exhibit 4 reflects mid-year FTEs based on actual end of year staffing counts whereas Table 4-26 reflects changes in the roles that exist in each year, measured at the end of the year, whether or not they were vacant for all or part of that year. Table 4-26 also excludes student and other temporary roles, whereas Table 4-20 includes all FTEs.

For example, for 2022 actuals, Table 4-20 reflects a 9 FTE decrease from 2021. This was calculated as follows:

- Mid-Year 2021 FTEs (81) = Average of 2021 OEB-approved FTEs (91.4) and 2021 end of year FTEs (70.3)
- Mid-Year 2022 FTEs (72) = Average of 2021 end of year FTEs (70.3) and 2022 end of year FTEs (73.5)

The change in FTEs between the end of 2021 (70.3) and the end of 2022 (73.5) was an increase of 3.2 FTEs.

Table 4-26 reflects the change between the end of 2021 and 2022 only changes in roles (+6.0), whereas the FTE decrease between the end of 2021 and the end of 2022 is also impacted by vacancies created by retirements, moves within the organization, and other departures (-13.4) offset by new arrivals in existing roles and students (+10.6).

See below Table showing all 60 roles shown in the updated Table 4-26 with mid-year FTE counts in alignment with Appendix 2-K.

IRR Table 4-52: Updated New/Eliminated Roles Table by Mid-Year FTEs

Roles by Program/Department	2021 OEB-approved	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year (Application)	Updated 2025 Bridge Year (July IR Update)	2026 Test Year (Application)	Updated 2026 Test Year (July IR Update)
Operations & Maintenance									
PLTs	19.0	15.0	10.0	12.3	14.2	13.0	13.0	13.5	13.5
PLT sub-foreperson	1.0	1.0	1.0	2.0	2.3	1.8	1.8	2.0	2.0
PLT apprentice	3.0	3.0	4.0	2.5	0.2	0.7	0.7	1.5	1.5
PME sub-foreperson	0.0	0.0	0.5	1.0	1.0	1.0	1.0	1.0	1.0
PME apprentice	0.0	0.5	1.0	0.5	0.0	0.0	0.0	1.0	1.0
Operations Coordinator	1.0	1.0	1.0	1.0	1.7	2.2	2.2	2.0	2.0
Manager Distribution Design & System Planning	0.0	0.0	0.0	0.0	0.5	1.0	1.0	1.0	1.0
Manager Stations and P&C	0.0	0.0	0.0	0.5	1.0	1.0	0.8	1.0	0.8
Engineer in Training	0.0	0.0	0.5	1.5	1.2	0.2	0.2	0.0	0.0
P&C/SCADA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
Technical Services Technician	3.0	3.0	3.0	3.5	4.5	5.5	5.5	6.0	6.0
Engineering Intern	0.0	1.0	2.0	2.0	2.3	2.3	2.3	2.3	2.3
Manager Metering & Operations	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Distribution Supervisor	2.0	2.0	2.0	1.5	1.0	1.0	1.0	1.0	1.0
Technical Services Supervisor	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operational Systems Specialist (GIS)	1.0	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance Planner	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Director Engineering and Operations	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.5	0.9
Customer Service	0	0	0	0					
Manager, Communications	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Communications Coordinator	0.0	0.0	0.0	0.3	0.3	0.5	0.5	1.0	1.0
Supervisor, Customer Service / Services & Escalation	1.0	0.5	0.0	0.0	0.3	0.8	0.8	1.0	1.0
Quality Assurance Specialist	0.0	0.0	0.0	0.3	0.6	0.4	0.4	0.0	0.0
Business Analyst, Customer Service	0.0	0.5	1.0	0.5	0.3	0.8	0.8	1.0	1.0
Director Meter to Cash	0.0	0.0	0.0	0.0	0.0	0.5	0.5	1.0	1.0
Customer Service Representatives	12.5	9.3	6.3	6.0	3.1	0.3	0.3	0.0	0.0
Meter Operator / Meter Data Operator	1.0	1.0	1.0	1.0	1.3	1.8	1.8	2.0	2.0
Operations Developer	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager, Metering & Operational Data	0.0	0.0	0.0	0.5	1.0	1.0	1.0	1.0	1.0
GIS Analyst	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
Administrative & General									
Executive / Administrative Assistant	1.0	1.0	1.0	1.4	1.9	2.0	2.0	2.0	2.0
VP, Engineering & Operations	1.0	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Managing Director	0.0	0.0	0.0	0.5	1.0	1.0	1.0	1.0	1.0
VP Finance, Business & Corporate Services / CFO	0.0	0.5	1.0	1.0	0.9	0.8	0.8	0.9	0.9
CTO, Director of Business Transformation	0.0	0.0	0.0	0.4	0.9	1.0	1.0	1.0	1.0
Director, Communications & Marketing	0.0	0.0	0.0	0.4	0.9	1.0	1.0	1.0	1.0
Director, Regulatory & Commercial Affairs	0.0	0.0	0.0	0.0	0.4	0.9	0.9	1.0	1.0
Senior Contracts Specialist & Privacy Officer	0.0	0.0	0.0	0.4	0.9	1.0	1.0	1.0	1.0
Senior Regulatory Analyst / Supervisor, Regulatory Affairs	0.0	0.0	0.0	0.4	0.9	1.0	1.0	1.0	1.0
Regulatory Coordinator / Analyst	0.0	0.0	0.0	0.0	0.5	1.0	1.0	1.0	1.0
Corporate Controller	1.0	1.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Manager, Financial Reporting	1.0	1.0	1.0	1.0	0.7	0.2	0.2	0.0	0.0
Manager, Governance	0.0	0.0	0.0	0.0	0.0	0.3	0.3	0.8	0.8
Senior Manager, Financial Accounting	0.0	0.0	0.5	1.0	1.0	0.5	0.5	0.0	0.0
Director of Finance	0.0	0.0	0.0	0.0	0.1	0.6	0.6	1.0	1.0
Supervisor, Financial Analysis & Reporting	0.0	0.0	0.0	0.0	0.1	0.6	0.6	1.0	1.0
Supervisor/Manager, Accounting	0.0	0.0	0.0	0.0	0.0	0.5	0.5	1.0	1.0
Financial Analyst / Senior FA	1.0	1.5	2.5	3.7	3.5	2.3	2.3	2.5	2.5
Buyer	2.0	1.5	1.0	1.0	0.9	0.9	0.9	1.0	1.0
Inventory & Procurement Clerk / Stockkeeper	0.0	0.0	0.5	1.0	1.0	1.0	1.0	1.0	1.0
Supply Chain Analyst	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
IT Analyst	2.0	2.0	2.0	2.0	2.4	2.9	2.9	3.0	3.0
Operational Technology Specialist (GIS)	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Project Lead/Operations Excellence Manager	0.0	0.0	0.0	0.5	1.0	0.5	0.5	0.0	0.0
Integration and Automation Architect	0.0	0.0	0.0	0.4	0.9	1.0	1.0	1.0	1.0
Project Manager	0.0	0.0	0.0	0.4	1.0	1.6	1.6	2.0	2.0
Senior Network Engineer	0.0	0.0	0.0	0.5	1.0	1.0	1.0	1.0	1.0
Cyber Security Analyst	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
Business Analyst	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
Manager, Human Resources and Health & Safety	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.0	0.0
Senior Payroll Specialist	0.0	0.0	0.0	0.4	0.9	0.8	0.8	0.6	0.6
Total	57.5	50.3	45.7	54.6	59.3	59.9	60.0	68.1	68.2

e) See tables by program below showing 2024-2026 roles, timing of creation with respect to the Resource Optimization Review (ROR).

IRR Table 4-53: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – O&M

Program/Department	2024 Actuals	2025 Bridge Year (Application)	Updated 2025 Bridge Year (July IR Update)	2026 Test Year (Application)	Updated 2026 Test Year (July IR Update)	New 2024 Role	New 2025 Role	New 2026 Role	Timing of Role Creation/Filling w.r.t. ROR
Operations & Maintenance									
PLTs	14.2	13.0	13.0	13.5	13.5				1 (ii) Created due to ROR
PLT sub-foreperson	2.3	1.8	1.8	2.0	2.0				(i) In place before ROR
PLT apprentice	0.2	0.7	0.7	1.5	1.5	1		1	(ii) Created due to ROR
PMEs	3.0	3.0	3.0	3.0	3.0				(i) In place before ROR
PME sub-foreperson	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
PME apprentice	0.0	0.0	0.0	1.0	1.0			2	(ii) Created due to ROR
Distribution Inspection Coordinator	2.0	2.0	2.0	2.0	2.0				(i) In place before ROR
Operations Coordinator	1.7	2.2	2.2	2.0	2.0	1			(i) In place before ROR
Distribution student	0.0	0.0	0.0	1.0	1.0			2	(iii) Created outside RoR
Sub-Foreperson Meter Technician	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Meter Technician	1.0	0.8	0.5	1.0	0.7				(i) In place before ROR
Meter Technician Apprentice	0.5	1.0	1.0	1.0	1.0				(i) In place before ROR
Operations Technicians	2.0	2.0	2.0	2.0	2.0				(i) In place before ROR
Manager Distribution Design & System Planning	0.5	1.0	1.0	1.0	1.0	1			(i) In place before ROR
Manager Stations and P&C	1.0	1.0	0.8	1.0	0.8				(i) In place before ROR
Senior Engineer	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Engineer in Training	1.2	0.2	0.2	0.0	0.0				(i) In place before ROR
Distribution Engineer	0.5	1.0	1.0	1.0	1.0				(i) In place before ROR
P&C/SCADA	0.0	0.0	0.0	0.5	0.5			1	(iii) Created outside RoR
Technical Services Technician	4.5	5.5	5.5	6.0	6.0	1			(i) In place before ROR
Engineering Intern	2.3	2.3	2.3	2.3	2.3				(i) In place before ROR
Distribution Supervisor	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Manager Distribution Construction	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Director Engineering and Operations	0.0	0.0	0.4	0.5	0.9		1		(ii) Created due to ROR
O&M Program Total	41.9	42.5	42.3	47.3	47.1				

IRR Table 4-54: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – Customer Service

Roles by Program/Department	2024 Actuals	2025 Bridge Year (Application)	Updated 2025 Bridge Year (July IR Update)	2026 Test Year (Application)	Updated 2026 Test Year (July IR Update)	New 2024 Role	New 2025 Role	New 2026 Role	Timing of Role Creation/Filling w.r.t. ROR
Customer Service									
Marketing & Communications	0.0	0.0	0.0	0.0	0.0				(i) In place before ROR
Manager, Communications	0.0	0.0	0.0	0.0	0.0				(i) In place before ROR
Corporate Communication Specialist	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Communications Coordinator	0.3	0.5	0.5	1.0	1.0				(i) In place before ROR
Comms Student	0.0	0.0	0.0	0.2	0.2				(i) In place before ROR
Supervisor, Customer Service / Services & Escalation	0.3	0.8	0.8	1.0	1.0	1			(ii) Created due to ROR
Quality Assurance Specialist	0.6	0.4	0.4	0.0	0.0				(i) In place before ROR
Business Analyst, Customer Service	0.3	0.8	0.8	1.0	1.0				(i) In place before ROR
Manager, Customer Service / Customer Excellence Program Manager	0.8	0.3	0.6	0.5	0.8				(i) In place before ROR
Director Meter to Cash	0.0	0.5	0.5	1.0	1.0		1		(iii) Created outside RoR
Customer Service Representatives	3.1	0.3	0.3	0.0	0.0				(i) In place before ROR
Temporary and Student Labour	0.3	0.1	0.1	0.0	0.0				(i) In place before ROR
Meter Operator / Meter Data Operator	1.3	1.8	1.8	2.0	2.0	1			(i) In place before ROR
Operations Developer	0.0	0.0	0.0	0.0	0.0				(i) In place before ROR
Temporary and Student Labour	0.0	0.0	0.0	0.0	0.0				(i) In place before ROR
Manager, Metering & Operational Data	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
GIS Analyst	0.0	0.0	0.0	0.5	0.5			1	(ii) Created due to ROR
Customer Service Program Total	8.8	7.3	7.6	9.2	9.5				

IRR Table 4-55: 2024-2026 Roles (Mid-Year FTE, Timing w.r.t. RoR) – Administrative & General

Roles by Program/Department	Mid-Year FTEs					New Roles Created?			Timing of Role Creation/Filling w.r.t. ROR
	2024 Actuals	Updated 2025 Bridge Year	2025 Bridge Year (July IR Update)	2026 Test Year (Application)	Updated 2026 Test Year	2024	2025	2026	
Administrative & General									
Exec / Admin Assistant	1.9	2.0	2.0	2.0	2.0				(i) In place before ROR
President & CEO	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Managing Director - Oshawa Power	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
VP Finance / CFO & CAO	0.9	0.8	0.8	0.9	0.9				(i) In place before ROR
CTO, Director of Business	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Director, Communications	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Director, People & Culture	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Director, Regulatory & Commercial Affairs	0.4	0.9	0.9	1.0	1.0	1			(i) In place before ROR
Manager, Finance & Regulatory Compliance / Regulatory Affairs & Strategy	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Manager of Sustainability	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Senior Contracts Specialist & Privacy Officer	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Senior Regulatory Analyst / Supervisor, Regulatory Affairs	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Regulatory Coordinator / Analyst	0.5	1.0	1.0	1.0	1.0	1			(i) In place before ROR
Reg Student	0.0	0.0	0.0	0.2	0.2				(i) In place before ROR
Manager, Financial Reporting	0.7	0.2	0.2	0.0	0.0				(i) In place before ROR
Analysis	0.8	0.4	0.4	0.0	0.0				(i) In place before ROR
Manager, Governance	0.0	0.3	0.3	0.8	0.8		1	1	(iii) Created outside RoR
Senior Manager, Financial Accounting	1.0	0.5	0.5	0.0	0.0				(i) In place before ROR
Director of Finance	0.1	0.6	0.6	1.0	1.0	1			(i) In place before ROR
Supervisor, Financial Analysis & Reporting	0.1	0.6	0.6	1.0	1.0	1			(i) In place before ROR
Supervisor, Accounting	0.0	0.5	0.5	1.0	1.0	1			(i) In place before ROR
Senior Accounting Clerk	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Accounting Clerks (AP/AR Analysts)	2.0	2.0	2.0	2.0	2.0				(i) In place before ROR
Financial Advisor / Senior FA	3.5	2.3	2.3	2.5	2.5			1	(ii) Created due to ROR
Student	0.6	0.3	0.3	0.2	0.2				(iii) Created outside RoR
Buyer	0.9	0.9	0.9	1.0	1.0				(i) In place before ROR
Student or Temporary	0.2	0.2	0.2	0.2	0.2				(i) In place before ROR
Inventory & Procurement Clerk	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Supply Chain Analyst	0.0	0.0	0.0	0.5	0.5			1	(ii) Created due to ROR
Manager Technology	0.3	0.8	0.8	1.0	1.0				(i) In place before ROR
Network Analyst / IT Analyst / Specialist	2.4	2.9	2.9	3.0	3.0	1			(i) In place before ROR
Project Lead/Operations Excellence	1.0	0.5	0.5	0.0	0.0				(i) In place before ROR
Integration and Automation Architect	0.9	1.0	1.0	1.0	1.0				(i) In place before ROR
Project Manager	1.0	1.6	1.6	2.0	2.0	1			(ii) Created due to ROR
Senior Network Engineer	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Cyber Security Analyst	0.0	0.0	0.0	0.5	0.5			1	(ii) Created due to ROR
Business Analyst	0.0	0.0	0.0	0.5	0.5			1	(ii) Created due to ROR
IT Student	0.0	0.0	0.0	0.2	0.2			1	(iii) Created outside RoR
HR Consultant/Coordinator	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Senior Payroll Specialist	0.9	0.8	0.8	0.6	0.6				(i) In place before ROR
Coordinator, Health & Safety	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Manager, Safety Fleet and Facilities	1.0	1.0	1.0	1.0	1.0				(i) In place before ROR
Administrative & General Total	35.6	36.9	36.9	40.0	40.0				

f) Included in the response to e) above.

4-VECC-143

Ref. 1: Exhibit 4, pp. 26 - 67

Preamble:

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals					
Overhead Lines Operations	753,124	251,295	838,380	419,239	918,765	650,479	1,197,997	444,873	-501,829	279,232

2026 Test Year expenses increased by \$279,232 compared to 2024 Actuals. Labour increased from 2024 by 6.6 FTEs including new PLTs and apprentices, aligned with Oshawa PUC Networks' workforce planning strategy to meet current and future needs and knowledge transfer.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals					
Engineering Administration	423,493	345,950	223,415	563,096	768,076	666,261	806,639	383,147	-77,542	38,564

The 2026 Test Year increased by \$383,147 compared to 2021 OEB Approved. The increase is primarily due to an increase in FTEs of 4.7 positions.

Variance Explanations

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals					
Communications & Community Relati	239,216	230,409	297,797	422,398	270,588	335,661	394,033	154,817	-8,807	123,445

The 2026 Test Year increased by \$154,817 compared to 2021 OEB Approved. This is the result of the addition of a Communications Coordinator in 2023 and a student. In addition, the costs for LEAP increased in 2023 and again in 2024, however incremental LEAP funding not already included within electricity rates has been recorded in a generic deferral account until the next rebasing, as discussed in section 4.7.

Variance Explanations

Programs	Last Rebasings Year (2021 OEB- Approved)	Historical				2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals					
General Administration	2,610,949	3,377,547	3,552,454	3,144,238	4,651,081	5,637,225	6,294,835	3,683,886	766,598	1,643,754

The 2026 Test Year increased by \$3,683,886 compared to 2021 OEB Approved. There has been significant growth and change within the corporate department for the new executive team, additional resources in the finance department, the creation of a new regulatory department in 2024, and the addition of one supply chain analyst. The staffing change, net of eliminated positions, was an increase of 14.3 FTEs. The primary increase is labour and benefits based on the number of FTEs and inflation-related increases as well as compensation and benefit increases to bring this in line with industry standards.

Question(s):

- a) The above extractions from variance analysis describes the main reason for cost increases in each of the 4 different categories as being due to FTE increases. The overall FTE increases (highlighted) total 27.6 incremental FTEs as between 2021 and 2026. Appendix 2-K shows the total FTEs in 2021 as 81 and the total in 2026 as 97. In 2023 or 2024 12.5 positions were eliminated due to outsourcing. Is it correct to calculate 2026 FTEs as $(81 + 27.6 - 12.5)$ or 96.1?
- b) What was the average total compensation cost of the 12.5 call centre staff and what is the average total compensation of the incremental 27.6 FTEs explained as the main reason for cost increase in 2026?

Oshawa Power Response

- a) No. See response to 4-VECC-131 a) and b) for the impact of elimination of the call centre on the average mid-year FTE counts provided in Appendix 2-K. The FTEs noted are increases in FTEs forecast for the end of 2026, with 2026 FTEs are calculated as follows:
 - Mid-Year 2026 FTEs (97) = Average of 2025 Bridge Year forecast end of

year FTEs (88) and 2026 Test Year forecast end of year FTEs (105)

- Changes in FTEs per program, including all sub-programs, are as noted below for a net change of 13.8 FTEs, which is the difference between 2021 OEB-approved and 2026 Test Year.

IRR Table 4-56: Change from 2021 to 2026 FTEs by Program and Sub-Program

Program/Department	2021 OEB-approved	2026 Test Year	Change between 2021 OEB-approved and 2026
Operations & Maintenance			
Distribution	29.0	30.0	1.0
Metering Service - Technicians	3.0	3.0	0.0
System Control - Operators	2.0	2.0	0.0
Engineering	4.0	5.0	1.0
Technical Services	5.0	8.7	3.7
Operations Management	7.0	3.0	-4.0
O&M Program Total	50.0	51.7	1.7
Customer Service	0	0	
Communications	1.0	2.3	1.3
Customer Service	15.5	4.0	-11.5
Metering / Reading	3.3	4.0	0.7
Customer Service Program Total	19.8	10.3	-9.5
Administrative & General			
Corporate	5.0	9.0	4.0
Finance & Regulatory	7.3	15.6	8.3
Supply Chain	3.3	4.3	1.0
IT Operations	3.0	10.3	7.3
Human Resources	1.0	1.9	0.9
Health & Safety	1.0	1.0	0.0
Facilities	1.0	1.0	0.0
Administrative & General Total	21.6	43.2	21.6
Total	91.4	105.2	13.8

b) The average compensation costs for the call centre between 2021 and 2023 was \$680,431.

IRR Table 4-57: Call Centre Compensation Costs (2021-2023)

Year	Compensation Costs
2021	\$743,774
2022	\$745,432
2023	\$552,088
Average (2021-2023)	\$680,431

The average total compensation for the four sub-programs noted are as follows:

IRR Table 4-58: Change from 2021 to 2026 in Compensation Costs (Salaries & Benefits)

Sub-Program	2021 Labour	2026 Labour	Change
Overhead Lines Operations	\$ 362,868	\$ 728,209	\$ 365,341
Engineering Administration	\$ 346,911	\$ 756,214	\$ 409,303
Communications & Community Relations	\$ 96,736	\$ 166,379	\$ 69,642
General Administration	\$ 2,274,519	\$ 5,855,371	\$ 3,580,852
Total	\$ 3,081,034	\$ 7,506,173	\$ 4,425,139

4-CCC/CCMBC/VECC/AMPCO-144

Ref. 1: Exhibit 4, p. 63

Question(s):

- Please provide the average number of vacancies (vacancy rate) that Oshawa PUC Networks had each year during the 2021-2024 period.
- Please discuss how, if at all, staff vacancies are reflected in the 2026 FTE forecast. If vacancies are reflected, please provide the vacancy rate applied.

Oshawa Power Response

- Oshawa Power experienced the following vacancy rates from 2021 to 2024.

IRR Table 4-59: Vacancies & Vacancy Rate (2021-2024)

Year	Vacancies	Rate
2021	8	11%
2022	6	8%
2023	4	5%
2024	11	13%

- b) No vacancies have been included in the 2026 FTE forecast, as it expected all new roles will be filled.

4-AMPCO-145

Ref. 1 Exhibit 4, p. 63

Question(s):

- a) With respect to Appendix 2-K, please provide the number of employees, Total Salary and Wages, Total benefits and Compensation by the following categories: Executive, Management, Union, and Non-Union. In the response, please provide a further breakdown of overtime and incentive pay by the above. Please also provide the number of employees that are eligible for incentive pay in each year. Please include any updates to 2025 and 2026. Please provide an excel version of the response.
- b) Please provide the percentage salary increases for Executive, Management, Union and Non-Union for each of the years 2021 to 2026.
- c) Please provide a comprehensive Organizational Chart for 2021 actuals and 2026 plan.

Oshawa Power Response

- a) See below for table for breakdown of Total benefits and Compensation by the following categories: Executive, Management, Union, and Non-Union.

IRR Table 4-60: Total Benefits & Compensation by Category

	2021 OEB Approv	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Budget	2026 Budget
Salary and Wages							
Executive	514,838	1,548,463	1,894,364	1,125,299	1,971,806	2,640,313	2,960,381
Salary	468,034	1,381,135	1,729,012	809,950	1,688,635	2,392,624	2,464,673
Incentive	46,803	167,328	165,351	315,349	283,170	247,688	495,709
Management	2,772,187	1,167,649	1,103,146	1,383,183	1,483,295	1,774,945	2,176,861
Salary	2,563,224	888,851	824,348	1,222,290	1,309,531	1,526,289	1,824,544
Incentive	208,963	278,798	278,798	160,892	173,764	248,656	352,317
Non-Union	158,003	896,617	992,339	1,841,335	2,054,530	2,101,154	2,470,352
Salary	158,003	697,197	792,919	1,674,007	1,867,895	1,691,732	2,047,042
Incentive		199,420	199,420	167,328	186,635	409,423	423,310
Union	5,755,478	4,610,382	4,626,075	4,978,732	5,276,742	5,273,313	6,178,111
Wages	4,956,039	3,951,072	3,806,366	4,208,632	4,572,499	4,608,937	5,497,126
Overtime	799,439	659,311	819,709	770,100	704,243	664,376	680,985
Total Salary and Wages	9,200,506	8,223,111	8,615,923	9,328,548	10,786,373	11,789,724	13,785,705
Benefits							
Executive	147,236	249,046	201,924	303,180	422,524	433,869	446,313
Management	797,734	286,440	308,704	351,587	375,842	526,667	691,586
Non-Union	711,974	928,955	951,777	1,055,468	1,260,487	1,587,077	1,737,716
Union	1,109,291	955,493	939,329	997,815	1,103,154	1,131,170	1,367,873
Total Benefits	2,766,235	2,419,934	2,401,734	2,708,050	3,162,008	3,678,782	4,243,488
Compensation							
Executive	662,074	1,797,509	2,096,288	1,428,478	2,394,330	3,074,182	3,406,694
Management	3,589,921	1,454,089	1,411,850	1,734,770	1,859,137	2,301,611	2,868,447
Non-Union	869,977	1,825,572	1,944,115	2,896,803	3,315,017	3,688,231	4,208,068
Union	6,864,769	5,565,875	5,565,404	5,976,548	6,379,897	6,404,482	7,545,984
Total Compensation	11,966,740	10,643,046	11,017,657	12,036,598	13,948,381	15,468,506	18,029,194
Employees Eligible for Incentive	14	14	24	37	40	45	52
Total Employees	91	81	72	80	86	87	97

- a) The percentage salary increases for 2021 to 2026 are provided in the following table.

IRR Table 4-61: Percentage Salary Increases (2021-2026)

Year	Executive / Management / Non-Union	Union
2021	3%	2.1%
2022	2.5%	2.1%
2023	5%	2.1%
2024	4%	3.25% + \$1
2025	3%	3.25% + \$1
2026	2.5%	3.25%

b) See Attachments 4-1 and 4-2.

4-CCC/Staff-146

Ref. 1: Exhibit 4, p. 69-88

Question(s):

- a) (P. 69) Please explain the statement that Oshawa PUC Networks will focus “on hiring PLTs in tandem with anticipated retirees and ability to manage the 1:1 for apprentice development.”
- b) (P. 72) Please reconcile the statement that “Oshawa Power has hired one PLT and one PLT apprentice, and plans to hire an additional PLT and PLT apprentice in 2026 with Table 4-26 (which appears to show 1 PLT apprentice and no PLTs having been hired in 2025).
- c) (P. 73) Please explain why the financial analyst role is targeted for hiring in 2026 (instead of 2027) in the context of the ERP implementation timing. Please also advise which department this role will reside.
- d) (P. 73) Please discuss what position(s) are currently involved in, or responsible for, supply chain management and, more specifically, discuss what involvement the supply chain management analyst will have in the ERP implementation. Please also advise which department this role will reside.

- e) (P. 73) Please discuss what positions(s) currently maintain, test and oversee IT and act as a bridge between the IT and business teams. Please also confirm that the Business System Analyst role will be part of the IT department.
- f) (P. 73) Please advise whether the Director, Engineering and Operations position has already been filled.
 - a. Why has the need for this role materialized quicker than anticipated?
 - b. Is there any need to hire the Director of Engineering and Operations in 2025 besides knowledge transfer with the Managing Director?
- g) (PP. 73, 81) Please advise what position(s) are currently involved in, or responsible for, maintaining and managing GIS data. As part of the response, please discuss whether the Manager, Metering and Operational Data was the sole person that did this work or if that manager oversaw others who were completing this work. Please discuss the rationale for the hiring of the GIS Analyst role in 2026. Please also advise which department this role will reside.
- h) (P. 77) Please confirm that the SCADA/P&C Technician was not recommended as part of the Resource Optimization Review.
- i) (P. 77) Please explain what incremental skills a SCADA/P&C technician has relative to the staff that previously managed the P&C/SCADA programming & administration.
 - a. Please explain in more detail the need for the SCADA/P&C Technician hire in 2026 given that Oshawa PUC Networks' control room staff and PME staff have typically filled the requirements of this role and given that reliability has seen an improved trend over the historical period.
- j) (P. 77) Please confirm that the incremental Technical Services Technician was not recommended as part of the Resource Optimization Review. Please also advise whether the incremental Technical Services Technician has been hired in 2025.
 - a. Please explain the need for the additional technical service technician in 2025 given that the number of upgrades and new connections are expected to increase marginally from 2024 to 2026.

- k) (P. 78) Please confirm that the roles of Manager of Metering & Operations and Operation System Specialist (GIS) were fully eliminated from the organization (not simply eliminated in one department and moved to another department).
- l) (P. 78) Prior to the addition of the two new engineering manager roles (Stations and P&C and Distribution Design & System Planning) what role was responsible for this work. Please also confirm that the two new manager roles are at a significantly higher total compensation than the replaced engineers in training roles.
- m) (PP. 79, 82) Prior to the establishment of the Manager, Communications (later Director, Communications and Marketing) and Communication Coordinator roles, what position(s) were responsible for external and internal communications. Please advise how many FTEs Oshawa PUC Networks plans to have that are involved in communications & marketing for 2026.
- n) (P. 81) Please provide the savings resulting from insourcing some meter data reporting functions (including hiring a Meter Operator) that had previously been outsourced. As part of the response, please show where, in the application, these cost savings are reflected for the years 2024 to 2026.
- o) (P. 81) Please confirm that the CFO position does not reflect a net FTE addition as the previous roles that managed these responsibilities were eliminated.
- p) (P. 82) Please confirm that the CTO position reflects a net FTE addition. As part of the response, please confirm that the Senior Manager, Technology was backfilled.
- q) (P. 83) Please confirm that the Director, Regulatory and Commercial Affairs reflects a net FTE addition. Prior to this addition, please advise which position was responsible for the same responsibilities.
- r) (P. 84) Please confirm that the Regulatory Coordinator (later Regulatory Analyst) role reflects a net FTE addition.
- s) (PP. 84-85) Please provide the organizational structure for the Regulatory and Finance department before and after the 2024 restructuring of the finance department. As part of the response, please include the number of FTEs that supported regulatory & finance functions before and after restructuring.

- t) (P. 86) Please advise whether the manager of governance role has already been filled. Please also discuss what position in the organization was tasked with these same responsibilities currently (or prior to the hiring).
 - a. Please expand upon the need for to hire a Manager of Governance in mid-2025 and how it will improve processes. How have expected efficiencies from the Manager of Governance role been captured in the 2026 budget?
- u) (P. 86) Please advise when the Project Management Office (PMO) was created, how many FTEs are in the PMO, the total costs of the PMO, and the department that the PMO resides. Please also provide specific examples of the PMO increasing efficiency and lowering overall project costs.
- v) (PP. 86-87) Please provide the savings resulting from the automation and digitization of certain operational processes resulting from the addition of the Integration and Automation Architect (IAA) role. As part of the response, please show where, in the application, these cost savings are reflected for the years 2024 to 2026.

Oshawa Power Response

- a) In order to maintain adequate staffing levels and ensure continuity, Oshawa PUC Networks will focus on hiring PLTs at a rate that corresponds with retirements. The "1:1" refers to the ratio where one fully qualified PLT supervises one apprentice PLT.
- b) Following the submission of its Application, Oshawa Power was able to hire two fully qualified PLTs in June 2025 to fill vacancies and has further plans to hire one PLT and one apprentice in 2026.
- c) As indicated in Exhibit 1, Oshawa Power is planning to upgrade and implement an ERP system in 2027 to enhance Oshawa Power's data quality and analytical capabilities. For a large and critical project, it is critical to align a dedicated resource at the inception of the project to ensure alignment. The intention of this hire is twofold. As recommended in the Resource Optimization Review, this resource will add capacity to the existing Finance team in analytical capabilities, in financial planning and analysis, costs management and continuous

improvement. This role is then expected to expand and transition to support the ERP implementation as a functional expert in 2026/2027.

- d) Currently, Supply Chain Management is within Finance, reporting into the CFO. The team is led by Manager, Supply Chain and is supported by Assistant, Purchasing and (ii) Buyer, Purchasing. Supply Chain. The Supply Chain Analyst will assist with the existing supply chain management program, and is expected to expand to assist with ERP implementation as Oshawa Power plans to leverage the new system to incorporate process improvements and modernization of supply chain management.
- e) The activities within the scope of the Business Systems Analyst are currently divided among various other IT staff, including the CTO, the IT Manager, and vendors. However these functions are not being sufficiently performed as those resources do not have capacity to effectively fill the needs of the organization. The Business Systems Analyst, who will be part of the IT department and will report to the IT Manager, will provide the needed in-house ownership of business applications and line-of-business systems that is currently largely driven by vendors, which puts Oshawa Power at risk of not having its best interests provided for.
- f) Yes, this role has been filled.
 - a. Oshawa Power's Operations Management and Engineering teams are relatively inexperienced. To ensure proper development and growth, Oshawa Power incorporated overlapping time and effective transition by hiring a Director, Engineering & Operations. This role will be primarily focused on directing the annual and ongoing operations, planning, design, maintenance and construction of the distribution and sub-transmission systems. The Managing Director is providing coaching and knowledge transfer in order to implement a succession plan and ensure a smooth transition. Hiring a Director, Engineering & Operations at this stage is a strategic response to ensure stability, continuity, and growth in these departments.
 - b. No.

- g) The Manager of Meter and Operational data as well as engineering interns are currently maintaining and managing GIS data. The GIS Analyst was a role that was previously removed from the organization (the GIS Analyst was promoted to the Manager role to replace the previous exiting manager and was not replaced). The GIS system is one that is integral for proper asset management and Oshawa Power has found that it requires an FTE for proper management of the system and data. The GIS Analyst role will reside in the Metering and Operational Data department, reporting to the Manager.
- h) Confirmed.
- i) No incremental skills are required.
- a. As stated in Exhibit 4, page 77, Oshawa PUC Networks Inc. continues to expand its smart grid technologies to prepare for electrification and the anticipated increased demand on the grid. With this expansion, the current practice of utilizing PME and Control Room staff to manage all P&C/SCADA programming and administration has been deemed to no longer be realistic nor a prudent way to proceed. The number of SCADA points and the number of additional devices requiring programming, system administration, and other specialized expertise will be far greater than the Control Room staff and PME's can handle above their current day to day duties so the position will be required to handle these duties, removing them from the Control Room and PME's going forward and allow them to focus on their core duties.
- j) Confirmed. As noted in the response to 4-Staff/CCC/VECC/AMPCO-109 b), adding a new Technical Services Technician in 2025 was noted in error as an incremental position as this hire is a backfill for a retiring staff.
- a. See j).
- k) Yes, these roles were fully eliminated and combined into one role, Manager of Metering and Data operations. The new GIS analyst role will replace the Operation Technology Specialist (GIS) role removed in 2023.

- l) Prior to this addition, the role of Engineering Manager was responsible for this work. Correct, the additional roles come with a higher compensation than the EIT roles, however, they also come with a stronger skill-set and experience to meet the demands of Oshawa Power.
- m) Prior to the establishment of the Manager, Communications role, Oshawa Power had two roles dedicated to internal and external communications. Those roles included the Marketing & Communications Analyst and Marketing Analyst role. For 2026, there are three roles responsible for Communications and Marketing, they include: The Director, Communications & Marketing, a Corporate Communications Specialist and a Communications Coordinator.
- n) Savings resulting from insourcing of some meter data reporting functions was a total of \$122,400 for the 2024-2025 years. These numbers are reflected in the subcontractor cost reduction for this area in 2024, 2025 and 2026.
- o) Confirmed.
- p) Confirmed.
- q) Confirmed. Prior to this addition, the responsibilities were the CFO's.
- r) Confirmed.
- s) See Attachment 4-3 and Attachment 4-4. Before the restructuring, there were 14.3 FTEs in Finance & Regulatory (2023 end of year FTE count). After the restructuring, there were 13.8 FTEs (2024 end of year FTE count).
- t) No, the Manager of Governance role has not been filled as of July 2025. Governance is currently split between the Executive Assistant and the Senior Contract Specialist; policies are managed by departments who own each policy and risks are tracked by the IT department.
 - a. Hiring a Manager of Governance is critical to facilitate strong corporate governance, internal controls and risk management within the organization, and is considered an on-going priority for the organization.

- b. This hire is expected to enable a proactive approach to managing governance, which will improve efficacy and delivery efficiency by centralizing these responsibilities into a single role. The role is also described on p. 85 of Exhibit 4.
- u) The Project Management Office (PMO) was created in April 2023 when the first Project Manager (PM) was hired. There are currently two PMs employed by Oshawa Power. The PMO costs approximately \$326,000/year, mostly capitalized as part of projects and resides under the CTO & Director of Business Transformation.

With PMO oversight, resource allocations are more tightly aligned to an approved schedule that reflects organizational priorities. When timelines start to slip, an entire project is impacted, forcing the organization either to keep the full project team engaged longer or to onboard additional personnel – both of which inflate labour, overhead and vendor costs for the project. Such overruns also tie up shared resources, delaying other initiatives, and, in many cases, the possibility of triggering contractual penalties with external suppliers. By maintaining up-to-date visibility into milestones and adjusting staffing levels accordingly, the PMO releases resources as soon as their deliverables are complete, preventing unnecessary cost escalations. Additionally, keeping in-house project managers offsets project management costs from vendors and frees up capacity from internal staff allowing Oshawa Power to complete more projects in parallel than would be possible without the project managers.

An example of this is the CIS project: Normally for a project of that magnitude an organization would need to place staff under partial or full secondment to the project and hire temporary staff to fill the day-to-day needs of the organization. Because of the project managers' ability to carry much of the administrative and organizational burden, as well as helping with implementation, Oshawa Power staff have been able to continue performing their day-to-day work while working on the CIS project. This pattern has been repeated for several projects including the Phone system upgrade, the MDM upgrade, the Green Button customer portal implementation and others saving Oshawa Power from having to hire at least an

equivalent number of FTEs, not regarding the efficiency and reporting improvements gained from the PMO. As is the case with much of the Business Transformation Program, the PMO aims to create capacity at Oshawa Power to keep its Customer to Employee ratio much higher than its peers by operating as efficiently as possible and has successfully helped to so to date. The contribution has led to the hiring of a second, contract PM to help with additional large projects such as the ERP and the Building construction.

- v) One of the main purposes of the IAA role has been to create capacity by finding efficiencies and offsetting or deferring the need to hire additional FTEs. In addition, the IAA has been able to reduce capital project costs on projects such as the CIS project by providing in-house technical expertise that would have otherwise had to have been contracted.

A sample of projects and their benefits shown in the table below.

IRR Table 4-62: Sample Automation and Digitization Projects

Project	Description	Capacity Created	Offset Costs
Digital Service Orders/Collection Automation	Purchase Order digitization.	Having this process digitized has enabled better tracking and administration of the purchasing process.	A vendor quoted over \$80k for a solution integrated into the finance system. This would have been a sunk cost when moving to the new ERP.
Report Automation	Various reports that were previously manually created and maintained were digitized and automated.	This has created an estimated capacity of over 1 FTE/year since the IAA began in offset work, offsetting the need to hire.	We did not go out for quotations but Oshawa Power estimates about four months of effort from a third-party consultant.

Outage Communications	Using the automation platform to automatically send SMS outage notifications from the OMS to customers and to update the website.	N/A	We did not go out for quotations on this work, but Oshawa Power estimates at least \$30,000 for a thir-party consultant to have performed this work.
Welcome Package Automation	In order to drive up PAP enrollment, Oshawa Power now automatically sends a digital welcome package to customers upon move-in and securely processes the results.	N/A	We did not go out for quotations on this work, but Oshawa Power estimates at least \$10,000-\$20,000 for the vendor to perform this work.
Heat Alert Automation	Oshawa Power now sends automated heat alerts to field staff when the humidex or temperature reaches critical levels.	Unknown	We did not go out for quotations for this work, but it would have cost at least \$10,000.
Data Conversion from cloud-hosted file system	As part of the CIS project, we required the conversion of historical billing data. The IAA automated this programmatically		Vendor had quoted >\$30,000 to perform this work.

4-Staff-147

Ref. 1: Exhibit 4, pp.72-73, Table 4-24, Table 4-25

Preamble:

In reference 1, Oshawa PUC Networks responded to the resource optimization review for each new position recommended in the review.

Question(s):

- a) What criteria did Oshawa PUC Networks use to determine what positions to implement and which positions to defer based on the feedback received in the Resource Optimization Review? How did Oshawa PUC Networks consider customers' feedback on utility costs when evaluating each position?
- b) The Resource Optimization Review provided a recommended action plan for technical hires until 2030. Has Oshawa PUC Networks considered these hires or further hires of professional staff beyond 2026? If so, please provide a summary of this plan.

Oshawa Power Response

- a) Oshawa Power used several criteria to determine which positions to implement immediately and which to defer, drawing on the Resource Optimization Review and other inputs. The key criteria included:
 - Resource optimization drivers such as responding to customer expectations, predicted labour market shortages for trades, competition for management talent, leadership skill gaps, and enhancing safety programs and initiatives.
 - Customer feedback emphasizing cost sensitivity and the need for improved customer service, including access to live personnel and timely responses.
 - The need to maintain workforce levels sufficient to meet growing community and customer base demands, protect worker and public safety, and sustain an efficient workforce with appropriate tools and skills.

- Consideration of the long lead times to develop proficiency for technical roles like PLTs and PMEs, leading to recommendations for initiating formal apprenticeship programs.
- Practical feasibility, as Oshawa Power recognized that the ideal hiring levels for apprentices suggested in the Review were not fully feasible, so the hiring plan was adjusted accordingly.
- The organization's ability to manage and onboard new hires effectively, especially given planned technology upgrades and process improvements.

In evaluating each position, Oshawa Power balanced these operational and workforce needs with customer feedback on utility costs, which highlighted cost sensitivity. The organization sought to implement only those positions necessary to maintain safe, reliable service and meet strategic objectives while controlling costs. For example, while the Review recommended hiring 2-3 PLT apprentices annually between 2025-2030, Oshawa Power decided this was not feasible but has made some hires, including one PLT and one PLT apprentice, with plans for further hires in 2026.

b) Yes, Oshawa Power has considered the recommended technical hires beyond 2026 and has developed a workforce and hiring plan extending to 2030. The Resource Optimization Review recommended adding 17 new trades and technical full-time equivalents (FTEs) over the 2026-2030 period, with a net increase of 2 FTEs after accounting for attrition. This plan includes:

- Initiating and sustaining formal apprenticeship programs to ensure a pipeline of skilled trades workers.
- Hiring PLTs and PMEs to address retirements and anticipated labour shortages.
- Adding front-line supervisory staff to support less experienced workers and apprentices.
- Incrementally adding professional and management staff in alignment with organizational priorities and technology upgrades.

Oshawa Power's plan includes phased hiring aligned with strategic and operational needs, recognizing that while some roles may not be introduced immediately in 2025 or 2026, the recommendations will continue to be evaluated for future years. The organization plans to strengthen workforce capacity, focus on talent development, and ensure proper onboarding and training to meet future demands. This is aligned with the five-year transition plan to have the right skilled employees in place at the right time to deliver on the Strategic Plan (Exhibit 1, Attachment 1-2).

In summary, Oshawa Power is actively implementing a phased workforce growth plan for both technical trades and management/professional staff through to 2030, incorporating the Resource Optimization Review recommendations while adjusting for feasibility and cost considerations informed by customer feedback.

4-Staff/SEC/CCMBC-148

Ref. 1: Exhibit 4, p.76

Ref. 2: Exhibit 4, p.75, Table 4-26

Ref. 3: Exhibit 4, Attachment 4-1, Report p.37

Question(s):

- a) Please explain what incremental work or increase in workload has triggered the need to hire two new Powerline technician (PLT) apprentices, two new PLTs, and two apprentice Power Maintenance Technicians (PMEs) in 2025-2026.
- b) Please confirm that Oshawa PUC Networks is maintaining the same number of engineering interns in 2026 compared to previous years.
 - a. If additional interns are being hired beyond historical years, what additional incremental work is causing these hires and why is this not shown in Table 4-26?
- c) Please advise of any recognized standards or metrics that can be used to benchmark apprentice programs by LDCs to those of their peers.

Oshawa Power Response

- a) Oshawa PUC Networks Inc will see an incremental increase in its capital work of 23% over the DSP cycle.
- b) Confirmed.
- c) There are no recognized standards that can be used.

4-Staff-149

Ref. 1: Exhibit 4, p.99

Preamble:

Oshawa PUC Networks noted in reference 1 that the Manager, Customer Service position is being rehired in 2025 for a position that was eliminated when the Supervisor, Customer Service role was established in 2024.

Question(s):

- a) What is the need to bring this role back, given that the position was eliminated for a supervisory position?
- b) Has this role been filled in 2025?

Oshawa Power Response

- a) Prior to the release of the Resource Optimization Review, the Manager of Customer Service vacated their position. While the original intent was for the Supervisor of Customer Service and Escalations to assume the Manager's responsibilities, however, the volume and complexity of customer issues, particularly related to collections planning and disconnection management, required the Supervisor to remain fully focused on escalation handling. As a result, it was determined mid-2024, to address customer feedback from the Customer Engagement Survey and improve service outcomes, the Manager position needed to be reinstated. Therefore, the role was not eliminated. The Manager is responsible for overseeing the performance of the Call Centre and managing outsourced, in-person customer interactions.

b) Yes. This role has been filled.

4-Staff-150

Ref. 1: Exhibit 4, p.80

Preamble:

Oshawa PUC Networks noted in reference 1 that it promoted its Project Lead/Operations Excellence Manager in IT to a Director Meter to Cash in 2025.

Question(s):

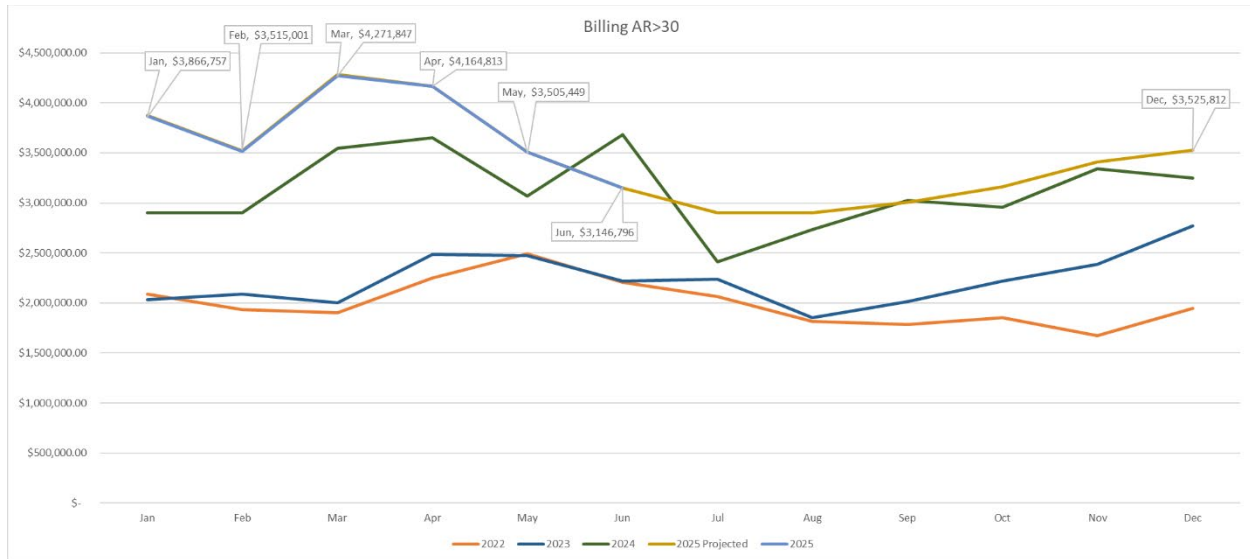
- a) Bad debt is expected to decrease by \$272k in 2026 compared to 2024, yet customer success and collecting increased by \$459k over the same period. Please explain the benefits versus costs of increasing collection costs and how the Director Meter to Cash role will optimize collections. What does Oshawa PUC Networks estimate the bad debt expense would be without the additional collection effort and why?
- b) How has the optimization of collection activities resulting from this role been captured in the 2026 budget?
- c) In what ways is this role intended to improve the call centre? Are call centre costs expected to decrease as a result of these improvements in 2026? If so, where can this be seen in Appendix 2-JC?

Oshawa Power Response

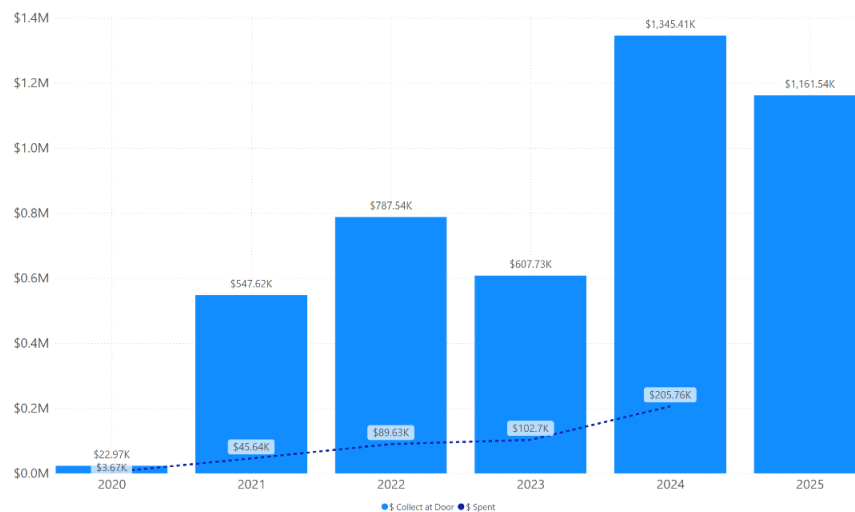
- a) The increase in collection spending is intended to reinforce the importance of prioritizing Oshawa Power bill payments. Over the past few years—particularly during COVID-19 pandemic, when Oshawa Power and other LDCs paused collection activities—customer payment behavior shifted, with many viewing hydro bills as a lower priority. If collection efforts are not maintained, historical trends suggest that arrears could grow to over \$3.5 million. By increasing collection touchpoints, customers will be reminded that hydro bills must be paid monthly and on time to avoid further collection actions. As customer behavior adjusts and more customers begin paying on time, we anticipate that we will be

able to keep bad debt expenses from rising in the coming years. In 2024, approximately \$1.34 million in bad debt was recovered at the door through field collection efforts, with a spend of \$205,000—yielding a return of \$6.54 for every \$1 invested.

IRR Figure 4-3: AR Greater Than 30 Days (2022-2025)



IRR Figure 4-4: Total Field Collection Spend vs Recoveries at the Door

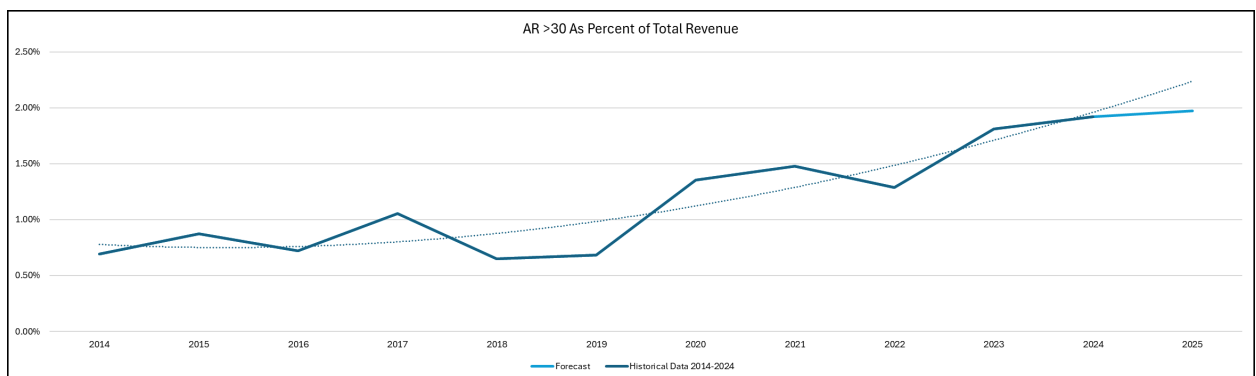


*2025 figure is YTD as of July 20, 2025

b) Director Meter to Cash has been tasked with organizing the meter to cash pipeline at Oshawa Power by bringing in the entire pipeline, save metering field staff, under one reporting structure to find efficiencies and streamline processes. One of the focuses of 2025 and 2026 is stopping the rapid increase in arrears, largely through optimizing collections technology, process and strategy. As shown in the chart above, early indications are that the strategy has thus far been effective as collection amounts have increased significantly disproportionately to spend. By optimizing collections, we anticipate a steadying of the number of field staff required in the coming years, as improved customer payment behavior and steady bad debt levels are expected to continue as a result of the consolidation of meter to cash, and the Director's enhanced collection strategy. Without collection efforts and investments, we expect that arrears would continue to rise exponentially, especially given the looming economic uncertainty.

The graph below shows the accounts receivable (AR) trendline up to 2025. The Director of Meter to Cash is tasked with interrupting this trend and flattening the curve.

IRR Figure 4-5: Accounts Receivable Trend (2014-2025)



c) The role is designed to oversee and monitor the transformation and operation of the call centre into a more strategic, customer-focused operation that enhances

both customer satisfaction and operational efficiency. It ensures the outsourced vendor consistently meets performance expectations and delivers high-quality service to Oshawa Power customers. The role will, in particular, focus on diverting new call volumes to other channels such as self-serve and AI-assisted communications without sacrificing customer satisfaction. We anticipate that using diversion strategies, such as expanding self-serve options through our website, mobile app, and online forms, we will be able to offset the natural increasing trend seen over the past two years, keeping costs steady over the rate period.

4-Staff/CCMBC-151

Ref. 1: Exhibit 4, p.81

Preamble:

Oshawa PUC Networks noted in reference 1 that it will hire a GIS Analyst in 2026 to fill the gap in having a dedicated GIS resource since the Operations Systems Specialist (GIS) role was eliminated in 2022.

Question(s):

How has Oshawa PUC Networks handled not having a dedicated GIS Analyst from 2022-2025, and why is there a need to hire a GIS Analyst now?

Oshawa Power Response

Oshawa Power has been maintaining a minimal set of GIS data, however this is insufficient to support future needs such as detailed asset management, the ADMS, and more detailed engineering analysis as well as emerging needs such as DSO functionality. This minimalistic approach is not prudently sustainable but was necessary due to staffing levels and organizational changes during the pandemic era. Please see the response to 4-CCC/Staff-146 g) for more information.

4-Staff/CCMBC-152

Ref. 1: Exhibit 4, p.87

Question(s):

Please note any savings that will be realized as a result of not having to rely on external contractors once the Business Analyst is hired in 2026. Where will these savings be realized in the Chapter 2 Appendices 2-JC?

Oshawa Power Response

The Business Analyst is a necessary addition to the technology team, which currently lacks in capacity and expertise, to support the implementation and ongoing operation of major business systems such as the ERP, to bring expertise internally in order to reduce often conflicted reliance on software vendors, and to support increasing integration between systems. This will not necessarily yield a direct reduction in costs but an offsetting of continued cost increases. As Oshawa Power is much leaner than its peer utilities, the strategy has been to use automation and digitization where possible to offset hires. In this case however, hiring an in-house resource is the most prudent model as it will allow Oshawa Power to improve the quality of work performed rather than relying on vendors to have Oshawa Power's best interest in mind. Please see the response to 4-CCC/Staff-146 e) for more information.

4-Staff-153

Ref. 1: Exhibit 4, p.90

Question(s):

- a) How do historical inflationary adjustments for management staff align with those provided to trades and technical staff?
- b) How has Oshawa PUC Networks planned to improve salaries and benefits based on the benchmarking results that showed that professional and management salaries and benefits needed to be improved in order to remain competitive?

Oshawa Power Response

- a) Historical inflationary adjustments for management staff and trades and technical staff at Oshawa Power have both been influenced by market conditions and collective agreements, though specifics differ by group. For trades and technical staff, who are unionized under the International Brotherhood of Electrical Workers (IBEW), wage increases are determined through collective bargaining agreements. These increases reflect market trends and help retain and attract skilled trades and technical workers amidst labour shortages. For management and professional staff, inflationary adjustments and salary reviews are conducted annually by the Executive team and the Board of Directors' HR Governance Committee. Salaries are benchmarked against industry comparators and adjusted based on performance and inflation. Following reviews since 2023, it was determined that professional and management salaries and benefits needed improvement to remain competitive in the Greater Toronto Area (GTA). Adjustments include merit pay changes aligned with industrial comparators and updates to incentive compensation plans to better attract and retain staff.
- b) Oshawa Power has responded to benchmarking results showing that professional and management salaries and benefits needed to be improved to remain competitive through several strategic actions:
- **Compensation Benchmarking and Adjustments:** In 2022, the Korn Ferry Group was engaged to review management compensation, resulting in adjustments to salaries and internal equity improvements. In addition, Oshawa Power participates annually in industry salary surveys to ensure compensation levels align with the 50th percentile market position.
 - **Benefit Enhancements:** Oshawa Power enhanced benefits for unionized workers as part of the latest collective bargaining agreement and also improved benefits for professional and management staff to maintain competitiveness. The switched health and dental plan provider was changed

to secure more competitive rates and benefits adjusted to meet labour market expectations.

4-CCC/VECC-154

Ref. 1: Exhibit 4, p. 89-100

Question(s):

- a) Please provide a table that shows the relative contribution to Oshawa PUC Networks' increased compensation costs for the 2021-2026 period between changes in FTEs relative to increases to salaries & benefits.
- b) (P. 89) Please provide any third-party compensation benchmarking studies (Union and/or Non-Union) that were completed by Oshawa PUC Networks in advance of the current application to support its statement that it "ensures compensation levels are in alignment with industry averages, based on the P50 market position referred to in the survey." If no third-party studies were completed in advance of the application, please explain why. In the case that Oshawa PUC Networks performed its own internal benchmarking review, please provide that review.
- c) (P. 90) Please provide any analysis completed with respect to the wage increases set out in Oshawa PUC Networks' collective bargaining agreement relative to other LDCs.

Oshawa Power Response

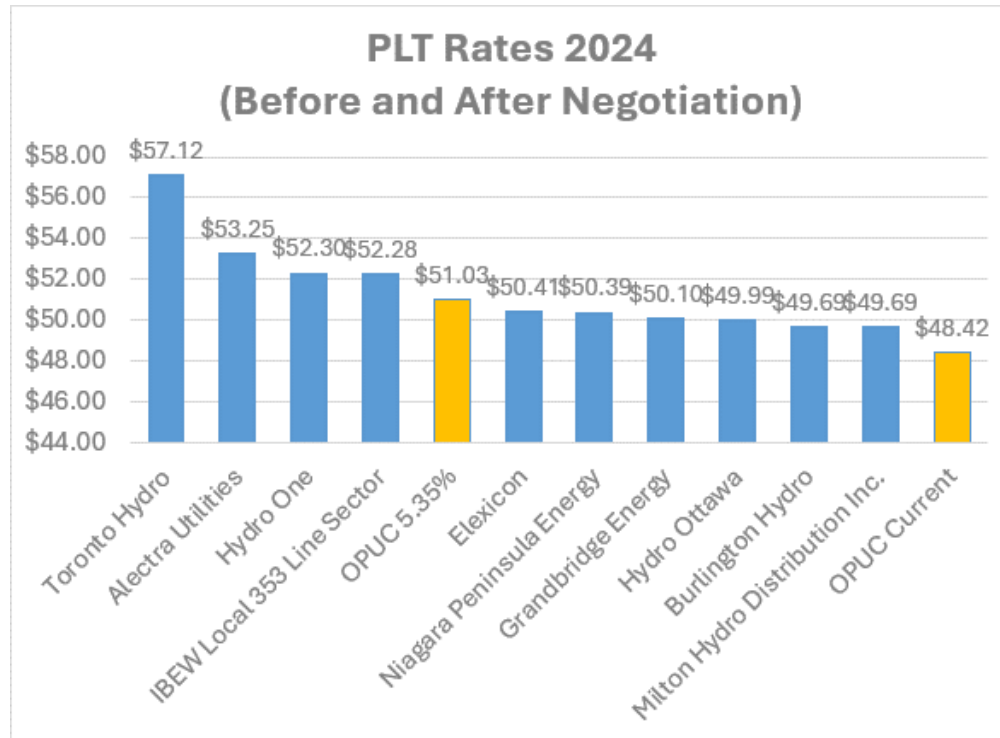
- a) See Table below and refer to Exhibit 4, pages 89-100.

IRR Table 4-63: Compensation Costs and End-of-Year FTEs (2021-2026)

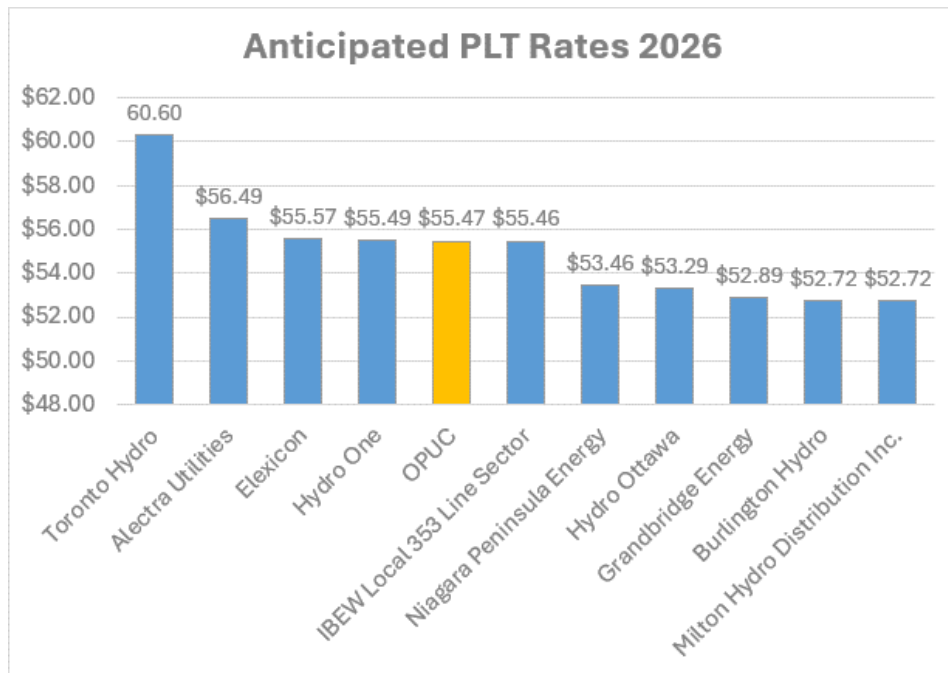
	2021 OEB - Approved	2021 Actuals	Var (2021 OEB & 2021 Actuals)	2022 Actuals	Var (2021 & 2022 Actuals)	2023 Actuals	Var (2022 & 2023 Actuals)	2024 Actuals	Var (2023 & 2024 Actuals)	2025 Bridge Year	Var (2024 Actuals & 2025 Bridge Year)	2026 Test Year	Var (2025 Bridge Year & 2026 Test Year)
FTEs	91.4	70.3	-21.1	73.5	3.2	87.0	13.5	85.7	-1.3	87.9	2.2	105.2	17.3
Compensation	11,966,740	10,643,046	-1,323,694	11,017,657	374,611	12,036,598	1,018,941	13,948,381	1,911,783	15,468,506	1,520,125	18,029,194	2,560,688

- b) The Korn Ferry Compensation Market Analysis and Salary Structure Study is the primary compensation reference used by Oshawa Power. It has been filed in response to 4-SEC-166 as Attachment 4-5. Oshawa Power also leveraged the 2023 MEARIE Management Salary Survey as a secondary reference. It has been previously filed by another LDC and is publicly available on the OEB's webpage (Interrogatory Responses of Festival Hydro dated July 25, 2024, EB-2025-0023, Attachment 3 in response to 4-Staff-21).
- c) See Figures below for benchmarking analysis on increases for PLTs.

IRR Figure 4-6: PLT Rate Benchmarking (Before and After Negotiation)



IRR Figure 4-7: Forecast PLT Rate Benchmarking (2026)



4-Staff/CCMBC-155

Ref. 1: Exhibit 4, p.99

Ref. 2: Chapter 2 Appendices – 2-K

Preamble:

Oshawa PUC Networks noted in reference 1 that net FTEs are increasing by 2% in 2025 but compensation is increasing by 11%.

According to reference 2, management total compensation are increasing 15.4% in 2024, 19.1% in 2025 and 10.9% in 2026 on a per FTE basis.

Question(s):

- Please explain how Oshawa PUC Networks estimated a compensation increase of 11% given only a 2% increase to FTEs as noted in reference 1.
- Please explain how Oshawa PUC Networks estimated a 19.1% increase in compensation per FTE for 2025 and 10.9% in 2026 as per reference 2,

especially given that many of the management staff are newer positions from 2023 and 2024 with recently established compensations.

Oshawa Power Response

a) The compensation increase was estimated based on the following:

- Retention/Alignment with industry - refer to pages 89-91 in Exhibit 4: Compensation was benchmarked to reflect industry standards to attract and retain professional and management staff. The Oshawa Power management at-risk compensation plan has been updated to more strategically align with corporate and individual performance as well as to better align with industry standards in order to be able to attract and retain staff within the competitive GTA employment market.
- New Collective Bargaining agreement refer to page 90 Exhibit 4: To align with industry and remain competitive, a new CBA was negotiated resulting in annualized increase for trades and technical staff of 3.25%
- Headcount increase (Exhibit 4, section 4.4 workforce planning)

See the response to 4-CCC/VECC-154 for more information about compensation.

b) refer to answer in a). Increases in compensation were reflective of Oshawa Power's on-going efforts in its talent and compensation strategy to better align with industry standards, in addition to current and future labour conditions. See 4-Staff-153 for more information.

4-VECC-156

Ref. 1: Exhibit 4, p.108

Question(s):

- a) Under what category of costs in Appendix 2-JC (OM&A programs table) are memberships costs found?

- b) Please provide a list of the memberships (EDA, etc.) and provide a breakdown for each of the years 2021 through 2026 (forecast).

Oshawa Power Response

- a) Memberships costs are found in the Administrative and General category within the program General Administration.
- b) See table below.

IRR Table 4-64: Memberships (2021-2026)

Memberships	2021	2022	2023	2024	2025	2026
Mearie Management Inc. -HCRM	3,500	3,600	3,700	3,800	3,900	4,000
Utilities Standards Forum	8,900	8,750	9,250	9,666	10,014	10,315
Electrical Safety Authority	24,899	25,023	25,227	26,082	27,154	27,969
Electricity Distributors Association	83,500	84,300	88,500	90,700	93,400	96,202
Ontario Energy Association				19,127	19,816	20,410
Total	120,799	121,673	126,677	149,375	154,285	158,896

4-SEC-157

Ref. 1: Exhibit 4, p.7d

Question(s):

Please provide a copy of the Test Year provisional budget approved by the CEO and provide details of any changes implemented before the final budget was formally approved.

Oshawa Power Response

Refer to request: 4-CCC-110 which is the same information.

4-SEC-158

Ref. 1: Exhibit 4, p.8d

Question(s):

- a) Please break down the \$4,366,376 cost driver Labour & Benefits into its overall

causes including inflation, increasing customer count, and other (specified) causes.

Oshawa Power Response

- a) See the table below for the cost driver breakdown of the change in Labour & Benefits.

IRR Table 4-65: Labour & Benefit Cost Driver Explanation

Cost Driver Explanation for Labour and Benefits		
Drivers	Amount	
Inflation	2,035,403	Refer to 4-CCC-113
Customer Count	520,758	Refer to Table 4-6
Additional FTE	732,000	Refer to Table 4-6
Incentive	1,015,570	Refer to 4-AMPCO-145
Other	62,645	
Total Change	4,366,376	

4-SEC-159

Ref. 1: Exhibit 4, p.16

Question(s):

Please provide any internal documents relating to or explaining the apparent shift in spending of \$816,265 reduction in O&M and \$896,894 increase in G&A between 2021 OEB approved and 2021 Actuals.

Oshawa Power Response

Oshawa Power has provided the tables below which explain the change in spend for O&M and G&A. Further to the explanations is a table showing the FTEs for the 2021 OEB Approved and 2021 Actuals which shows the decrease in O&M labour due to COVID-19 and inability to retain employees. The internal documentation to support the

other variance explanations would primarily be vendor invoices and are not provided due to the large magnitude of invoices and time constraints.

IRR Table 4-66: General & Administration 2021 OEB-Approved to 2021 Actuals

G&A Variance 2021 OEB Approved to 2021 Actuals	
Description	Amount
Covid Costs (Supplies and Cleaning)	(236,296)
Software and Hardware Mtce reallocated from Meter Reading error	(225,657)
Pay Incentive accounting change to include current year accrual	(250,000)
Facilities Materials and repairs and mtce	(63,518)
Engineering Consulting	(25,098)
HR Temp Labour	(36,173)
Contract Labour for Supply Chain	(52,337)
Consulting for OEB Special Purpose audit	(39,435)
Board Costs	129,922
Other	(98,300)
Total G&A variance	(896,893)

IRR Table 4-67: Operations & Maintenance Variance 2021 OEB-Approved to 2021 Actuals

O&M Variance 2021 OEB Approved to 2021 Actuals	
Description	Amount
Labour and benefits (see FTE table below)	1,113,901
Repairs and Mtce (MS12 demolition/repairs main building)	(83,199)
Subcontractors-(locates and switch mtce)	(181,357)
Misc	(33,080)
Total O&M variance	816,265

IRR Table 4-68: O&M Program FTEs Variance 2021 OEB-Approved to 2021 Actuals

O&M Program FTEs	2021 OEB- approved	2021 Actuals
Distribution	29.0	22.0
Metering Service - Technicians	3.0	2.0
System Control - Operators	2.0	2.0
Engineering	4.0	2.0
Technical Services	5.0	6.0
Operations Management	7.0	4.0
Total	50.0	38.0

4-SEC/CCMBC-160

Ref. 1: Exhibit 4, p.18

Ref. 2: Exhibit 4, p.44

Question(s):

Please provide, for all years, the impact of outsourcing in reducing FTEs, and provide the adjusted (i.e. higher) increase in FTEs after taking those outsourcing reductions into account.

Oshawa Power Response

Oshawa Power outsources numerous functions to manage workforce shortages and improve efficiencies, including tree trimming, customer billing, utility Locates, building and equipment maintenance, metering services, IT support, security services, billing, collections, and most recently the call centre.

Most of these functions have been outsourced since before the last Cost of Service, and therefore no comparator is available to estimate the decrease in-house FTEs resulting from outsourcing of these functions.

Customer service is the exception. The call centre was outsourced in 2024 and in-house customer service was outsourced in 2025. As noted in 4-VECC-131, Customer Service Representatives were 5.5 FTEs at the end of 2023 and 0.6 FTEs at the end of

2024, but would have required an increase to 10.0 FTEs to meet demand in 2024 onwards. Although the in-house customer service is a new function with no recent in-house comparator, it is estimated to be equivalent to 1.0 FTE.

See Table below showing end of year FTE counts for 2024 to 2026 assuming both of these functions, call centre and in-person customer service, remained in-house.

IRR Table 4-69: Adjustment to end of year FTE Counts Without Outsourcing

Program/Department	2024 Actuals	2025 Bridge Year (Application)	2025 Bridge Year (July 2025)	2026 Test Year
Operations & Maintenance				
Metering Service - Technicians	2.7	3.0	2.3	3.0
System Control - Operators	2.0	2.0	2.0	2.0
Engineering	4.3	4.0	3.5	5.0
Technical Services	7.7	8.0	8.0	8.7
Operations Management	2.0	2.0	2.8	3.0
O&M Program Total	42.0	43.0	42.6	51.7
Customer Service	0	0	0	0
Communications	1.0	2.0	2.0	2.3
Customer Service	3.2	3.0	3.6	4.0
Metering / Reading	2.5	3.0	3.0	4.0
Customer Service Program Total	6.7	8.0	8.6	10.3
Administrative & General				
Corporate	8.6	8.8	8.8	9.0
Finance & Regulatory	13.8	13.5	13.5	15.6
Supply Chain	3.2	3.0	3.0	4.3
IT Operations	7.6	8.0	8.0	10.3
Human Resources	1.9	1.6	1.6	1.9
Health & Safety	1.0	1.0	1.0	1.0
Facilities	1.0	1.0	1.0	1.0
Administrative & General Total	37.0	36.9	36.9	43.2
Total	85.7	87.9	88.0	105.2
In-House Customer Service (Call Centre with Increased Demand, In-Person)	9.4	11.0	11.0	11.0
Total FTEs with Inhouse Customer Service (Call Centre, In-Person)	95.1	98.9	99.0	116.2

4-SEC-161

Ref. 1: Exhibit 4, p.20

Ref. 2: Exhibit 4, p.91

Question(s):

Please confirm that, in EB-2020-0048, the OEB approved OM&A funding for 91 FTEs, but during the five years 2021-2025 the Applicant never actually had that many FTEs working.

Oshawa Power Response

Due to factors such as the COVID-19 pandemic, staff turnover and hiring shortages, Oshawa Power has had fewer than 91 FTEs from 2021 to July 30, 2025. Based on the OM&A cost envelope approved by the OEB in its last Cost of Service, Oshawa Power made its spending decisions considering its operational priorities, staffing shortages, supply chain issues, inflationary pressures and other factors.

4-SEC/Staff/VECC-162

Ref. 1: Exhibit 4, p.62

Preamble:

Oshawa PUC Networks has forecasted a Board Expense budget of \$501k in 2026, an increase of \$256k from 2021 actuals. Oshawa PUC Networks noted that the increase is primarily due to 2024 increased director fees and associated costs for additional meetings.

Question(s):

- a) Please explain the reduction in management fees from 2021 OEB approved to 2021 actuals, and the subsequent increase in management fees from 2023 to 2024 actuals.

- b) Please explain why additional meetings have been required since 2024 and why this increase is sustained in 2026 given increased staffing levels throughout the organization.
- c) Please provide the per diem (or other compensation amount) per meeting in 2021 and the current per diem for Board meetings.

Oshawa Power Response

- a) Reduction in management fees from 2021 OEB-Approved to 2021 actuals is due to corporate costs not fully allocated out to Oshawa Power. Increase from 2023 to 2024 actuals is due to increase cost related to the 5-year strategic initiative and cost allocations to Oshawa Power. In addition, there was 1 net new board member added in 2024.
- b) The Board and respective committees meet every quarter. Responsibilities include quarterly review of strategic priorities, review of key performance indicators, approval of annual budgets, COS approvals, governance and leadership.

Committee groups include:

- Project Management Committee
- Finance and Audit Committee
- HR and Governance Committee

Meetings are sustained through 2026 in order to meet the board mandate to provide effective oversight of the organization.

- c) Directors are not paid on a per diem basis.

4-SEC/CCMBC-163

Ref. 1: Exhibit 4, p.67

Question(s):

Please explain the extent, if any, to which there are increased work demands today due to aging distribution infrastructure, compared to past years.

Oshawa Power Response

While aging infrastructure is a consideration in workforce planning, aging infrastructure alone is not significantly contributing to increasing work demands. Instead, more significant factors are related to workforce turnover, especially within the trades, and enhanced, proactive maintenance practices to extend the life of existing assets.

4-SEC-164

Ref. 1: Exhibit 4, p.69

Ref. 2: Exhibit 4, p.75

Question(s):

Please describe any adjustments made to employee numbers and ratios in the comparison provided based on levels and types of outsourcing by the LDCs being compared.

Oshawa Power Response

No adjustments to the ratios in the comparison provided in Table 4-21 (p. 69) were made based on levels and types of outsourcing by the LDCs being compared, as the table reflects data filed as part of the OEB's Reporting and Record-keeping Requirements (RRRs). Of note, PUC Distribution's number of customers in 2023 should be 34,051 not 30,963. As a result, its customer to employee ratio is 415:1.

4-SEC/CCMBC-165

Ref. 1: Exhibit 4, p.79

Question(s):

Please provide a copy of the outsourcing agreement for the call centre. If the call centre was outsourced to an affiliate, please provide all tender, pricing and other documents demonstrating the fairness of the procurement process.

Oshawa Power Response

See Attachment 4-6. The call centre was not outsourced to an affiliate.

4-SEC-166

Ref. 1: Exhibit 4, p.88

Question(s):

Please provide a copy of the Korn Ferry Management Compensation Study.

Oshawa Power Response

See Attachment 4-5.

4-SEC/AMPCO-167

Ref. 1: Exhibit 4, p.91

Question(s):

- a) Please provide a copy of the variable incentive plan referred to.
- b) Please provide the incentive plan performance targets linked to the OEB scorecard for 2026.
- c) Please provide the number of employees that received incentive pay compared to the number of employees that were eligible for each of the years 2021 to 2024 and provide the assumption for 2026.

Oshawa Power Response

- a) The variable incentive plan is the following text, approved by Oshawa Power's Board of Directors:

Oshawa Power offers a variable incentive plan to management and non-union staff which ranges between 10% and 20% of base salary, the final payout being made based on performance compared to targets set at the beginning of each year that align with the OEB Scorecard. The terms of the short-term incentive may change each year at the discretion of the Company. A short-term incentive award in one year does not guarantee an incentive award in subsequent years. The employee must be actively employed by the Company on the date the incentive is paid out and not under notice of resignation or termination at the time of payout. For certainty, the employee will have no entitlement to an incentive or damages in lieu in respect of any period that extends beyond the date the minimum statutory notice of termination period, if any, prescribed by the ESA ends, including any additional period during which the employee is or will be in receipt of compensation, damages or other entitlements in lieu of notice of termination, whether under contract or common law.

- b) The incentive plan performance targets are based on the 2026 Corporate scorecard, which will be completed and approved by Oshawa Power's Board of Directors in Q4 2025. Based on historical scorecards, management expects that major categories linked to the OEB scorecard and covered by the 2026 Corporate Scorecard will likely include Safety (Tracking LTI's), Reliability (Tracking SAIDI/SAIFI), and Customer Service (tracking of CSAT scores for the organization). Incentive pay is calculated with the following formula:

2023 onwards

Incentive Pay = Corporate Performance based on corporate scorecard outcomes (85%) + Individual Performance (15%)

- c) All eligible employees received incentive pay for each of the years 2021 to 2024, and the same was assumed for the 2026 Test Year.

IRR Table 4-70: Number of Employees Eligible for Incentive Pay (2021-2024, 2026)

Year	Number of Employees - Eligible	Number of Employees - Received
2021	14	14
2022	24	24
2023	37	37
2024	40	40
2026 Test Year	53	53

4-SEC-168

Ref. 1: Exhibit 4, p.96

Question(s):

Please reconcile tables 4-32 and 4-26.

Oshawa Power Response

See table below for reconciliation, using updated Table 4-26 in response to 4-Staff/CCC/VECC/AMPCO-109 b), for 2024 vs. 2023.

The left side of the table shows New and Eliminated Roles from the updated Table 4-26 (IRR Table 4-1), with a reconciliation to Table 4-32 on the right side, explaining any differences.

IRR Table 4-71: Reconciliation of Table 4-26 (Updated) and Table 4-32 (Application)

Role	Table 4-26: New/Eliminated Roles, 2024 vs. 2023 (July 30, 2025 IR Update)	Table 4-32: 2024 vs. 2023 FTEs New & Eliminated Roles (Application)		
		FTEs for Eliminated Role	FTEs for New Role	Explanation of FTEs noted per role
PLT apprentice	1.0			New apprentice misclassified as new arrival in existing role (+0.3 FTE).
Operations Coordinator	1.0		1.0	
Technical Services Technician	1.0		1.0	
Manager Distribution Design & System Planning	1.0		1.0	
Engineers in Training	-1.0			Promotion of existing staff classified as move within the organization (-1.0 FTE).
Quality Assurance	-1.0			Misclassified as departure from existing role near the end of 2024 after mid-2023 start, resulting in a positive year over year variance in eliminated role (+0.2 FTE).
Supervisor, Customer Service / Supervisor, Services & Escalation	1.0			Promotion of one call centre staff to this role, removed from CSR FTE reduction, see next line.
Customer Service Representatives	-12.5	-4.4		-4.9 CSR FTEs from 2023 to 2024, partially offset by one staff promoted to Supervisor, Customer Service (+0.5 FTE).
Meter Operator / Meter Data Operator	1.0		0.5	Mid-year start.
Director, Regulatory & Commercial Affairs	1.0		0.7	Mid-year start.
Regulatory Coordinator / Analyst	1.0		1.0	
Director of Finance	1.0		0.2	End of year start.
Senior Manager, Financial Accounting	-1.0	-0.1		Role eliminated at the end of the year.
Manager, Financial Reporting	-1.0	0.0		Role was vacant until a staff started part-way 2023 (0.8 FTE) and role was eliminated near the end of year (-0.8 FTE), so year-over-year FTE variance is zero for this role.
Supervisor/Manager, Accounting	1.0			New role not filled in 2024.
Supervisor, Financial Reporting	1.0			Promotion of existing staff classified as new arrival in existing role (+0.2 FTE).
Financial Analyst / Senior Financial Analyst	-2.0	-1.0		Two roles eliminated part-way through the year.
Project Manager	1.0		0.2	End of year start.
IT Analyst	1.0		0.9	Role created near the start of the year.
Senior Payroll Specialist	-0.4	0.1		After mid-2023 start, full-time role changed to part-time at the end of 2024, resulting in a positive variance in reduced role.
Total	-6	-5.3	6.3	

4-SEC-169

Ref. 1: Exhibit 4, pp.100-104

Question(s):

For each year from 2021 to 2026, please provide the full breakdown of the fully allocated costs analysis for Shared Services, showing total costs for each category, what costs were allocated where, and the basis of the allocation. Please provide a similar full breakdown for the Corporate Cost Allocation in each year.

Oshawa Power Response

See Table below.

IRR Table 4-72: 2021 Shared Services Breakdown

Question(s):

a) For each year from 2021 to 2026, please provide the full breakdown of the fully allocated costs analysis for Shared Services, showing total costs for each category, what costs were allocated where, and the basis of the allocation. <See below tables>

Please provide a similar full breakdown for the Corporate Cost Allocation in each year. <Please refer to 4-CCC-171>

Year:

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To						\$		
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	136,256	81,754	time allocated to affiliate	218,009	311,550	70%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	80,534	48,321	time allocated to affiliate	128,855	184,143	70%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	128,579	77,147	time allocated to affiliate	205,726	293,996	70%
Oshawa Power	OPUCS	Strategic Oversight	Fully Allocated Costs	43,891	26,335	time allocated to affiliate	70,226	311,550	23%
Oshawa Power	OPUCS	Shared Finance Services	Fully Allocated Costs	25,942	15,565	time allocated to affiliate	41,507	184,143	23%
Oshawa Power	OPUCS	Other Shared Services	Fully Allocated Costs	41,418	24,851	time allocated to affiliate	66,269	293,996	23%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	14,572	8,743	time allocated to affiliate	23,315	311,550	7%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	8,613	5,168	time allocated to affiliate	13,780	184,143	7%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	13,751	8,251	time allocated to affiliate	22,001	293,996	7%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	16,281	9,768	time allocated to affiliate	26,049	26,049	100%

Total Costs

Strategic Oversight	311,550
Shared Finance Services	184,143
Other Shared Services	293,996
Admin Fees	26,049
	815,738

IRR Table 4-73: 2022 Shared Services Breakdown

Year: 2022

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To						\$		
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	139,406	83,644	time allocated to affiliate	223,049	288,628	77%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	166,789	100,073	time allocated to affiliate	266,862	345,322	77%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	94,247	56,540	time allocated to affiliate	150,795	195,130	77%
Oshawa Power	OPUCS	Strategic Oversight	Fully Allocated Costs	21,394	12,836	time allocated to affiliate	34,230	288,628	12%
Oshawa Power	OPUCS	Shared Finance Services	Fully Allocated Costs	25,596	15,358	time allocated to affiliate	40,954	345,322	12%
Oshawa Power	OPUCS	Other Shared Services	Fully Allocated Costs	14,463	8,678	time allocated to affiliate	23,142	195,130	12%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	19,593	11,759	time allocated to affiliate	31,348	288,628	11%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	23,441	14,065	time allocated to affiliate	37,506	345,322	11%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	13,246	7,948	time allocated to affiliate	21,193	195,130	11%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	25,635	15,381	time allocated to affiliate	41,016	47,400	87%
Oshawa Power	2825909 Ontario Inc	Admin Fees	Fully Allocated Costs	3,990	2,394	time allocated to affiliate	6,384		

Total Costs

Strategic Oversight	288,628
Shared Finance Services	345,322
Other Shared Services	195,130
Admin Fees	47,400
	<u>876,480</u>

IRR Table 4-74: 2023 Shared Services Breakdown

Year: 2023

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To						\$		
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	90,054	54,032	time allocated to affiliate	144,087	195,436	74%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	237,119	142,271	time allocated to affiliate	379,390	514,598	74%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	111,084	66,651	time allocated to affiliate	177,735	241,077	74%
Oshawa Power	OPUCS	Strategic Oversight	Fully Allocated Costs	20,410	12,246	time allocated to affiliate	32,657	195,436	17%
Oshawa Power	OPUCS	Shared Finance Services	Fully Allocated Costs	53,742	32,245	time allocated to affiliate	85,987	514,598	17%
Oshawa Power	OPUCS	Other Shared Services	Fully Allocated Costs	25,177	15,106	time allocated to affiliate	40,283	241,077	17%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	11,683	7,010	time allocated to affiliate	18,693	195,436	10%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	30,763	18,458	time allocated to affiliate	49,220	514,598	10%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	14,412	8,647	time allocated to affiliate	23,059	241,077	10%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	30,020	18,012	time allocated to affiliate	48,031	48,031	100%

Service	Total Costs
Strategic Oversight	195,436
Shared Finance Services	514,598
Other Shared Services	241,077
Admin Fees	48,031
	<u>999,142</u>

IRR Table 4-75: 2024 Shared Services Breakdown

Year: 2024

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To						\$		
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	85,101.47	51,060.88	time allocated to affiliate	136,162	336,806	40%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	103,651.22	62,190.73	time allocated to affiliate	165,842	242,871	68%
Oshawa Power	OPUCES	Shared IT Services	Fully Allocated Costs	26,926.47	16,155.88	time allocated to affiliate	43,082	43,082	100%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	35,982.19	21,589.31	time allocated to affiliate	57,572	142,782	40%
Oshawa Power	OPUCS	Strategic Oversight	Fully Allocated Costs	42,711.24	25,626.74	time allocated to affiliate	68,338	336,806	20%
Oshawa Power	OPUCS	Shared Finance Services	Fully Allocated Costs	25,785.48	15,471.29	time allocated to affiliate	41,257	242,871	17%
Oshawa Power	OPUCS	Other Shared Services	Fully Allocated Costs	14,630.53	8,778.32	time allocated to affiliate	23,409	142,782	16%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	82,690.74	49,614.44	time allocated to affiliate	132,305	336,806	39%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	13,484.68	8,090.81	time allocated to affiliate	21,575	242,871	9%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	16,752.28	10,051.37	time allocated to affiliate	26,804	142,782	19%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	10,100.98	6,060.59	time allocated to affiliate	16,162	16,162	100%
Oshawa Power	2252407 Inc	Management	Fully Allocated Costs	33,311.67	19,987.00	time allocated to affiliate	53,299	53,299	100%
Oshawa Power	2252407 Inc	Shared Finance Services	Fully Allocated Costs	8,872.96	5,323.78	time allocated to affiliate	14,197	242,871	6%
Oshawa Power	2252407 Inc	Other Shared Services	Fully Allocated Costs	21,873.80	13,124.28	time allocated to affiliate	34,998	142,782	25%

Service	Total Costs
Strategic Oversight	336,806
Shared Finance Services	242,871
Shared IT Services	43,082
Other Shared Services	142,782
Management	53,299
Admin Fees	16,162
	<u>835,001</u>

IRR Table 4-76: 2025 Shared Services Breakdown

Year: 2025

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To						\$		
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	82,569.72	49,541.83	estimate of time allocated to affiliate	132,112	546,151	24%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	60,841.48	36,504.89	estimate of time allocated to affiliate	97,346	244,978	40%
Oshawa Power	OPUCES	Business Development Support	Fully Allocated Costs	26,650.99	15,990.59	estimate of time allocated to affiliate	42,642	42,642	100%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	40,569.29	24,341.57	estimate of time allocated to affiliate	64,911	193,294	34%
Oshawa Power	OPUCS	Strategic Oversight	Fully Allocated Costs	50,963.98	30,578.39	estimate of time allocated to affiliate	81,542	546,151	15%
Oshawa Power	OPUCS	Shared Finance Services	Fully Allocated Costs	12,751.02	7,650.61	estimate of time allocated to affiliate	20,402	244,978	8%
Oshawa Power	OPUCS	Other Shared Services	Fully Allocated Costs	24,807.83	14,884.70	estimate of time allocated to affiliate	39,693	193,294	21%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	84,763.62	50,858.17	estimate of time allocated to affiliate	135,622	546,151	25%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	27,293.05	16,375.83	estimate of time allocated to affiliate	43,669	244,978	18%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	14,624.19	8,774.51	estimate of time allocated to affiliate	23,399	193,294	12%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	13,747.73	8,248.64	estimate of time allocated to affiliate	21,996	21,996	100%
Oshawa Power	2252407 Inc	Strategic Oversight	Fully Allocated Costs	123,047.06	73,828.24	estimate of time allocated to affiliate	196,875	546,151	36%
Oshawa Power	2252407 Inc	Shared Finance Services	Fully Allocated Costs	52,225.72	31,335.43	estimate of time allocated to affiliate	83,561	244,978	34%
Oshawa Power	2252407 Inc	Other Shared Services	Fully Allocated Costs	40,807.74	24,484.64	estimate of time allocated to affiliate	65,292	193,294	34%
Oshawa Power	2252407 Inc	Operational Support	Fully Allocated Costs	108,082.27	64,849.36	estimate of time allocated to affiliate	172,932	172,932	100%

Service	Total Costs
Strategic Oversight	546,151
Shared Finance Services	244,978
Other Shared Services	193,294
Operational Support	172,932
Business Development Support	42,642
Admin Fees	21,996
	<u>1,221,993</u>

IRR Table 4-77: 2026 Shared Services Breakdown

Year: 2026

Shared Services

Name of Company		Service Offered	Pricing Methodology	Labour	Labour Overhead	Basis of Allocation	Price for the Service	Total Cost	%
From	To								
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	85,958.36	51,575.02	estimate of time allocated to affiliate	\$ 137,533	538,681	26%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	62,579.49	37,547.69	estimate of time allocated to affiliate	100,127	251,473	40%
Oshawa Power	OPUCES	Business Development Support	Fully Allocated Costs	27,459.52	16,470.31	estimate of time allocated to affiliate	43,921	43,921	100%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	41,786.37	25,071.82	estimate of time allocated to affiliate	66,858	242,015	28%
Oshawa Power	OPUCES	Strategic Oversight	Fully Allocated Costs	52,948.67	31,769.20	estimate of time allocated to affiliate	84,718	538,681	16%
Oshawa Power	OPUCES	Shared Finance Services	Fully Allocated Costs	13,194.47	7,662.68	estimate of time allocated to affiliate	20,967	251,473	8%
Oshawa Power	OPUCES	Other Shared Services	Fully Allocated Costs	25,552.07	15,331.24	estimate of time allocated to affiliate	40,883	242,015	17%
Oshawa Power	OPUC	Strategic Oversight	Fully Allocated Costs	89,321.42	53,592.85	estimate of time allocated to affiliate	142,914	538,681	27%
Oshawa Power	OPUC	Shared Finance Services	Fully Allocated Costs	27,786.85	16,600.11	estimate of time allocated to affiliate	44,427	251,473	18%
Oshawa Power	OPUC	Other Shared Services	Fully Allocated Costs	13,999.58	8,375.75	estimate of time allocated to affiliate	22,335	242,015	9%
Oshawa Power	2252112 Inc	Admin Fees	Fully Allocated Costs	14,145.63	8,487.38	estimate of time allocated to affiliate	22,633	22,633	100%
Oshawa Power	2252407 Inc	Strategic Oversight	Fully Allocated Costs	108,447.32	65,068.39	estimate of time allocated to affiliate	173,516	538,681	32%
Oshawa Power	2252407 Inc	Shared Finance Services	Fully Allocated Costs	53,719.79	32,231.87	estimate of time allocated to affiliate	85,952	251,473	34%
Oshawa Power	2252407 Inc	Other Shared Services	Fully Allocated Costs	69,961.09	41,976.65	estimate of time allocated to affiliate	111,938	242,015	46%
Oshawa Power	2252407 Inc	Operational Support	Fully Allocated Costs	171,662.50	102,997.50	estimate of time allocated to affiliate	274,660	274,660	100%

Service	Total Costs
Strategic Oversight	538,681
Shared Finance Services	251,473
Other Shared Services	242,015
Operational Support	274,660
Business Development Support	43,921
Admin Fees	22,633
	<u>1,373,383</u>

4-VECC-170

Ref. 1: Exhibit 4, pp.101

Question(s):

- Please confirm that 2825407 Ontario Inc. is an affiliate of Oshawa PUC Networks.
- Please explain the rationale for outsourcing meter and collection services to this company.
- Please explain what costs were saved in outsourcing this function and specifically the number of FTEs terminated as a result.
- Table 4-39 (Appendix 2-N) shows the pricing methodology for the two services of metering and collection as being “market”. Please explain how the “market” price was determined.
- Please provide the contract between Oshawa PUC Networks and 2825407 Ontario. Was this contract achieved through an open tendering process. If yes, please explain that process. If not, please explain why not.

Oshawa Power Response

- Yes, 2825407 Ontario Inc. is an affiliate of Oshawa Power.

- b) In March 2023, M.E.T. Utilities Management Ltd exited the metering and collection services market and stopped providing these services to Oshawa Power and other utilities. Consequently, Oshawa Power engaged another service provider, but the subsequent metering and collections services provider was unable to meet Oshawa Power's business needs. The subsequent service provider required Oshawa Power to commit to a 12-month contract for each technician provided, but Oshawa Power only requires such technicians for a maximum of six and half months in a year due to the winter moratorium.
- c) The contract between 2825407 Ontario Inc. and Oshawa Power for the services has no minimum time commitment compared to the previous contract. Therefore, Oshawa Power will save the service fees for five and half months annually during the winter disconnection ban from November 15 to April 30 each year. No FTEs was terminated because the services have always been outsourced.
- d) At the time the contract covering the two services was established, the market price was determined in accordance to section 2.3.3.3 of the Affiliate Relationships Code (ARC) given the annual value of the contract was less than the greater of \$100,000 or 0.1% of Oshawa Power's revenue. The fees paid to 2825407 Ontario Inc. was benchmarked against the fees charged to Oshawa Power by the previous service provider.
- e) Please see Attachment 4-7 for a copy of the contract between Oshawa Power and 2825407 Ontario Inc. An open tendering process was not done for the contract. At the time the contract was established, reasonable market price was determined pursuant to section 2.3.3.3 of the ARC given the annual value of the contract was less than the greater of \$100,000 or 0.1% of Oshawa Power's revenue. The fees paid to 2825407 Ontario Inc. were benchmarked against the fees charged to Oshawa Power by the previous service provider.

4-CCC-171

Ref. 1: Exhibit 4, p. 62, 101, 106

Question(s):

- a) Please complete and expand by adding additional lines (as necessary) the following table to show a more detailed breakout of the costs associated with Oshawa PUC Networks' Board of Directors.

Programs	Last Rebasing Year (2021 OEB-Approved)	Historical				2025 Bridge Year	2026 Test Year
		2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals		
Board Expenses	375,547	245,625	275,080	292,758	494,418	484,957	501,129
Director Fees							

- b) Please advise whether the “management fee” described on page 101 is the same cost item as the Board expenses discussed on page 62. If not, please explain the difference between these two expenses.
- c) Please explain the significant increase in the “% of corporate costs allocated” to Oshawa PUC Networks since 2021. As part of the response, please discuss whether addition of a new affiliate (providing metering and collection services) was reflected in the allocation methodology.

Oshawa Power Response

- a) See completed Table below.

IRR Table 4-78: Board Expenses Cost Breakdown

Programs	Last Rebasing Year (2021 OEB-Approved)	2021 Actuals	2022 Actuals	2023 Actuals	2024 Actuals	2025 Bridge Year	2026 Test Year	Variance (2026 Test Year vs. 2021 OEB Approved)	Variance (2021 Actuals vs. 2021 OEB Approved)	Variance (2026 Test Year vs. 2024 Actuals)
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS			
Board Expenses	375,547	245,625	275,080	292,758	494,418	484,957	501,129	125,582	-129,922	6,712
Director Fees	98,847	93,817	51,337	86,752	178,417	195,324	192,442	93,595	-5,030	14,025
Consulting	43,265	47,833	66,121	91,490	32,299	70,500	74,825	31,560	4,568	42,526
Shared Services	33,141	30,080	26,384	48,306	115,638	150,643	161,326	128,185	-3,061	45,688
Legal	0	14,767	86,277	26,624	68,544	26,790	28,434	28,434	14,767	-40,110
Other	200,294	59,128	44,961	39,586	99,520	41,700	44,102	-156,192	-141,166	-55,417

- b) The “management fee” described on page 101 is the same cost item as the Board expenses discussed on page 62.
- c) Although there was a % increase from 2021 to the 2026 Test Year, total dollar value ranged from \$245k to \$292k from 2021 to 2023. In 2024, there was a small increase to director fees. In addition, corporate costs were fully allocated to Board expenses for the following years. Management confirms all affiliates are allocated a management fee.

4-CCC-172

Ref. 1: Exhibit 4, p. 62, 101, 106

Ref. 2: Chapter 2 Appendices, Appendix 2-N

Question(s):

- a) Please highlight where the shared service-related revenues for 2026 (totaling approx. \$1.5 million) are reflected in other revenues or as offsets to OM&A in the evidence.
- b) Please explain the reduced shared finance service costs allocated to Oshawa PUC Networks’ affiliates (OPUCES and OPUCS) between 2024 actual and the 2026 test year.

Oshawa Power Response

- a) As stated in Exhibit 4, section 4.5 Oshawa Power provides shared services and allocates a share of the administrative costs to its affiliate companies, which represents labour and associated overhead costs. The allocation to the affiliate companies is netted out against the labour and benefits line within the respective Administrative and General OM&A programs. Refer to Table 4-5: Recoverable OM&A Cost Driver Table 2021 – 2026 in Exhibit 4.
- b) In 2024/2025 the affiliate company hired an Senior Financial Analyst and Business Manager to help facilitate the financial requirements for the group of

companies. The required level of support from affiliates has declined as full-time hires realized within the affiliate group.

4-SEC-173

Ref. 1: Exhibit 4, Attachment 4-1, p.1

Question(s):

Please provide a copy of the “proposal outlining the scope of the project” referred to.

Consultant Response

The proposal outlining the scope of the project is attached as Attachment 4-8 Marjorie Richards Workforce Proposal.

4-SEC-174

Ref. 1: Exhibit 4, Attachment 4-1, p.2

Question(s):

Please provide a table of the employee turnover rates, customer growth projections, and retirement projections relied on by the consultant.

Consultant Response

The Consultant was advised by Oshawa Power that the customer growth rate in 2024 and 2025 was 1.4% and was estimated to be 1.7% on average from 2026 to 2030. As such, the number of customers was calculated using the 2023 reported customers as a base and adding the percentage growth noted above in each year:

Year	2023	2024	2025	2026	2027	2028	2029	2030
No. Customers	62145	63015	63897	64983	66088	67212	68354	69516

Retirement projections utilized were as follows:

Position	Forecast							Total
	2024	2025	2026	2027	2028	2029	2030	
Technical & Trades								
Subforeperson - PLTs	1		1					2
Power Line Technician (PLT)			1					1
Subforeperson Power Maintenance								0
Power Maintenance Electrician (Substations)								0
Technical Services Technician (Eng.Tech)		1	1					2
Distribution Inspection Coordinator	1		1					2
Subforeperson - Meter Technician		1						1
Meter Technician	1							1
Operations Technician(Operator)								0
Subtotal	3	2	4	0	0	0	0	9
Office/Support Staff (Union)								
Accounting Clerk								0
Supply Chain Clerk								0
Operations Coordinator	1						1	2
Meter Data Operator				1				1
Subtotal	1	0	0	1	0	0	1	3
Management/Non-Union								
Executive					1			1
Directors								0
Managers					1			1
Supervisors		1						1
Non-Union/Professional			2		3			5
Subtotal	0	1	2	0	5	0	0	8
Total								20

Turnover projections utilized were as follows:

Turnover	2021	2022	2023	YTD 2024	Total	Total Positions (2024)	Avg. Turnover %	Avg. Turnover FTE
Power Line Technician	1	2	1	3	7	12	17%	2

Note that the average annual turnover of 2 FTEs was utilized consistently to project turnover in 2028 through 2030 (see Exhibit 4, Attachment 4-1 p.62). It notes that these figures should be adjusted based on experienced turnover. It does not take into account that turnover may increase as the base number of PLT's/apprentices increases and was therefore viewed as a conservative forecast.

4-SEC/CCMBC-175

Ref. 1: Exhibit 4, Attachment 4-1, CV p.1

Question(s):

Please provide a list of all electric utilities included in the “selected client projects” described.

Consultant Response:

The Consultant has extensive experience leading Human Resource departments in various sectors including an electric utility. As a consultant, she provides Human Resource expertise in a variety of areas for clients, both as Principal of ExcelerateHR Services Inc. and as an Associate with Marjorie Richards & Associates, the Consultant has directly and indirectly provided support for HR expertise to multiple electric utility clients including, but not limited to: Burlington Hydro Inc., Milton Hydro Distribution Inc., Enova Power, Grandbridge Energy, Kingston Hydro and Niagara Peninsula Energy.

4-SEC/CCMBC-176

Ref. 1: Exhibit 4, Attachment 4-1, CV p.1

Question(s):

Please provide details of all studies done by the consultant that recommended downsizing the number of employees in an organization.

Consultant Response

The Consultant provides various HR services to its clients including workforce planning and workforce optimization. Both as an HR leader and consultant, she has led projects focused on workforce optimization which have varied in scope and objective.

The following example provides insight into a project with a Healthcare client that that resulted in no additional headcount and a potential to redeploy resources.

Scope: Review of Manager Capacity and Corporate Human Resource Support Services.

Recommendations included: Restructuring of the Human Resource Department (a department of 70) to enhance services including reporting relationships, role definition, process improvement activities for more efficient workflow and the implementation of various technologies to enhance efficiency.

4-SEC-177

Ref. 1: Exhibit 4, Attachment 4-1, Report p.4, p.57

Question(s):

Please provide all of the empirical data in the consultant's possession supporting the statement "[Oshawa PUC Networks] has maintained a workforce below the average of other medium sized LDC peers for the past number of years".

Consultant Response

The chart on page 57 of the Resource Optimization Review was developed using 2023 OEB open data. The chart illustrates that Oshawa Power has the highest customer to employee ratio relative to this comparator group of mediums sized LDCs. The Consultant reviewed the ratios going back to 2020 and Oshawa PUC Networks was consistently higher than all the comparator LDCs with the exception of Milton Hydro in 2020. Further, based on the 2023 OEB data, Oshawa PUC Networks ranks in the top 10 of LDCs with the highest ratio of Customers to FTE's.

Source for labour figures:

[https://www.oeb.ca/documents/opendata/rrr/2023/2.1.5.1 Labour Analysis.xml](https://www.oeb.ca/documents/opendata/rrr/2023/2.1.5.1%20Labour%20Analysis.xml)

Source for customer figures:

<https://www.oeb.ca/open-data/electricity-reporting-record-keeping-requirements-rrr-section-212-market-monitoring>

4-SEC-178

Ref. 1: Exhibit 4, Attachment 4-1, Report p.21

Question(s):

Please provide all of the empirical data in the consultant's possession supporting the statement "[Oshawa PUC Networks] has done an excellent job of keeping electricity rates low".

Consultant Response

This statement is based on the 2022 OEB OM&A per customer. Oshawa Power has the lowest OM&A per customer among similar sized comparators and ranks very low compared to all other LDCs.

4-SEC-179

Ref. 1: Exhibit 4, Attachment 4-1, Report p.32

Question(s):

Please explain the extent, if any, to which the costs of leadership development activities and initiatives can be offset by the lower compensation levels of inexperienced leaders compared to experienced leaders.

Oshawa Power Response

Management compensation is commensurate with each leader's experience level, which offsets the cost of leadership development activities and training for inexperienced leaders.

4-SEC-180

Ref. 1: Exhibit 4, Attachment 4-1, Report p.41

Question(s):

At the current insufficient staffing levels, how is Oshawa PUC Networks managing to “execute key functional activities” and attain OEB performance standards?

Oshawa Power Response

To manage and continue executing key functional activities while meeting OEB performance standards despite these challenges, Oshawa Power has implemented the following measures:

- **Use of Overtime:** Oshawa Power has managed staffing gaps and vacancies in the ‘outside’ roles that support distribution and metering by relying on unionized employees working overtime. This has increased costs, burnout, leaves of absence, and turnover, resulting in more staffing gaps and vacancies, as well as increased pressure on the staff who remain. For ‘inside’ roles, Oshawa Power has managed through expansion of roles and responsibilities with existing staff to ensure gaps and project timelines are met. In project planning and capacity measurement, this additional responsibility has proven excessive in people’s time allocation, often exceeding 120%. In a competitive energy environment, this led to an increased risk of resignations of key staff in recent years leaving for alternate local energy companies and utilities. In addition, this has also led to very limited leadership development, succession planning, cross training within the departments to mitigate risk as highly skilled staff plan to retire.
- **Use of Outsourcing:** Oshawa Power outsources core functions of the business, such as the call centre, billing and collections. Outsourcing the call centre has introduced new challenges and opportunities (e.g., delays in customers reaching agents). As a result, Oshawa Power has created new internal roles to oversee subcontractors and ensure they deliver value aligned

with key performance indicators and customer expectations, which requires staff with different skillsets than the roles eliminated.

- **Delaying Investment in Modernization:** Oshawa Power has managed essential projects at a bare minimum using existing resources in order to meet OEB performance standards. As a result, important modernization projects, such as the OEB initiatives for non-wires solutions (NWS), and various digitization and modernization projects have been delayed, leaving Oshawa Power operating largely using manual and paper-based processes and unable to pivot effectively to meet upcoming customer needs. Necessary advancements cannot continue to be delayed, and this approach is not sustainable given the growing demands, particularly around technology advancements, the growing need for increased data volume and resolution, and the growing cybersecurity demands.

While Oshawa Power prioritizes safety and meeting the OEB's performance standards, new requirements have increased the pressure on existing resources and their leadership to work extended hours and the need to leverage additional overtime, which has been cited in exit interviews and engagement surveys as problematic, and has led to additional staffing shortages. The staffing resources planned for 2026 support this continued focus, as well as the much-needed modernization of systems described in the 2026-2030 Business Plan and IT Business Transformation Strategy - all while remaining within Cohort II of the OEB's Total Cost Benchmarking model (see Exhibit 1, section 1.7 on Performance Measurement).

4-SEC/CCMBC-181

Ref. 1: Exhibit 4, Attachment 4-1, Report p.53

Question(s):

Please explain the statement "Oshawa Power will address having an in-person response to customers as identified in the survey by outsourcing services to its affiliate".

Consultant Response

This statement was provided based on information provided to the Consultant by Oshawa Power.

Oshawa Power Response

Oshawa Power recognizes from the customer engagement survey results that customers want more and better access to in-person customer service. To meet this need, Oshawa Power has outsourced in-person customer interaction to its affiliate, which was determined to be more cost-effective than hiring internal resources to undertake this work.

4-CCC-182

Ref. 1: Exhibit 4, Attachment 4-1, pp. 4, 29, 41, 47

Question(s):

- a) (P. 4) Please confirm that the analysis/recommendations related to “workforce planning” for trades & technical staff reflects a comparison against 7 LDCs that were surveyed.
- b) (P. 4) Please confirm that the analysis/recommendations related to the “Organization Structure Review” for management and professional staff does not reflect any direct comparison against other LDCs (i.e., there was no survey completed regarding the management & professional staff roles at other LDCs).
- c) (P. 29) Please provide the number of actual retirements that occurred between November 2024 (which is the date of the Resource Optimization Review) and the most up-to-date information for 2025.
- d) (PP. 41, 47) Please provide the annual breakdown of capital & maintenance work completed in-house relative to contracted out for each year 2021 to 2024. Please advise where in the application this breakout is provided.
- e) (PP. 41, 47) Please provide the annual breakdown of capital & maintenance work forecast to be completed in-house relative to contracted out for each year 2026 to 2030. Please advise where in the application this breakout is provided.

- f) (P. 47) Please list the 7 LDCs that were considered in the peer group analysis for the technical & trades workforce.
- g) (P. 61) Please reconcile the statement that “capital work will increase by over 20% between 2026-2030...” with the capital spending set out in Appendix 2-AB for the same period. Please explain how a forecast reduction to the capital budget between 2026 and 2030 impacts the recommendations made in the report.
- h) (P. 73) Please further explain the statement that “the optimal organization structure does not contemplate roles that may currently exist but will be re-structured or re-purposed to support the shifting needs of the organization.” As part of the response, please explain whether the recommendations are for 10 net new FTEs or 10 new positions that could be filled with existing employees that are currently in other roles.

Consultant Response

- a) The seven LDC’s surveyed provided a point of comparison for the Consultant as an input to the analysis. However, this was only one element considered in the analysis. See assumptions noted in the Resource Optimization Review (pp. 9, 46, 60-61).
- b) The Consultant confirms there was no direct comparison against other LDCs in the analysis/recommendations related to the “Organization Structure Review”.

Oshawa Power Response

- c) One retirement.
- d) See table below for capital & maintenance work completed in-house relative to contracted out for 2021 to 2024. This breakout is not available in the Application.

IRR Table 4-79: Capital & Maintenance In-House vs. Contracted Work (2021-2024)

Year	Capital		Maintenance	
	Internal	External	Internal	External
2021	67%	33%	79%	21%
2022	60%	40%	82%	18%
2023	49%	51%	77%	23%
2024	68%	32%	82%	18%

- e) For the 2026 Test Year, it is forecast that capital & maintenance would reflect a 70% internal / 30% internal split. This was noted in the Resource Optimization Review, p. 41.

Consultant Response

- f) The Consultant reached out with a short email survey to a select group, considered similar in size and potential market competitors for trades, requesting their current Supervisor to trades numbers to determine the ratios provided. Those who provided data are: London Hydro, PUC, Synergy North, NT Power, Utilities Kingston, GrandBridge Energy, and ENWIN Utilities.

Oshawa Power Response

- g) Oshawa Power is forecasting a 23% increase in total expenditures in 2026-2030 (\$97.2M) compared to planned 2021-2025 total expenditures (\$78.8M) as shown in Appendix 2-AB. Therefore the staffing recommendations for the rate setting period remain unchanged.
- h) The Consultant has recommended 10 net new positions with the supporting justification and rationale provided on pages 75-81 of the Resource Optimization Review. While Oshawa Power may re-purpose or reassign roles in the future to align with evolving organizational needs, no such positions were identified at the time of the organizational review. Therefore, for the purposes of the review period, it was assumed that all existing positions would remain unchanged and the analysis reflects that assumption.

4-DRC-183

Ref 1: Exhibit 4, p. 13

Ref 2: Exhibit 1

Ref 3: Exhibit 3

Question(s):

- a) Please confirm whether Oshawa PUC Networks' EV adoption forecast explicitly incorporates the federal ZEV sales mandate and its 2026/2030/2035 interim targets. If not, please explain why the forecast does not reflect this federal policy, and whether Oshawa PUC Networks intends to update its assumptions.
- b) Please provide Oshawa PUC Networks' forecasted annual EV sales as a percentage of new vehicle sales in its service area in 2026, 2030, and 2035. Please compare those projected shares to the federal ZEV sales targets and comment on any differences.
- c) Please confirm whether Oshawa PUC Networks considered multiple EV adoption scenarios (e.g., high/medium/low cases) in preparing its forecast. If yes, please provide a summary of each scenario, the adoption levels assumed, and the associated system impacts. If not, please explain why scenario analysis was not considered appropriate or necessary.
- d) Has Oshawa PUC Networks undertaken any benchmarking or comparative analysis of its EV adoption and load forecasts against those of other Ontario LDCs? If not, please explain why Oshawa PUC Networks did not undertake such benchmarking.
- e) If yes to d), please provide a summary of the results of any such benchmarking, including a comparison of:
 - a. Projected EV penetration rates (as a % of customers or vehicles),
 - b. Projected EV-related annual load (kWh),
 - c. Load growth attributable to EVs over the test period (2026 and beyond).

Oshawa Power Response

- a) As described on page 51 of Exhibit 3, the federal zero-emission vehicle sales mandate targets are considered in the forecast of EVs and loads. The share of

vehicles sold in Ontario that were ZEV was 6.5% in 2022, 7.4% in 2023, and 8.1% in 2024. This is below the trajectory needed to reach the 20% federal target by 2026, so an adjustment was made to push the targets out three years such that 20% of vehicles sold are ZEV by 2028, and 100% by 2037. OPUCN will continue to monitor actual EV sales in Oshawa and the province and update its assumptions accordingly.

- b) Oshawa Power's forecast ZEV share of total vehicle sales and the federal target are summarized in the following table. The differences arise from the adjustment to the ZEV sales trajectory as noted in response to part a).

IRR Table 4-80: Forecast of ZEV (2024-2037)

Year	Oshawa Power Forecast	Federal Target
2024	8.1%	
2026	12.7%	20%
2030	34%	60%
2035	92%	100%
2037	100%	100%

- c) Oshawa Power did not produce multiple EV adoption scenarios in preparing its forecasts. For the purposes of the billing determinant load forecast, only one scenario was produced, as provided in tab 'EV Forecast' of the load forecast model. Though this forecast can be considered aggressive in the 2026 test year given the slow growth in EV adoption from 2022 to 2024, it reflects a reasonable estimate of EVs and EV loads in the test year. A single load forecast is appropriate for the purposes of developing the billing determinants used for cost allocation and rate design. Oshawa Power has assessed system impacts related to lower or higher demand scenarios but the cause of the alternate demands being alternate EVs adoption scenarios is not specifically considered.
- d) No. EV adoption varies by region based on a number of factors noted in Oshawa

Power's Grid Innovation Fund report. Furthermore, the types of vehicles also influence load growth and load shapes and the proportion of different types of EVs. Some differences among jurisdictions include the size of the EVs batteries, the concentration of demand spikes, charging times, and grid saturation. Reallocating resources to analyze the adoption of EVs in other LDC service areas does not provide sufficient value to undertake such a benchmarking exercise. Oshawa Power's efforts to enable EVs have focussed on researching barriers and addressing them through E-Mission projects.

e) N/A

4-DRC-184

Ref. 1: Exhibit 4

Question(s):

- a) Please identify in the record where Oshawa PUC Networks provides details of how technological advancement will require training their workforce over the course of years to ensure Oshawa PUC Networks is able to sustain a safe and reliable grid as the energy transition accelerates.
- b) Please confirm and comment on whether the anticipated widespread adoption of DERs and EVs over the next five years and beyond will require investments in Oshawa PUC Networks' workforce and please discuss what will be involved in training the workforce for your proposed approach (timeframes, new approaches, etc.).
- c) Please comment on what training, programs, and investments will be needed if a more ambitious energy transition and EV and DER adoption scenario occurs over the next five years and beyond. In your response, please comment on what training and upgrading of workforce skills will be needed to ensure that Oshawa PUC Networks' workforce is able to meet the challenges of an accelerated energy transition in this and the next decade and how does this compare to Oshawa PUC Networks' current approach and the approach proposed in the Application.

- d) Similarly, please discuss any disadvantages where a lower electrification scenario materializes.

Oshawa Power Response

- a) Locations in the record where Oshawa Power provides details of how technological advancement will require training their workforce over the course of years to ensure the Oshawa Power is able to sustain a safe and reliable grid include:

- All areas in reference to the DSO competence building project – additional details were requested about this project via IRs and are captured in response 1-SEC/Staff/CCMBC-15.
- Areas in reference to Cyber Security training for staff in the Information Technology Business Transformation Strategy Overview, section 3, subsection “Information Security” and Page 30 of Exhibit 1 under “Software and hardware cost”.

Oshawa Power is considering the technological advancement training requirements to support NWS deployment. Oshawa Power will need to gain competence in assessing the operational characteristics, benefits and costs of third party DERs vs utility-owned DERs, and will need to grow competence in resource acquisition, contracting and compliance, as well as record-keeping and financial transaction processes associated with market settlement.

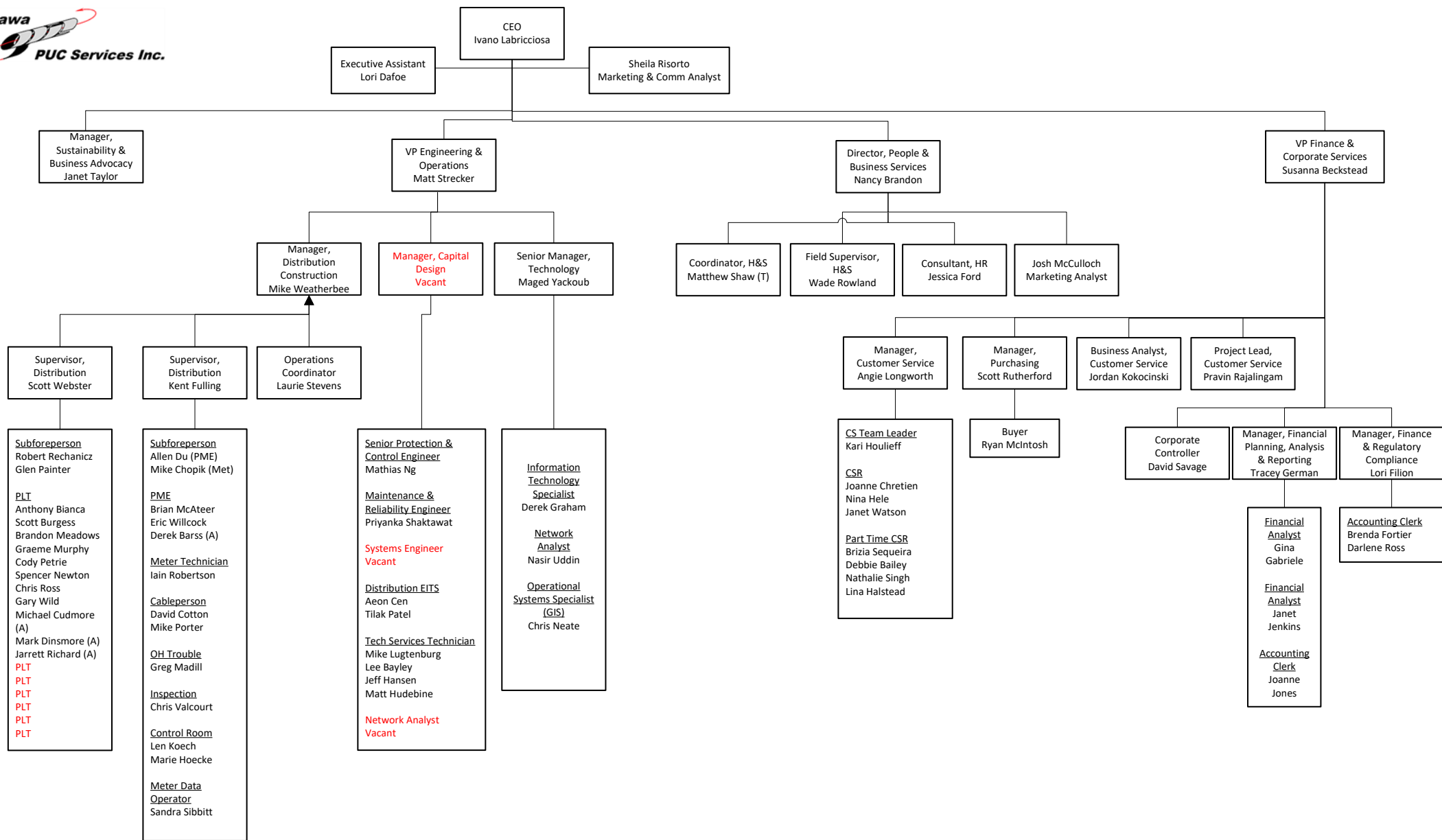
- b) Yes, the widespread adoption of DERs and EVs will require training investments in Oshawa Power’s workforce. Oshawa Power’s proposed approach will be to seek grants and funding to support skill development to the greatest extent possible, to keep costs low. An example of this is the DSO project, which will result in widespread training among staff but is being paid for by NRCan.
- c) If a more ambitious energy transition and EV and DER adoption scenario occurs, Oshawa Power staff will need training and/or support in systems modelling that considers grid impacts holistically, as opposed to on a project-by-project approach. Aggressive energy transition would also require additional risk assessment training to understand how to control for third-party inputs and impacts on the grid. Oshawa Power is currently in talks and in partnerships with

organizations that run energy twin style modelling that can support with such over-arching needs as they arise.

d) Given labour shortages in the industry at current electrification levels, there are few disadvantages with training, programs and investments in the electricity system workforce should a lower electrification scenario materialize.

Attachment 4 – 1

2021 Organizational Chart

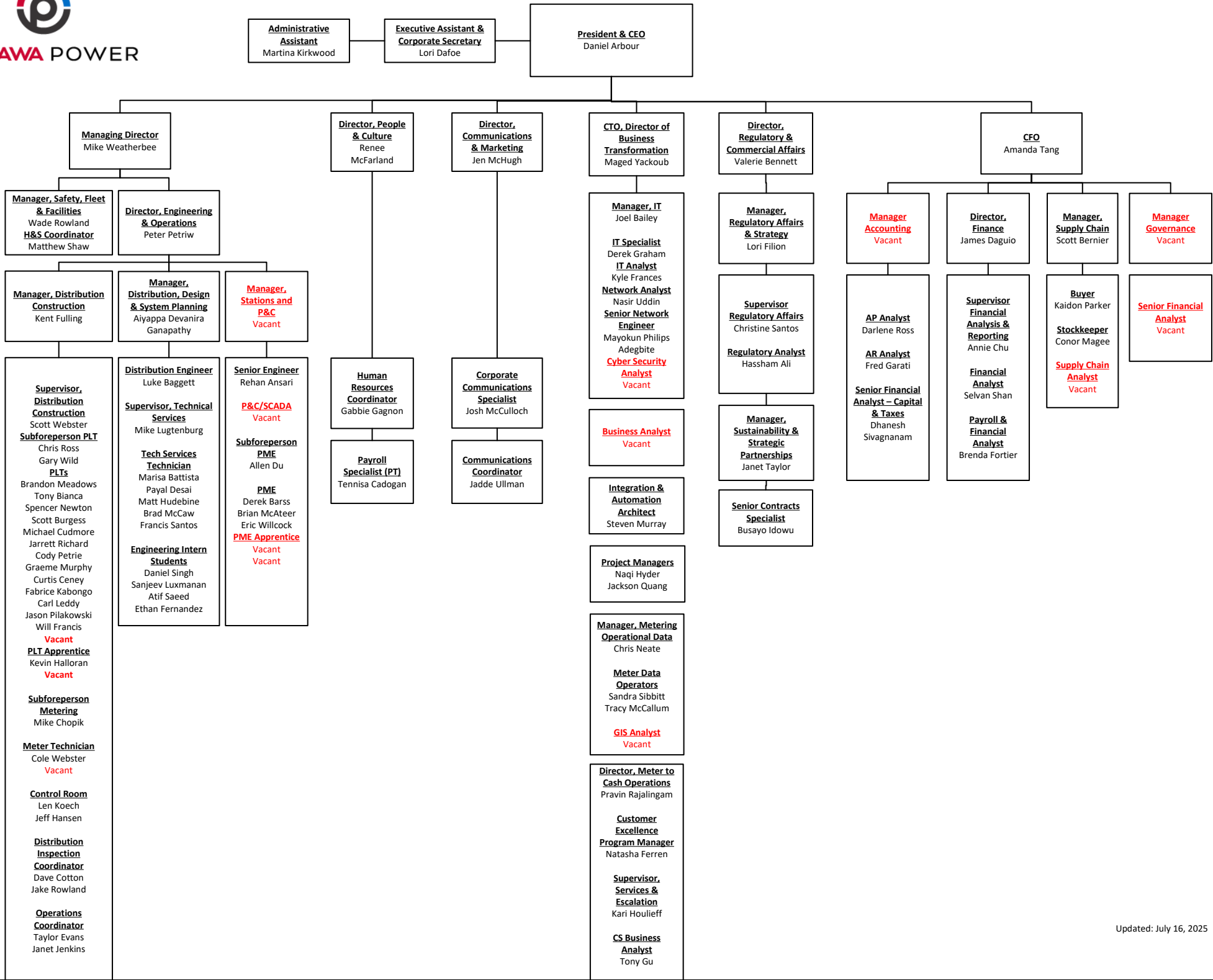


Attachment 4 – 2

2026 Organizational Chart



OSHAWA POWER

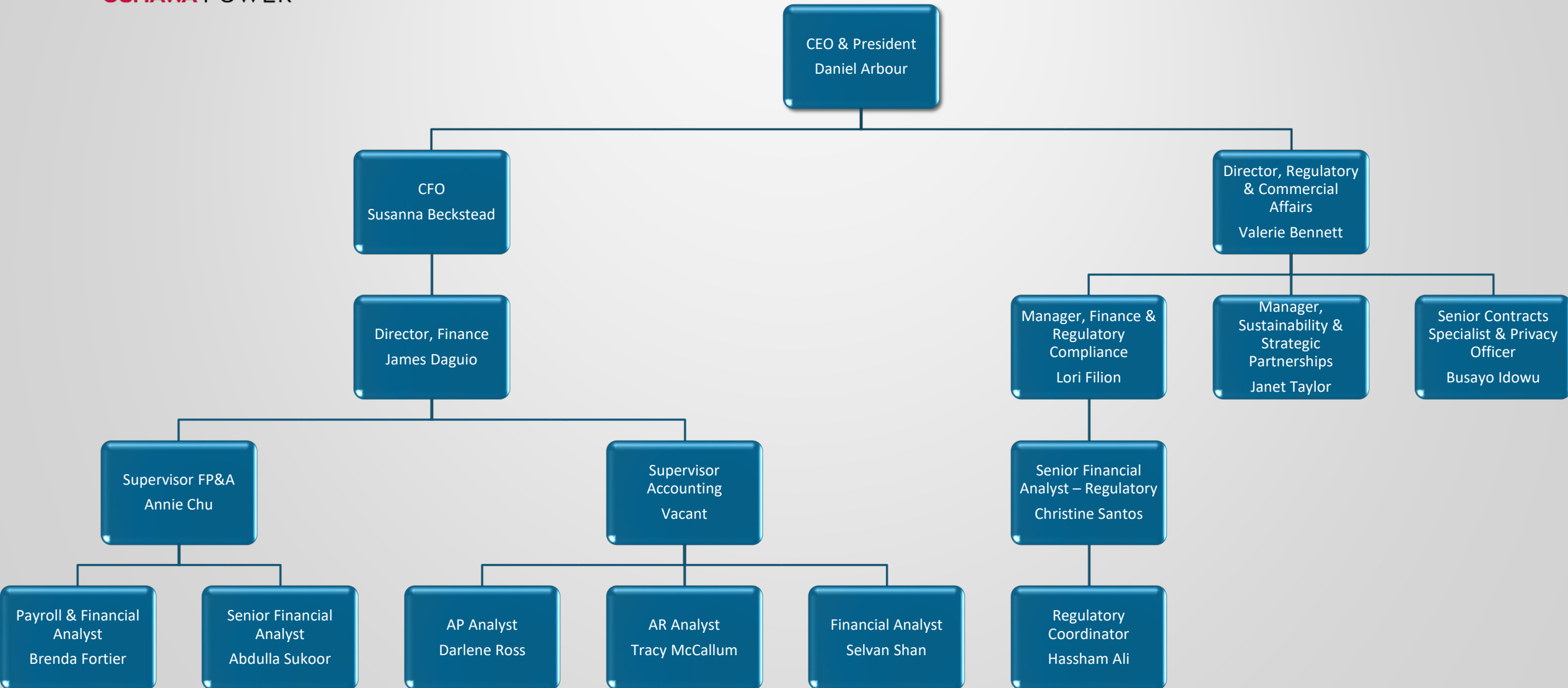


Attachment 4 – 3

Finance Regulatory Organizational Chart After Restructuring

Finance & Regulatory

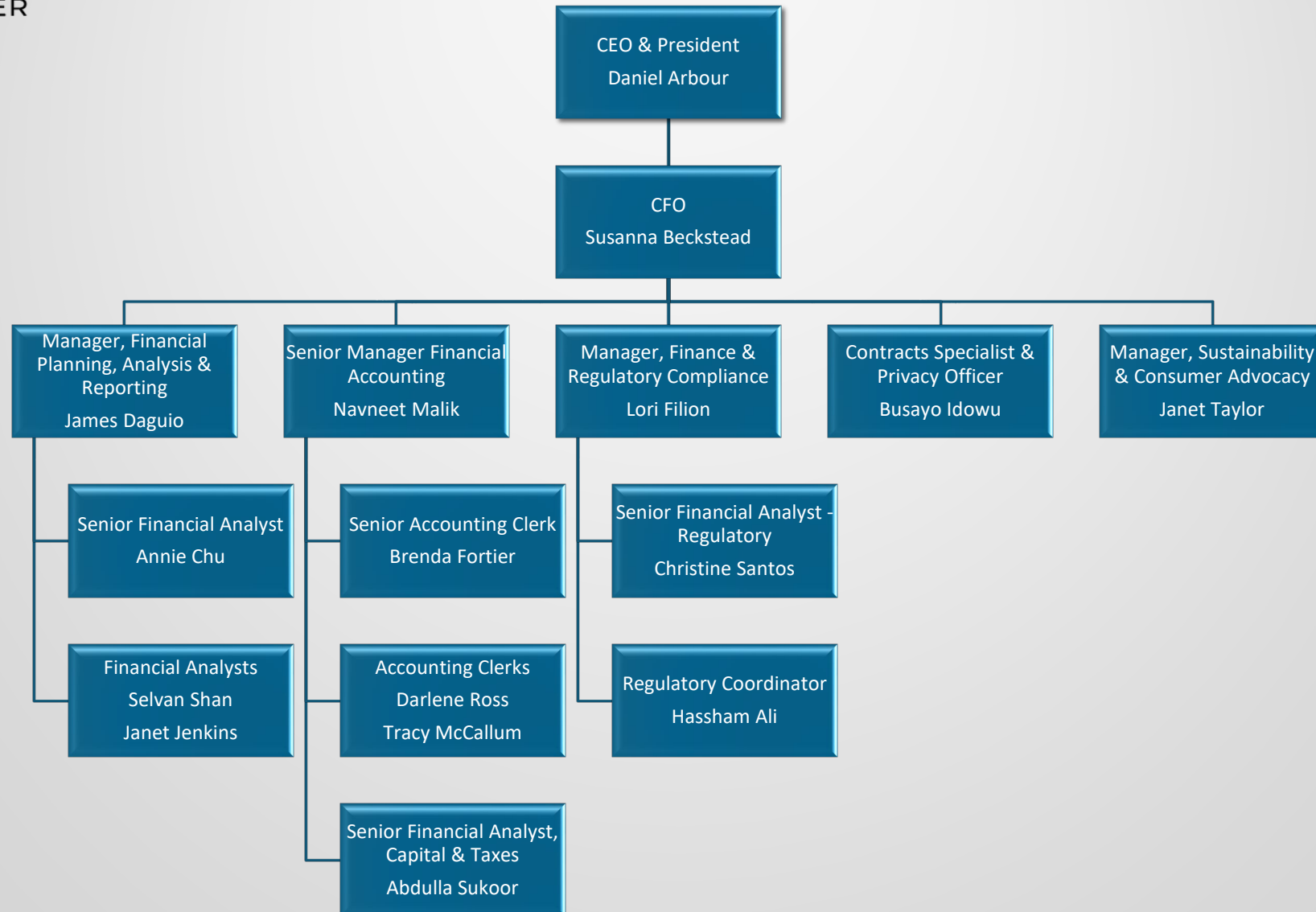
March 2024



Attachment 4 – 4

Finance Regulatory Organizational Chart Before Restructuring

Finance & Regulatory Before Restructuring



Attachment 4 – 5

Korn Ferry Compensation Market Analysis

Oshawa Power and Utilities Corporation (OPUC)

Compensation Market Analysis and Salary Structure Recommendations

February 24, 2023



Content

- 1 PROJECT SCOPE
- 2 JOB EVALUATION
- 3 METHODOLOGY AND APPROACH
- 4 MARKET ANALYSIS SNAPSHOT
- 5 PROPOSED SALARY STRUCTURE
- 6 NEXT STEPS – OPUC

Project Scope

Oshawa Power & Utilities Corporation (OPUC) contracted Korn Ferry Hay Group (KFHG) to evaluate selected non-executive/non-union positions and complete a market pricing review against two comparator markets. OPUC selected the comparator organizations from the KFHG compensation database in the following two markets:

- All public & private sector organizations in Ontario
- All public & private sector organizations in the GTA

The compensation elements included in this review are Annual Base Salary and Target Total Cash (i.e., actual base salary plus annual target bonus). In addition, the OPUC positions are compared to the market based on Hay Job Evaluation Points.

This presentation outlines the evaluations of the jobs and how OPUC compensation – actual base salary and annual target bonus compared to the two markets.

Job Evaluation

Thirty-five OPUC positions were evaluated using the KFHG Guide Chart-Profile Method for job evaluation. A summary of the evaluation method is provided in the next slide.

While similar work was completed for OPUC in 2008 and 2017, changes have since occurred to several positions, new positions have been added and some positions eliminated. OPUC wanted to re-evaluate any existing jobs and evaluate new jobs.

OPUC provided updated job descriptions and organization structure to KFHG to help ensure each job was evaluated accurately based on job function, scope and reporting structure. We also used the work completed in 2017 as a reference. KFHG discussed with OPUC's project team, the current composition of the organization, and information regarding each of the roles, including any changes.

All jobs were evaluated, and their respective grade level identified.

Evaluations were reviewed and confirmed with the project team to ensure that KFHG's understanding of these roles was consistent with that of OPUC.

Full Evaluations

Job Title	Department	Total Pts	KF Level
CEO			
Business Analyst (on hold)↑	Information Technology		
Communication Coordinator	Communications		
Corporate Communication specialist	Communications		
Coordinator, Health and Safety	Health and Safety		
Director, Engineering Services	Engineering		
Director, Technology & Project Management	Executive		
Distribution Engineering in training (EIT)	Engineering		
Executive Assistant & Corporate Secretary	Corporate		
Financial Analyst - FP&A	Finance		
Financial Analyst	Finance		
Information Technology Specialist	Information Technology		
Manager, Customer Service	Customer Service		
Manager, Finance & Regulatory Compliance	Finance		
Manager, Corporate Communications	Communications		
Manager, Human Resources and Health & Safety	Human Resources		
Manager, Supply Chain	Supply Chain		
VP Finance, Business and Corporate Services	Finance		
Managing Director – Oshawa Power	Oshawa Power		
IT Network Analyst	Information Technology		
Operational Technology Specialist (GIS)	Information Technology		
Project Lead	Information Technology & Project Management		
Senior Distribution Engineer	Distribution		
Senior Financial Analyst - FP&A	Finance		
Senior Financial Analyst – Regulatory Compliance	Finance		
Field Supervisor, Health and Safety	Health and Safety		
Supervisor, Distribution Construction	Distribution		
Manager, Distribution Construction	Distribution		
Senior Manager, Financial Accounting	Finance		
Manager of Financial Planning, Analysis & Reporting	Finance		

Methodology and Approach

Comparator Market

- In alignment with OPUC's operations and talent strategy, the following peer group (PG) was used for benchmarking:
 - **Custom Peer Group Ontario (352 organizations)**
 - **Custom Peer Group GTA (225 organizations)**

Job Size Approach

- Compensation levels for a given position are **compared to positions of similar size** (KF JE points) within the selected market
- All jobs in the KF proprietary compensation database have KF job evaluation points associated with them

Target Market Level

- Comparisons between OPUC's pay levels and the selected **market P25, P50 and P75** are illustrated in the market analysis section
- While the overall philosophy is understood to be targeting the P50 of the market, **P25 and P75 have been provided for reference especially for roles that may require differentiated positioning**

Market Analysis Snapshot (GTA and Ontario) – Base Salary

	OPUC Base Salary (BS)	GTA Market Base Salary (BS)			GTA Market (BS) vs. OPUC (BS)			Ontario Market Base Salary (BS)			Ontario Market (BS) vs. OPUC (BS)		
KF Grade	P50	P25	P50	P75	P25	P50	P75	P25	P50	P75	P25	P50	P75
23													
22													
21													
20													
19													
18													
17													
16													
15													
14													
13													
12													
		Average						Average					

- Overall, the average base salaries for OPUC are seen to be aligned for the lower levels and lagging for the higher levels in comparison to the market P50 (GTA and ON)
- The average gap (% increase/decrease required in the current salary to reach the specific market percentile) P50 is approximately [REDACTED], respectively
- We observed that there is some inconsistency with respect to base salaries between levels (e.g; at [REDACTED])
- Recommendations have been made to address this issue in the slides on the following pages

Market Analysis Snapshot (GTA and Ontario) – Total Cash

	OPUC Total Cash (TC)	GTA Market Total Cash (TC)			GTA Market (TC) vs. OPUC (TC)			Ontario Market Total Cash (TC)			Ontario Market (TC) vs. OPUC (TC)		
KF Grade	P50	P25	P50	P75	P25	P50	P75	P25	P50	P75	P25	P50	P75
23													
22													
21													
20													
19													
18													
17													
16													
15													
14													
13													
12													
Average					Average								

- Overall, the average Total Cash for OPUC is [REDACTED] in comparison to the GTA Market P50
- Overall, the average Total Cash for OPUC is [REDACTED]

Proposed Salary Structure

	Proposed Salary Structure							Proposed Incentive Structure	
KF Grade	Mkt P50 Base Salary	Min	Min vs Mid	Mid	Max vs Mid	Max	Midpoint progression	Mkt P50 Target incentive	Proposed Target Incentive
23									
22									
21									
20									
19									
18									
17									
16									
15									
14									
13									
12									

- Above is our proposed base salary structure that consists of the minimum and maximum salary ranges based on the Ontario Market P50
- Midpoint progression is more consistent and addresses the issues identified in your current base salary structure outlined on slide 7
- We have proposed the above incentive structure to be more aligned with the market as your current incentive structure is lagging in comparison to the Ontario Market P50

Next Steps – OPUC

- Review overall gap and decide mitigation steps based on budget availability
- Focus on specific positions/levels that are considered critical/high flight risk
- Initiate work towards streamlining internal compensation progression considering the leveling of jobs (may require some re-evaluation/re-mapping)
- Implementing the new salary structure and the incentive program plan for OPUC
- We have created a new grading structure that accommodates all the roles within OPUC and allows for greater flexibility and consistency in progressing from one grade to the next

Thank You



Attachment 4 – 6

Call Centre Outsourcing Contract

Optima Communications International Inc.

Oshawa PUC Networks Inc. (OSHAWA POWER)

Master Services Agreement (MSA)

Outsourced Services

2023

I. BACKGROUND

THIS MASTER SERVICES AGREEMENT (MSA or Agreement) is effective as of the day of signing (the "Effective Date") and describes the terms by which Optima Communications International Inc. (**Optima**) will provide business process outsourcing services (Services) to Oshawa PUC Networks Inc. (**OSHAWA POWER**) as may be detailed in a Statement of Work (SOW) referencing this MSA. In the event of any conflict between the MSA and a SOW, the terms of the SOW shall take precedence.

II. OPTIMA

Optima is a business services company with 30 years of experience, handling millions of customer contacts and transactions annually through the media of Inbound Phone, Outbound Phone, Email, and Web chat as well as Administrative Back Office support and Receivables Management. Optima has a sterling reputation in terms of quality, excellence and accuracy. Our business is focused on providing specialized outsourcing service to a small number of discerning client/partners on a long-term basis. Optima's mission is to help its business partners build lasting and profitable relationships from the moment customers or prospects connect via any interactive channel. You are invited to visit www.optima.net for more detail on our company and philosophy.

III. SERVICE DESCRIPTION

Services provided (Services), fees, timetables and activity commitments of each party will be documented in SOWs.

IV. BILLING & BUDGETS

Billing for the Services will be as described in the SOWs, allowing that Production Hours rates as shown in SOWs are subject to increase based on 118% of any increases to the Ontario Minimum Wage. Billings will be issued monthly for work completed, payment due 30 days from the receipt of invoice by OSHAWA POWER. Rates quoted are in Canadian funds and shown pre-tax. Additional billable activity or items, if they arise, will be quoted separately for client approval, and then documented in additional SOWs to this MSA.

V. BUSINESS CONTINUITY PLAN

Optima will have a business continuity plan in place for the Services, capable of enabling Optima to continue or quickly resume the Services after they have been interrupted to any material extent, for any reason, including events beyond Optima's control. Optima may amend the business continuity plan as necessary to minimize impact on the reliability and quality of Services provided.

VI. TERM AND TERMINATION OF THIS AGREEMENT

- (a) The Term of this MSA commences as of the Effective Date and continues for 1 year from the Effective Date. At the end of this period this Agreement will automatically renew for successive 3 year terms. Either party may terminate this Agreement at any time by issuing to the other party a written notice of termination of not less than 120 days.
- (b) The Term of each SOW is as designated in the SOW if shown, otherwise such term will continue until the activity is completed, or terminated by mutual agreement, or on at least 120 day written notice by one party to the other party.
- (c) Either party may terminate this Agreement or an individual SOW if the other party breaches any material provision of this Agreement or an SOW and does not cure such breach within fifteen (15) days of receipt of notice of such breach.
- (d) OSHAWA POWER may terminate this Agreement or any Individual SOW at any time upon at least 30 days written notice to Optima where such termination is required by OSHAWA POWER to comply with any applicable legislation, regulation, or any regulatory requirements by the Ontario Energy Board.
- (e) Upon termination of this MSA or an individual SOW:
 - (i) OSHAWA POWER shall pay, in accordance with the terms of this MSA or SOW, all undisputed fees for properly rendered Services prior to the termination date, and thereafter shall not be liable for any other fees hereunder; and
 - (ii) Optima shall Secure Dispose of all Personal Information, and return or destroy OSHAWA POWER Confidential Information in accordance with the confidentiality terms of this MSA, retaining only such data as may be required for Canadian Radio-television and Telecommunications Commission (CRTC) or other regulatory purposes.

VII. DISPUTE RESOLUTION

Either party is free at any time, for any dispute, regardless of whether the parties are following at that time dispute resolution procedures, to seek injunctive relief, specific performance, or any other equitable relief available at law for a breach of confidentiality provisions or a breach of their intellectual property rights by the other party.

VIII. NATURE OF RELATIONSHIP

Recognizing that human resources are a key equity of Optima, OSHAWA POWER agrees it shall not, directly or indirectly, nor through any related company, induce or attempt to induce any employees of tOptima to leave their employment, except with the express written agreement of Optima. For the purpose of this paragraph, the term "related" shall have the meaning specified in the Income Tax Act (Canada) and jurisprudence thereunder. This clause will apply during the term of this agreement and for 6 months thereafter.

IX. REPRESENTATIONS AND WARRANTIES

(a) OSHAWA POWER represents and warrants to Optima that it is fully authorized to contract the Services provided under this Agreement and any SOW(s) issued pursuant to this Agreement, and the existence of a valid existing business relationship (EBR) as defined by the CRTC for all customer records provided to Optima for outbound calling.

(b) Optima represents and warrants to OSHAWA POWER that: (i) it is an entity duly formed or organized, validly existing and in good standing under the laws of Ontario; (ii) it has all requisite power and authority to carry on its business as now conducted and to enter into and perform its obligations and Services under this Agreement; (iii) the execution, delivery and performance by it of this Agreement and the transactions contemplated hereby have been duly authorized by all necessary and proper action; (iv) this Agreement constitutes the legal, valid and binding obligation of Optima, enforceable against it in accordance with its terms; (v) neither the execution and delivery of this Agreement nor the consummation of the transactions and Services contemplated hereby will (A) conflict with or result in a violation or breach of, or constitute a default or require any other party's consent under, any term or provision of the charter, bylaws or other organization or governance agreements or instruments or any material agreement or other arrangement to which it is a party or by which it is bound; (B) violate any judgment, order, permit, injunction, decree or award of any court, administrative agency or governmental body against, or binding upon, it; or (C) constitute a violation by it of any law or regulation; (vi) any proprietary software or other intangibles provided by Optima to or used to provide the Services will not infringe upon the proprietary rights of any third party; (vii) it will (A) provide Services in a professional manner, using at least the same degree of care, skill, and supervision as would be exercised by a reasonable and prudent person experienced in performing similar services; (B) use people with suitable skills

X. COMPLIANCE WITH APPLICABLE LAWS & REGULATIONS

(a) Each party will be responsible for ensuring compliance by itself and persons acting on its behalf with all applicable laws, rules and regulations, and the terms of this Agreement relating to or affecting the performance of its obligations hereunder, including regulations under the Ontario Energy Board Act and CRTC Act and all provincial equivalent laws, along with any applicable laws related to employment of labor, hours of labour, working conditions, payment of wages, commercial electronic messages (including Canada's Anti-Spam Legislation) and payment of taxes, such as unemployment, social insurance and other payroll taxes, and shall secure and maintain in full force and effect all licenses, permits and authorizations necessary for the performance of its obligations hereunder. Both parties agree to comply with all applicable employment laws, including but not limited to applicable portions of the Employment Standards Act or similar legislation for the applicable province of Canada.

(b) Optima will assist and co-operate as is reasonably required by OSHAWA POWER in response to the inquiry or investigation of, and to obtain any necessary approvals that may be required from time to time by, any duly constituted regulatory authority acting within its legal jurisdiction.

XI. INDEMNIFICATION, LIMITATION OF LIABILITY, AND INSURANCE

Indemnification Each party (the "Indemnifying Party") agrees to indemnify and hold harmless the other party, its Affiliates, officers, directors, shareholders, employees or agents (the "**Indemnified Parties**") from any and all liabilities, losses, damages, claims, suits, judgments, costs and expenses (including reasonable attorneys' fees and costs of any investigation or action related thereto) ("**Losses**") to the extent suffered or incurred by the Indemnified Parties (i) as a result of the Indemnifying Party's breach of this Agreement or (ii) from the breach or incorrectness of any representation or warranty made herein by the Indemnifying Party; or (iii) any unlawful conduct by the Indemnifying Party's personnel or subcontractors. "**Affiliate**" shall mean any individual, corporation or other business entity which, either directly or indirectly, controls such a party, is controlled by a party, or is under common control with a party.

Third Party Claims

(a) In the event either party receives a legal proceeding, legal letter or other written complaint threatening litigation against the parties with regard to the Services covered within this Agreement, the recipient will notify the other promptly upon receipt, and within one business day upon receipt, provided that any delay in notifying the other party will not reduce the obligation to indemnify except to the extent such delay materially prejudices the indemnifying party's ability to defend the claim. The parties are not authorized to accept service on behalf of the other. The parties will cooperate in the defense of any litigation or complaint instituted against the other at the indemnifying party's expense.

(b) Nothing in this Section obligates the parties to cooperate with each other in any litigation or complaint where the parties or one of them are of the reasonable opinion that their interests in the litigation are divergent. However, this does not reduce the obligation of such party to indemnify the other pursuant to this section XI.

Limitation of Liability. In no event shall either party be liable to the other for: (i) any indirect, incidental or consequential damages of any kind (including, without limitation, lost profits); or (ii) any punitive damages arising by virtue of any dealings between the parties.

Insurance: Optima agrees that during the term of this Agreement or any extension thereto to maintain from insurers with a minimum A.M. Best's rating and financial strength of no less than A-VII against claims for injuries, loss, damage to persons or damages to property which may arise from or in connection with the performance of this Agreement by Optima its agents, representatives, employees or subcontractors:

- Errors and Omissions insurance in the amount of no less than \$5,000,000 on a per-incident basis
- Cyber Liability insurance in the amount of no less than \$5,000,000 on a per-incident basis
- Crime insurance in the amount of no less than \$2,000,000 on a per-incident basis

In addition to the foregoing, Optima shall, throughout the term of the Agreement or any extension thereto maintain Commercial General Liability Insurance at least five million dollars (\$5,000,000) per occurrence, which can be satisfied through the use of primary and umbrella liability policies.

Optima shall add OSHAWA POWER as additional insured in all its insurance policies mentioned above and all rights of subrogation waived against OSHAWA POWER.

XII. CONFIDENTIALITY & INTELLECTUAL PROPERTY

(a) Both parties agree that the Confidential Information disclosed by either party under this business relationship is for the sole purpose of enabling the parties to this Agreement to establish and maintain an effective and efficient business relationship for the purposes set out in this Agreement and for the performance of the Services. "Confidential Information" includes information which is obtained by either party or their Affiliates from the other or their Affiliates as a result of this Agreement or the Services and shall include, but not be limited to, customer files. OSHAWA POWER Confidential Information also includes: (i) information about OSHAWA POWER or any OSHAWA POWER Affiliates that Optima receives, creates, processes, or stores for the Services or otherwise, including information about callers into the Optima call centre, call recordings, marketing and other business strategies/plans, use of technology, pricing, earnings, revenues or other financial information, product information, and relationships with third parties including customers; (iii) Personal Information; (iv) OSHAWA POWER or its Affiliates' logos or trademarks, and all information, in any media or form, concerning or that refers to OSHAWA POWER or its Affiliates and (v) information marked confidential. "Confidential Information", other than Personal Information, will not include information which (i) at the time of the disclosure, was publicly known, (ii) was in possession of the receiving party at the time of disclosure to it and was not the subject of a pre-existing confidentiality obligation; (iii) was received after disclosure to it from a third party who had a lawful right to disclose such information to it; (iv) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; or (v) was independently developed by the receiving party without the use of any Confidential Information.

(b) Both parties agree to protect the other party's Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized disclosure of the Confidential Information, as they would use to protect their own Confidential Information of a like nature. Both parties shall allow access to the Confidential Information exclusively to those of their employees who have a reasonable need to see and use it as required to provide or receive the Services.

(c) In addition to the above, both parties specifically agree as follows:

(i) Non-Disclosure. During and after the Term of this Agreement, neither party will disclose Confidential Information of the other party to any person or entity other than as necessary in carrying out its duties in accord with this undertaking, without first obtaining the other party's consent, and it will take all reasonable precautions to prevent inadvertent disclosure of such Confidential Information.

(ii) Using, Copying, etc. During and after the Term of this Agreement, either party will not use, copy, transfer or destroy any Confidential Information of the other party other than as necessary in carrying out its duties under this Agreement and will take all reasonable precautions to prevent inadvertent use, copying, transfer or destruction of such Confidential Information.

(iii) Confidential Information remains the property of the disclosing party and, upon its request, the receiving party shall promptly return or destroy (at the disclosing party's option) the originals and any copies of any Confidential Information within the possession or under the control of the receiving party and/or its affiliates, subsidiaries or subcontractors. Notwithstanding any such return or destruction of Confidential Information, the receiving party will continue to be bound by their obligations of confidentiality hereunder. Notwithstanding the foregoing, each Party shall be

(i) permitted to retain copies of the Confidential Information in order to comply with any applicable law, court, regulation or regulatory authority and (ii) allowed to maintain copies of Confidential Information in electronic form on such party's backup storage media in respect of information technology platforms pursuant to such party's records retention policy so long as such information is not utilized for any other purpose.

(iv) The parties' respective obligations hereunder shall not restrict any disclosure required by law to a judicial or governmental body of competent jurisdiction; provided, however, that: (i) the receiving party shall give advance notice of such disclosure requirement to the disclosing party (where reasonably practicable and to the extent legally permissible) and give the disclosing party reasonable opportunity to object to and contest such disclosure, including seeking a protective order or other appropriate remedy, and (ii) the receiving party shall take all action necessary not to disclose Confidential Information that is not required to be disclosed to satisfy any legal requirement of a governmental authority.

(d) Neither party transfers to the other any Intellectual Property or other property under this Agreement. "Intellectual Property" means any processes, methods, key concepts, software, techniques or practices developed by either party in the course of operation of its business. Both parties agree that the ownership and application of Intellectual Property remains with the developing party and agree that such Intellectual Property is included in the scope of Confidential Information as defined in this Agreement.

(e) The parties acknowledge and agree that OSHAWA POWER is subject to Ontario Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) as amended and supplemented from time to time, and that MFIPPA applies to and governs Confidential Information (as applicable) in the custody or control of OSHAWA POWER ("MFIPPA Records") and may, subject to MFIPPA, require the disclosure of such MFIPPA Records to third parties. Optima agrees to provide a copy of any MFIPPA Records that it previously provided to OSHAWA POWER if Optima continues to possess such MFIPPA Records in a deliverable form at the time of OSHAWA POWER's request. If Optima does possess such MFIPPA Records in a deliverable form, it shall provide the same within a reasonable time after being directed to do so by OSHAWA POWER.

XIII. PRIVACY

(a) The parties will comply with all laws and regulations that are applicable to this Agreement and the Services, including laws about the privacy of Personal Information (such as the Personal Information Protection and Electronic Documents Act (Canada) and equivalent legislation) and laws of the jurisdiction for which or in which Optima is providing the Services. Personal information includes any information, recorded or not, about an identifiable individual. Examples of personal information that are identifiable include names, age, sex, social insurance numbers, health status, health history, financial information and benefit claims data. It also includes information which can be matched with other information in order to establish an individual's identity. All Personal Information in Optima's possession or control must be encrypted and delivered to OSHAWA POWER upon request. Optima is not to retain any Personal Information.

(b) While providing the Services, Optima will have access to Personal Information on individuals. All recorded or otherwise acquired personal information related to an individual is deemed to be private and confidential. Optima shall use Personal Information for the sole purpose of providing the Services to OSHAWA POWER. Optima agrees that all right, title and

interest in any Personal Information and data collected or compiled by Optima in the course of the provision of the Services shall be owned exclusively by OSHAWA POWER.

(c) Optima represents that it has developed information security and privacy policies and procedures, best practice documents, internal audits and other guidance to ensure adherence to privacy principles and the protection of Personal Information. The Optima privacy procedures shall include provisions to ensure that, while it is in Optima's possession or under its control: (i) Personal Information is protected against accidental or unauthorized disclosure, modification, or destruction; (ii) detailed internal policies are established to determine how, when and by whom Personal Information is accessed; (iii) Optima staff's access to Personal Information is limited based on their job function; (iv) security related to data storage and transmission is commensurate with the sensitivity of the data; (v) Optima staff providing Services relating to the Personal Information are kept aware and up-to-date regarding applicable legislative and regulatory requirements affecting privacy rights; and (vi) appropriate privacy training is provided for Optima staff that provides Services relating to the Personal Information, as needed.

(d) Without limiting the obligations herein, Optima will store and protect the Personal Information while in its possession or under its control from loss, theft, unauthorized access, copying, modification, use or disclosure during utilization, transmission and storage using technology, physical protection measures, processes and standards of practice that are consistent with generally accepted industry practices. In the event of any loss, theft or unauthorized access, copying, modification, use or disclosure occurs, Optima will immediately notify OSHAWA POWER of the nature and details of such loss, theft or unauthorized access, copying, modification or disclosure, and will respond to such event in cooperation with OSHAWA POWER. Optima will conduct, and shall request its subcontractors that provide Services in relation to the Personal Information conduct, security scans and processes, including non-destructive intrusion tests and security scans on an ongoing basis with respect to its networks; and maintain sufficient software, hardware, systems, procedural controls, personnel and other resources to monitor and detect if any unauthorized penetration or access attempt is being made against any part of its networks, databases or other infrastructure / application or facilities.

(e) Without limiting the foregoing, except as required by applicable law, Optima shall not disclose, provide access to, or otherwise make available to any third party Personal Information under the care of or control of, or accessible by, Optima, without OSHAWA POWER's prior written consent. If Optima is required to disclose Personal Information in connection with any judicial proceeding or government investigation, then Optima will, to the extent permitted by applicable law, promptly notify OSHAWA POWER and allow a reasonable time before such disclosure is required for OSHAWA POWER to seek a protective order from the appropriate governmental authority. Thereafter, Optima may disclose the Personal Information but only to the extent required by applicable law and subject to any applicable protective order. Optima will delete, correct, or update any Personal Information on notice from OSHAWA POWER. In addition, in the event an individual advises OSHAWA POWER of an inaccuracy in any Personal Information, Optima will promptly perform the required changes.

XIV. SECURITY

(a) For the provision of the Services, Optima shall comply with OSHAWA POWER's Remote Access Policy (attached to this Agreement as Appendix 1), as may be revised from time to time by OSHAWA POWER. OSHAWA POWER shall notify Optima of any such revisions.

(b) Optima will ensure that access to OSHAWA POWER data, including OSHAWA POWER Confidential Information and any Personal Information is secure and access is restricted to designated Optima IT Solutions staff assigned to the OSHAWA POWER programs. Operational staff will have no access to backend data. If the data is subject to PCI DSS then it is stored on a designated PCI server with extra layers of security.

(c) In operating the Services delivery technology, Optima will adopt information back-up practices and take measures to prevent loss of or damage to data in accordance with generally accepted industry standards.

(d) Without limiting Optima obligations hereunder, Optima will take appropriate steps to identify security breaches and notify OSHAWA POWER within twenty four (24) hours of any security breaches. Optima will determine remedies deemed necessary to remedy both the cause and impact of the security breach, and will deliver a proposed action plan to OSHAWA POWER. The action plan to remedy both the cause and impact of the security breach must be agreed to by OSHAWA POWER prior to any actions being taken. Optima may take any action required in order to stop the security breach from continuing to occur without prior approval from OSHAWA POWER. Optima shall be responsible for costs associated with any and all actions deemed necessary to remedy the security breach except to the extent the security breach was caused by OSHAWA POWER.

(e) Optima may not use without OSHAWA POWER approval any individual to provide Services to OSHAWA POWER who has (i) a criminal record as shown by a standard criminal record check which results in the following findings: a) theft, fraud, drug-trafficking, or violence-related offences within the previous 10 years (convictions of theft, fraud, drug trafficking, or violence occurring while a candidate was 18-22 years of age will be overlooked if a minimum of 5 years have passed since the conviction without any further convictions of any kind); b) multiple minor or misdemeanour convictions based on severity or (ii) who has failed to achieve a satisfactory credit check result validated by a professional third party.

XV. GENERAL

No Publication. Optima shall not publicize or disclose to any third party, without the written consent of OSHAWA POWER, the terms of this Agreement. Without limiting the generality of the foregoing sentence, no press releases may be made by Optima concerning this Agreement, without the prior written consent of OSHAWA POWER.

Audit Rights. OSHAWA POWER shall have the right, once a year or at any other time circumstances may warrant, to audit Optima's records; policies, practices and facilities related to the performance of this Agreement, particularly in regard to section XIII. Such audits may be conducted by OSHAWA POWER or its authorized representatives at reasonable times during normal business hours upon providing at least 5 days' written notice to Optima.

Force Majeure. Each party hereto shall be excused from performing any obligations under this Agreement, in whole or in part, as a result of delays or interference caused by the other party or by an act of God, war, terrorist acts, labour disputes, strikes, floods, lightning, severe weather, shortage of materials, failure or fluctuations in electrical power, disruption of a line, service or program by a common telecommunications carrier or billing services provider, disruption or malfunction of any data processing or telecommunications network, facility or equipment, third-party nonperformance, or other cause beyond a party's reasonable control and such

nonperformance shall not be deemed a default hereunder or a basis for termination hereof, provided that a) such party has planned and taken reasonable measures for business continuation and disaster recovery measures, and b) such party immediately takes all reasonable measures to mitigate the effects of such delays or interference.

Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of Ontario and the applicable federal laws of Canada.

Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the parties hereto as to the subject matter hereof and supersedes any prior agreements or understandings relating to the subject matter. This Agreement may not be modified or amended except by a written instrument duly signed by both parties hereto.

Independent Contractors. Nothing contained in this Agreement shall be construed or interpreted by the parties hereto, or by any third party, as creating a relationship of principal and agent, partnership, joint venture or any other relationship between the parties other than that of independent contractors contracting for the provision and acceptance of Services. Each party will be responsible for hiring, supervising and compensating its own employees and for providing benefits to and withholding taxes for such employees.

Notice. All notices or other communications hereunder shall be in writing and shall be made by hand delivery, email, telecopier, or Canada Post, postage prepaid, addressed to the persons and addresses referenced in this Agreement. The notice or communication shall be deemed to have been given or made as of the date so delivered, if delivered personally; if emailed, when delivered and receipt acknowledged; if telecopied, if so acknowledged during business hours on the business day in the city where received, and otherwise the next following business day; and three business days after so mailed, certified mail, return receipt requested.

Assignment This Agreement shall be binding on the parties hereto and their respective successors and assigns, except that neither party shall assign its rights, duties or obligations hereunder without the other party's prior written consent, which shall not be unreasonably withheld.

Severability. No term or provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable shall affect the validity or enforceability of the remaining terms and provisions of this Agreement.

Waiver. The waiver by either party, or the failure by either party, to claim a breach of any provision of this Agreement or to give notice with respect thereto, shall not be held to be a waiver of any subsequent breach of such provision or any other provision in this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative(s) as of the day and year first written above. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

OSHAWA PUC NETWORKS INC.

Signature:  _____

Name: Susanna Beckstead

Title: CFO & CAO

Date: December 11, 2023

Signature:  _____

Name: Daniel Arbour

Title: President & CEO

Date: December 11, 2023

OPTIMA COMMUNICATIONS INTERNATIONAL INC.

Signature: Don MacLeod

Name: Don MacLeod

Title: President

Date: December 13, 2023

Appendix 1 – OSHAWA POWER Remote Access Policy

1. Introduction

This Statement of Work (SOW) is made this 9th day of February 2024 ("Effective Date") between **Oshawa PUC Networks Inc.** ("Oshawa Power") and **Optima Communications International Inc.** ("Optima"). This SOW is pursuant to the Master Services Agreement (MSA) made December 11, 2023 between Oshawa Power and Optima. The terms and conditions of the MSA is incorporated herein by reference.

In the event of any inconsistency between the terms and conditions of the MSA and the terms and conditions of this SOW, the terms and conditions of this SOW will prevail.

2. Scope of Services

Optima will implement and provide contact centre services to Oshawa Power, as further described in the Schedule to this SOW ("Services").

3. Fees and Billing Rates

3.1 The Services will be billed as follows:

Type of Billing	Rate (Pre GST)
Agent Training	
Agent Billing	
Senior Billing	
Set up	

3.2 Optima shall invoice Oshawa Power for the Services on the last business day of each calendar month.

3.3 Invoices shall be submitted to the following address:

Oshawa PUC Networks Inc.
100 Simcoe St S Oshawa, ON, L1H 7M7
ATTENTION: MANAGER, CUSTOMER SERVICE
Emailed to: Ashley Pereira, apereira@oshawapower.ca
Copied: Jen McHugh, jmchugh@oshawapower.ca

3.4 Invoices shall contain the following information:

- the period to which fees apply;

- applicable service fee and number of customers;
- applicable taxes payable by Oshawa Power; and
- invoice and purchase order numbers

4. Term and Termination

- 4.1 The term of this SOW commences on the Effective Date and continues until December 24, 2024. At the end of this period, this SOW will automatically renew for successive 3-year terms.
- 4.2 In addition to the termination rights contained in the MSA, either party may terminate this SOW at any time, with or without cause, by issuing to the other party a written notice of termination of not less than 120 days.

5. Execution

This SOW may be executed in any number of counterparts, and all counterparts joined together shall constitute one and the same instrument. This SOW may be executed and delivered by electronic transmission, in which case the Parties may rely on the electronically executed and delivered signature pages as though the signatures thereon were originally-inked signatures. This SOW may be executed using electronic signatures.

IN WITNESS WHEREOF the parties hereto have caused this SOW to be executed as of the Effective Date by their respective representatives duly authorized in that behalf.

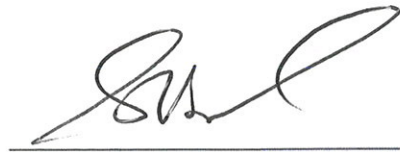
Oshawa PUC Networks Inc.



Name: Daniel Arthur

Title: President & CEO

I have authority to bind the corporation

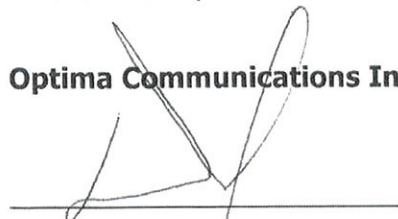


Name: Susanna Bechtold

Title: CFO & CAO

I have authority to bind the corporation

Optima Communications International Inc.



Name: Don MacLeod

Title: PRESIDENT

I have authority to bind the corporation

SCHEDULE A - SCOPE OF SERVICES

1. Introduction

This SOW is for the development and provision by Optima of Front Office and Back office services, handling Tier 1 omni-channel interactions and designated administrative functions, with escalation to Tier 2 as needed for Oshawa Power.

2. Implementation

Optima will set up meetings with Oshawa Power's IT team along with Optima's team to better understand the needs and best solutions. A project plan with launch date and key dates for milestones and accountabilities are attached in Appendix B. Optima will be open to feedback, questions and input from Oshawa Power's team along with any details that will help with launch and input into the project plan, while establishing clear lines of communication. Optima will assign a project manager for this project who will work closely with all the stakeholders to ensure success of the launch.

3. Workforce Management

Optima will leverage award winning Work Force Management system (WFM) with over 200 algorithms for precise forecasting. Optima will also adjust the workload as prescribed and directed by Oshawa Power to manage the workload effectively and efficiently. This will also include adherence monitoring which will allow Optima to move resources between tasks to better support the daily workflow. In addition, Optima will provide full WFM solution to Oshawa Power contact center team for both front and back office for improved service level, adherence and occupancy while managing real time adherence.

4. Staffing

Optima will provide core team to support Oshawa Power to service customers for both front and back office. We will leverage a combination seasoned staff with experience within Ontario utilities along with new hires if required in peak season for this project. Senior will also be provided for this project that will assist with day-to-day operation while acting as a liaison keeping up to date with program knowledge, training and operating principles. Optima will also recruit and train the 6-7 core team customer service agents to handle majority of activity for implementation; this will allow for attrition. In addition, a senior team lead will be available for tier 2 escalations. Cross Training will also be provided to supplement the core team if required based on operational need and attrition.

**5. Ramp Up**

Optima requires 6-8 weeks' notice for ramp up. This process includes recruitment, training and on-boarding. Effective execution is dependent on access to Oshawa Power's training environment and all related documents & materials for successful training and on-boarding, including timely provision of Oshawa Power's system access and IDs.

6. Training

For this project, Oshawa Power requests an initial train-the-trainer session for transfer of knowledge. Once this has been completed, Optima can conduct ongoing training moving forward to ensure Oshawa Power have resources required for this project. Attrition classes will be completed at no cost to Oshawa Power, while peak season training will be billed to Oshawa Power. Optima requests any update to training be shared with them promptly so they can update training materials and keep them current. Some call recordings for each assigned queue will also be helpful for seamless and effective on-boarding. Optima also prefer access to Oshawa Power's CIS & CRM within training environment so they can conduct scenario-based training, role play sessions along with lots of practice accounts to ensure quality and accuracy for this project.

7. Documentation

- 7.1 Optima will provide comprehensive documentation of existing workflow processes, as well as the development of clear and detailed guides outlining the step-by-step procedures. The documentation should detail key aspects of operations and WFM system ensuring a thorough understanding of how the processes function.
- 7.2 Regular review and refinement may be required to enhance the documentation during this project
- 7.3 Oshawa Power will provide process documentation and training material to Optima as part of their onboarding and go forward with the onset of any process, regulation, system change or enhancement.

8. Technology

- 8.1 Oshawa Power currently utilizes the following technological systems to support the CS model:
 - i) Finesse & Cisco omnichannel with skills
 - ii) Northstar – Harris CIS
 - iii) FileNexus – bill presentment
 - iv) MyOshawaPower Customer Portal (web based)



- v) Paymentus – third party credit card payment processing
- vi) Microsoft office
 - a. Word
 - b. Excel
 - c. Outlook
 - d. Teams

8.2 Optima will be utilizing the following technologies to support the CS model:

- i) Injixo WFM
- ii) Genesys Pureconnect

9. Interaction Types

Optima will perform full range of services that will include the following:

- 9.1 Answer and respond to all customer inquiries by various channels as outlined in SOW.
 - a. Ensure calls are secured with 3 identifiers (DOB, Name, service address, phone # etc)
 - b. Log detailed Notes on account for any and all customer interactions.
 - c. Attempt to defuse escalated calls, if unable CSR should follow escalation process:
 - i. Optima CSR>Optima Team Lead > Oshawa Power Quality Assurance Specialist> Oshawa Power Customer Service Manager
- 9.2 Ensure call volumes and work force management are appropriately managed to adhere to quality key performance indicators and in alignment with any Ontario Energy Board customer service metrics which include but are not limited to future changes:
 - a. Call Response Times
 - i. Call must be answered within industry regulated standards number of seconds of receiving the call as outlined in vendor quality scorecard.
 - b. First Contact Resolution
 - i. Address customer needs as quickly as possible and resolve issues the first time the customer contacts the utility.
 - c. Customer Satisfaction Survey
 - i. Maintain a % satisfaction rate on customer satisfaction survey responses as outlined in annual vendor quality scorecard
 - d. Email Response Times
 - i. Emails must be answered in accordance with target outlined in annual vendor quality scorecard.
 - e. Metrics/measurements may be adjusted, added or removed as per annual review of vendor quality scorecard.
- 9.3 Manage call back queue. (when applicable)
- 9.4 Ensure all correspondence such as bill copies, letters, notice copies and refund spreadsheet are submitted to End of Day File each day by 3:00pm to ensure adequate time for printing and mail out.



- 9.5 Create service orders to move in new customers, transfer services of customers within Oshawa Power Territory and move out/finalize existing customers.
- 9.6 Create service order to initiate customer choice switch for Regulated Price Plans (TOU, ULO, TIERED) of Residential and small commercial
- 9.7 Investigate returned mail on active and final accounts, contact customer, note account and re-route if necessary.
- 9.8 Accept or reject and record customer payment arrangements. (commercial and residential)
- 9.9 Ensure follow up on outstanding items on accounts are addressed with calls, letters/notices or service orders as required.
- 9.10 Process returned payments (NSF's Stop payments, Pre-authorized payment rejections etc.) and issue customer letter/notices when necessary.
- 9.11 Process correspondence to customer regarding but not limited to: incorrect banking information, budget billing adjustments, account overdue, arrears management program, payment arrangements, etc.
- 9.12 Charge or credit miscellaneous charges to accounts as required in the miscellaneous charge journals.
- 9.13 Prepare deposit waiver forms for other utilities.
- 9.14 Prepare OESP renewal letters.
- 9.15 Communicate with social agencies for customers requiring financial assistance.
- 9.16 Set up or cancel auto leave on's – Continuing Service Agreement
- 9.17 Request refund cheques for Final Bills and overpayments with Oshawa Power finance team. Ensure completion of spreadsheet in End of Day file for any refund requests.
- 9.18 Issue Final service Orders and reconnect service orders for Serviceman ie: appointments/keys. Ensure Team Lead emails all Reconnect orders to Oshawa Power immediately to ensure it is dispatched in a timely manner.
- 9.19 Manage Final Orders for the day and compile orders to be completed for subsequent day(s)
- 9.20 Compile and analyze account history data in order to calculate and set up monthly payment amount (budget billing) along with processing customer applications for Pre-authorized payment.
- 9.21 Bi-Annual review of budget billing accounts, adjust budget billing payments, request refunds of credits when necessary,
- 9.22 Default customers to E-Billing setup on all new accounts.
- 9.23 Assist customers with registering, navigating and general inquiries of MyOshawa Power Self Serve Portal.
- 9.24 Apply a deposit to account as necessary according to Conditions of Service
- 9.25 Assist with annual security deposit review.
- 9.26 Sort, prepare, problem solve, and input all customer payments, cash or cheques, mail, misapplied payments and telebanking account.
- 9.27 Correctly educate Customer choice (TOU, ULO, TIERED) and identify if switch has been made on account



- 9.28 Provide information on financial assistance to Customers (LEAP, OESP, Compassion fund, CDCD)
- 9.29 Correctly identify Eligible Low Income customers (ELIC) and be aware of regulations as they pertain to low income customers.
- 9.30 Pull copies of bills for customer (from CIS and Filenexus)
- 9.31 General account management – updating information, reviewing notes, bill history, usage history, add/remove authorized users, verify payments, refund deposit, balances, etc.
- 9.32 Create a customer # for net new customer (never had account with Oshawa Power before) Verify and search that a customer has never had an account with Oshawa Power before.
- 9.33 Identify Bill cycle and Rate Class of customer
- 9.34 Read and acknowledge alerts on accounts
- 9.35 Setup/edit or remove alerts on accounts
- 9.36 Other contact centre and back off duties as required

10. Channels

These are the channel of communication that will be supported by Optima:

- i) Inbound Phone
- ii) Outbound Phone
- iii) Voicemail
- iv) Call back queue (option for future)
- v) Email
- vi) Returned Mail
- vii) Chat (option for future)

11. Volume

Based on the volume provided by Oshawa Power, Optima will determine a low period of 2,500 calls per month while a high period of 4,000 calls per month, each period lasting about 6 months a year.

Optima will ensure resources will be in place to support the calls, along with any other tasks assigned. Oshawa Power will send notification of any changes to forecast and adjustment to workload and staffing reallocation to Optima within a timely fashion (2-4 weeks in advance is preferred). In unique circumstances, 3 business day notice may be given.

12. Project Plan & Requirements

The project plan is attached hereto as Appendix B.

13. Service, Escalation & Maintenance

- i) Please refer to Appendix A for service level rewards and liquidated damages. Optima and Oshawa Power acknowledge and agree that the sums payable under Appendix A by Optima for failing to meet agreed service level shall constitute liquidated damages and not penalties and are in addition to all other rights of Oshawa Power may have in the circumstance. The parties further acknowledge that (i) the amount of loss or damages likely to be incurred by Oshawa Power is incapable or is difficult to precisely estimate, (ii) the amounts specified in Appendix A bear a reasonable relationship to, and are not plainly or grossly disproportionate to, the probable loss likely to be incurred by Oshawa Power in connection with any failure by Optima to meet the agreed service level.
- ii) Appendix C hereto outlines the escalation path for operations and support services including contact information for the personnel responsible for each level of escalation
- iii) Appendix C outlines the contact information for Oshawa Power

14. RACI

Oshawa Power will be responsible for the following:

- i) Provide project requirements
- ii) Oshawa Power shall inspect all deliverables outlined in the SOW and the project plan.
- iii) Approve or deny any change requests completed by Optima.
- iv) Ensure proper access and setups are provided to Optima.
- v) Provide adequate and timely training updates/documentation to Optima Trainers for internal Oshawa Power processes as required
- vi) Monitor quality of calls, adherence to grade of service for calls, and various KPIs as outlined in Vendor Quality Scorecard.
- vii) Maintain a vendor touchpoint meeting to ensure smooth transition (weekly) and then move to monthly touchpoints for continuity of service review.
- viii) Receive feedback from Optima if improvement opportunities are identified to ensure adequate service levels, continuity of service and customer experience.

Optima shall be responsible for:

- i) Workforce management of agents to ensure appropriate coverage for interaction volumes.
- ii) Adhere to Oshawa Power processes as outlined in job aids and materials.
- iii) Proper training of new hires in alignment with Ontario Energy Board guidelines, regulations and Oshawa Power processes.
- iv) Inform Oshawa immediately when systems are down, escalate Tier 3 as required to Oshawa Power in a timely manner,
- v) Attend vendor touchpoint meeting to ensure smooth transition (weekly) and then move to monthly touchpoints for continuity of service review.



- vi) Monitor agent performance for positive contribution towards KPIs, vendor quality scorecard and customer experience.
- vii) Receive feedback from Oshawa Power when processes are not adhered to, or improvement measures need to be implemented.

15. Change Requests

The Change request will be submitted by Optima to Oshawa Power's Project Manager and will provide the following:

- i) Reason for the change and the impact on the project
- ii) Impact on baselines (scope, cost and schedule)

Oshawa Power will review the change request and will either approve or deny the request. If the change request is approved, Optima must do the following:

- i) Update the project plan to accommodate the change
- ii) Provide change order for signature to Oshawa Power

Appendix A – Service Level Rewards & Liquidated Damages

METRIC*	Definition
Call Response	Call must be answered within industry regulated standards number of seconds of receiving the call as outlined in vendor quality scorecard.
Written Response	Emails must be answered within # business days of receiving the email inquiry as target outlined in vendor quality scorecard.
Customer Satisfaction Survey	Achieve % customer satisfaction rate on customer satisfaction survey responses as set in Vendor Quality Scorecard
<i>These KPI's will roll up to compile the Oshawa Power Customer Service Index, which will be used as part of the recompense of rewards/damages monthly. These KPIs are subject to change; meaning removal, addition including but not limited to threshold, target and stretch as outlined in the annual vendor quality scorecard.</i>	

<i>KPI*</i>	<i>Definition</i>	<i>Measurement*</i>	<i>Reward*</i>	<i>Liquidated* Damage</i>
<i>Customer Service Index</i>	<i>Compilation of KPIs reported to OEB</i>	<i>Achieve monthly stretch target as outlined in vendor quality scorecard</i>	<i>5 %</i>	<i>N/A</i>
<i>Customer Service Index</i>	<i>Compilation of KPIs reported to OEB</i>	<i>Unachieved monthly target as outlined in vendor quality scorecard</i>	<i>N/A</i>	<i>5%</i>

**metrics/measurement/KPI, % rewards & penalties are subject to change for augmented services as required. This is to allow alignment with OEB regulations, Oshawa Power business requirements and annual review of vendor quality scorecard*

The initial 6 months of service agreement will be deemed a "transition period" and therefore be omitted from the Quality Vendor Scorecard in year one. After the transition period, scoring of metrics will commence and subsequent years will be subject to full year scorecard targets.

Appendix B – Implementation Project Plan

Task	Responsibility	Due Date
Recruitment & Training	Optima	January 1 - January 31, 2024
Systems Access	Oshawa Power	January 22, 2024
Train the Trainer	Oshawa Power	January 29 & 30, 2024
Workflow & Documentation	Optima/Oshawa Power	January 30, 2024
Test	Optima/Oshawa Power	February 1, 2024
Gather Feedback & Implement	Optima	February 14, 2024
GO LIVE	Optima	February 29, 2024

Severity	Team Responsible	Response Description	Contact Information	Response Time	Type of Channels	Escalation next Level
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Appendix C – Service, Escalation, and Maintenance



OSHAWA POWER

STATEMENT OF WORK

Optima Communications International Inc.

Tier 1	Optima	Inbound phone interactions and administrative support.	905-723-4623 Contactus@oshawapower.ca	As per quality scorecard	Phone, email, voicemail	Tier 2
Tier 2	Optima	If CSR is unable to diffuse call, transfer to Tier2 Escalation at Optima. If Tier 2 is not able to satisfy or provide resolution to the customer, Optima will transfer to First Contact Supervisor.	Team leader: Girlie_mendoza@optima.net		Phone, email, voicemail	Tier 3
Tier 3	Oshawa Power	If Optima is unable to resolve the customer call and it needs to be escalated to Oshawa Power it can be forwarded to either Oshawa Power Customer Service Supervisor or Customer Service Manager.	First Contact QA Specialist: mpervez@oshawapower.ca 905-723-4626 x 5241 Second Contact Manager: apereira@oshawapower.ca 905-723-4626 X 5231	N/A	N/A	N/A

Attachment 4 – 7

Contract Between Oshawa Power and 2825407 Ontario Inc.

SERVICES AGREEMENT

THIS SERVICES AGREEMENT is made as of the 1st day of September 2024 (“Effective Date”)

BETWEEN:

OSHAWA PUC NETWORKS INC., a corporation incorporated pursuant to the laws of the Province of Ontario
(referred to as "Networks" after this)

-and-

2825407 ONTARIO INC., a corporation incorporated pursuant to the laws of the Province of Ontario
(referred to as "Contractor" after this)

WHEREAS:

- A) Each of the Parties to this Agreement is a corporation incorporated under the *Business Corporations Act* (Ontario);
- B) Contractor, an affiliate of Networks, has agreed to provide certain services to Networks on the terms set forth in this Agreement.

NOW THEREFORE in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I - INTERPRETATION

1.1 Definitions

Unless the context otherwise specifies or requires, for the purposes of this Agreement all capitalized terms herein shall have the meanings set forth below

- (a) "Agreement" means this Services Agreement together with all Schedules attached to it, as they may be amended from time to time;
- (b) "Business Day" means any day other than a Saturday, Sunday, statutory or bank holiday in the Province of Ontario;
- (c) "Claim" has the meaning ascribed to it in Section 4.4;
- (d) "Confidential Information" means information Networks has obtained relating to a specific smart sub-metering provider, wholesaler, consumer, retailer or generator in the process of providing current or prospective distribution service;
- (e) "Defaulting Party" has the meaning ascribed to it in Section 8.1;
- (f) "Event of Default" has the meaning described to it in Section 8.1;
- (g) "Force Majeure Event" has the meaning ascribed to it in Section 11.1;
- (h) "IESO" means the Independent Electricity System Operator;
- (i) "Law" means any law, rule, regulation, code, order, writ, judgement, decree or other legal or regulatory determination by a court, regulatory agency, including the OEB, IESO, or governmental authority of competent jurisdiction;
- (j) "Party" means a party to this Agreement and "Parties" means both parties to this Agreement;

- (k) **"Person"** means an individual, corporation, partnership, joint venture, association, trust, pension fund, union, governmental agency, official, board, tribunal, ministry, commission or department;
- (l) **"Services"** are Services that are provided under **Section 3.1** of this Agreement;
- (m) **"Term"** has the meaning ascribed to it in **Section 2.1** of this Agreement; and

1.2 Construction of Agreement

In this Agreement:

- (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders;
- (b) all usage of the word "including" or the phrase "e.g.," in this Agreement shall mean "including, without limitation," throughout this Agreement;
- (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated under it, as the same may be amended, re-enacted, consolidated or replaced, from time to time, and any successor statute, unless otherwise expressly provided;
- (d) any reference to a specific executive position or an internal division or department of a Party shall include any successor positions, divisions or departments having substantially the same responsibilities or performing substantially the same functions;
- (e) when calculating the period of time within which or following which any act is to be done or step taken, the date which is the reference day in calculating such period shall be excluded, and if the last day of such period is not a Business Day, the period shall end on the next Business Day;
- (f) all dollar amounts are expressed in Canadian dollars;
- (g) the division of this Agreement into separate Articles, Sections, subsections and Schedules and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (h) words or abbreviations which have well known or trade meanings are used in accordance with their recognized meanings;
- (i) the terms and conditions are the result of negotiations between the Parties and the Parties therefore agree that this Agreement shall not be construed in favour of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Agreement.

ARTICLE 2 - TERM

2.1 Term

Unless terminated in accordance with **Section 10.1** of this Agreement, this Agreement shall come into force on the Effective Date and shall terminate on the 31st day of August 2026.

ARTICLE 3 - NETWORKS SERVICES AND COVENANTS

3.1 Services

Subject to the rules of the Affiliate Relationships Code for Electricity Distributors and Transmitters prescribed by the Ontario Energy Board (the **"Affiliate Relationships Code"**), and the terms, covenants and conditions contained in this Agreement, Contractor will provide, or cause to be provided, to Networks the services set out in **Schedule "A"** (collectively the **"Services"**), as may be required by Networks.

3.2 Service Standards

Subject to the terms, covenants and conditions contained in this Agreement, Contractor will provide the Services to Networks, or cause them to be provided, to the standards set out in **Schedule "B"** (collectively the **"Service Standards"**).

3.3 Changes

The Parties may, from time to time, agree to modifications to a Service or a Service Standard by negotiating appropriate changes to the descriptions of the Service or the Service Standard and the consideration in connection with such changes and shall initial and attach amended schedules to this Agreement.

3.4 General Contractor Covenants

- (a) Contractor shall be responsible for obtaining all necessary licences and permits and for complying with all applicable federal, provincial and municipal laws, codes and regulations in connection with the provision of the Services and Contractor shall, when requested, provide Networks with adequate evidence of its compliance with this **Section 3.4**;
- (b) Contractor shall while on the premises used by Networks, comply with all the rules and regulations of Networks from time to time in force, which are brought to its notice or of which it could reasonably be aware;
- (c) Contractor shall pay for and maintain for the benefit of Contractor appropriate insurance concerning the operations and liabilities of Contractor relevant to this Agreement including, without limiting the generality of the foregoing, workers' compensation and employment insurance in conformity with applicable statutory requirements in respect of any remuneration payable by Contractor to any employees of Contractor and public liability and property damage insurance;

3.5 Regulatory Change

If any change of Law after the date of this Agreement renders this Agreement illegal or unenforceable, then the Parties shall be required to renegotiate in good faith for thirty (30) days with a goal of developing a substitute agreement with such amendments as are necessary to comply with such change of Law.

ARTICLE 4 – MUTUAL COVENANTS

4.1 Confidentiality of Confidential Information

Networks shall not provide to Contractor access to Confidential Information in its possession, except as permitted by the Affiliate Relationships Code. Contractor shall comply with relevant computer data management and data access protocols established from time to time by Networks to protect against unauthorized access to Confidential Information. Contractor shall, without delay, report to Networks any breach by Contractor of such protocols, for appropriate corrective actions by Networks; and shall be liable to Networks for such breach.

4.2 Maintain Records

The Parties will maintain such records as may be necessary in connection with this Agreement and as are agreed upon by the Parties acting reasonably.

4.3 Notification of Changes of Circumstances

Contractor shall promptly give written notice to Networks of any changes or prospective changes in circumstances that would materially affect the resources required for the Services provided to Networks, including any anticipated material change in the nature or level of business of Contractor, the number of employees of Contractor, or any efforts relating to the organization of or collective bargaining by employees of Contractor, or any lease or service arrangements contemplated with any third parties.

4.4 Notice of Claims, Etc.

Contractor shall promptly give written notice to Networks, and Networks shall promptly give written notice to Contractor, of all material claims, proceedings, notice of regulatory non-compliance from any regulatory authority, disputes (including labour disputes) or litigation (collectively, “**Claims**”) which it reasonably believes could have a material adverse effect on the fulfillment of any of the material terms hereof by Contractor or Networks (whether or not any such Claim is covered by insurance) in respect of its own operations of which any of them is aware. Each Party shall provide the other Party with all information reasonably requested from time to time concerning the status of such Claims and any developments relating thereto.

4.5 Annual Review

The Parties shall mutually review this Agreement and its performance on an annual basis. Following a review and if required, the Parties shall make necessary changes or amendments to this Agreement in writing and signed by the authorized representative(s) of each Party.

ARTICLE 5 – FEES AND COSTS

5.1 Fees

Networks shall pay to Contractor the fees and charges set out in **Schedule “C”** for services received from Contractor.

5.2 Taxes

In addition to the fees, Networks shall pay to Contractor an amount equal to any and all goods and services taxes, sales taxes, value-added taxes or any other taxes (excluding income taxes) properly eligible on the supply of the Services.

ARTICLE 6 – REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Contractor

Contractor represents and warrants to Networks as follows and acknowledges that Networks is relying on such representations and warranties:

- (a) Contractor is a corporation, duly incorporated, validly existing and in good standing under the laws of the Province of Ontario and it has the rights, powers and privileges to execute and deliver this Agreement and to perform its obligations hereunder;
- (b) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action;
- (c) this Agreement constitutes a legal, valid and binding obligation of Contractor, enforceable against Contractor by Networks in accordance with its terms; and
- (d) Contractor has the necessary resources and expertise to perform the Services.

6.2 Representations and Warranties of Networks

Networks represents and warrants to Contractor as follows and acknowledges that Contractor is relying on such representations and warranties:

- (a) Networks is a company, duly organized, validly existing and in good standing under the laws of the Province of Ontario and it has the rights, powers and privileges to execute and deliver this Agreement and to perform its obligations hereunder;
- (b) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate actions; and
- (c) this Agreement constitutes a legal, valid and binding obligation of Networks, enforceable against Networks by Contractor in accordance with its terms.

6.3 Warranty

- (a) Contractor warrants that the Services it provides will be performed in a professional and workman like manner subject to Section 6.3(b) below. Contractor warrants that any fault or defect due to workmanship of Contractor shall be corrected as soon as is reasonably possible upon notification by Networks at no cost to Networks;
- (b) in respect of Contractor workmanship, this warranty period shall extend to a defect or failure occurring within 90 days of the date that the original Services was completed.

ARTICLE 7 - INDEMNIFICATION

7.1 Indemnification

- (a) Contractor shall indemnify, defend and hold harmless Networks, its officers, directors, and employees (each a "**Networks Indemnitee**") from and against any and all claims, demands, suits, losses, liabilities, damages, obligations, payments, costs and expenses and accrued interest thereon (including the costs and expenses of, and accrued interest in respect of, any and all actions, suits, proceedings, assessments, judgements, awards, settlements and compromises relating thereto and reasonable lawyers' fees and reasonable disbursements in connection therewith) (each an "**Indemnifiable Loss**"), asserted against or suffered by any Networks Indemnitee relating to, or in connection with, or resulting from or arising out of the provision of the Services by Contractor.
- (b) Networks shall be deemed to hold the provisions of **Section 7.1(a)** that are for the benefit of Networks Indemnitees that are not party to this Agreement in trust for such persons as third party beneficiaries under this Agreement.

7.2 Limit of Liability

Networks agrees that Contractor's liability, if any, to Networks in connection with or arising under this Agreement, including without limitation, any liability arising from any act or omission of Contractor in the provision of the Services, whether arising in contract, law, tort, equity or otherwise, shall be limited to direct losses resulting from the provision of the Services and shall not exceed an amount equal to the total amount paid by Networks to Contractor under this Agreement for Services over the twelve month period preceding the date that the cause of action or claim giving rise to the liability first arose.

- 7.3 Notwithstanding anything else to the contrary in this Agreement, the Parties agree that Networks shall not be responsible for any sanctions, fines, penalties, or similar obligations imposed on Contractor, and Contractor agrees to indemnify and hold harmless Networks from any such sanctions, fines, penalties or similar obligations.

ARTICLE 8 - DEFAULT

8.1 Events of Default

The occurrence of any one or more of the following events shall constitute a Default by a Party (the "**Defaulting Party**") under this Agreement and shall constitute an Event of Default if such Default is not remedied prior to the expiry of any notice period and any cure period applicable to such Default:

- (a) if the Defaulting Party defaults in the payment of any amount due to the other Party under this Agreement and such default shall continue unremedied for sixty (60) days following notice in writing thereof to the Defaulting Party by the other Party; and
- (b) if the Defaulting Party fails in any material respect to perform or observe any of its other material obligations under this Agreement and such failure shall continue unremedied for a period of sixty (60) days following notice in writing thereof (giving particulars of the failure in reasonable detail) from the other Party to the Defaulting Party or such longer period as may be reasonably necessary to cure such failure (if such failure is capable of being cured), provided that the Defaulting Party:
 - (i) proceeds with all due diligence to cure or cause to be cured such failure; and
 - (ii) in proceeding so, can be reasonably expected to cure or cause to be cured such failure within a reasonable time frame acceptable to the other Party acting reasonably.

ARTICLE 9 - REMEDIES

9.1 Default Remedies

- (a) Unless otherwise agreed to in writing, in the event of an Event of Default the non-defaulting Party may terminate this Agreement upon notice in writing and all amounts payable by the defaulting Party hereunder shall become due and payable forthwith;
- (b) The remedies in this section are expressly in lieu of any or all of the remedies which may be available to each Party in respect of or under this Agreement resulting from the furnishing, the failure to furnish or the quality of any Services.

ARTICLE 10 -TERMINATION

10.1 Termination

- (a) This Agreement shall terminate in accordance with the provisions of **Section 9.1**;
- (b) This Agreement shall automatically terminate if and when Contractor ceases to be an affiliate of Networks.

10.2 Notice of Termination

Any termination hereof pursuant to Section 10.1 shall be by written notice of the terminating Party.

ARTICLE 11 - GENERAL

11.1 Force Majeure

No Party shall be liable for a failure or delay in the performance of its obligations pursuant to this Agreement:

- (a) provided that such failure or delay could not have been prevented by reasonable precautions;
- (b) provided that such failure or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, work around plans or other means; and
- (c) if and to the extent such failure or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, acts of war, terrorism, riots, civil disorders, rebellions, strikes, lock outs or labour disruptions or revolutions in Canada, or any other similar causes beyond the reasonable control of such Party, (each a "**Force Majeure Event**").

Upon the occurrence of a Force Majeure Event, the non-performing Party shall be excused from any further performance of those of its obligations pursuant to this Agreement affected by the Force Majeure Event only for so long as:

- (a) such Force Majeure Event continues; and
- (b) such Party continues to use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay.

The Party delayed by a Force Majeure Event shall:

- (a) immediately notify the other Party by email or telephone (to be confirmed in writing within five (5) days of the inception of such delay) of the occurrence of a Force Majeure Event; and
- (b) describe in reasonable detail the circumstances causing the Force Majeure Event.

11.2 Dispute Resolution

- (a) In the event of any dispute between the Parties arising out of or in connection with this Agreement, the Parties shall make all reasonable efforts to resolve the dispute through amicable negotiations.
- (b) If the Parties have been unable to resolve any dispute by means of the negotiations described in **Section 11.2(a)** above within thirty (30) Business Days after commencing negotiations, any of the Parties may refer the dispute to a binding arbitration before a single arbitrator at Oshawa, Ontario pursuant to the *Arbitration Act*, 1991 (Ontario). The decision of the arbitrator shall be final and binding on the Parties.

11.3 Assignment

No Party shall, without the written consent of the other Party, which may be arbitrarily withheld in the sole discretion of a Party, assign or transfer its interest in this Agreement. This Agreement shall be binding on the Parties and their respective successors and permitted assigns. Any purported assignment in contravention of this Agreement shall be void.

11.4 Notices

All notices, request, approvals, consents and other communications required or permitted under this Agreement shall be in writing and addressed as follows:

- (a) if to Networks,

100 Simcoe St. South
Oshawa, ON
L1H 7M7

Attn: Daniel Arbour
Email: darbour@oshawapower.ca

- (b) If to Contractor,

100 Simcoe St. South
Oshawa, ON
L1H 7M7

Attn: Douglas Proska
Email: dproska@enerforge.ca

and shall be sent by email. Any Party may change its address for notification purposes by giving the other Party notice of the new address and the date upon which it will become effective in accordance with the terms of this Agreement.

11.5 Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable or contrary to law, then the remaining provisions of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each such provision of this Agreement shall be valid and enforceable to the extent granted by law. If any section is deemed unenforceable or contrary to law, the parties shall alter the said section and this agreement to produce enforceability or compliance with law such that the intent of the original section is maintained and such change or alteration may be established through the dispute resolution section in this agreement.

11.6 Waiver

No delay or omission by a Party to exercise any right or power it has under this Agreement or to object to the failure of any covenant of any other Party to be performed in a timely and complete manner, shall impair any such right or power or be construed as a waiver of any succeeding breach or any other covenant. All waivers must be in writing and signed by the Party waiving its rights.

11.7 Entire Agreement

This Agreement supersedes any prior agreement between Networks and Contractor in relation to the Services provided for in this Agreement, and constitutes the entire Agreement between the Parties with respect to the Services, and there are no other representations, understandings or agreements, either oral or written, between the Parties other than as set out in this Agreement.

11.8 Amendments

No amendment to, or change, waiver or discharge of, any provision of this Agreement shall be valid unless in writing and signed by authorized representatives of each Party.

11.9 Governing Law

This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

11.10 Survival

The terms of **Article 7**, **Article 9** and **Article 11** shall survive the expiration of this Agreement or termination of this Agreement for any reason.

11.11 Third Party Beneficiaries

Except as expressly permitted elsewhere in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person or entity other than the Parties.

11.12 Covenant of Further Assurances

The Parties agree that, subsequent to the execution and delivery of this Agreement and without any additional consideration, the Parties shall execute and deliver or cause to be executed and delivered any further legal instruments and perform any acts which are or may become necessary to effectuate the purposes of this Agreement and to complete the transactions contemplated under it.

IN WITNESS WHEREOF this Agreement has been executed by the duly authorized signatories of the Parties hereto as of the date first written above.

OSHAWA PUC NETWORKS INC.

Per:



Name: Daniel Arbour
Title: President and CEO

2825407 ONTARIO INC.

Per:



Name: Douglas Proska
Title: Managing Director

SCHEDULE A

Description of Services

Drop Card

Contractor Field Personnel will be required to attend at the Customer's premises and attempt to make contact with the Customer by knocking on the door or ringing the doorbell. After waiting a reasonable amount of time with no answer, Contractor Field Personnel will complete a notice card and leave it in a place where there is the greatest likelihood the Customer will see it although ensuring it is not in public view. If it cannot be left in an area that is not in public view, Contractor Field Personnel will complete the card, enclose it in an envelope provided by Networks and leave it where the Customer will likely see it.

As part of the Drop Card process, should the Occupant be a Tenant and not the Account Holder, Contractor Field Personnel are to hand a Tenant Letter instead of a Drop Card.

Drop Letter

Periodically Networks requires that letters be delivered to the Customer for a variety of reasons. These letters are to be delivered under the same terms as the Drop Card specific instructions as per Networks.

Negotiate a Payment Arrangement, Made with Customer, Commit to contact Networks and Make Payment to Collector

If the Customer answers the door during a Notice Delivery Contractor Field Personnel are required to explain the nature of the visit and encourage the Customer to either make full payment owing, negotiate a payment arrangement or commit to contacting Networks to make payment arrangements.

If the Customer agrees to either make payment to or contact Networks, Contractor Field Personnel will complete a Notice Card and give to the Customer, note this on the Service order and request the Customer to sign.

If the Customer agrees to contact Networks to make payment arrangements, Contractor Field Personnel must complete a Notice Card and give to the Customer, note this on the Service order and request the Customer to sign.

If the Customer promises to contact Networks, Contractor Field Personnel will complete a Notice Card and give to the Customer note this on the Service order and request the Customer to sign.

Payment Collected

If the Customer makes the minimum required payment at the time of the Notice delivery, Contractor Field Personnel will prepare a receipt and hand to the Customer and upon return to Networks provide payments and receipts to the Payment office, or as otherwise instructed by Networks.

Disconnect Service

If the specified period has elapsed since the Notification of Disconnect (Drop Card) was delivered, Contractor Field Personnel, on the instruction of Networks, will attend at Customer premises and disconnect the service. Once on-site Contractor Field Personnel will attempt to make contact with the Customer prior to disconnection of service to allow the Customer the opportunity to make payment. Should the Customer not be available, Contractor Field Personnel are to leave a notice card, as provided by Networks, at the premise and proceed with the disconnection of the service.

As part of a Disconnection Contractor Field Personnel must hand out a Disconnection letter (includes Reconnection Application on the reverse), Warning letter and call a Collection Representative at Networks to advise Service Address, Date and time of the Disconnect.

If Contractor Field Personnel cannot Disconnect due to safety concerns, inability to access the meter or for any other reason, a Disconnect Attempt notice is to be left in a place where there is the greatest likelihood the Customer will see it although ensuring it is not in public view. If it cannot be left in an area that is not in public view, Contractor Field Personnel will complete the notice, enclose it in an envelope provided by Networks and leave it where the Customer will likely see it.

If Contractor Field Personnel are directed by Networks staff to attend at a service address to Disconnect and cannot Disconnect due to safety concerns, inability to access the meter or for any other reason, a Disconnect Attempt notice is to be left in a place where there is the greatest likelihood the Customer will see it although ensuring it is not in public view. If it cannot be left in an area that is not in public view, Contractor Field Personnel will complete the notice, enclose it in an envelope provided by Networks and leave it where the Customer will likely see it.

Reconnect Service

Once payment has been received or arrangements made through Networks with a Customer whose service was previously disconnected, Contractor Field Personnel, as directed by Network, will attend at the Customer's premises within 24 hours of the arrangement to reconnect the service.

If an arrangement is made to collect payment at the time of reconnection, Contractor Field Personnel are to collect said funds and follow Network's standard collections process (ref: "Payment Collected" above).

Prior to reconnecting service Contractor Field Personnel will attempt to make contact with Commercial

Customers at their premises to ensure all appliances~ etc. has been turned off prior to reconnection.

As part of Reconnection, Contractor Field Personnel must request that the Customer completes a Reconnection form and call a Collection Representative at Networks to advise Service Address, Date and time of the Reconnect.

If Contractor Field Personnel cannot Reconnect due to safety concerns, inability to access the meter or for any other reason, a Disconnect/Reconnect Attempt notice is to be left in a place where there is the greatest likelihood the Customer will see it although ensuring it is not in public view. If it cannot be left in an area that is not in public view, Contractor Field Personnel will complete the notice, enclose it in an envelope provided by Networks and leave it where the Customer will likely see it.

Installed Load Limiter

At the request of Networks, Contractor Field Personnel may be required to install a Load Limiter at the time of Disconnect, as provided by Networks. Once payment has been received or an arrangement made with Networks, Contractor Field Personnel may subsequently be required to remove the Load Limiter.

Single-Phase Meter Exchange

Contractor Field Personnel will perform any single-phase meter exchange as per Networks request such as and not limited to Failure to Contract, Meter Change Reverification Program, Stuck Meters, Check Reads, and Ad-hoc Meter-related Change requests.

SCHEDULE B

Description of Service Standards

The Collection / Meter Installations related services (the "Services") to be performed under this Agreement between Networks and Contractor are listed herein and include specific conditions, definitions and limitations that form part of this Agreement. Any changes, modifications or additions to this Services Agreement must be agreed to in writing by both parties prior to any changes being effected.

GENERAL TERMS

Staffing

Contractor will provide sufficient fully trained and accredited staff to perform the work detailed in the Service Definitions below and to perform the work based on the number of work orders produced by Networks or as specifically request by Networks. Contractor will also have sufficient back up staff fully trained and accredited to perform disconnection and reconnection services should there be a need to replace an existing staff member at any time. In the event that additional work becomes available Contractor will upon 72 hours notice, provide up to one (1) additional staff to assist in the work, pending availability. Any additions to staffing on a regular basis must be agreed upon by both parties in writing and be based on a consistent increase in volume of services to be performed.

Staff must be fully trained and accredited to perform disconnection, reconnection and installations of single-phase metering application up to and including 347 / 600 volts services.

Work Hours

The Contractor Field Personnel must be available for work between the hours of 8:30 a.m. and 4:30 p.m. each day, or other times as mutually agreed upon by both parties, with the exception of weekends or Statutory Holidays. Work beyond these hours, on weekends or holidays will be through arrangement with Networks. The Contractor Field Personnel must return to Networks each day no later than 4:30 p.m. to allow for the processing of work orders by Networks, or other time as mutually agreed upon by both parties.

Assignment of Work

Work orders are to be processed by Networks and available for review and assignment by Contractor Field Personnel by 8.00 a.m. each business day, or other time as mutually agreed upon by both parties. Work orders are to be processed by area and if additional work is to be allocated Networks will make every attempt to ensure that work is in areas directly adjacent to avoid excessive travel.

Volume of Work

Networks cannot guarantee the volume of work assigned to Contractor Field Personnel but will make every effort to ensure a consistent flow of work to warrant the number of Contractor Field Personnel made available during a standard eight (8) hour business day. Contractor will attempt to work at minimum 12 service orders per technician assigned to Networks.

Should there be a significant increase in the work volume Contractor will apply best commercial efforts to increase the number of staff to accommodate Network's full-time needs. In the event of a decrease Contractor will have the right to decrease the staff compliment to ensure efficiencies and retention of the remaining Field Personnel.

SCHEDULE C

Fees & Charges

Service Description	Bill Rate	Bill Type
FSR with Vehicle – Standard Business Day		
FSR with Vehicle – Overtime (>8-hour business day)		

Pricing Notes

Attachment 4 – 8

Marjorie Richards Workforce Proposal

PROPOSAL –Organizational Structure Review & Workforce Planning - Report & Recommendations

May 15, 2024

Acting in the capacity of consultant, Marjorie Richards & Associates Ltd. ('M. Richards') would be retained to assist Oshawa Power to a) undertake a review and provide recommendations of its current organization structure against its future needs, and b) develop a five-year trades & technical Workforce Plan.

Overview:

Oshawa Power seeks to undertake a review and assessment of its Trades & Technical Workforce's capacity & capabilities and its Management/Non-Union competencies/skills and structure alignment to:

- Leverage the opportunities of the digital transformation of the energy sector; create efficiencies in workflow processes
- Workforce planning: Identify the gaps in its current organizational structure to ensure that it has the required workforce to meet the challenges and opportunities for 2024 and for the years 2025 to 2030
- Identify the people skills, capabilities and competencies needed now and into the future
- Right Size and Right Skill its workforce

We have assumed that Oshawa Power's current structure is based on its defined strategy and direction and that each functional leader understands the organizational structure for their area of accountability.

The process will include interviews with the CEO and each Senior Team Leader (VP Operations, Director Regulatory, Director People, VP IT, and Director Communications/Customers. The interviews will focus on (but not be limited to):

- Upskilling requirements for current resources – what capabilities do we need
- Gaps in current resources and required capabilities
- Leadership requirements as part of the above – looking at demographics, capabilities and gaps
- Structure – in terms of levels of leadership and knowledge transfer given the demographics
- Transitional approach – how this will be done over the next 5 years. How will current positions be impacted, what positions will be added and when, what competencies will these new roles bring

This Proposal assumes that Oshawa Power is not looking for a comprehensive Organizational Structure Review across all of its functionalities, delving into end-to-end business processes, accountabilities and workflows (hand-offs, decision-making, etc.)) We assume Oshawa Power has a solid understanding and projections on what FTE's are required over the next five years. Our role will be to support Oshawa Power in building the justification for additional/changes in FTE's for this group, in support of its COS Application process. If during our work, we encounter gaps that we consider critical, we will bring them forward with potential structure suggestions and solutions.

Project Scope:

There are ***two distinct yet intertwined projects to be undertaken***. Below is an outline of our approach to each initiative:

1 - Organization Structure Review

- ***Review Oshawa Power's Strategic Plan*** and any other supporting materials that will provide insight into its longer-term direction, for the regulated business only
- ***Review Future Position Profiles*** and any materials that provide insight into decision/authority levels, people practices and how departments currently interact with each other (vertically and laterally)

- **Engage the CEO** to kick off the project. The discussion will include strategy, growth areas, required capabilities, and core competencies. We will further identify any areas the CEO considers sacred cows and determine latitude for the senior team interviews. The CEO will have pre-determined ideas and insights regarding the structure they have established. Meeting with the CEO first provides valuable insight and an ability to direct interviews with the senior team (meeting to be in person)
- **Develop a Checklist Interview Approach** for each element specific to the strategy, business model and business plans
- **Engage and Interview senior team members** individually, to provide business intelligence and valuable insight into the current operations of the organization, who does what, and where current decision and authority lines interact as well as the vision for the future. Provide queries prior to meeting, provoking thoughtful consideration and to expediate the process (Interviews to be in person if possible)
- **Interview and Confirm Assumptions and the Org Chart** with the CEO. Provide information in advance of the meeting and identify areas of affirmation, decision and/or recommended direction changes
- **Develop the Justification** for additional and/or changing FTE's in accordance with the requirements of the OEB's COS process (focused on benefits to the Customer and/or Safety enhancements where possible)
- **Develop a Transition Plan** offering options for the organization to transition its compliment and capabilities over 2024 to 2029
- **Develop a PP Report & Recommendations** including multi-year transitional plan and recommendations to support the company organization structure

2 – Workforce Planning

The Review is focused on trades and technical staff inclusive of front-line management required to lead and manage the trades groups

Matching the resource capability with the work demands will include, but not be limited to:

- Oshawa Power plans for technological advancements
- Growth in Oshawa Power's Customer Base and geographic boundaries
- Increased work demands due to aging distribution infrastructure
- Increased work demands for new infrastructure due to customer growth

Assumptions: Oshawa Power will assess the need to project workforce requirements over the next 5 years based on operating and capital plans, as well as the demographic information

- **Research and identify market-driven analysis** that will have an impact (negative and favourable) on Oshawa Power's ability to undertake its long-term operation and capital plans
- **Identify and develop workforce analytic charts** that will assist in identifying the right size and right skills for now and over the next five years
- **Engage the organization** to provide the statistics and numbers to complete the analytics
- **Engage the senior team** to determine the Assumptions¹ to be used in modeling the plan (retirement projections, resource requirements for work programs over next five years, third party outsourcing challenges/opportunities, ratio capital vs. maintenance, time to proficiency, ratio apprentice to 1st class lineman, etc.)
- **Engage HR** to quantify current and projected demographics (retirements, turnover, etc.)
- **Obtain critical wage comparison** – develop and manage a simple survey tool to gather wage comparisons on critical benchmark positions with LDC's whom Oshawa Power considers its competition for attracting and losing skilled trades
- **Develop an Organization Structure Report & Recommendations** to support Oshawa Power's future investment in its trades and technical staff. The information will directly impact budget forecasts over the next five years, align to the organizations overall strategy and provide evidentiary support in the upcoming Rate Application

¹ The assumptions utilized are critical to the reasonableness, validity and sustainability of the Plan