

REQUESTOR NAME	VECC
INFORMATION REQUEST ROUND:	# 1
TO:	Elexicon Energy Inc.
DATE:	September 18, 2025
CASE NO:	EB-2025-0046
APPLICATION NAME	2026 IRM Application – ICM

VECC-1

- a) Please file all materials presented to the Board of Directors related to the two ICM projects.
- b) Please provide a copy of any internal business cases for the proposed ICM projects, if different from the business cases filed with the Application.

VECC-2

When specifically did Elexicon make the decision to pursue an ICM Application for:

- a) Sandy Beach TS Rebuild
- b) Belleville TS DESN #2

VECC-3

Ref: Manager's Summary p. 28

Please provide the Board approved and actual ROE for the years 2022-2023 and the forecast for 2025.

VECC-4

Ref: Manager's Summary p. 30

Please provide the bill impacts related to:

- a) Each ICM Rate Rider.
- b) Group 2 Disposition Rate Riders.
- c) Group 1 Disposition Rate Riders.

VECC-5

Ref: Appendix A p. 20

- a) Please provide a detailed capital projects table in the form established in the Board's Appendix 2-AA (normally applicable for cost of service applications), for 2025 and 2026.
- b) Please provide the amount in rates for Substation Renewals and Substation Upgrades.
- c) Please provide the Substation Renewal Budget and Substation Upgrades budget compared to actuals for each of the years 2021-2026 and explain any material variances.
- d) Please provide a breakdown of the Substation Renewal spending in each of the years 2021 to 2026 and in the response include each project description and project cost.
- e) Please provide a breakdown of the Substation Upgrade spending in each of the years 2021 to 2026 and in the response include each project description and project cost.
- f) Please provide an evaluation and explanation of how project reprioritization or other factors were considered to demonstrate the Sandy Beach TS ICM request cannot be accommodated in the capital budget envelope.

Sandy Beach Substation Rebuild

VECC-6

Ref: Appendix B

- a) Please provide the date of the Business Case filed at Appendix B.
- b) Please provide the detailed project schedule for the Sandy Beach TS Rebuild that is associated with the Business Case at Appendix B.
- c) Please provide the latest detailed project schedule and include the date.

VECC-7

Ref: Appendix B p. 4

The need to replace the station arose in 2022, when the station experienced multiple failures.

- a) Please provide the number of failures, customer interruptions and customer interruption minutes for each failure on Transformer T1 for the period 2015-2025.
- b) Please provide the number of failures, customer interruptions and customer interruption minutes for each failure on Transformer T2 for the period 2015-2025.
- c) Please provide similar data on other equipment failures associated with the station for the period 2015-2025.

VECC-8

Ref: Appendix B p. 4

The evidence states there was a failure on July 25, 2022, when the F1 Recloser on the Transformer T1 failed during re-energization. The Sandy Beach station was put back in service on March 8, 2023.

- a) Please provide the number of customers impacted and the total hours of interruption for the July 25, 2022 failure.
- b) Please provide more details to explain the situation and why the Sandy Beach Station was not put back in service until March 8, 2023.
- c) Prior to the station being put back into service, please explain where the power was supplied from and for how long.

VECC-9

Ref 1: Appendix B p. 4

Elexicon proceeded with its RFP process to order replacement transformers, which have a long lead time for delivery. Orders were placed in early 2024, with an expected delivery in late 2025. Based on the expected date of delivery, Elexicon identified 2026 as the earliest in-service date for the rebuild of the station.

- a) Please provide the average timeline from the order date to the delivery date for a transformer over the period 2020 to 2024.
- b) Please confirm once the replacement transformers are delivered, the project timeline for completion is 12 months.

Ref 2: Appendix B p. 8

- c) Please confirm the two transformers were delivered in August 2025 and in the response include the actual delivery date.

d) If the transformers have not been delivered, please provide the last day of delivery required to ensure a 2026 in-service date to rebuild the station.

e) Please provide the forecast delivery date for the HV switchgear.

VECC-10

Ref: Appendix B p. 4

a) Please provide the cost estimate for each of the following:

- design of layout to accommodate equipment under a transmission line
- excavation and disposal of any contaminated soil
- two 15/20/25MVA transformers
- two high voltage metal-clad switches,
- four pad-mounted reclosers
- cables
- protection equipment
- control-building for the protection equipment
- equipment installation costs

b) Please provide the metres of cable to be installed.

c) Please provide details of the protection equipment to be installed.

VECC-11

Ref: Appendix B p. 5

The total cost of the project is estimated to be \$9.7M based on a Class 3 estimate with construction to be completed by October 2026.

a) Please provide a copy of the Class 3 estimate.

b) If available, please provide a copy of the latest Class estimate (Class 2 or better).

c) Please provide the latest in-service date based on the most current information.

VECC-12

Ref: Appendix B p. 6

Transformer T2 was replaced by an undersized spare unit (undersized by 3MVA), constraining capacity as well as requiring extra cooling. The temporary Transformer T2 is currently installed on a temporary wood structure with steel plates between it. This configuration is not ideal or sustainable for the substation's safety and long-term

reliability.

Please explain why Elexicon chose to install an undersized spare transformer unit in a less than ideal configuration instead of utilizing a right sized spare transformer installed in a more sustainable configuration.

VECC-13

Ref: Appendix B p. 6

Elexicon has experienced maintenance costs that are driven by having to maintain at or near end-of-life assets (e.g. reclosers, feeder cables).

- a) Please provide the total maintenance costs for Sandy Beach TS for each of the years 2015 to 2025.
- b) Please provide the average station maintenance costs for each of the years 2015 to 2025 excluding Sandy Beach TS.

VECC-14

Ref: Appendix B p. 6

The Sandy Beach station will be installed in the same location; however, the design and configuration will be different.

Please provide a schematic of the current design compared to the proposed design configuration.

VECC-15

Ref 2: Appendix B p. 7

Elexicon provides a breakdown of costs.

- a) Please explain how Elexicon arrived at the cost estimate.
- b) Please provide a further detailed breakdown of each category to show how the amounts were derived and in the response provide the costs by year.
- c) What is the cost certainty level for this estimate?
- d) Does Elexicon plan on doing the work in-house or contract the work out?
- e) Please compare the cost estimate to any previous comparable station rebuild project done either by Elexicon or a comparable distributor and explain the variances.

- f) Please provide the contingency amount included in the estimate and in the response include a breakdown of the contingency.
- g) Did Elexicon have the opportunity to work collaboratively with another distributor, who was also constructing a TS on approximately the same project timing to allow for better pricing for major components through coordinated, but separate, sourcing processes?

VECC-16

Ref 2: Appendix B p. 8

- a) Please explain how the six month (June to October) construction timelines was derived.
- b) Has Elexicon done any comparison of the construction timelines of the Sandy Beach TS to similar station projects? If yes, please provide.
- c) Please provide the comprehensive risk assessment/risk matrix for the project.

VECC-17

Ref: Appendix B p. 13

Table 3 below illustrates the asset condition of the main assets on site, based on current age, testing and inspection information.

Please provide the average cost to replace each asset type for the period 2020 to 2025 and show the calculation.

**Capital Contribution to Hydro One Networks Inc.:
Belleville Transformer Station (TS) Dual Element Spot Network (DESN) #2**

VECC-18

Ref: Appendix C p. 4

The evidence states “Furthermore, to fully leverage the added capacity and expand beyond the combined 210 MW at Belleville TS DESN #1 and DESN #2, new supply lines from Hydro One supply into Belleville will be required to resolve voltage drop limitations at Belleville TS.

Please explain the derivation of the 210 MW.

VECC-19

Ref: Appendix C p. 4

The estimated project cost for Elexicon’s portion of the station, as determined by Hydro One, is \$32,065,600.

Please provide a breakdown of project costs based on: labour (regular), labour (premium), equipment, materials, trucks/vehicles, equipment installations, and construction.

VECC-20

Ref: Appendix C p. 5

Elexicon provides the most recent load forecast for Belleville that Elexicon submitted to Hydro One as part of its analysis, including in the use of the calculation of the CCRA in February 2025, which shows the capacity exceeding the current allocated capacity provided by Hydro One through Belleville DESN #1.

If there is an update to this load forecast, please provide. In the response, please explain any variances.

VECC-21

Ref: Appendix C p. pp. 6-7

Hydro One is responsible for the design and construction of the new DESN #2. Hydro One provides a list of items outlined in the signed Connection and Cost Recovery Agreement (CCRA).

Please provide the costs associated with each of the items listed.

VECC-22

Ref: Appendix C p. 8

Elexicon indicates a detailed breakdown of Elexicon's contribution costs has been provided by Hydro One in the signed CCRA (Attachment C-3).

VECC cannot locate this information. Please provide.

VECC-23

Ref: Appendix C p. 8

Hydro One, using information provided by Elexicon, performed an economic evaluation to calculate the capital contribution of this customer in accordance with Transmission System Code section 6.3.20. The customer signed the offer to connect (OTC) in April 2025.

a) Please provide a copy of the economic evaluation.

b) Please provide a copy of the OTC.

VECC-24

Ref: Appendix C p. 8

Elexicon's project management costs are estimated at \$312,000. At page 8, Elexicon provides a list of what is included under project management (with no cost allocation).

a) Please provide a detailed breakdown of project management tasks and associated costs.

b) Please confirm Elexicon has a Project Manager in place to manage the project and in the response provide the effective date.

VECC-25

Ref: Appendix C p. 10

Table 4 provides the project timeline.

a) Please provide the status of the engineering work and the latest forecast completion date for engineering.

- b) Please provide the detailed project schedule associated with the Business Case at Appendix C.
- c) Please provide the latest detailed project schedule for the project and include the date.
- d) Please provide the number of months to undertake the construction of Belleville TS DESN #2 and in the response include the forecast construction start date and end date.
- e) Please provide the latest forecast in-service date in 2026.
- f) Please provide the outstanding items to be procured and the delivery dates.

VECC-26

Ref: Appendix C p. 11

Please provide and explain the underlying data assumptions in the load forecast related to: Customer data, MW impact by end-use, Large Industrial Load Additions, number of vehicles and number of homes. If this information has been updated since the CCRA, please provide both data sets and explain any variances.

VECC-27

Ref: Appendix C pp. 14-16

Please provide a cost estimate based on the components and activities provided on pages 14-16.

VECC-28

Ref: Appendix C p. 17

Please provide the customer impacts of each Alternative.

VECC-29

Ref: Appendix C p. 20

The evidence indicates budget and timeline risks will be managed through quarterly update meetings with Hydro One up until completion of the project in December 2026, tracking latest cost estimates, timelines, and other key risks.

- a) Please provide the risk register for the project.

- b) Please provide meeting minutes from the quarterly meetings with Hydro One to date.
- c) Please provide the latest cost estimate from the quarterly update meetings with Hydro One.
- d) Please discuss any risks raised to date and the mitigation plans put in place.
- e) Please discuss any new risks identified in the quarterly update meetings with Hydro One.
- f) Please provide the contingency for the project and how it is allocated. In the response provide the contingency spend to date with details.

VECC-30

Ref: Appendix C p. 21

With respect to long-lead items, Elexicon states “To reduce any risk of delays, Hydro One has ordered all long lead items. The power transformers and circuit breakers will be delivered in September 2025, the PCT in June 2024, Capacitor Banks in March 2025, and Switches in August 2025.”

- a) Please confirm the above items have been delivered as planned. If not, please provide the revised delivery dates and the impact on the project schedule caused by the delivery date delay(s) and provide an update on the in-service date.
- b) Based on historical projects, please provide the average lead time over the period 2020-2024 for power transformers, circuit breakers, PCT, Capacitor Bank and Switches.
- c) Please provide the lead times Elexicon allowed for each of the following: power transformers, circuit breakers, PCT, Capacitor Bank and Switches.

VECC-31

Ref: Appendix C-2

- a) Page 1: Please provide the following: Schedule “A” Scope of Hydro One Connection Work, Schedule “B” Scope of Customer Connection Work and Schedule “M” Form of Project Status Report.
- b) Page 1: Please explain why Schedules “E” to “J” are intentionally deleted.

- c) Page 1: Please confirm the Connection and Cost Recovery Agreement (CCRA) was executed and delivered to Hydro One by no later than February 21, 2025.
- d) Page 2: For the Customer's budgetary and cost tracking purposes, Hydro One agrees to provide the Elexicon on a quarterly basis with project status reports in a form substantially similar to the form attached hereto as Schedule "D" and forming apart of this Agreement.
 - i. Please provide Schedule "D".
 - ii. Please provide all of the project status reports to date for the project.
- e) Page 3: Please provide a copy of the Class 3 estimate.
- f) Please provide a copy of any subsequent estimates.

VECC-32

Ref: Appendix C-2 p. 1

The date of the CCRA is left blank. Please provide a copy of the signed agreement that is dated if different from Appendix C-2.

VECC-33

Ref: Appendix C-2 p. 1

The Customer and Hydro One Dx have agreed to share the capacity of the Belleville TS DESN 2 and the cost of the Project based on their respective capacity needs: Hydro One (51%) and Elexicon (49%).

At Appendix C-2 p. 4, Elexicon indicates that the estimated project cost for Elexicon's portion of the station, as determined by Hydro One, is \$32,065,600, with Elexicon required to fund a capital contribution of \$18,749,256 which represents 58%.

Please explain why Elexicon's share is greater than 49%.

VECC-34

Ref: EB-2021-0015

Please provide the in-service date for the Seaton TS project.