November 10, 2025

via RESS

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

Dear Ms. Marconi:

Re: Elexicon Energy Inc.
2026 IRM Distribution Rate Application – Confidential Filings
OEB File No: EB-2025-0046

Elexicon Energy Inc. ("Elexicon") submitted a request for confidentiality pertaining to its interrogatory responses for its 2026 IRM application (EB-2025-0046) submitted via RESS on October 3rd, 2025.

The OEB has provided its decision on the confidential treatment of related interrogatory responses in its decision of November 3, 3035. The OEB requested Elexicon refile redacted version of attachments in responses to VECC-23, and VECC-31, in accordance with the specific guidance provided in that decision. Elexicon has also redacted the name of the customer in the attachment for VECC-23 b) Offer to Connect. Elexicon hereby submits its responses to all of VECC's interrogatories, including the revised redacted versions of the following attachments:

- VECC-23 a) – Economic Evaluation
- VECC-23 b) – Offer to Connect
- VECC-31 e) – Class 3 Cost Estimate.

This is respectfully submitted in accordance with the OEB's decision of November 3rd, 2025.

Elexicon's primary contact for this application is Erin Stevens, Director, Regulatory Affairs. Please contact Erin by e-mail at estevens@elexiconenergy.com if you have any questions.

Sincerely,

DocuSigned by:
Stephen Vetsis
9BD249B1E5DC4D7...

Stephen Vetsis
Vice President Regulatory Affairs and Stakeholder Relations
Elexicon Energy Inc.
cc: John Vellone, Colm Boyle, Erin Stevens

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) See response to CCC-1.

b) The business cases provided as part of this application are the same as the internal business case.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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

RESPONSE:

a) The decision to pursue an ICM application for Sandy Beach Station (which is a municipal station and is not a transformer station) and Belleville DESN 2 were finalized in April 2025.

b) See response to a) above.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

See Elexicon's response to to SEC-6 c) & d).

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

See response to CCC-3.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

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RESPONSE:

a) See Tables 1 and 2 below for ISA Gross, Contributions, and Net by investment category level for 2025 and 2026.

Table 1: 2025 ISA by DSP Program – Excluding ICM Projects

Category	Cost	Contribution	Net
R1 Substation Renewal	3,541,011	0	3,541,011
R2 Underground System Renewal	274,518	0	274,518
R3 Overhead System Renewal	1,516,558	0	1,516,558
R4 Reactive Capital	9,812,538	0	9,812,538
01 - SYSTEM RENEWAL	**15,144,625**		**15,144,625**
A1 Externally-Initiated Plant Relocation	20,396,402	19,166,831	1,229,572
A2 Customer & Generation Connections	17,079,205	10,810,357	6,268,848
A3 System Expansion	25,702,896	4,648,835	21,054,062
A4 Metering & AMI 2.0	1,704,588	0	1,704,588
02 - SYSTEM ACCESS	**64,883,092**	**34,626,023**	**30,257,070**
P1 Facilities Management	210,000	0	210,000
P2 Fleet	2,494,090	0	2,494,090
P3 IT Systems	1,448,297	0	1,448,297
P4 Tools & Equipment	475,200	0	475,200
P5 OT Systems	2,180,265	0	2,180,265
03 - GENERAL PLANT	**6,807,852**		**6,807,852**
S2 Grid Enhancements	1,094,119	0	1,094,119
04 - SYSTEM SERVICE	**1,094,119**		**1,094,119**
TOTAL	**87,929,687**	**34,626,023**	**53,303,665**

Table 2: 2026 ISA by DSP Program – Excluding ICM Projects

Category	Cost	Contribution	Net
R1 Substation Renewal	2,671,586	0	2,671,586
R3 Overhead System Renewal	1,007,832	0	1,007,832
R4 Reactive Capital	7,557,147	0	7,557,147
01 - SYSTEM RENEWAL	**11,236,565**		**11,236,565**
A1 Externally-Initiated Plant Relocation	5,981,506	2,048,829	3,932,676
A2 Customer & Generation Connections	12,596,013	7,209,869	5,386,144
A3 System Expansion	22,162,032	11,307,177	10,854,855
A4 Metering & AMI 2.0	1,609,783	0	1,609,783
02 - SYSTEM ACCESS	**42,349,333**	**20,565,875**	**21,783,458**
P1 Facilities Management	500,000	0	500,000
P2 Fleet	1,740,000	0	1,740,000
P3 IT Systems	1,329,400	0	1,329,400
P4 Tools & Equipment	192,026	0	192,026
P5 OT Systems	1,325,000	0	1,325,000
03 - GENERAL PLANT	**5,086,426**		**5,086,426**
S1 Substation Growth	4,584,865	0	4,584,865
S2 Grid Enhancements	1,260,384	0	1,260,384
04 - SYSTEM SERVICE	**5,845,249**		**5,845,249**
TOTAL	**64,517,574**	**20,565,875**	**43,951,698**

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b) See Elexicon's response to Staff-22 h).

c) The Substations Renewal and Substations Upgrades actual spend compared to the budget is provided in the tables below. The budget referred to in this response is the forecast from Elexicon's 2021 DSP (DSP filed April 2021, EB-2018-0236).

Table 1: Substation Renewal Actual Spend Compared to 2021 DSP Forecast, net ISA, $ Millions

ISA NET	**Substation Renewal Plan (2021-2026 DSP)**	**Substation Renewal Actuals (2021-2024) and Current Forecast Without ICM (2025-2026)**	**Variance**
2021	$7.08	$2.88	-$4.20
2022	$9.40	$1.73	-$7.67
2023	$1.02	$2.97	$1.95
2024	$0.86	$5.35	$4.49
2025	$3.46	$3.54 (F)	$0.08
2026	$0.81	$2.67 (F)	$1.86
SUBTOTAL	$22.63	$19.14	-$3.49

All spend is ISA and net, in $ millions; (F) indicates forecasted

Table 2: Substation Upgrades Actual Spend Compared to 2021 DSP Forecast, net ISA, $ Millions

ISA NET	**Substation Upgrades Plan (2021-2026 DSP)**	**Substation Upgrades Actuals (2021-2024) and Current Forecast Without ICM (2025-2026)**	**Variance**
2021	$0.00	$2.95	$2.95
2022	$0.00	$1.12	$1.12
2023	$0.00	$0.00	$0.00

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2024	$0.00	$0.00	$0.00
2025	$0.00	$0.00 (F)	$0.00
2026	$0.00	$0.00 (F)	$0.00
SUBTOTAL	$0.00	$4.07	$4.07

All spend is ISA and net, in $ millions; (F) indicates forecasted

- The total sum of the variances of the Substation Renewal and Substation Upgrades programs over the 2021-2026 period is approximately $0.58 million (overspent).
- The variance of approximately $4.07M in the Substation Upgrades program in 2021 and 2022 was primarily a result of moving two projects from Substation Renewal to Substation Upgrades. These two projects were identified as Substation Renewal in the 2021 DSP; however, due to their drivers, they were re-categorized as Substation Upgrades. These two projects are as follows:
    - William Lawler Station (MS11) T2 44kV Reliability
    - Pickering Beach Station Upgrade T1
- The underspend in the Substation Renewal program in 2021 to 2022 and overspend in 2023 to 2024 is a result of:
    - Moving two projects listed above from Substations Renewal program to Substation Upgrades in 2021 to 2022 as highlighted above.
    - Deferral of projects from 2022 to 2023 and 2024.

d) The list of Substation Renewal projects completed in 2021 to 2024 and planned over 2025 to 2026 are provided in table below. Only material projects with ISA spend over $300,000 are included.

Table 3: Substation Renewal Projects from 2021 to 2026, net ISA in $ Millions

Substation Renewal Projects	**ISA Year**	**ISA Cost ($ Millions)**
Substation Ground Grid Upgrades & Oil Containment	2021	$0.32
Des Newman Substation West Whitby Landowners Group Refund	2021	$0.80

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Jones Substation F5 & F6 Risers	2021	$0.40
Church Substation Cable Replacement	2022	$1.13
Substation Deficiency Corrections	2022	$0.75
Squires Beach Substation MV Breakers	2023	$0.38
James Collins Substation Control Hut and Recloser Replacement	2023	$0.96
Catharine Substation - Temporary Transformer Install	2024	$0.32
Monarch Substation Partial Rebuild	2024	$4.50
Liberty North Substation - Switchgear Replacement	2025	$2.60 (F)
DC System Replacements	2026	$0.46 (F)
Bay Ridges Substation Reclosers Replacement	2026	$0.79 (F)
James Substation Recloser Replacement	2026	$0.88 (F)
Substation Deficiencies	2026	$0.44 (F)

All spend is ISA and net, in $ millions

e) The list of Substation Upgrades projects completed in 2021 to 2024 and planned over 2025 to 2026 are provided in table below. Only material projects with ISA spend over $300,000 are included.

Table 4: Substation Upgrades Projects from 2021 to 2026, net ISA in $ Millions

Substation Upgrades Projects	**ISA Year**	**ISA Cost ($ Millions)**
William Lawler Station (MS11) T2 44kV Reliability	2021	$2.95
Pickering Beach Station upgrade (T1)	2022	$1.01

All spend is ISA and net, in $ millions

f) See response to Staff-30, part a).

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) The date of the final business case is July 2025, which is the one filed with the ICM application.

b) The detailed project schedule for the Sandy Beach Station rebuild is below at c).

c) The latest detailed project schedule is as follows:

Task Name	Duration (business days)	Start	Finish
1. Pre-Engineering	213 days	Wed 24-12-18	Fri 25-10-10
2. Procurement	711 days	Wed 23-11-01	Wed 26-07-22
2.1- Power Transformer	468 days	Wed 23-11-01	Fri 25-08-15
2.2- High Voltage Switchgear	329 days	Wed 25-03-12	Mon 26-06-15
2.3- Low Voltage Switch	261 days	Fri 25-06-13	Fri 26-06-12

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2.4- Relay Cabinets	206 days	Mon 25-10-06	Mon 26-07-20
2.5- Control Building	208 days	Mon 25-10-06	Wed 26-07-22
3. Design	325 days	Wed 25-01-01	Tue 26-03-31
3.1- Preliminary Design	40 days	Mon 25-01-06	Fri 25-02-28
3.2- Ultimate Design	244 days	Fri 25-02-28	Wed 26-02-04
3.2.1.1 -Detail Electrical Design	228 days	Fri 25-02-28	Tue 26-01-13
Issue for Review Drawings(IFR)	219 days	Fri 25-02-28	Wed 25-12-31
Issue for Construction Drawings (IFC)	10 days	Wed 25-12-31	Tue 26-01-13
3.2.1.2 - Detail Civil Design	88 days	Mon 25-10-06	Wed 26-02-04
Issue for Review Drawings (IFR)	80 days	Mon 25-10-06	Fri 26-01-23
Issue for Tender Drawings (IFT)	5 days	Fri 26-01-23	Thu 26-01-29
Issue for Construction Drawings (IFC)	5 days	Thu 26-01-29	Wed 26-02-04
3.3- Final Estimate	15 days	Fri 26-02-27	Thu 26-03-19
3.4- Project Tracker Update	208 days	Wed 25-01-15	Fri 25-10-31
3.5- Contractors RFP	325 days	Wed 25-01-01	Tue 26-03-31
3.6- Job Planning Folder	20 days	Thu 25-05-01	Wed 25-05-28
4. Pre-Construction	96 days	Fri 26-01-30	Fri 26-06-12
5- Construction	110 days	Mon 26-06-01	Fri 26-10-30
Civil Construction	45 days	Mon 26-06-01	Fri 26-07-31
Electrical Installation	34 days	Wed 26-07-22	Mon 26-09-07
Inspection	98 days	Wed 26-06-17	Fri 26-10-30

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) No transformer failures were reported on Sandy Beach T1 for the period 2015-2025
b) One (1) transformer failure was reported on Sandy Beach T2:
   - On May 31, 2022, Sandy Beach Station T2, Transformer failure resulted in 2,042 customer interruptions (CI) and 2,513 customer hours interruptions (CHI).
c) There were three failures reported associated with Sandy Beach Station for the period of 2015-2025:
   - On January 29, 2017, Sandy Beach T2, lightning arrestor failure resulted in 1,274 CI and 1,444 CHI.
   - On April 13, 2018, Sandy Beach T1, secondary switch failure resulted in 2,400 CI and 3,270 CHI.On August 6, 2018, Sandy Beach T2, unknown cause resulted in 1,274 CI and 1,168 CHI.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) On July 25, 2022, Sandy Beach F1 recloser failed during the restoration efforts following the replacement of T1 transformer, which had been affected by an earlier outage on May 31, 2022. This incident did not result in any customer interruptions (CI) or customer hours of interruption (CHI) as station was already isolated at the time.

b) Sandy Beach Station was not returned to service until March 8, 2023, due to a series of complex and time-consuming restoration activities following equipment failures. After the failure of Transformer T2, the site required extensive environmental remediation, including oil cleanup and soil removal, followed by the importation of clean soil. A gantry crane had to be sourced to facilitate the removal of the damaged equipment, and site grading was completed prior to the installation of a spare transformer.

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In July 2022, an attempt was made to energize the transformer; however, this was unsuccessful due to a failure of the oil-filled F1 recloser. The reclosers were subsequently sent to CMS for refurbishment. Additionally, the metering cabinets had to be replaced, and the transformer monitoring system was fully reinstalled.

The transformer failure report was issued in October 2022, prompting an internal investigation by Elexicon that continued through December 2022. As part of the restoration process, new feeder cables were installed and tested to ensure system reliability and safety. These combined efforts contributed to the extended timeline, ultimately delaying the station's return to service until March 2023.

c) Power to Sandy Beach Station was supplied from neighboring stations, Bay Ridges and Squires Beach, during the outage period. However, this supply arrangement is subject to change throughout the year based on various operational factors, including ongoing projects in the area, planned or unplanned outages, and fluctuations in system load.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

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RESPONSE:

a) The average timeline from the order date to the delivery date for a station-class transformer over the period 2020 to 2024 is between 2 and 4 years.

b) The transformers have been manufactured and are currently in storage. Please see Appendix B Table 2 for associated project timelines.

c) The transformers have been manufactured and are currently in storage since their delivery, which took place August 29, 2025.

d) See response to c).

e) The forecasted delivery date of the high voltage switchgear is June 2026.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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
- two15/20/25MVA 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.

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RESPONSE:

a) Cost estimates are as follows (before taxes):

- design of layout to accommodate equipment under a transmission line: $480,000
- excavation and disposal of any contaminated soil: $779,776
- two15/20/25MVA transformers: $3,236,097
- two high voltage metal-clad switches: $1,140,000
- four pad-mounted reclosers: $468,720
- cables: $547,041
- protection equipment: $300,000
- control-building for the protection equipment: $180,000
- equipment installation costs: $715,200

b) Length of cable to be installed:

- 46kV/750MCM,702m
- 28kV/1000MCM,1,343m
- 1000V/500MCM,440m
- BARE/556MCM,165m

c) The list of major protection equipment to be installed:

- 2 x SEL-787 for Differential Protection
- 4 x SEL-651R for Recloser/Feeder Protection
- 1 x SEL-2730M
- 1 x DPAC
- 1 x RTAC
- 1 x Satellite Clock
- DC Battery System

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) See Appendix B Sandy Beach Business Case, paragraph 12 on page 7: Table 1: Project Cost Estimate (Class 3);
See also:
- CCBMC-3 (a): Detailed cost estimates showing the split between Contractors and Elexicon Energy for each category (Labour, Trucks/Vehicles, Equipment Installations/Removal/ Construction);
- VECC-10 (a): Detailed cost estimates for material and equipment installation of:
  • design of layout to accommodate equipment under a transmission line
  • excavation and disposal of any contaminated soil
  • two15/20/25MVA transformers
  • two high voltage metal-clad switches,
  • four pad-mounted reclosers
  • cables
  • protection equipment
  • control-building for the protection equipment
  • equipment installation costs

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b) The Class 3 estimate is the latest estimate, and a Class 2 estimate will be developed in early 2026 once all RFPs are closed and finalized (including those for construction).

c) The current in-service date is Oct 30, 2026.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:
The failure of Sandy Beach Transformer T2 occurred in May 2022, during a peak load season in Pickering. At the time, Elexicon was faced with an urgent need to restore service and maintain system reliability. The only available spare transformer that could be deployed quickly and was suitable for the location was the unit that is currently installed, which is undersized by 3 MVA. Given the urgency of the situation, Elexicon proceeded with installing the available transformer to minimize service disruption. To expedite restoration, the transformer was temporarily installed on a wood structure reinforced with steel plates. While not ideal for long-term use, this configuration allowed for rapid deployment and ensured continued service to customers.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Elexicon conducts regular inspections, the costs of which are not tracked per station. To provide a response, Elexicon has estimated the costs of major maintenance and inspection activities per station in a given year. This is calculated by dividing the annual planned maintenance expenditure across all stations by the number of stations that were subject to major inspection and maintenance in that year**.** The estimated costs for major maintenance and repair for Sandy Beach from 2015 to 2025 is included below, with Sandy Beach having maintenance occurring in years 2018 and 2023.

Year	Total maintenance cost for Sandy Beach
2015	NA
2016	NA
2017	NA
2018	$76,691
2019	NA
2020	NA

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2021	NA
2022	NA
2023	$29,241
2024	NA
2025	NA

b) Average station maintenance costs from 2015 to 2025. Please note that these average station maintenance costs include Sandy Beach Station for the reasons stated above.

Year	Average station maintenance costs
2015	$69,076
2016	$41,069
2017	$25,461
2018	$76,691
2019	$63,318
2020	$34,222
2021	$40,207
2022	$49,726
2023	$29,241
2024	$49,681
2025	$75,183

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

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RESPONSE:

Please see below both the existing and ultimate schematic for Sandy Beach Station.

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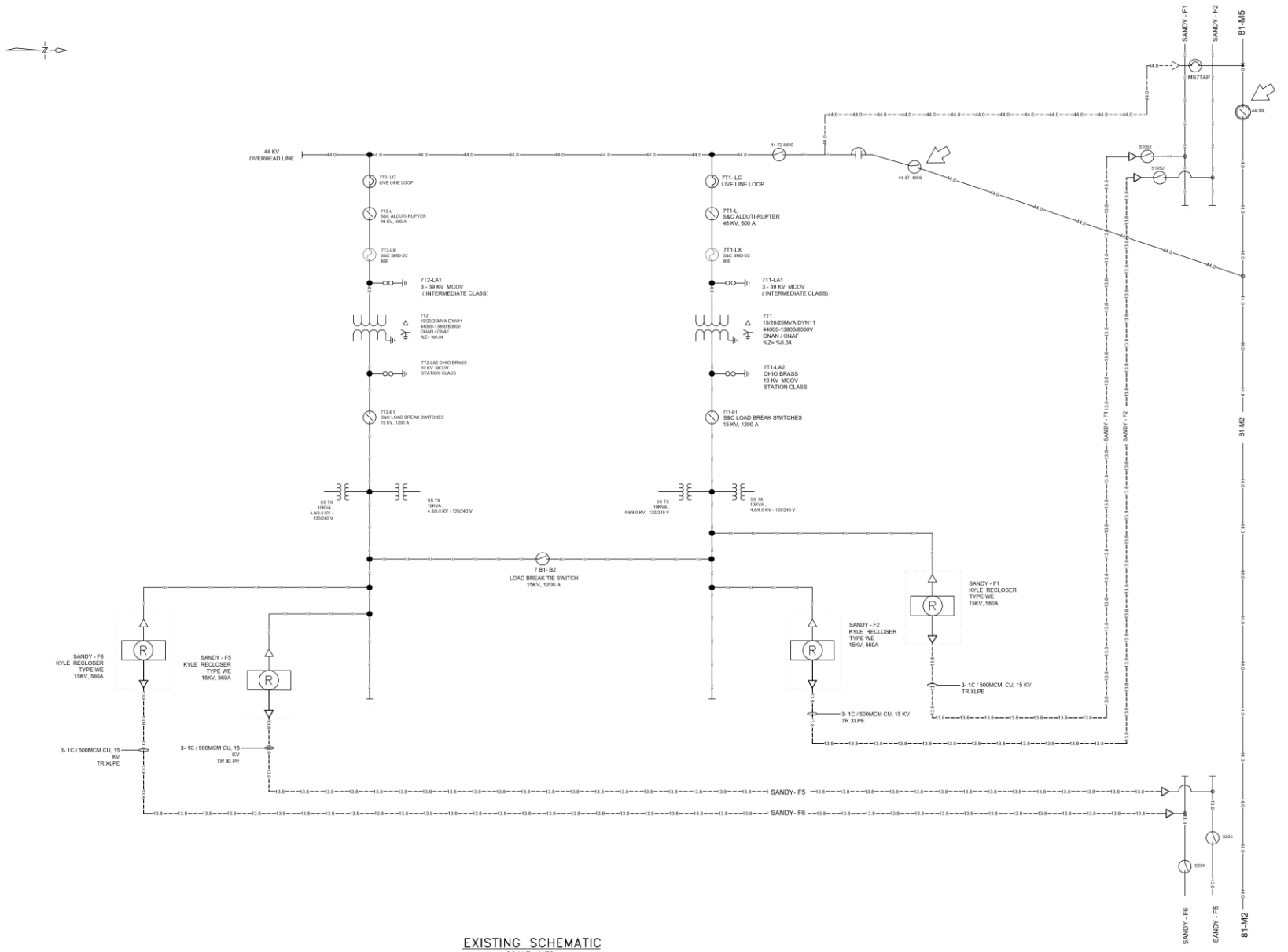
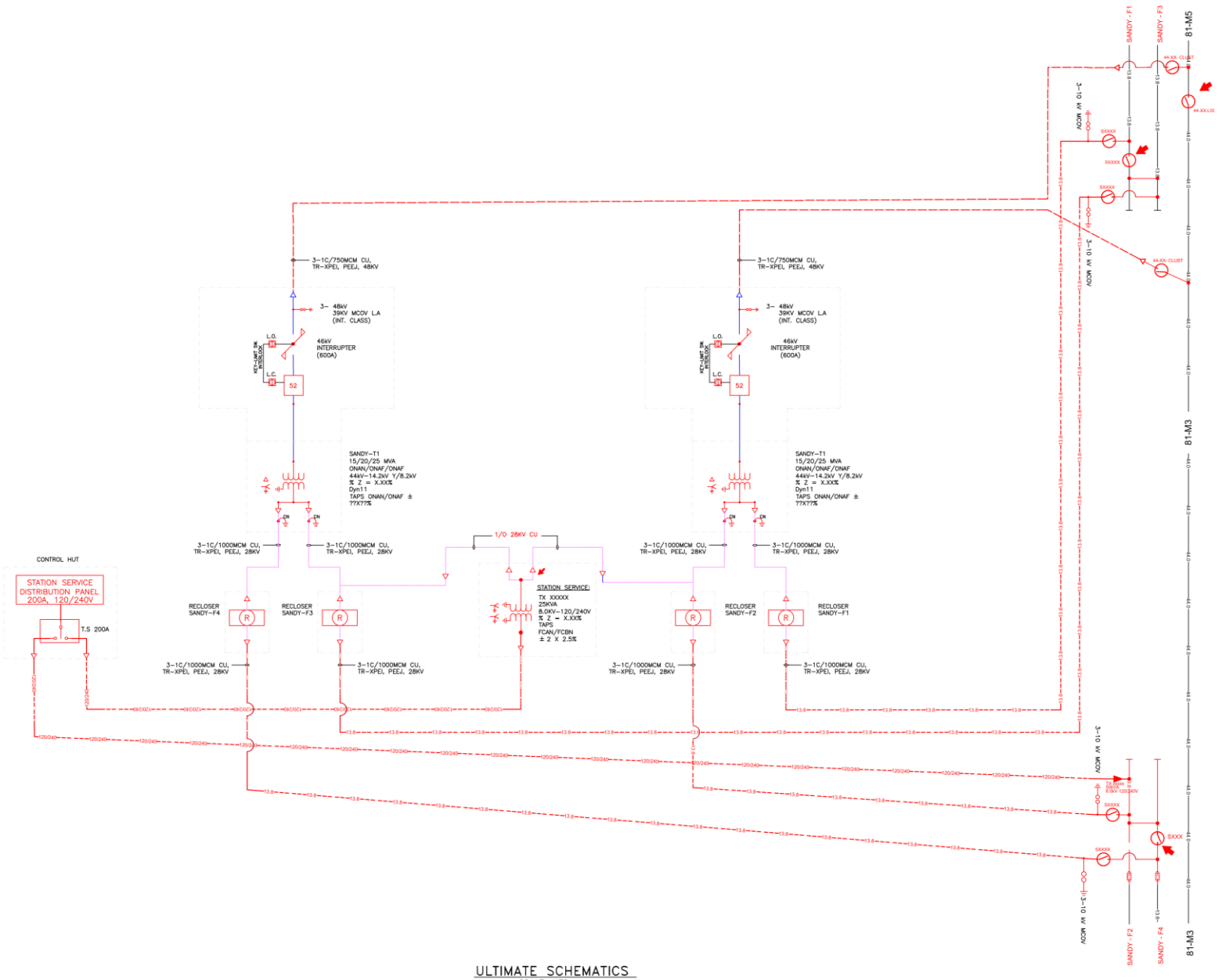


EXISTING SCHEMATIC
SCALE: NTS



ULTIMATE SCHEMATICS
SCALE: NTS

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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?

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RESPONSE:

a) Elexicon arrived at the cost estimate using a Class 3 estimate methodology, which has an expected accuracy range of -15% to +20% accounting for uncertainties typical at this stage of project development. The estimate was built using material and budgetary quotes from vendors, adjusted for inflation, and applied across all components including labour, design, and construction. Significant market trends, such increasing pricing of power transformers, were also factored in. Additionally, installation and construction costs were based on recent vendor quotes and comparable past projects.

b) For a detailed breakdown of the cost by category see Elexicon's response to CCMBC-3-a), Staff-21 a).

Actuals and forecasted cost by year below:

2023 (A)	2024 (A)	2025(F)	2026 (F)	Grand Total
$224,516	$997,911	$2,585,878	$5,891,742	$9,700,047

c) See response a) above.

d) See response to Staff-21 i). Station projects at Elexicon are executed using a combination of internal and external resources.

e) The cost estimate for this station rebuild project is expected to be similar to previous comparable projects completed by Elexicon, as the execution model remains consistent. Elexicon typically uses a combination of internal and external resources, with the electrical scope designed and constructed internally and the civil scope handled by external consultants and contractors. Since this approach aligns with past practices, and no significant changes in scope or resource allocation are noted, major cost variances are not anticipated. See response to VECC-17 (average cost to replace each asset type for the period 2020 to 2025).

f) The contingency amount included in the estimate is $1,093,666, which represents a +20% contingency applied to a Class 3 estimate with an expected accuracy range of -15% to +20%.

:

This contingency accounts for uncertainties typical at this stage of project definition and is based on vendor-provided material and budgetary estimates, adjusted for inflation. It also reflects recent market trends, such as significant price increases in power transformers, with some models having doubled in cost. Labour, design, and construction estimates are similarly informed by recent vendor quotes and comparable past projects. The contingency ensures coverage for potential cost fluctuations and scope refinements as the project progresses.

g) Please see the response to Staff-21 (b), which outlines the Request for Proposal process that Elexicon utilizes. Additionally, please note that the Sandy Beach Station is classified as a distribution station, not a transmission station (TS).

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

:

RESPONSE:

a) The construction timelines were derived from a combination of civil and electrical construction, inspection and commissioning tasks.

b) As noted in response a) above, the construction timelines were developed for this specific Sandy Beach Station project and these timelines align with other previously completed stations projects at Elexicon. Some examples of rebuild and partial rebuild projects Elexicon completed in the last few years are: Dowty 2019, Toronto 2020, W. Lawler 2021, and Monarch 2024.

c) The Sandy Beach Station project risk assessment matrix is shown below:

	Current Status	Outlook to Completion	Risk assessment
Cost	**ON BUDGET**	$9.7M	Total estimated cost is $9.7M
Scope	**ON TRACK**	No Changes	The scope is progressing as planned, including equipment procurement. Long-lead delivery equipment has been ordered.
Schedule	**ON TRACK**	No Delays	Project is on schedule with energization targeted date of Oct 2026. Equipment delivery timelines remain a key focus area.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

The table below shows material cost of major assets in substations:

Historical Equipment Level Examples	2020	2021	2022	2023	2024	2025
Power Transformer	$772,000	NA	$908,000	$1,534,000	NA	$1,891,000
LV Switchgear	$41,883	$42,334	NA	NA	N/A	$124,321
HV Switchgear	$126,979	$136,403	N/A	N/A	N/A	$535,000
1000MCM 28kV Cable	$73/m	$95/m	$177/m	$2016/m	$216/m	$216/m
750MCM 46kV Cable	$66/m	$66/m	$110/m	$187/m	$212/m	$212/m

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

Please refer to Attachment C-3 Section 7.3.2, where Hydro One outlines the voltage constraints on the transmission lines supplying Belleville TS that restrict the total capacity at Belleville DESN 1 and DESN 2 to approximately 210 MW. This restriction was formally studied by the IESO in 2024, please refer to Attachment C-1.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

Please refer to Elexicon's response to question VECC-31(d), where a breakdown of the total cost for Belleville DESN 2 is provided in the Q3 2025 Project Status Report. The total estimated cost for Belleville DESN 2 is $63,499,388 and Elexicon's portion is 51% as noted in Attachment C-2, Connection and Cost Recovery Agreement.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

There are no updates to the load forecast.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY VECC-21

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.

RESPONSE:

Please refer to Elexicon's response to question VECC-31(d), where a breakdown of the total cost for Belleville DESN 2 is provided in the Q3 2025 Project Status Report. The total estimated cost for Belleville DESN 2 is $63,499,388 and Elexicon's portion is 51%.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:
Please see Schedule C of the Attachment C-2 (Connection and Cost Recovery Agreement).

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Submitted under confidential filing.

b) Submitted under confidential filing. See attached redacted copy of OTC.

:

VECC-23 a) Attachment: Economic Evaluation

Redacted in accordance with the OEB's Practice Direction on Confidential Filings, and specific direction provided by the OEB (letter of November 3 2025).

Date:	6-Mar-25
Project #	27601

SUMMARY OF CONTRIBUTION CALCULATIONS
Line Pool - Estimated cost

hydro one

Facility Name: Belleville TS DESN2
Description: Build new 75/125 MVA, 230/44 kV DESN
Customer: [redacted]

		In-Service Date	<-------- Project year ended - annualized from In-Service Date -------->															
Month		Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17
Year		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
					1st true-up		2nd true-up					3rd true-up						
Revenue & Expense Forecast																		
Load Forecast (MW)			[redacted]															
Load adjustments (MW)																		
Tariff Applied ($/kW/Month)																		
Incremental Revenue - $k			[redacted]															
Removal Costs - $k		0.0																
On-going OM&A Costs - $k		0.0																
Municipal Tax - $k																		
Net Revenue/(Costs) before taxes - $k																		
Income Taxes - $k																		
Operating Cash Flow (after taxes) - $k																		
	Cumulative PV @ 5.65%																	
PV Operating Cash Flow (after taxes) - $k **(A)**	[redacted]																	
Capital Expenditures - $k																		
Capital cost before overheads & AFUDC - $k		[redacted]																
- Overheads - $k		0.0																
- AFUDC - $k		[redacted]																
Total upfront capital expenditures - $k		[redacted]																
On-going capital expenditures - $k			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PV On-going capital expenditures - $k		0.0																
Total capital expenditures - $k		[redacted]																
PV CCA Residual Tax Shield - $k		[redacted]																
PV Working Capital - $k		**0.0**																
PV Capital (after taxes) - $k **(B)**	[redacted]	[redacted]																
Cumulative PV Cash Flow (after taxes) - $k (A) + (B)	[redacted]	[redacted]																

Discounted Cash Flow Summary

Economic Study Horizon - Years: **15**

Discount Rate - % **5.65%**

	$k
PV Incremental Revenue	[redacted]
PV OM&A Costs	0.0
PV Municipal Tax	[redacted]
PV Income Taxes	
PV CCA Tax Shield	
PV Capital - Upfront	[redacted]
Add: PV **Capital Contribution**	**0.0**
PV Capital - On-going	[redacted]
PV Working Capital	
PV Surplus / (Shortfall)	[redacted]
Profitability Index*	[redacted]

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Other Assumptions		**Notes:**
In-Service Date:	17-Dec-26	
Municipal Tax	0.33%	Transmission system average
Federal Income Tax	15.00%	2024 federal corporate income tax
Ontario Corporation Income Tax	11.50%	2024 provincial corporate income tax
Working cash net lag days	5.8	As per Lead Lag Study as prepared by Navigant for 2023-2027 rates
CCA Rate for Class 47 Assets	8%	100% Class 47 assets

Calculation Time Stamp: 06-Mar-25, 3:03 PM

Date:	7-Mar-25
Project #	27601

SUMMARY OF CONTRIBUTION CALCULATIONS
Transformation Pool - Estimated cost

hydro one

Facility Name: Belleville TS DESN2
Description: Build new 75/125 MVA, 230/44 kV DESN
Customer: [redacted]

		In-Service Date	<-------- Project year ended - annualized from In-Service Date -------->														
	Month	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17	Dec-17
	Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
					1st true-up		2nd true-up					3rd true-up					
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue & Expense Forecast																	
Load Forecast (MW)			[redacted]														
Load adjustments (MW)																	
Tariff Applied ($/kW/Month)																	
Incremental Revenue - $k																	
Removal Costs - $k		0.0															
On-going OM&A Costs - $k		0.0	[redacted]														
Municipal Tax - $k																	
Net Revenue/(Costs) before taxes - $k		0.0															
Income Taxes - $k		0.0															
Operating Cash Flow (after taxes) - $k		0.0															
	Cumulative PV @ 5.65%																
PV Operating Cash Flow (after taxes) - $k (A)	[redacted]	[redacted]															
Capital Expenditures - $k																	
Capital cost before overheads & AFUDC - $k		[redacted]															
- Overheads - $k																	
- AFUDC - $k																	
Total upfront capital expenditures - $k																	
On-going capital expenditures - $k			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PV On-going capital expenditures - $k		0.0															
Total capital expenditures - $k		[redacted]															
PV CCA Residual Tax Shield - $k		[redacted]															
PV Working Capital - $k		[redacted]															
PV Capital (after taxes) - $k (B)	[redacted]	[redacted]															
Cumulative PV Cash Flow (after taxes) - $k (A) + (B)	[redacted]	[redacted]															

Discounted Cash Flow Summary

Economic Study Horizon - Years: 15

Discount Rate - % 5.65%

	Before Cont $k	After Cont $k	Impact $k
PV Incremental Revenue	[redacted]	[redacted]	
PV OM&A Costs			
PV Municipal Tax			
PV Income Taxes			
PV CCA Tax Shield			
PV Capital - Upfront			
Add: PV **Capital Contribution**	0.0		
PV Capital - On-going	0.0	0.0	
PV Working Capital			
PV Surplus / (Shortfall)			
Profitability Index*	**0.7**	**1.0**	

Notes:
*PV of total cash flow, excluding net capital expenditure & on-going capital & proceeds on disposal / PV of net capital expenditure & on-going capital & proceeds on disposal

Capital Contributions

	Date	PV of Cont $k	Previous Cont Payments $k	Current Cont / (Credit) $k
Initial economic evaluation	2026	371.2		371.2
Total		**371.2**	**0.0**	**371.2**
Contribution Required (before HST)				**371.2**
HST @ 13%				48.2
Contribution Required (including HST)[1]				**419.4**

Notes:
1) Payment from customer must include HST.

Other Assumptions		**Notes:**
In-Service Date:	17-Dec-26	
Municipal Tax	0.33%	Transmission system average
Federal Income Tax	15.00%	2024 federal corporate income tax
Ontario Corporation Income Tax	11.50%	2024 provincial corporate income tax
Working cash net lag days	5.8	As per Lead Lag Study as prepared by Navigant for 2023-2027 rates
CCA Rate for Class 47 Assets	8%	100% Class 47 assets

Calculation Time Stamp: 07-Mar-25, 10:11 AM

VECC-23 b) Attachment: Offer to Connect

Redacted in accordance with the OEB's Practice Direction on Confidential Filings, and specific direction provided by the OEB (letter of November 3 2025).

elexicon ENERGY

March 21, 2025

[redacted]

Via Email

Re: Offer to Connect - Connection Agreement for Elexicon Job Number: BGS231009

Dear Mr. [redacted]

As we previously discussed, the existing Belleville Transformer Station (TS) DESN-1 is operating at its maximum loading capacity. As a result, under the current configuration, it will not be able to support [redacted] new load growth over the long term. Elexicon is currently working with Hydro One (HONI) to bring additional capacity to the Belleville area with the construction of a new Belleville TS (DESN-2), planned for 2026. This limitation was something that Elexicon was aware of earlier; however, it was not clearly communicated in the Offer to Connect (OTC) shared with [redacted] in July 2024.

In response to [redacted] request and to mitigate potential cost escalations, Elexicon has identified alternate loads that can be transferred to DESN-2 once it becomes operational. This approach will enable [redacted] load to be permanently connected to DESN-1. Under this alternative load approach, [redacted] will not be required to pay Elexicon a feeder expansion capital contribution or deposit, nor will it be required to pay Hydro One (HONI) a Customer Impact Assessment (CIA) fee for the Battery Energy Storage System (BESS) or a transfer trip protection scheme to connect the load to DESN-2 once it becomes operational. Please note that any future capacity requests may require reassessment based on the state of the distribution system at that time.

Although [redacted] will remain on DESN-1, a capital contribution to the DESN-2 construction is still required. As mentioned, the existing DESN-1 is operating at maximum capacity, and without the construction of DESN-2, Elexicon would not have been able to connect [redacted] new load to its existing distribution system. As a result, [redacted] new load is a contributing factor to the need for DESN-2. Under Section 3.6.1 of the Ontario Energy Board's Distribution System Code (DSC), large customers with non-coincident peak demand ≥ 5 MW that are benefiting from upstream transmission expansion are required to contribute proportionally to the incremental load (see Part 4 of the OTC).

Hydro One has estimated the Upstream Capital Contribution at $371,150.16 plus tax, in addition to Elexicon's connection cost of $229,500.00 plus tax (see Part 4 of the OTC for the Upstream Capital Contribution Payment Schedule).

Please do not hesitate to reach out if you have any questions or require further clarification.

Sincerely,

[redacted]

Abdi Mohamed, Manager, Key Accounts

elexiconenergy.com

Office T (905) 427-9870 T 1 (888) 445-2881 F (905) 619-0210 55 Taunton Rd. E.

Customer Care T (905) 420-8440 T 1 (888) 420-0070 F (905) 837-7861 Ajax, ON L1T 3V3

elexicon ENERGY

OFFER TO CONNECT

Connection

Elexicon Energy Inc.
55 Taunton Rd. E.
Ajax, Ontario
L1T 3V3
Ajax/Pickering (905) 427-9870
All other service areas 1-888-445-2881

ELEXICON ENERGY PERFORMS ALL WORK

Job	[redacted]				
Job Number:	**BGS231009**	**Reference Drawing**	**204027**	**Revision #**	**1**

Part 1: Comments/Conditions Pertaining to this Offer to Connect

This includes estimated costs to design, supply, install and energize an underground electrical distribution system based on the items and unit quantities in the design as well as the following.

1. Offer is valid for 60 days from date of signature by Elexicon Energy Inc.
2. Offer is based on an installation to occur between May 1, 2025 and July 30, 2025
3. Easement Agreement is required for pole line across subject property. Status to be confirmed with the City of Belleville.
4. Offer is subject to the enclosed Standard Terms and Conditions.

Part 2: Connection Work

Work Category	Under this Option Work is Performed By	Amount
A. Connection Work that MUST be performed by Elexicon Energy Inc. or its contractors.	Elexicon Energy	**$229,500.00**
	HST	**$ 29,835.00**
* Engineering DEPOSIT Rec'd – ThermalTech Engineering P.O. #MI116-13674031 - $16,296.63 (USD).	Sub-Total	**$259,335.00**
	DEPOSIT *	**($ 20,000.00)**
	Connection Total	**$239,335.00**

Part 3: Security Deposit, Upstream Capital Contribution, and Other Requirements

Security Deposit (see Terms and Conditions item 3 for information on alternate methods for satisfying the Security Deposit requirement)	**$0.00**	Prior to energizing this service the customer must: • Provide Elexicon Energy with a final inspection from Electrical Safety Authority (ESA) • Sign an Electrical Service and Energy Contract with Elexicon, and • Satisfy Elexicon's Security Deposit Requirements.
HST	**N/A**	
Total Security Deposit	**$0.00**	
Capital Contribution to HONI (Transmitter)	**$419,399.68**	Per section 3.6.1 of Distribution System Code (NOTE: estimate)

Part 4: Offer to Connect made by

Name & Title of Elexicon Signing Authority	Signature of Signing Authority	Date (Day, Month, Year)
Stacia Caouette-Boss – Acting President & CEO	[redacted]	3/28/2025

Part 5: Offer to Service Accepted By

1. The Customer herewith accepts this Offer and authorizes Elexicon to supply and install all work as outlined, at the price stated.
2. The Customer must pay the quoted Connection estimate amount (i.e. $239,335.00) in full prior to Elexicon undertaking this work (and in any case within 60 days of execution of this Offer), and such payment will constitute full payment for all Connection Work specifically as outlined and subject to the terms and conditions mentioned.

Signature of Owner [redacted]

Print Name [redacted]

Title [redacted]

Date (Day, Month, Year) 09,04,2025

elexicon ENERGY

OFFER TO CONNECT

Connection

Standard Terms and Conditions

Elexicon Energy Inc.
55 Taunton Rd. E.
Ajax, Ontario
L1T 3V3
Ajax/Pickering (905) 427-9870
All other service areas 1-888-445-2881

Part 1: Comments Pertaining to this Offer - Standard Terms and Conditions

1. Installation dates are contingent upon delivery of materials from suppliers as per scheduled delivery dates. Elexicon cannot be held liable for installation delays caused by material delivery delays.
2. Customer is responsible for fulfilling all legal requirements, obtaining all required permits, easements and licenses identified in the Reference Drawings.
3. The costs quoted on this Offer to Connect are estimated. When the project work is complete, a full review of the total costs will be done. If the final costs exceed those shown on this Offer to Connect, then Elexicon will invoice the customer for the difference and the customer shall pay such amount to Elexicon. If the final costs are less than those shown on this Offer to Connect, then Elexicon will issue a payment to the customer for the difference. This section also applies to the Upstream Capital Contribution that will be paid to the Transmitter (see section 9 below).

Part 2: Connection Work - Standard Terms and Conditions

4. Offer is based on an assumed clear and unencumbered access to site.
5. Offer does not include costs for the Electrical Safety Authority (ESA) inspection.
6. Elexicon will own, operate, repair and replace at its own cost the electrical components of the system that it owns as set out in Table 1 of the Appendices to the Conditions of Service Agreement the Conditions of Service available on the Elexicon website http://www.elexiconenergy.com The Customer will own, operate, repair and replace at its own cost all civil works components required to house Elexicon's electrical components. The Customer will also own, operate, repair and replace at its own cost all components,
both civil and electrical, beyond the ownership demarcation point.

If there are any issues that require supervisory attention, please contact Connections_Inquiry@elexiconenergy.com and a member of the Management team will get in touch with you within 5 business days.

Part 3: Security Deposits and Other Requirements - Standard Terms and Conditions

7. An Electrical Service and Energy Contract will be required.
8. Security Deposits
   a) All customers, including homeowners, are required:
   * to provide a service deposit, or
   * to provide evidence of a good payment history.

   b) Deposits are held as security to guarantee payment of future charges.

   c) The deposit may be waived if you are able to demonstrate a good payment history with documentation from another
   Canadian electric or gas utility.

   For further on Security Deposits ,
   * Refer to section 2.4.3 of our Conditions of Service available on the Elexicon website (http://www.elexiconenergy.com), or * call our Distribution Services Department during weekday office hours: 8:30 a.m. & 4:30 p.m., at:
   * Ajax/Pickering **(905) 427-9870**
   * All other service areas **1-888-445-2881**

Part 4: Upstream Transmission Connections – Special Terms and Conditions

9. The Customer acknowledges that section 3.6.1 of the Ontario Energy Board's Distribution System Code applies to this connection by the Customer, since the new additional capacity required by the Customer contributed to the need for Hydro One Networks Inc. ("HONI", or "Transmitter") to build a new Transmitter-owned connection facility (i.e. the DESN-2 transmission station in Belleville, ON), and it causes the Customer to have a non-coincident peak demand that is equal to or greater than 5 MW. The Customer acknowledges that Elexicon is required to collect a capital contribution (the "Upstream Capital Contribution") from the Customer, which will be passed on to the Transmitter, based on the Customer's incremental capacity requirements and the total project cost. Pursuant to section 3.6.1, the Transmitter shall calculate the amount of the Upstream Capital Contribution to be paid by the Customer pursuant to the method set out in the Transmission System Code.

   The Customer acknowledges that the Transmitter has calculated the amount of the Upstream Capital Contribution as an estimate only. The Customer acknowledges that this is merely an estimate that is not final or binding on Elexicon or the Transmitter. Upon execution of this OTC Agreement, the Customer shall initially pay to Elexicon the amount estimated by the Transmitter as the Upstream Capital Contribution according to the payment schedule set out below.

   Further, upon completion of project work on the new Transmitter-owned connection facility (i.e. the DESN-2 transmission station in Belleville, ON), then as noted above, the Transmitter shall undertake a full review of the costs of such project, and Elexicon shall inform the Customer of the final costs of the project once such amount is available from the Transmitter. If the final costs exceed those initially estimated by the Transmitter, then Elexicon will invoice the Customer for the difference and the Customer shall pay such difference to Elexicon. If the final costs are less than those initially estimated by the Transmitter, then Elexicon will issue a payment to the Customer for the difference.

   Upstream Capital Contribution Payment Schedule:

   Payment #1 – Due June 1, 2025 - $185,575.08 + HST = $209,699.84

   Payment #2 – Due January 30, 2026 - $185,575.08 + HST = $209,699.84

   TOTAL (As shown on Page 1) - $419,399.68

Section A - Connection Work that MUST be performed by Elexicon Energy Inc.
Item and Quantities

Job: [redacted]
Job Number: BGS231009 Reference Drawing: 204027 Rev. 0

	Description	Bid Price
A01	Engineering, GIS Records, Site Inspections	$ 86,000.00
A02	Pole #87918 – Advancement cost applied (existing pole #443)	$ 8,700.00
A03	Pole #87919 – Advancement cost applied (existing pole #444)	$ 12,700.00
A04	Framing & Conductors – all poles	$ 20,800.00
A05	Transformer for Primary Metering	$ 6,800.00
A06	Primary Metering Equipment	$ 82,600.00
A07	Pole #87920 – Required Transitional pole	$ 11,900.00
Subtotal		**$ 229,500.00**

Part 3 - Security Deposit
Item and Quantities

Job: [redacted]
Job Number: BGS231009 Reference Drawing: 204027 Rev. 0

JOB: BGS231009, [redacted]

	Description		Total
Securities	Security deposit – **WAIVED – Existing Customer**		$ 0.00
		Total	**$ 0.00**

NOTES:

Service Deposits are based on the proposed service sizes and estimated average monthly billings. The deposit amount must be paid before Elexicon can connect the service(s).

Service Deposits can be waived or reduced if one or more of the following conditions are met:

- the owner of the new service is an existing Elexicon customer with a good payment history on another similar sized service.

- the owner can provide Elexicon with a credit reference letter indicating seven (7) years of good payment history for a similar sized service.

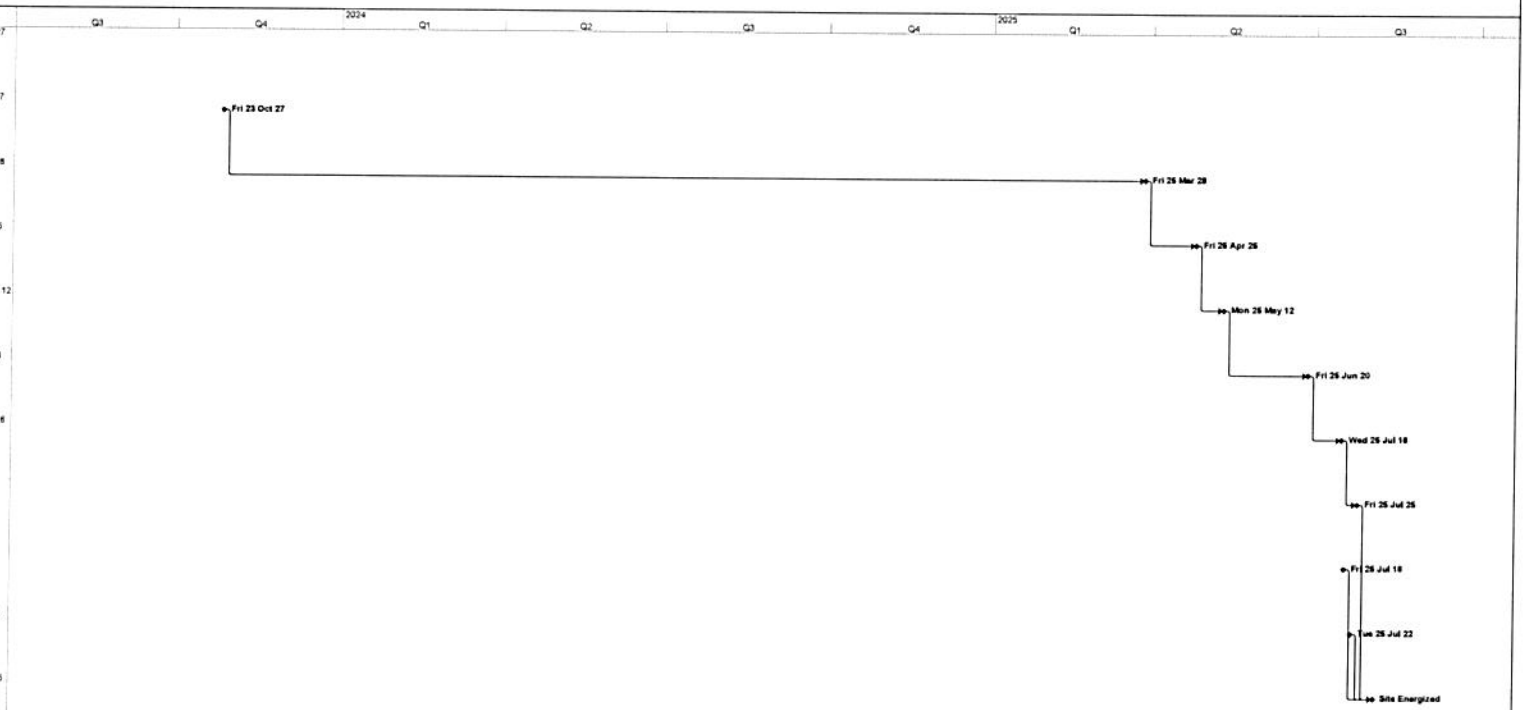
- the owner provides a credit rating from a recognized credit rating agency such as Dominion Bond Rating Service, Standard & Poor's or Moody's. Dependent on the rating, the amount of the security deposit may be waived or reduced.

- the deposit can be paid in four (4) equal monthly installments with the first installment due prior to energizing the service

- the owner can provide Elexicon with a Letter of Credit for the deposit.

Project Name: [redacted] 44kV Station Upgrade - Connection
Job Number: 2025-0602 BGS231009
Customer: [redacted]
Designer: Ross Barnett
Supervisor: Lisa Sheng

ID	Milestone	Task Name	DRI	Date
1		**Kellogg's 44 kV Station Upgrade -Connection**		Fri 23 Oct 27
2	1	Connection Request Submitted	Customer	Fri 23 Oct 27
6	2	OTC Issued	Elexicon Energy	Fri 25 Mar 28
22	3	OTC Executed and Payment Submitted	Customer	Fri 25 Apr 25
23	4	Electrical Construction (New Pole Line, no civil) Started	Elexicon Energy	Mon 25 May 12
25	5	Electrical Construction (New Pole Line, no civil) Completed	Elexicon Energy	Fri 25 Jun 20
26	6	Primary Metering Installation Started	Elexicon Energy	Wed 25 Jul 16
27	7	Primary Metering Installation Completed	Elexicon Energy	Fri 25 Jul 25
28	8	Privately Owned 44 kV Transformer Test Report Submitted	Customer	Fri 25 Jul 18
29	9	ESA Certificate Received	Customer	Tue 25 Jul 22
30	10	Site Energized	Elexicon Energy	Tue 25 Aug 05



Project: Kellogg's 44kV Station Upgrade
Date: Wed 25 Mar 26

Task · Milestone · Manual Summary · Rolled Up Task · Inactive Milestone · Manual Task · Start-only · External Tasks · Progress
Split · Summary · Project Summary · Inactive Task · Inactive Summary · Duration-only · Finish-only · Deadline

Disclaimer 1: The Schedule represented here is for illustration purpose and is subject to chage.
Disclaimer 2: Long Lead Material Ordered date is for 1st ordered materials. Long Lead Materials Received date is for the last material received.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

:

RESPONSE:

a. A list of activities included within project management are provided in paragraph 10 on page 8 of Appendix C – Belleville DESN 2 Business Case. An estimated breakdown of costs is provided in Table 1, below.

Table 1: Belleville DESN 2 - Estimated Project Management Costs for Elexicon

Activities	Cost
Project Status Meetings and Updates	$53,802
Site Visits and Inspections	$23,912
Design review and coordination	$47,824
Witness testing and commissioning	$35,868
Coordination of the design and construction with Hydro One Transmission, Hydro One Distribution, and Elexicon	$65,758
Activities that support delivering Elexicon's obligations as set out in the CCRA	$83,692
Protection and Control studies performed by consultant	$1,000
Total Project Management	**$311,856**

b. Confirmed. Elexicon has a project manager in place effective February 27, 2025.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please refer to Elexicon's response to question VECC-31(d) for the Project Status Report – 2025 Q3, which is the most recent update on Belleville DESN 2 from Hydro One. Engineering completion is expected in Q4 2025. The majority of engineering work is in the completion phase with exception of the relay settings design. Tasks remaining also include the as-built drawings and ongoing engineering support to the field work.

:

b) Please refer to Elexicon's response to question VECC-31(d) for the Hydro One Project Status Report – 2025 Q3, which is the most recent update on Belleville DESN 2 from Hydro One.

c) See response to b).

d) Construction started in February 2025 and is expected to be completed by September 2026, approximately 19 months. Please refer to Elexicon's response to question VECC-31(d) for the Project Status Report – 2025 Q3, which is the most recent update on Belleville DESN 2 from Hydro One.

e) The latest forecast in-service date is December 17, 2026.

f) The power transformers and protection, control, and telecom (PCT) building have been delivered. The circuit breakers, capacitor banks, and switches are expected to be delivered in November 2025.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- As noted in Appendix C Belleville Business Case, at Table 1, Elexicon's peak load at Belleville TS is expected to increase by approximately 32 MW in 2034 compared to 2025. This information is up to date.
- Baseload is derived from historical peak loads and serves as the foundation for adding incremental growth from other load drivers (i.e., customer growth, electric vehicles, and building electrification). Loading data is weather normalized to account for impact of weather on the peak load.
- The residential forecast is driven by data provided by the City of Belleville; the total number of housing units is expected to increase on average by 0.4% per year. To forecast the number of businesses, Elexicon used historical business distribution data from Statistics Canada and employment forecasts provided by the Belleville Population, Housing, and Employment Growth Forecast (Watson & Associates, 2022). By 2034, the additional peak load from customer growth is expected to be approximately 10 MW compared to 2025.
- Large industrial customers will account for approximately 12 MW of additional peak load by 2034 compared to 2025.

:

- Elexicon utilized a stock turnover model to account for the number of electric vehicles in stock compared to internal combustion engine vehicles. Electric vehicle load will account for approximately 5 MW of additional peak load by 2034 compared to 2025.
- Building electrification will account for approximately 5 MW of additional peak load by 2034 compared to 2025.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY VECC-27

Ref: Appendix C pp. 14-16

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

RESPONSE:

Please refer to Elexicon's response to VECC-31(d), specifically, the Hydro One Project Status Report- Q3 2025, where a breakdown of the total cost for Belleville DESN 2 is provided. The total estimated cost for Belleville DESN 2 is $63,499,388 and Elexicon's portion is 51%.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY VECC-28

Ref: Appendix C p. 17

Please provide the customer impacts of each Alternative.

RESPONSE:

Please refer to Appendix C Section 4.1 Paragraph 24, where the project benefits and economics are compared for each alternative. Among the three options compared, only Option 1 – New Belleville DESN-2 Station serves the short-term and longer-term capacity needs. While Option 1 and Option 2 have similar initial costs, Option 2 – Additional Transformer at Belleville DESN-1 only provides short-term capacity relief that would then require additional capital and/or operational costs to provide medium-term capacity relief. Option 3 – Load Transfers is not feasible and would not provide the capacity relief needed.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please refer to Elexicon's response to question VECC-31(d), where the Project Status Report – 2025 Q3 is attached. As noted in the Q3 report, the greatest risk is the major equipment not arriving on time and causing delays to the schedule. This risk has been gradually reduced as the power transformers and protection, control, and telecom (PCT) building have been delivered. The circuit breakers, capacitor banks, and switches are expected to be delivered in November 2025.

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b) Elexicon has regular meetings with Hydro One regarding the Belleville DESN 2 project, following which Hydro One provides a point form summary of the meeting. These summaries have been compiled and are attached to this response, see attachment 'VECC_29 b) Meeting notes from meetings with Hydro One'.

c) The latest cost estimate for the project is $59,571,360 and Elexicon is contributing 51% of this cost, as per Attachment C-2 Connection and Cost Recovery Agreement.

d) Please refer to Elexicon's response to part a) above.

e) No new risks have been identified.

f) Please refer to Elexicon's response to question VECC-31(d), where the Project Status Report – 2025 Q3 is attached. As noted in the Q3 report, the total cost associated with contingency, overhead, and interest is $16,228,597 compared to the total project cost of $63,499,388. The contingency is calculated based on risks identified by the Hydro One project team and each risk is quantified by project controllers for their probability, schedule, or cost impact. The amount spent on this cost component, as of the Q3 report, is $1,395,778.

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VECC-29 b) Attachment: Meetings Notes from Quarterly Meetings with Hydro One

VECC_29 b) Attachment – Meeting notes from meetings with Hydro One

April 1, 2025 – Kick-Off Meeting

Project background and scope outlined for Belleville TS DESN#2.

Funding confirmed; CCRA signed Feb 25, 2025.

Construction mobilized Feb 27, 2025.

Tx Lines work completed (Q6S relocation).

Elexicon and HONI Dx responsibilities defined.

Initial action items assigned for design, settings, and coordination.

April 3, 2025 – Follow-Up

Meeting minutes shared.

Request for Elexicon to revise schedule and submit feeder settings.

Coordination with Temesghen and Thamina requested.

April 7, 2025 – Clarification Request

Elexicon requested confirmation on feeder routes, cable termination requirements, and contractor compliance within TS.

April 29, 2025 – Design Coordination Meeting

Drawings shared by Elexicon and Dx Lines.

Monthly meetings to be scheduled.

Gantt chart requested.

As-built 8M10 cross-section to be provided.

Confirmation on metering and energization timelines.

Tie-switch location change discussed.

May 7–8, 2025 – Pre-Meeting Coordination

Drawings reviewed and shared.

Meeting proposed for May 16.

As-built 8M10 cross-section requested.

May 16, 2025 – Design Follow-Up Meeting

Pole anchor conflict resolved.

Elexicon to provide temporary support.

Schedule coordination in progress.

Confirmation on energization, metering, and tie-switch.

Compliance with OHSA confirmed.

HONI proposed direct burial; Elexicon declined.

Joint meeting with City of Belleville scheduled for June 5.

May 23–28, 2025 – Meeting Minutes Update

Clarification on June 5 meeting purpose: routing coordination for HONI DX feeders.

City meeting pending confirmation.

Updated MoM shared with refined action items.

June 6, 2025 – 10% Design Submission

Elexicon submitted preliminary duct bank design.

Key inquiries raised: clearance near Tx towers, pole ownership, coordination at station site, easement requirements.

June 27, 2025 – 30% Design Update

Elexicon proposed alternate route along west side of Centre Street.

Feedback requested from HONI.

Awaiting Dx 30% design submission.

August 19, 2025 – Design Follow-Up

PCT building installed; commissioning underway.

Transformers tested; no impact.

Feeder settings and design finalization due Aug 29.

Easement discussions initiated.

August 25–28, 2025 – CAD Request & Reminder

Revision E.0 shared.

HONI requested to provide CAD files.

Reminder issued to trigger PA&G modeling.

September 2, 2025 – Design Follow-Up

Fence installation completed.

Feeder settings and Revision E shared.

Contractor selection ongoing.

Next meeting scheduled for October 7.

September 5, 2025 – Status Update

Elexicon reiterated CAD file request.

Comments to be marked with dimensions.

Dragana announced vacation (Sept 12–Oct 5).

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please refer to Elexicon’s responses to question VECC-25 parts (e) and (f).
b) Procurement of the assets for Belleville DESN 2 is being managed by Hydro One. The power transformers and protection, control, and telecom (PCT) building have been delivered and the remaining critical assets (circuit breakers, capacitor banks, and switches) are expected to be delivered in November 2025.
c) Please refer to Elexicon’s response to part (b) above.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please find attached copies of Schedule A, B. See response to d) below for Project Status Report.

:

b) Hydro One has confirmed those schedules pertain to real estate, and as there is no new real estate portion of this work to put into the CCRA, they were excluded. Hydro One did not include those schedules in the CCRA provided to Elexicon as they are not relevant.

c) Confirmed. The CCRA was signed by Elexicon on February 20 2025, and returned to Hydro One.

d) Please find attached a copy of Schedule D. Please find attached copies of the two project status reports (Q2 and Q3) received from Hydro One.

e) Filed on a confidential basis.

f) An updated estimated cost was provided in the CCRA. Please refer to Attachment C-2 Schedule C. Additionally, Hydro One provided updated project estimates in the Q2 and Q3 status reports as noted in part (d) above.

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VECC-31 a) Attachment:

Schedule “A”, “B” of the CCRA

Schedule "A" (Belleville TS – DESN 2): Scope of Hydro One Connection Work

MISCELLANEOUS

New or Modified Connection Facilities: new 230/44kV 75/125 MVA DESN transformer station designated as "Belleville TS DESN 2"

Connection Point: T25B/H23B

Approval Date (if Section 92 required to be obtained by Hydro One): Not applicable

Ready for Service Date: December 17, 2026

Ownership: Hydro One will own all equipment provided by Hydro One as part of the Hydro One Connection Work

GENERAL:

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of the Hydro One Connection Work. The scope of the Hydro One Connection Work includes the requirements from and the assumptions identified by Hydro One in the Connection Cost Estimate Report dated December 6 2024 in addition to the requirements from:

- the IESO's System Impact Assessment (SIA) Report dated August 7, 2024 (CAA ID #2023-758;
- Hydro One's Customer Impact Assessment (CIA) Report dated November 4, 2024 and

Hydro One, or its agents:

(i) will supply and install all materials and equipment not specifically described herein that are required or may be necessary to complete the work for the purpose required;

(ii) shall repair any damage caused to lands, owned by Hydro One or third parties, associated with or related to the Hydro One Connection Work;

(iii) where Hydro One deems necessary, install appropriate solutions to address public safety concerns regarding the facilities being constructed by Hydro One, which may include, but is not limited to, safety enclosures and signage; and

(iv) scrap all materials and equipment removed by Hydro One, or its agents, at site unless specifically stated otherwise.

SCOPE DETAILS (BY CATEGORY):

Part 1: Transformation Connection Pool Work

Hydro One will:

- Provide two line terminating structures complete with two 230kV, 2000A transformer disconnect switches complete with ground switches and provide bus work associated with the connection of the switches from the line entrance to the transformer bushings
- Provide two (2) new 75/100/125 MVA 230/44 kV transformers (T3 and T4) and associated neutral grounding reactors

- Two (2) new spill containments for the new transformers
- New footings and structures to support new equipment associated with the new DESN #2
- Install two (2) capacitor banks and associated capacitor circuit switcher and disconnect switches
- Provide surge arrestors for both the HV and LV sides of the transformers, overhead connections, from 230kV line terminating structures and overhead connections to the 44 kV structures
- Install 4-bay low voltage switchyard including two (2) transformer breakers and associated disconnect switches, one (1) bus-tie breaker and associated disconnect switch, six (6) feeder breakers and associated disconnect switches, and three (3) feeder tie switches
- Provide two 44kV feeder positions with provisions for two additional breaker position in the future for the Third Party, and four 44kV feeder position for the Customer
- Install two (2) capacitor banks and associated capacitor circuit switcher and disconnect switches
- Install AC station service including two (2) station service transformers, two (2) fused disconnect switches, and outdoor panels
- Perform a grounding study and ground potential rise study and provide station ground grid to cover the New or Modified Facility.
- Provide Protection, Control, Metering, and Annunciation for the New or Modified Connection Facility
- Provide access road, grading, spill containment, and drainage for the New and Modified Connection Facility, as required
- Perform Environmental Assessment Screening, Archaeological Assessment, and Species at Risk assessment
- Acquire the required municipal and government approvals and permits for the construction and operation of the New or Modified Connection Facility
- Provide landscaping, as required, by the Town of Belleville

Hydro One will obtain the following Land Rights for the Transformation Connection Pool Work[2]: None

Part 2: Line Connection Pool Work

Hydro One will:

- Relocate existing 115 kV transmission line circuit Q6S between structures #245B and #245C to accommodate new DESN (Completed)

Hydro One will obtain the following Land Rights for the Line Connection Pool Work[2]: None

Part 3: Network Pool Allocated Work
None

Part 4: Network Pool Work (Non-Recoverable from Customer)
None

Part 5: Work Chargeable to Customer
None

[2] Cross-reference: Section 24 of T&C and definition of Land Rights in Appendix A of the T&C.

Part 6: Scope Change

For the purposes of this Part 6 of Schedule "A", the term "Non-Customer Initiated Scope Change(s)" means one or more changes that are required to be made to the Project Scope as detailed and documented in Parts 1 to 5 of this Schedule "A" as a result of any one or more of the following:

- any environmental assessment(s);
- requirement for Hydro One to obtain approval under Section 92 (leave to construct) of the Ontario Energy Board Act if the transmission line route selected by Hydro One is greater than 2 km in length;
- Hydro One having to expropriate property under the Ontario Energy Board Act;
- conditions included by the OEB in any approval issued by the OEB under Section 92 of the Ontario Energy Board Act or any approval issued by the OEB to expropriate under the Ontario Energy Board Act; and
- any IESO requirements identified in the System Impact Assessment or any revisions thereto.

Any change in the Project Scope as detailed and documented in this Schedule "A" whether they are initiated by the Customer ("**Customer Initiated Scope Changes**") or are Non-Customer Initiated Scope Changes, may result in a change to the Project costs estimated in Schedule "C" of this Agreement and the Project schedule, including the Ready for Service Date.

All Customer Initiated Scope Changes to this Project must be made in writing to Hydro One. Hydro One will advise the Customer of any cost and schedule impacts of any Customer Initiated Scope Changes.

Hydro One will not implement any Customer Initiated Scope Changes until written approval has been received from the Customer accepting the new pricing and schedule impact.

Hydro One will advise the Customer of any Material cost and/or Material schedule impacts of any Non-Customer Initiated Scope Changes. Hydro One will implement all Non-Customer Initiated Scope Changes until the estimate of the Engineering and Construction Cost of all of the Non-Customer Initiated Scope Changes reaches 10% of the total sum of the estimates of the Engineering and Construction Cost of:

(i) the Transformation Connection Pool Work,
(ii) the Line Connection Pool Work;
(iii) Network Pool Work;
(iv) Network Pool Allocated Work; and
(v) The Work Chargeable to Customer.

At that point, no further Non-Customer Initiated Scope Changes may be made by Hydro One without the written consent of the Customer accepting new pricing and schedule impact. If the Customer does not accept the new pricing and schedule impact, Hydro One will not be responsible for any delay in the Ready for Service Date as a consequence thereof.

Schedule "B" (Belleville TS – DESN 2): Scope of Customer Connection Work

MISCELLANEOUS

Revenue Metering: IESO compliant revenue metering to be provided by the Customer.

GENERAL:
The Customer will:

(a) enter into a Connection Agreement with Hydro One or where applicable, amend its existing Connection Agreement with Hydro One at least 14 days prior to the first Connection;
(b) ensure that project data is provided to Hydro One in accordance with Subsection 3(e) of the T&C;
(c) install metering facilities in accordance with the Market Rules;
(d) provide a dedicated communication circuit for remote access to the metering equipment in accordance with the Market Rules;
(e) provide a dedicated telephone line for direct communication between Hydro One's Integrated System Operating Centre (**"Hydro One ISOC**") operator and the real time contact to be listed in the Connection Agreement can be a toll free (1-800…) phone number which should go directly to the Customer's real time contact and not an automated teleprompt/voice recording as it may require an immediate response from the Customer) and will provide round-the-clock monitoring and control of the Customer's facilities;
(f) ensure that the work to be performed by the Customer required for successful installation, testing and commissioning of protective, teleprotection, telecommunication and metering equipment is completed as required to enable Hydro One COVER verification to confirm satisfactory performance of such systems;
(g) accept operating designations as assigned by Hydro One and install nameplates on the Customer's equipment;
(h) use operating designations on all operating agreements, telemetry and protection documents and any other agreements that refer to equipment designation; and
(i) satisfy all other requirements specific to the Connection.
(j) procure and install or pull all new feeder cables complete with cable terminations through the feeder egress duct bank within Belleville TS DESN #2.
(k) In conjunction with Hydro One identify and agree to a termination point for the feeder egress that will be built by Hydro One;
(l) Provide cable and termination specification and feeder egress drawings by no later than Eight (8) weeks following the execution of this Agreement;
(m) Provide revenue metering for the New Breaker Position, compliant with IESO requirements;
(n) Install any feeder-tie switches required outside the station fence to provide alternate feeder supply connection to cover outage of the new breaker position;
(o) assume responsibility for arranging any easements required for Customer-owned feeder
(p) The Customer to build the duct structure (duct bank) up to 1.5m outside of existing station fence.
(q) Hydro One to take the duct structure work from that point (1.5m outside of the existing station fence) going all the way inside the station, up to 10m maximum distance.
(r) The Customer to pull the cables to Hydro One structure (disconnect switch) and leave the cables coiled safely on the ground. Hydro One to secure the cables to the structure.
(s) The Customer to complete terminations for their cables.

(t) Hydro One Stations Construction has no issue with the Customer coming into the station for this work but the contract monitor will be required;
(u) The Customer to complete VLF (Very Low Frequency) testing to verify the insulation integrity of the cable before Hydro One makes the connection to the bus;
(v) The Customer to coordinate work with Hydro One so that project timelines can be met.

LAND RIGHTS REQUIRED TO BE PROVIDED BY CUSTOMER:[2]

The Customer shall provide Hydro One with the following Land Rights required by Hydro One for the Hydro One Connection Work: None

DOCUMENTATION REQUIREMENTS:

Hydro One to provide the list of Documentation no later than three months after execution of this Agreement.

Schedule "D": Sample Cost Report

Project Investment No.				
Ready for service date				
Project Title				
Project Description				
Project Management	$			
Real Estate	$			
Engineering	$			
Procurement	$			
Construction	$ (see Note 1)			
Commissioning	$			
Other - Overhead/ Interest	$			
Total Cost K$ (excl. HST)	**$**			

VECC-31 d) Attachment:

Schedule D and Hydro One Quarterly Status Reports

PROJECT STATUS REPORT - 2025 Q2

Project: Belleville TS DESN 2

Customer: Elexicon Energy Inc.

Project Description

Hydro One is proposing to construct a new Substation at Belleville TS that will be called Belleville TS Dual Element Spot Network (DESN) #2. The Belleville TS DESN #2 will be built within the existing property of Belleville TS and supplied by 230kV transmission line circuits T25B and H23B, which also supply Belleville TS DESN #1. The new substation will be a 230/44 kV step-down station with six (6) feeder breaker positions. The feeders of the new substation will be serving Elexicon (4 feeders) and Hydro One Distribution (2 feeders). Construction of Belleville TS DESN #2 will require Hydro One to install two (2) power transformers, a 44kV switchyard, and a Protection, Control, and Telecom (PCT) Building. The Customer and HONI Dx will be responsible for procuring and installing all conductors, and feeder egress duct banks within Belleville TS DESN #2.

PROJECT STATUS

SCHEDULE : ON TRACK

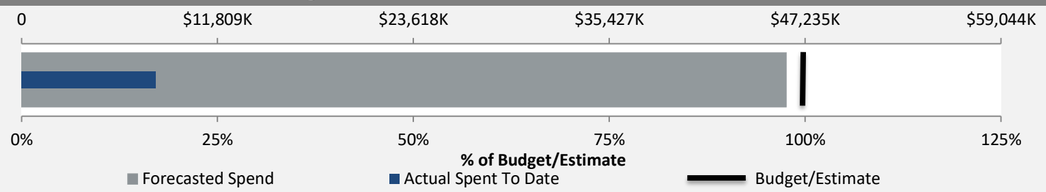
FORECASTED COST : UNDER BUDGET

Project Costs

Forecasted Cost

2%

Under Budget



Cost Component	Budget/Estimate	Actual To Date*	Forecast†
Project Management	$ 1,229,851	$ 742,345	$ 1,229,851
Real Estate	$ 3,876	$ 3,876	$ 3,876
Engineering	$ 2,728,028	$ 1,687,943	$ 2,200,000
Procurement	$ 21,604,997	$ 3,221,169	$ 21,604,997
Construction	$ 18,314,581	$ 1,866,322	$ 18,314,581
Commissioning	$ 3,389,458	$ 28,505	$ 3,389,458
Other**	$ 16,228,597	$ 533,693	$ 15,228,597
Total	**$ 63,499,388**	**$ 8,083,853**	**$ 61,971,360**

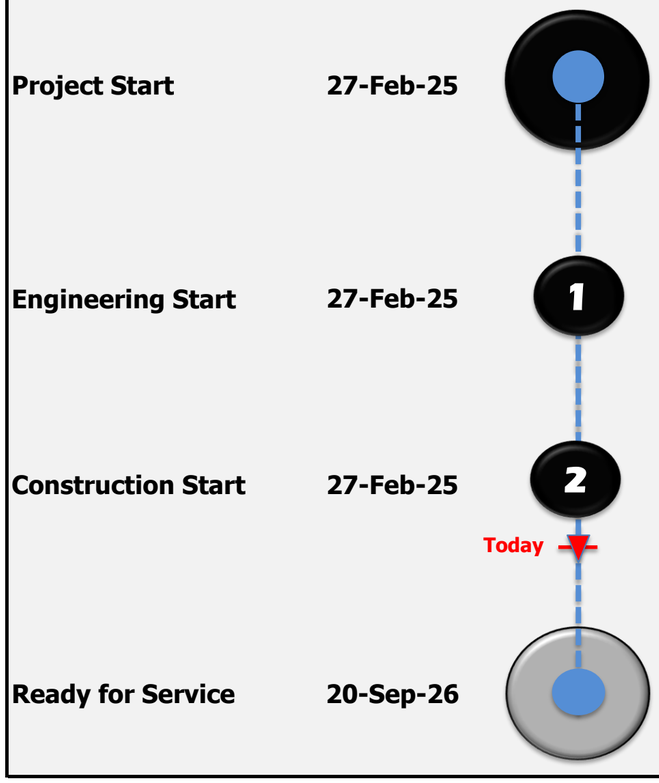
*Actual costs spent as of June 30, 2025.

**Other costs include overhead, contingency, and interest as applicable.

Customer Capital Contributions excl. HST	**$ 0**
Forecast of Project Costs excl. HST	**$ 61,971,360**

Note: An Economic Evaluation will be performed after achieving Ready for Service to determine if any further capital contributions or refund of previous capital contributions is required.

Project Schedule



Additional Notes

Most of the engineering work is in the completion phase, with exception of relay settings design, as-built drawing updates, and some ongoing engineering support to the field work. Construction Started: February 27, 2025. PCT Delivery: July 17, 2025. Commissioning Start: July 28, 2025. Transformers tentative delivery: August 18, 2025, Transformers In Servicing: August 24, 2026. Based on the progress at the site, the overall project risk has been gradually reduced, which is reflected in the project forecast above.

Threats, Risks, and Scope Changes

The greatest risk will be major equipment not arriving on time and causing delays to the schedule.

Account Executive

Jayde Suleman

Phone: +1-613-318-4667

Email: Jayde.Suleman@hydroone.com

Project Manager

Dragana Jankovic

Phone: +1-416-708-1697

Email: dragana.jankovic@hydroone.com

†Forecasted costs are a projection of the actual Engineering and Construction Cost of the Hydro One Connection Work and are subject to change due to internal resource bundling, scheduling, delays in third party invoicing for equipment, materials and services, and other factors. Because of the foregoing, upon Project completion, the customer will pay the actual Capital Contributions for the Hydro One Connection Work described as Transformation Connection Pool Work, Line Connection Pool Work and Network Customer Allocated Work as well as the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) in accordance with the terms of the Connection and Cost Recovery Agreement.

PROJECT STATUS REPORT - 2025 Q3

Project: Belleville TS DESN 2

Customer: Elexicon Energy Inc.

Project Description

Hydro One is proposing to construct a new Substation at Belleville TS that will be called Belleville TS Dual Element Spot Network (DESN) #2. The Belleville TS DESN #2 will be built within the existing property of Belleville TS and supplied by 230kV transmission line circuits T25B and H23B, which also supply Belleville TS DESN #1. The new substation will be a 230/44 kV step-down station with six (6) feeder breaker positions. The feeders of the new substation will be serving Elexicon (4 feeders) and Hydro One Distribution (2 feeders). Construction of Belleville TS DESN #2 will require Hydro One to install two (2) power transformers, a 44kV switchyard, and a Protection, Control, and Telecom (PCT) Building. The Customer and HONI Dx will be responsible for procuring and installing all conductors, and feeder egress duct banks within Belleville TS DESN #2.

PROJECT STATUS

SCHEDULE : ON TRACK

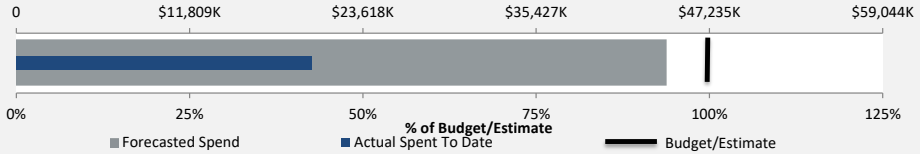
FORECASTED COST : UNDER BUDGET

Project Costs

Forecasted Cost

6%

Under Budget



Cost Component	Budget/Estimate	Actual To Date*	Forecast†
Project Management	$ 1,229,851	$ 788,618	$ 1,229,851
Real Estate	$ 3,876	$ 3,876	$ 3,876
Engineering	$ 2,728,028	$ 1,751,992	$ 2,200,000
Procurement	$ 21,604,997	$ 13,046,959	$ 21,604,997
Construction	$ 18,314,581	$ 3,036,413	$ 18,314,581
Commissioning	$ 3,389,458	$ 121,372	$ 3,389,458
Other**	$ 16,228,597	$ 1,395,778	$ 12,828,597
Total	**$ 63,499,388**	**$ 20,145,008**	**$ 59,571,360**

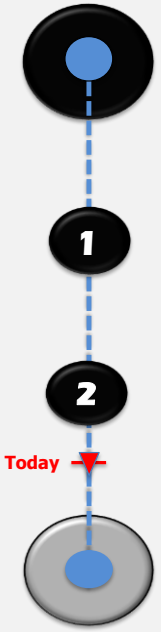
*Actual costs spent as of September 3, 2025.

**Other costs include overhead, contingency, and interest as applicable.

Customer Capital Contributions excl. HST	**$ 0**
Forecast of Project Costs excl. HST	**$ 59,571,360**

Note: An Economic Evaluation will be performed after achieving Ready for Service to determine if any further capital contributions or refund of previous capital contributions is required.

Project Schedule



Additional Notes

Most of the engineering work is in completion phase with exception of relay settings design, as-built drawing updates and some ongoing engineering support to the field work. Construction Started: February 27, 2025. PCT Delivery: July 17, 2025. Commissioning Start: July 28, 2025. Transformers were delivered to the site and offloaded to the pads by August 22, 2025. Transformers In Servicing: August 24, 2026. Based on the progress at the site, the overall project risk has been gradually reduced, which is reflected in the project forecast reduction of $2M in the table above.

Threats, Risks, and Scope Changes

The major equipment not arriving on time and delaying the schedule will be the greatest risk.

Account Executive	Project Manager
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†Forecasted costs are a projection of the actual Engineering and Construction Cost of the Hydro One Connection Work and are subject to change due to internal resource bundling, scheduling, delays in third party invoicing for equipment, materials and services, and other factors. Because of the foregoing, upon Project completion, the customer will pay the actual Capital Contributions for the Hydro One Connection Work described as Transformation Connection Pool Work, Line Connection Pool Work and Network Customer Allocated Work as well as the actual Engineering and Construction Cost of the Work Chargeable to Customer (plus applicable Taxes) in accordance with the terms of the Connection and Cost Recovery Agreement.

VECC-31 e) Attachment: Class 3 Cost Estimate

Redacted in accordance with the OEB's Practice Direction on Confidential Filings, and specific direction provided by the OEB (letter of November 3 2025).

CONNECTION COST ESTIMATE REPORT

Project | Belleville TS – New DESN
Customer | Elexicon Energy Inc.

December 6, 2024

EXECUTIVE SUMMARY

- Elexicon Energy Inc. (the "Customer") has requested Hydro One to provide additional capacity in the region of Belleville.
- To meet the needs of the Customer and to eliminate the risk of overloading Belleville TS DESN #1, Hydro One is proposing to construct a new DESN at Belleville TS that will be called Belleville TS DESN #2.
- To construct Belleville TS DESN #2, Hydro One will be required to install two (2) power transformers, low voltage switchyard, and Protection, Control, and Telecom (PCT) Building.
- The Customer will be responsible for procuring and installing or pulling all new feeder cables complete with cable terminations through the feeder egress duct bank within Belleville TS DESN #2.
- It is assumed that long lead time materials are procured in advance to ensure they are available during construction activities.
- Customer cost assumes 50% contribution to Belleville TS DESN 2 station cost (station total: $53,388,938) and 4 feeder breaker positions

Estimated Cost:

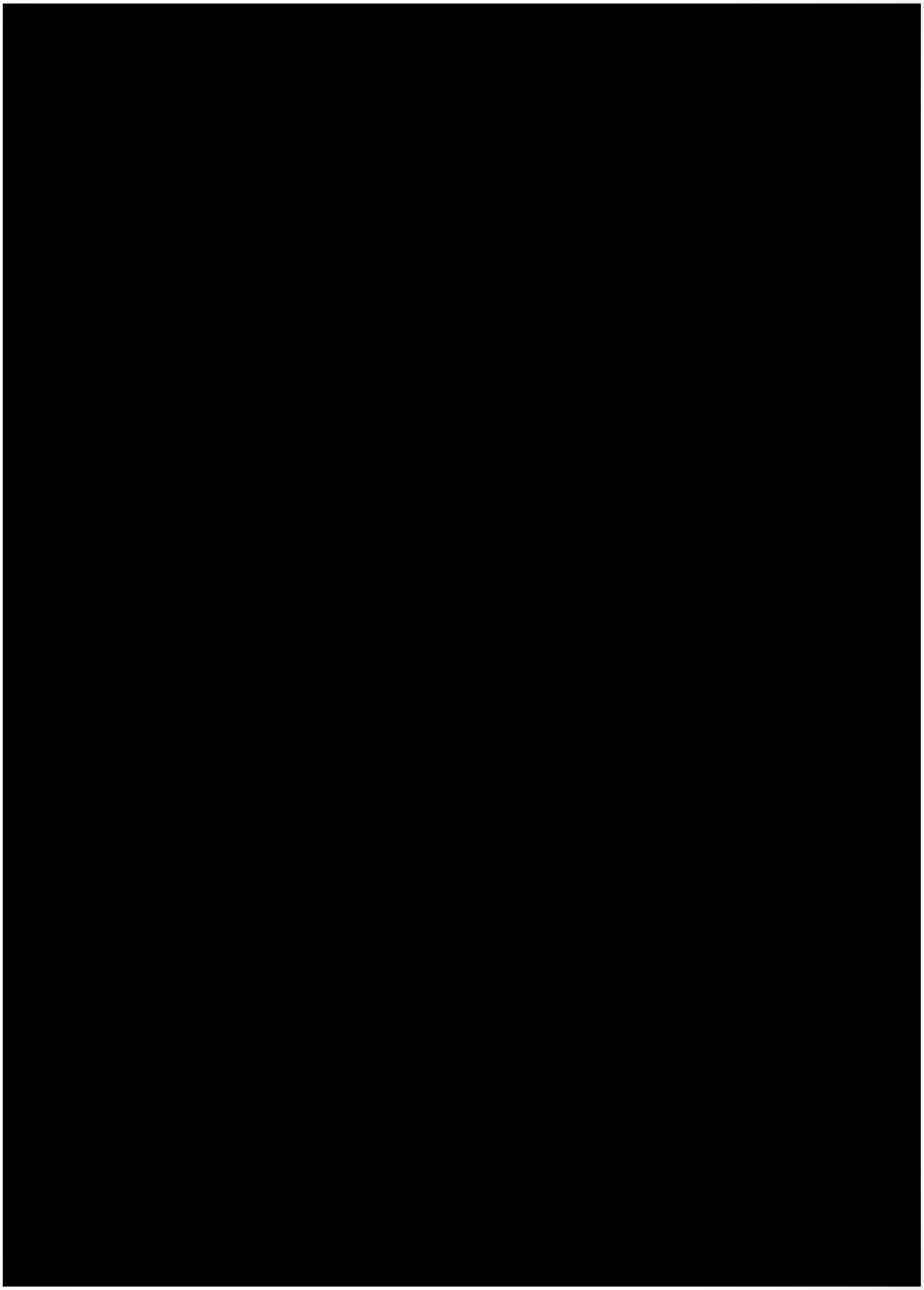
Total Customer Cost = **$30,727,720 + HST** = **$34,722,324.73.**

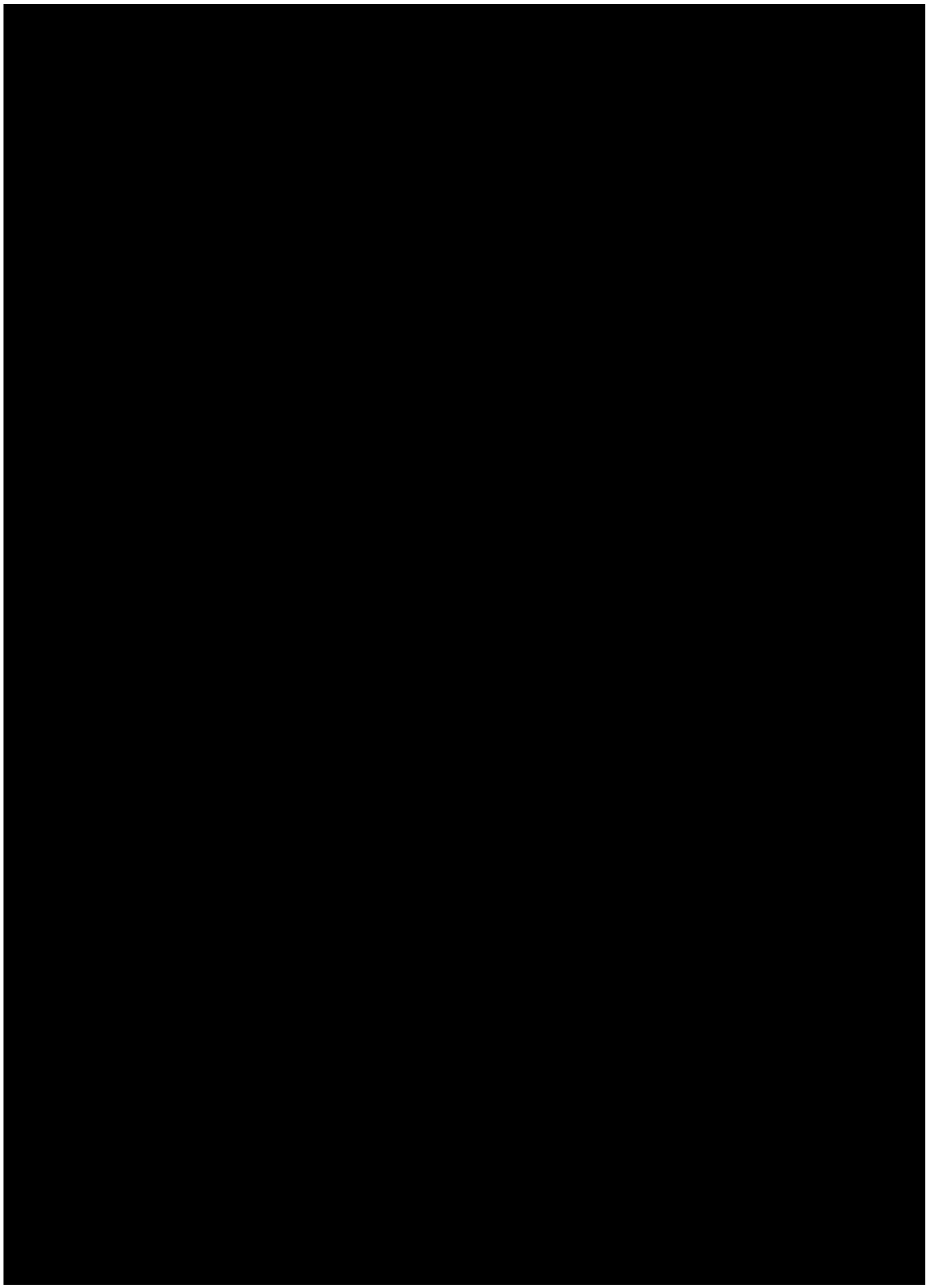
Estimate Accuracy: **-20% to +30% (Class 3)**

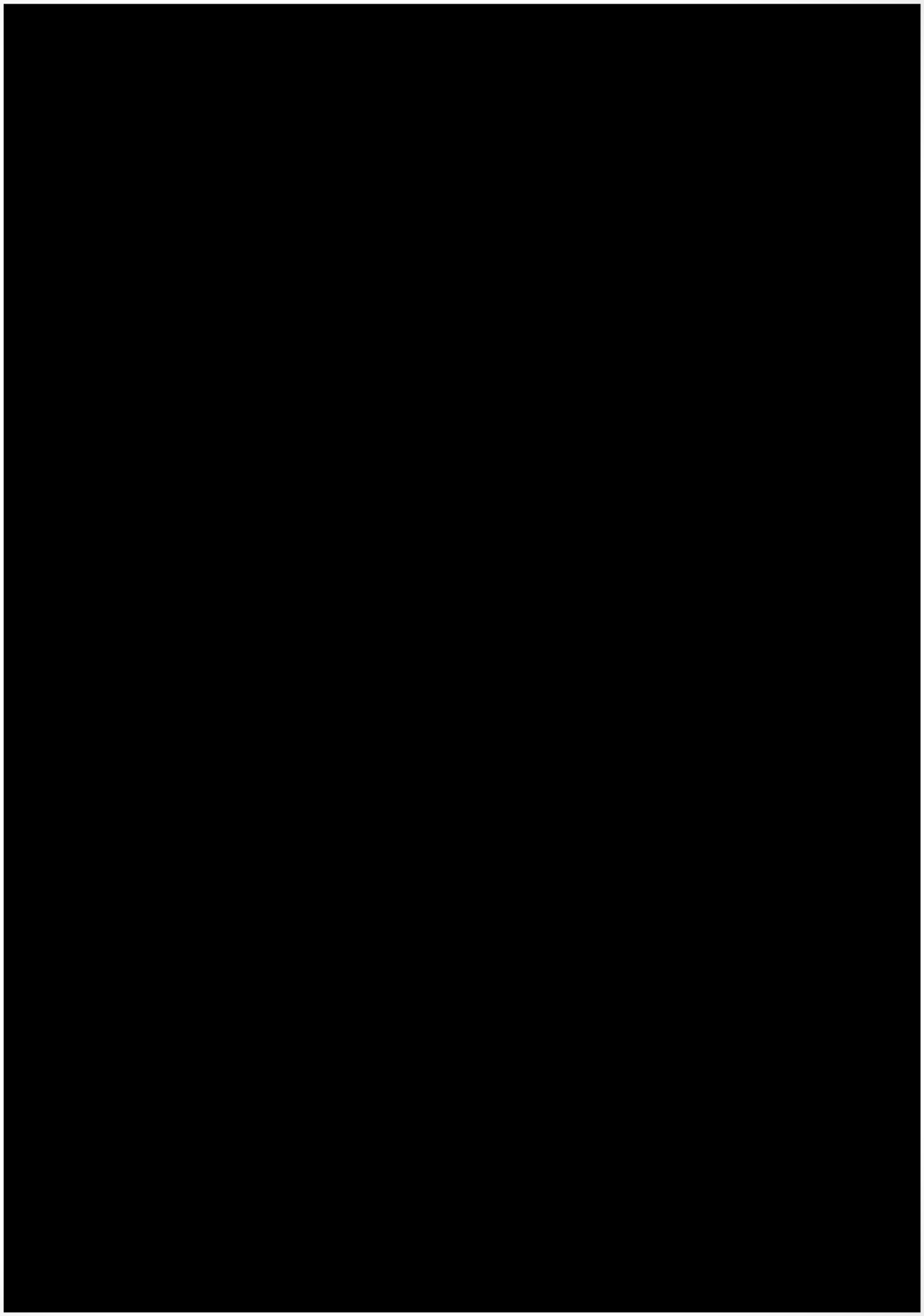
Proposed In-service Date (ISD): **December 17, 2026**

Table of Contents

EXECUTIVE SUMMARY 1
BACKGROUND 2
SCOPE OF WORK..... 3
PROJECT ASSUMPTIONS .. 5
PROJECT TIMELINE..... 6
COST ESTIMATE 7
NEXT STEPS 8







PROJECT ASSUMPTIONS

Key assumptions used to develop the scope of work and subsequently the estimated costs and timelines of the project are described below under the applicable disciplines of work.

Stations

- Firewall is not required between the power transformer and the adjacent microwave tower
- Long lead time materials are procured in advance to ensure they are available during construction activities

- There is no underground infrastructure that will significantly affect the installation of the new DESN

Control

- The SCADA modules, e.g. Gateways, Human Machine Interface (HMI), from DESN #1 will be shared with DESN #2

Environmental

- There will be no delays or challenges with obtaining sewer connection permit, if required

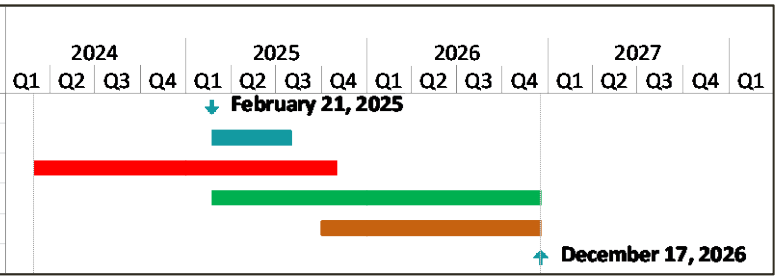
PROJECT TIMELINE

Key milestones of the project are:

1. Project Release: **January 28th, 2025**
2. In-service Date: **December 17th, 2026**

The proposed projected timeline is shown below and provides anticipated timeframes of the main activities.

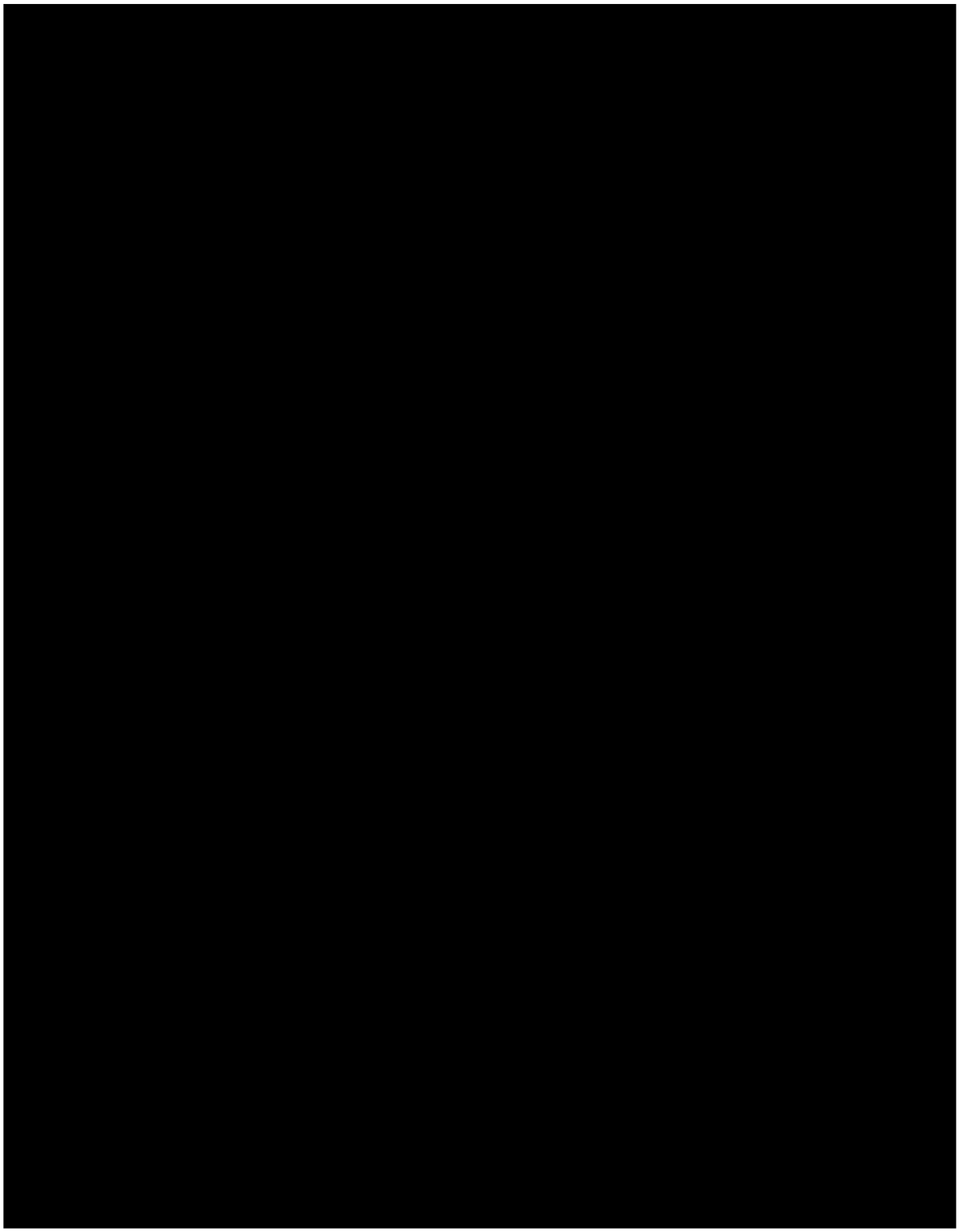
Milestone/Activity	Duration (Calendar Months)
Project Release	N/A
Engineering	5 Months
Procurement	20 Months
Construction	23 Months
Commissioning	15 Months
Project In-service	N/A

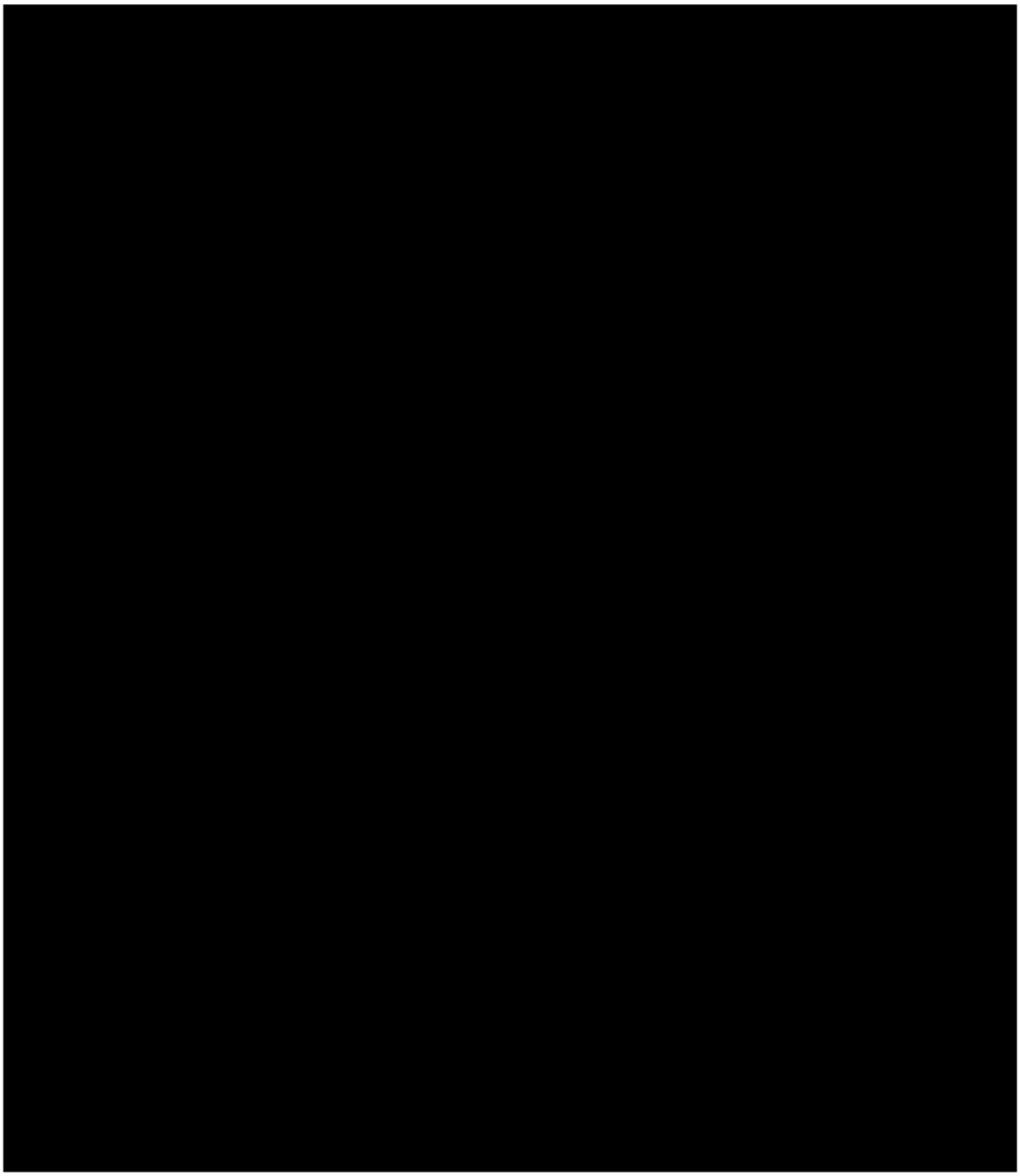


IMPORTANT:

The key milestones are contingent upon a **Connection Cost Recovery Agreement (CCRA)** being executed, payment and all required information identified in the CCRA received by Hydro One before **January 23th, 2025**

Any delay in meeting this requirement may result in deferring the project release and/or project in-service date.





Schedule "D": Sample Cost Report

Project Investment No.				
Ready for service date				
Project Title				
Project Description				
Project Management	$			
Real Estate	$			
Engineering	$			
Procurement	$			
Construction	$ (see Note 1)			
Commissioning	$			
Other - Overhead/ Interest	$			
Total Cost K$ (excl. HST)	**$**			

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

As indicated on page 5 of Attachment C-2 (CCRA), which contains the signature page, Hydro One signed the agreement on February 25, 2025.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 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%.

RESPONSE:

Please refer to the response to question Staff-24(b) for an explanation of why Elexicon's share of the project cost is 51%, which equates to $32,065,600 for Elexicon's portion of the project. As part of the Connection and Cost Recovery Agreement (CCRA), Hydro One performed an economic evaluation as per Transmission System Code Section 6.5, which determined Elexicon's capital contribution.

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY VECC-34

Ref: EB-2021-0015

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

RESPONSE:

December 31, 2022

: