RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-1

Reference: Exhibit 1, Tab 3, Schedule 1

"Climate projections show that the majority of Alectra Utilities' service territory will experience more damaging high wind events that will increase in severity and intensity"

Table 4-2-122: Alectra Utilities Major Event Days 2017-2024

Year	2017	2018	2019	2020	2021	2022	2023	2024
Number of Major Event Days	4	5	1	2	1	4	0	2
Customer Hours of Interruption	235,795	768,480	264,180	225,523	153,943	1,835,821	0	96,167

a) Figure 1-3-3 appears to show Alectra located in upstate New York with respect to derecho occurrence. Please explain.

b) How does Alectra define a "derecho". Does such an event constitute a "major event day" occurrence?

c) Please explain what "system hardening" is able to withstand the "derecho" definition used in response to (b).

d) Table 4-2-112 appears to show a trend for declining number of major event days over the 2017 to 2024 period. How does a single large storm show a trend to more severe weather that can affect distribution plant?

e) How many Major Event Days were experienced in 2025?

RESPONSE:

a) Please refer to Exhibit 2A, Tab 1, Schedule 1 Chapter 5.3.2.1 Overview of Distribution Service Area, Section C Climate Trends, Figure 5.3.2-3 (page 145 of 401) for the correct figure.

b) As defined by Hatch's Climate Risk and Vulnerability Assessment in Exhibit 2A, Tab 1, Schedule 1, Appendix G, Section A.5 Derechos on page 53, "a derecho is a widespread, long-lived windstorm that is associated with a band of rapidly moving showers or thunderstorms. Although a derecho can produce destruction similar to the strength of tornadoes, the damage typically is directed in one direction along a relatively straight swath. If the wind damage swath extends more than 240 miles (about 400 kilometers) and includes wind gusts of at least 58 mph (93 km/h) or greater along most of its length, then the event may be classified as a derecho."

As defined in Exhibit 2A, Tab 1, Schedule 1, Appendix M – Major Event Days, "Alectra Utilities reports major event day (MED) in which the daily SAIDI exceeds a MED threshold value (T_{MED}) in accordance with the OEB Electricity Reporting and Record Keeping Requirements dated March 14, 2025. Alectra Utilities applies the Institute of Electrical and Electronic Engineers (IEEE) Standard 1366, 2.5 Beta method for determination of MED." If the Derecho event satisfies the following criteria, then it would constitute a Major Event Day occurrence.

c) The term "system hardening" does not imply that the distribution system is designed to withstand all extreme weather events such as derechos. Derechos are rare, high-impact wind events characterized by localized gusts and wind loading that can exceed the structural design capacity of overhead distribution infrastructure. The derecho that hit Alectra Utilities' service territory had gusts up to 120km/h.

System hardening initiatives are intended to reduce risk and improve resilience, including reducing the extent and duration of outages under a wide range of operating and weather conditions. However, under extreme and highly localized wind loading, even assets in Good or Very Good condition may experience structural failure. As a result, pre-event asset condition alone is not a definitive predictor of performance during derecho-level events.

For further details on Alectra Utilities climate adaptation strategy please refer to Exhibit 2A, Tab 1, Schedule 1 Chapter 5.3.2.1 Overview of Distribution Service Area Managed (Section C - Climate Trends, C.1 Detailed Assessment of Structural Resilience of Overhead System - pages 152 to 153, Figure 5.3.2 – 7 Climate Adaptation Strategies and Alectra's response.

d) Major weather events such as a derecho are low frequency, high-impact events, and their occurrence is inherently variable year-to-year. The climate projections referenced in Exhibit 1, Tab 3, Schedule 1, Page 19, Lines 3 to 4, are not MED days but instead referring to the Hatch's Climate Risk and Vulnerability Assessment in Exhibit 2A, Tab 1, Schedule 1, Chapter 5.2.1, Page 18, Table 5.2.1 – 3 Climate Parameters and Risks Levels, reproduced in Table 1 below for ease of reference. A single severe storm can result in customer impacts and infrastructure damage that can far exceed those experienced across multiple moderate events. Accordingly, a variable count of MEDs over a historical period does not contradict projections of increasing severity or intensity of extreme weather events. Climate risk assessments focus on event severity, exposure, and vulnerability, rather than frequency alone.

Climate adaptation planning is therefore informed by plausible extreme-event scenarios and observed system vulnerabilities, not solely by historical averages or even counts. As per Table 5.2.1 – 3 Climate Parameters and Risk Levels, reproduced here as Table 1 demonstrates the associated current and future risk across Alectra's service territory.

Table 1 - Climate Parameters and Risk Levels

Climate Parameter	Affected Area	Risk Level Present Climate Conditions	Risk Level Future Climate Conditions
Temperature Above 32°C	Mississauga, Brampton	High	High
Temperature Above 40°C	Vaughan, Mississauga, Brampton, Guelph-Rockwood	Very Low	High
Precipitation Above 20mm	Barrie, Vaughan, Mississauga, Brampton, Hamilton	High	High
Precipitation Above 50mm	Barrie, Richmond Hill, Vaughan, Mississauga, Brampton, Hamilton	High	High - Very High
Wind Gust Below 60KM/h	Richmond Hill	High	High
Wind Gust Between 61 and 80KM/h	Markham, Richmond Hill, Vaughan, Mississauga, Guelph-Rockwood, Hamilton, St. Catharines	High	High
Wind Gust Between 81 and 100KM/h	Markham, Richmond Hill, Vaughan, Guelph-Rockwood, St. Catharines	High	High
Wind Gust Between 101 and 120KM/h	Brampton, Mississauga	Very High	Very High
	St. Catharines	High	High
Wind Gust Over 121KM/h	Mississauga, Brampton	Moderate	High
Tornadoes	Barrie, Aurora	Low - Moderate	High
Derechos	Mississauga, Hamilton	Low	Very High
	Barrie, Alliston-Thornton, Bradford, Aurora, Guelph-Rockwood, St. Catharines	Very Low	High
	Markham, Richmond Hill, Vaughan, Brampton	Low	High
Ice Storms	Barrie, Aurora, Markham, Richmond Hill, Vaughan, Brampton, Mississauga, Guelph-Rockwood, Hamilton, St. Catharines	High	High

e) Alectra Utilities experienced three MEDs in 2025, with a total CHI of 1,001,893 hours. Two MEDs were due to severe Ice Storms and one MED was due to high wind gusts of 110km/hr. All the MEDs occurred within areas that Hatch listed as having 'high' conditions presently.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-2

Reference: Exhibit 1, Tab 11, Schedule 2

a) Please provide a table showing the Canadian annualized CPI for the years 2016 to 2025.

RESPONSE:

a) Please refer below to a table showing the Canadian annualized Consumer Price Index (CPI) for the years 2016 to 2025.

Table 1 - Annual Consumer Price Index All-Items, 2002-100 (2026-2025)

Year	CPI
2016	128.4
2017	130.4
2018	133.4
2019	136.0
2020	137.0
2021	141.6
2022	151.2
2023	157.1
2024	160.9
2025	164.2

Source: Statistics Canada. Table 18-10-0005-01 Consumer Price Index, annual average, not seasonally adjusted, https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000501

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-3

Reference: Exhibit 1, Tab 3, Schedule 1, page 30

2027 – 2031
Custom Performance Scorecard

Reporting Category	Performance Measures	Target by 2031
Reliability*	SAIDI	0.74 hours
	Failed Equipment - CHI	354,481 hours
Cost Control	Planned Capital - Actual vs. Planned	100% (+/-5%)
	Fleet Availability	>90% (yearly)
Infrastructure Asset Renewal	Assets replaced	Poles: 5,256
		Transformers: 4,771
		Switch: 255
		Switchgear: 344
		Cable: 381 KM
	AMI 2.0 Meters installed	950,000
Automation	Automated Devices added to the distribution system	2027: 100
		2028: 100
		2029: 110
		2030: 110
		2031: 110
Meeting Capacity Needs	Added Station Capacity	685 MVA

*excluding Major Event Days

a) Please explain why Alectra chose not to include any reliability measures related to defective equipment outages in its custom performance scorecard.

b) Please explain the relationship, if any, between scorecard performance and the rate adjustment mechanism proposed by Alectra. If there is no relationship please explain how the scorecard otherwise provides incentives to Alectra shareholders or its employees.

RESPONSE:

a) Alectra Utilities did include a reliability measure related to defective equipment outages in its custom scorecard. As provided in Exhibit 2A, Tab 1, Schedule 1, 5.2.3 Performance Measures and Continuous Improvement, Page 77, Lines 7-16, a performance measure for Failed Equipment outages in regard to Customer Hours of Interruption (CHI) with a target for 20% improvement by the end of 2031 is included in the custom scorecard.

b) Alectra Utilities' proposed Custom Rate Framework meets the needs of customers, the system, and the utility over the 2027 to 2031 period, while maintaining alignment with the OEB's performance-based objectives. In addition to the Custom Price Cap Index (CPCI) rate adjustment mechanism element of the framework, the Custom Framework includes the following key structural elements:

- An Earnings Sharing Mechanism (ESM) to share any excess earnings above a 150-basis point dead band above OEB-approved ROE, with a 50/50 split between customers and the utility;
- The establishment of a Capital-Related Revenue Requirement Variance Account (CRRRVA) for the 2027-2031 term of the DSP. The CRRRVA is an asymmetrical account to the benefit of ratepayers, intended to capture the cumulative differences between forecast and actual capital-related revenue requirement over the 2027-2031 rate term; and
- A Custom Scorecard that will require the utility to achieve targeted outcomes over the 2027-2031 rate term. In doing so, Alectra Utilities will commit to customers

that the proposed capital budget will result in tangible outcomes geared to improve reliability and quality of service. The rate adjustment mechanism includes a productivity and stretch adjustment that is outside-of the capital forecasts provided for 2027 to 2031, resulting in the provision of less funding than forecast costs which connects directly to the cost control category on the scorecard.

Taken together, these features comprise a comprehensive and balanced rate framework designed to ensure that Alectra Utilities can meet its service obligations, build a resilient and modern grid in the face of increasing numbers of storms, and support the Ontario government's objectives of facilitating new housing construction and economic growth.

Please also see response to 1-Staff-5.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-4

Reference: Exhibit 1, Tab 5, Schedule 1, page 3

"Customers can monitor fluctuations in electricity usage and their financial impact on a daily, monthly, and yearly basis."

a) With respect to investments made as part of Alectra's Digital-First Strategy what post project monitoring is done to understand the extent to which customers actually take advantage of new (or existing) functions of the digital customer interface? That is, how does Alectra assess whether new digital functionalities are worth their investment cost?

RESPONSE:

a) Alectra Utilities assesses the value of new digital investments through formal business case evaluations that consider implementation costs, risks, and expected productivity savings. Post-implementation reporting is used to confirm benefit realization through customer uptake and experience which identifies, informs and prioritizes optimization efforts.

Alectra has implemented reporting on customer utilization of digital transactions to understand uptake and to optimize performance. An example of this reporting is with the automated (smart) moves project which was implemented in October 2025. Reporting showed the utilization of 15,100 online submissions by year-end 2025, in line with management expectations. Reporting was used to identify and remediate minor defects after the project was implemented and to inform additional customer communication plans required to encourage and inform customers of the option to leverage the on-line

move forms vs contacting the contact center. Similar reporting was implemented for Alectra's customer-facing chatbot, which handled approximately 9,250 chats in Q4 2025 and is providing insights on what topics the chatbot can successfully assist customers with, options for enhancements and where additional support is required by an agent, either by a customer call or by webchat.

Insights from J.D. Power surveys are also used to benchmark customer preferences and satisfaction with Alectra's growing digital services. Further details on how Alectra assesses investments and their respective customer impacts are detailed within Exhibit 1, Tab 5, Schedule 1, Pages 1-15.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-5

Reference: Exhibit 1, Tab 5, Schedule 1, pages 7

"Alectra Utilities will also invest in a new Dynamic Bill Redesign, planned for 2029. Alectra Utilities' transactional data shows that while e-bill adoption has grown significantly, it remains low among long-standing accounts, at approximately 20% (compared to 60% among new account holders). Alectra Utilities' existing paper bill design is static and cannot easily support changes to its layout."

a) Does Alectra currently have a mock-up of its new bill design? If so please provide a new bill example.

b) Please describe the nature of the customer engagement/feedback that is being employed in developing a new bill design.

c) What, if any, approval does Alectra expect to receive from the Ontario Energy Board with respect to its new bill design.

d) Please confirm (or correct) that it is not Alectra's intention to eliminate or charge separately for paper bill service.

RESPONSE:

a) Alectra does not have a mock-up of a new design. This will be completed as part of the Dynamic Bill Redesign project in 2029.

b) As a part of customer engagement and feedback for the new bill redesign, Alectra plans the following activities once the project has initiated:

- Phase 1: Qualitative engagements with a mix of in-depth interviews and focus groups to probe for feedback on likes, dislikes, confusion points, and opportunities for additional insights with current bill design to inform inputs for redesign.

- Phase 2: Quantitative Concept Test engagement to test redesign bill layout among a large audience and identify any additional areas for improvement. This will follow with a second iteration with final refined design.

c) Alectra does not intend to alter regulated components of the bill. Alectra will engage the OEB, as required, to confirm the redesign avoids compliance issues.

d) Alectra does not plan to charge customers for a paper bill nor eliminate a paper bill option.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-6

Reference: Exhibit 1, Tab 5, Schedule 1, pages 18

"This trend is supported by Alectra Utilities' J.D. Power survey insights, which show that EV owners are significantly more likely to engage with their utility, nearly doubling both digital interactions (66% vs. 34% for non-EV owners) and Call Centre interactions (21% vs. 12% non-EV owners). These interactions are often more complex, requiring additional time to fully address customer needs. J.D. Power survey insights forecasts an EV market potential of 50% across Alectra Utilities' service area (2025 Mid-year survey results), including 8% current ownership, 10% short-term intent (Definitely will purchase/lease), and 32% long-term intent (Probably will purchase/lease)."

a) We are unable to locate the referred to study in evidence. Has Alectra included the referenced J.D.Power survey as evidence in this proceeding?

b) Statistics Canada publishes "New motor vehicle registrations, quarterly." (https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=2010002501).
Please provide a table showing for the period 2020 to the latest quarter published (currently Q3 2025) showing All fuel types, and all zero-emission vehicles (Battery electric and Plug-in hybrid).

c) Please provide the dates for the ending of any federal or provincial subsidies for purchasing zero-emission vehicles in 2024, 2025, or 2026.

RESPONSE:

a) For clarity, Alectra's J.D. Power Survey insights are not limited to formal quarterly survey reports. Rather they are derived from specific data elements captured through customer survey questions and made available via Alectra's J.D. Power dashboard for analysis and extraction. The relevant insights are set out below in Table 1 and Table 2.

Table 1 - EV Ownership & Intent

J.D. Power Dashboard

		2025 Mid-Year	2025 Year-End
Vehicles owned (%) ***(Multi-Select)***	*Unweighted base*	*860*	*1,647*
	Gasoline/Diesel	79%	77%
	Hybrid	10%	11%
	Plug-in hybrid	3%	3%
	Electric	6%	6%
	None of the above	10%	10%
	Net: Electric and/or PHEV	8%	8%
Likelihood to purchase/ lease an EV or PHEV (%) ***(Single-Select)***	*Unweighted base*	*616*	*1,211*
	Definitely will not	30%	28%
	Probably will not	28%	32%
	Probably will	32%	32%
	Definitely will	10%	9%
	Don't know	0%	0%

Source: Derived data from J.D. Power Survey Dashboard of Syndicated Results, Brand Name Alectra Utilities, Study Year 2025. Filter 2025 Q1 and Q2 for Mid-Year results.

Table 2 - Interactions by Vehicle Type

J.D. Power Dashboard, 2 Years Rolling for increased EV base size

		Vehicles owned				
		Gasoline/ Diesel	**Hybrid**	**Plug-in hybrid (PHEV)**	**Electric (BEV)**	**Net: BEV and/or PHEV**
Methods to interact/ contact utility (last 3 months) (%)	*Unweighted base*	*1,407*	*155*	*37*	*82*	*110*
	Phone	12%	22%	22%	22%	21%
	Website	27%	35%	43%	43%	41%
	Mobile	5%	19%	22%	15%	15%
	Utility's office	2%	9%	11%	7%	8%
	Text message	2%	10%	19%	11%	13%
	Social media	6%	15%	22%	18%	18%
	Emailed	6%	19%	22%	16%	17%
	Other	1%	1%	0%	0%	0%
	Didn't interact/contact utility	59%	37%	19%	33%	31%
	Net: Digital Interactions (Web/Mobile/Text/Email/Social)	34%	57%	76%	65%	66%

Source: Derived data from J.D. Power Survey Dashboard of Syndicated Results, Brand Name Alectra Utilities, Study Year 2023, 2024. 2025 Year-End EV Results: Digital interactions 63% vs. 40% for non-EV owners, Call Centre interactions 25% vs. 14% non-EV owners, n = 140 (45 PHEV and 102 BEV (not mutually exclusive).

b) The Table 3 below shows a summary of new motor vehicle registrations in Alectra's service territory (Aurora, Barrie, Brampton, Bradford West Gwillimbury, Guelph, Hamilton, Markham, Mississauga, New Tecumseth, Penetanguishene, Richmond Hill, Rockwood, St. Catharines, and Vaughan) for the time period Q1 2020 to Q3 2025.

Table 3 - Statistics Canada, New motor vehicle registrations

Year	All Fuel Types	Battery Electric	Plug-in Hybrid
2020	168,420	2,900	798
2021	178,536	5,446	1,614
2022	172,263	12,904	1,851
2023	199,499	14,967	3,622
2024	201,432	15,656	4,712
2025 (Q1-Q3)	156,820	7,608	3,899

Source: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=2010002501

c) Federal Zero-emission vehicle (ZEV) incentives were introduced in 2019, scheduled to run through March 31, 2025, or once all available funding was accessed. The program paused January 10th, 2025, for Light-duty vehicles after allocated funds were fully committed. Canadian businesses and organizations purchasing or leasing zero-emission trucks can continue to benefit from the Incentives for Medium- and Heavy-Duty Zero-Emission Vehicles (iMHZEV) Program, which continues until March 31, 2026, subject to funding availability. *(Source: Pause of the Incentives for Zero-Emission Vehicles Program - Canada.ca)*

In February 2026 the Prime Minister of Canada announced a new EV policy in Canada, which includes up to $5,000 for battery-electric vehicles (BEVs) and $2,500 for plug-in-hybrids, with a final transaction cap of $50,000 for qualified vehicles made in countries Canada has free trade agreements with. The cap does not apply to Canadian-made EVs and plug-in hybrids.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-7

Reference: Exhibit 1, Tab 5,

a) Please list and provide (individually) the costs of all third party customer engagement surveys completed since the last cost of service application including Innovative Research referenced in this proceeding.

RESPONSE:

a) The costs of all third-party application specific customer engagements and customer satisfaction and communication engagements are provided below.

A. Third-Party Rate Rebasing Customer Engagements, 2020-2025

1. **2023 ICM Customer Engagement**
   Customer engagement in support of Alectra's 2023 ICM application for cable renewal investments.

   Costs: Feb 2022-Apr 2022: [redacted]

2. **2027 Rebasing Customer Engagement**
   Two-phased customer engagement in support of Alectra's 2027 rebasing application. Phase 1 involved identifying and assessing customer needs and priorities and Phase 2 solicited feedback from customers on key investment areas based on pacing and bill impacts.

   Costs: Round 1: Nov 2023-March 2024: [redacted] Round 2: July 2024 to January 2025: [redacted]

:

B. Third-Party Customer Satisfaction and Communication Engagements, 2020-2025

1. **Annual Electric Utility Customer Satisfaction Surveys** - Residential and Small Commercial, conducted by Simul Corporation, UtilityPULSE division.

   Annual Survey which provides insights into customer usage patterns, preferences, perceptions and overall satisfaction with Alectra Utilities' services. Feedback allows Alectra Utilities to identify areas of strength, opportunities for improvement, and benchmark its performance against its peers at a provincial and national level.

   Costs: 2021: [redacted] 2022: [redacted] (not conducted in 2020).

2. **Quarterly Electric Utility Customer Satisfaction Surveys** - Residential, conducted by J.D. Power.

   Alectra Utilities transitioned to the J.D. Power survey framework in 2022, evaluating Simul survey in parallel to help translate results. This also included a J.D. Power Deep dive to translate results of quarterly panel survey vs one-time database sourced insights.

   Costs: 2022: [redacted]; 2023: [redacted];2024: [redacted]; 2025: [redacted] (addition of Canadian Syndicated Benchmarks '25). 2022 Deep Dive addition: $34,500. (US currency)

3. **Annual Electric Utility Customer Satisfaction Surveys** – Commercial, conducted by J.D. Power.
   Similar to above, provides insights into commercial customer perceptions and preferences, including small to large businesses. Commercial surveys are conducted once a year using Alectra database.

:

Costs: 2022: [redacted]; 2023[redacted] 2025: [redacted]

4. **Annual National Electricity Customer Satisfaction Survey** – Residential, conducted by Innovative Research, commissioned by Electricity Canada.

   Alectra Utilities also utilizes an oversample of the Electricity Canada Syndicated Research to benchmark its overall service delivery against the Ontario and National averages.

   Costs: 2020: [redacted]; 2021: [redacted] (+[redacted] Behind the Meter deep dive addition); 2022[redacted]+2,240 Bill Pressures deep dive addition); 2023: [redacted]; 2024: [redacted] (no oversample or executive comparison); 2025: [redacted] (panel sample).

5. **Customer Service Excellence Program** – Residential and small commercial, conducted by J.D. Power.

   Contact centre survey engagement and operational assessment which provides deeper insights into customer satisfaction and first contact resolution post contact centre interaction.

   Costs: 2022: [redacted] 2023: [redacted] (US) Survey engagements paused in 2024 and 2025 to focus on integration of identified improvements.

6. **Public Awareness of Electrical Safety Survey** – Residential and commercial, conducted by Simul Corporation, UtilityPULSE division.

   Survey developed by the Electrical Safety Authority and Ontario Energy Board to determine the level of awareness of key electrical safety precautions among the public.

   Costs: 2020: [redacted] 2022: [redacted]; 2024: [redacted]

:

7. **Communication Awareness and Preferences** – Residential, conducted by Leger

Quantitative survey engagement to measure communication effectiveness and customer preferences across communication channels and topics.

Costs: 2020: [redacted]

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-8

Reference: Exhibit 1, Tab 8, Schedule 2, Alectra_Attach 1-8_2024…XLSX
Reconciliation between Audited

a) Operating expenses for 2024 are listed as $314M in the Financial Statements and as $292M in Table 1-3-11 (E1/T3/S2/p16). The reconciliation Excel spreadsheet shows the expense to be reconciled as $286M (line 15). Please explain the difference.

b) Note 5 of the reconciliation model explains $24.70 of this difference as "Regulatory adjustment". Are these adjustments related solely to the conversion to IFRS? If not, please explain what this adjustment pertains too.

RESPONSE:

a) The breakdown of the difference between operating expenses for 2024 of $314M and $286M is provided in Exhibit 1, Tab 8, Schedule 2, Alectra_Attach 1-8 Note 5. The amount in Note 5 of $2.87M is related to operating expenses associated with Solar Sunbelt GP and Ring-Fenced Solar Portfolio. The remaining $24.7M pertain to:

- $15.7M relates to the OEB assessment costs, third-party locate costs, LEAP Emergency Financial Assistance (EFA), and one-time application costs. These costs were incurred in 2024 and are reflected in Alectra Utilities' IFRS audited financial statements. For 2024 RRR, the OEB assessment costs and LEAP EFA amounts exceeding those included in approved rates are recorded in their respective DVA accounts rather than OM&A. Third-party locate costs attributable to Bill 93 are also recorded in the associated DVA account instead of OM&A, in accordance with the OEB Accounting Order EB-2023-0143 (proposed entry #1).

One-time application costs are recorded in Account 1525 – Miscellaneous Deferred Debits, rather than OM&A.

- $9.0M relates to the reclassification of costs from OM&A to Property Taxes and Donations, which are presented as a separate line item in the 2024 RRR Income Statement. This amount also includes the reclassification of the City of Hamilton water billing costs to Account 4380, which are reported under RRR Other Revenue.

The difference between the $292M OM&A expenditure shown in Table 1-3-11 and the $286M is attributable to the reclassification of the City of Hamilton water-billing costs. These costs were moved out of OM&A and recorded instead in Account 4380, which is reported under RRR Other Revenue.

b) Please see response to part a).

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 1.0-VECC-9

Reference: Exhibit 1, Tab 11, Schedule 2, page 14

a) With respect to Table 1-11-4, please explain how the Billing Determinant Growth Back-off percentages for each year were determined.

RESPONSE:

a) Please refer to 1-SEC-23.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -10

Reference: Exhibit 2, Tab 5,

a) Were the poles replaced of a standard to withstand EF2 (Derecho) winds?

b) What is the premium per pole (or other transmission asset technology) that provides a guarantee of an asset not failing when confronted with 217km winds?

c) What analysis has Alectra undertaken of the cost-benefit efficacy of investments into more resilient (and expensive) assets as compared to a better, more effective and quicker post storm restoration plan?

RESPONSE:

a) Alectra assumes that part (a) refers to Exhibit 2A, Tab 1, Schedule 1, 5.3.2, page 146 at lines 7-9, and specifically, “On May 21, 2022, a Derecho swept across Alectra Utilities’ service territory...resulting in over 100 poles being replaced reactively.” The poles were not replaced to a standard to withstand EF2 winds. EF2 winds are considered embedded tornadoes with winds that reach 179-218 km/h. During the derecho event that passed through Alectra Utilities service territory, wind gusts reached 120km/h.

b) Alectra Utilities is a distribution utility and follows the applicable Canadian Standards Association (CSA), CSA C22.3 No1:25 Overhead Systems. Within a distribution context, Alectra Utilities is not aware of any pole that would withstand, throughout its expected life, the forces that would be exerted by 217 km/h sustained wind.

c) Alectra Utilities evaluates the cost-benefit of capital investments using its Copperleaf decision-support framework. Alectra has not undertaken a formal analysis comparing investments in more resilient (and higher-cost) assets against reliance on enhanced post-storm restoration, as framed in the question.

The Distribution System Plan is grounded in designing and constructing infrastructure to applicable standards that reflect operating conditions, public safety considerations, and risk mitigation. Alectra does not consider it an acceptable trade-off to install sub-standard or failure-prone assets in reliance on storm restoration activities to manage risk.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -11

Reference: Exhibit 2A, Tab 1, Schedule 1, page 91 and 140

Preamble: The Application states:

> *"Alectra Utilities has developed its system peak demand load forecast utilizing an end-use analysis methodology. This methodology incorporates historical system data, economic growth indicators (population, housing, employment) for each of the six Alectra planning zones (York, Simcoe, Central North - Brampton, Central South - Mississauga, West and Southwest) and identified emerging demand drivers (e.g. Artificial Intelligence - Data Centre expansion, transportation electrification*)." (page 91)

a) Please confirm that the population and household growth forecasts used were those set out at page 140. If not please provide the forecasts used for the 2026-2031 period.

b) Please provide the employment forecasts used for each of the six planning zones (2024-2031).

RESPONSE:

a) Confirmed. The population and household growth forecasts used to develop Alectra Utilities' system peak demand load forecast are those presented in *Exhibit 2A, Tab 1, Schedule 1, Table 5.3.2-2 Population & Household Growth Forecast – 2021-2041*. The same forecasts were applied in developing the load forecast for each of the six Alectra Utilities Planning Zones.

b) Alectra Utilities provides the employment forecasts used for each of the six planning zones for the years 2024 to 2031. West is split into Hamilton and St. Catherines. Refer to the Table 1 below.

Table 1 - Projected Employment Forecast for Alectra Utilities 2024-2031

Employment Forecast for Alectra Utilities Service Area – 2024-2031							
Year	**Central North**	**Central South**	**West**	**York**	**Southwest**	**Simcoe**	**Total**
2024	215,428	482,364	327,957	531,218	93,008	127,460	1,777,435
2025	220,732	487,668	338,565	536,522	98,312	132,764	1,814,563
2026	226,036	496,180	322,656	565,826	88,000	134,300	1,832,998
2027	231,340	498,492	326,634	577,844	89,400	138,608	1,862,318
2028	236,644	500,804	330,613	589,862	90,800	142,916	1,891,638
2029	241,947	503,116	334,592	601,879	92,200	147,224	1,920,958
2030	247,251	505,428	338,570	613,897	93,600	151,532	1,950,279
2031	252,555	507,740	342,549	625,915	95,000	155,840	1,979,599

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -12

Reference: Exhibit 2A, Tab 1, Schedule 1, pages 91 and 143
Exhibit 2A, Tab 1, Schedule 1, Appendix B-10, pages 395-400 and 402
Exhibit 2A, Tab 1, Schedule 1, Appendix J, page 23

Preamble: The Application states:

A. *"Investments in Residential and Small Commercial Layouts consist of work to make the system ready for new residential infill services and upgrading residential and small commercial services." (page 395)*
B. *"Forecasts for residential and small commercial layouts are based on historical volumes and pricing information as well as growth in residential EV charging." (page 395)*
C. *"New ICI Services consist of new or upgraded primary services to industrial, commercial and 9 institutional customers (such as medical buildings, small plazas or factories)." (page 396)*
D. *"Forecasts for New ICI Services were developed the same way as Layouts, including an allowance for EV charging growth". (page 396)*
E. *"Investments in New Subdivisions are the capital expenditures Alectra Utilities incurs to serve development projects, including residential and condominium-tower subdivisions, new industrial, commercial and institutional (ICI) subdivisions, and relocation work directly attributable to those developments." (page 396)*
F. *"One contributor to growth is the projected increased load pertaining to data centres in the Alectra Utilities service area. Load from data centres is approximately 115MW and Alectra Utilities has received applications and customer commitments to connect an additional 425MW of data centre load over the 2025-2031 period." (page 143)*

G. *"A large data centre compound has been developed in the Leslie St/Elgin Mills Rd area in the Town of Richmond Hill since 2016 and six buildings (DC1 to DC6) have been proposed. Three buildings have been built and one is under construction. Two more buildings are to be built in the next 5 years. The total data centre capacity requested in this area is 176MW." (Appendix J, page 23)*

a) With respect to Preamble Items (B) and (D), what are the assumptions used regarding the growth in EV charging and how does this growth impact the forecasts for Residential and Small Commercial Layouts and New ICI Services?

b) With respect to Table B10-3, please revise the table so as to include additional columns setting out: i) whether the connection involved is with respect to an existing or new customer, ii) the year the connection is expected to be completed, iii) the additional load (MW) anticipated (if any) when the connection is first completed, iv) what the full incremental load will be (if different from that in (iii) and iv) the year the full load is expected to be realized (if different from (ii)).

c) With respect to Table B10-6, for those rows related to load customer connections (i.e., the first four), where applicable please provide a breakdown as between: i) new connections and ii) upgrades of existing connections.

d) With respect to TableB10-6, for each year how many of the Condo Buildings have/will have individually metered units (as opposed to being a single load customer). For those Condo's that are/will be individually metered how individually metered units will they have on average?

e) Does Table B10-3 include the new data centres discussed in Preamble Items (F) and (G)?

RESPONSE:

a) The assumptions used regarding the growth in EV charging and the growth impact on forecasts for Residential and Small Commercial Layouts and New ICI Services are described in Exhibit 2A, Tab 1, Schedule 2, Appendix B10 Page 395 lines 18-20, Page 396 lines 1-5 and lines 14-18. Additional information is also provided in Exhibit 2A, Tab 1, Schedule 1, Appendix J Section 3.6 (pages 32-38).

Based on the actual number of EV's purchased between 2022 and 2023, Alectra compared that to the number of Alectra projects completed for EV upgrades. This information is volunteered by the customer at the time of application. Accordingly, the actual number could be higher. Based on that ratio, Alectra determined the forecast of expected Residential and Small Commercial Layouts and New ICI Services to expected new EV purchases. Additional information is available IR 1-DRC-02.

b) Table 1 below includes the requested additional columns added to Table B10-3.

1 **Table 1 - Revised Table B10-3 with Additional Data**

Project Code	Project Name	Net	Gross	i)	ii)	iii)	iv)	iv)
		2027-2031 ($MM)	2027-2031 ($MM)	Existing (E)or new customer (NC) or new project (NP)	Year of connection (in-service)	Anticipated additional Load (MW)	Full Incremental Load (MW)	Year the full load is expected
151584	Customer Initiated Distribution System Project (West) McMaster Innovation Park - Dedicated Feeder- Business Park	5.9	8.8	E, NP	2029	11	24	2034
152335	HaLRT OMSF Expansion	5.7	11.6	E, NP	2031	0	7	2036
152482	Customer Initiated Distribution System Expansion Project - Trillium Health Partners	7.6	9.4	E, NP	2028	2.5	25	2032

Project Code	Project Name	Net	Gross	i)	ii)	iii)	iv)	iv)
		2027-2031 ($MM)	2027-2031 ($MM)	Existing (E)or new customer (NC) or new project (NP)	Year of connection (in-service)	Anticipated additional Load (MW)	Full Incremental Load (MW)	Year the full load is expected
152602	Customer Initiated Distribution System Expansion Project - GTAA Feeders	9.5	9.5	E, NPs	2028	7	36	2033
152676	Lakeview Expansion	6.6	9.2	E, NP	2030	15	43	2035
153088	Customer Initiated Distribution System Expansion Project (East) DC5/DC6 Urbacon Date Centers	13.7	17.1	E, NP	2029	10	80	2036
153090	YNSE - TPSS System Expansion	0	41.4	E, NP	TPSS3 – 2029	0.6	35	TPSS3 – 2034

Project Code	Project Name	Net	Gross	i)	ii)	iii)	iv)	iv)
		2027-2031 ($MM)	2027-2031 ($MM)	Existing (E)or new customer (NC) or new project (NP)	Year of connection (in-service)	Anticipated additional Load (MW)	Full Incremental Load (MW)	Year the full load is expected
					TPSS5 - 2029 TPSS6 - 2031 TPSS4 - 2033			TPSS5 - 2034 TPSS6 - 2036 TPSS4 - 2038
153092	HaLRT - TPSS 4 System Expansion	9.2	11.5	E, NP	2032	0	1.5	2037
153134	HaLRT TPSS 8 Expansion	3.1	14.5	E, NP	2031	0	2	2036
153229	Customer Initiated Distribution System Expansion Project - 2395 Speakman Drive	10.6	16.9	NC	2028	5	48	2030
153230	Customer Initiated Distribution System Expansion -	15.3	15.3	NC	2029	11	24	2035

Project Code	Project Name	Net	Gross	i)	ii)	iii)	iv)	iv)
		2027-2031 ($MM)	2027-2031 ($MM)	Existing (E)or new customer (NC) or new project (NP)	Year of connection (in-service)	Anticipated additional Load (MW)	Full Incremental Load (MW)	Year the full load is expected
	Toronto Gore (Block 47)							
153231	Customer Initiated Distribution System Expansion (East South) - Angus Glen Developments	11.1	11.1	NC	2028	0.5	34	2041
153233	Customer Initiated Distribution System Expansion (East South) - Block 27	5.9	5.9	NC	2028	2	40	2031

Project Code	Project Name	Net	Gross	i)	ii)	iii)	iv)	iv)
		2027-2031 ($MM)	2027-2031 ($MM)	Existing (E)or new customer (NC) or new project (NP)	Year of connection (in-service)	Anticipated additional Load (MW)	Full Incremental Load (MW)	Year the full load is expected
153236	Customer Initiated Distribution System Expansion Project - Block 52 Mississauga Rd & Williams Pkwy	29	29	NC	2028	0.1	83	2036

c) As it relates to Table B10-6, the numbers in the first two rows (Number of New Subdivisions and Number of Condo Buildings) consist of only new connections. These connections are a result of New Subdivisions projects that go through the Offer to Connect (OTC) process in compliance with the OEB Distribution System Code. For ICI, Residential & Small Commercial Layouts, Alectra Utilities does not currently track the difference between new and upgrade connections.

d) As it relates to Table B10-6, Alectra Utilities bulk meters all the Condo Buildings. However, the customers have the option of individually sub-metering each of the condo units through third-party service providers. These arrangements are established independently by the customer, and Alectra Utilities has no visibility into the specifics.

e) Some of the data centres identified in the Preamble Items (F) and (G) are included in Table B10-3. Table B10-3 explicitly lists VLP projects, whereas some of the projects in Preamble Items (G) are smaller system expansion projects and are not included in the VLP projects table.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -13

Reference: Exhibit 2A, Tab 1, Schedule 1, DSP Appendix J, pages (i) to (ii), 30, 36, 37, 40 and 44

Preamble: The Application states:

A. *"This analysis considers historical system loading, regional population and employment growth, weather correction, Conservation Demand Management (CDM), including energy efficiency, Distributed Energy Resources (DER) impacts, Global Adjustment (GA) Impact, transportation and building heating electrification." (page (i))*

B. *"The key drivers of future peak demand include organic growth comprising of residential development and ICI growth, data centre expansion driven by artificial intelligence (AI), data storage and cloud computing, transportation electrification and decarbonization of building heating. Separate forecasts are presented for non-coincident summer and winter peaks, with and without the impacts of CDM, DERs, electric vehicles (EV)s and decarbonization of building heating. The effect of the GA on system peak was examined and incorporated into the analysis." (page (i))*

C. *"The EV charging load is expected to grow; reaching approximately 12% of the total system peak load by 2034. The CDM and DERs are expected to temper the net increase in peak demand. By 2034, Alectra Utilities is forecasting 242MW of peak demand savings due to CDM initiatives with additional 170MW from DERs." (page (ii))*

D. *"CDM is a cost-effective resource that reduces demand and is integrated into Alectra Utilities' load forecasting. It is achieved through a combination of building codes, energy efficiency initiatives and standards, amendments, and specific targeted program activities. Similar to the*

estimation of peak demand savings from codes and standards, annual peak demand reduction percentages attributable to CDM program savings were projected and are shown in Figure 12. The information on CDM programs is sourced from the IESO' IRRP reports for each of Alectra's planning zoned. By 2034 Alectra Utilities' service area is expected to achieve 242MW in peak demand savings." (page 30)

E. *"Figure 15 and Table 9 show the total MW of charging infrastructure installed to support the EV penetration to 2040. Between 2024 to 2034 EV charging infrastructure installed is expected to grow from 306MW to 5,041MW." (page 36)*

F. *"Figure 16 indicates that the maximum EV charging load is estimated to be 61MW in 2024 and increase to 1,008MW in 2034 across the entire Alectra Utilities' service territory. Most of the EV charging load is passenger LDV while the MDV and HDV accounts for approximately 15-20% of the total 1,008MW." (page 37)*

a) With respect to Preamble Item (D) and Figure 12, please provide in tabular a breakdown of total MW for each year as between: i) building codes and standards, ii) energy efficiency initiatives, iii) amendments and iv) specific targeted program activities. In addition, please provide either copies or internet links to the IESO's reports supporting these values.

b) With respect to item (E), please explain what is included in Figure 15 for EV charging structure MW (i.e. does it include all types of EV charging infrastructure identified in Table 8 on the preceding page?) and please explain how this forecast was developed.

c) Please explain how the values in Figure 16 were derived and their relationship to the values in Figure 15.

d) With respect to Figure 19 (page 40), please provide in Tabular form the total annual values for the 1-in-2 forecast demand and also provide a breakout of the impact in each

year due to: i) Conservation Demand Management (CDM), including energy efficiency; ii) Distributed Energy Resources (DER) impacts; iii) Global Adjustment (GA) Impact, iv) EVs; and v) other transportation electrification (if applicable).

e) With respect to Figure 22 (page 44), please provide in Tabular form the total annual values for the 1-in-2 medium scenario forecast demand and also provide a breakout of the impact in each year due to: i) Conservation Demand Management (CDM), including energy efficiency; ii) Distributed Energy Resources (DER) impacts; iii) Global Adjustment (GA) Impact, iv) EVs; v) other transportation electrification (if applicable) and vi) decarbonization/retrofit loads.

RESPONSE:

a) Alectra Utilities provides the tabular breakdown of Figure 12 in the Table 1 below, which sets out total CDM peak demand savings (MW) for each year from 2024-2034. Alectra Utilities notes that the CDM projections provided by the IESO in IRRP appendices referenced below provide aggregate CDM savings and do not provide a further annual MW breakdown by sub-category.

Table 1 – CDM Projections (2024-2034)

CDM Projection (MW)											
Region	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**
York	5	9	14	18	23	27	32	36	41	45	51
Central (South)	58	64	68	75	79	79	80	82	85	90	93
Simcoe	2	3	4	5	6	7	8	10	11	12	13
Central (North)	7	15	22	29	37	44	51	58	66	73	80
West	11	11	11	12	12	11	12	10	10	2	4
SouthWest	2	3	2	2	2	3	2	3	1	1	1
Total CDM	85	104	120	142	159	171	185	199	212	222	242

The requested reference sites for the IRRP documents are provided below:

GTA North (York):
https://www.hydroone.com/abouthydroone/CorporateInformation/regionalplans/gtanorth/Documents/York-IRRP-appendices-20200228.pdf
GTA West (Brampton/Mississauga):
https://www.ieso.ca/-/media/Files/IESO/Document-Library/regional-planning/GTA-West/gta-west-IRRP-Appendix.pdf
Barrie/Innisfil (Simcoe):
https://ieso.ca/-/media/Files/IESO/Document-Library/regional-planning/Barrie-Innisfil/barrie-innisfil-irrp-appendices-2022.pdf
Hamilton:
https://www.ieso.ca/-/media/Files/IESO/Document-Library/regional-planning/Hamilton/Hamilton-IRRP-FINAL-February2019.pdf
Guelph:
https://ieso.ca/-/media/Files/IESO/Document-Library/regional-planning/KWCG/KWCG-IRRP-May-2021-Appendices.pdf

b) Alectra Utilities confirms that Figure 15 includes all EV charging infrastructure types identified in Table 8 on page 35.

Figure 15 was developed by converting the EV uptake penetration forecast (i.e., forecast EV counts by vehicle class in Alectra Utilities' service area) into charging equipment capacity using the charger types in Table 8 and charger allocation amounts.

Alectra Utilities projects that the total number of EV in Alectra Utilities' service area is expected to reach 914,634 in 2034. The breakdown of the EVs is shown in Table 2.

Table 2 - Projected EV Vehicles in Alectra Service Territory

Vehicle Type	2024	2030	2034
Light Duty Vehicles (LDV)	50,791	429,515	905,808
Medium Duty Vehicles (MDV)	729	3,343	7,374
Heavy Duty Vehicles (HDV)	143	652	1,457
Total	**51,663**	**433,510**	**914,639**

The charger type mix allocation (charger level and peak demand in kW) used for the power-capacity conversion is the following:

- LDV: 50% Level 1 charger and 50% Level 2 charger, with 1:1 vehicle to charging ratio using blended rate of 4.95 kW per charger.
- MDV/HDV: 40% of vehicles allocated charge using a 25KW charger, 40% allocated a 50KW charger and 20% allocating a 150KW charger.

The resulting installed charging infrastructure is calculated by multiplying forecast vehicles by the charger allocation and vehicle-to-charge ratio.

The total EV Charging Equipment capacity results are shown in Table 3.

Table 3 - EV Charging Equipment Capacity Forecast in Alectra Utilities' Service Territory, (MW), 2024-2034

Vehicle Type	2024	2030	2034
Light Duty Vehicles (LDV)	251	2,126	4,484
Medium Duty Vehicles (MDV)	42	194	426
Heavy Duty Vehicles (HDV)	13	59	131
Total	**306**	**2,378**	**5,041**

c) Figure 16 presents the EV charging demand (MW) that is expected to contribute to Alectra Utilities' non-coincident system peak. These values are derived by applying EV charging load profiles and coincidence/diversity allocation to the installed charging infrastructure capacity provided in Figure 15 (Table 9) and the underlying EV adoption forecast (Table 7). These values are derived by applying EV charging load profiles (by vehicle class and charging location) and coincidence/diversity allocation to the installed

charging infrastructure capacity provided in Figure 15 (Table 9) and the underlying EV adoption forecast (Table 7).

For zone-level allocations in Figure 16, Alectra Utilities distributed EV adoption across the service territory proportionate to municipal population.

d) Alectra Utilities provides the tabular breakdown of Figure 19 (page 40) in the Table 4 below. The table included provides the total annual values for the 1-in-2 forecast demand, with the breakdown of EV, CDM, DER, and GA contribution t. Alectra Utilities notes that 1 in 2 load forecast includes EV and CDM.

Table 4 – Non-Coincident Summer Peak Load Forecast with CDM and EV (2024-2034)

Non-Coincident Summer Peak Load Forecast with CDM and EV (MW), 2024-2034											
	2024	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**
Total 1-in-2	5650	5814	5990	6189	6416	6589	6834	7061	7308	7605	7845
Total EV	61	84	124	180	256	354	476	586	711	852	1008
Total CDM	85	104	120	142	159	171	185	199	212	222	242
Total DER	17	17	17	17	17	17	17	17	17	17	17
Total GA	225	225	225	225	225	225	225	225	225	225	225

e) Alectra Utilities provides the tabular breakdown of Figure 22 (page 44) in Table 5 below. This table presents total annual values for the 1-in-2 medium scenario, with a breakdown of CDM, EV, and Decarbonization/Retrofit demand. Alectra Utilities allocated Distributed Energy Resources (DER) and Global Adjustment (GA) Impact on the summer non-winter peak demand only, as Alectra Utilities projects to remain a summer peaking Utility over the 2024 to 2034 planning period. Hence, allocation of winter peaking impacts due to DER and Global Adjustment impacts is not available at this time.

1 **Table 5 – Non-Coincident Winter Peak Demand**

Non-Coincident Winter System Peak Demand with CDM/EV/Decarb/Retrofit (MW), Medium Scenario (1-in-2)											
	2024	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**
Total 1-in-2	4148	4283	4445	4637	4872	5081	5367	5640	5949	6305	6654
EV	61	84	124	180	256	354	476	586	711	852	1008
CDM	85	104	120	142	159	171	185	199	212	222	242
Decarbonization	7	15	38	70	119	176	249	327	421	523	655

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -14

Reference: Exhibit 2B, Tab 4, Schedule 1 Attachment 2B-5
EB-2023-0195 Exhibit 2A, Tab 3, Schedule 2

Guidehouse produced a similar working capital study for Toronto Hydro (June 9, 2023) for Alectra (October 30, 2024). The tables below show the respective

Revenue Lag findings:

A summary of the revenue lags for THESL's distribution business is shown below.

Table 3: Summary of Retail Revenue Lag (2022)

	Amounts ($M)	Lag Time Days	Weighting Factor	Weighted Lag Time Days
Retail Revenue	$3,226.79	52.62	85.00%	44.73
IESO Credits	$432.31	63.32	11.39%	7.21
Other Revenue	$136.91	33.53	3.61%	1.21
Total	**$3,796.01**		**100.00%**	**53.15**

A summary of the revenue lags for Alectra's distribution business are shown below:

Table 3: Summary of Revenue Lag (TME 2024-04-30)

Description	Amounts ($M)	Lag Days	Weighting Factor	Weighted Lag Days
Retail Revenue	$3,913.82	54.53	88.31%	48.15
IESO Credits	$461.64	61.96	10.42%	6.46
Other Revenue	$56.39	46.26	1.27%	0.59

Total	**$4,431.85**	**100.00%**	**55.20**

a) Please explain and contrast the differences that resulted in a finding for Toronto Hydro of a percentage of OM&A and Cost of power of 7.02% and a finding for Alectra of 7.92%.

RESPONSE:

Response prepared by Guidehouse

a) The differences between Alectra's Cash Working Capital and Toronto Hydro's results are principally driven by the respective collections lag day calculations (27.21 days for Alectra vs 24.32 days for Toronto Hydro). Holding all other variables constant, utilizing Toronto Hydro's collection lag day calculation of 24.72 in Alectra's study would have resulted in a Cash Working Capital for Alectra of 7.10%, which is very similar to Toronto Hydro's study result.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -15

Reference: Exhibit 2B, Tab 5, Schedule 1

Table 2-6-1: OEB-approved ICM projects

In-Service Year	Approved ICM Projects	Approved Project Costs	Actual Project Costs	Variance
2018	Leaking Transformer	8.4	7.0	(1.4)
2018	York MS - Civil Construction	2.2	2.5	0.3
2018	Road Authority YRRT - 2018	11.2	15.9	4.6
2018	Pleasant TS CCRA True Up	6.8	6.8	0.0
2019	Leaking Transformer - 2019	7.5	4.5	(3.0)
2019	Road Authority YRRT - 2019	13.3	25.4	12.1
2019	Bathurst Road Widening	5.5	2.8	(2.7)
2021	Goreway TS CCRA True Up	5.7	5.5	(0.1)
2021	Goreway Road Widening	2.1	2.4	0.3
2021	Rutherford Road Widening	2.9	3.1	0.2
2023	Cable Renewal	18.1	16.1	(2.0)
2024	Cable Renewal	17.3	13.9	(3.3)
Total		**101.0**	**105.9**	**5.0**

"The actual capital amounts related to the 2019 YRRT were approximately $12.1MM higher than the approved amount. This variance is primarily the result of delays in placing assets in service in 2016 and 2017, which led to increased in-service additions in 2019. The York Region Rapid Transit Corporation (YYRTC), the road authority overseeing the YRRT project, was responsible for the project schedule and sequence of work. Project construction delays resulted in the delay in placing assets in service."

a) It is not clear to us why a delay in putting the YRRT project into service would result in a $12.1 million cost overrun for the project. Please elucidate.

b) What was the forecast and actual contribution payment by the municipality with respect to the YRRT project s2018 and 2019?

RESPONSE:

a) Please refer to the response to interrogatory 9-Staff-272 part (a) for the reasons of the cost overrun for this multi-year project.

b) Please refer to the response to interrogatory 9-Staff-272 part (a) for the contributions associated with this project.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -16

Reference: Exhibit 2A, Tab 1, Schedule 1, Appendix G

a) Please provide the names and CVs of the authors of the Hatch study entitled "Climate Risk and Vulnerability Assessment of the Alectra Utilities' Distribution System".

RESPONSE:

Response prepared by Hatch

a) The authors of the referenced Hatch study are as follows:

- Predrag Jokovic
- Catalina Gonzalez
- Bob Griesbach
- Jakub Gara

Please see the CVs for the Hatch team members, attached (2.0-VECC-16_Attach 1_Hatch Team CVs).

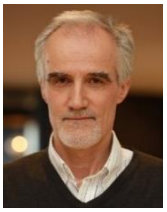
2-VECC-16

Attachment 1
Hatch Team CVs

CORE TEAM MEMBER

Predrag Jokovic

CLIMATE ADAPTATION PRACTICE LEAD



Education and Qualifications
MBA, Business, Edinburgh Business School

Climate Change Policy and Practice, Certificate Program, University of Toronto

BSc, Civil Engineering, University of Belgrade

Professional Affiliations
PEO – Professional Engineers of Ontario

Experience
35 years

Specialties
Climate Adaptation, Climate Resilience, Project Management

Predrag has acquired extensive engineering, technology development, and management experience during his 35-year tenure at Hatch. For the past several years, he has assumed different roles in the Climate Adaptation practice through involvement as both a practitioner and a project sponsor.

- Experience working on climate analysis and model coordination, physical risk assessment and analysis, risk mitigation alternatives and prioritization, implementation cost-benefit and regulatory environment evaluation, asset monitoring and maintenance.
- Extensive experience with stakeholder engagement as a project sponsor for high-profile clients.
- Strong technical knowledge of engineering principals and complex project execution.

RELEVANT PROJECT EXPERIENCE

Canadian Nuclear Safety Commission (CNSC) - The Effects of Changing Extreme Climate Events to Structural Loads of Nuclear Containment Structures due to Wind, Snow and Temperature, Project Sponsor and Researcher, 2022 – 2024. The team researched and reported on relevant climate variables with long-term effect on the containment concrete structures, including identification of specific concrete degradation mechanisms, gaps in current research as well as in summarizing the best practices and future developments.

Climate Vulnerability and Resilience Assessment Study, East Harbour Transit Hub, Metrolinx, Toronto, Canada, Study Participant, 2024. The EHTH will be a transfer station for the GO Lakeshore East corridor, the GO Stouffville corridor, and the Ontario Line (OL) subway line. The Climate Change Resilience Assessment aimed to identify potential vulnerabilities in order to anticipate, prevent, withstand, respond, and recover from any climate related impact that could potentially negatively affect the function of the EHTH. The team identified relevant climate hazards as well as additional opportunities to increase resilience through mitigation measures improvements.

Alectra Utilities, Climate Risk and Vulnerability Assessment for the Distribution System, Project Sponsor and Team Member, 2024. Interruptions in power supply pose immediate inconveniences to households, cause business disruptions, and become considerable financial risks to utilities. The objective of this work was to assess the climate risk and vulnerability of the distribution system. This assessment will further influence client's adaptation plans and enable them to make informed decisions across the organization. The team identified relevant climate scenarios, parameters and impact thresholds that were used as a basis for subsequent risk assessment.

Regional Express Rail, Metrolinx, Toronto-Area, Canada, Senior Team Member, 2023. Activities on this project included:

- Assessing exposure to changing climate parameters such as extreme temperature, flooding/heavy rainfall, tornados/high-winds and frost penetration.
- Comparing climate change parameters' values and frequency from the Project Agreement against those derived from publicly available climate change modelling results.
- High level risk assessment to identify where current project designs may be insufficient for future conditions.
- Identifying High-Risk items (based on the severity and probability of the event) for further analysis.
- Recommending related design criteria updates.

Climate Change Resiliency Study for Storage Facility, Canadian Nuclear Laboratories, Ottawa, Canada, Senior Team Member and Lead Reviewer, 2022. The study was based on IPCC Fifth Assessment Report scenarios. It used previously developed Climate Change Risk Identification Report to further evaluate the risks and develop more focused mitigation measures as needed in subsequent design stages.

Civil Climate Change Design Criteria Update, Rio Tinto, Gove Bauxite Mining and Refinery Operations Closure, Northern Territory, Australia, Contributor, Lead Reviewer of the Final Report, 2024. The Design Criteria was updated to reflect the latest climate modelling results based on IPCC Assessment Report (AR6).

Climate Change (Physical) Risk Exposure & Vulnerability Profile, Scenarios Establishment, Climate Data Retrieval, Rio Tinto, Burra Scandium, New South Wales, Australia, Lead Climate Vulnerability Reviewer, 2024. Initial stages of climate risk assessment process were done in accordance with internal Rio Tinto "Risk Management Standard" document. Hatch helped with climate scenarios establishment, stakeholder engagement, project scope development, risk identification as well as risk analysis and evaluation.
CN-CP Detroit River Tunnel Enlargement, Windsor-Detroit, Canada, Structural Design Engineer. Site inspection of the work on tunnel approaches including excavation, backfilling, compaction and drainage. Completed in 1995. Predrag was also involved in a variety of ground-breaking projects as a design engineer, reviewer, and sponsor:

- Hyperloop System Infrastructure Feasibility Study for TransPod Calgary - Edmonton line. Hyperloop is designed to be the most energy efficient mode of transportation and potentially generating more renewable energy than required for operations.
- Hyperloop Standards Framework development for Canadian Standards Association
- Collaboration with a developer of graphene production process. Among other numerous applications, graphene will be used as a concrete additive that improves its properties and reduces concrete carbon footprint.
- Sponsoring internal initiative for promotion of green concrete (improvement in material carbon footprint) through inclusion in Hatch engineering practice globally

HATCH

CORE TEAM MEMBER

Catalina Gonzalez, MASc, P.Eng

CLIMATE SPECIALIST

Education & Qualifications

Master, Environmental Science, University of Toronto, Toronto, Ontario, Canada, 2011
BEng, Environmental Engineering, Universidad Técnica Federico Santa María, Valparaiso, Chile, 2009

Professional Accreditation

PEO – Professional Engineers of Ontario – Member

Experience

10+ years

Specialties

Mining, Environmental Management, Mine Closure, Environmental Assessment, Due diligence, and Permitting

Catalina is a Professional Engineer with Hatch's Climate Change Practice and has 10 years of national and international experience in sustainable development efforts including life cycle assessments (LCAs), carbon footprints and GHG emissions accounting for clients' scope 1, 2, and 3.

In addition, Catalina has experience with lifecycle assessments and carbon footprints for different industries. Recently, Catalina has conducted several cradle-to-gate LCAs for steel, copper and aluminium sector, as well as embodied carbon emissions that derive from the manufacturing, transport, installation, use, and end-of-life of building materials over their entire life cycle of the facility. Catalina also participated in the LCA for Manganese Institute, which was the first globally representative LCA of manganese alloy production, involving primary site data from 17 manganese mines (both surface and underground mines) and smelters.

Catalina also is an accomplished Project Manager, experienced in building strong client relationships through open, transparent, and frequent communications, assembling and leading high-performing project teams, and building a track-record for successfully delivering her projects on-time and on-budget.

RELEVANT PROJECT EXPERIENCE

Alectra Utilities. Climate Risk and Vulnerability Assessment for the Distribution System, Climate Specialist, 2024 - Interruptions in power supply pose immediate inconveniences to households, cause business disruptions, and become considerable financial risks to utilities. The objective of this work was to assess the climate risk and vulnerability of the distribution system. This assessment will further influence client's adaptation plans and enable them to make informed decisions across the organization. The team identified relevant climate scenarios, parameters and impact thresholds that were used as a basis for subsequent risk assessment.

Confidential Client, Environmental Product Declaration, USA, Environmental Specialist. Lead for the development of several LCAs to quantify the environmental impacts derived from upstream material extraction, transportation, and manufacturing of flat-rolled steel coils. Results of this LCA were reported in EPDs to present comparable and transparent information about the impacts of the steel products.

Confidential Client, Confidential Project, Canada, Environmental Specialist. Lead for several Life Cycle Assessments to evaluate the embodied carbon emissions and cost associated with the top construction materials for two (2) facilities, throughout its entire life cycle, and make recommendations to improve the carbon footprint embodied in those materials. The LCA was conducted using was conducted using SimaPro software.

Confidential Client, Confidential Project, Canada, Environmental Specialist. Lead for the Climate Change Vulnerability and Resilience Assessment scope of work related to advance works for a large transit project. The Climate Change Vulnerability Assessment was completed using the Public Infrastructure Engineering Vulnerability Committee (PIEVC) Protocol.

Confidential Client, Confidential Project, Argentina, Environmental Specialist. Lead for the greenhouse gas (GHG) emissions estimate for a proposed lithium production Project in South America. GHG emissions were calculated for direct (scope 1) and indirect (scope 2 and scope 3) sources, and in accordance to the GHG Protocol: Corporate Accounting and Reporting Standard.

Confidential Client, Confidential Project, Canada, Environmental Specialist. Based on the client's net zero strategy, the project aimed to review Scope 1, 2 and 3 emissions for the construction and operational phase. Catalina led the construction GHG estimate in accordance to the GHG Protocol: Corporate Accounting and Reporting Standard.

Canadian Nuclear Laboratories, Preliminary Design for Intermediate Level Waste (ILW) Storage Facility - Lifecycle Carbon Accounting Report, Environmental Specialist. Catalina served as Lead for the LCA conducted to evaluate the embodied carbon emissions and costs associated with the top construction materials for the ILW Storage Facility, throughout its entire life cycle, and make recommendations to improve the carbon footprint embodied in those materials. The LCA was conducted using SimaPro version 9.1.1.7

Canadian Nuclear Laboratories, Cask Facility Detail Design - Lifecycle Carbon Accounting Report, Canada, Environmental Specialist. Catalina acted as Lead for the LCA conducted to evaluate the embodied carbon emissions and cost associated with the top construction

materials for the Cask Facility, throughout its entire life cycle, and make recommendations to improve the carbon footprint embodied in those materials. The LCA was conducted using SimaPro version 9.1.1.7

Natural Resources Canada (NRCan), Life Cycle Inventory and Carbon Footprint of Ferrochrome Production, Canada, Environmental Analyst. Life Cycle Modelling of Ferrochrome Production. A software system using a combination of Microsoft Excel 2007© and the lifecycle engineering software GaBi4© was created to develop the modelling architecture. GaBi4© is an ISO 14040 compliant modelling software consisting of a database of LCA data and a graphical user interface to facilitate model compilation.

Canadian Nuclear Association, Lifecycle Assessment Literature Review of Nuclear, Wind and Natural Gas Power Generation, Canada, Environmental Analyst. Catalina's tasks included a literature review and meta-analysis methodology to compile data from previous LCA projects and synthesizing the data to conform to a common set of model parameters and system boundaries (upstream and downstream supply chain, power plant operations, and lifespan of the power generating facility). The study focused on onshore wind generation, nuclear power (all types of commercial reactors), natural gas combined cycle (NGCC), and a mix of onshore wind (20%) and NGCC (80%) generation.

BHP Billiton Jansen Project, SK, Canada, Environmental Analyst. This project involved integrating environmental requirements into engineering design and creating an environmental awareness and sense of environmental responsibility to achieve the HSE objective of "No Harm." As a liaison with HBJV Project Team, Catalina had the responsibility for dissemination of environmentally related information to the HBJV Engineering Team and engineering design information to BHP Billiton Environment Team/EIS Consultant. This included tracking of the changes made to the Project Description contained in the EIS Her tasks also included the preparation of, and updates to, environmental studies and plans required to execute or meet Project Commitments/Requirements. She supported the BHP Billiton environmental permitting and approval process for construction. Catalina worked with Procurement and Contracting, and Construction to ensure all environmental requirements related to specific contracts are included in the tenders/RFPs. She was also a part of the Development of Execution Environmental Management System and Update Closure cost and plan.

ERGON PERU S.A.C., Environmental and Social Consultant for Off-Grid, Peru, Environmental Analyst. Independent Environmental and Social consultancy services for the installation of a minimum of 173,000 off-grid photovoltaic systems across rural Peru. The IESC review was based on the Peruvian regulatory framework applicable to the Project; conventions and treaties adopted by Peru as they are mandatorily applicable to the Project; IFC Environmental, Health and Safety General Guidelines; and the Equator Principles. The review was based on a combination of desktop study and discussions with Borrower and contractor personnel.

EP Petroecuador, Petroecuador, Ecuador, Environmental Analyst. Catalina was responsible for the development of the environmental design criteria (EDC), waste management plan, emission inventory for the project during construction and operations, atmospheric modelling and feasibility analysis of operations report, and the environmental management plan.

Barrik Gold, Pascua Lama Project, Chile, Environmental Analyst. Catalina was responsible for the development of environmental design criteria (EDC) for contact water treatment plant (ARD2), waste management plan for ARD2 Plant, waste management plan for Pascua Site, including diagnosis of the current situation, waste quantification based on current registers, waste projection, and design of waste management facilities. She was also responsible for the discharge and emission summary for ARD2 Plants, identification of applicable regulations for ARD2 Plant; and compilation of information to support Pertinencia Analysis for ARD2 Plant.

Manganese Institute, Life Cycle Assessment for Manganese Institute, Environmental Analyst. Catalina's responsibilities included conducting a coverage assessment to determine the smelters and mine site to be included in the study and the development of a pre-site visit questionnaire, which was customized and sent to 17 different sites (smelters and mines) to identify data gaps and guide the process of site visit. The questionnaire was designed to capture information related to throughputs, products, consumables, wastes, and emissions. She also analyzed the data received from different sites (mines and smelters) by conducting energy and mass balances to identify gaps in the information collected and identified any inconsistencies in the data, developed reports for each of the sites, covering all data collected to ensure the information was accurate and representative, and used modelling seven (7) manganese mines using GaBi4 © software.

Drummond Limited, Grass Roots Facility, USA, Environmental Analyst. Catalina was responsible for the development of the conceptual level environmental permitting report, to provide environmental regulatory considerations applicable to a proposed Ammonium Nitrate facility to be located in the Province of British Columbia, Canada. A second study was conducted considering the states of Louisiana or Mississippi, United States, as two potential locations for the Project.

Cliffs Natural Resources, Cliffs Chromite Project, Canada, Environmental Analyst. Catalina was responsible for the development of the closure plan for the feasibility report; IFC Performance Standards Equator Principles gap analysis; determination and quantification of the operational waste streams; development of the carbon footprint of the project, considering three possible scenarios.

Baffinland Iron Mines Corporation, Mary River, Mary River, North Baffin Island, NU, Canada, Environmental Analyst. Catalina's responsibilities included the development of the design basis for incinerator, supporting the development of Type A Water License, providing support in updating management plans, site visit to Project Location (2 rotations) as Site Environmental Coordinator, and participation in annual security assessment, closure planning and costing.

HATCH

CORE TEAM MEMBER

Robert Griesbach, P.Eng.

ENERGY CONSULTANT

Education & Qualifications
MBA, Business, McGill University, Montreal, Quebec, Canada, 1974

BEng, Chemistry, McGill University, Montreal, Quebec, Canada, 1972

Professional Affiliations
Canadian Association of Management Consultants - Member

PEO - Professional Engineers of Ontario – Member
Certified Management Consultant

Experience
40 years

Bob is a Certified Management Consultant and Professional Engineer with more than 40 years of energy sector experience. Bob has been responsible for a wide range of policy, studies and project work in the energy sector including decarbonization studies, climate change adaptation analysis, execution of integrated power supply plans, preparation of long-term load forecasts, electric power sector restructuring, due diligence, valuation, tariff, financial, cost of service, market assessment and economic analysis.

His client list includes major electric utilities, ISO and regulatory agencies, IPP developers, private investors, investment funds, large energy users and government planning agencies as well as international financing agencies such as the World Bank. He has worked in over 25 countries. Bob has also held senior corporate positions in a large engineering company in the areas of information systems, corporate planning, budgeting, financial analysis, and procurement.

In the last five years, Bob has worked on climate change risk impact studies for several electric utilities and also for three industrial companies. He has been responsible for preparation of multiple electric utility Integrated Resource Plans on behalf of regulators, utilities, and governments. He has recent experience as an expert witness in Canadian regulatory hearings involving electric utilities, has supported expert witness testimony in rate case hearings in three Canadian provinces and has carried out business case development assignments for several LDCs in Ontario. He has recently given an in-person course regulatory and market aspects of small-scale solar PV deployment and an 8-day online course in long-term load forecasting.

RELEVANT PROJECT EXPERIENCE

Senior Advisor, preparation of a Climate Risk and Vulnerability Assessment for a large LDC in Ontario. This study was prepared to meet the utility's needs for an upcoming OEB hearing. While prepared before the OEB's framework report for such studies was completed, the report provides a detailed analysis of the risks faced by the utility to the impacts of climate change.

Project Manager and Senior Consultant for Mainstream Resiliency in Power System Planning for the World Bank in which Integrated Resource Plans (IRP) were prepared for the countries of Antigua and Barbuda and St. Vincent and the Grenadines based on current national energy planning. As one of the utilities did not have a current long-term load forecast my work included the preparation of this load forecast. The IRPs were used as the basis to evaluate adaptation measures to respond to the expected impacts of climate change on the power systems. For both utilities the most important adaptation measures were those to harden the existing distribution assets and plan for more robust distribution networks when new distribution segments are to be added.

Senior consultant on preparation of three climate risk and adaptation studies for mining companies and on international electric utility. In addition to several locations in Ontario these studies included locations in Manitoba, British Columbia, USA, Mexico, Turkey and Cuba. In each study, historic climate related problems were assessed, projections of local climate changes under various IPCC scenarios were applied and adaptation measures were recommended.

Subject Matter Expert in the review of the demand forecast prepared by a large Ontario LDC. It is expected that the load study will be used as an input to utility's application for a rate hearing before the OEB. A key aspect of the report is the estimation of the potential impacts of decarbonization initiatives on the utility's load.

Expert witness for the Nova Scotia Utility and Review Board with respect to the application by a municipal distribution utility for approval of its capital investment plan to increase distribution system capacity to serve the forecast load, reconfigure the system to increase resilience in severe weather events and add smart meters to enable decarbonization and energy efficiency improvements by the utility's customers. Prepared evidence, responded to IRs and underwent cross examination in the hearing.

Presentation of a two-week course on long-term electricity demand forecasting to a group of distribution electric utility staff and government ministry employees. After the course, acted as senior consultant during the preparation of a long-term load forecast based on the methods taught during the course.

Expert witness for Nova Scotia Power Inc. with respect to its application to the Nova Scotia Utility and Review Board regarding the retirement of a major generating asset. Prepared evidence which was part of the official record of the hearing and responded to IRs. Went through practice sessions with other company witnesses but was excused from the hearing as neither the Board nor other counsel had questions for cross examination.

Hatch project manager for a review, on behalf of the Government of Newfoundland and Labrador, of the procedures used by the provincial electrical utilities for load forecasting, system planning, asset management and operations, the system reliability levels that have resulted from these procedures and the effectiveness of the interactions with the regulatory authority under the various legislative requirements. This study was commissioned in the aftermath of system-wide power supply failures during severe winter weather.

For FortisBC, reviewed its long-term load forecasting methodology and provided comments based on comparison with the approaches typically used by similar utilities for such forecasts

For Port Authority New York New Jersey prepared a long-term electricity load forecast for one of its seaports. Met with the major tenants to understand their existing use of electric power and other sources of energy and their plans for the future. Prepared a long-term load forecast for the port considering organic growth, electrification of functions using fossil fuels such as port material handling equipment and processing of incoming raw materials, expansion projects and the potential impacts of renewable energy projects.

World Bank/Electricity Control Board (ECB - the national electricity sector regulator), National Integrated Resource Plan, Namibia, Project Director. An update was later prepared for the ECB and the Government. Identification of the preferred roadmap for development of the country's electric power sector over a 20-year time horizon. Options considered included solar PV, wind, biomass (invader bush), development of offshore natural gas, geothermal and other domestic generation, and power imports from and exports to neighbouring countries. This study included preparation of a detailed load forecast and specific consideration of the future power requirements for large mining sector loads.

IDB Invest unit of Interamerican Development Bank, Engineering Services Master Agreement, Team Leader and Senior Consultant. The objective of this program is the provision of detailed energy efficiency audits and electrification through self-supply renewable energy feasibility studies. Task order completed to date include feasibility study of solar PV and a waste disposal system with waste to energy capabilities for a port in Barbados, studies for a new port in Guyana on LED lighting, solar PV and waste disposal, a study for an international airport in Jamaica on options for getting to 100% renewable energy for airport operations with solar PV and battery energy storage. Battery energy storage study in El Salvador and solar PV feasibility studies in a number of countries. As project manager, work with IDB Invest and the participating organization to define the call-off scope and budget and prepare the work plan. As senior consultant typically responsible for market assessment and business case analysis aspects of the assignments.

TANESCO, Energy Rationalization and Demand Response, Tanzania, Project manager and senior consultant. Reviewed the load characteristics for all groups of customers and developed a series of demand and energy management programs that would be compatible with TANESCO's business model and could be offered to TANESCO's costumers. For each program, the operational and financial impacts on TANESCO were assessed using computer-based models developed by Hatch.

CORE TEAM MEMBER

Jakub Gara, M.Eng., CAMA

DELIVERY SPONSOR

Education & Qualifications
Bachelor of Engineering (Power Engineering), AGH University of Science and Technology, Krakow, Poland

Master of Engineering (Power Engineering, Major is Nuclear Energy), AGH University of Science and Technology, Krakow, Poland

Professional Development
Certified Asset Management Assessor (CAMA) Certification - World Partners in Asset Management (WPiAM)

Experience
15+ years

Specialties
Asset Investment Planning, Reliability, Analytics, Asset Maintenance & Management

Jakub is a Lead in Utility Asset Management within Hatch's Power business unit and a Certified Asset Management Assessor with over 15 years of experience supporting independent power producers, electric utilities, and engineering, strategy, and Big Four consulting firms.

His asset investment and asset management experience spans power generation, transmission, and distribution, with project delivery across North America, Australia, Europe, and Africa. Jakub has led numerous initiatives for power and utility clients, developing analytics to enable risk- and value-based decision-making, including criticality assessments, probability of failure curve development, and the design and implementation of value frameworks.

Jakub combines a strong technical foundation with deep business process expertise to help clients improve operational efficiency and advance their digital asset management strategies. His work includes the integration of asset performance management (APM) and asset investment planning (AIP) solutions to support more informed planning and investment decisions.

RELEVANT PROJECT EXPERIENCE

Asset Investment Planning (AIP) Implementation Support; Value Framework and Risk Framework Development, Toronto Hydro, Canada. Developed ISO 55000–aligned Risk and Value Frameworks to support asset investment planning, grid modernization initiatives, and cost–benefit analysis within the Copperleaf C55 AIP platform. The work aligned corporate risk matrices and policies with asset management and maintenance practices and leveraged grid topology-based asset consequence-of-failure analysis, advanced analytics, and statistical modeling. Results set a new benchmark for the client. As Project Manager, Jakub supported project scoping and managed execution of scope, schedule, and budget.

Asset Management Transformation Project, BC Hydro, Canada. Hatch has been retained to execute initiatives to enhance existing asset management practices for a confidential utility. The scope consists of multiple work packages and includes the following items:

- Spare parts inventory optimization: Performed SAP data gap analysis and cleansing, standardized asset templates, refined critical spares strategy, and established storage-asset maintenance and inspection standards.
- Development of preventive maintenance standards: This initiative involves development of inspection checklists to incorporate into existing standards.
- Asset Health Index (AHI) Formulation development: Development of Asset Health Indices (AHI), identifying key health indicators and weightings.
- Development of custom historical data driven failure curves for 20+ asset classes

Distribution Asset Inventory and Asset Condition Assessment (ACA) Due Diligence, CONFIDENTIAL Distribution Utility, Canada. The scope of work includes activities to conduct an asset condition assessment ("ACA") of the electrical distribution assets (using the CNAIM methodology), the heating/cooling water distribution network, and the generation asset portfolio (approx. 250 assets) for a major acquisition. As Project Manager, Jakub interacted with the client's Project Manager and Project Sponsor tracked and supported the execution of scope, controlled budget, and schedule. Additional scope managed by Jakub includes and islanding study of the distribution network required for full evaluation of the asset portfolio.

Climate Risk & Vulnerability Assessment, Alectra Utilities Inc., 2024. Led a climate risk and vulnerability assessment for the utility's distribution system through data analysis and statistical modelling of historical climate and weather trends. Assessed climate-driven risks across multiple jurisdictions and time horizons, identified high-risk areas, and contributed to the development of adaptation strategies to improve system resilience.

HATCH

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -17

Reference: Exhibit 2, Tab 1, Schedule 1, Appendix B08 (pgs. 312-)

Table B08 - 1 Fleet Investment Expenditures, Drivers and Outcomes

	Historical Spending					Bridge		Forecast Spending				
Year	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
CAPEX ($MM)	8.1	6.6	4.0	7.5	6.9	12.1	12.3	24.2	23.3	18.6	17.3	14.5
Primary Driver	Syste	capital and maintenance work support										
Secondary Driver	Business operational efficiency											
Outcomes	Customer Value, Safety, Reliability, Environment and Efficiency											

a) What accounts for Alectra spending less than half as much on vehicles in the 5 years prior to 2025 as compared to the 5 years after?

RESPONSE:

a) Please see Exhibit 2, Tab 1, Schedule 1, pages 332 and 333 (Investment Timing & Pacing). As noted within that Investment Timing & Pacing section, differences in investment needs between the 2020-2024 and 2027-2031 are driving the increases. Those drivers include: (i) the need to renew a larger portion of the fleet; (ii) the need to add fleet vehicles to ensure availability to execute a growing capital program; and (iii) increases in costs for individual fleet vehicles due to costs escalations associate with the supply chain.

The 2020-2024 period was also impacted by supply chain vehicle availability. The growth is outlined in Table B08-2 Exhibit 2, Tab 1, Schedule 1.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -18

Reference: Exhibit 2, Tab 1, Schedule 1 (pgs. 611-)

Table B14 - 8 Historical & Proposed Investment Spending

	Historical Spending					Bridge		Forecast Spending				
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rear Lot Conversions	2.4	0.1	1.0	0.1	0.1	0.7	0.0	0.0	0.0	20.3	32.7	33.6

a) If rear-lot construction presents safety and reliability risks why were they built at these locations in the first instance?

b) If safety is an issue why has so little investment been made in this category from 2021 onward?

c) Do the municipalities (or province) served by Alectra have building codes which restrict buildings or pools where rear lot feeders exist?

d) What is the typical premium on replacing rear lot with front above ground or front underground?

e) What efforts is Alectra making to have current owners and or municipalities contribute to the premium for rear lot removal of distribution plant?

RESPONSE:

a) Rear lot construction is a legacy practice in certain neighbourhoods largely dated from the 1960's. In many cases, the then-electric utility (part of the municipality at this time) coordinated with telecommunication providers to share the rear lot infrastructure space. This practice pre-dates the widespread use of Underground Residential Distribution (URD). As URD practices and cable performance improved through the 1970's and 1980's, front lot underground infrastructure became the standard approach for new residential developments. Given the passage of time and the neighbourhood-specific circumstances, Alectra Utilities would be speculating on the specific rationale for each historic rear lot design decision.

b) Please refer to the response to 2-STAFF-127-a.

c) Some municipalities within Alectra Utilities service territories will include the utility in reviewing permitting applications they receive. However, building codes do not generally restrict the placement of pools or structures solely due to the presence of rear lot power lines. The Ontario Electrical Safety Code and the Electrical Safety Authority establish clearance requirements related to proximity to energized power lines, including restrictions on the construction of buildings or structures under power lines, however, these requirements are not specific to rear lot assets. Alectra Utilities has encountered numerous instances within rear lot supplied areas where structures do not comply with these clearance requirements.

d) As per Exhibit 2A, Tab 1, Schedule 1, Appendix B14, Section 3.2, Page 599 (Lines 25 – 30) and Page 600 (Lines 1 – 6), where feasible, front lot overhead construction is used when favorable conditions are present, such as minimal tree cover or pre-existing overhead support structures. When front lot overhead is not feasible, front lot underground construction is the only acceptable option. Alectra Utilities doesn't apply a specific "premium" for replacing rear lot with front lot construction, as like-for-like replacement in the rear lot is not a viable option.

e) Rear lot assets form part of Alectra Utilities' distribution plant, and it is the utility's responsibility to prudently manage the lifecycle and replacement of these assets. Additionally, Alectra Utilities is not aware of a legal obligation that would require customers or municipalities to absorb these costs. As stated in part d), Alectra Utilities does not apply a specific "premium" to rear lot conversion projects that could be allocated to owners or municipalities.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -19

Reference: Exhibit 2A, Tab 1, Schedule 1, Appendix 2-AA

Table 5.4.2 - 2 System Access Investments (2027-2031)

	Forecast Period (Planned)				
System Access	**2027**	**2028**	**2029**	**2030**	**2031**
Network Metering	54.7	70.6	69.2	60.4	53.6
Customer Connections	189.8	204.0	185.2	166.6	195.2
Road Authority & Transit Projects	56.3	38.5	45.0	45.7	46.7
Transmitter Related Upgrades	5.0	0.0	0.0	0.0	0.0
Total Gross Expenditures	**305.8**	**313.1**	**299.4**	**272.7**	**295.5**
Total Contributions	**(148.1)**	**(132.7)**	**(135.2)**	**(133.6)**	**(156.8)**
Total Capital Expenditure ($MM)	**157.7**	**180.4**	**164.2**	**139.1**	**138.7**

a) Please show the capital contributions for each line item (i.e. which sums to the total contributions). Please explain how the contribution amount for each category was estimated.

b) Using the same categories as Table 5.4.2-1 show the same for the 2021 to 2026 period (i.e. Appendix 2-AA system access with contributions shown by category).

RESPONSE:

a) Alectra Utilities provides the capital contributions for each line item of Table 5.4.2 – 2 in Table 1.

Table 1 – System Access Contributions by Grouping 2027-2031 ($MM)

SYSTEM ACCESS	2027	2028	2029	2030	2031
Network Metering	-0.6	-0.7	-0.6	-0.6	-0.6
Customer Connections	-114.7	-112.7	-102.8	-100.6	-123.2
Road Authority and Transit Projects	-32.8	-19.3	-31.8	-32.4	-33.0
Transmitter Related Upgrades	0.0	0.0	0.0	0.0	0.0
Total Forecast Contributions	-148.1	-132.7	-135.2	-133.6	-156.8

System Access contributions are program dependent and reflect the underlying funding treatment applicable to each activity within the portfolio:

- **Network Metering** contributions relate only to new customer connections and upgrades. Contributions were estimated using historical contribution percentages of gross expenditures for this specific type of work.
- **Customer Connections** contribution amounts for Customer Connections were developed using a combination of historical contribution averages and Economic Evaluation Model (EEM) results, depending on the type connection.
    - Customer-initiated distribution system projects: There is a mix of discrete projects and standing buckets. A bucket consists of a collection of projects that are both unknown or known, whose expenditure level is below the threshold to be a standalone project. These smaller projects roll into one business case. Historical averages were used to determine the contributions within the buckets. For larger customer-initiated expansion projects, contributions were forecasted based on known projects and project specific EEM results.
    - Subdivisions: Contributions are based on historical contribution percentages.
    - ICI and Layouts: Contributions are based on historical contribution percentages.

  Please refer to Exhibit 2A, Tab 1, Schedule 1, Appendix B10 for further details.
- **Road Authority** consists of a mix of discrete projects and standing buckets. For standing buckets, where multiple small projects roll into a single business case,

historical averages were used to determine contributions. For discrete projects, contributions are determined in accordance with PSWHA.

Please refer to Exhibit 2A, Tab 1, Schedule 1, Appendix B11 for further details.

- **Transit** contributions depend on the project sponsor and the location of Alectra Utilities' assets. Contributions for transit projects are based on known projects and are determined in accordance with formal agreements, applicable provisions in PSWHA, and BTFA directives.

  Please refer to Exhibit 2A, Tab 1, Schedule 1, Appendix B11 for further details.

b) Alectra Utilities provides the data in Table 2 below.

Table 2 – System Access Expenditures by Grouping 2021-2026 ($MM)

	Actual Expenditures				Bridge	
SYSTEM ACCESS	**2021A**	**2022A**	**2023A**	**2024A**	**2025A**	**2026**
Network Metering	-0.6	-0.6	-0.7	-0.7	-1.4	-0.6
Customer Connections	-49.4	-48.0	-74.1	-88.9	-98.0	-100.4
Road Authority and Transit Projects	-20.8	-22.5	-62.9	-40.4	-59.4	-55.3
Transmitter Related Upgrades	-1.3	-0.1	-0.1	0.0	0.0	0.0
Total Actual and Planned Contributions	-72.1	-71.2	-137.8	-130.0	-158.8	-156.3

Note that 2025 has been updated with actuals.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 2.0-VECC -20

Reference: Exhibit 2A, Tab 1, Schedule 1, pg. 386, Appendix 2-AA

Table 5.4.2 - 4 System Service Investments (2027-2031)

	Forecast Period (Planned)				
System Service	**2027**	**2028**	**2029**	**2030**	**2031**
SCADA & Automation	8.7	9.2	15.2	21.6	18.1
Capacity (Lines)	5.2	35.5	65.6	41.9	51.1
Capacity (Stations)	24.2	25.7	58.8	63.8	119.3
System Control, Communications & Performance	0.9	9.2	11.0	5.2	3.0
Safety & Security	0.0	0.2	0.9	1.1	1.1
DER Integration	0.3	0.5	0.3	0.3	0.1
Total Gross Expenditures	**39.3**	**80.3**	**151.8**	**133.9**	**192.7**
Total Contributions	**(0.1)**	**(0.7)**	**(1.8)**	**(1.9)**	**(8.5)**
Total Capital Expenditure ($MM)	**39.2**	**79.6**	**150.0**	**132.0**	**184.2**

a) Similar to the previous question, please show the contributions by category and explain how the contribution amount was estimated.

b) Using the same categories please show the contributions for the 2010 to 2026 period (i.e. Appendix 2-AA system service contributions shown by category).

RESPONSE:

a) Alectra Utilities Table 1 provides the capital contributions for each line item of Table 5.4.2 – 4 below:

Table 1 - System Service Capital Contributions Associated with Table 5.4.2-4

	Planned Expenditure				
SYSTEM SERVICE	**2027**	**2028**	**2029**	**2030**	**2031**
SCADA and Automation	0.0	0.0	0.0	0.0	0.0
Capacity (Lines)	0.0	-0.5	-1.8	0.0	0.0
Capacity (Stations)	0.0	0.0	0.0	-1.9	-8.5
System Control, Communications and Performance	0.0	0.0	0.0	0.0	0.0
Safety & Security	0.0	0.0	0.0	0.0	0.0
Distributed Energy Resources (DER) Integration	-0.1	-0.2	0.0	0.0	0.0
Total Planned Contributions	**-0.1**	**-0.7**	**-1.8**	**-1.9**	**-8.5**

System Service contributions are project dependent and reflect the underlying funding treatment applicable to each project.

- **Capacity (Lines)**: Contributions are planned for 2028 and 2029, driven by planned projects that include funded components, including a new feeder in St. Catharines and an investment to add two additional 27.6 kV circuits to supply new greenfield development load in Richmond Hill. These projects are generally coordinated with municipal road authority work, and any associated contributions are estimated based on preliminary assessments of shared scope related to municipality driven activities.

- **Capacity (Stations)**: There are contributions in 2030 and 2031. The contribution for these years is associated with a transformer station (TS) at Pearson Airport under Greater Toronto Airport Authority (GTAA). Contributions were estimates based on high level and preliminary cost and load estimates.

- **Distributed Energy Resources (DER) Integration:** There are contributions in 2027 and 2028. They relate to GRE&T Centre projects and are based on high level calculation of NRCAN funding based on their eligibility criteria.

b)

Table 2: System Service Capital Contributions (2020-2026)

	Actual Expenditures					Bridge	
SYSTEM SERVICE	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
SCADA and Automation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capacity (Lines)	-0.5	-0.2	-0.7	-0.4	0.0	0.0	0.0
Capacity (Stations)	0.0	0.0	0.0	-0.2	-3.9	-4.8	-14.4
System Control, Communications and Performance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Safety & Security	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Distributed Energy Resources (DER) Integration	-0.9	-0.6	-0.4	-0.4	0.0	-0.1	-0.7
Total SYSTEM SERVICE	-1.4	-0.8	-1.1	-1.0	-3.9	-4.9	-15.1

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -21

Reference: **Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 4, 20, 21 and 54-58**
Attachment 3-3, Customer and Load Forecast Input Data

Preamble: The Application states: "The residential customer forecast is based on a weighted population and GDP driver Cust_Var). Population captures the long-term customer growth trend and GDP helps capture customer variation and household formation associated with economic activity. Monthly customer models are estimated using linear regression." (page 20)

Note: In its information requests 3-SEC-69 has asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and Residential customer count forecast used in response to SEC. Otherwise, please base the responses to the following questions on Alectra's original Application.

a) With respect to the Residential customer count forecast, please provide separate excel spreadsheet(s) for each of the five Rate Zones setting out:

i. The historic and forecast values for each of the variables used in the regression model.

ii. Where the variable used is derived/calculated (e.g., the Cust_Var), the historic and forecast values for each of the inputs used and the calculation of the historic and forecast values used in the regression model.

iii. The calculation of the forecast Residential customer count monthly values

RESPONSE:

Response prepared by Itron

a) Separate rate-zone level customer forecast models, data inputs, and calculations are included in the attached Excel files.

i. Historical and forecast drivers can be found in the ***Data*** tab.

ii. Derivation of the model variables and inputs are in the ***Economic Data*** and ***Economic Transform*** tabs.

iii. Forecast results are in ***YHat*** tab.

3-VECC-21

Attachment 1
BRZ Residential Class

Please see live Excel

3-VECC-21

Attachment 2
ERZ Residential Class

Please see live Excel

3-VECC-21

Attachment 3
GRZ Residential Class

Please see live Excel

3-VECC-21

Attachment 4
HRZ Residential Class

Please see live Excel

3-VECC-21

Attachment 5
PRZ Residential Class

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC-22

Reference: Exhibit 2A, Tab 1, Schedule1, page 140 (Table 5.3.2-2)
Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 3 23 and 24
Attachment 3-3, Customer and Load Forecast Input Data

a) Please provide a table that compares the 2026 to 2031 growth in population used in Exhibit 2A with the forecasts of population growth for Toronto, Hamilton and Guelph used in Exhibit 3, Attachment 3-2.

b) Please explain why it is appropriate to use materially lower population forecasts in Exhibit 3 as compared to those used in Exhibit 2A.

c) In its information requests 3-SEC-69 has asked:
   a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
   b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application and a different population forecast was used in the response to SEC, then please provide a table that compares the 2026 to 2031 growth in population used in Exhibit 2A with the forecasts population growth for Toronto, Hamilton and Guelph used in the response to SEC.

RESPONSE:

a) **Response prepared by Itron**

Table 1 below provides the comparison of the population forecast used for the revenue forecast (pre-filed evidence, Exhibit 3) and the population forecast for the system planning forecast (pre-filed evidence, Exhibit 2A). The population forecast in Exhibit 3 is for the entire Toronto, Hamilton and Guelph census metropolitan areas, while the population forecast in Exhibit 2 A is only for municipalities served by Alectra Utilities.

Table 1 – Population Growth Rates Comparison (Original Application)

	Exhibit 3 - Original Application				Exhibit 2A
Year	**Toronto**	**Hamilton**	**Guelph**	**Total**	**Total**
2021	6,514,170	822,380	174,670	**7,511,220**	**3,551,902**
2026	7,235,800	879,340	188,050	**8,303,190**	**3,837,072**
2031	7,585,310	907,680	200,020	**8,693,010**	**4,139,713**
2026/2021 Cumulative Growth				10.5%	8.0%
2031/2026 Cumulative Growth				4.7%	7.9%
2031/2021 Cumulative Growth				15.7%	16.5%
2026/2021 CAGR				**2.03%**	**1.56%**
2031/2026 CAGR				**0.92%**	**1.53%**
2031/2021 CAGR				**1.47%**	**1.54%**

b) **Response prepared by Itron**

The Conference Board of Canada (CBoC) releases forecasts at a quarterly periodicity for a 5-year time horizon, which is consistent with the rate-setting requirements. The most recent CBoC's forecast for Toronto and Hamilton CMA was released in December 2025 (September 2025 for Guelph CMA). The Exhibit 2A population and household forecast is at an annual periodicity, with the most recent published dates of 2020 to 2022, depending on the municipality. Therefore, the CBoC economic projections reflect the most current regional population growth and economic activity through regularly updated quarterly economic forecasts that calibrate into current consumer and business activity. In addition, the CBoC is a well-regarded source of both, historical (which is an essential requirement in estimating the forecast models) and forecasts. This in turn gives us confidence that the resulting sales and customer forecast provides a reasonable basis for determining revenues.

c) **Response prepared by Itron**

Alectra Utilities updated the load forecast in response to 3-SEC-69 and proposes adopting the results of the updated forecast. Table 2 below provides the comparison of the population forecast used for the revenue forecast (updated in response to 3-SEC-69) and the population forecast for system planning forecast (pre-filed evidence, Exhibit 2A – no change).

Table 2 – Population Growth Rates Comparison (Interrogatories)

	Exhibit 3 - January 2026 Forecast Rerun				Exhibit 2A
Year	**Toronto**	**Hamilton**	**Guelph**	**Total**	**Total**
2021	6,514,170	822,380	174,670	**7,511,220**	**3,551,902**
2026	7,234,430	876,700	187,870	**8,299,000**	**3,837,072**
2031	7,573,660	906,480	199,580	**8,679,720**	**4,139,713**
2026/2021 Cumulative Growth				10.5%	8.0%
2031/2026 Cumulative Growth				4.6%	7.9%
2031/2021 Cumulative Growth				15.6%	16.5%
2026/2021 CAGR				**2.01%**	**1.56%**
2031/2026 CAGR				**0.90%**	**1.53%**
2031/2021 CAGR				**1.46%**	**1.54%**

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -23

Reference: Exhibit 2A, Tab 1, Schedule1, page 140 (Table 5.3.2-2)
Exhibit 3, Tab 1, Schedule1, Attachment 3-2, page 4 (Table 2)

a) Please provide a table that compares the 2026 to 2031 growth in households used in Exhibit 2A with the forecast for total Residential customer count growth in Exhibit 3, Attachment 3-2.

b) Please explain why it is appropriate to use a materially lower 2026 to 2031 Residential customer count growth rate for revenue forecasting purposes as compared to the household growth rate used for system planning purposes.

c) In its information requests 3-SEC-69 has asked:
   a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
   b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

   If Alectra proposes to adopt the results of the SEC request for purposes of its Application, please provide a table that compares the 2026 to 2031 growth in households used in Exhibit 2A with the forecast for total Residential customer count growth in the response to SEC.

RESPONSE:

a) Table 1 below provides a comparison of the Residential customer count forecast growth (pre-filed evidence, Exhibit 3) and the household growth forecast for system demand forecast (pre-filed evidence, Exhibit 2A).

Table 1 – Residential Customers vs. Household Growth Rates Comparison (Original Application)

	Exhibit 3	Exhibit 2A
2021	**969,260**	**1,236,726**
2026	**993,943**	**1,348,514**
2031	**1,015,576**	**1,466,666**
2026/2021 Cumulative Growth	2.5%	9.0%
2031/2026 Cumulative Growth	2.2%	8.8%
2031/2021 Cumulative Growth	4.8%	18.6%
2026/2021 CAGR	**0.50%**	**1.75%**
2031/2026 CAGR	**0.43%**	**1.69%**
2031/2021 CAGR	**0.47%**	**1.72%**

b) **Response prepared by Itron**

It is appropriate to use the forecasted residential customer count growth rate for revenue forecasting, as it reflects the most current regional population growth and economic activity. The forecast is consistent with the actual customer growth trend. The population and GDP projections used in developing the residential customer forecasts are sourced from the Conference Board of Canada's December 2025 forecast for the Toronto and Hamilton CMA and the September 2025 Guelph CMA forecast. The household forecast referenced has published dates of 2020 and 2022.

c) Alectra Utilities updated the load forecast in response to 3-SEC-69 and proposes adopting the results of the updated forecast. Table 2 below provides the comparison of the Residential customer count forecast growth (updated in response to 3-SEC-69) and

the household growth forecast for system demand forecast (pre-filed evidence, Exhibit 2A).

Table 2 – Residential Customers vs. Household Growth Rates Comparison (Interrogatories)

	Exhibit 3	Exhibit 2A
2021	**969,260**	**1,236,726**
2026	**993,468**	**1,348,514**
2031	**1,014,918**	**1,466,666**
2026/2021 Cumulative Growth	2.5%	9.0%
2031/2026 Cumulative Growth	2.2%	8.8%
2031/2021 Cumulative Growth	4.7%	18.6%
2026/2021 CAGR	**0.49%**	**1.75%**
2031/2026 CAGR	**0.43%**	**1.69%**
2031/2021 CAGR	**0.46%**	**1.72%**

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -24

Reference: Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 59-63
Exhibit 3, Tab 1, Schedule 3, page 1

Preamble: In its information requests 3-SEC-69 has asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and GS<50 customer count forecast used in response to SEC. Otherwise, please base the responses to the following questions on Alectra's original Application.

a) With respect to the GS<50 customer count forecast, please provide separate excel spreadsheet(s) for each of the five Rate Zones setting out:
   i. The historic and forecast values for each of the variables used in the regression model.
   ii. Where the variable used is derived/calculated (e.g., the Econ.Cust_Var), the historic and forecast values for each of the inputs used and the calculation of the historic and forecast values for the input variable used in the regression model.
   iii. The calculation of the forecast GS<50 customer count monthly values.

b) Please provide a schedule that sets out the historic and forecast (2017-2031) GS<50 annual customer counts and resulting total. Note: This table should be based on the results of the models (page 59-63) and prior to any of the adjustments describe in Exhibit 3, Tab 1, Schedule 4, section 4.3.

RESPONSE:

a) **Response prepared by Itron**

Requested GS<50 customer model data is included in the attached Excel files.

i. Historical and forecasted model drivers are included in the ***Data*** tab.

ii. If derived variables are used in the model, they are included in the ***Economic Data*** and ***Econ Transform*** tabs.

iii. Forecasted monthly customers are included in the **YHat** tab.

b) Please see Table 1 below for GS<50 kW annual customer counts by rate zone and the resulting total. In response to 3-SEC-69, Alectra Utilities reran the Customer and Load Forecast. The numbers below are the baseline numbers before any adjustments.

Table 1 - GS<50 kW Annual Customer Counts by Rate Zone (2017-2031)

	BRZ	ERZ	GRZ	HRZ	PRZ	Total
2017	9,359	18,413	4,079	18,847	32,549	83,247
2018	9,462	18,506	4,134	19,367	32,624	84,093
2019	9,634	18,514	4,182	19,091	32,885	84,306
2020	9,690	18,835	4,210	19,160	33,199	85,094
2021	9,736	19,152	4,276	19,248	33,352	85,764
2022	9,837	19,579	4,293	19,354	33,939	87,002
2023	10,054	19,764	4,304	19,306	34,279	87,707
2024	10,294	19,779	4,306	19,352	34,478	88,209
2025	10,379	19,865	4,296	19,427	34,761	88,728
2026	10,388	19,934	4,315	19,448	34,864	88,949
2027	10,438	20,051	4,345	19,484	35,061	89,379
2028	10,521	20,220	4,383	19,518	35,260	89,902
2029	10,611	20,382	4,422	19,549	35,470	90,434
2030	10,705	20,549	4,461	19,577	35,679	90,971
2031	10,802	20,718	4,501	19,604	35,887	91,512

3-VECC-24

Attachment 1
BRZ GS<50 kW Class

Please see live Excel

3-VECC-24

Attachment 2
ERZ GS<50 kW Class

Please see live Excel

3-VECC-24

Attachment 3
GRZ GS<50 kW Class

Please see live Excel

3-VECC-24

Attachment 4
HRZ GS<50 kW Class

Please see live Excel

3-VECC-24

Attachment 5
PRZ GS<50 kW Class

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -25

Reference: Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 64-71

Preamble: Attachment 3-2 uses models to forecast the customer counts for the following classes: BRZ GS 50-699; BRZ GS 700-4999; ERZ GS 50-499; ERZ GS 500-4999; GRZ GS 50-999; GRZ 1000-4999; HRZ GS>50 and PRZ GS >50.

In its information requests 3-SEC-69 has asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and GS>50 customer count forecast used in response to SEC. Otherwise, please base the responses to the following questions on Alectra's original Application.

a) With respect to the GS>50 customer count forecast, please provide separate excel spreadsheet(s) for each of the rate classes noted in the Preamble setting out:
   i. The historic and forecast values for each of the variables used in the regression model.
   ii. Where the variable used is derived/calculated (e.g., Econ.GSP50_Cust), the historic and forecast values for each of the inputs used and the calculation of

the historic and forecast values for the input variable used in the regression model.

iii. The calculation of the forecast customer count monthly values.

b) Please provide a schedule that sets out the historic and forecast (2017-2031) annual customer counts for each of the noted rate classes and the resulting totals for GS>50-Regular, GS>50-Intermediate and GS>50-Overall. Note: This table should be based on the results of the models (page 64-71) and prior to any of the adjustments describe in Exhibit 3, Tab 1, Schedule 4, section 4.3.

RESPONSE:

a) **Response prepared by Itron**

Requested GS>50 customer model data is included in the attached Excel files (one for each rate zone).

i. Historical and forecasted model drivers are included in the ***ModelData*** tab.

ii. If derived variables are used in the model, they are included in the ***Variable Data Inputs*** and ***Variable Transforms*** tabs.

iii. Forecasted monthly customers are included in the ***YHat*** tab.

b) Please see Table 1-3 below for GS>50 kW, Regular, GS>50 kW, Intermediate, GS>50 kW (overall) annual customer counts by rate zone and the resulting totals. In response to 3-SEC-69, Alectra Utilities reran the Customer and Load Forecast. The numbers below are the baseline numbers before any adjustments.

Table 1 - GS>50 kW, Regular Annual Customer Counts by Rate Zone

	BRZ	ERZ	GRZ	HRZ	PRZ	Total
2017	1,579	3,692	572	2,033	5,104	**12,980**
2018	1,591	3,735	578	2,098	5,203	**13,205**
2019	1,613	3,757	593	2,089	5,218	**13,270**
2020	1,617	3,548	594	2,095	5,245	**13,099**
2021	1,627	3,560	546	2,102	5,224	**13,059**
2022	1,593	3,396	554	2,004	4,829	**12,376**
2023	1,606	3,363	544	1,972	4,601	**12,086**
2024	1,582	3,353	551	1,945	4,551	**11,982**
2025	1,584	3,465	543	1,941	4,579	**12,112**
2026	1,591	3,466	544	1,937	4,560	**12,098**

1 **Table 2 - GS>50 kW, Intermediate Annual Customer Counts by Rate Zone**

	BRZ	ERZ	GRZ	HRZ	PRZ	Total
2017	106	471	42	-	-	**619**
2018	105	478	43	-	-	**626**
2019	105	488	40	-	-	**633**
2020	105	510	40	-	-	**655**
2021	106	501	40	-	-	**647**
2022	107	416	40	-	-	**563**
2023	114	354	40	-	-	**508**
2024	113	334	40	-	-	**487**
2025	113	330	40	-	-	**483**
2026	113	330	40	-	-	**483**

Table 3 - GS>50 kW Annual Customer Counts by Rate Zone

	BRZ	ERZ	GRZ	HRZ	PRZ	Total
2017	1,685	4,163	614	2,033	5,104	13,599
2018	1,696	4,213	621	2,098	5,203	13,831
2019	1,718	4,245	633	2,089	5,218	13,903
2020	1,722	4,058	634	2,095	5,245	13,754
2021	1,733	4,061	586	2,102	5,224	13,706
2022	1,700	3,812	594	2,004	4,829	12,939
2023	1,720	3,717	584	1,972	4,601	12,594
2024	1,695	3,687	591	1,945	4,551	12,469
2025	1,697	3,795	583	1,941	4,579	12,595
2026	1,704	3,796	584	1,937	4,560	12,581
2027	1,703	3,796	584	1,937	4,560	12,580
2028	1,704	3,796	584	1,937	4,560	12,581
2029	1,705	3,796	584	1,937	4,560	12,582
2030	1,705	3,796	584	1,937	4,560	12,582
2031	1,706	3,796	584	1,937	4,560	12,583

3-VECC-25

Attachment 1
BRZ GS>50 kW Class

Please see live Excel

3-VECC-25

Attachment 2
ERZ GS>50 kW Class

Please see live Excel

3-VECC-25

Attachment 3
GRZ GS>50 kW Class

Please see live Excel

3-VECC-25

Attachment 4
HRZ GS>50 kW Class

Please see live Excel

3-VECC-25

Attachment 5
PRZ GS>50 kW Class

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -26

Reference: **Exhibit 3, Tab 1, Schedule 3, page 1**
Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 18
Exhibit 3, Tab 1, Schedule 4, Tables 3-1-6 and 3-1-7
Attachment 3-3, Customer and Load Forecast Input Data

Preamble: The Application states:
"*Large Use customer class consists of 36 customers by 2031 across the rate zones*." (page 18)

a) Please confirm that the Large Use customer count as of April 2025 is 31 (i.e., BRZ-6, ERZ-11, GRZ-4, HRZ-7 and PRZ-3) per Attachment 3-3.

b) Please provide a schedule setting out the baseline (i.e., prior to the adjustments described in section 4.3.3) customer/connections/devices forecast using the same customer classes as in Tables 3-1-6 and 3-1-7 for 2024-2031.

c) Please confirm that the baseline forecast for the Large Use class increases by one between April 2025 and the end of 2031. If not, please reconcile the 36 Large Use customers at the end of 2031 with the addition of the 4 new Large Use customers discussed in section 4.3.3.

RESPONSE:

a) Alectra Utilities confirms that the Large Use customer count as of April 2025 is 31, distributed as follows: BRZ-6, ERZ-11, GRZ-4, HRZ-7, and PRZ-3, consistent with Attachment 3-3.

b) Please refer to Table 1 below for customer/connections/devices forecast, based on the updated forecast in response to 3-SEC-69. The numbers below are the baseline numbers before any adjustments.

Table 1 - 2024-2031 Baseline Customers / Connections / Devices Forecast (Year-End

	2024	2025	2026	2027	2028	2029	2030	2031
Residential	985,462	990,008	993,468	997,506	1,001,917	1,006,254	1,010,589	1,014,918
GS<50 kW	88,209	88,728	88,949	89,379	89,902	90,434	90,971	91,512
GS>50 kW, Regular	11,982	12,112	12,098	12,098	12,099	12,100	12,100	12,101
GS>50 kW, Intermediate	487	483	483	482	482	482	482	482
Large User	30	31	31	31	31	32	32	32
LUDA	6	6	6	6	6	6	6	6
Street Lighting	241,236	242,262	242,780	243,502	244,236	244,976	245,717	246,457
Sentinel Lighting	422	424	412	400	390	379	369	358
USL	11,265	11,527	11,600	11,647	11,688	11,726	11,765	11,803
Total Baseline Customers / Connections	**1,339,099**	**1,345,581**	**1,349,827**	**1,355,051**	**1,360,751**	**1,366,389**	**1,372,031**	**1,377,669**

c) Alectra Utilities confirms that the baseline Large Use customer increases by one between April 2025 and the end of 2031.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -27

Reference: **Exhibit 3, Tab 1, Schedule 3, page 1 (Table 3-1-5) Exhibit 3, Tab 2, Schedule1, page 6**

Preamble: The Application states: *"The street lighting connection counts from 2020 to 2024 show a steady growth trend, forming a sound basis for forecasting. The Bridge Years (2025-2026) reflect a moderate growth rate. The Test Years (2027-2031) include a significant structural adjustment in 2027 in the BRZ Street Lighting rate class as described in Exhibit 3, Tab 1, Schedule 4."* (page 6)

a) Please provide a revised version of Table 3-1-5 that includes 2024, 2025 and 2026 and for Street Lighting includes the forecast prior to the structural adjustment in 2027 in the BRZ Street Lighting rate class as described in Exhibit 3, Tab 1, Schedule 4.

b) Please explain how the forecast connection/device forecast was developed for each of the Street Lighting, Sentinel Lighting and USL classes (Note: For Street Lighting please describe the basis for the forecast prior to the structural adjustment in 2027 for the BRZ Street Lighting rate class as described in Exhibit 3, Tab 1, Schedule 4).

c) If the Street Lighting, Sentinel Lighting or USL classes rely on the use of model, please provide an excel spreadsheet(s) for rate class setting out:
    i. The historic and forecast values for each of the variables used in the regression model.

ii. Where the variable used is derived/calculated, the historic and forecast values for each of the inputs used and the calculation of the historic and forecast values for the input variable used in the regression model.

iii. The calculation of the forecast connection/device monthly count values.

RESPONSE:

a) Alectra Utilities updated its load forecast in response to 3-SEC-69(b). Table 1 shows the year-end connection counts for Street Lighting, Sentinel Lighting, and Unmetered Scattered Load (USL) from 2024 to 2031, excluding the impact of the structural adjustment on BRZ Street Lighting rate class as of 2027.

Table 1 - 2024-2031 Total Device / Connection Count Forecast by Rate Class (Year-End)

	2024	2025	2026	2027	2028	2029	2030	2031
Street Lighting	241,236	242,262	242,780	243,502	244,236	244,976	245,717	246,457
Sentinel Lighting	422	424	412	400	390	379	369	358
USL	11,265	11,527	11,600	11,647	11,688	11,726	11,765	11,803
Total:	**252,923**	**254,213**	**254,792**	**255,549**	**256,314**	**257,081**	**257,851**	**258,618**

b) **Response prepared by Itron**

For the most part, Street Lighting, Sentinel Lighting, and USL rate classes were forecasted using a regression modeling approach that enables the models to capture an underlying trend or seasonality in the data. This is done by incorporating a linear trend variable, monthly binary variables, or both/neither, depending on each individual class/rate zone. In several cases where data variability did not allow for a regression modeling approach to be used successfully (data was either too erratic or nearly unchanged throughout the estimation period), exponential smoothing models were used instead, with ‘Simple’ configuration designed to estimate the most recent level for each dataset and forecast at this level.

c) **Response prepared by Itron**

Please refer to the attached USL, Sentinel, and Street Lighting sales and customer model data as included in the attached Excel files.

i. Historical and forecasted model drivers are included in the ***ModelData*** tab.

ii. If derived variables are used in the model, they are included in the ***Variable Data Inputs*** and ***Variable Transforms*** tabs.

iii. Forecasted monthly sales and customers are included in the ***YHat*** tab.

3-VECC-27

Attachment 1
BRZ USL Class

Please see live Excel

3-VECC-27

Attachment 2
ERZ USL Class

Please see live Excel

3-VECC-27

Attachment 3
GRZ USL Class

Please see live Excel

3-VECC-27

Attachment 4
HRZ USL Class

Please see live Excel

3-VECC-27

Attachment 5
PRZ USL Class

Please see live Excel

3-VECC-27

Attachment 6
BRZ Street Lighting Class

Please see live Excel

3-VECC-27

Attachment 7
ERZ Street Lighting Class

Please see live Excel

3-VECC-27

Attachment 8
GRZ Street Lighting Class

Please see live Excel

3-VECC-27

Attachment 9
HRZ Street Lighting Class

Please see live Excel

3-VECC-27

Attachment 10
PRZ Street Lighting Class

Please see live Excel

3-VECC-27

Attachment 11
GRZ Sentinel Lighting Class

Please see live Excel

3-VECC-27

Attachment 12
HRZ Sentinel Lighting Class

Please see live Excel

3-VECC-27

Attachment 13
PRZ Sentinel Lighting Class

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -28

Reference: Exhibit 3, Tab 1, Schedule 4, pages 1-3

a) Please provide a table setting out the baseline customer/connection/device forecast for the years 2025-2031 (i.e., prior to the adjustments described in section 4.3).

RESPONSE:

a) Please refer to "Table 1 - 2024-2031 Baseline Customers / Connections / Devices Forecast (Year-End Numbers)" in response to 3.0-VECC-26 b).

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -29

Reference: **Exhibit 3, Tab 1, Schedule 4, pages 8-9**
Attachment 3-3, Customer and Load Forecast Input Data

Preamble: The Application states:

A. *"In 2024, Alectra Utilities reclassified 282 customers from the GS>50 kW, Regular to the GS<50 kW rate class, and 2 customers from the GS>50 kW, Intermediate to the GS<50 rate class. Additionally, 48 customers were reclassified from the GS<50 kW to the GS>50 kW, Regular rate class, 26 customers from the GS>50 kW, Intermediate to the GS>50 kW, Regular rate class, and 4 customers from the GS>50 kW, Regular to the GS>50 kW, Intermediate rate class. These reclassifications were driven by customers' average demand over the prior 12 months falling outside the applicable thresholds for their existing rate class at the time of the reclassification assessment. It is assumed that the same number of reclassifications will occur in 2025 and 2026."*

B. *"For example, demand for each customer in the BRZ that is forecasted to be reclassed from the GS>50 kW, Regular rate class to the GS>50 kW, Intermediate rate class, is based on the 700 kW lower threshold of the GS>50 kW, Intermediate rate class. Alectra Utilities then further prorated this reclassification to exclude the four (4) months of 2025 actual data available at the time of producing the base load forecast (January to April 2025). Therefore, the first-year demand is estimated to be 3,220 kW (700 kW x 115% x 50% x 8 months), and all subsequent years' demand for these same customers will be 9,660 kW (700 kW x 115% x 12 months)."*

a) Please confirm that the net impact of the 2024 reclassifications was: i) an increase in the GS<50 count of 236, ii) a decrease in the GS>50-Regular count of 212 and iii) a decrease of 24 in the GS>50-Intermediate count.

b) Please confirm that, per Preamble Item (B), no customers were reclassified in the first four months of 2025.

c) Please provide the actual customer reclassification that occurred in 2025 and indicate the extent to which these reclassifications are reflected in the updated data requested in 3-SEC-69.

RESPONSE:

a) Alectra Utilities confirms that the net impact of the 2024 reclassifications was: i) an increase in the GS<50 count of 236, ii) a decrease in the GS>50-Regular count of 212 and iii) a decrease of 24 in the GS>50-Intermediate count.

b) Alectra Utilities confirms that no customers were reclassified in the first four months of 2025 through adjustments to the baseline forecast data. Actual customer reclassifications between January and April 2025 are already captured in the historical baseline data (re: billing data) and are as follows: i) an increase in the GS<50 count of 54, ii) a decrease in the GS>50-Regular count of 63 and iii) an increase of 9 in the GS>50-Intermediate count.

c) Please refer to the response to 3-SEC-73 b. for the actual customer reclassification that occurred in 2025. These reclassifications are embedded in the historical billed data that form a base for producing the updated forecast provided in response to 3-SEC-69.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -30

Reference: **Exhibit 2A, Tab 1, Schedule 1, pages 91 and 143**
Exhibit 2A, Tab 1, Schedule 1, Appendix B-10, page 400
Exhibit 2A, Tab 1, Schedule 1, Appendix J, page 23
Exhibit 3, Tab 1, Schedule 4, page 13 (Table 3-1-19)

Preamble: The Application states:

A. "*One contributor to growth is the projected increased load pertaining to data centres in the Alectra Utilities service area. Load from data centres is approximately 115MW and Alectra Utilities has received applications and customer commitments to connect an additional 425MW of data centre load over the 2025-2031 period.*" (page 143)

B. *"A large data centre compound has been developed in the Leslie St/Elgin Mills Rd area in the Town of Richmond Hill since 2016 and six buildings (DC1 to DC6) have been proposed. Three buildings have been built and one is under construction. Two more buildings are to be built in the next 5 years. The total data centre capacity requested in this area is 176MW*." (Appendix J, page 23)

a) Please demonstrate how the Large Use customer count forecast adjustments set out in Table 3-1-19 align with Alectra's expectations regarding new large load connections, particularly new data centres locating in its service area.

RESPONSE:

a) Please see response to 3-SEC-75.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -31

Reference: Exhibit 3, Tab 1, Schedule 1, Attachment 3-2, pages 1, 9, 11 and 54-58

Preamble: The Application states:

A. *"Baseline sales and customer forecasts (before electrification adjustments) are developed for each of the primary rate classes. The residential forecast is based on separate customer and average use models*" (page 9)

B. "*Residential average use, and GSL50 and GSP50 sales forecasts are estimated using an end-use framework that integrates economic, weather, and end-use intensity trends into a heating variable (XHeat), cooling variable (XCool), and a base-use variable (XOther)."* (page 9)

C. *"The average use forecast is derived from a linear regression model that relates historical monthly average use with the constructed end-use variables - XCool, XHeat, and XOther. The estimated end-use model coefficients (bc, bh, and bo) "statistically" adjust the end-use variables to actual usage."* (page 11)

D. *"COVID-19 had a significant impact on customer usage. In 2020, residential sales jumped 13.1% while commercial sales fell 6.0% largely because of the "work at home" mandate."* (page 1)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.

b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and Residential average end use forecast used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) With respect to the Residential average end use models, please provide separate excel spreadsheet(s) for each of the five Rate Zones setting out:
   i. The historic and forecast monthly values for each of the variables used in the regression model.
   ii. Where the variable used is derived/calculated (e.g., XHeat, XCool and XOther), the historic and forecast values for each of the inputs used in the calculation, the sources for the inputs used and the calculation of the historic and forecast values for the variable used in the regression model.
   iii. The calculation of the forecast Residential average use based on the model's coefficients and the forecast values for each of the explanatory variables.
   iv. The calculation the monthly sales based of the results of part (iii) and the forecast of the Rate Zone's customer count for the month.
   v. The forecast annual Residential sales by Rate Zone based the sum of the monthly results from part (iv) and the resulting overall Residential sales forecast for each year (2025-2031). Note: These values should reconcile with those in Table 3-1-6.

b) It is noted that, despite the comment noted in Preamble Item (D), none of the Residential models appear to include a variable to capture the impact of COVID. Were any COVID related variables tested? If yes, what variables were tested and what were the results? If not, why not?

RESPONSE:

a) **Response prepared by Itron**

Requested Residential average use model data are included in the attached Excel files.

i. Historical and forecasted model drivers are included in the ***ModelData*** tab.

ii. Derived statistically adjusted end-use variables are in the corresponding zone's **SAE Excel spreadsheet calculation**.

iii. Calculation of the forecast Residential average use and each variable's contribution are included in the ***BX*** tab.

iv. Forecasted monthly sales are included in the ***aFcst*** tab.

v. Forecasted annual Residential sales are included in the ***aFcst*** tab.

b) **Response prepared by Itron**

Model variables to specifically account for the impact of COVID-19 on electricity sales were used when other explanatory variables used in the model either did not or did not fully account for the change in usage due to COVID-19. In the case of residential models, it was found that the 2020 increase in per capita real personal income had mostly accounted for the corresponding increase in energy usage due to people staying/working from home. Per capita income is used in all residential use per customer models as part of the constructed XHeat, XCool, and XOther SAE variables (please refer to section ii. above).

3-VECC-31

Attachment 1
BRZ Residential Average Use Model Details

Please see live Excel

3-VECC-31

Attachment 2
BRZ Residential SAE Details

Please see live Excel

3-VECC-31

Attachment 3
ERZ Residential Average Use Model Details

Please see live Excel

3-VECC-31

Attachment 4
ERZ Residential SAE Details

Please see live Excel

3-VECC-31

Attachment 5
GRZ Residential Average Use Model Details

Please see live Excel

3-VECC-31

Attachment 6
GRZ Residential SAE Details

Please see live Excel

3-VECC-31

Attachment 7
HRZ Residential Average Use Model Details

Please see live Excel

3-VECC-31

Attachment 8
HRZ Residential SAE Details

Please see live Excel

3-VECC-31

Attachment 9
PRZ Residential Average Use Model Details

Please see live Excel

3-VECC-31

Attachment 10
PRZ Residential SAE Details

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -32

Reference: Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 9, 15, 16 and 59-63

Preamble: The Application states:

A. *"Residential average use, and GSL50 and GSP50 sales forecasts are estimated using an end-use framework that integrates economic, weather, and end-use intensity trends into a heating variable (XHeat), cooling variable (XCool), and a base-use variable (XOther)."* (page 9)

B. "*The variable Peel_Retail_Rec captures the sharp drop in 2020 sales resulting from the COVID "work at home" mandate*." (page 15)

C. *"The GSL50 (small C&I less than 50 kW demand) and GSP50 (greater than 50 KW) models are generally based on an SAE specification*." (page 16)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.

b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and GS<50 sales forecast used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) With respect to the GS<50 sales models, please provide separate excel spreadsheet(s) for each of the five Rate Zones setting out:

i. The historic and forecast monthly values for each of the variables used in the regression model.
ii. Where the variable used is derived/calculated (e.g., XHeat, XCool and XOther), the historic and forecast values for each of the inputs used in the calculation, the sources for the inputs used and the calculation of the historic and forecast values for the variable used in the regression model.
iii. The calculation of the forecast GS<50 monthly sales based on the model's coefficients and the forecast values for each of the explanatory variables.
iv. The forecast annual GS<50 sales by Rate Zone based the sum of the monthly results from part (iii) and the resulting overall Alectra GS<50 sales forecast for each year (2025-2031). Note: These values should reconcile with those in Table 3-1-6.

b) Please explain what each of the following variables used in the models represents:
i. GMRVariables.Peel.Retail_Rec (page 59)
ii. GMR.Ham_Workplace (page 62)
iii. GMR.York_Workplace (page 63)

c) For those GS<50 models that do not include a COVID-related variable, please explain why.

RESPONSE:

Responses prepared by Itron

a) Requested GS<50 sales model data are included in the attached Excel files.
i. Historical and forecasted model drivers are included in the ***ModelData*** tab.
ii. Derived statistically adjusted end-use variables are in the corresponding zone's **SAE Excel spreadsheet calculation**.

iii. Calculation of the forecast GS<50 sales and each variable's contribution are included in the ***BX*** tab.

iv. Forecasted annual sales are in the ***aFcst*** tab.

b) GMR variables are used to account for the impact of COVID-19 on electricity sales in those cases where other variables used (such as economic projections) either do not or do not fully account for this impact. These variables are based on Google Mobility datasets compiled by Google over the 2020-2022 period to provide information on changes that had occurred in the mobility of people due to the impact of the pandemic in terms of percentage change from the baseline (pre-COVID) level. This data is subdivided into Retail and Recreation, Workplace, and Residential categories that are available by county and was used to develop time-series index variables for use in models to account for the impact of the pandemic.

c) In case of Brampton and Guelph models, it was found that the 2020 drop in employment and output had mostly accounted for the corresponding decrease in energy usage due to people staying/working from home. Employment and output are used in all GS<50 sales models as part of the constructed XHeat, XCool, and XOther SAE variables (please refer to section ii. above).

3-VECC-32

Attachment 1
BRZ GS<50 kW Sales Model Details

Please see live Excel

3-VECC-32

Attachment 2
BRZ GS<50 kW Sales SAE Details

Please see live Excel

3-VECC-32

Attachment 3
ERZ GS<50 kW Sales Model Details

Please see live Excel

3-VECC-32

Attachment 4
ERZ GS<50 kW Sales SAE Details

Please see live Excel

3-VECC-32

Attachment 5
GRZ GS<50 kW Sales Model Details

Please see live Excel

3-VECC-32

Attachment 6
GRZ GS<50 kW Sales SAE Details

Please see live Excel

3-VECC-32

Attachment 7
HRZ GS<50 kW Sales Model Details

Please see live Excel

3-VECC-32

Attachment 8
HRZ GS<50 kW Sales SAE Details

Please see live Excel

3-VECC-32

Attachment 9
PRZ GS<50 kW Sales Model Details

Please see live Excel

3-VECC-32

Attachment 10
PRZ GS<50 kW Sales SAE Details

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -33

Reference: Exhibit 3, Tab 1, Schedule 1, Attachment 3-2, pages 9, 16 and 64-71

Preamble: Attachment 3-2 uses models to forecast the sales for the following classes: BRZ GS 50-699; BRZ GS 700-4999; ERZ GS 50-499; ERZ GS 500-4999; GRZ GS 50-999; GRZ 1000-4999; HRZ GS>50 and PRZ GS >50.

The Application states:

A. *"The residential, GSL50, and GSP50 rate classes are based on models that incorporate economics, weather, and a structural component that captures change in end-use saturation, end-use efficiency, and improvements in structural integrity. The larger rate classes (GSP500, GSP700, and GSP1000) are modeled using a generalized regression model designed to capture recent sales and customer trends*." (page 9)

B. *"The GSL50 (small C&I less than 50 kW demand) and GSP50 (greater than 50 KW) models are generally based on an SAE specification*."(page 16)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.

b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following question based on the data, resulting models and GS>50 sales forecast used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) With respect to the GS>50 sales models, please provide separate excel spreadsheet(s) for each of the five Rate Zones setting out:
   i. The historic and forecast monthly values for each of the variables used in the regression model.
   ii. Where the variable used is derived/calculated (e.g., XHeat, XCool and XOther), the historic and forecast values for each of the inputs used in the calculation, the sources for the inputs used and the calculation of the historic and forecast values for the variable used in the regression model.
   iii. The calculation of the forecast GS>50 monthly sales based on the model's coefficients and the forecast values for each of the explanatory variables.
   iv. The forecast annual GS>50 sales by Rate Zone based the sum of the monthly results from part (iii).
   v. The resulting overall Alectra sales forecast for each year (2025-2031) for GS>50 Regular and GS>50-Intermediate. Note: These values should reconcile with those in Table 3-1-6.

b) Please explain what each of the following variables used in the models represents:
   i. LostLoadIndex.LL_BRZ_GSP50 (page 64)
   ii. GMRVariables.Peel.Workplace (pages 65 and 67)

c) For those GS>50 models that do not include a COVID-related variable, please explain why.

RESPONSE:

Responses prepared by Itron

a) Requested GS>50 sales model data are included in the attached Excel files.
   i. Historical and forecasted model drivers are included in the ***ModelData*** tab.

ii. Derived statistically adjusted end-use variables are in the corresponding zone's **SAE Excel spreadsheet**. Derived economics for GS>50 Intermediate are in the ***Variable Data Inputs*** and ***Variable Transforms*** tabs.

iii. Calculation of the forecast Residential average use and each variable's contribution are included in the ***BX*** tab.

iv. Forecasted annual sales are included in the ***aFcst*** tab.

v. Alectra-level GS>50 sales can be found in 'GSPFcst.xlsx'.

b) LoadLoss-type variables were developed by Alectra Utilities to account for the COVID-related drop in electricity usage not captured by other variables, such as GMR or economic projections. Please see 3-VECC-32 (b).

c) In case of the Guelph model, it was found that the combination of employment and output embedded in the SAE variables was enough to capture usage loss due to COVID-19. In the BRZ model, LoadLoss variable was used to a similar effect.

3-VECC-33

Attachment 1
BRZ GS>50 kW Regular Sales Model Details

Please see live Excel

3-VECC-33

Attachment 2
BRZ GS>50 kW Intermediate Sales Model Details

Please see live Excel

3-VECC-33

Attachment 3
BRZ GS>50 kW Regular SAE Details

Please see live Excel

3-VECC-33

Attachment 4
ERZ GS>50 kW Regular Sale Model Details

Please see live Excel

3-VECC-33

Attachment 5
ERZ GS>50 kW Intermediate Sale Model Details

Please see live Excel

3-VECC-33

Attachment 6
ERZ GS>50 kW Regular SAE Details

Please see live Excel

3-VECC-33

Attachment 7
GRZ GS>50 kW Regular Sale Model Details

Please see live Excel

3-VECC-33

Attachment 8
GRZ GS>50 kW Intermediate Sale Model Details

Please see live Excel

3-VECC-33

Attachment 9
GRZ GS>50 kW Regular SAE Details

Please see live Excel

3-VECC-33

Attachment 10
GS>50 kW Forecast

Please see live Excel

3-VECC-33

Attachment 11
HRZ GS>50 kW Regular Sale Model Details

Please see live Excel

3-VECC-33

Attachment 12
HRZ GS>50 kW Regular SAE Details

Please see live Excel

3-VECC-33

Attachment 13
PRZ GS>50 kW Regular Sale Model Details

Please see live Excel

3-VECC-33

Attachment 14
PRZ GS>50 kW Regular SAE Details

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -34

Reference: **Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 18**
Exhibit 3, Tab 1, Schedule 4, pages 12-14 (section 4.3.3)

Preamble: The Application states:

"*Large Use customer class consists of 36 customers by 2031 across the rate zones. A separate forecast is generated for each customer. The forecast starts with a simple exponential smoothing model that captures the customer monthly usage pattern but does not presuppose any continued growth; sales are held at current levels. Sales are then adjusted for future growth (or loss) based on the Alectra Staff's consultation with the customers and internal analysis. This includes sales for new customers, customers that move from another rate class, and future expansion and contractions*." (page 18 - emphasis added)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following questions based on the data and results used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) Are any adjustments (as described in the emphasized part of the Preamble) made to the results from the exponential smoothing models for purposes of establishing the baseline

forecasts for the Large Use and LUDA classes or are these adjustments all made in section 4.3.3.

b) If any adjustments were made for purposes of establishing the baseline customer count or sales forecasts please describe what they were.

RESPONSE:

a) Alectra Utilities confirms that no adjustments were made to the result from the exponential smoothing models to establish the baseline customer count or sales forecasts. All adjustments to the baseline forecast for the Large Use and LUDA classes are as made under 4.3.3. For the updated adjustments, please see 3-VECC-42(c).

b) Not applicable.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -35

Reference: **Exhibit 3, Tab 1, Schedule1, page 3**
Exhibit 3, Tab 1, Schedule 4, page 2

Preamble: The Application states:

"*Linear trend analysis models are used to forecast USL, Sentinel, and Street Lighting rate classes' consumption. These forecasts form Alectra Utilities' baseline load projections for the forecast period from May 2025 through to the end of 2031. The forecast for the Embedded Distributor class is developed outside of regression-based statistical modeling, based on the actual load profile of the only customer in this rate class*." (page 3)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following questions based on the data and results used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) Please provide: for each of the USL, Sentinel, and Street Lighting rate classes: i) the linear trend model used and ii) the derivation of the month forecasts for 2025-2031 based on the application of the model.

RESPONSE:

a) **Response prepared by Itron.** Please see 3-VECC-27 parts b and c.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -36

Reference: **Exhibit 3, Tab 1, Schedule1, page 19 Exhibit 3, Tab 1, Schedule 4, page 2**

Preamble: The Application states:

"Baseline billing demand forecasts are calculated for rate schedules General Service greater than 50 kW (GSP50) and higher (those rates that have billing demands). The billing demand forecasts are based on a billing demand load factor which relates monthly billing demand to monthly sales. The billing demand factor is calculated as the ratio of monthly average hourly use to monthly billed demand. The forecast is based on an average of the historical monthly load factors (usually set as an average of the prior three years)." (page 19)

Note: In its information requests 3-SEC-69 asked:

a. Please provide actual data for customer numbers, kWhs and kWs for 2025 from May to the end of the year and 2026 actuals to date.
b. Please rerun the load forecast and provide an updated Attachment 3-1 - OEB Appendix 2-IB - Load Forecast Analysis.

If Alectra proposes to adopt the results of the SEC request for purposes of its Application then please respond to the following questions based on the data and results used in response to SEC. Otherwise, please base the response to the following questions on Alectra's original Application.

a) For each demand billed rate class please provide: i) the "billing demand load factor used" and ii) how it was determined.

RESPONSE:

a) **Response prepared by Itron**

Load factors for demand-billed classes for each rate zone are included in the attached Excel file (3-VECC-36_Attach 1_Load Factors) as per the description below:

- Historical and forecasted load factors for demand-billed classes are included for each rate zone.
- Derivation of the load factors is also provided for respective classes/rate zones.

3.0-VECC-36

Attachment 1
Load Factors

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC-37

Reference: Exhibit 2A, Tab 1, Schedule1, DSP Appendix J
Exhibit 3, Tab 1, Schedule 4, pages 3-6

a) Were the same assumptions regarding the future EV population in Alectra's service area and usage in Alectra's service area used in both Exhibit 2A and Exhibit 3?

b) Please provide revised versions of Tables 3-1-8 and 3-1-9 that separate out the impact of EVs and Building Electrification.

c) For the demand-billed customer classes, how was the billing demand associated with EVs established?

RESPONSE:

a) For the purpose of its load forecasting, Alectra Utilities utilized the same assumptions for 2027 to 2031 regarding the future EV population growth in Alectra Utilities' service area, in both Exhibit 2A and Exhibit 3. Please also see Alectra Utilities' response to 3-SEC-72.

b) Upon review of the referenced material, Alectra Utilities identified that Tables 3-1-8 and 3-1-9 and the associated building electrification assumptions in the pre-filed evidence were incorrect. In Exhibit 3, Tab 1, Schedule 4, section 4.2.2 Building Electrification, Alectra Utilities identified that under the medium scenario, the percentage of new residential customers with all-electric homes start at 3% and ramp up to 100% by 2030, and the number of homes that convert to electric heat and water increases from 1% of the housing stock to 6% by 2030. The corrected assumptions which are aligned with the

assumptions included in Itron's report (Exhibit 3, Tab 1, Schedule 1, Attachment 3-2) are that under the medium scenario, the percentage of new residential customers with all-electric homes start at 1% and ramp up to 100% by 2035, and the number of homes that convert to electric heat and water increases from 1% of the housing stock to 3% by 2031. The corrected versions of Tables 3-1-8 and 3-1-9 are provided below.

Table 1 - 2025-2031 EV and Building Electrification Consumption Forecast by Rate Class (MWh) [corrected Table 3-1-8]

	2025	2026	2027	2028	2029	2030	2031
Residential	18,199	104,041	272,113	503,716	801,197	1,172,784	1,515,594
GS<50 kW	3,956	23,360	68,197	128,054	205,110	300,069	389,339
GS>50 kW, Regular	2,800	17,193	37,674	65,103	96,984	135,835	179,211
GS > 50 kW, Intermediate	861	5,165	11,885	20,611	30,713	42,973	56,553
Large Use	278	1,320	4,278	7,605	11,421	15,940	20,891
Total	**26,095**	**151,079**	**394,147**	**725,090**	**1,145,426**	**1,667,601**	**2,161,588**

Table 2 - 2025-2031 EV and Building Electrification Billed Demand Forecast by Rate Class (MW) [corrected Table 3-1-9]

	2025	2026	2027	2028	2029	2030	2031
GS>50 kW, Regular	8	46	100	171	257	359	474
GS > 50 kW, Intermediate	2	12	27	46	69	96	126
Large Use	1	2	8	14	21	29	38
Total	**10**	**59**	**134**	**231**	**346**	**484**	**638**

Alectra Utilities updated the load forecast in response to 3-SEC-69. Please refer to the tables below for 2026-2031 EV and Building Electrification consumption and EV and Building Electrification billed demand based on the results of the updated load forecast. 2025 volumes are included in the historical actuals.

Table 3 - EV Consumption by Rate Class (MWh)

	2026	2027	2028	2029	2030	2031
Residential	50,866	196,740	394,366	655,305	979,608	1,272,529
GS<50 kW	14,429	55,989	110,892	182,069	269,633	350,760
GS>50 kW, Regular	2,698	11,175	20,523	30,948	42,845	56,522
GS > 50 kW, Intermediate	1,094	4,619	8,540	12,968	18,110	23,890
Large Use	891	3,853	7,184	11,003	15,524	20,479
Total	**69,979**	**272,376**	**541,505**	**892,293**	**1,325,720**	**1,724,180**

Table 4 - Building Electrification Consumption by Rate Class (MWh)

	2026	2027	2028	2029	2030	2031
Residential	35,688	57,915	91,848	128,411	175,800	225,870
GS<50 kW	3,650	7,029	12,114	18,139	25,706	34,033
GS>50 kW, Regular	13,002	25,105	43,328	64,951	92,109	122,030
GS > 50 kW, Intermediate	3,323	6,376	10,966	16,385	23,182	30,630
Large Use	-	-	-	-	-	-
Total	**55,664**	**96,425**	**158,257**	**227,884**	**316,797**	**412,564**

Table 5 - EV Billed Demand by Rate Class (MW)

	2026	2027	2028	2029	2030	2031
GS>50 kW, Regular	7	29	54	82	113	149
GS > 50 kW, Intermediate	2	10	19	29	41	53
Large Use	2	7	13	20	28	37
Total	**11**	**47**	**86**	**131**	**182**	**240**

Table 6 - Building Electrification Billed Demand by Rate Class (MW)

	2026	2027	2028	2029	2030	2031
GS>50 kW, Regular	35	67	114	172	244	323
GS > 50 kW, Intermediate	7	14	24	36	52	68
Large Use	-	-	-	-	-	-
Total	**42**	**81**	**138**	**209**	**296**	**392**

c) **Response prepared by Itron**

The process for the derivation of demand was as follows:

1. Developed energy by electrification type (com buildings, EV) and rate class.
2. Aggregated energy by class.
3. Converted energy to demand using load factors based on historical relationship between energy and billing demand for each relevant class.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -38

Reference: **Exhibit 3, Tab 1, Schedule 4, page 6**
Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 32-33

Preamble: The Application states:

"Building electrification is another contributor to sales growth. Alectra Utilities System Planning Team has developed Low, Medium, and High adoption scenarios. This load and customer forecast is based on the Medium scenario. Under the Medium scenario, the percentage of new residential customers with all-electric homes start at 3% and ramp up to 100% by 2030; this results in roughly 26,000 new all-electric homes by 2031. Under the Medium scenario retrofit market, the number of homes that convert to electric heat and water increases from 1% of the housing stock to 6% by 2030. This translates into roughly 51,000 homes converting from fossil fuel heat to electric heat by 2031." (page 6)

a) Please provide a schedule that shows separately the building electrification impacts (MWh and billing MW {if applicable}) by rate class as between Residential and Commercial for 2025 to 2031.

b) With respect to Residential electrification, is t assumed that any new all-electric residential customers as well as any retrofits of existing residences will use heat pumps?

c) With respect to Residential electrification, please provide a schedule that for each of the years 2025-2031 sets out: i) the assumed number of retro-fits and the assumed number of new residences that will be all-electric (both incrementally and cumulatively), ii) the

assumed annual use per residence and iii) the resulting incremental sales impact (both incrementally and cumulatively).

RESPONSE:

a) Please see response to 3.0-VECC-37.

b) Yes, it is assumed that any new all-electric residential customers, as well as any retrofits of existing residences, will use heat pumps and electric water heaters.

c) Alectra Utilities updated the Customer and Load forecast in response to 3-SEC-69.

i) Please see Table 1 for Residential Retrofits and New All-Electric Residential Customers.

Table 1 - Residential Retrofits and New All-Electric Residential Customers

	Residential Retrofit Customer		Residential New Customer	
	Incremental	Cumulative	Incremental	Cumulative
2026	4,352	4,352	346	346
2027	2,176	6,528	808	1,154
2028	3,264	9,792	1,323	2,477
2029	3,263	13,055	1,735	4,212
2030	4,352	17,407	2,168	6,380
2031	4,352	21,759	2,597	8,977

ii) Please see Table 2 for annual energy usage per household for air source heat pump and water heater.

Table 2 - Air Source Heat Pump and Water Heater Annual Energy Usage per Household (kWh)

	Air Source Heat Pump	Water Heater
2026	5,375	2,222
2027	5,331	2,209
2028	5,289	2,197
2029	5,250	2,187
2030	5,214	2,177
2031	5,180	2,169

iii) Please see Table 3 for energy sales impact for residential electrification.

Table 3 - Residential Electrification Energy Sales (MWh)

	Energy Sales	
	Incremental	Cumulative
2026	35,688.40	35,688.40
2027	22,226.77	57,915.17
2028	33,933.03	91,848.19
2029	36,562.31	128,410.50
2030	47,389.49	175,800.00
2031	50,070.15	225,870.14

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -39

Reference: **Exhibit 3, Tab 1, Schedule 4, page 6**
Exhibit 3, Tab 1, Schedule1, Attachment 3-2, pages 34-35

Preamble: The Application states:

A. *"Commercial electrification sales are based on System Planning's load estimates for both new construction and retrofit, by rate zone. The load forecast is translated to a sales forecast using an average annual load factor based on an estimated commercial electric heat load factor of 0.20. Commercial building simulation data for New York and the Pacific Northwest indicate that electric heat load factors vary between 0.10 and 0.15, but the simulations are based on much warmer weather conditions. Reflecting colder temperatures in Alectra Utilities' service territory, the sales forecast is based on a 0.20 load factor*." (page 6 - emphasis added)

B. *"Commercial electrification sales are based on system planning's expected case. System planning provided MW estimates for both new construction and retrofit by rate zone. The MW forecast is translated to energy using an average annual load factor based on an estimated commercial electric heat load factor of 0.20*." (Attachment 3-2, page 34- emphasis added)

a) Please provide a schedule that sets out the 2025-2031 MW and MWh values from Figure 25 (Attachment 3-2).

b) Please indicate where in Exhibit 2A System Planning's MW estimates for both new construction and retrofit by rate zone are provided. If the basis for

the commercial electrification assumptions regarding new construction and retrofit is not described in Exhibit 2A, please explain how the estimates were developed.

c) Please provide a schedule that sets out, for each year 2025-2031, the MWh associated with commercial electrification by rate class (i.e., GS<50, GS>50 and Large Use {if applicable}) as a percentage of the forecast baseline energy sales for the rate class.

RESPONSE:

a) **Response prepared by Itron**

Please see Table 1 below.

Table 1 - Commercial Building Electrification Demand and Energy Forecasts

Year	Chart 1 (MW)	Chart 2 (MWh)
2026	11.40	19,976
2027	21.98	38,510
2028	37.80	66,409
2029	56.78	99,474
2030	80.48	140,997
2031	106.56	186,694

b) Response prepared by Alectra Utilities

The forecast for decarbonization of new buildings and existing buildings (retrofit) is provided in Exhibit 2A, Tab 1, Schedule 1, DSP Appendix J, section 3.8.3. For additional details on decarbonization and retrofit forecast demand, please refer to the response to 2.0-VECC-13 e).

c) Response prepared by Alectra Utilities

Please see Table 2 below, excluding the Large Use rate class, as not applicable.

Table 2 - Commercial Building Energy Forecasts for GS<50 kW and GS>50 kW

	GS<50 kW		GS>50 kW	
	MWHs	% of Baseline Sales	MWHs	% of Baseline Sales
2026	3,650	0.13%	16,326	0.12%
2027	7,029	0.25%	31,481	0.24%
2028	12,114	0.43%	54,294	0.41%
2029	18,139	0.64%	81,335	0.61%
2030	25,706	0.90%	115,292	0.87%
2031	34,033	1.19%	152,661	1.15%

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -40

Reference: Exhibit 3, Tab 1, Schedule 4, pages 8-11

Preamble: The Application states:

A. *"Alectra Utilities adjusted its customer count forecast to reflect the estimated number of customer reclassifications among the General Service rate classes. The estimated reclassifications from 2025 to 2031 are based on actual activity in 2024. In 2024, Alectra Utilities reclassified 282 customers from the GS>50 kW, Regular to the GS<50 kW rate class, and 2 customers from the GS>50 kW, Intermediate to the GS<50 rate class. Additionally, 48 customers were reclassified from the GS<50 kW to the GS>50 kW, Regular rate class, 26 customers from the GS>50 kW, Intermediate to the GS>50 kW, Regular rate class, and 4 customers from the GS>50 kW, Regular to the GS>50 kW, Intermediate rate class.*….. It is assumed that the same number of reclassifications will occur in 2025 and 2026, and gradually decrease each year from 2027 to 2031," (pages 8-9)

B. *"Alectra Utilities has also adjusted its load forecast based on an estimation of the demand and consumption related to the forecast of customer count rate reclassifications. When determining whether a customer should be reclassified, Alectra Utilities reviews whether the customer's average consumption or demand (as applicable) for the past 12 months is outside a 10% upper or lower limit. Therefore, to estimate the demand change associated related to the forecast of customer count rate reclassifications, Alectra Utilities has assumed that the customers subject to the rate reclassification adjustments, will have, on average, surpassed the threshold of the new rate class by 15% (i.e., a moderately larger amount*

than the 10% upper or lower limit).

A half- year rule is also applied to the first year in which the group of customers are forecasted to be reclassed, as it is assumed that the average reclassification will occur at the half year-point of the year." (page 9)

C. "*An increase in one rate class is typically coupled with a corresponding decrease to another class, except in the case that a customer is reclassed downwards to GS<50 kW, wherein the estimated demand billing determinant associated with the customer's previous rate class is removed from the load forecast, as the GS<50 kW rate class is not billed on demand. Therefore, the total forecasted demand will be effectively reduced by the demand associated with the reclassed customers from the GS>50 kW to the GS<50 kW rate class*." (page 10)

a) Please provide a schedule that for each year (2025-2031) separates out the impact on customer count, sales (MWh) and billing demand (MW) of each of the following: i) the assumed reclassification of customers from GS<50 to GS>50; ii) the assumed reclassification of customers from GS>50 to GS<50 and iii) the assumed reclassification of customer between GS>50 classes.

RESPONSE:

a) Tables 1 to 3 below summarize the impacts on customer count, sales (MWh), and billing demand (MW), respectively, for the rate reclassifications between the general service customer classes. The 2025 actual reclassifications are excluded from the tables because they are already incorporated in the total actual 2025 baseline figures shown in 3-Staff-157_Attach 1_Historic Data Recent 12 Months. For the reclassification impact on the 2025 customer count, please see 3-SEC-73b. It is not possible to isolate the impact on the 2025 actual sales and billing demand attributable solely due to the 2025 reclassifications.

Table 1 – Impact on Customers

		2026	2027	2028	2029	2030	2031
i	From GS<50 to GS>50	61	107	145	181	210	238
ii.	From GS>50 to GS<50	535	792	1,019	1,220	1,392	1,544
iii.	From GS>50, Regular to GS>50 Intermediate	4	8	11	14	17	20
	From GS>50, Intermediate to GS>50, Regular	52	76	97	115	130	143

Table 2 – Impact on Sales (MWh)

		2026	2027	2028	2029	2030	2031
i	From GS<50 to GS>50	1,192	1,971	2,666	3,279	3,817	4,289
ii.	From GS>50 to GS<50	5,214	8,525	11,487	14,107	16,389	18,372
iii.	From GS>50, Regular to GS>50 Intermediate	1,093	1,822	2,467	3,030	3,594	4,157
	From GS>50, Intermediate to GS>50, Regular	4,774	7,834	10,588	12,974	14,994	16,708

Table 3 – Impact on Billing Demand (MW)

		2026	2027	2028	2029	2030	2031
i	From GS<50 to GS>50	50	82	111	137	159	179
ii.	From GS>50 to GS<50	(48)	(217)	(355)	(479)	(588)	(683)
iii.	From GS>50, Regular to GS>50 Intermediate	46	76	103	126	150	173
	From GS>50, Intermediate to GS>50, Regular	199	326	441	541	625	696

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -41

Reference: **Exhibit 3, Tab 1, Schedule 4, pages 11-12**
Exhibit 8, Tab 2, Schedule 2, page 15

Preamble: The Application states:

A. "*Alectra Utilities has adjusted its load forecast to include demand and consumption due to standby power for rate design purposes beginning in 2027. For information on the standby power rate design and its inclusion in the load forecast, refer to Exhibit 8, Tab 2, Schedule 2.*
A 3-year average of billed demand data was utilized for the inclusion of standby demand data in the load forecast. Standby customers that are billed on gross load were already included in the base load forecast. Other types of Standby customers (not gross load billed) were excluded from the baseline forecast, with the exception of the GRZ's standby customers, who are by default included in the baseline forecast due to billing system configuration, where the data is sourced from." (3-1-4, page 11).

B. "*Tables 3-1-17 and 3-1-18 illustrate the adjustments that were made to the consumption and billed demand forecasts, respectively, as a result of standby power. No adjustments are necessary to the customer count, as Alectra Utilities applies a monthly fixed charge at a prevailing General Service rate class to standby customers*." (3-1-4, page 11)

C. "*The elimination of the Standby Power rate class involves moving these customers to the GS>50 kW or Large Use/Large Use with Dedicated Assets class based on their firm and standby power load requirements, and then determining the resulting cost allocation and rate design impacts. In its 2027 cost allocation model Alectra Utilities added the numbers of customers and kW/kWh values associated with these customers to the*

applicable rate class." (8-2-2, page 15)

a) Please identify those rate zones were some (or all) of the Standby customers are billed on a gross load basis, such that the Standby demand is included in the baseline forecast.
   i. If all of the Standby customers in any of these rate zones were not billed on a gross load basis, please explain why.

b) Please explain how GRZ's standby customers are currently billed for Standby service.

c) Please explain why it is necessary to make a Standby adjustment for MWhs as well as MWs and how the MWh adjustment was determined.

d) For customers in the current HRZ Standby class, does the class include: i) each customer's firm load and standby load or ii) just the standby load and the firm portion of the load is included in the relevant GS>50 kW or Large Use/Large Use with Dedicated Assets class?

e) Exhibit 3 (3-1-4, page 11) states that no adjustment to the customer count for the GS>50 kW or Large Use/Large Use with Dedicated Assets classes was required. However, please reconcile.

RESPONSE:

a) All Standby customers in ERZ are billed on a gross load basis, and some Standby customers in BRZ, HRZ and PRZ are billed on a gross load basis, while GRZ standby customers are billed similar to gross load billing, where standby demand is the difference between gross demand and net demand. The standby rate is equal to the distribution volumetric rate of the customer's respective rate class. The standby demand for these customers is included in the baseline forecast.

i. Alectra Utilities bills Standby customers in BRZ, HRZ, and PRZ in accordance with the customer-specific Connection Agreement or legacy utility agreement.

b) Please see response to part a).

c) For consistency, Alectra Utilities utilizes the same set of forecasted billing determinants across all components of the rate-setting process, including the cost of power forecast, cost allocation, and rate design. While under the proposed Standby Power rate structure, standby customers will not be billed for commodity on the standby portion of their bill, their standby load still affects the system and therefore must be accounted for in the Cost Allocation model, which in turn requires the forecasted billing determinants adjustments for MWHs, as well as MWs.

Alectra Utilities determined the conversion of MW to MWH based on its review of its historical billing data and its observed correlation between MW and MWh. The ratio of MW to MWh varied considerably across years, rate classes, and rate zones, so Alectra Utilities determined it appropriate to use a conservative approach, in which MW is converted to MWh by multiplying the MW by 24.

d) Please see response to 8-SEC-104 (a).
Standby customers reside in the prevailing rate class that corresponds to their firm load requirements - GS>50 kW, Large Use, or LUDA. Therefore, each rate class includes firm load, as well as standby load.

e) Alectra Utilities clarifies that the reference in Exhibit 8 (8-2-2, page 15) was incorrect, and instead it should read as *"In its 2027 cost allocation model, Alectra Utilities added kWh/kw values associated with these customers to the applicable rate class".* Alectra Utilities' reference to moving HRZ Standby Power rate class customers to the GS>50 kW, Large Use, or LUDA classes is in relation only to the volumetric billing determinants adjustments that required the standby load for these customers to be added to the baseline load for rate design purposes.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -42

Reference: Exhibit 3, Tab 1, Schedule 4, pages 12-14

Preamble: The Application states:

A. *"Alectra Utilities has adjusted its load forecast to include additional Large Use customers. These customers include new customers and existing GS>50 kW customers who are likely to increase their demand to Large Use thresholds (5 MW) by 2031*." (page 12).

B. *"Alectra Utilities reviewed project-specific information, in order to determine whether the customer is likely to be a Large Use customer over the rate period. Information reviewed included whether the customer is an existing customer, if a temporary connection with Alectra is already established, if the project is currently under construction, and whether an Offer to Connect has been executed. If the project was deemed likely to be operational by 2031, a load of 5 MW (60 MW annually), has been added to the year in which the customer is likely to be operational.*" (page 13)

a) Please confirm that the adjustment made to 2027 (Tables 3-1-19, 3-1-20 and 3-1-21) is with respect to an existing GS>50-Intermediate customer that is assumed to increase its load so as to be reclassified to the Large Use Class.

   i. If yes, why isn't the increase in Large Use load (MW and MWh) greater than the decrease in GS>50-Intermediate load (MW and MWh) - with the difference being the assumed increase such that the customer needed to be reclassified?

b) Similarly, please confirm that the additional adjustment starting in 2030 is with respect to an existing GS>50-Regular customer that is assumed to increase its load so as to be reclassified to the Large Use Class.

   i. Again, If yes, why isn't the increase in Large Use load (MW and MWh) greater than the decrease in GS>50-Regular load (MW and MWh) - with the difference being the assumed increase such that the customer needed to be reclassified?

c) If the adjustments are based on project specific information (per Preamble Item (B)), why is the demand in each case assumed to be only 5 MW per month which is threshold level for a customer to be classified as a large user?

d) Please explain how the additional MWhs in Table 3-1-20 were determined.

RESPONSE:

a) Alectra Utilities confirms that the adjustment made to 2027 in the pre-filed evidence Tables 3-1-19, 3-1-20, and 3-1-21 is with respect to the existing GS>50 kW, Intermediate customer being reclassified to the Large Use rate class. Alectra Utilities assumed that the customer would ramp up their load to 5MW by 2027 to be reclassified to Large Use. Therefore, the increase in Large Use load was made equal to the decrease in GS>50 kW, Intermediate load. Alectra Utilities has since updated its Large Use forecast based on phased load growth assumptions, as described in part c of this question.

b) Alectra Utilities confirms that the adjustment made to 2030 in the pre-filed evidence Tables 3-1-19, 3-1-20, and 3-1-21 is with respect to an existing GS>50 kW, Regular customer being reclassified to the Large Use rate class. Alectra Utilities assumed that the customer would ramp up their load to 5MW by 2027 to be reclassified to Large Use. Therefore, the increase in Large Use load was made equal to the decrease in GS>50 kW, Regular load.

c) Alectra Utilities utilized project-specific information to determine which projects were included in the billing determinant forecast, with conservative assumptions for the load addition of 5 MW per Large Use customer added. Alectra Utilities has since updated its Large Use forecast based on phased load growth assumptions. Please see 3-SEC-75 (a) and (b) for more information.

In addition, Alectra Utilities provides the updated versions of Tables 3-1-19, 3-1-20, and 3-1-21. Please see Tables 1, 2, and 3, below, respectively.

Table 1 - 2025-2031 Large Use Customer Count Forecast Adjustment (Year-End)[1]

	2025	2026	2027	2028	2029	2030	2031
Residential	-	-	-	-	-	-	-
GS<50 kW	-	-	-	-	-	-	-
GS>50 kW, Regular	-	1	1	1	1	-	-
GS>50 kW, Intermediate	-	1	1	1	-	-	(1)
Large Use	-	-	1	1	2	3	4
LUDA	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Sentinel Lighting	-	-	-	-	-	-	-
USL	-	-	-	-	-	-	-
Total Customers	**-**	**2**	**3**	**3**	**3**	**3**	**3**

[1] Adjustments illustrate the changes associated with each rate class, as compared to the baseline forecast. Therefore, in some cases, it may appear that there is no change, when a change exists. For example, if one customer is removed from a rate class in one year, while another customer is added to the same rate class in the same or different year, the net change may display as 0, but the customer movements have taken place. Please see 3-SEC-75 (c) for more information regarding Large Use customer adjustments.

Table 2 - 2025-2031 Large Use Consumption Forecast Adjustment (MWh)

	2025	2026	2027	2028	2029	2030	2031
Residential	-	-	-	-	-	-	-
GS<50 kW	-	-	-	-	-	-	-
GS>50 kW, Regular	-	257	514	1,368	1,916	1,079	1,152
GS>50 kW, Intermediate	-	770	771	1,449	766	1,079	-
Large Use	-	-	1,454	1,884	3,747	8,327	13,962
LUDA	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Sentinel Lighting	-	-	-	-	-	-	-
USL	-	-	-	-	-	-	-
Total Consumptions (MWh)	**-**	**1,026**	**2,738**	**4,702**	**6,429**	**10,485**	**15,114**

Table 3 - 2025-2031 Large Use Demand Forecast Adjustment (MW)

	2025	2026	2027	2028	2029	2030	2031
Residential	-	-	-	-	-	-	-
GS<50 kW	-	-	-	-	-	-	-
GS>50 kW, Regular	-	11	21	57	80	45	48
GS>50 kW, Intermediate	-	32	32	60	32	45	-
Large Use	-	-	61	79	156	347	582
LUDA	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-
Sentinel Lighting	-	-	-	-	-	-	-
USL	-	-	-	-	-	-	-
Total Demand (MW)	**-**	**43**	**114**	**196**	**268**	**437**	**630**

d) Alectra Utilities determined the conversion of MW to MWH based on its review of its historical billing data and its observed correlation between MW and MWh. The ratio of MW to MWh varied across years, rate classes, and rate zones, so Alectra Utilities determined it appropriate to use a conservative approach, in which MW is converted to MWh by multiplying the MW by 24.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 3.0-VECC -43

Reference: Exhibit 3, Tab 1, Schedule 4, pages 15

Preamble: The Application states:

"*In addition, Alectra Utilities conducted a review of its FIT customers and has determined that current ERZ and GRZ customers in the GS>50 kW rate class require reclassification to the GS<50 kW rate class, as their consumption due to inverter load is below 50 kW. Therefore, Alectra Utilities has made load forecast adjustments to the consumption and demand in relation to these planned reclassifications to the General Service rate classes. Annual average consumption and demand was based on a recent year of billed data. The baseline load forecast did not include the number of FIT customers, so an adjustment was also made to include the number of FIT customers from all rate zones into the load forecast*." (emphasis added)

a) The first underlined part of the Preamble suggests that ERZ's and GRZ's FIT customers are currently included in the GS>50 class. However, the second underlined part indicates that they are not in the baseline forecast. Please clarify the current customer classification treatment of ERZ's and GRZ's FIT customers.

RESPONSE:

a) Alectra Utilities bills distribution charges to current ERZ and GRZ FIT customers at the GS>50 kW rates; therefore, consumption and demand for these customers are included in the GS>50 kW baseline load forecast. However, these customers are not included in the baseline customer forecast, as, historically, Alectra Utilities has excluded FIT

customers from the customer count data that is used to estimate the baseline customer count forecast.

For the purpose of this application, an adjustment to the baseline customer count forecast was required to include all FIT customers in the GS<50 kW class. Also, an adjustment was required to reclassify ERZ and GRZ FIT energy consumption to the GS<50 kW class and to add BRZ FIT energy consumption to the GS<50 kW class, formerly in the BRZ-specific Distributed Generation (DGEN") class.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-44

Reference: Exhibit 4 Appendix 2-JC

Table 4-1-6 - Inflation Calculation

	2017	2018	2019	2020	2021	2022	2023	2024
Inflation	1.9%	1.2%	1.5%	2.0%	2.2%	3.3%	3.7%	4.8%
Cohort 3	1.6%	0.9%	1.2%	1.7%	1.9%	3.0%	3.4%	4.5%

**Cohort 3 assumes a stretch reduction of 0.3%*

a) Please provide a similar table as above showing the annualized CPI as reported by the Statistics Canada (or Bank of Canada) for the years 2017 through 2025.

RESPONSE:

a) **Table 1 - Statistics Canada table: 18-10-0005-01 – CPI 2017-2025**

Statistics Canada Consumer Price Index, annual average, not seasonally adjusted
Frequency: Annual
Table: 18-10-0005-01 (formerly CANSIM 326-0021)
Release date: 2026-01-19
Geography: Canada, Province or territory, Census subdivision, Census metropolitan area, Census metropolitan area part

Geography	Canada									
Products and product groups	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
All-items	128.4	130.4	133.4	136	137	141.6	151.2	157.1	160.9	164.2
		1.60%	2.30%	1.90%	0.70%	3.40%	6.80%	3.90%	2.40%	2.10%

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0 -VECC -45

Reference: Exhibit 4, Tab 5, Schedule 1

a) If Alectra is a member of the Electricity Distributor Association (EDA) please provide the annual membership fees for the 2020 to 2027 period.

b) If Alectra purchases insurance from MEARIE please provide the annual fees paid for the 2020 to 2027 period.

RESPONSE:

a) Alectra is a member of the Electricity Distributor Association (EDA). Please find the annual membership fees for the 2020 to 2027 period in Table 1 below.

Table 1 – EDA annual membership fees ($MM)

Year	EDA Membership Fees
2020	0.18
2021	0.18
2022	0.18
2023	0.19
2024	0.19
2025	0.19
2026	0.21
2027	0.21

b) The annual insurance premiums paid to Mearie are provided in Table 1 below. Please note that the costs in 2022 were lower as cyber and Directors & Officers coverage was moved outside of MEARIE.

Table 2 – MEARIE annual fees ($MM)

Year	MEARIE Insurance Premiums
2020	[redacted]
2021	[redacted]
2022	[redacted]
2023	[redacted]
2024	[redacted]
2025	[redacted]
2026	[redacted]
2027	[redacted]

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-46

Reference: Exhibit 4, Tab 1, Schedule 5, page 1-2

"*Specifically, the peer group5 for this benchmarking analysis included Elexicon Energy Inc., Enova Power Corp., GrandBridge Energy Inc., Hydro One Networks Inc., Hydro Ottawa Limited, London Hydro Inc., and Toronto Hydro Electric System Limited*."

Table 4-1-8: OM&A ($) per Customer

	2019	2020	2021	2022	2023	2024
Alectra	252	270	258	269	266	269
Peer Group Avg	279	293	297	315	326	342

Table 4-1-9: OM&A ($) per Primary Circuit KM

	2019	2020	2021	2022	2023	2024
Alectra	12,528	13,482	12,732	13,310	13,079	13,178
Peer Group Avg	12,930	13,676	13,797	14,536	15,136	16,111

a) Please recast these tables by removing Hydro One from the peer group. If 2025 data is available please add that year to the revised tables.

RESPONSE:

a) Please see below for updated tables removing Hydro One from the peer group. The 2025 data is not yet available for the peer group.

Table 1 - OM&A ($) per Customer Excluding Hydro One

	2019	2020	2021	2022	2023	2024
Alectra	252	270	258	269	266	269
Peer Group Avg (excluding Hydro One)	257	273	277	291	300	323

Table 2 - OM&A ($) per Primary Circuit KM Excluding Hydro One

	2019	2020	2021	2022	2023	2024
Alectra	12,528	13,482	12,732	13,310	13,079	13,178
Peer Group Avg (excluding Hydro One)	14,308	15,173	15,305	16,072	16,718	17,903

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-47

Reference: Exhibit 4, Tab 2, Schedule 1, page 11

Table 4-2-3: Asset Management Program Expenditures by Segment ($MM)

Asset Management								
Program Costs ($MM) – Historic Period								
Year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	5.52	4.56	5.96	5.22	4.61	4.90	5.30	6.45
Asset Management	5.52	4.56	5.96	5.22	4.61	4.90	5.30	6.44
Grid Modernization	—	—	—	—	—	—	—	0.01
Program Costs ($MM) – Bridge and Forecast Period								
Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
Total	9.64	9.63	9.26	10.52	11.09	11.49	11.89	
Asset Management	8.69	8.71	8.27	8.83	9.11	9.43	9.77	
Grid Modernization	0.94	0.92	0.99	1.69	1.99	2.05	2.12	

a) What are the incremental FTEs associated with Grid Modernization program beginning in 2024?

b) For each category, please show the spending for each year as allocated between labour and non-labour costs and show the labour component as a percentage of total cost.

c) Should Alectra reduce or increase the magnitude of its planned capital expenditures for the 2026-2031 period how would this impact spending on asset management?

d) How many FTEs are dedicated to working on distribution grid issues related to DERs, Non-Wire Solutions and Energy Storage Solutions?

RESPONSE:

a) Table 1 below shows the incremental FTEs in the Grid Modernization team between 2024 to 2031.

Table 1 – Incremental FTEs – Grid Modernization Program

Incremental FTEs	2024	2025	2026	2027	2028	2029	2030	2031
Grid Modernization	0	4.3	0	4.4	4.7	1.0	0	0

b) Table 2 below provides the labour and non-labour costs including details on labour component as percentage of total cost. Please note 2024 and 2025 are actuals.

Table 2 – Labour and Non-Labour Costs

Program Costs ($MM)		2024	2025	2026	2027	2028	2029	2030	2031
Asset Management	Labour	6.0	6.5	7.9	7.3	7.9	8.0	8.2	8.5
	Non-Labour	0.4	0.5	0.8	0.9	1.0	1.1	1.2	1.3
	Labour %	94%	93%	91%	89%	89%	88%	87%	87%
Grid Modernization	Labour	0.0	0.5	0.9	0.9	1.6	1.9	2.0	2.0
	Non-Labour	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
	Labour %	0%	100 %	100 %	100 %	96%	95%	95%	96%

c) See 4.0-VECC-48-b.

d) Within the Grid Modernization team, 3 FTEs will be dedicated to enabling work to address distribution grid issues related to DERs, Non-Wire Solutions and Energy Storage Solutions, during the 2027-2031 Rate period.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-48

Reference: Exhibit 4, Tab 2, Schedule 1, pages 21, 26-

"The larger Asset Management Segment can be further broken down into three functions:
1. System Planning & Electrification
2. Asset Sustainment and Standards
3. Capital Investment Planning"

a) Please recast Table 4-2-3 to show the spending separately in each of these three areas.

b) Should Alectra change the amount of its planned capital expenditures for the 2026-2031 period how would this impact spending on asset management and in particular the category of Capital Investment Planning?

RESPONSE:

a) Please see Table 1 and Table 2 below.

Table 1 – Asset Management Program Costs (2017-2024)

Program Costs ($MM)	2017	2018	2019	2020	2021	2022	2023	2024
Asset Sustainment & Standards	3.1	2.5	2.5	2.2	2.2	2.5	3.0	3.1
System Planning & Electrification	1.3	0.9	1.9	1.6	0.9	1.0	0.8	1.1
Capital Investment Planning	1.2	1.1	1.6	1.5	1.5	1.4	1.5	2.3
Total	5.5	4.6	6.0	5.2	4.6	4.9	5.3	6.4

Table 2 – Asset Management Program Costs (2025-2031)

Program Costs ($MM)	2025	2026	2027	2028	2029	2030	2031
Asset Sustainment & Standards	3.3	3.7	3.6	3.8	4.0	4.1	4.2
System Planning & Electrification	1.1	1.7	1.6	1.8	1.8	1.9	1.9
Capital Investment Planning	2.5	3.4	3.0	3.3	3.3	3.5	3.6
Total	7.0	8.7	8.3	8.8	9.1	9.4	9.8

b) There would be an immaterial impact on the Asset Management segment should Alectra Utilities change the amount of its capital expenditures for the 2026-2031 period. As discussed in 4-SEC-80, the drivers for the increase in the Asset Management segments are associated with increasing work demands, including those associated with Ontario Energy Board (OEB)-recognized initiatives; for example, Vulnerability Assessment & System Hardening (VASH), the Capacity Allocation Model (CAM), Integrated Regional and Bulk Electricity System Planning with Natural Gas, and distribution system planning compliant with Non-Wires Solution (NWS) guidelines including formal Benefit-Cost Analysis (BCA).

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-49

Reference: Exhibit 4, Tab 4, Schedule 2, page 1-2

Table 4-2-6: Distribution Design Program Summary

Program Outcomes: Customer Focus, Operational Effectiveness, Public Policy Responsiveness							
Program Net Costs ($MM) - Historic Period							
2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
3.91	3.93	5.99	6.58	6.27	6.88	7.30	7.09
Program Net Costs ($MM) - Bridge and Forecast Period							
2025	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
8.02	8.60	9.61	10.61	11.41	12.07	12.58	

The Program consists of three functional areas:

- *Customer Initiated Work;*
- *Distribution Support Services; and*
- *Asset Management Driven Work (Planned Capital Work).*

Table 4-2-9: Forecasted Gross Capital Spending ($MM)

	FORECASTED GROSS CAPITAL EXPENDITURES						
Segment	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Customer Initiated Work	222.82	211.16	221.29	248.23	245.72	218.35	239.19
Distribution Support Services	3.86	4.02	5.24	5.42	5.41	5.26	5.46
Asset Management Driven Work	147.63	140.90	171.04	213.41	297.43	367.42	385.67
Total	374.31	356.08	397.57	467.06	548.56	591.04	630.32

a) Please show the spending in Table 4-2-6 as allocated between labour and non-labour costs and also show the labour component as a percentage of total cost for each year.

b) Please recast Table 4-2-6 to show the OM&A spending in each of the three areas discussed and identified by capital expenditures in Table 4-2-9.

c) Should Alectra change the magnitude of its planned capital expenditures for the 2026-2031 period how would this change spending on asset management driven work?

RESPONSE:

a) Please refer to Table 1 below, which outlines the spending allocated between labour and non-labour costs. The table also presents the labour component as a percentage of total costs for each year.

Table 1 - Distribution Design Program OMA – Breakdown of Spending Between Labour and Non-Labour Costs by Year and Labour Percentage.

Year	Distribution Design Total (NET $MM)	Labour (NET $MM)	Non-Labour (NET $MM)	Labour % (NET $MM)
2017	3.91	3.35	0.55	86%
2018	3.93	2.69	1.24	68%
2019	5.99	4.53	1.46	76%
2020	6.58	4.69	1.89	71%
2021	6.27	4.64	1.63	74%
2022	6.88	5.04	1.84	73%
2023	7.30	5.34	1.96	73%
2024	7.09	5.37	1.72	76%
2025 Actuals	7.29	5.08	2.20	70%
2026	8.60	6.53	2.07	76%
2027	9.61	7.52	2.09	78%
2028	10.61	8.43	2.18	79%
2029	11.41	9.16	2.25	80%
2030	12.07	9.66	2.42	80%
2031	12.58	10.02	2.56	80%

b) Please refer to Table 2, which outlines the OM&A spending across the three areas discussed and identified by the capital expenditures presented in Table 4-2-9.

Table 2 - OM&A Spending by Identified Capital Expenditures

Year	Customer Initiated Work ($MM)	Distribution Support Services ($MM)	Asset Management Driven Work ($MM)	Total ($MM)
2017	2.46	1.00	0.45	3.91
2018	1.73	1.39	0.80	3.93
2019	3.10	2.14	0.75	5.99
2020	2.51	3.05	1.02	6.58
2021	2.71	2.72	0.84	6.27
2022	3.22	2.82	0.85	6.88
2023	3.44	3.16	0.70	7.30
2024	3.28	3.05	0.75	7.09
2025 Actuals	3.11	3.37	0.81	7.29
2026	3.51	3.68	1.41	8.60
2027	4.05	3.71	1.85	9.61
2028	4.40	3.81	2.39	10.61
2029	4.66	3.91	2.84	11.41
2030	4.84	4.13	3.10	12.07
2031	5.00	4.33	3.25	12.58

c) Alectra Utilities' asset management-driven work program is supported by a flexible resourcing model designed to scale with changes in capital execution requirements. This model relies on a mix of internal resources and external contractors, enabling Alectra Utilities to adjust resourcing levels as required to align with approved capital spending and delivery schedules.

Assessing how changes to the asset management-driven work program would affect resourcing needs would require a detailed evaluation of the specific changes proposed. Alectra Utilities is not able to speculate on the impacts of hypothetical adjustments.

The investments outlined in the DSP are required to prudently manage asset condition and associated risks, including safety, reliability, and capacity. Through its asset management framework, Alectra Utilities has optimized the timing and prioritization of these investments to balance prudent pacing of capital expenditures with the lifecycle needs of in-service assets.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-50

Reference:
Exhibit 4,Tab 2, Schedule3

Table 4-2-13: Regulatory Segment Expenditures ($MM)

Regulatory Segment Costs ($MM) – Historic Period								
Year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	6.82	6.96	8.05	6.87	6.80	7.19	7.25	7.32
Segment Costs ($MM) – Bridge and Forecast Period								
Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
Total	8.50	8.56	15.03	15.34	15.67	16.00	16.34	

a) Please provide a more detailed table of 4-2-13 which shows separately:
   i. OEB annual assessment cost;
   ii. OEB annual section 30 costs; and
   iii. Annual amortized Alectra application costs

RESPONSE:

a) Please see table 1 below. The table has been updated from the pre-filed evidence to include 2025 actuals.

Table 1 - Regulatory Segment Expenditures ($MM)

Regulatory Segment Costs ($MM) – Historic Period								
Year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	**6.82**	**6.96**	**8.05**	**6.87**	**6.80**	**7.19**	**7.25**	**7.32**
OEB annual assessment	2.88	2.99	2.94	2.93	2.83	3.11	3.11	2.82
OEB section 30 costs	0.23	0.06	0.24	0.36	0.36	0.13	0.25	0.23
Amortized application costs	-	-	-	-	-	-	-	-
All Other Costs (labour + non labour)	3.71	3.91	4.87	3.58	3.61	3.96	3.89	4.27
Segment Costs ($MM) – Bridge and Forecast Period								
Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
Total	**7.48**	**8.56**	**15.03**	**15.34**	**15.67**	**16.00**	**16.34**	
OEB annual assessment	3.08	3.30	6.73	6.86	6.98	7.11	7.24	
OEB section 30 costs	0.15	0.21	0.33	0.33	0.34	0.34	0.34	
Amortized application costs	-	-	1.80	1.80	1.80	1.80	1.80	
All Other Costs (labour + non labour)	4.26	5.05	6.16	6.35	6.55	6.75	6.96	

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-51

Reference: Exhibit 1, Tab 6, Schedule 4 /Exhibit 4, Tab 4, Schedule 2

Table 1-6-33: Productivity Framework Reported Savings

Productivity Framework Reported Savings ($MM)			
Year	**2022**	**2023**	**2024**
Incremental Savings			
Achieved/ Expected Reduction	0.2	2.8	7.8
Avoided Cost	0.0	0.2	2.8
Efficiency Benefit	0.6	1.2	1.4
	0.9	4.2	11.9
Prior Year Sustained			
Achieved/ Expected Reduction	0.7	1.1	4.1
Avoided Cost	0.0	0	0.2
Efficiency Benefit	0.0	0.6	1.9
	0.7	1.8	6.1
Total Benefits	**1.9**	**5.9**	**18.2**

Table 4-2-38: Business Transformation Segment Expenditures ($MM)

Business Transformation								
Segment Costs ($MM) – Historic Period								
Year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	4.62	3.90	2.78	2.04	2.19	3.12	3.43	3.79
Segment Costs ($MM) – Bridge and Forecast Period								
Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
Total	4.28	4.19	5.05	5.05	5.31	5.47	5.64	

"*The Business Transformation segment drives improvements in Alectra Utilities' organizational effectiveness and strategy delivery through change management, process optimization, and project/portfolio management. This segment oversees the Productivity Framework, as further detail in (Exhibit 1, Tab 6, Schedule 5), partnering with the business to deliver and report on 2 productivity gains. The team also leads the Transformation Management Office coordinating and executing strategic initiatives while supporting transformation through project management, organizational improvement, and change management functions.*"

a) Are the costs of the Business Transformation Segment (Table 4-2-38) netted from the calculation of productivity savings (Table 1-6-33). If so, how and if not why are the costs of this group not considered in the net calculation of productivity savings?

RESPONSE:

a) The costs of the Business Transformation Segment are not netted from the calculation of the productivity savings. Staff in the Business Transformation Segment support the execution of projects, including project management, change management, reporting, and oversight. These are ongoing functions that are required to deliver the project planned outcomes which may include, but are not limited to, financial benefits. The Productivity Framework team aims to minimize the effort in validation of benefits to 5% or less of the value of the benefits, looking to balance the effort in the verification of savings with the value produced to customers and other stakeholders.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-52

Reference: Exhibit 4, Tab 2, Schedule 7

Table 4-2-55: Historical and Forecast Call Volumes, Service Level, AHT and Total Call Hours

	2017	2018	2019	2020	2021	2022	2023	2024
Call Volume	808,741	764,999	769,870	612,466	556,110	527,916	606,388	636,233
Calls Answered Within 30 Seconds	643,087	594,203	583,422	409,953	393,162	373,161	323,486	189,484
Telephone Accessibility Service Level	79.5%	77.7%	75.8%	66.9%	70.7%	70.7%	53.3%	29.8%
Average Handle Time (Minutes)	7.04	7.04	7.48	8.44	9.10	9.58	10.13	11.45
Total Call Hours	3	3	6	0	5	3	4	8

	2025	2026	2027	2028	2029	2030	2031
Call Volume	654,755	625,565	650,133	670,431	695,138	736,844	723,860
Calls Answered Within 30 Seconds	360,115	337,805	422,587	455,893	521,353	552,633	579,088
Telephone Accessibility Service Level	55%	54%	65%	68%	75%	75%	80%
Average Handle Time (Minutes)	11.45	11.45	11.45	11.45	11.45	11.45	11.45
Total Call Hours	0	4	8	0	9	1	8

a) It is unclear to us the definition of "Total Call Hours" and how it is estimated for the years 2025 through 2031. Please elucidate.

RESPONSE:

a) Alectra Utilities wishes to correct the evidence in Table 4-2-55 in Exhibit 4 Tab 2 Schedule 7 (page 45) with respect to Total Call Hours. Table 1 below shows the corrected Total Call Hours.

Total Call Hours is calculated as the number of calls in each year multiplied by the average handle time in seconds (AHT) and divided by 60 to quantify the agent effort in hours to respond to customer calls. Table 1 demonstrates that while call volumes have generally decreased until 2024, AHT has increased, resulting in an average 4% annual Total Call Hour increase. From 2025-2031, Total Call Hour is forecast to increase on average by 2% per year.

Table 1 - Correction to Table 4-2-55: Historical and Forecast Call Volumes, Service Level, AHT and Total Call Hours (Exhibit 4 Tab 2 Schedule 7)

	2017	2018	2019	2020	2021	2022	2023	2024
Call Volume	808,741	764,999	769,870	612,466	556,110	527,916	606,388	636,233
Calls Answered Within 30 Seconds	643,087	594,203	583,422	409,953	393,162	373,161	323,486	189,484
Telephone Accessibility Service Level	79.40%	77.70%	75.80%	66.90%	70.70%	70.70%	53.30%	29.80%
Average Handle Time (Minutes)	7.04	7.04	7.48	8.44	9.1	9.58	10.13	11.45
Average Handle Time (Seconds)	424	424	468	524	550	598	613	705
Total Call Hours	5,715,103	5,405,993	6,004,986	5,348,870	5,097,675	5,261,563	6,195,264	7,475,738
% Change in Total Call Hours		-5%	11%	-11%	-5%	3%	18%	21%

	2025	2026	2027	2028	2029	2030	2031
Call Volume	654,755	625,565	650,133	670,431	695,138	736,844	723,860
Calls Answered Within 30 Seconds	360,115	337,805	422,587	455,893	521,353	552,633	579,088
Telephone Accessibility Service Level	55%	54%	65%	68%	75%	75%	80%
Average Handle Time (Minutes)	11.45	11.45	11.45	11.45	11.45	11.45	11.45
Average Handle Time (Seconds)	705	705	705	705	705	705	705
Total Call Hours	7,693,371	7,350,389	7,639,063	7,877,564	8,167,872	8,657,917	8,505,355
% in Total Call Hours	3%	-4%	4%	3%	4%	6%	-2%

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-53

Reference: Exhibit 4, Tab 2, Schedule 7, page 29-

"*The impact of the water billing exit on Customer Service OM&A includes a $3.6MM annual OM&A cost pressure beginning in 2026 related to the Hamilton contract as mentioned above. This is partially offset by a $1.2MM reduction in costs in 2027 with the exit of Guelph, followed by a further $2.3MM decrease in costs 2029 when Markham and Vaughan exit.*

Departure from water billing will allow the Customer Service Program to strengthen its focus on delivering efficient and compliant electricity services in an increasingly complex regulatory environment, while improving the overall customer experience. This will enable Alectra Utilities to streamline operations, including the elimination of 15 redundant positions. These eliminated positions are included in the projected FTE requirements described in the above sections."

a) Please provide a description of the services being discussed above and the total number of FTEs currently employed to provide these services

b) Please explain who the 1.2MM and 2.3MM cost reductions were estimated.

c) Please explain how the exit periods are being determined (2027 and 2029) and clarify in which month of the year the services cease to be offered.

d) Please explain why there is $3.6MM "cost pressure" and why any redundancies caused by the elimination of outside billing services cannot achieved in the shorter term.

RESPONSE:

a) Water billing services include a) water meter reading; b) billing; c) contact center and customer inquiry support; d) customer payment processing; e) collections and tax rolling support services; and, f) financial reconciliation services.

Alectra does not have a dedicated organization for water billing. Alectra has identified, following the exit of water billing, the Company will be able to realize the reduction of 15 positions. Please see 4-Staff-181(b)(iii) for a discussion of direct labour cost savings included within Customer Service's OM&A budget from these reductions.

b) The OM&A cost reductions of $1.27 million in 2027 and $2.3 million in 2029 refer to changes in variable costs associated with the exit of Guelph, Markham and Vaughan water billing. Variable costs were estimated by reviewing the components of Customer Service's OM&A budget to determine the percentage decrease in water billing service volumes and costs. The variable costs were then allocated to each municipality based on their relative share of water meters as outlined below in Table 1.

Table 1 - Relative Share of Water Meters by Municipality

	2017-2025	2026	2027-2028
Hamilton	41%	0%	0%
Markham	22%	44%	47%
Vaughan	25%	50%	53%
Guelph	12%	6%	0%

Table 2 provides a further breakdown of the changes in the variable cost components from 2027 to 2029.

Table 2 - Change in Variable Water Cost Components by Category

	2027	2028	2029
Direct Labour (Customer Service)	(1,162,125)	17,924	(635,408)
Third-Party Contract Support (Customer Service)	2,056	2,097	(106,937)
Water Meter Reading Costs (Customer Service)	(95,371)	72,821	(1,529,251)
Postage and Printing (Customer Service)	(19,238)	(420)	(23,196)
Total Variable OM&A Costs With Delivering Water Billing	**(1,274,678)**	**92,422**	**(2,294,792)**

- **Direct Labour –** A total reduction of 15 positions have been identified with the exit of water billing: 6 in Guelph, 5 supporting Hamilton and 5 supporting Markham and Vaughan. Variable labour costs are estimated to decrease by $1.16 million in 2027 through a reduction of 5 positions supporting Hamilton and 5 positions supporting Guelph. A further reduction of $0.64M and 5 positions are realized at the end of 2028 with the exit of Markham and Vaughan.
- **Third-Party Contract Support** – This administrative contract support for Markham and Vaughan is eliminated at the end of 2028 resulting in a $0.11 million savings in 2029.
- **Water Meter Reading Costs –** In 2027, water meter reading costs decrease by approximately $0.1 million with the Guelph exit, and a further $1.53 million in 2029 with the exit of Markham and Vaughan. Please note that water meter read costs also decreased by a combined $1.17 million in 2026 with the exit of Hamilton and Guelph.
- **Postage and Printing Costs** – The associated postage and printing costs savings was determined by eliminating the number of water only billings issued each year which did not have an electricity component. As a result, Postage costs are expected to decrease by $19K in 2027 and a further $23K in 2029 with the exit of Markham and Vaughan.

c) Water billing exit periods are primarily determined by each municipality's readiness to assume responsibility for the service and are further aligned with the timing of Alectra's planned CIS upgrades and system integrations.

The City of Hamilton is scheduled to transition water services in mid-April 2026 at the request of the municipality. The Guelph water billing exit is currently targeted for June 1, 2026. The exit timelines for Markham and Vaughan remain for December 2028, aligning with Alectra's planned CIS upgrade.

d) Please refer to Alectra's response to interrogatory 4-CCC-45.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-54

Reference: Exhibit 4, Tab 2, Schedule 7

Table 4-2-48: Breakdown of Internal Agents and Third Party Agents

	2024	2025	2026	2027	2028	2029	2030	2031
Internal Agents	29	59	59	58	60	69	73	78
Third Party Agents	52	61	58	64	62	59	62	57
Total Agents	1	120	117	122	122	128	137	135
% Internal Agents	36%	49%	50%	48%	49%	54%	54%	58%

Table 4-2-57: Customer Service Representative Requirements

	2024	2025	2026	2027	2028	2029	2030	2031
Internal Agents	29	59	59	58	60	69	73	78
Third Party Agents	52	61	58	64	62	59	62	57
Third Party Budget OM&A ($)		3,507,220	3,832,274	4,346,209	4,376,181	4,334,620	4,704,717	4,513,671
% Internal Agents	36%	49%	50%	48%	49%	54%	54%	58%

a) Please provide a version of these tables which:
   i. Cover the 2017 to 2023 period;
   ii. Include a row for the total compensation costs (salary and benefits) for the internal agents; and separately,
   iii. Total cost for third party service for the third party agent services.

b) Who provides the third party services? Where are the third party services located and do the third party services uses any facilities of Alectra?

RESPONSE:

a) Table 1 below provides a best-efforts estimation of internal CSR and Senior CSR (union employees) costs based on actual headcount in the Customer Care – Contact Centre segment for union employees and average annual agent direct labour costs. Alectra is not able to produce the total cost of internal agents for 2017-2018 due to the transition of legacy systems to Alectra enterprise system of record.

The third-party contact center costs are based on invoiced costs and the contract pricing structure to estimated number of agents provided to Alectra and price per agent. It should be noted that the price charged by the third-party remained consistent until 2023 when there was a negotiated price increase reflective of market pressures.

Table 1 - Estimated Number of Internal and Third-Party Agents and Cost

	2019	2020	2021	2022	2023
Internal Agents	62.56	52.94	54.91	50.62	53.27
Third-Party Agents	52.28	54.05	49.38	44.42	47.07
Total Agents	114.78	106.95	104.29	95.02	100.34
% Internal Agents	54%	49%	53%	53%	53%
Direct Labour Costs Internal Agents ($)	4,978,547	4,431,758	4,794,749	4,922,066	4,610,047
Total Cost Third-Party Agents (4)	3,099,048	3,170,976	2,832,114	2,608,380	3,798,416

b) Alectra currently utilize Optima Communications International, a third-party contact center service provider based in Ontario. The third-party service provider does not use any of Alectra's facilities.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-55

Reference: Exhibit 4, Tab 2, Schedule 13

Table 4-2-91: Complement of the Network Metering Department

	Historic Period							
	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Field Services	48.0	48.0	48.0	52.0	51.0	48.1	49.0	48.0
AMI Operations	14.0	15.0	13.0	13.0	13.0	15.0	15.0	16.0
Non-Union Specialists	7.0	6.0	10.0	10.0	10.0	11.0	11.0	11.0
AMI Renewal Project Team								4.0
Students		4.3	4.3	4.3	4.3	4.3	4.3	4.3
Temporary Positions						4.0	0.2	1.0
Leaders	11.0	10.0	11.0	12.0	12.0	13.0	13.0	12.5
Total	80.0	83.3	86.3	91.3	90.3	95.4	92.5	96.8
	Bridge and Forecast Period							
	2025	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	
Field Services	49.0	49.0	49.5	50.0	49.0	49.0	49.0	
AMI Operations	16.0	16.5	16.0	16.0	16.0	16.0	16.0	
Non-Union Specialists	12.0	12.0	12.0	12.0	12.0	12.0	12.0	
AMI Renewal Project Team	6.0	10.0	10.0	11.0	11.0	11.0	11.0	
Students	4.3	4.3	4.3	4.3	4.3	4.3	4.3	
Temporary Positions	1.0	1.0	0.2					
Leaders	13.0	13.0	13.0	13.0	13.0	13.0	13.0	
Total	101.3	105.8	105.0	106.3	105.3	105.3	105.3	

a) The total complement for Network Metering shown in the table above appear to be different than that shown in Table 4-3-2 FTE by Program - Net Metering. Please explain the difference.

b) Please provide a table showing for each year the total complement compensation costs (salary and benefits) and as divided between expensed (OM&A) and capitalized costs.

c) Are the AMI renewal project team employees of Alectra or contract workers? If the former please explain why Alectra is hiring permanent staff to implement a capital program and what function that staff will have after the AMI 2.0 implementation is completed. Specifically, please explain how replacement of meters requires an ongoing increase in FTEs subsequent to their implementation.

RESPONSE:

a) Table 4-2-91 displays the approved headcount for Network Metering, broken out by Network Metering work group.

Table 4-3-2 FTE by Program – Network Metering provides the calculated actual FTE for 2021 to 2024 and headcount for 2026 to 2031, assuming all positions are filled.

The difference between the two Tables are primarily attributed to vacancies within the Network Metering department for years 2021 to 2025.

The discrepancy of one position in 2025 to 2031 is due to the under-reporting of one student FTE position in all years.

For clarity, Table 4-2-91 has been corrected; updates to the Table are highlighted. Table 4-3-2 has been updated with 2025 FTE actuals for Network Metering.

Table 1 - Amended Table 4-2-91 Network Metering Head Count

		Historical Period					Bridge and Forecast Period					
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Table 4-3-2	FTE by Program	89.5	93.2	87.7	96.7	102.5	106.8	106.1	107.3	106.3	106.3	106.3
Table 4-2-91	Network Metering Headcount	90.3	95.4	92.5	96.8	102.3	106.8	106.0	107.3	106.3	106.3	106.3
	Field Services	51.0	48.1	49.0	48.0	49.0	49.0	49.5	50.0	49.0	49.0	49.0
	AMI Operations	13.0	15.0	15.0	16.0	16.0	16.5	16.0	16.0	16.0	16.0	16.0
	Non-union Specialists	10.0	11.0	11.0	11.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
	AMI Renewal Project Team	0.0	0.0	0.0	4.0	6.0	10.0	10.0	11.0	11.0	11.0	11.0
	Students	4.3	4.3	4.3	4.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
	Temporary Positions	0.0	4.0	0.2	1.0	1.0	1.0	0.2	0.0	0.0	0.0	0.0
	Leaders	12.0	13.0	13.0	12.5	13.0	13.0	13.0	13.0	13.0	13.0	13.0

b) Network Metering's total compensation expenditures, as allocated between OM&A and capital is provided in the table below.

Table 2 - Network Metering – Allocation between OM&A and Capital Expenditures

	2017	2018	2019	2020	2021	2022	2023	2024
Operating								
Salary	N/A	N/A	N/A	4,089,589	3,913,953	2,990,816	2,812,038	3,060,013
Benefits	N/A	N/A	N/A	2,027,046	2,137,737	1,751,873	1,839,822	2,598,267
Total Operating	5,173,993	5,616,353	5,833,126	6,116,635	6,051,690	4,742,689	4,651,860	5,658,281
Capital								
Salary	N/A	N/A	N/A	4,429,068	4,883,377	5,589,045	5,708,482	6,723,940
Benefits	N/A	N/A	N/A	1,908,083	1,841,643	2,504,846	2,975,657	2,771,997
Total Capital	2,694,967	3,150,680	4,022,021	6,337,151	6,725,019	8,093,892	8,684,139	9,495,937
Total Labour	7,868,960	8,767,033	9,855,147	12,453,787	12,776,710	12,836,581	13,335,999	15,154,217

	2025	2026	2027	2028	2029	2030	2031
Operating							
Salary	3,130,850	4,259,826	4,398,932	4,566,875	4,676,442	4,827,430	4,981,096
Benefits	2,331,371	1,539,131	1,610,587	1,677,509	1,716,956	1,776,103	1,846,548
Total Operating	5,462,221	5,798,957	6,009,518	6,244,383	6,393,398	6,603,533	6,827,644
Capital							
Salary	7,260,251	7,995,693	8,277,771	8,705,401	8,900,880	9,179,971	9,463,064
Benefits	3,921,124	2,902,916	3,047,533	3,208,635	3,280,663	3,393,275	3,527,647
Total Capital	11,181,375	10,898,609	11,325,303	11,914,036	12,181,543	12,573,245	12,990,711
Total Labour	16,643,595	16,697,566	17,334,822	18,158,419	18,574,941	19,176,778	19,818,355

The allocation between salary and benefits is not available for years 2017 to 2019 due to the transition of legacy systems to Alectra Utilities' enterprise system of record.

c) Alectra Utilities' AMI Renewal activities will be delivered through a combination of internal staff and outsourced service providers.

As described in Exhibit 2A, Tab 1, Schedule 1, Appendix B06, the AMI Renewal program spans more than a decade and includes planning, procurement, contracting, inventory management, customer communications, system integrations, transition from four AMI 1.0 head-end systems to a single AMI 2.0 platform, meter installations, exception management, and meter disposal.

Alectra has issued an RFP for third-party mass deployment services and is currently negotiating the services contract. Alectra has also engaged Util-Assist Inc. to support RFP, contracting, and integration activities.

The project is supported by an 11-person internal team with staggered start dates, required through project completion in 2032. Additional information on these positions is provided in the response to Interrogatory 4-CCC-54(c).

While these roles are project-based, eight of the eleven positions were established as business roles to build long-term capacity within the Network Metering department. As of January 2026, 19 Network Metering employees are eligible to retire by 2032. Following project completion, staffing levels will be right-sized to reflect ongoing operational requirements.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0 -VECC -56

Reference: Exhibit 4, Tab 4, Schedule 14

Table 4-2-96: Proposed Program Delivery Managed Capital Expenditures Versus Coordinator Resources

	2025	2026	2027	2028	2029	2030	2031
Proposed Net Capital Expenditure ($MM)	233.1	262.5	321.1	380.6	475.5	529.2	610.2
Number of Coordinators	8	10	10	10	10	10	10
Managed Spend per Coordinator ($MM)	29.14	26.25	32.11	38.06	47.55	52.92	61.02

a) The total number of coordinators shown in Table 4-2-99 appear to be different than the total complement for Program Delivery in Table 4-3-2 FTE by Program. Please explain the difference.

b) The table appears to show that the number of coordinators required rose by 2 when the capital budget rises by $29.4M (262.5-233.1). However, as the budget rises by $347.7MM (610.2-262.5) no further increase in coordinators appears to be needed. Please explain how Alectra determined that 2 incremental coordinators was sufficient for the entire rate period.

RESPONSE:

a) Program coordinators are only one role in the Program Delivery Group. The FTE count in 4-3-2 includes all staff within the Program Delivery Group including managerial and professional staff.

b) The number of coordinators rose by 2 from 2024 to 2025, and an additional 2 from 2025 to 2026. This increase in coordinators in advance of the capital requirements identified in the DSP will allow for training time to ensure proficiency in order to deliver the full capital program over the rate period.

Alectra determined that 4 incremental coordinators, relative to 2024, is required to meet the needs of the peak budget levels during the rate period based on the current budget allocation per coordinator and embedding a level increased productivity in the forecast. The average spend managed by coordinator is planned to increase from $41.3MM in 2024 to $61.02MM in 2031 (approximately 47% higher). Alectra is also currently investing in enhancements to its reporting programs, including increased automation of tasks performed manually by Program Coordinators. The expectation is that with increased automation, enhanced reporting, and accounting for inflationary cost of items, 10 coordinators are appropriate to manage the budget as indicated in Table 4-2-96.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 4.0-VECC-57

Reference: Exhibit 4, Tab 4, Schedule 1

Table 4-4-2: Summary of the Costs of Shared Services Provided by and Received by Alectra Utilities (AUC) to/from Alectra Inc and Alectra Energy Solutions Inc. ($MM)

	Actual							Bridge			Forecast				
Services	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
AUC to AI	(0.4)	(0.4)	(0.4)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.6)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)
AI to AUC	6.0	5.3	5.7	6.5	6.7	9.6	9.5	10.6	10.9	10.0	11.1	10.9	11.2	11.7	11.7
Subtotal	**5.6**	**4.9**	**5.4**	**6.2**	**6.3**	**9.4**	**9.3**	**10.4**	**10.3**	**9.4**	**10.4**	**10.2**	**10.4**	**10.9**	**10.8**
2017 vs 2027											4.8				
2024 vs 2027											—				
AUC to AES	(1.9)	(1.8)	(1.8)	(1.8)	(1.8)	(2.6)	(2.8)	(2.9)	(3.7)	(3.8)	(4.0)	(4.2)	(4.5)	(4.6)	(4.7)
AES to AUC	0.1	0.1	0.6	0.9	0.8	1.6	1.0	1.1	0.4	0.5	0.5	0.5	0.5	0.6	0.6
Subtotal	**(1.8)**	**(1.7)**	**(1.2)**	**(0.9)**	**(1.0)**	**(1.0)**	**(1.8)**	**(1.8)**	**(3.3)**	**(3.3)**	**(3.5)**	**(3.7)**	**(3.9)**	**(4.0)**	**(4.1)**
2017 vs 2027											(1.7)				
2024 vs 2027											(1.8)				
Net Total	**3.8**	**3.2**	**4.2**	**5.3**	**5.3**	**8.4**	**7.5**	**8.6**	**7.0**	**6.1**	**6.9**	**6.5**	**6.5**	**6.8**	**6.6**

2023 **From: Attach 4-9 Appendix 2-N 20251014.XLSX**

					Amount Allocated
AI	AUC	Board of Directors	Fully allocated-cost	99.10%	1.110
AI	AUC	Digital & Innovation	Fully allocated-cost	99.17%	0.583
AI	AUC	Internal Audit	Fully allocated-cost	96.02%	0.569
AI	AUC	Legal, Strategy & Corporate Secretary	Fully allocated-cost	94.65%	0.786
AI	AUC	People & Transformation	Fully allocated-cost	96.77%	0.860

AI	AUC	Regulatory, Government & Corporate Relations	Fully allocated-cost	98.73%	1.212
AI	AUC	Strategy, ERM & Sustainability	Fully allocated-cost	100.00%	1.126
AI	AUC	Corporate and Financial Stewardship	Fully allocated-cost	87.90%	3.303
TOTAL					**9.550**

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2027		**From: Attach 4-9 Appendix 2-N 20251014.XLSX**			Amount Allocated
AI	AUC	Board of Directors	Fully allocated-cost	99.06%	1.378
AI	AUC	Digital & Innovation	Fully allocated-cost	98.98%	1.285
AI	AUC	Internal Audit	Fully allocated-cost	94.78%	0.443
AI	AUC	Legal, Strategy & Corporate Secretary	Fully allocated-cost	94.51%	0.728
AI	AUC	People & Transformation	Fully allocated-cost	96.94%	0.812
AI	AUC	Regulatory, Government & Corporate Relations	Fully allocated-cost	45.70%	1.234
AI	AUC	Strategy, ERM & Sustainability	Fully allocated-cost	100.00%	1.085
AI	AUC	Corporate and Financial Stewardship	Fully allocated-cost	78.26%	4.167
TOTAL					**11.132**

2

3 a) There appear to be differences in the information shown at Table 4-4-2 and
4 that shown at Appendix 2-N. For example, we have extracted from Appendix
5 2-N the allocated costs from AI to AUC for 2023 and 2027 which appear to show total

amounts different than Table 4-4-2 (2023: 9.3 vs 9.55 / 2027 :10.4 vs 11.132). Please explain the differences.

b) For each of the categories shown, other than Board of Directors, for each year 2023 to 2027 please show the number of FTEs allocated from AI to AUC.

c) Please explain what different functions are being undertaken that account for the increase in Corporate and Financial Stewardship in 2027 as compared to 2023.

RESPONSE:

a) The subtotal amounts in Table 4-4-2 (i.e. the third row in Table 4-4-2) represent the allocated costs from AI to AUC, offset by those from AUC to AI. The portion of Appendix 2N for $9.55M and $11.132M only captures the allocated costs from AI to AUC. The differences represent the allocated costs from AUC to AI (i.e. the first row in Table 4-4-2).

b) Please refer to the response to 4-Staff-197-b for each year 2023 to 2027.

c) The higher allocated costs from AI to AUC in 2027 as compared to 2023 are attributable to the higher costs in Corporate and Financial Stewardship due to inflationary increases and increased non-labour costs to support governance.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 5.0-VECC-58

Reference: Appendix 2OB / Alectra_Attach 1-8_2024…XLSX Reconciliation between Audited

a) Net Finance costs for 2024 are listed in the Financial Statements as $102M. Appendix 2-OB shows for 2024 interest costs of $79,553,494. A difference of approximately 22.4M. The reconciliation model referred to shows a difference to be explained of $8 million. Please explain the difference.

RESPONSE:

a) Appendix 2-OB only provides the interest costs related to long-term debt. The 2024 long-term debt interest costs were $79.5M whereas the net finance costs included in the 2024 financial statements (Alectra_Attach 1-8_2024 Reconciliation between Audited & OEB Financial Statements.XLSX) of $102M includes all interest expense, which also includes short-term debt interest. In addition, the above referenced attachment 1-8_2024...XLSX also provides a reconciliation from the Audited IFRS financial statements to the RRR financial statements where Note 8 provides the $8M adjustment which is related to regulatory carrying charges.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 5.0-VECC-59

Reference:

Exhibit 5, Tab 1, Schedule 1, page 2 /Exhibit 1, Attachment 1-10 Morningstar DBRS Credit Rating Report (July 2025)

Table 5-1-2: Rating of Alectra Inc. Debentures

Rating Agency	Commercial Paper	Long-Term Debt
Morningstar DBRS	R-1 (Low)	A Stable Outlook
Fitch	Not rated	A Negative Outlook
Standard & Poor's ("S&P")	Not rated	A - Stable Outlook

"We could downgrade the credit ratings if the Company's key credit metrics weaken to a level that no longer supports the "A" credit rating category (i.e., debt-to-capital above 65% and cash flow-to-debt below 12.5%) for a sustained period."

a) Under the current proposal does Alectra forecast that at any time during the rate period a debt-to-capital ratio will rise above 65% or a cash flow-to-debt fall below 12.5%?

RESPONSE:

a) The ratings in the table above pertain to Alectra Inc. and the credit metrics at the holding company level may differ from those at the Alectra Utilities level. As currently forecasted, in the late years of the rate period (2029-2031) DBRS debt-to-capital ratio [redacted] To prevent

:

these metrics from exceeding these levels for a sustained period, Alectra is currently in the process of developing a long-term strategy to correct the increasing leverage trend, using various tools and levers, available to management including a change in the dividend policy and additional equity funding. Since the strategy is still under development, it has not yet been reflected in the current forecast.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 5.0-VECC-60

Reference: Exhibit 5, Tab 1, Schedule 1Exhibit 1, Attachment 1-11 Fitch Credit Rating Report (July 2025)

Table 5-1-2: Rating of Alectra Inc. Debenture

Rating Agency	Commercial Paper	Long-Term Debt
Morningstar DBRS	R-1 (Low)	A Stable Outlook
Fitch	Not rated	A Negative Outlook
Standard & Poor's ("S&P")	Not rated	A - Stable Outlook

"*Alectra Inc.'s (Alectra) Negative Outlook reflects Fitch Ratings expectations of funds from operations (FFO) leverage remaining under pressure, including after the expected rate rebasing in 2027, due to significantly elevated capital expenditures (capex) plans. Fitch projects leverage to be 6.0x-7.0x through the forecast period, which is well above Fitch's negative sensitivity thresholds. Absent any mitigating measures, such as balanced capital allocation or funding mix, a negative rating action is likely to occur..*"

a) Is the proposed capital budget the same or substantially similar to that considered by Fitch when making the above noted observation?

b) At what level of capital spending in 2027-31 would this observation no longer hold true?

RESPONSE:

a) Yes, the proposed capital budget is substantially similar to that considered by Fitch when making the above noted observation.

b) Alectra is unable to answer the specific question asked as Fitch did not provide Alectra an assessment in this regard.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 5.0-VECC-61

Reference: Exhibit 5, Tab 1, Schedule 1, page 3

Table 5-1-4: Forecasted Long-Term Debt Issues

Description	Issue Date	Term	Principal	Forecast Coupon Rate (%)
$350MM Promissory Note	11/15/2026	10 Years	$350,000,000	4.510%
$400MM Promissory Note	4/1/2027	30 Years	$400,000,000	4.510%
$300MM Promissory Note	4/1/2028	30 Years	$300,000,000	4.510%
$250MM Promissory Note	4/1/2029	30 Years	$250,000,000	4.510%
$200MM Promissory Note	4/1/2030	30 Years	$200,000,000	4.510%
$600MM Promissory Note	4/1/2031	30 Years	$600,000,000	4.510%

a) The Promissory Note principal amounts shown in the table above do not appear to match the similar issuance dated amounts shown in Appendix 2-OB. For example, the $400M issuance of 4/1/2027 is shown in Appendix 2-OB to have a principal amount of $301,369,863. Similar discrepancies can be found in the issuances in 2028 onward. Please explain the differences.

b) All new debt appears to be forecast to be issued on a similar date of 4/1/202x. Why?

c) What is the forecast costs associated with issuance of forecast debt (by tranche). Please explain how this is calculated and what services are performed (and by whom) to justify this cost. Please explain the difference between these costs and those described at Exhibit 4, Tab 2, Schedule 4 under “Finance and Treasury.”

d) Under Alectra's proposed rate adjustment formula (as explained at Exhibit 1, Tab 11, Schedule 1) does variation from the forecast the cost of new debt issuances during the rate term have any bearing on the calculation of the annual rate adjustment? If so, please explain the implications of lower or higher cost debt and lower or higher borrowing principal amounts.

RESPONSE:

a) The Promissory Note principal amounts shown in the table above (Exhibit 5, Tab 1, Schedule 1, page 3 Table 5-1-4: Forecasted Long-Term Debt Issues) represent the full amount of the debenture issuance; however, the same amounts have been prorated for the issuance date within the year in Appendix 2-OB. Please refer to Appendix 2-OB, Note 1 and the additional comments column for reference to amounts that have been prorated.

b) New debt is forecasted to be issued on a similar date of 4/1/202x as a result of funding requirements to support debt maturities (ie. May 2027) and when Alectra Utilities highest funding requirements occur. Capital expenditures and IESO bills are highest in the spring and summer resulting in liquidity pressures over those months.

c) Please refer to the response to 5-Staff-200 (c).

The difference between these long-term debt issuance costs and those described in Exhibit 4, Tab 2, Schedule 4 under "Finance and Treasury" is these costs can be directly attributed to the long-term debt issuance and are deferred and then amortized over the life of the debt. The costs detailed in Exhibit 4 relate to maintaining a Treasury department, bank fees for the payment services, retaining a credit score to enable future borrowing, and costs associated with the short-term credit facility.

d) Alectra Utilities proposes to maintain the long-term debt rates forecasted in the application for the duration of the rate term. Therefore, any variation from the cost of new

debt issuances would not have an impact on the calculation of the annual rate adjustment.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 6.0-VECC-62

Reference: Exhibit 6, Attachment 6-9, Appendix 2-H

b) Please provide a revised version of Appendix 2-H which: i) excludes the years 2017-2020 but ii) includes 2025 actual known values to date and iii) includes the actuals for 2024 for the same months.

c) Why is there no revenue for USOA #4084 after 2024?

d) Why is there no Interest and Dividend Income (USOA #4405) after 2024?

e) Please provide the calculation of the forecast pole rental revenue (USOA #4210) for the years 2024 to 2031 (i.e., number of poles/attachments and assumed charge per attachment).

f) Please provide a schedule that for each of the years 2024-2031 sets out: i) the actual/forecast billing units for each of the Specific Service Charges in USOA #4235 and iii) the assumed revenue from each of the Specific Service Charges in USOA #4235.

g) Please explain the basis for the 2025-2031 forecast for each of the following accounts: i) #4086; ii) #4225, and iii) #4360.

RESPONSE:

b) Please refer to 1-SEC-24

c) Please refer to 6-Staff-212

d) Please refer to 6-Staff-212

e) Please refer to 6-SEC-98 (b)

f) Please refer to 8-CCC-71 (c2)

g) Please refer to 6-Staff-212

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-63

Reference: Cost Allocation Model, Tabs 6.2, 7.1 and 7.2
Exhibit 3, Tab 1, Schedule 4, pages 1 (Table 3-1-4) and 12 (Table 3-1-17)
Exhibit 7, Tab 2, Schedule 1, page 11

a) Please confirm that the customer counts used in Tab 6.2 are based on the average of the 2026 and 2027 year-end values as forecast in Table 3-1-4.

b) Table 3-1-17 indicates that there are Standby customers in the GS>50 class. However, in Tabs 7.1 and 7.2 the number of meters is equivalent to the number of customers and there appears to be no allowance for additional meters associated with the generating units. Please reconcile.

RESPONSE:

a) Alectra Utilities confirms that the customer, device, and connection counts used in Tab 6.2 are based on the average of the 2026 and 2027 year-end values, inclusive of all forecast adjustments, as per Exhibit 3. Table 1 below provides a summary of the 2026-2027 averages by rate class, based on the updated customer forecast in response to 3-SEC-69.

Table 1 - Customer Count for CAM Tab I6.2 Input

	2026 - App. 2IB	ADD: Adjustment	2026 inc. Adjustment	2027 - App. 2IB	2026-2027 Average
Res	993,468		993,468	997,506	**995,488**
GS<50 kW	89,611	131	89,742	90,383	**90,063**
GS>50 kW	12,347		12,347	12,135	**12,243**
Large Use	31		31	32	**32**
LUDA	6		6	6	**6**
S/L	32		32	32	**32**
Sentinel	195		195	195	**195**
USL	5,367		5,367	5,367	**5,367**
Connections					
S/L	242,780	30,385	273,165	274,065	**273,617**
Sentinel	412		412	400	**406**
USL	11,600		11,600	11,647	**11,624**

b) Alectra Utilities has updated Tabs 7.1 and 7.2 to include 51 additional meters and 612 additional meter reads (i.e., 51 x 12), respectively, associated with its GS>50 kW customers with standby load requirements that were subject to Standby Power charges or Gross Load Billing in 2025, as illustrated in 8-SEC-105 (a), Table 1. No additional meter was added for 8 customers, as they are billed Standby Power charges based on a fixed demand amount. Standby Power charges are billed based on a fixed demand amount when an additional meter cannot be installed for technical or feasibility reasons.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-64

Reference: **Cost Allocation Model, Tab I5.2**
Exhibit 7, Tab 2, Schedule 1, page 6 (Table 7-2-5)

a) Please provide the detailed analysis used to develop the Billing and Collecting weighting factors.

RESPONSE:

a) Please see the response to 7-Staff-232.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-65

Reference: Exhibit 7, Tab 2, Schedule1, page 9 (Table 7-2-9)

a) Please provide a schedule that sets out the derivation of the Blended Meter Reading Weighting Factors (Table 7-2-9).

RESPONSE:

a) Table 1 below, provides the derivation of the blended meter reading weighting factors based on the number of meter reads and the USoA 5310 balance in the Cost Allocation Model.

Alectra Utilities updated its load forecast in response to 3-SEC-69. Correspondingly, Alectra Utilities has also updated its Cost Allocation Model, including the number of meters and meter reads, as per 7-VECC-63(c). As such, the table below aligns with the updated 2027 Cost Allocation Model provided in response to 1-Staff-1.

Table 1 - Blended Meter Reading Weighting Factors Derivation

Line	Rate Class	Meter Reads	Meter Reading Cost	$/Read	Weighting Factors
	Blended Meter Reading	*A (Tab I7.2)*	*B (Tab I3, Reclassified USoA 5310)*	*C = B / A*	***D = C / C1***
1	Residential	11,945,856	$5,663,042	$0.47	**1.00**
2	GS<50 kW	1,080,756	$763,715	$0.71	**1.49**
3	GS>50 kW / Large Use / LUDA	149,016	$992,522	$6.66	**14.05**

:

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-66

Reference: Exhibit 7, Tab 2, Schedule 3, page 3

Preamble: The Application states:

> " *Alectra Utilities proposes a revenue allocation adjustment (decrease) to the GS<50 kW class to bring its RCR within the OEB-approved range at 114.2%, such that the distribution rate for the class result in total bill increases of exactly 10% for the GRZ, and lower than 10% for the remaining legacy rate zones. The net adjustment to this class left a revenue deficiency of $(9,570,394), which was recovered from the Residential class, which will maintain its revenue- to-cost ratio below 100%."*

a) What is the 2027 average customer count and sales (MWh) forecast for the GS<50 customers in each of Alectra's rate zones?

b) If the revenue to cost ratio for the GS<50 class was reduced to 120% what would be: i) the revenue deficiency for the GS<50 class, ii) what would be the GRZ GS<50 distribution rates (based on Alectra's proposed rate design approach) and ii) the total bill impact for the GS<50 customers in each of Alectra's rate zones?

c) What would be the difference in 2027 distribution revenues from GRZ GS<50 customers as between using: i) the GS<50 rates from part (b) above and ii) the GS<50 rates proposed in the Application?

d) Was any consideration given to phasing in the harmonization of the GS<50 rates over two or three years?

i. If yes, what options were considered and why were they rejected?
ii. If not, why not?

e) Assuming the GS<50 class RCR was set at 120% and the 2027 GRZ GS<50 rates were set as proposed (i.e., so as limit the total bill impact to 10%), what would be:
i. The GS<50 rates required for the remaining four rate zones so as to recover the total GS<50 revenue requirement?
ii. The total bill impact for the GS<50 customers in each of the remaining rate zones?

RESPONSE:

a) Table 1 below provides the 2027 average[1] customer count and consumption in the GS<50 kW rate class, per rate zone. In response to 1-Staff-1, Alectra Utilities has updated its models to reflect its interrogatory responses, including the 2027 Cost Allocation Model. The table below aligns with these updates.

Table 1 - 2027 Average Customer Count and Consumption for the GS<50 kW Rate Class

Rate Zone	2027 Average Customer Count	2027 Consumption (MWh)
BRZ	10,599	365,164
ERZ	20,206	717,869
GRZ	4,371	145,094
HRZ	19,593	591,609
PRZ	35,294	1,056,024

b) As per the updated 2027 Cost Allocation Model, GS<50 kW status quo RCR is 125.1%. As a result of this update, Alectra has modified its proposal to reduce the RCR for this rate class to 120%, as opposed to the 114.2% level proposed in its initial application for rate mitigation purposes. Adjustment of this class to a RCR of 120% leaves

[1] 2026-2027 average as consistent with the 2027 Cost Allocation Model input

a revenue deficiency of $(4,875,880), which is recovered from the Residential class. Based on this update, the total bill impact for GS<50 kW does not exceed the 10% threshold, so no mitigation is required. Table 2 below presents the GS<50 kW distribution rates and the total bill impact for this class in each of Alectra Utilities' rate zones.

Table 2 - GS<50 kW Dx Rates and Total Bill Impact

	BRZ	ERZ	GRZ	HRZ	PRZ
MFC	$47.08	$47.08	$47.08	$47.08	$47.08
Volumetric Rate	$0.0207	$0.0207	$0.0207	$0.0207	$0.0207
Total Bill Impact ($)	$23.69	($13.78)	$30.57	($12.16)	$7.04
Total Bill Impact (%)	6.8%	-3.7%	9.3%	-3.4%	2.0%

Table 3 provides a comparison of the total bill impacts at the status quo (125.12%) and the proposed RCR (120%).[2]

Table 3 - Total Bill Impact for GS<50 kW Class Before and After Rate Mitigation

	BRZ	ERZ	GRZ	HRZ	PRZ
2027 Cost Allocation (R/C 125%)	7.8%	-2.8%	10.4%	-2.4%	3.0%
Rebalanced Revenue (R/C 120%)	6.8%	-3.7%	9.3%	-3.4%	2.0%

c) Please see part b) of this question.

d) Please see 8-SEC-102.

e) Please see part b of this question.

[2] Please see 7-CCC-69 (a), Table 2, for the total bill impacts for the GS<50 kW class at the status quo and proposed RCR of 120% as it relates to Alectra Utilities' pre-filed evidence.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-67

Reference: Exhibit 7, Tab 2, Schedule 3, page 4

Preamble: The Application states:

> *"Alectra Utilities proposes a revenue allocation adjustment (decrease) to the Sentinel Lighting class to bring its RCR to 71.0%. The net adjustment to this class left a revenue deficiency of $(10,338), which was recovered from the Residential class."*

a) What is the 2027 average connections count and sales (kWh & kW) forecast for the Sentinel Lighting customers in each of Alectra's rate zones that currently has a Sentinel Lighting class?

b) What is total bill impact for Sentinel Lighting class (by rate zone) if the RCR is maintained as the status quo (i.e., 83.1%)?

c) Did Alectra consider increasing the Sentinel Lighting RCR in the subsequent years (i.e., post-2027) of its CIR period?
   i. If not, why not?
   ii. If yes, why was this approach rejected?

RESPONSE:

a) The number of average connections, consumption, and demand for the Sentinel rate class by rate zone is provided in Table 1, below. In response to 3-SEC-69, Alectra Utilities has rerun the load forecast, and as such, Table 1 below aligns with the updated load forecast.

:

Table 1 - 2027 Average Connections, Consumption, and Demand by RZ

Rate Zone	Average 2027 Connections	Average 2027 Consumption (kWh)	Average 2027 Demand (kW)
GRZ	20	10,440	29
HRZ	255	363,080	1,000
PRZ	131	219,530	590

b) The 2027 total bill impact for the Sentinel Lighting rate class when the RCR is maintained at the status quo of 83.1% is provided in Table 7-2-20 of Exhibit 7, Tab 2, Schedule 3, page 5.

c) Alectra Utilities did not consider increasing the Sentinel Lighting RCR post-2027, as it would necessitate revenue rebalancing and rate design, both of which are outside of the proposed Custom IR framework, where, beginning in 2028, Alectra Utilities' base distribution rates will be adjusted annually using the Custom Price Cap Index (CPCI), in the same manner that the Price Cap Index (PCI) would apply under a standard IRM framework.

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RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-68

Reference: Exhibit 7, Tab 2, Schedule 1, page 10
Cost Allocation Model, Tab 6.1
Exhibit 9, Attachments 9-1 to 9-5, Tab 4 - Billing Determinants

a) Both Exhibit 7 and the Cost Allocation Model indicate that there are customers in the GS>50 and LUDA classes that are Wholesale Market Participants. However, Attachments 9-1 to 9-5 do not show any load associated with Wholesale Market Participants. Please reconcile.

b) For the GS>50, Large Use and LUDA classes the sum of the loads set out in Attachments 9-1 to 9-5 do not appear to match the total load forecast for each class as set out in the Cost Allocation Model. Please review and reconcile.

RESPONSE:

a) Alectra Utilities has updated Wholesale Market Participant billing determinants in the DVA continuity schedules for each rate zone. The updated WMP volumes for all rate zones reconcile to the 2027 Cost Allocation Model, Tab I6.1. The updated DVA continuity schedules are filed in response to 9-Staff-247 to 9-Staff-251 (re: *9-Staff-247_Attach 1_DVA Continuity Schedule_HRZ, 9-Staff-248_Attach 1_DVA Continuity Schedule_BRZ, 9-Staff-249_Attach 1 DVA Continuity Schedule_PRZ, 9-Staff-250 Attach 1 DVA Continuity Schedule_ERZ, 9-Staff-251_Attach 2 DVA Continuity Schedule GRZ*)

b) Alectra Utilities has updated billing determinants for all rate classes, including GS>50 kW, Large Use, and LUDA, in the rate zone-level DVA continuity schedules. The updated

billing determinants for all rate zones reconcile to 3-SEC-69_Attach 1_App 2-IB_Load Forecast Analysis.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 7.0-VECC-69

Reference: Exhibit 7, Tab 2, Schedule 1, page 15

a) Please confirm that the six customers in the LUDA class are served exclusively by underground facilities (i.e., there are no Alectra-owned overhead facilities used to serve these customers).

b) For both the LUDA and the Embedded Distributor classes how were the costs associated with the dedicated assets used to serve the associated customers determined?

RESPONSE:

a) Alectra Utilities confirms that the six customers in the LUDA class are served exclusively by underground facilities.

b) Alectra Utilities identified assets used to serve LUDA customers, and then estimated the costs of these assets by the in-service date.

Please see response to 1-Staff-1 for details on the Embedded Distributor rate class.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-70

Reference: Exhibit 8, Tab 1, Schedule 1, pages 5-6 and pages 9-10

a) For those rate zones that currently do not have a Sentinel Lighting rate class, are there no sentinel light installations? If there are, how are they treated for purposes of customer classification?

b) With respect to Table 8-1-2, please provide an alternative version that sets out the distribution bill impact (based only on the monthly service charge and volumetric charge) for each Option by rate zone.

c) With respect to Table 8-1-3, under each option how many customers in the BRZ have rate impacts of 10% or more>

RESPONSE:

a) Alectra Utilities is not aware of sentinel light installations in the rate zones that currently do not have a Sentinel Lighting rate class, i.e., the Brampton and Enersource Rate Zones.

b) Please see 8-SEC-101 (a).

c) Table 1 presents the number of customers that have a total bill impact of 10% or more. Alectra Utilities has updated its load forecast in response to 3-SEC-69. As such, the table below aligns with the updated analysis.

Table 1 - Number of Customers with Total Bill Impact >10%

Rate Zone	Rate Class	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8
BRZ	GS>50 kW, Regular	7	2	4	4	4	6	7	7
ERZ		-	-	-	-	-	-	-	-
GRZ		-	-	-	-	-	-	-	-
HRZ		-	-	-	-	-	-	-	-
PRZ		-	-	-	-	-	-	-	-
Average		**7**	**2**	**4**	**4**	**4**	**6**	**7**	**7**
BRZ	GS>50 kW, Intermediate	-	-	-	-	-	-	-	-
ERZ		-	-	-	-	-	-	-	-
GRZ		-	-	-	-	-	-	-	-
HRZ		-	-	-	-	-	-	-	-
PRZ		-	-	-	-	-	-	-	-
Average		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-71

Reference: Exhibit 8, Tab 1, Schedule 1, page 26

a) Please confirm that there are no Residential customers that own their transformer.

RESPONSE:

a) Alectra Utilities does not maintain records of customer-owned electrical equipment located beyond the utility demarcation point. Under Alectra Utilities' Conditions of Service, distribution assets owned and maintained by Alectra Utilities are tracked through the Company's asset records, while any customer-owned equipment downstream of the demarcation point is the responsibility of the customer and is not included in Alectra Utilities' equipment inventory.

Based on Alectra Utilities' records and standard residential connection practices, Alectra Utilities is not aware of any residential customers that own distribution transformers forming part of Alectra Utilities' distribution system.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-72

Reference: Exhibit 8, Tab 1, Schedule 1, page 28

a) With respect to Table 8-1-18, please provide an alternative version that sets out the distribution bill impact (based only on the monthly service charge and volumetric charge) for each legacy customer class by rate zone.

RESPONSE:

a) Please see 8-AMPCO-83.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-73

Reference: Exhibit 8, Tab 2, Schedule 1, page 2

a) Please provide a revised version of Table 8-2-2 that sets out the annual change in the distribution bill by rate class.

RESPONSE:

a) Table 1 below presents the average annual distribution bill change from 2027 to 2031 by rate class. In response to 1-Staff-1, Alectra Utilities has updated its models to reflect its interrogatory responses. As such, the table below aligns with those updates.

Table 1 - Average Annual Distribution Bill Change (2027-2031)

Rate Class	BRZ	ERZ	GRZ	HRZ	PRZ	2027-2031 Annual Average Change
Residential	$3.37 10.4%	$3.29 9.0%	$2.25 5.6%	$2.86 8.1%	$2.43 6.1%	**$2.84 7.9%**
GS<50 kW	$6.44 7.9%	$4.00 4.5%	$10.52 15.2%	$5.88 7.8%	$4.89 5.2%	**$6.35 8.1%**
GS>50 kW, Regular	$175.61 19.6%	$61.22 4.3%	$168.04 12.3%	$138.11 18.1%	$78.34 4.6%	**$124.26 11.8%**
GS>50 kW, Intermediate	($109.51) -3.8%	($221.03) -2.3%	$48.72 3.2%			**($93.94) -1.0%**
Large Use	$5,696.58 22.2%	$2,229.92 8.4%	$4,718.03 9.0%	$3,997.85 39.2%	$6,120.88 14.0%	**$4,552.65 18.5%**
LUDA				$648.57 -132.0%		**$648.57 -132.0%**
Street Lighting	($0.22) -4.7%	$0.07 2.9%	($0.45) -9.4%	($0.13) -0.6%	$0.04 1.9%	**($0.14) -2.0%**
Sentinel Lighting			$0.37 2.7%	$0.30 3.3%	$0.95 8.2%	**$0.54 4.7%**
USL	$1.85 12.6%	$0.61 3.4%	$1.42 7.9%	$0.94 6.0%	$0.58 2.9%	**$1.08 6.5%**

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-74

Reference: Exhibit 8, Tab 2, Schedule 2, page 7

Preamble: The Application states:

> "*Maintaining the current fixed/variable split results in proposed fixed charges for GS<50 kW, GS>50 kW, Large Use and Large Use with Dedicated Assets classes above the calculated ceiling amount in the 2027 Cost Allocation model submitted in this Application as Attachment 7-1. Alectra Utilities proposes increases in fixed service charges above the ceiling charges, where appropriate, given that all rate classes are transitioning to fully harmonized rates concurrent with implementation of the 2027 base revenue requirement in rates."*

a) Please explain why Alectra considers it "appropriate" to propose fixed service charges above the ceiling charges for each of the GS<50 kW, GS>50 kW, Large Use and Large Use with Dedicated Assets classes.

RESPONSE:

a) Please see response to 8-SEC-103.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-75

Reference: Exhibit 8, Tab 2, Schedule 2, pages 17-18

Preamble: The Application states:

> *"For the purpose of establishing standby billing determinants, the standby customer and Alectra Utilities will enter into an agreement establishing a contract demand amount per month, which takes into consideration the size of the customer's generating unit(s). Standby customers can request a specific amount of contract demand, which Alectra Utilities can then reasonably adjust as warranted, as determined through its engineering and billing data analyses. Where the customer's distribution demand billing determinants fall below that contract demand in a given month, standby charges will be billed on the basis of the difference between the customer's agreed upon contract demand, and their distribution demand in that month. This difference will establish the billing determinant for the month, which will be applied against the demand charge applicable to the standby customer's standard rate class."*

a) How is the Standby customer billed if the customer's monthly demand billing determinant exceeds the agreed upon contract demand? Is the contract demand subsequently adjusted?

RESPONSE:

a) In a month when the customer's actual demand exceeds the agreed-upon contract demand, the customer will be billed on the actual demand. Alectra Utilities intends to monitor standby customers' actual demand vs. their contract demand and may

require customers to adjust their contracted demand if substantial capacity overruns occur repeatedly.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-76

Reference: Exhibit 8, Tab 2, Schedule 2, page 18

Preamble: The Application states:

> "*Residential and general service customers with billed demand of less than 50 kW, customers with generation capacity of less than 50 kW, and emergency backup generator customers are proposed to be exempt from standby charges. Customers with existing gross load billing enabling metering infrastructure may choose to remain on gross load billing."*

a) How will Alectra determine that a customer's generator is an "emergency backup generator"?

b) Will Standby customers that do not currently have gross load billing be able to opt for gross load billing as opposed to establishing a contract demand amount per month?

RESPONSE:

a) Alectra Utilities determines that a customer's generator is an emergency backup generator through the use of an Emergency Backup Generator Declaration Form, supplied by the customer. Alectra Utilities will continue to utilize this process.

b) Standby customers will be able to opt in for gross load billing, as opposed to establishing a contract demand per month, if they meet specific metering configuration requirements to enable gross load billing.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-77

Reference: Exhibit 8, Tab 2, Schedule 2, page 18 (Table 8-2-19)
Exhibit 3, Tab 1, Schedule 2, page 1 (Tables 3-1-2 & 3-1-3)
Exhibit 3, Tab 1, Schedule 4, page 12 (Table 3-1-18)

a) Please reconcile the 2027 Total Distribution Billing Units set out in Table 8-2-19 with the MW and MWh 2027 forecast values in Tables 3-1-2 and 3-1-3.

b) Please reconcile the 2027 Standby Power billing quantities set out in Table 8-2-19 with the Standby adjustments in Table 3-1-18.

RESPONSE:

a) Alectra Utilities has identified an error in Table 8-2-19 in the pre-filed evidence. The corrected version is reproduced below.

Table 1–3: Firm and Standby Power Billing Quantities

Rate Class	Billing Unit	Firm Power	Standby Power	2027 Total Distribution Revenue Billing Units
Residential	kWh	8,833,994,478	-	8,833,994,478
GS<50 kW	kWh	2,873,274,147	-	2,873,274,147
GS>50 kW	kW	33,954,856	404,239	34,359,095
LU	kW	3,991,583	42,565	4,034,148
LUDA	kW	1,598,850	21,252	1,620,102
Street Lighting	kW	265,730	-	265,730
Sentinel Lighting	kW	1,569	-	1,569
USL	kWh	47,482,160	-	47,482,160
Embedded Distributor	kW	-	-	-

Further, in response to 3-SEC-69, Alectra Utilities has re-run the load and customer forecasts. Table 2 presents the updated 2027 distribution billing determinants.

Table 2–3: Updated Firm and Standby Power Billing Quantities

Rate Class	Billing Unit	Firm Power	Standby Power	2027 Total Distribution Revenue Billing Units
Residential	kWh	8,726,286,424	-	8,726,286,424
GS<50 kW	kWh	2,875,761,314	-	2,875,761,314
GS>50 kW	kW	33,984,241	404,239	34,388,480
LU	kW	4,004,862	42,565	4,047,427
LUDA	kW	1,584,260	21,252	1,605,512
Street Lighting	kW	264,100	-	264,100
Sentinel Lighting	kW	1,609	-	1,609
USL	kWh	47,436,520	-	47,436,520
Embedded Distributor	kW	-	-	-

b) A reconciliation of Standby billing quantities in Table 3 is provided below. The variance between Table 8-2-19 and Table 3-1-18 represents the GRZ Standby MW captured in the baseline load forecast. As described in Exhibit 3, Tab 1, Schedule 4,

page 11, Standby billing quantities for GRZ Standby customers are included in the baseline load forecast.

Table 3–3: Reconciliation of 2027 Standby Power Billing Quantities (MW)

Rate Class	Table 8-2-19 (MW)	Table 3-1-18 (MW)	GRZ Standby MW in Baseline Load Forecast
	A	*B*	*C = A - B*
GS>50 kW	404.2	403.8	0.4
Large Use	42.6	0	42.6
LUDA	21.3	21.3	0

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-78

Reference: Exhibit 8, Tab 2, Schedule 5, pages 1-2
Exhibit 8, Attachment 8-1, RTSR Workform
Exhibit 3, Attachment 3-1, OEB Appendix 2-IB

a) With respect to the RTSR Workform - Tab 15-2027, what year's billing determinants and RTSR values were used to calculate the Billed Amounts set out in cells H17 - H26 and H35-H44.
   i. Please provide a schedule setting out the billing determinants used for each class and confirm that the values are consistent with those in Appendix 2-IB for the same year.

b) With respect to the RTSR Workform - Tab 15-2027, for those classes where the RTSR billing determinate is kWh please provide a schedule setting out the calculation of the billing determinants values in cells F52-F61 and confirm that the forecast delivered kWhs for each class are consistent with the 2027 values in Appendix 2-IB.

c) With respect to the RTSR Workform - Tab 15-2027, for those classes where the RTSR billing determinate is kW the values in G52-G61 do not all match the 2027 values in Appendix 2-IB. Please reconcile.

d) Exhibit 8, Tab 2, Schedule 5 indicates that Alectra is proposing to apply RTSR charges to the Embedded Distributor class. However, in the RTSR Workform - Tab 15-2027, the Embedded Distributor class is not assigned a share of the forecast 2027 Billing (see J61 and J77). Please reconcile.

RESPONSE:

a) With respect to the RTSR Workform - Tab 15-2027, the 2024 billing determinants and the 2025 RTSR values were used to calculate the Billed Amounts set out in cells H17 - H26 and H35-H44 in the October 14, 2025 submission. Alectra Utilities has updated the RTSR workform using the most recent 2026 RTSR values. The updated OEB RTSR workform is submitted as 8-VECC-78_Attach 1_RTSR Workform.

   i. Alectra Utilities provides a schedule (8-VECC-78_Attach 2_ RTSR 2024 billing determinants) that sets out the billing determinants used for each class and compares these values with those reported in Appendix 2-IB for the same year. The immaterial variances (0.7% of total kWh and 0.5% of total kW, as shown in Attachment 2) arise because the billing determinants for each class reflect actual consumption or demand for the year, while the values in Appendix 2-IB include unbilled estimates. As a result, the two data sets differ slightly, leading to the minor variances noted.

b) Alectra has updated the RTSR Workform - Tab 15-2027. In the updated RTSR Workform the RTSR billing determinants in kWh adjusted by the proposed loss factor of 1.0356 are consistent with the 2027 values in Appendix 2-IB (refer to 3-SEC-69-b Attach 1).

c) Alectra has updated the RTSR Workform - Tab 15-2027. In the updated RTSR Workform the RTSR billing determinants in kW are consistent with the 2027 values in Appendix 2-IB.

d) Alectra Utilities is a host distributor with an Embedded Distributor customer class consisting of a single embedded distributor, Hydro One Networks Inc. In the RTSR Workform – Tab 15 (2027), the Embedded Distributor class is not allocated a share of the forecast 2027 Billing (cells J61 and J77). This is because the billed amount percentage is 0%, as no Retail Transmission charges were billed to this customer in the most recent year.

8.0-VECC-78

Attachment 1
RTSR Workform

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-79

Reference: Exhibit 8, Tab 2, Schedule 6, page 2
Exhibit 8, Attachment 8-1, RTSR Workform, Tab
Exhibit 3, Attachment 3-1, OEB Appendix 2-IB

a) With respect to the RTSR Workform - Tab 16-2027, please provide a schedule setting out the derivation of the forecast LV Expense ($11,094,754 per cell E30).

b) With respect to the RTSR Workform - Tab 16-2027, for those classes where the LV charge billing determinate is kW the values in G17-G24 do not all match the 2027 values in Appendix 2-IB. Please reconcile.

RESPONSE:

a) With respect to the RTSR Workform submitted in 8-VECC-78_Attach 1_RTSR Workform, please find the excel schedule setting out the derivation of the forecast LV Expense. The LV expense for 2027 has been updated from $11,094,754 to $12,434,339 resulting from updates to the 2027 load forecast and LV rate forecast. The LV forecasted rate has been updated using Hydro One's 2026 Sub-transmission Facility Charge for Connection to Common ST lines (44kV to 13.8 kV) rate of $1.8196 escalated by 2%. The excel schedule is filed as 8-VECC-79_Attach 1_LV.

b) The RTSR Workform - Tab 9. 2027 LV Rates for those classes where the LV charge billing determinate is kW, the values in D41-43, D45-46 have been updated to match the 2027 values in Appendix 2-IB (refer to 3-SEC-69-b_Attach 1 Appendix 2-IB).

8.0-VECC-79

Attachment 1
LV

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-80

Reference: Exhibit 8, Tab 3, Schedule 2, pages 2-4

Preamble: The Application states:

> "*Where Alectra Utilities has an approved specific service charge in place at two or more rate zones which is in active use, Alectra Utilities proposes to extend implementation of the charge across all five rate zones. Where the current approved level of charge is not consistent among rate zones, Alectra Utilities proposes to implement a consistent rate across all rate zones. With respect to each charge requiring harmonization across rate zones, Alectra Utilities intends to utilize the standard level of charge indicated in the OEB Handbook for Utility Rate Applications, where applicable*." (emphasis added)

a) Given the emphasized sentence in the Preamble please explain the following:

i. Why the Pulling of post-dated cheques charge is being eliminated when it is currently applied in three rate zones?

ii. Why the Legal Letter charge is being eliminated when it is currently applied in two rate zones?

iii. Why the Special billing service (aggregation) and the Special billing service (submetering charge per meter) are both being retained and applied to all rate zones when they are currently applied in only one rate zone?

iv. Why the Temporary Service - Install and Remove - Overhead - No Transformer charge is being eliminated when it is currently applied in three rate zones?

b) .Given there is no OEB Standard Charge amounts for Special billing service (aggregation) and the Special billing service (submetering charge per meter), why didn't Alectra undertake an analysis as to the actual cost to perform each service?

RESPONSE:

a) As referenced in the preamble, at Exhibit 8, Tab 3, Schedule 2, page 4 the application states that as a general principle "where Alectra Utilities has an approved specific service charge in place at two or more rate zones *which is in active use,* Alectra Utilities proposes to extend implementation of the charge across all five rate zones" [emphasis added].

i. Pulling of post-dated cheques is an approved specific service charge in the Brampton and Horizon Rate Zones. This specific service charge is not in active use. Alectra does not receive requests for this service, and for this reason it is proposed for elimination.

ii. Legal Letter Charge is an approved specific service charge in the Brampton, Horizon, and Powerstream Rate Zones. This specific service charge is not in active use. Alectra does not receive requests for this service, and for this reason it is proposed for elimination.

iii. Special Billing Service (aggregation) and Special Billing Service (sub-metering charge per meter) are approved specific service charges in the Brampton Rate Zone. Both charges remain in active use and, at present, each charge is billed to a single Alectra customer who has requested a specific service on a monthly basis. These charges are proposed for harmonization across all Rate Zones in the interest of establishing a single set of rates because they remain in active use. If approved, this service offering will become available to every Alectra customer. The Special Billing Service charges will not apply to any additional customers unless the service is requested by additional customers. The forecast revenue

associated with these two charges assumes that no additional customers will access this service offering in the 2027 to 2031 period.

iv. Temporary Service - Install and Remove - Overhead - No Transformer charge is an approved specific service charge in the Enersource, Horizon, and Powerstream Rate Zones. This specific service charge is not actively used. In the interest of a harmonized approach to addressing temporary services, Section 2.2 of Alectra's Conditions of Service outlines the circumstances where temporary isolation costs may be applicable to a requesting customer.

b) There is no OEB Standard Charge amount for Special Billing Service (aggregation) or Special Billing Service (submetering charge per meter) in the Electricity Distribution Rate Handbook, Chapter 11 - Other Regulated Charges. The current approved charge of $125 and $25, respectively, per occurrence, have been in place for Brampton Rate Zone since 2006. Each of these charges actively apply to one customer, as noted above under a) iii., though additional customers could request a service from Alectra in the test period. The decision to propose a continuation of the same charge level is based on the estimated work effort required to perform each service for current or prospective customers.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 8.0-VECC-81

Reference: Exhibit 8, Tab 3, Schedule 3, page 2

a) With respect to Table 8-3-8, please explain why:

   i. The values for "Wholesale" kWh delivered to distributor (higher value) are not available.

   ii. The values for microFIT kWh (and other local generation) supplied to distributor are not available.

RESPONSE:

a) Alectra Utilities has updated the "Wholesale" kWh delivered to distributor (high value). Please find the updated Table 8-3-8 below.

Table 1 - Updated for Wholesale kWh and microFit kWh

		Historical Years					5-Year Average
		2020	2021	2022	2023	2024	
	Losses Within Distributor's System						
A	"Wholesale" kWh delivered to distributor (higher value)	25,949,295,119	26,102,729,938	26,670,129,117	26,519,869,956	26,972,748,450	26,442,954,516
B	"Wholesale" kWh delivered to distributor (lower value)	25,833,046,410	25,985,793,865	26,550,651,187	26,401,065,163	26,851,914,833	26,324,494,292
C	microFIT kWh supplied to distributor	41,511,211	37,410,517	39,320,026	36,784,445	36,934,825	38,392,205
D	Total Embedded Generation	261,778,608	260,118,693	254,433,428	231,238,947	240,976,074	249,709,150
E	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)	2,061,596,816	1,980,042,164	2,033,861,392	2,159,397,315	2,171,521,328	2,081,283,803
F	Net "Wholesale" kWh delivered to distributor = B + C + D - E	24,074,739,413	24,303,280,912	24,810,543,249	24,509,691,240	24,958,304,404	24,531,311,844
G	"Retail" kWh delivered by distributor	25,384,130,689	25,535,681,842	26,110,399,647	25,950,109,207	26,396,697,589	25,875,403,795
H	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	2,061,596,816	1,980,042,164	2,033,861,392	2,159,397,315	2,171,521,328	2,081,283,803
I	Net "Retail" kWh delivered by distributor = G - H	23,322,533,873	23,555,639,678	24,076,538,255	23,790,711,892	24,225,176,261	23,794,119,992
K	Loss Factor in Distributor's system = C / F	1.0323	1.0317	1.0305	1.0302	1.0303	1.0310
Losses Upstream of Distributor's System							
K	Supply Facilities Loss Factor	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045
Total Losses							
L	Total Loss Factor = **G x H**	1.0369	1.0364	1.0351	1.0349	1.0349	1.0356

b) The values for microFIT kWh supplied to distributor have been updated and separated from the Total Embedded Generation values. Please refer to the Table 1 above.

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 9.0 -VECC -82

Reference: Exhibit 9, Tab 3, Schedule 3

a) Is it Alectra's proposal to dispose of Account 1508 OEB Cost Assessment on a forecast basis for 2025 and 2026?

b) Presumably the OEB ceased issuing cost assessments to utilities that had amalgamated with Alectra and instead issue invoices to the amalgamated utility. Is this correct? If so how did Alectra allocate the combined OEB invoice to the separate former utility franchise rate zones (RZ).

c) For each RZ and each year, please show the formula that was used to arrive at the actual assessment cost and the amount that was implied to be in rates. Please show any escalation in rates related to IRM or other OEB approved rate adjustments.

RESPONSE:

a) Alectra Utilities proposes to dispose of Account 1508 OEB Cost Assessment for 2025 on an actual basis and for 2026 on a forecast basis. Alectra Utilities has updated its DVA schedules to reflect the 2025 actual balances for this account. Alectra Utilities is proposing a true-up process for its 2026 Group 2 DVA, including this account. Any variance between the approved forecast 2026 balances and the actual balances will be recorded in Account 1595 to be reviewed in future proceedings. Please refer to 9-Staff-243-e.

b) The OEB issued one invoice for Alectra Utilities starting from Q1 2017. Alectra Utilities allocates the OEB invoice to each rate zone on a proportional basis, using the number of customers in each rate zone relative to Alectra's total customer count.

For the period April 1, 2016 to December 31, 2016 before Alectra Utilities' amalgamation, the invoices for each legacy utility are used to arrive at the actual assessment cost.

c) Please refer to 9-VECC-82_Attach 1_OEB Assessment Cost DVA Support showing the formula that was used to arrive at the actual assessment cost and the amount that was embedded in rates DVA for each RZ and each year. For 2016, the amounts in the rates for each RZ are prorated over nine months, reflecting the effective date of April 1, 2016 for this account. The source for the amount in rates for each rate zone is provided in Exhibit 9, Tab 3, Schedule 3, pages 3-7.

The amounts built into rates related to OEB cost assessment have not been escalated by the PCI. Please refer to 9-CCC-72 for Tables 1-5 showing the escalation of the OEB cost assessment amount in base rates through 2026.

9.0-VECC-82

Attachment 1
OEB Assessment Cost DVA Support

Please see live Excel

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 9.0 -VECC -83

Reference: Exhibit 9, Tab 3, Schedule 8, page 3-4

Table 9-3-17: Account 1508 Sub-account - Impact of Post-merger Capitalization Policy

	Actual								Forecast		Total
	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	
HRZ	—	(1.0)	1.0	(6.3)	(5.8)	(6.3)	(6.1)	(5.0)	(5.0)	(8.0)	(42.6)
Carrying Charges	—	—	—	—	—	—	—	—	—	—	—
Total Proposed for Disposition	**—**	**(1.0)**	**1.0**	**(6.3)**	**(5.8)**	**(6.3)**	**(6.1)**	**(5.0)**	**(5.0)**	**(8.0)**	**(42.6)**
BRZ	1.2	1.7	2.2	2.1	3.0	2.4	2.5	2.9	3.2	4.6	25.8
Carrying Charges	—	—	—	—	—	—	—	—	—	—	—
Total Proposed for Disposition	**1.2**	**1.7**	**2.2**	**2.1**	**3.0**	**2.4**	**2.5**	**2.9**	**3.2**	**4.6**	**25.8**
ERZ	—	(1.9)	(2.9)	(1.3)	(1.4)	(0.9)	(1.2)	(1.7)	(1.4)	(2.5)	(15.3)
Carrying Charges	—	—	—	—	—	—	—	—	—	—	—
Total Proposed for Disposition	**—**	**(1.9)**	**(2.9)**	**(1.3)**	**(1.4)**	**(0.9)**	**(1.2)**	**(1.7)**	**(1.4)**	**(2.5)**	**(15.3)**
GRZ	—	—	—	(0.7)	(1.0)	0.5	(0.5)	(0.6)	(0.4)	(0.5)	(3.2)
Carrying Charges	—	—	—	—	—	—	—	—	—	—	—

	Actual								Forecast		Total
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Total Proposed for Disposition	—	—	—	(0.7)	(1.0)	0.5	(0.5)	(0.6)	(0.4)	(0.5)	(3.2)
Alectra Total - Principal Balance	1.2	(1.1)	0.2	(6.3)	(5.1)	(4.3)	(5.3)	(4.4)	(3.7)	(6.5)	(35.2)
Alectra Total - Carrying Charges	—	—	—	—	—	—	—	—	—	—	—
Alectra Total	1.2	(1.1)	0.3	(6.3)	(5.1)	(4.3)	(5.3)	(4.4)	(3.7)	(6.5)	(35.2)

"*The proposed disposition amount includes a rate of return on capital that is earned between the start of the rebasing year and the date that the principal balance is fully amortized (end of the disposition period). Alectra Utilities applied the proposed 2027 weighted average cost of capital of 6.10% to the balance recorded in this deferral account*."

a) Is the above narrative the reason that the balances in this account does not attract carrying charges? If not then please explain why carrying charges are not applied. If yes, please show the dollar difference between the method applied and if the Board approved rates for carrying charges were applied instead.

RESPONSE:

a) Yes, the above narrative is the reason that the balances in this account does not attract carrying charges. In the OEB's Partial Decision and Order in Alectra Utilities' 2020 rate application (EB-2019-0018, Partial Decision and Order, January 30, 2020), at p.37 the OEB finds that "Consistent with the Account 1576 approach, since a return component is applied upon disposition, no additional carrying charges should be calculated on the capitalization deferral accounts, Any carrying charges recorded to date on these accounts should be reversed".

Table 1 below provides the dollar difference between the method applied and if the carrying charges were applied instead.

Table 1 - Impact of Post-merger Capitalization Policy Carrying Charges

	Amount in $M
Carrying charges approach	**$0.9**
Rate of return on capital approach	**$2.0**
Difference	**$1.1**

RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES

INTERROGATORY 9.0 -VECC -84

Reference: Exhibit 9, Tab 3, Schedule 16

a) What in-house IT systems did the Human Capital Management System (HCM) replace?

b) What were the functions of the in-house IT system that HCM replaced and what are the functions of HCM? Specifically which functions are incremental in the new system.

c) What specific costs were reduced by implementing HCM?

RESPONSE:

a) The Human Capital Management System replaced the Human Resources functionality in Alectra's JD Edwards system and the third-party payroll provider, ADP Canada.

b) The functions of the in-house IT system that HCM replaced were employee data such as personal, work and job functions, and compensation information. The functions that are incremental in the new system are as follows:

i. **Benefits** - centralized benefit plan management, eligibility, enrolments, life-changes, and employee self-service, integrated with Payroll and HR data

ii. **Compensation Management -** data-driven compensation planning integrated with Payroll, performance and HR data to budget, analyze and make pay decisions, and award merit and incentive payments

iii. **Core HR** - centralized HR records, organizational structures, job and position data (position management), self-service, workflows and forms, mobile accessibility, advanced reporting, report marketplace and analytics

iv. **Document Management** - centralized document repository for employee records with role-based access control

v. **Engagement -** survey capability with sentiment analysis functionality

vi. **Industry Solutions** - management of complex rule configuration for collective agreement application – i.e., rate progressions, step-ups, etc.

vii. **Learning Management -** delivery, management and tracking of employee training and development

viii. **Performance Management -** provides tools to align and track individual / team goals, facilitate feedback and coaching, administrate the performance cycle review, integrated with HR data and Payroll

ix. **Recruiting** - job posting, screening, hiring and onboarding candidates with real-time visibility to core HR data

x. **Succession Planning -** identification and assessment of internal talent to fill key roles to ensure business continuity

c) Please see response to interrogatory 4-STAFF-176.