

VIA RESS and EMAIL

April 10, 2026

Ritchie Murray
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ritchie Murray:

**Re: Elexicon Energy Inc. (Elexicon)
Custom Incentive Rate-Setting (Custom IR) Application for 2027-2031
Consumers Council of Canada (CCC) Interrogatories
OEB File No. EB-2025-0312**

In accordance with Procedural Order No. 1, dated March 2, 2026, please find attached CCC's interrogatories with respect to Elexicon's 2027-2031 Custom IR application.

Yours truly,

Lawrie Gluck

Lawrie Gluck
Consultant for the Consumers Council of Canada

cc: All parties in EB-2025-0312

Elexicon Energy Inc.
2027-2031 Custom IR
Consumers Council of Canada
Interrogatories
April 10, 2026

Exhibit 1 – Overview and Administration

1-CCC-1

Ref: Exhibit 1, Tab 2, Schedule 1, p. 6
Exhibit 1, Tab 3, Schedule 2, p. 1

Preamble:

Elexicon states that its “non-contiguous, mixed service area creates operational and planning challenges. The combination of weather-vulnerable rural networks and fast-growing urban centres requires Elexicon to balance different investment priorities and system configurations.”

Question(s):

- a) Please list the service areas (as shown in Figure 1 – Service Territory Map) that were previously owned/operated by each of Veridian Connections and Whitby Hydro.
- b) Please provide further details regarding the challenges created by a non-contiguous and mixed service area.

1-CCC-2

Ref: Exhibit 1, Tab 2, Schedule 1, p. 7

Question(s):

- a) To the extent that 2025 actual information is available, please update Figure 1. Please also provide Figure 1 in tabular format and show the annual customer growth for each year of the 2020-2025 period.
- b) To the extent that Elexicon has comparable forecast growth information for the peer utilities in Figure 1 (relative to the 1.9% shown for Elexicon), please provide a revised version of Figure 1 that includes that forecast growth information.
- c) Please provide the source(s) (including the relevant excerpts) for the 2020-2024 (and 2025 if available) customer growth rates set out in Figure 1.

1-CCC-3

Ref: Exhibit 1, Tab 4, Schedule 1, pp. 17-18, 24

Question(s):

- a) Please provide updated versions of Figures 9 and 10 with 2025 actual information. Please also provide these figures in tabular format.
- b) With respect to the increased policy files/regulatory activity, please advise whether Elexicon participates directly in these consultations or participates through an industry group (e.g., EDA, etc.).

1-CCC-4

Ref: Exhibit 1, Tab 4, Schedule 1, Appendix A, pp. 2, 5

Question(s):

- a) Please provide the detailed calculations supporting the PCI-funded OM&A in Table 1 and provide excerpts from the Veridian and Whitby rebasing proceedings showing the OEB-approved OM&A.
- b) Please provide the detailed calculations supporting the funded capital in Table 2 and provide excerpts from the Veridian and Whitby rebasing proceedings showing the OEB-approved capital-related revenue requirement.

c) If the following calculation is different from Elexicon’s calculation of rate funded capital expenditures, please provide the 2020-2026 capital funding supported by rates using the approach below:

- i. Identify the OEB-approved capital-related revenue requirement included in the last cost of service application for each legacy utility.
- ii. Escalate the capital-related revenue requirement by each utility’s OEB-approved PCI plus the g-factor.
- iii. Sum the utilities funded OM&A (inclusive of the g-factor).

1-CCC-5

Ref: Exhibit 1, Tab 4, Schedule 2, pp. 1, 3-6

Question(s):

- a) To the extent that the forecast synergy savings in the MAADs application extended to the end of the proposed deferred rebasing period (i.e., end of 2028), please provide a revised version of Table 1 showing the entirety of the forecast merger savings.
- b) Please further explain how the realized 85% of projected synergies (in the MAADs proceeding) was calculated.
- c) Please provide the detailed calculation supporting the annual non-labour synergies during the 2019-2026 period.
- d) Please confirm that the following table is accurate or otherwise correct the table.

| | Pre-Merger | Merger Application Estimate | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|-----------------|------------|-----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| FTEs | 289 | 254 | 246 | 246 | 256 | 264 | 307 | 333 | 341 | 363 | 379 | 391 | 395 | 395 |
| Normalized FTEs | 289 | 254 | 246 | 240 | 243 | 236 | 257 | 279 | | | | | | |

- e) To the extent that the 2026 normalized FTE forecast is available, please provide that information.
- f) Please explain what dollar values Elexicon applied for estimated OM&A savings per position for each category of position.

- g) Please provide the detailed calculation underpinning the \$3.25M of labour synergies.
- h) Please provide a more detailed explanation of how Elexicon determined whether a position is related to “growth and/or new requirements” in the FTE normalization process.
- i) Using the executive category as an illustrative example, please describe why 3 executives were needed due to growth and/or new requirements (i.e., these executive FTEs were normalized in the analysis).
- j) Elexicon states that “[t]he realization of synergies from the merger of the legacy utilities has conferred savings and efficiencies expected to persist to the benefit of ratepayers in the 2027 to 2031 period.” Please provide a detailed explanation of how the estimated costs savings of \$5.2M are reflected in the 2027-2031 revenue requirement.

1-CCC-6

Ref: Exhibit 1, Tab 5, Schedule 1, pp. 6, 11, 18-19

Question(s):

- a) Please provide Figure 2 in tabular format including the underlying calculations.
- b) Please provide an updated version of Table 1 inclusive of the 2025 achieved ROE.
- c) Please provide a single table showing the funding provided for Elexicon’s service and distribution revenue requirements for each year during the 2027-2031 period (and in total) based on: (i) a 5-year cost of service approach; and (ii) using its proposed CRCI approach. Please explain any variance in the funded revenue requirement between these two approaches.
- d) Using 2028 as an illustrative example, in the scenario that the inflation factor, input price differential and growth factor were set at zero, please confirm that the RGF would be 7.9%. If this is not correct, please provide the corrected RGF percentage.

- e) Please advise whether, in the circumstance that the actual OEB-approved annual inflation factor is above 2%, the proposed CRCI will provide funding that is greater than the amounts funded by a 5-year cost of service approach.

1-CCC-7

Ref: Exhibit 1, Tab 5, Schedule 1, Appendix A, pp. 1-2, 7, 17, 30

Preamble:

Clearspring states that “[p]roduction economics and the theoretical underpinnings of incentive regulation dictate that costs will mainly increase due to input price inflation, output growth, and changes in productivity. Clearspring believes that the proposed G Factor and the OM&A IPD are consistent with economic theory and offer a reasonable approach to revenue escalation and are therefore appropriate to include in the revenue escalation formula.”

Question(s):

- a) Please provide Clearspring’s view on Elexicon’s entire CPCI formula ($I - X + G + IPD_{\text{oma}} + RGF$). As part of the response, please provide Clearspring’s understanding of the RGF term. In addition, please advise whether Clearspring believes that the RGF term (as designed and included as an additional term in the CPCI formula) is consistent with economic theory.
- b) Please provide a summary of the results of the analysis with no refinement to the congested urban core variable (i.e., using the same approach as in the Joint Report).
- c) Please confirm that PEG’s generic OEB benchmarking for IRM purposes places Elexicon in Cohort 3 (0.3% stretch factor). As part of the response, please discuss the key differences between the approach and peers used in Clearspring’s report and PEG’s generic approach.
- d) Please provide Clearspring’s analysis on why the generic OEB benchmarking is not appropriate for Elexicon. As part of the response, please discuss whether Elexicon is reasonably comparable to many other Ontario LDCs.

- e) Please explain why Clearspring believes that it is appropriate to apply the G-factor, as a revenue escalator, to the total revenue requirement. As part of the response, please consider that the application of the G-factor to the total revenue requirement operates to escalate revenue requirement associated with assets that are already in-service and are not, in any way, associated with growth-related costs.

- f) Please provide Clearspring’s understanding of the derivation of the stretch factor percentages (i.e., 0.15%, 0.3%, etc.). Please advise whether the stretch factor percentages take into account the application of these percentages to the total revenue requirement. Please provide Clearspring’s view on whether the stretch factor percentages should be higher, or lower, if applied only to revenue requirement associated with forecast in-service additions and operational costs.

- g) Please explain the difference between the 84.9% labour OM&A proportion in Table 7 of Exhibit 1, Tab 5, Schedule 1, Appendix A, p. 31 and the statement that “[l]abour represents about half of Elexicon’s OM&A expense” described at Exhibit 1, Tab 5, Schedule 2, p. 17.

1-CCC-8

Ref: Exhibit 1, Tab 5, Schedule 2, pp. 24-25

Question(s):

- a) Please provide the weighted average inflation rate applied to OM&A for each year during the 2027-2031 period (similar to the figure provided for capital inflation in Table 18). As part of the response, please advise whether the same inflation rate is applied to all OM&A programs. If not, please provide the inflation rate applied to each OM&A program (Appendix 2-JC format). Please also provide the detailed calculation, including all assumptions, showing how the weighted average OM&A inflation rate was derived for each year between 2027-2031 (and for each program, if applicable).

- b) Please advise whether the annual weighted average capital inflation rate (Table 18) is applied to all capital programs. If not, please provide the inflation rate applied to each capital program (Appendix 2-AA format). Please also provide the detailed calculation, including all assumptions, showing how the weighted average capital

inflation rate was derived for each year between 2027-2031 (and for each program, if applicable). As part of the response, please also confirm that the weighted average inflation rate reflects both labour and non-labour related inflationary pressure.

1-CCC-9

Ref: Exhibit 1, Tab 5, Schedule 3, pp. 14, 16-24

Question(s):

- a) Please provide a version of the table under Figure 9 that shows the total capital expenditures and number of FTEs for Elexicon, the peer group average, and the Ontario average. If 2025 actual information is available, please reflect that in the table.
- b) For each APB benchmarking table, please provide an updated version that includes 2025 actuals (if available). Please also extend the tables to include a forecast for each APB metric for the 2026-2031 period.

1-CCC-10

Ref: Exhibit 1, Tab 7, Schedule 1, p. 19

Question(s):

- a) Please explain why Innovative Research Group provided survey respondents with three options in support of the plan and only one option that opposes the plan.
- b) Please confirm that the majority of residential customers either responded that they “don’t like the proposed increase” or opposed the bill increase.

Exhibit 2 – Rate Base and Distribution System Plan

2-CCC-11

Ref: Exhibit 2A, Tab 1, Schedule 1, p. 3
Exhibit 2A, Tab 2, Schedule 1, p. 1
Appendix 2-AA

Question(s):

- a) Please provide a revised version of Appendix 2-AA that includes an update to the forecast 2025 capital expenditures (and 2026-2030 as necessary) using the current best available information. In addition, instead of including capital contributions only at the major category level (e.g., system access, system renewal, etc.), please also provide the capital contributions at the program level (e.g., Plant Relocation, System Expansion, etc.).
- b) Please provide a revised version of Appendix 2-AA on an in-service addition basis (as opposed to capital expenditures). As part of this revised version, please update the forecast 2025 in-service additions (and 2026-2030 as necessary) using the current best available information. In addition, instead of including capital contributions only at the major category level (e.g., system access, system renewal, etc.), please also provide the capital contributions at the program level (e.g., Plant Relocation, System Expansion, etc.).
- c) Please confirm that Elexicon applies the half-year rule for determining both rate base and depreciation expense.
- d) Please further explain Elexicon’s methodology for forecasting the timing of in-service additions (i.e., how it forecasts whether the capital asset will be placed in-service in the year that the project starts or in a future year).
- e) Please provide an illustrative calculation showing Elexicon’s conversion of capital expenditures to in-service additions to rate base to revenue requirement. As part of the calculation, please use Elexicon’s proposed cost of capital and a weighted-average depreciation rate (reflecting all of the Company’s assets).

2-CCC-12

Ref: Exhibit 2A, Tab 1, Schedule 1, p. 8

Question(s):

- a) Please confirm that the land purchased related to the Seaton TS was placed in-service in 2021, which was the year prior to the Seaton TS entering service.

- b) More generally, with respect to land purchases, please advise whether Elexicon places the land in-service at the time of its purchase or at the time that the asset that will use the land is placed in service.

- c) Please provide a table that lists, for the 2027-2031 period, a description of all land purchases, the cost of the land purchase, the date of the land purchase, the in-service date for purchased land, and the date that the asset that uses the land will be placed in service.

2-CCC-13

Ref: Exhibit 2A, Tab 2, Schedule 1, pp. 3-4

Question(s):

Please provide a more detailed explanation of the methodology used for forecasting losses on disposals during the test period. As part of the response, please explain why the forecast period average losses on disposals are significantly higher than in any year during the historical period.

2-CCC-14

Ref: Exhibit 2A, Tab 6, Schedule 1, p. 5

Question(s):

Please provide a more detailed explanation of the 59% cost overrun experienced with respect to the BRT Highway 2 Project. As part of the response, please describe specifically the additional civil work that was required with respect to the project.

2-CCC-15

**Ref: Exhibit 2B, Tab 3, Schedule 1, pp. 20, 26
Exhibit 2B, Tab 3, Schedule 2, pp. 55-63**

Question(s):

- a) With respect to Figure 8 and Figure 24, please confirm that these figures reflect the peak load forecast used for capacity planning purposes and underpin the capital plan.
- b) Please provide Figure 8 in tabular format (including all four scenarios shown).
- c) Please confirm that the “Elexicon Scenario” in Figure 8 and the peak load shown in Figure 24 reflect the following. If this is not correct, please explain what is reflected in those figures.
- P90 weather corrected base load forecast
 - The high growth scenario for customer growth
 - The high scenario for building electrification
 - The medium scenario for EVs.
- d) Please provide a detailed description of the low, medium and high scenarios in Figure 8.
- e) Using the low scenario (Figure 8) as an example, please provide a discussion of the implications on Elexicon’s capital budget as a comparison to the proposed “Elexicon Scenario.” As part of the response, please provide an estimate of the reduction to the 2027-2031 capital budget based on applying the low scenario.
- f) Please provide an excel spreadsheet that includes the following information for Elexicon (full system):
- i. 2019-2025 Actual Demand (MW)
 - ii. 2019-2025 Actual Weather Normalized Demand (MW)
 - iii. 2019-2025 Actual System Capacity (MW)
 - iv. Forecast Demand (MW) used for capital planning purposes in the most recent DSP (prior to the DSP filed in the current application)
 - v. Weather-Normalized Baseload for 2026-2031 based on each of P90, P50, and P10 scenarios
 - vi. Peak Demand impact of customer growth based on each the low, medium and high growth scenarios for 2026-2031

- vii. Peak Demand impact of building electrification based on each of the low, medium and high scenarios for 2026-2031
 - viii. Peak Demand impact of EVs based on each of the low, medium and high scenarios for 2026-2031
 - ix. Forecast 2026-2031 System Capacity
- g) Please provide the same information as requested in part (f) for each of the following regions:
- i. Ajax-Pickering
 - ii. Whitby
 - iii. Clarington
 - iv. Belleville
 - v. Port Hope
 - vi. Brock
 - vii. Gravenhurst

2-CCC-16

Ref: Exhibit 2B, Tab 3, Schedule 1, p. 32

Question(s):

Please provide table(s) showing the 2027-2031 capital budget, at the most granular level available, using each of the following investment scenarios: (i) needs-based; (ii) balanced; and (iii) low.

2-CCC-17

Ref: Exhibit 2B, Tab 3, Schedule 2, pp. 42-43

Question(s):

- a) Please provide a revised version of Table 20 that includes the number of assets that are planned for replacement during the 2027-2031 period. As part of the response, please advise which capital programs (e.g., overhead renewal, voltage & system conversion, etc.) are included in the data provided.

- b) Please provide a revised version of Table 20 that shows the health index at the end of 2031 assuming the Company implements its proposed capital plan. As part of the response, please explain how reactive replacement of assets (as reflected in the replacement capital budget) are reflected in this estimate of the year-end 2031 health index results.

2-CCC-18

Ref: Exhibit 2B, Tab 3, Schedule 2, Appendix A, p. 9

Question(s):

Please provide a breakout of Table 2 showing the grid modernization costs associated with the objective of “grid readiness for DER Enablement and Integration.”

2-CCC-19

Ref: Exhibit 2B, Tab 4, Schedule 1

Question(s):

Please provide a table listing all major capital projects (>\$700k) completed during the 2020-2026 historical period. As part of the table, please provide a description of the project, the forecast cost of the project, the actual/updated forecast cost of the project, the variance in planned vs. actual cost and a description of the drivers for the variance (when the actual cost is +/- 10% of planned cost). Note that this request is related to individual capital “projects” not “programs.”

2-CCC-20

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix A, pp. 16, 18-19

Question(s):

- a) Please provide a more detailed explanation regarding the forecasting methodology applied for each of the gross capital costs and capital contributions in the Externally Initiated Plant Relocation program.

- b) Please provide the detailed spreadsheet(s) that show the buildup of the 2027-2031 Externally Initiated Plant Relocation program budget (both gross costs and capital contributions) starting from the known committed projects and then adding any other forecast project costs to that initial forecast (based on known projects). Please show all the assumptions made.

2-CCC-21

Ref: **Exhibit 2B, Tab 4, Schedule 3, Appendix B, pp. 16, 23-24**
[Financial Accountability Office of Ontario](#)

Question(s):

- a) Please provide the total number of actual housing units (in a manner that is comparable to the target) for each year of the 2022-2025 period for each of the municipalities listed in Table 7. If that level of granularity is not possible, please provide the total number of housing units across Elexicon's service area.
- b) Please explain whether, and if so how, the housing starts in Table 7 are reflected in the proposed capital budget for the 2027-2031 period.
- c) Please provide Elexicon's view on the potential implications on its capital plan of continued low housing starts (i.e., 2025 had the lowest number of housing starts in Ontario since 2014 - [Financial Accountability Office of Ontario](#)).
- d) Please provide revised versions of Tables 12 and 13 that show:
- The customer connection count by type (e.g., residential lots, high-rises, commercial, industrial, etc.) each year.
 - The costs (gross, contributions, net) broken out by category of customer connection (e.g., residential lots, high-rises, commercial, industrial, etc.).

As part of the response, please provide the above requested information for 2025 based on: (i) the estimate provided in the application; and (ii) updated for 2025 actuals.

- e) Please provide the detailed spreadsheet(s) that show how the 2027-2031 Customer and Generation Connection budget was derived and describe all assumptions made.
- f) With respect to applying the 2022-2024 average capital contribution (56%) to the forecast period, please discuss whether the same volume of each type of customer connection is expected to continue in the forecast period.

2-CCC-22

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix C, pp. 3-7, 12, 31

Question(s):

- a) Please provide a revised version of Table 1 that add columns that show the following:
 - Capital contribution
 - Net cost
 - In-service date (if different from the estimated connection year)
 - Current status of the project (e.g., design phase, under construction, etc.)
- b) For each project in Table 1, please provide the detailed spreadsheet(s) that show how the project cost was estimated and how the capital contribution was derived.
- c) Where the information is available related to a specific project, please provide a revised version of Table 2 that add columns that show the following:
 - Capital contribution
 - Net cost
 - In-service date (if different from the estimated connection year)
 - Current status of the project (e.g., design phase, under construction, etc.)
- d) If the information is available, for each project in Table 2, please provide the detailed spreadsheet(s) that show how the project cost was estimated and how the capital contribution was derived.

- e) Please provide a revised version of Table 7 on an in-service addition basis.
- f) Please provide a breakout of Table 7, both on a capital expenditure basis and in-service addition basis, that shows the amounts for each year during the 2027-2031 period related to known system expansions and unknown/placeholder system expansion projects.
- g) Please provide the detailed spreadsheet(s) that show how the 2027-2031 System expenditure budget was derived and describe all assumptions made. Please ensure that the methodology for forecasting capital contributions is reflected in these spreadsheets.

2-CCC-23

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix D, pp. 1, 21, 24, 29-30

Question(s):

- a) Please provide the dollar value for each year during the forecast period of the potential 25% reduction to metering program costs “depending on the finalized roll-out of the AMI 2.0.” Please confirm that this reduction would be associated with the metering budget (Table 7) as opposed to the AMI 2.0 budget (Table 9).
- b) Please provide a revised version of Table 7 that includes, for both the historical and forecast periods, the following additional details:
 - The costs associated with the sampling and reverification process
 - The number of meters to be replaced as part of the sampling and reverification process
 - The costs associated with meter replacement due to failure
 - The number of meters replaced due to failure
 - The costs associated with new meter installation
 - The number of new meters installed
- c) Please advise whether the meters that will be replaced due to failure will be replaced like-for-like or with an AMI 2.0 meter.

- d) Please advise whether the meters that will be replaced associated with the reverification process (25,083) will be replaced like-for-like or with an AMI 2.0 meter.
- e) Please advise whether meter installations for new customers will be the older technology meters or AMI 2.0 meters.
- f) Please provide a revised version of Table 9 that includes, for both the historical and forecast periods, the following additional details:
- The costs associated with the AMI 2.0 meters
 - The number of AMI 2.0 meters that will be installed
 - Any other costs reflected in the AMI 2.0 budget that are not related to the cost of the meter and its installation. To the extent that there are a number of categories of these other costs, please breakout these costs at a detailed level by project/asset.
- g) Please explain the statement that “Elexicon anticipates to have replaced 83,400 meters (43%) in the population with AMI 2.0 meters.” Is that the number of AMI 2.0 meters to be installed between 2028 and 2031?
- h) Given the cited high-level nature of the forecasted AMI 2.0 metering budget for the test period, does Elexicon have a proposal with respect to how the OEB should address potential material variances in unit costs?
- i) For the following options, please provide a single table that shows the capital expenditures (separately for regular metering costs and AMI 2.0 costs) and the number of meters installed in the 2027-2031 period and the next rate term (i.e., 2032-2036):
- Elexicon’s Option 1
 - Elexicon’s Option 2
 - 10-year replacement scenario
- j) For each of the scenarios listed above in part (i), please provide the number of meters (and percentage of total meters) that will be replaced prior to the end of their 15-year useful life.

- k) With respect to the replacement of meters prior to the end of useful life, please explain how the financial impact is treated for ratemaking purposes. To the extent that there are forecast costs associated with the removal of meters prior to EUL reflected in the proposed revenue requirement, please provide the amount that is sought for recovery in each year of test period (and advise where these amounts can be found in the evidence).

2-CCC-24

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix E, pp. 7, 40, 59-61

Question(s):

- a) For each station investment in Table 1, please provide a detailed explanation of the methodology used, and the underlying spreadsheet (with all assumptions), for the forecast of the investment cost. As part of the response, please provide information about any similar historical projects that have already been completed and the costs of those projects (and a comparison to the relevant proposed project where available).
- b) Please explain the basis for the statement that the low investment option “...will not reduce failures in the system and may result in failure risk increasing.” Please provide the explanation in the context that this investment option operates to reduce the number of assets in poor or very poor condition.
- c) Please provide a table that shows a comparison of the specific station rebuild projects that would be undertaken under each of the recommended and low investment options (including the costs of each rebuild project).
- d) With respect to power transformers, Elexicon states, in a few places, that “the power transformer is the most critical asset in a station, has the longest lead time to procure and warrants replacement consideration when it reaches fair condition.” Please provide the number of power transformers in fair (or better) condition that are being replaced as part of Elexicon’s station renewal program and the total cost of those replacement assets (transformer only if available).

2-CCC-25

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix F, pp. 36, 49

Question(s):

- a) Please provide a revised version of Table 8 that shows the number of units in each category of investment, the costs for each category of investment, and the unit costs.
- b) Please provide a more detailed explanation regarding the methodology applied to forecast the unit costs during the test period.
- c) Please provide a detailed explanation regarding Elexicon’s process for determining whether cable replacement or injection is the appropriate investment. As part of the response, please advise whether there are opportunities, based on its proposal, to inject cables that are scheduled for replacement.
- d) With respect to Table 13, please add a breakout between the number of km of cable replaced vs. injected in each of three options.

2-CCC-26

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix G, pp. 43, 53-54

Question(s):

- a) Please provide a revised version of Table 9 that shows the number of units in each category of investment, the costs for each category of investment, and the unit costs.
- b) Please provide a more detailed explanation regarding the methodology applied to forecast the unit costs during the test period.
- c) With respect to rear-lot conversion, please provide the number of rear-lots that are to be converted each year during the test period, the costs associated with rear-lot conversion for each year during the test period and the total number of rear-lot configurations that are in Elexicon’s service area. Please also discuss the long-term

plan for rear-lot conversion assuming there are additional rear lots that are not scheduled for conversion during the 2027-2031 period.

- d) Please provide a “low investment option” (including all the same information that is provided for the other options) for the overhead renewal program. If this is not available, please explain why an option where less overhead assets are replaced during the test period was not, or could not be, developed.

2-CCC-27

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix H, pp. 24-25

Question(s):

- a) Please provide the detailed spreadsheet(s) that show the development of the 2027-2031 reactive capital forecast budget. As part of the response, please directly show the derivation of the 2027 budget amount based on “the historical spend from recent years, excluding extraordinary storm-related costs, as the baseline for 2027.” Please also show the basis for the 2028 forecast (which is below 2027 but much above 2029) and then the leveling off between 2029-2031.
- b) To the extent that is available, please provide a breakdown of the number assets by type (and in total) that were / are expected to be replaced during each year of the 2020-2031 period.

2-CCC-28

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix I, pp. 3, 19-20, 26-29, 47

Question(s):

- a) Please confirm that the 2027-2031 station growth program budget is entirely comprised of known projects and the company has forecast zero capital contributions.
- b) Please provide a single table that shows the following for every project listed in Table 7:

- Project name
 - Total project cost (gross and net of contributed capital)
 - In-service date(s)
 - Assignment as a system expansion or system enhancement project
 - Rationale supporting the proposed treatment as a system expansion or system enhancement project.
- c) For each project listed in Table 7, please provide a detailed explanation of the methodology used for, and the underlying spreadsheet (with all assumptions) supporting, the forecast of the project cost. As part of the response, please provide information about any similar historical projects that have already been completed and the costs of those projects (and a comparison to the relevant proposed project where available).
- d) With respect to the Winchester West MS, please provide the economic evaluation(s) that underpin the forecast capital contribution payable associated with this project.
- e) With respect to the mobile station, please advise whether this is an asset that is being constructed by Elexicon or is being purchased from a third-party. As part of the response, please discuss what options Elexicon considered in terms of third-party suppliers for the mobile station.

2-CCC-29

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix I-1, pp. 5, 8

Question(s):

- a) Please confirm that the GTA East TS project, is being driven, at least in part, by known developments in Northeast Pickering (where much of the land is owned by the Northeast Pickering Landowners Group) and in Brooklin (where there have been discussions with the Brooklin Landowners Group).
- b) Please further explain the linkage between the Brooklin Landowners Group capacity reservations related to the Winchester West MS Project and the GTA East TS project. As part of the response, please specifically explain the statement that “[a]dditional station supply capacity will be needed to connect stage 2 of Winchester West MS.”

2-CCC-30

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix J, pp. 18, 32-34

Question(s):

- a) Please provide a single table that shows the following for every project listed in Table 1:
- Project name
 - Station project that is associated with the feeder enhancement project (and whether the station is existing or proposed to be constructed/upgraded during the test period)
 - Total project cost (gross and net of contributed capital)
 - In-service date(s)
 - Assignment as a system expansion or system enhancement project
 - Rationale supporting the proposed treatment as a system expansion or system enhancement project.
- b) Please advise which project(s) in the grid modernization program attracted capital contributions during the historical period. Please provide all details associated with those projects.
- c) Please provide a revised version of Table 5 that provides the number of assets replaced in each category of spending, the total cost in each category of spending and the related unit costs.
- d) Please explain the methodology applied to forecast the distribution modernization budget for the 2027-2031 period. As part of the response, please provide the assumptions applied.
- e) Please explain the methodology applied to forecast the station modernization budget for the 2027-2031 period. As part of the response, please provide the assumptions applied.

- f) Please provide a revised version of Table 7 that breaks out the program costs between feeder enhancements, undersized conductor replacements, animal guards and lighting arrestors.

- g) For each sub-category of spending in the distribution capacity and reliability enhancements program, please explain the methodology applied to forecast the budget for the 2027-2031 period. As part of the response, please provide the assumptions applied.

2-CCC-31

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix K, p. 29

Question(s):

Please explain the methodology applied to forecast the Voltage & System conversion budget for the 2027-2031 period. As part of the response, please provide the detailed spreadsheet(s), including the assumptions applied, that support the program budget.

2-CCC-32

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix L, pp. 2, 7, 26

Question(s):

- a) Please provide additional details with respect to the 412 Coleman Street (Belleville) office and operations centre. More specifically, please explain why the decision was made to construct a new building in Belleville in 2021, advise whether there was an operation centre in, or near, Belleville previously, and provide the actual cost of the new facility. Please also provide any analysis undertaken that supported the decision to construct the new facility.

- b) Please confirm, or correct, that the avoided cost during the test period associated with permanently staggering in-office days to avoid office renovations is approximately \$6.9M. As part of the response, please discuss whether the minor parking adjustment (\$0.15M) would need to occur regardless of the hybrid working model deployed.

2-CCC-33

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix M, pp. 3, 5, 8-9, 11, 15-18

Question(s):

- a) Please correct Table 1 to reflect the total vehicle count or otherwise explain why there are 195 vehicles listed in the table (as opposed to the 201 vehicles described above Table 1).
- b) Please provide a breakout of the types of vehicles included in the special purpose category in Table 1.
- c) For the heavy vehicles listed in Table 5, please provide additional details that supports the proposed replacement. Please provide the response in the context that it appears that all of the heavy vehicles are below the km threshold as shown in Table 4.
- d) Please further explain the relationship between Table 6 and Table 7. As part of the response, please explain how Elexicon considered optimization opportunities through vehicle sharing procedures.
- e) Please provide the forecast cost of each vehicle listed in Table 7.
- f) Please update Table 9 to show the annual maintenance cost for each year of the historical period and add the number of vehicles that are in each vehicle category to allow a per vehicle historical maintenance cost to be derived.
- g) Please explain the basis of the average cost estimates provided in Figures 4 and 5. As part of the response, please further explain why the average forecast cost of a light vehicle is increasing to nearly \$0.12M.

2-CCC-34

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix N, pp. 4, 8, 27-28

Question(s):

- a) Laptops have a lifecycle range of 3-4 years (Table 1). It appears that Elexicon proposes to replace laptops every three years (Table 2). Please explain why that is the case.
- b) Please further explain the difference between the costs reflected in the endpoint device refresh budget and the end user hardware enhancements budget.

2-CCC-35

Ref: Exhibit 2B, Tab 4, Schedule 3, Appendix P, pp. 1, 24, 34-36

Question(s):

- a) Please further explain the separation between OT costs included in the OT systems budget and in the IT systems budget. As part of the response, please provide the total annual investment over the 2020-2031 period in OT-related assets as between the two programs.
- b) The options analysis does not provide dollar values associated with the comprehensive and low investments options. Please provide estimated dollar values.
- c) The low investment option appears to essentially be a “do nothing” option. Is it Elexicon’s position that there is no middle ground between doing nothing and the \$17.5M “balanced option” recommended by the Company? If that is not Elexicon’s position, please provide an OT systems option (including the relevant costs of that option) that proceeds at a slower pace than the proposal.

Exhibit 4 – Operating Expenses

4-CCC-36

Ref: Exhibit 4, Tab 1, Schedule 1, p. 9

Question(s):

- a) Please provide a table that shows: (i) Elexicon’s proposed 2027-2031 OM&A expenditures as paced between 2027 and 2028; and (ii) Elexicon’s 2027-2031 OM&A

expenditure if this pacing exercise was not undertaken. As part of response, please show individual line items for the pacing decisions that were made as described on Page 9 of Exhibit 4, Tab 1, Schedule 1.

- b) Please advise whether Elexicon is directly seeking OEB approval of 2027-2031 OM&A expenditures (as opposed to only 2027 OM&A expenditures, which are then escalated by the CRCI).

4-CCC-37

Ref: Exhibit 4, Tab 1, Schedule 1, pp. 13-15

Question(s):

- a) Please further explain Footnote 13 on page 14, which states that “[c]ertain one-time costs have been excluded from the 2024 OM&A...” As part of the response, please provide the value of the one-time cost that was excluded and explain why this cost was removed for normalization purposes. Please also confirm that the same adjustment was made in the relevant Chapter 2 appendices.
- b) Please confirm that the programs and segments throughout the historical and test periods set out in Tables 2 to 4 are presented on a comparable basis (i.e., if certain activities moved from one segment to another over time, the Company has normalized for that movement). If this is not correct, please explain and provide the necessary details to understand what costs have moved from one segment to another.

4-CCC-38

Ref: Exhibit 4, Tab 1, Schedule 2, pp. 1, 8-9, 14-15

Question(s):

- a) Please provide a more detailed version of Table 1 that shows the various cost components for each of the APSE and DS&C segments of the system planning and design program. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors,

consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.

- b) Please further explain the methodology applied to forecast costs in each of the APSE and DS&C segments of the system planning and design program in the test period (including a discussion of the test year forecasting methodology and the 2028-2031 forecasting methodology if those methodologies are different).

4-CCC-39

Ref: Exhibit 4, Tab 1, Schedule 3, pp. 14-16

Question(s):

- a) Please provide a more detailed version of Table 4 that shows the various cost components for the operations segment of the system operations program. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please further explain the methodology applied to forecast the costs of the operations segment of the system operations program in the test period (including a discussion of the test year forecasting methodology and the 2028-2031 forecasting methodology if those methodologies are different).
- c) With respect to the leadership and supervisory resourcing forecast for the operations function, please provide a detailed explanation of how this forecast was derived. Please advise whether there is a connection between the number of supervisors (and other leaders) and the quantum of projects overseen by these resources. If so, please provide the analysis undertaken that shows the workload changes over time and the number of supervisors (and other leaders required). As part of the response, please also provide any internal documentation with respect to the relevant resourcing plan.

4-CCC-40

Ref: Exhibit 4, Tab 1, Schedule 3, p. 1

Question(s):

Please provide an estimate of the sustaining cost savings resulting from the control room consolidation effort.

4-CCC-41

Ref: Exhibit 4, Tab 1, Schedule 4, pp. 7-9, 23

Question(s):

- a) Please further explain the statement that Elexicon will be “switching to a total number of assets approach.”
- b) Please provide an estimate of the cost increases in the distribution maintenance budget for each year of the 2027-2031 period associated with “enhanced inspection protocols.”
- c) Please provide a table that shows the cycle of maintenance activities (e.g., wood pole testing, overhead line patrol, etc.) during the historical period relative to the proposed cycle for these same activities in the forecast period.
- d) Please provide a more detailed version of Table 6 that shows the various cost components for the maintenance distribution system segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- e) Please provide a more detailed version of Table 6 that shows the costs for the various activities undertaken within the maintenance distribution system segment. For example, please show the costs for wood pole testing, overhead system line patrol, etc.

4-CCC-42

Ref: Exhibit 4, Tab 1, Schedule 4, pp. 37, 44

Question(s):

- a) Please provide a more detailed version of Table 8 that shows the various cost components for the maintenance substations segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide a more detailed version of Table 8 that shows the costs for the various activities undertaken within the maintenance substations segment. For example, please show station transformer maintenance, primary and secondary switchgear maintenance, etc.
- c) Please provide a revised version of Table 8 that removes the impact of the vandalism incident from 2024 actuals (and provide the cost of the vandalism clean-up separately).
- d) Please advise whether the cycle for substation maintenance activities has changed between the historical and forecast periods. If so, please provide the necessary details for a comparison.

4-CCC-43

Ref: Exhibit 4, Tab 1, Schedule 4, pp. 47

Question(s):

- a) Please provide a more detailed version of Table 9 that shows the various cost components for the restoration segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please further explain the methodology applied to forecast costs for the restoration segment (including a discussion of the test year forecasting methodology and the 2028-2031 forecasting methodology if those methodologies are different).

4-CCC-44

Ref: Exhibit 4, Tab 1, Schedule 4, pp. 54, 56-57

Question(s):

- a) Please provide a more detailed version of Table 10 that shows the various cost components for the vegetation management program. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide a more detailed version of Table 10 that shows the costs for the various activities undertaken within the vegetation management segment. For example, please show the costs associated with planned cyclical tree trimming, spot trimming, reactive trimming, etc.
- c) Please provide the costs associated with the advanced technologies that are expected to be fully implemented in 2028 (LiDAR and AI Powered vegetation analytics).
- d) Please provide a table showing the tree trimming cycle during the 2020-2031 period for each of the 18 maintenance zones. As part of the response, please highlight which maintenance zones will be “advanced to align with the new cycle...” resulting from the change to a feeder-based trimming cycle. If a comparison is not possible between the historical period and the forecast period due to the change from an area-based to feeder-based approach, please provide two tables showing the requested information (i.e., one for the historical period using the maintenance zones and one for the forecast period using the feeder approach).
- e) Please provide the average cycle time, across the entire service territory, for planned tree trimming activities for each of the historical period and the forecast period.

4-CCC-45

Ref: Exhibit 4, Tab 1, Schedule 4, pp. 62, 65

Question(s):

- a) Please provide a table that shows the following with respect to the actual and proposed locate costs for each year during the 2020-2031 period:
- Total Actual Costs
 - Total Number of Locates
 - Average Cost per Locate
 - Third-Party Locate Costs (broken out between the providers – LSPs, Ontario One Call, etc.)
 - Internal Locate Costs (broken out between the various activities – administrative support, supervision of contractors, etc.).
- b) Please provide the one-time cost incurred in 2025 related to the update to Elexicon’s mapping records. Please also advise whether this amount is reflected in the calculation of the balance in the GOCA account.

4-CCC-46

Ref: Exhibit 4, Tab 1, Schedule 5, pp. 9

Question(s):

- a) Please provide a more detailed version of Table 3 that shows the various cost components for the billing segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, postage, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please further explain the methodology applied to forecast costs for the billing segment (including a discussion of the test year forecasting methodology and the 2028-2031 forecasting methodology if those methodologies are different).
- c) Please provide the actual/forecast percentage of customers on e-bills for each year during the 2020-2031 period.
- d) Please provide a table showing the following for the 2020-2031 period:

- Total Bills Issued
- Total Cost
- Total E-bills Issued
- Total E-bill Cost
- Total Paper Bills Issued
- Total Paper Bills Cost

4-CCC-47

Ref: Exhibit 4, Tab 1, Schedule 5, pp. 12, 14-18

Question(s):

- a) Please provide a more detailed version of Table 4 that shows the various cost components for the contact centre segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide the number of customer inquiries (broken out between calls and emails) received / forecast to be received during the 2020-2031 period.
- c) Please advise whether the contact centre is staffed by Elexicon employees or is outsourced. In addition, with respect to the predecessor utilities, please advise whether either of those companies had outsourced call centres.
- d) Assuming the call centre is staffed by Elexicon employees, please provide the number of employees by position/activity (i.e., call centre supervisors, call centre agents, key account representatives, etc.) for each year during the 2020-2031 period.
- e) Please provide any reports, memos, and/or analysis that were undertaken by the Company (or a third-party on behalf of the Company) regarding any decisions or considerations regarding maintaining the call centre in-house or outsourcing to a third-party.

- f) Please provide the cost of the new key accounts function in its first full year of operation in 2027. Please also provide the number of key accounts serviced by this function and the number of staff in this department (for each year since its inception to 2031).
- g) Please further explain the “discovery phase for AMI 2.0.” As part of the response, please provide the 2027 costs associated with this activity and explain whether these costs continue in the 2028-2031 period.

4-CCC-48

Ref: Exhibit 4, Tab 1, Schedule 5, pp. 21-22, 26-27

Question(s):

- a) Please provide a more detailed version of Table 5 that shows the various cost components for the collections segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide a detailed explanation of the methodology used to forecast bad debt expense. As part of the response, please provide the detailed spreadsheets, including all assumptions, that shows the derivation of the 2027-2031 forecast of bad debt expense.
- c) Please provide the impact on the bad debt provision in 2024 and 2025 associated with the closure of two large customers’ businesses.
- d) Please provide the costs associated with each of the two collection agency model reviews planned in 2026 and 2029.

4-CCC-49

Ref: Exhibit 4, Tab 1, Schedule 5, pp. 30, 35

Question(s):

- a) Please provide a more detailed version of Table 6 that shows the various cost components for each of the metering and wholesale settlement segments. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide a table that lists all of the AMI 2.0 projects (and related operational costs) that will be completed within the metering and wholesale settlements program. As part of the table, please indicate the year in which a given project/activity will take place and whether the project/activity is considered a one-time cost.

4-CCC-50

Ref: Exhibit 4, Tab 1, Schedule 6, pp. 10-16, 22

Question(s):

- a) Please provide a more detailed version of Table 4 that shows the various cost components for the technology segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Elexicon states “[c]osts will increase by \$6.82M in 2027, partially due to cloud-based implementation and support costs for SAP S/4HANA and SEW and other tools related to the integration of Dx NEXT implementation, including Titan SFTP, Automate Plus, and Linux Server licenses.” Please provide the total costs associated with the Dx Next Project that are reflected in Table 4 for each year. Please advise whether these costs are incremental to the \$42M sought for recovery in the Cloud Computing deferral account. Please also explain how Elexicon determined the split between Dx Next-related costs to be collected in base rates relative to the rate rider approach.
- c) Please provide the total cost of the modern workplace project and the expenditures in each year during the historical and forecast periods. As part of the response,

please also provide any documentation that shows Elexicon’s internal analysis as to the need to transition from legacy systems to this solution. Please also provide any internal documentation that supports the selection of the vendor that will be working on the project.

- d) Please provide the costs associated with cyber security reflected in the technology segment budget for each year of the historical and forecast periods.
- e) Please confirm that Elexicon’s planned increased reliance on cloud-based solutions operates to reduce internal IT staffing requirements.
- f) Please provide a table that shows a detailed list of Elexicon’s licensed/subscribed software solutions, and the following information for each software solution:
 - Annual cost during the historical and test period
 - The annual escalation rate assumed over the 2027-2031 period
 - Basis for the proposed escalation rate
- g) Please further discuss the AI service-related expenses that are driving cost increases during the 2027-2031 period.

4-CCC-51

**Ref: Exhibit 4, Tab 1, Schedule 6, Appendix A, pp. 2-3, 5, 26, 9-10, 15-16, 19
Exhibit 4, Tab 1, Schedule 6, Appendix A, Attachment 1, pp. 23**

Question(s):

- a) If available, please provide any benchmarking, or informal cost comparisons, undertaken by Elexicon with respect to the cost of its proposed ERP relative to other LDCs investments in similar projects.
- b) Please provide a revised version of Table 1 that shows the deferred implementation costs inclusive of carrying charges.
- c) Please provide all documentation associated with the Dx Next RFP process and the audit of the RFP content and scope of work. As part of the response, please provide

the RFP and the completed weighted scoring framework based on the Company's evaluation of the proposals.

- d) Elexicon notes that "Capgemini is responsible for end-to-end delivery, including solution implementation, licensing, contract management, and ongoing application support." Please explain the implications of the comprehensive delivery approach on Elexicon's internal IT-related labour requirements.
- e) Please provide the relevant documentation associated with IBM's validation of Elexicon's internal findings with respect to the potential adoption of an ERP solution
- f) Elexicon states that "94% of [current] processes aligned with standard "out-of-the-box" ERP capabilities – supporting an efficient and low-customization implementation path." Please discuss whether the proposed ERP system reflects an out of the box solution. As part of the response, please provide details regarding the customization required relative to an out of the box solution.
- g) Please explain the difference between the total costs of \$61.6M shown in the business case summary (p. 23) relative to the \$42M cost proposed for the Dx Next project.
- h) Please explain the difference between the direct recurring benefits of \$14M/year shown in the business case summary (p. 23) relative to the \$21.05M shown in Table 7 of Appendix A.
- i) If available, please provide the total cost of each of the five options listed in Table 6.
- j) Please provide the detailed calculations, including all assumptions, that underpin the OM&A cost savings shown in Table 7.

4-CCC-52

Ref: Exhibit 4, Tab 1, Schedule 6, pp. 25, 27-28

Question(s):

- a) Please provide a more detailed version of Table 5 that shows the various cost components for the People and Culture segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please provide a table that shows, for the 2020-2031 period, the number of HR FTEs relative to the number of total employees. Please include the ratio of HR to total staff in the table and explain any material changes in the ratio over time.
- c) Please provide the actual / forecast training costs for each year during the 2020-2031 period. Please explain the methodology applied for forecasting training costs during the test period.
- d) Please provide a breakout of the training budget, for each year during the 2020-2031 period, associated with each of internal and external (MEARIE) training for System Operator Apprentices.

4-CCC-53

Ref: Exhibit 4, Tab 1, Schedule 6, pp. 33-36

Question(s):

- a) Please provide a more detailed version of Table 6 that shows the various cost components for the Finance segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) If available, please provide any analysis undertaken by Elexicon with respect to the connection between the growth in capital projects and finance-related workload. For example, did Elexicon complete any analysis that shows the ratio of project-related invoices to the FTEs required to process those invoices?
- c) Please provide a breakout of the costs associated with the new (or enhanced) treasury function for each year during the 2020-2031 period.

4-CCC-54

Ref: Exhibit 4, Tab 1, Schedule 6, p. 41

Question(s):

- a) Please provide a more detailed version of Table 7 that shows the various cost components for the Procurement and Facilities segment. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, utilities, etc. Please add to the list any other specific cost components that are relevant to the program.

- b) Please provide a revised version of Table 7 that breaks out the costs for the Procurement and Facilities segment by activity (e.g., procurement, facility maintenance, security, etc.).

- d) If available, please provide any analysis undertaken by Elexicon with respect to the connection between the growth in capital projects and procurement-related workload. For example, did Elexicon complete any analysis that shows the ratio of FTEs required relative to the number of RFPs to be undertaken each year?

4-CCC-55

Ref: Exhibit 4, Tab 1, Schedule 6, p. 59

Question(s):

Please further explain the “enhanced municipal and stakeholder engagement that began in 2025” and why the costs associated with this activity continue to apply upwards pressure on the costs of the stakeholder relations program in the test period.

4-CCC-56

Ref: Exhibit 4, Tab 1, Schedule 6, pp. 62, 64

Question(s):

- a) Please provide a more detailed version of Table 11 that shows the various cost components for the Legal and Corporate Secretariat segment. For example, to the

extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, insurance, etc. Please add to the list any other specific cost components that are relevant to the program.

- b) Please provide a revised version of Table 11 that breaks out the costs for the Procurement and Facilities segment by function (e.g., internal legal services, privacy, information management, insurance, CEO office, BoD, etc.).
- c) Please explain the statement that “functions in this segment did not exist within the legacy utilities prior to merger.”
- d) Please provide detailed information regarding Elexicon’s insurance policies with respect to the types of coverage that the Company purchases. As part of the response, please include a discussion of cyber security-related coverage.
- e) Please advise whether Elexicon has received any amounts from its insurer(s) related to its own insurance claims. If so, please provide the amounts received in each year during the historical period. If not, please explain why the Company has made no claims (and/or received no funds), in the context of Elexicon’s cited incidents of thefts and vandalism during the historical period and its proposal to hire additional resources for the ongoing management of insurance claims.
- f) Please provide detailed information on the Board of Directors-related costs and activities. As part of the response, please provide the annual BoD costs, the number of Board members, and the number of meetings for the historical and test periods.

4-CCC-57

**Ref: Exhibit 4, Tab 2, Schedule 1, pp. 5, 15, 18, 26, 29, 32
Appendix 2-K**

Question(s):

- a) Please provide a revised version of Appendix 2-K that reflects 2025 actuals and the 2026 forecast using the current best available information. Please also make any necessary updates to 2027-2031 based on the current best available information.

As part of the response, please also provide the number of employees, total salary and wages (with a further breakout of overtime and incentive pay), total benefits and total compensation by the following categories: Executive, Management, Union, and Non-Union for each year 2020-2031. Please also include the total compensation breakdown between capital and OM&A.

- b) Elexicon states that its “workforce is composed of unionized and non-unionized employees in individual contributor roles, as well as supervisors, managers, directors, and executives.” Please confirm that supervisors are not included in the management category in Appendix 2-K. If this is the case, please provide a table that shows the number of FTEs during each year of the 2020-2031 period broken out between Executive, Management, Supervisors, and individual contributors. To the extent that costs can be allocated to each of these categories, please include that information in the requested table.
- c) Please provide two separate tables that show, at the most granular level available to Elexicon in terms of categorization by division/program/segment, for each year of the 2020-2031 period: (i) the number of actual/forecasted FTEs; and (ii) the number of actual/forecasted positions. Preferably, this information would be categorized by Appendix 2-JC Program (and further broken out into the various segments of those programs). However, we recognize, based on the narrative in the evidence, that certain positions cannot be mapped to a single OM&A program. In this regard, we request that Elexicon breakout the AM/DO roles as granularly as possible.
- d) Please provide additional details regarding the three locate-related roles that were added during the 2020-2025 period. Please explain the separation of work that Elexicon completes internally relative to the work completed by the LSPs.
- e) Elexicon stated that the stakeholder relations team “comprises of a manager of communications and stakeholder relations, a digital marketing and web development specialist, and a social media and public relations specialist, as well as a research and policy advisor, all of which were added post-merger.” Please confirm that this entire function was created post-merger. If this is not the case, please explain. Please also explain the roles and responsibilities of all the staff in this group (including all proposed new positions up to 2031).

- f) The Company stated that “[d]uring its business planning process, Elexicon revised its forecast internal staffing levels over multiple planning stages to determine the minimal amount of net new positions to be added to Elexicon’s workforce during the forecast period (2026 to 2031).” Please provide any internal documentation that shows the initial workforce plan and the revisions to that plan.
- g) Please explain the methodology used for forecasting the staffing requirements for the “program delivery group.” As part of the response, please provide the number of positions in this group in each year during the 2020-2031 period.
- h) Please further explain the need for additional resources related to “Privacy Impact Assessments.”
- i) Please provide Elexicon’s actual vacancy rate for each year during the 2020-2025 period.
- j) Please advise whether a vacancy rate is assumed for the forecast period. If so, please provide that vacancy rate for each year of the test period. Please also explain how it is applied (e.g., does the FTE count and associated compensation in Appendix 2-K reflect a reduction that is the equal to the assumed vacancy rate? Is there an offset applied elsewhere to the revenue requirement to reflect the expected vacancy rate?).

4-CCC-58

**Ref: Exhibit 4, Tab 2, Schedule 1, pp. 40-45
Appendix 2-K**

Question(s):

- a) Please provide the basis, including all assumptions, for the 3% compound annual growth rate for cash compensation per FTE over the 2026-2031 period. Please also explain what aspects of compensation are included in “cash compensation.”
- b) Please provide the forecast percentage increase in base salary for each category of employee (executive, management, Union and Non-Union) for each year during the 2026-2031 period.

- c) Please explain how merit increases are reflected in the 2027-2031 forecast base salary amounts as reflected in the proposed compensation budget.
- d) Please explain how short-term incentive amounts are forecast for the 2027-2031 period as reflected in the proposed compensation budget.
- e) Please explain how overtime-related compensation is forecast for the 2027-2031 test period as reflected in the proposed compensation budget.
- f) Please reconcile Tables 14-16 (benefits, pension and OPEBs) to the benefit-related cost information in Appendix 2-K. Please explain any discrepancies.
- g) Please advise whether Elexicon has undertaken any compensation benchmarking for executive level positions. If so, please provide the relevant benchmarking analysis.

4-CCC-59

Ref: Exhibit 4, Tab 2, Schedule 1, Appendix A, pp. 2-3

Question(s):

- a) Please confirm that executive level positions were not benchmarked as part of the Mercer study.
- b) Please confirm that the benchmarking study is based on Elexicon's 2025 compensation levels. If this is not correct, please explain.

4-CCC-60

Ref: Exhibit 4, Tab 2, Schedule 1, Appendix A, pp. 3-5

Preamble:

Mercer states that “[t]he Energy peer group was primarily used for sector specific jobs that require skillsets predominately seen within the utilities/energy industry. For non-sector specific jobs, given Elexicon’s desire to source talent with industry specific knowledge, for

the majority of these jobs, a blend of the General Industry peer group and the Energy peer group was used. These non-sector specific jobs require skillsets that are seen both in and outside the utilities/energy industry in Canada. This approach allows the market review to reflect Elexicon’s primary desire for industry specific knowledge, across the majority of jobs, while also recognizing the general industry as a source of talent for non-sector specific jobs for the organization.”

Question(s):

- a) Please advise how the market median was determined for each position. As part of the response, please discuss whether the market median reflects an average of the two peer groups or, alternatively, specific peer groups were used for different positions. If specific peer groups were used, please provide a table showing which peer group was used for each position.
- b) Please list and explain any methodological differences between the current Elexicon compensation benchmarking study and the Alectra compensation benchmarking study (filed in EB-2025-0252). For example, it appears that in the Elexicon study, Mercer may have used an approach that averages (or otherwise “blends”) the market data for the General Industry Peer Group and the Energy Peer Group, which does not appear to be the case in the Alectra study. To the extent that there are methodological differences in Mercer’s approach in the current study relative to the Alectra study, please explain why.
- c) To the extent that there are differences in the approach to establishing the market median in the current Elexicon study relative to the Alectra study, please provide revised results (in the same format as the table on page 4) that applies the approach used in the Alectra study to Elexicon’s data.
- d) Please provide a revised version of the study that includes benchmarking on a Total Remuneration basis (i.e., inclusive of pensions and benefits). As part of the response, please provide the comparison of Elexicon’s Total Remuneration to the market median using the approach in the current study and as requested in part (c) to this question. If this is not possible, please explain why.

- e) Please advise whether it is Mercer’s typical practice to benchmark Total Direct Compensation (i.e., TTC plus long-term incentives) when the subject company (in this case, Elexicon) does not offer long-term incentives.

- f) For each Mercer “Grade” (e.g., E11, E10, etc.), please provide the relevant job categories as set out Appendix 2-K (i.e., management, Non-Union and Union) that are reflected in the grade. In the circumstance that both management and Non-Union are in the same Mercer “Grade”, please show both categories where that applies. Please confirm that the “Union-PWU” Grade reflects all the unionized jobs that were benchmarked.

4-CCC-61

Ref: Exhibit 4, Tab 3, Schedule 1, pp. 3-4

Question(s):

Please provide the number of FTEs at Elexicon Corporation that have / will have their time allocated to Elexicon Energy in each year 2025-2031.

Exhibit 5 – Cost of Capital and Capital Structure

5-CCC-62

Ref: Exhibit 5, Tab 1, Schedule 1, p. 1

Question(s):

Please provide a ranking of the level of regulatory risk under each of the following rate frameworks: (i) Price Cap IR; (ii) Custom IR; and (iii) multi-year Cost of Service.

5-CCC-63

Ref: Exhibit 5, Tab 1, Schedule 2, pp. 2-3

Question(s):

- a) Please confirm that Elexicon is seeking to establish the long-term debt rate based on its current forecast (4.83%) for the entire 2027-2031 period.

- b) With respect to the two interest rate loan swaps that will be expiring in 2028, please explain why there would be no change to the long-term debt rate starting in 2028 (in the month those loans expire).
- c) With respect to the new debt issuance planned for January 1, 2027 (\$270.3M), please advise whether the Company has any more recent information from RBC regarding the forecast interest rate for that debt.

Exhibit 6 – Revenue Requirement / Other Revenue

6-CCC-64

Ref: Appendix 2-H

Question(s):

Please explain the basis for the forecast of interest and dividend income (\$50k) for each year in the 2027-2031 period as shown in Appendix 2-H.

Exhibit 9 – Deferral and Variance Accounts

9-CCC-65

Ref: Exhibit 9, Tab 3, Schedule 5, p. 2

Please provide excerpts from each of the EB-2013-0174 and EB-2009-0274 proceedings where the OEB cost assessment-related costs are set out to allow for a reconciliation to Table 1.

9-CCC-66

Ref: Exhibit 9, Tab 3, Schedule 5, p. 7

Question(s):

Please confirm that the result of Elexicon’s methodology shown in Table 8 is that the total actual locate-related costs that were incurred above the amount built into rates is

proposed to be recovered from ratepayers through the GOCA. If this is not correct, please explain.

9-CCC-67

Ref: Exhibit 9, Tab 3, Schedule 5, pp. 10-11

Question(s):

- a) Please explain why the LEAP funding included in rates as of 2010 (WRZ) and 2014 (VRZ) were not escalated by the PCI to 2026 for purposes of determining the balance for disposition.
- b) Please provide the PCI escalation to base LEAP funding for each of WRZ and VRZ to 2026.

9-CCC-68

Ref: Exhibit 9, Tab 3, Schedule 5, pp. 14-19

Question(s):

- a) Please provide a table, using the best available information, showing the Dx Next expenditures incurred/ forecast to be incurred in each year over the 2025-2028 period of the three-phase implementation. As part of the table, please show which costs are actuals and forecasts.
- b) Given the proposal to dispose of what appear to be largely forecast costs, please explain Elexicon's plan for addressing variances between budgeted and actual Dx Next costs.

9-CCC-69

Ref: Exhibit 9, Tab 4, Schedule 2

Question(s):

Please provide a single table that shows for each capital program (Appendix 2-AA format) the following:

- The total proposed in-service amount for the 2027-2031 period
- The total in-service amount subject to deferral account treatment across the various capital variance related deferral accounts (e.g., CISAVA, DRVA, CCRAVA, etc.)
- A statement as to whether the true-up is proposed to be on an asymmetric or symmetric basis.

Exhibit 10 – Evidence Update

10-CCC-70

Ref: Exhibit 10, Tab 1, Schedule 1, p. 11
OPG Payment Amounts Application, EB-2025-0297, Exhibit I1

Question(s):

- a) Please confirm, or correct, the table below that shows the updated total 5-year bill impacts (Sub-Total A) for residential customers in each rate zone and on average. Please also provide a customer-weighted bill impact to the table.

| Sub-Total A | WRZ | VRZ | Average | Customer-Weighted Average |
|--|------------|------------|----------------|----------------------------------|
| Residential Total 5-Year Impact | 50.79% | 63.71% | 57.25% | |

- b) Please provide the same information as requested for the above table excluding the impact of rate riders.
- c) Please add an additional line to the above table (as corrected, if necessary) to show the total bill impacts inclusive of Ontario Power Generation’s proposed changes to payment amounts for the 2027-2031 period (EB-2025-0297, Exhibit I1).

10-CCC-71

Ref: Exhibit 10, Tab 2, Schedule 1, pp. 1-3, 10, 12, 14

Question(s):

- a) Please provide a more detailed version of Table 1 that shows the various cost components for the control centre segment of the system operations program. For example, to the extent that these cost components are relevant to the program, please show line items for labour / wages, third-party contractors, consulting costs, licensing fees, etc. Please add to the list any other specific cost components that are relevant to the program.
- b) Please further explain the methodology applied to forecast the costs of the control centre segment of the system operations program in the test period (including a discussion of the test year forecasting methodology and the 2028-2031 forecasting methodology if those methodologies are different).
- c) Please provide the cost differential, on a comparable basis, between contractor Qualified Operators relative to internal Qualified Operators.
- d) Please provide a breakdown of the approximately \$15M increase to the control centre segment costs between the pre-filed evidence and the updated evidence. Please use the categories listed on page 3 (i.e., compensation increases, enhanced SCCC operator apprenticeship program, additional support positions and increased overall complement of internal qualified staff).
- e) Please file any documentation associated with the “internal review” that resulted in the plan to increase system operator compensation.
- f) Please explain why the “Starting Org Structure in 2025 Bridge” is the same in both Tables 2 and 3. Please provide the response in the context of the stated loss of 9 staff (Footnote 4, p. 2).
- g) Please provide revised versions of Tables 2 and 3 that show the number of planned positions in each year (2026-2030) instead of staffing additions. Please also breakout qualified operators and apprentice operators and add additional lines that show contracted staff support (i.e., same information as shown in Table 4).
- h) Assuming Tables 2 and 3 are on position basis as opposed to an FTE basis, please revise both tables to show the pre-filed and updated proposals on an FTE basis. Also, instead of showing staffing additions, show the number of FTEs in each

position and for each year of the plan. Please also breakout qualified operators and apprentice operator and add additional lines that show contracted staff support (FTE Equivalent basis) (i.e., same information as shown in Table 4).

- i) Please advise whether there is a connection between the number of system operators and the number of field crews supported by the system operators. If so, please provide the analysis undertaken that shows the workload changes over time and the number of operators required. As part of the response, please also provide any internal documentation with respect to the updated system operators resourcing plan.