

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please see Table 1 below for service areas previously owned/operated by Veridian Connections and Whitby Hydro:

Table 1: List of Service Areas and previous owner/operator

Service Area	Previously Owned/Operated By
The Town of Whitby	Whitby Hydro
The City of Pickering	Veridian Connections
The City of Ajax	Veridian Connections
The City of Belleville	Veridian Connections

The Township of Brock (Beaverton, Cannington, and Sunderland)	Veridian Connections
The Municipality of Clarington (Bowmanville, Newcastle, and Orono)	Veridian Connections
The Town of Gravenhurst	Veridian Connections
The Municipality of Port Hope	Veridian Connections
The Township of Scugog (Port Perry)	Veridian Connections
The Township of Uxbridge	Veridian Connections

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b) Elexicon’s non-contiguous and mixed service territory creates operational and planning challenges because it serves geographically separate urban, suburban, rural, and remote island areas, each with distinct infrastructure requirements, operating conditions and growth pressures. As described in Exhibit 2B - Tab 1 - Schedule 1, the distance between the farthest points in the service area (Gravenhurst and Belleville) is approximately 179 kilometres. This lack of geographical continuity requires Elexicon to maintain multiple operational centres and field crews across separate regions to ensure that crews are available to maintain and operate the entirety of the distribution system and to ensure the timely restoration and customer service where necessary. Elexicon must also coordinate electricity supply from numerous Hydro One – owned transformer stations and distribution stations within regions, which adds further complexity to system planning, load forecasting, and operational coordination. The separation of service areas also limits the potential for load transferring between regions, constraining operational flexibility and complicating contingency planning. It therefore requires tailored capacity planning, careful prioritization of asset renewal investments, and enhanced operational coordination to ensure consistent service delivery and support growth across all regions.

As further described in Exhibit 2B Tab 4 Schedule 3, Appendix H, page 6, this non-contiguous service footprint presents unique operational challenges during storm events, as restoration efforts must be coordinated and mobilized across isolated regions rather than through a contiguous network. Unlike utilities with a single, connected service area, Elexicon field crews must contend with additional logistical complexities in accessing affected sites, particularly in remote and rural areas.

1 The mixed nature of service territory creates a further challenge because different parts of
2 the system require different operating responses and investment priorities. For example,
3 Gravenhurst includes island communities and remote areas that have dense tree coverage
4 and are more vulnerable to wind, ice, and vegetation related outages, which increase the
5 cost and complexity of maintaining reliable service. By contrast, to the south, Elexicon serves
6 rapidly growing municipalities of Ajax, Pickering and Whitby, where urban density and
7 developmental pressures drive the need for capacity expansion, system upgrades, and
8 coordination with municipal infrastructure projects. Additionally, the Belleville service area
9 supports a growing manufacturing base that requires a high service reliability and additional
10 electrical capacity to accommodate expansion. As a result, Elexicon cannot apply one
11 uniform planning or operating approach across the system.

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INTERROGATORY 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.

RESPONSE:

a) Elexicon used the OEB's Open Data Source to produce the comparison charts. As of this time of drafting this response, the OEB has not issued its 2025 Open Data.

The historical customer growth rates for each utility are shown in tabular format in Table 5 of Exhibit 1, Tab 5, Schedule 3. The forecast customer growth rate for Elexicon is shown in Table 1 of Exhibit 3, Tab 1, Schedule 1. Elexicon notes that it has filed an updated load forecast in response to 3-SEC-68. The updated forecast customer year-on-year customer growth is shown in Table 2 below.

The average historical customer growth rate for Ontario of 0.8% from 2020 to 2024 was generated by calculating the CAGR of customers at the provincial level using the Ontario

Energy Board's 'At-a-glance' data summaries. For ease of reference, the figures below include hyperlinks to the source documents. The data source is provided in Table 1 below.

Table 1: Provincial Growth Rate

	2020	2021	2022	2023	2024	CAGR
Total Customers (Ontario)	5,283,698	5,342,988	5,373,024	5,408,706	5,461,297	0.8%

b) Table 2 provides the forecast customer growth rates found in the respective load forecast models of the selected peer-group utilities that currently have multi-year forecasts on the record in OEB applications. The data in Table 2 shows that Elexicon is forecasting the highest rate of average customer growth of the utilities with available information. Note that the data in Table 2 is updated to reflect the updated load forecast for Elexicon filed in response to 3-SEC-68.

Table 2: Customer Forecasts Peer Utilities (Average Yearly Customer Growth)

Utility	Term	Average Forecasted Growth
Elexicon Energy (EB-2025-0312)	2027-2031	1.46%
Alectra Utilities (EB-2025-0252)	2027-2031	0.44%
Hydro Ottawa (EB-2024-0115)	2026-2030	1.26%
Toronto Hydro (EB-2023-0195)	2025-2029	0.39%

c) Elexicon relied on the total customers reported in RRR over the 2020-2024 period. Please see the link below for the OEB's Open Data URL that provides the "Electricity Reporting & Record Keeping Requirements (RRR): Section 2.1.2 Market Monitoring Information" which includes customer numbers for all Ontario LDC's from 2015 to 2024:

1 <https://www.oeb.ca/open-data/electricity-reporting-record-keeping-requirements-rrr->
2 [section-212-market-monitoring](https://www.oeb.ca/open-data/electricity-reporting-record-keeping-requirements-rrr-section-212-market-monitoring)

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

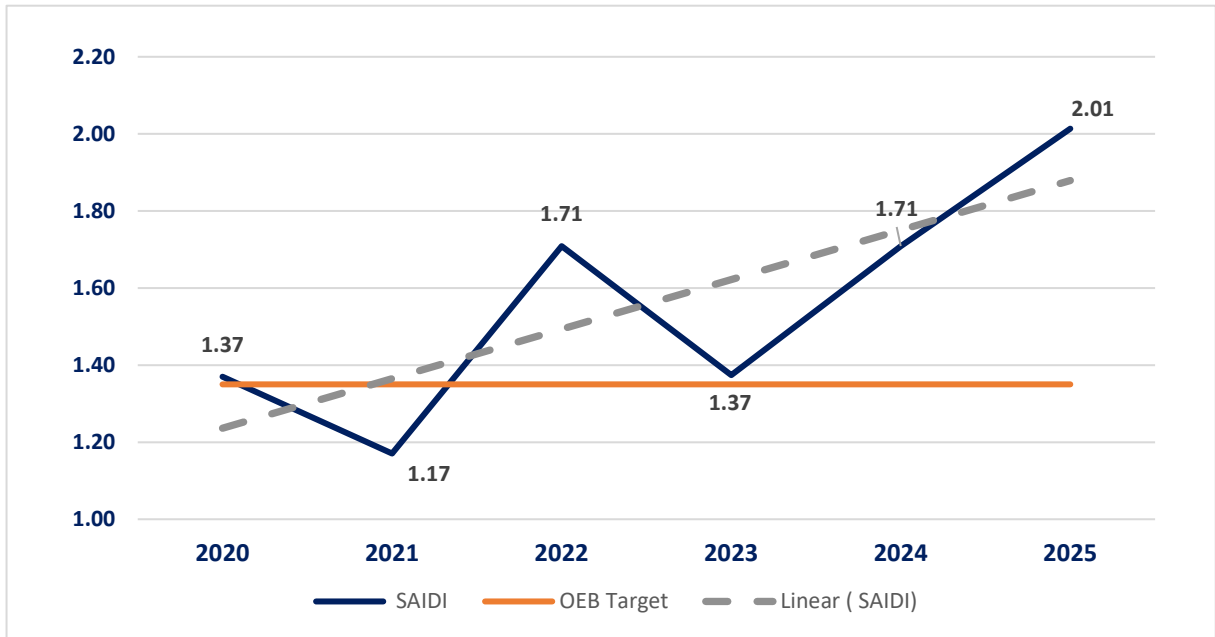
b) With respect to the increased policy files/regulatory activity, please advise whether Elexicon participates directly in these consultations or participates through an industry group (e.g., EDA, etc.).

RESPONSE:

a) The updated versions of Figures 9 and 10 within the referenced exhibit, incorporating 2025 actual results and tabular representations of the underlying data for each figure, are provided below:

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2 **Figure 1: Figure 9 Elexicon SAIDI Performance 2020-2025**



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4 **Table 1: Table of Figure 9 Results**

Year	Year-End SAIDI	OEB Target
2020	1.37	1.35
2021	1.17	1.35
2022	1.71	1.35
2023	1.37	1.35
2024	1.71	1.35
2025	2.01	1.35

1 **Figure 2: Figure 10 Elexicon Share of SAIDI from Defective Equipment 2020-2024**

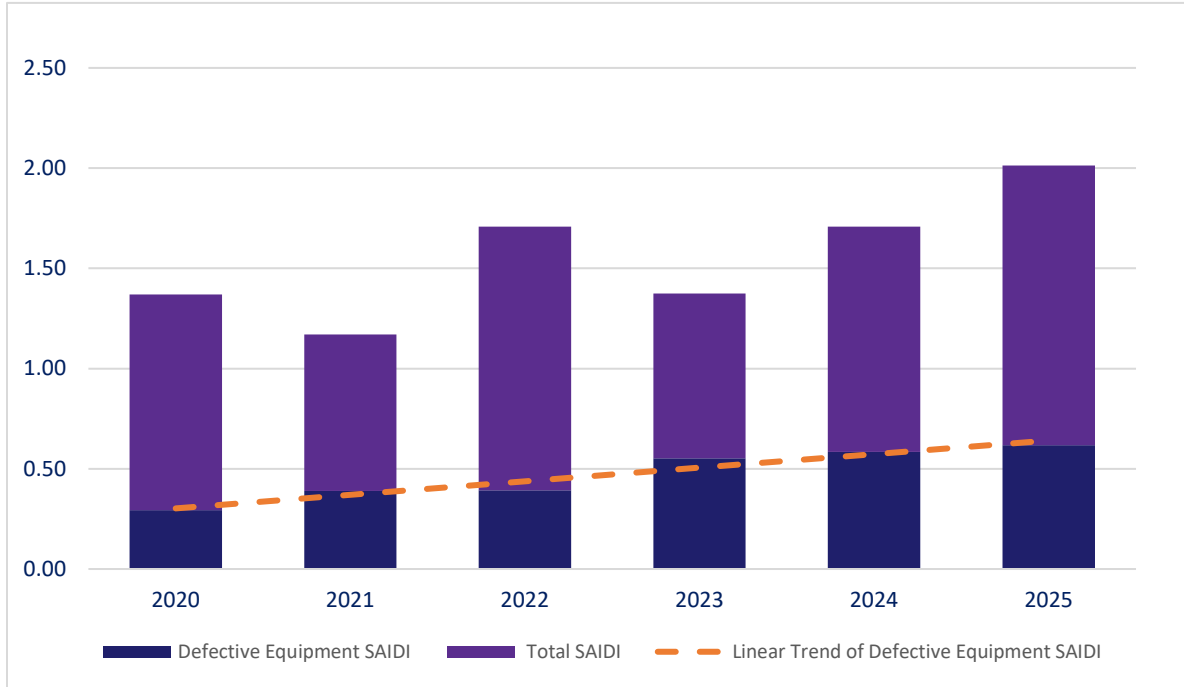


Table 2: Table of Figure 10 Results

Year	Year-End SAIDI	Defective Equipment SAIDI
2020	1.37	0.29
2021	1.17	0.39
2022	1.71	0.39
2023	1.37	0.55
2024	1.71	0.58
2025	2.01	0.62

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3 b) Elexicon participated directly in the majority of regulatory consultations, as well as through
4 industry groups such as the EDA and OEA.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

RESPONSE:

a) Please see response to 4-SEC-84.

b) Elexicon has provided a revised version of Table 2 of Exhibit 1 – Tab 4 – Schedule 1, Appendix A to reflect a minor correction to the calculation for OEB ICM Model Estimated Capital. The pre-filed evidence calculation did not utilize the most updated OEB ICM/ACM Model for the Whitby and Veridian rate zones. This table is provided in Excel file 1-CCC-04(1)_Excel Support File, Tab CCC-4-b.

Table 1: Legacy Utilities Combined ICM Based Estimate of Capex in Rates vs Actual Capital Spend 2020-2026

Year	2020	2021	2022	2023	2024	2025	2026	Total
OEB ICM Model Estimated Capital (A)	\$24.2	\$25.2	\$29.5	\$31.9	\$36.9	\$32.9	\$30.9	210.0
Actual Net Capital (B)	\$35.2	\$53.4	\$78.4	\$52.5	\$68.8	\$59.7	\$77.2	425.4
Variance (C=A-B)	\$(10.9)	\$(28.2)	\$(48.9)	\$(20.7)	\$(31.9)	\$(26.8)	\$(47.1)	-215.4

The calculations for deriving the capital funding in rates is based on the OEB's 2025 ACM/ICM model and shown in Tabs "WRZ ICM Threshold Actual PC2025" and "VRZ ICM Threshold Actual PC2025" of Attachment 1 to this response. The OEB ICM Model Estimated Capital in Table 1 above is simply the sum of annual amounts for each of the Whitby Rate Zone (WRZ) and Veridian Rate Zone (VRZ) materiality threshold values for each year in 2020 through 2026. The calculations in the OEB's 2025 ACM/ICM model were adjusted to 1) use the actual Price Cap Index for each year, and 2) amend the 10% deadband to 0% to reflect the actual capital funding available in each of WRZ and VRZ rates. These modifications are shown in columns J, K and L of the noted Tabs.

Excerpts of the Revenue Requirement Work Forms from the Veridian and Whitby Draft Rate Orders are attached, as Attachment 2 and 3 to this response, respectively.

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i. Please see Excel files 1-CCC-04(2)_Veridian DRO RRWF Excerpt and 1-CCC-04(3)_Whitby DRO RRWF Excerpt. These show that the Veridian Capital Revenue Requirement as approximately \$27,573,789 and Whitby Capital Revenue Requirement as approximately \$10,317,005.

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ii. Please see Excel file 1-CCC-04(1)_Excel Support File, Tab CCC-4-c. The resulting shortfall in Capital Revenue Requirement over the period of 2020 to 2026 is roughly \$160.2M.

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iii. Please refer to response to 1-SEC-84.



Revenue Requirement Workform

Revenue Requirement

Line No.	Particulars	Application		Settlement Agreement		Per Board Decision	
1	OM&A Expenses	\$28,283,692		\$26,283,692		\$26,283,692	
2	Amortization/Depreciation	\$10,672,290		\$10,646,989		\$10,646,989	
3	Property Taxes	\$ -					
5	Income Taxes (Grossed up)	\$1,104,395		\$1,220,938		\$1,220,938	
6	Other Expenses	\$ -					
7	Return						
	Deemed Interest Expense	\$7,158,599		\$6,791,170		\$6,791,170	
	Return on Deemed Equity	\$8,748,056		\$8,914,692		\$8,914,692	
8	Service Revenue Requirement (before Revenues)	<u>\$55,967,033</u>		<u>\$53,857,480</u>		<u>\$53,857,480</u>	
9	Revenue Offsets	\$3,767,464		\$3,927,303		\$3,927,303	
10	Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)	<u>\$52,199,569</u>		<u>\$49,930,177</u>		<u>\$49,930,177</u>	
11	Distribution revenue	\$52,199,570		\$49,930,178		\$49,930,178	
12	Other revenue	\$3,767,464		\$3,927,303		\$3,927,303	
13	Total revenue	<u>\$55,967,034</u>		<u>\$53,857,481</u>		<u>\$53,857,481</u>	
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>\$1</u>	(1)	<u>\$1</u>	(1)	<u>\$1</u>	(1)

Notes

(1) Line 11 - Line 8



REVENUE REQUIREMENT WORK FORM

Name of LDC: Whitby Hydro Electric Corporation
File Number: EB-2009-0274
Rate Year: 2010 Settlement for 2011 Rates 11/30

		Revenue Requirement	
Line No.	Particulars	Application	Per Board Decision
1	OM&A Expenses	\$8,919,421	\$8,879,421
2	Amortization/Depreciation	\$4,929,391	\$4,800,644
3	Property Taxes	\$ -	\$ -
4	Capital Taxes	\$45,600	\$ -
5	Income Taxes (Grossed up)	\$1,149,325	\$1,190,590
6	Other Expenses	\$ -	\$ -
7	Return		
	Deemed Interest Expense	\$3,274,839	\$2,398,826
	Return on Deemed Equity	\$2,428,614	\$2,927,689
8	Distribution Revenue Requirement before Revenues	\$20,747,189	\$20,197,169
9	Distribution revenue	\$19,856,446	\$19,196,426
10	Other revenue	\$890,743	\$1,000,743
11	Total revenue	\$20,747,189	\$20,197,169
12	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	(\$0) (1)	(\$0) (1)

Notes

(1) Line 11 - Line 8

Per Board Decision reflects Whitby Hydro's settlement proposal to reach \$1,350,000 revenue deficit. The starting point for settlement is based on the revenue deficiency identified in Board Staff #35 (dated November 9, 2010) of \$2,564,095. All settlement adjustments are noted in the Settlement Detail S

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

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2 g) Please provide the detailed calculation underpinning the \$3.25M of labour synergies.

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4 h) Please provide a more detailed explanation of how Elexicon determined whether a
5 position is related to “growth and/or new requirements” in the FTE normalization process.

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7 i) Using the executive category as an illustrative example, please describe why 3 executives were
8 needed due to growth and/or new requirements (i.e., these executive FTEs were normalized in the
9 analysis).

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11 j) Elexicon states that “[t]he realization of synergies from the merger of the legacy
12 utilities has conferred savings and efficiencies expected to persist to the benefit of ratepayers in
13 the 2027 to 2031 period.” Please provide a detailed explanation of how the estimated costs savings
14 of \$5.2M are reflected in the 2027-2031 revenue requirement.

RESPONSE:

a) Table 1 in Exhibit 1 – Tab 4 – Schedule 2, page 1, was a reproduction of the forecast savings table in the merger application (EB-2018-0236, Veridian and Whitby Hydro (MAAD Application), “Table 10 – Years 2019 to 2026”, page 33). Elexicon has interpreted this question as a request to extend Table 3 (Ex. 1 – Tab 2 – Schedule 4, page 3) which includes Elexicon’s actual and forecast synergy savings. Table 1 below shows Elexicon’s historical and forecast merger synergy savings.

Table 1: Elexicon’s Historical and Forecast Merger ¹ Synergy Savings 2019 to 2028

	2019	2020	2021	2022	2023	2024	2025	2026 (F)	2027 (F)	2028 (F)
Labour Synergies (\$M)	2.410	2.637	2.763	3.802	3.225	2.770	2.902	3.021	3.082	3.144
Non-Labour Synergies (\$M)	0.330	0.825	1.239	1.444	1.194	1.851	1.920	1.961	2.000	2.040
Total (\$M)	2.740	3.462	4.001	5.246	4.419	4.620	4.822	4.983	5.082	5.184

b) The percentage of realized synergies is calculated by dividing the 2025 realized savings in Table 3 of Exhibit 1-Tab-4-Schedule 2 (page 3), by the total 2025 forecasted savings from the MAADs application noted in Table 1:

5.175 M / 6.093 M = 85%. Using the revised labour synergies values in the response in a), above, Elexicon has recalculated this percentage to be 79% (\$4.822M / \$6.093M).

c) Detailed calculations for non-labour savings are provided in Excel file 1-CCC-05(1)_Non-Labour Savings. This excel includes a description of the synergy, which comprises either costs avoided or costs saved and this data is provided by OM&A segment level.

¹ In the pre-filed version of this Table, Elexicon incorrectly calculated labour savings for supervisory level positions using the FTE delta for non-supervisory positions. This overstated the savings given there were fewer supervisor-level synergies than non-supervisor level positions. The OM&A assumptions and the delta of FTEs remain unchanged. For detailed calculations of the labour synergies by level of position, please refer to the response provided in part (g) of this interrogatory.

- **Avoided Costs:** As noted in the referenced exhibit, synergies that entail costs avoided are those costs that would have been incurred by both utilities on an individual basis had the entities not merged given the criticality of the activity for standard business practices. To calculate the costs avoided, Elexicon used the cost of retaining or acquiring the service as a consolidated entity and then calculated one-third of those costs to represent a conservative estimate of the expenditure Whitby Hydro would have incurred to acquire the service or perform the critical activity.
- **Cost Saved:** For costs saved, Elexicon relied on accounting records and invoices to determine the pre-merger cost for the items listed. Where inflation rates are known, the value of the synergies is then adjusted for inflation using the OEB's Input Price Index (IPI), and for years 2027 and 2028, a 2% inflation rate is assumed.

- d) Elexicon has provided a revised table below with the following adjustments: (i) updated the 2025 column with actuals, (ii) added a forecast for 2026 FTEs (responsive to part e) and (iii) normalized the positions added to show the FTE values associated with growth and/or new functions that were not considered at the time of the merger.

Table 1: Normalized FTEs – 2020 to 2026

	2020	2021	2022	2023	2024	2025	2026 (F)
FTE per RRR	246	246	256	264	307	320	351
Positions Normalized	0	6	13	28	50	54	80
Normalized FTE	246	240	243	236	257	266	271

- e) See Table 1 in part d above.

- f) See part g below.

- g) The labour synergies were determined by the net variance of positions reduced and filled in each year as illustrated in Table 4 of Exhibit 1 - Tab 4 - Schedule 2. The net value (i.e. Cumulative Delta) is then multiplied by an estimated average OM&A cost of the position. The OM&A cost assumption is based on the level of position (e.g. executive, manager,

supervisor etc.). Elexicon determined the OM&A values based on the average of in-year labour costs by position level. The details underlying the labour synergies calculations are shown in Table 2 below.

Table 2: Labour Synergies – Detailed Calculations

	2019	2020	2021	2022	2023	2024	2025	2026
[A]	FTEs - Cumulative Delta of Additions and Departures by Year							
Executive	7	5	4	7	6	5	4	4
Manager	3	3	6	6	4	5	6	6
Supervisor	-	-	3	5	5	5	5	5
Non-Supervisor	11	22	17	20	17	10	13	14
FTE Delta	21	30	30	38	32	25	28	29
[B]	OM&A Cost Per Position							
Executive	209,488	213,763	218,126	222,488	226,938	231,477	236,106	240,828
Manager	116,525	118,903	120,653	123,066	125,527	128,037	130,598	133,210
Supervisor	68,208	69,600	71,020	72,440	73,889	75,367	76,874	78,412
Non-Supervisor	53,972	55,074	56,079	57,200	58,344	59,511	60,701	61,915
[A] * [B]	Labour Synergies - Totals by Position Level							
Executive	1,466,415	1,068,816	872,503	1,557,417	1,361,628	1,157,384	944,425	963,313
Manager	349,574	356,708	723,915	738,393	502,108	640,187	783,589	799,261
Supervisor	-	-	213,060	362,202	369,446	376,835	384,371	392,059
Non-Supervisor	593,692	1,211,617	953,336	1,144,003	991,851	595,110	789,116	866,814
Total Labour Synergies	2,409,681	2,637,141	2,762,814	3,802,015	3,225,032	2,769,516	2,901,502	3,021,447

h) Elexicon reviewed each full-time position added since 2020 and identified the drivers of the position. If the position was added due to increasing work program volumes, but the activity or work performed by the role was not a new function to the organization, it was labelled “growth”. If the position is associated with business requirements not foreseen at the time of the development of the merger business case, it was labelled “new function.” More detailed information can be found in response to 4-Staff-102 and 4-Staff-103.

1 i) Elexicon would like to clarify that the labour synergies analysis in Exhibit 1-Tab 4-Schedule 2
2 uses the same categories of employee as was used in the calculations of labour synergies
3 from the MAADs application. In that application, director was counted as an 'executive' level
4 role for the purpose of calculating synergy savings.
5

6 In 2022, Elexicon added a Director of Financial Planning, which is necessary for the
7 substantial planning, forecasting, and process enhancements that Elexicon requires to be
8 able to execute greater work volumes (e.g. financial transactions and reporting associated
9 with a growing work program), improve accuracy in financial forecasting and workforce
10 planning, in addition to being able to support rate applications of greater complexity.
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12 In 2024, Elexicon added a Director of Asset Planning and System Engineering to lead a
13 growing asset management team. This team's capabilities have expanded since merger to
14 include comprehensive load forecasting, while also responsible for the growing volume of
15 system expansions, and an evolving prioritization process for reliability investments. This
16 role was also necessary for leading the long-term planning process required to support the
17 growing communities that Elexicon serves, including overseeing Elexicon's first 'bottom-up'
18 DSP as a merged entity, as described in Exhibit 2B - Tab 1 - Schedule 1 at page 12.
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20 In 2023, Elexicon also added a Vice President role in Regulatory Affairs and Stakeholder
21 Relations to: (i) oversee a more sophisticated stakeholder/communications function and
22 support increasing levels of engagement with key stakeholders to ensure an ongoing
23 understanding of customer and community priorities (e.g. growth objectives) and expand
24 the breadth of communications to reflect changing customer preferences (e.g. additional
25 channels of communication, more communication during outages, etc.), and (ii) to lead the
26 regulatory affairs team in order to deliver on increasingly complex rate applications and
27 evolving policy and compliance requirements.
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1 j) The estimated synergy savings represent the additional costs of operating the legacy utilities
2 separately assuming no merger had occurred. The forecast OM&A costs in Exhibit 4 would
3 be anticipated to be higher by a magnitude in line with the synergy savings each year over
4 the 2027-2031 period but for consolidation.
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RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) Please see response to 1-SEC-18 for the updated base revenue requirement. The calculations for the base revenue requirement are shown in Table 8 of the referenced Exhibit. The calculations for base revenue under the Price Cap IR scenario in prefiled evidence are provided in the attached Excel file 1-CCC-06(1)_Price Cap Revenues.
- b) Please see Table 1 below:

Table 1: Deemed vs. Achieved Regulated ROE – with 2025 actuals

Year	Deemed ROE	Achieved ROE	Difference	300 Basis Points Deadband
2020	9.43	6.8	-2.63	Within
2021	9.43	6.87	-2.56	Within
2022	9.43	4.86	-4.57	Under
2023	9.43	5.15	-4.28	Under
2024	9.43	5.39	-4.04	Under
2025	9.43	3.81	-5.62	Under
Avg.	9.43	5.48	-3.95	Under

- c) Please see Table 2 which compares Elexicon's forecast revenue requirement (both Total/Service Revenue Requirement and Distribution/Base Revenue Requirement) against funding provided by the proposed Custom Revenue Cap Index. Differences in forecast cost vs. funding provided are driven by Elexicon's combined productivity and stretch factor ("X"), as established by third party expert evidence provided as Exhibit 1, Tab 5, Schedule 1, Appendix A, and Elexicon's proposal to provide Working Capital Allowance revenue requirement funding on the basis of Inflation less X, as opposed to on a forecast basis.

1 **Table 2: Forecast revenue requirement compared to Custom Revenue Cap Index**

Forecast Cost of Service					
(\$ millions)	2027	2028	2029	2030	2031
Service Revenue Requirement	\$149.7	\$161.2	\$174.0	\$186.0	\$203.9
Other Revenue	-\$4.9	-\$5.1	-\$5.2	-\$5.4	-\$5.6
Base Revenue Requirement	\$144.8	\$156.1	\$168.8	\$180.6	\$198.4
Proposed Funding					
(\$ millions)	2027	2028	2029	2030	2031
Service Revenue Requirement	\$149.7	\$160.9	\$173.4	\$185.2	\$202.7
Other Revenue	-\$4.9	-\$5.1	-\$5.2	-\$5.4	-\$5.6
Base Revenue Requirement	\$144.8	\$155.8	\$168.2	\$179.8	\$197.1

2

3 d) Please see the response in 1-SEC-19.

4

5 e) The OEB's annual inflation factor is intended to reflect growth in input prices. In the event
6 the OEB's annual inflation factor in any year from 2028 to 2031 is in excess of the 2%
7 currently forecast for this value, this outcome will be a reflection of greater than anticipated
8 input price growth. The funding result of an OEB inflation factor of greater than 2% would
9 be an increase to distribution revenue relative to Elexicon's current forecast revenue,
10 concurrent with externally-driven input price growth relative to Elexicon's current cost
11 forecast. Conversely, to the degree the OEB's inflation factor is lower than 2% in any year
12 from 2028 to 2031, Elexicon's revenues will be less than currently forecast. The outcome of
13 variances in the OEB's inflation factor on Elexicon's distribution revenues is identical to the
14 variances experienced by distributors operating under Price Cap IR. Elexicon's proposed
15 approach to the treatment of the OEB's inflation factor in annual update applications is
16 functionally the same as that approved by the OEB in EB-2023-0195.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 for Elexicon. As part of the response, please discuss whether Elexicon is reasonably comparable to
2 many other Ontario LDCs.

3
4 e) Please explain why Clearspring believes that it is appropriate to apply the G-factor, as a revenue
5 escalator, to the total revenue requirement. As part of the response, please consider that the
6 application of the G-factor to the total revenue requirement operates to escalate revenue
7 requirement associated with assets that are already in-service and are not, in any way, associated
8 with growth-related costs.

9
10 f) Please provide Clearspring's understanding of the derivation of the stretch factor percentages
11 (i.e., 0.15%, 0.3%, etc.). Please advise whether the stretch factor percentages take into account the
12 application of these percentages to the total revenue requirement. Please provide Clearspring's
13 view on whether the stretch factor percentages should be higher, or lower, if applied only to
14 revenue requirement associated with forecast in-service additions and operational costs.

15
16 g) Please explain the difference between the 84.9% labour OM&A proportion in Table 7
17 of Exhibit 1, Tab 5, Schedule 1, Appendix A, p. 31 and the statement that "[l]abour represents
18 about half of Elexicon's OM&A expense" described at Exhibit 1, Tab 5, Schedule 2, p. 17.

19
20
21 **RESPONSE:**

22
23 [Response from Clearspring]

24 a) The CPCI formula of $I-X+G+OM\&A\ IPD+RGF$, contains parameters that align with economic
25 expectations of "status quo" cost escalation expectations and others that adjust the formula
26 beyond those expectations. The G Factor and OM&A IPD adjust the formula to align with those
27 expectations. Clearspring maintains that the "I" in the formula is inadequate as an inflation
28 adjustment term in regard to capital asset inflation. Please see Section 4.5 of the Clearspring
29 Report for discussion on that topic. Both the RGF and the stretch factor portion of the X Factor

1 are terms that are used to adjust the formula beyond the “status quo” cost escalation
2 expectations. The stretch factor places a productivity expectation on Elexicon that is beyond that
3 of the industry’s productivity factor. The RGF term is based on the stated spending needs of the
4 Company that are beyond what the current I-X+G+OM&A IPD formula provides.

5
6 b) The results for Elexicon would have a minimal change based on this reversion. Rather than a
7 finding of Elexicon being 13.9% below total costs during the years of 2027 to 2031, the Company
8 would be 14.5% below total costs during that same period.

9
10 c) Confirmed. PEG’s generic OEB Benchmarking places Elexicon in the 0.3% stretch factor cohort.
11 PEG’s OEB Benchmarking updates use models that have not been updated for over ten years.
12 PEG’s research employs an Ontario-only sample and contains several variable deficiencies and
13 omissions relative to the approach used by Clearspring in this application. These deficiencies
14 include not adjusting for capital asset price level differences among distributors, not including a
15 percent congested urban variable, not escalating asset prices by the Handy-Whitman indexes,
16 using an average line length variable that only includes secondary lines (which are a significant
17 portion of total line lengths) for some but not all of the distributors, not including an elevation
18 standard deviation variable, not including a forestation variable, and including pensions and
19 benefits into the cost definition. Clearspring’s model and findings for Elexicon are the more
20 reliable as it does not suffer from those deficiencies.

21
22 d) Please see the response to part (c). Regarding Elexicon’s comparative status to the Ontario
23 sample, in regards to the number of customers in 2024 there are only two distributors that are
24 close to Elexicon regarding size, both slightly smaller. There are four distributors, one is more
25 than double, and the other three more than quadruple the size of Elexicon. This only leaves two
26 utilities in the same size area as the Company. Conversely, Clearspring’s U.S. sample as
27 approximately ten utilities in the same size area as Elexicon. The Clearspring U.S. sample not
28 only contains more comparable utilities but does not suffer from the deficiencies listed in part
29 (c). Furthermore, the PEG OEB Benchmarking model was estimated back in 2013 and the

1 parameter estimates have not been re-estimated. Thus, that model reflects an industry with
2 even smaller distributors and before several mergers. This exacerbates the already inadequate
3 Ontario dataset.

4
5 e) Please see Chapter Four in the Clearspring Report for a derivation of the mathematics and
6 economic theory behind the Growth Factor. In that chapter Clearspring states on page 23, "The
7 G Factor is determined based on how the growth of the system will impact incurred costs." The
8 formula absent a G-Factor would not be adjusting for the output growth of the system, therefore
9 the G-Factor adds to the formula the expected cost growth resulting from output growth.

10
11 f) The stretch factors are additional terms beyond what the economic theory would expect from
12 cost growth. The magnitudes of stretch factors are, therefore, arbitrary in nature. Clearspring
13 maintains that given the longevity of incentive regulation and the incentives inherent in the
14 Ontario regulation model (including that of benchmarking) that stretch factors should be allowed
15 to be negative for distributors found to be low-cost providers. This would both increase
16 incentives to low-cost providers and recognize the reality that those distributors are likely in
17 need of higher spending than their peers that do poorly regarding cost benchmarking results.
18 The current 4GIR cohorts recognize that poor performance should have higher productivity
19 expectations than the industry's productivity trend, which is true, but that the inverse of that is
20 also true, that good cost performance utilities should have lower productivity expectations than
21 the industry's productivity trend.

22
23 g) The Clearspring IPD calculation adds in pensions and benefits into the labour portion and also
24 does not classify outside service provider OM&A expenses as non-labour. Clearspring instead
25 assumes that outside service provider expenses have the same proportion of labour and non-
26 labour as the Company does absent those expenses. The Clearspring IPD calculation aims to
27 estimate the level of OM&A inflationary pressure that is driven by a labour component
28 (regardless of how its classified by Elexicon) versus a non-labour component.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) The inflation rate was applied consistently for labour and non-labour across all programs. Please refer to Exhibit-1, Tab-5, Schedule-2, page 23 Table 17 for the labour escalation and page 24 Table 19 for the non-labour escalation. The weighted average cost of inflation by program is not

available as the allocation of labour between union and non-union is not tracked at a program level. However, the overall weighted average cost of inflation in OM&A is as follows:

Table 1: Weighted Average Cost of Inflation in OM&A

Weighted Average Cost of Inflation in OM&A				
2027	2028	2029	2030	2031
2.9%	2.7%	2.5%	2.2%	2.0%

To perform this calculation, the annual costs for the three categories (non-union labour, union labour and non-labour) from the preceding year were multiplied by the respective inflation factors for the following year as identified in Tables 17 and 19 in Exhibit-1, Tab-5, Schedule-2 pages 23-24. This total was then divided by the preceding year to arrive at a weighted average cost of inflation in OM&A.

- b) The underlying calculations for the weighted average inflation rates in Table 18 of Exhibit 1 – Tab 5 – Schedule 2 are provided in Excel file 1-CCC-08(1)_WAC Inflation Rate. The weighted average capital inflation rate was derived from the inflation rates that were applied to each capital investment program. The attachment provides the detailed calculation, including all assumptions, and shows how the weighted average capital inflation rate was derived for each year between 2027-2031 with an example listed. Additionally, it is confirmed that the weighted average inflation rate reflects both labour and non-labour related inflationary components.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please find attached the requested table:

1 **Table 1: Version of Table under Figure 9 with Total Capital Expenditures and FTEs for**
2 **Elexicon, Peer Group Average, and Ontario Average**

Year	Elexicon		FTE/1 Million of CAPEX		
	FTEs	Total CAPEX	Elexicon	Peer Group Avg.	Ontario Average
2020	246	50,269,224	4.90	7.86	12.02
2021	246	71,917,383	3.42	6.22	10.85
2022	256	101,060,040	2.53	6.79	11.58
2023	264	88,609,978	2.98	5.79	10.04
2024	307	94,640,504	3.25	5.94	9.21
2025	320	102,370,016	3.25	N/A	N/A
2026	351	103,799,410	3.29	N/A	N/A
2027	378	189,503,568	1.92	N/A	N/A
2028	395	170,002,935	2.23	N/A	N/A
2029	408	183,021,328	2.14	N/A	N/A
2030	412	186,878,570	2.11	N/A	N/A
2031	412	229,289,978	1.72	N/A	N/A

3
4 b) Please see below for tables from Reference 1 updated with 2025 Actuals. Elexicon's average
5 has been updated to reflect the most recent 5 years (2021-2025). Please note that Peer Group
6 and Industry averages are not available at this time.

7

1 **Table 2: Table 6 Updated Summary Table of APB Metrics (Cumulative 2020-2025)**

Unit Cost Calculations (2020-2025)	Elexicon						
	2020	2021	2022	2023	2024	2025	Average
Billing O&M (\$)	29.1	34.8	31.6	30.5	33.7	33.6	32.8
Metering O&M (\$)	8.2	9.0	7.6	7.6	6.8	7.6	7.7
Vegetation Management O&M (\$)	28.1	35.5	31.5	35.5	41.9	45.1	37.9
Distribution System (Lines) O&M (\$)	1,102.5	1,071.1	1,158.5	982.6	1,038.1	1,155.4	1,081.1
Stations O&M ¹ (\$)	583.9	696.1	428.6	455.0	2,199.3	510.3	857.8
Poles, Towers and Fixtures O&M (\$)	3.0	2.5	1.9	1.9	0.9	70.6	15.6
Stations CAPEX ² (\$)	2,273.1	4,851.7	1,544.4	3,279.3	3,542.8	1,064.7	2,856.6
Poles, Towers and Fixtures CAPEX (\$)	11,363.8	14,417.0	18,870.3	24,546.3	23,001.3	39,944.8	24,155.9
Line Transformers CAPEX (\$)	11,916.7	15,239.8	14,015.5	17,909.5	15,992.4	14,037.0	15,438.8
Meters CAPEX (\$)	7.6	6.8	5.2	9.1	11.4	11.9	8.9

2

3 **Table 3: Table 7 Updated Elexicon vs. Ontario and Peer Group Billing O&M (2020-2025)**

Billing O&M	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – USoA [5315]	4,940.2	5,964.4	5,499.5	5,393.8	6,037.6	6,065.2	5792.1
Scale (1,000 Customers)	169.5	171.6	174.2	176.7	179.0	180.5	176.4
Unit Cost (\$/Customer)	29.1	34.8	31.6	30.5	33.7	33.6	32.8
Year Over Year Change (%)	-	19%	-9%	-3%	11%	0%	

4

5 **Table 4: Table 8 Updated Elexicon vs. Ontario and Peer Group Metering O&M (2020-2025)**

Metering O&M	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – USoA [5065+5175+5310]	1,389.8	1,540.4	1,318.2	1,344.2	1,224.2	1,375.9	1,360.6
Scale (1,000 Customers)	169.5	171.6	174.2	176.7	179.0	180.5	176.4
Unit Cost (\$/Customer)	8.2	9.0	7.6	7.6	6.8	7.6	7.7
Year over year change (%)	-	9%	-16%	0	-10%	11%	

6

¹ Data unavailable for ENWIN Utilities and GrandBridge Energy.

² Data unavailable for ENWIN Utilities and GrandBridge Energy.

1 **Table 5: Table 9 Updated Elexicon vs. Ontario and Peer Group Vegetation Management**
2 **O&M (2020-2025)**

Vegetation Management O&M	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – USoA [5135]	1,034.9	1,320.9	1,174.7	1,325.7	1,571.8	1,704.9	1,419.6
Scale (1,000 Poles)	36.8	37.2	37.3	37.4	37.6	37.8	37.4
Unit Cost (\$/Pole)	28.1	35.5	31.5	35.5	41.9	45.1	37.9
Year over year change (%)	-	26%	-11%	13%	18%	8%	

3

4 **Table 6: Table 10 Updated Elexicon vs. Ontario and Peer Group Distribution System (Lines)**
5 **O&M (2020-2025)**

Distribution System (Lines) O&M	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – USoA [5020+5025+5040+5045+5090+5095+5125+5130+5245+5150+5155]	4,263.3	4,197.6	4,579.6	3,943.3	4,244.8	4,774.0	4,347.9
Scale (Circuit km of Primary Line)	3,867.0	3,919.0	3,953.0	4,013.0	4,089.0	4,132.0	4,021.2
Unit Cost (\$/Circuit km of Primary Line)	1,102.5	1,071.1	1,158.5	982.6	1,038.1	1,155.4	1,081.1
Year over year change (%)	-	-3%	8%	-15%	6%	11%	

6

7 **Table 7: Table 11 Updated Elexicon vs. Ontario and Peer Group Stations O&M (2020-2025)**

Stations O&M	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) –USoA [5016+5017+5114]	686.4	818.2	638.1	703.8	3,351.7	778.2	1,258.0
Scale (Total MVA)	1,175.5	1,175.5	1,489.0	1,547.0	1,524.9	1,524.9	1,452.1
Unit Costs (\$/MVA)	583.9	696.1	428.6	455.0	2,199.3	510.3	857.8
Year over year change (%)	-	19%	-38%	6%	383%	-77%	
Normalized cost (\$1,000) (removal of oil spill one-time expenses)					1,038		
Restated Unit Costs (\$/MVA)					680.8		
Y-o-Y Change (%)					+49%		

8

Table 8: Table 12 Updated Ellexicon vs. Ontario and Peer Group Poles, Tower and Fixtures O&M (2020-2025)

Poles, Towers & Fixtures O&M	2020	2021	2022	2023	2024	2025	Ellexicon Average
Cost (\$1,000) – USoA [5120]	110.2	92.1	69.4	72.6	34.6	2,669.8	587.7
Scale (1,000 Poles)	36.8	37.2	37.3	37.4	37.6	37.8	37.4
Unit Cost (\$/Pole)	3.0	2.5	1.9	1.9	0.9	70.6	15.6
Year over year change (%)	-	-17%	-25%	4%	-53%	7576%	

Table 9: Table 13 Updated Ellexicon vs. Ontario and Peer Group Stations CAPEX (2020-2025)

Stations CAPEX	2020	2021	2022	2023	2024	2025	Ellexicon Average
Cost (\$1,000) – USoA [1820]	2,672.0	5,703.2	2,299.7	5,073.0	5,399.2	1,623.6	4,019.7
Scale (total MVA)	1,175.5	1,175.5	1,489.0	1,547.0	1,524.0	1,524.9	1,452.1
Unit Cost (\$/MVA)	2,273.1	4,851.7	1,544.4	3,279.3	3,542.8	1,064.7	2,856.6
Year Over Year Change (%)	-	113%	-68%	112%	8%	-70%	

Table 10: Table 14 Updated Ellexicon vs. Ontario and Peer Group Poles, Towers and Fixtures CAPEX (2020-2025)

Poles & Towers CAPEX	2020	2021	2022	2023	2024	2025	Ellexicon Average
Cost (\$1,000) – USoA [1830]	8,897.8	8,275.3	12,378.9	11,978.6	11,109.6	19,692.8	12,687.0
Scale (Pole Additions)	783.0	574.0	656.0	488.0	483.0	493.0	538.8
Unit Cost (\$/Pole Addition)	11,363.8	14,417.0	18,870.3	24,546.3	23,001.3	39,944.8	24,155.9
Year Over Year Change	-	27%	31%	30%	-6%	74%	

Table 11: Table 15 Updated Elexicon vs. Ontario and Peer Group Lines Transformers CAPEX (2020-2025)

Lines Transformers CAPEX	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – UsoA [1850]	6,840.2	8,412.4	6,629.3	8,041.3	4,142.0	7,748.4	6,994.7
Scale (Line Transformer Additions)	574.0	552.0	473.0	449.0	259.0	552.0	457.0
Unit Cost (\$/Line Transformer Addition)	11,916.7	15,239.8	14,015.5	17,909.5	15,992.4	14,037.0	15,438.8
Year over year change (%)	-	28%	-8%	28%	-11%	-12%	

Table 12: Table 16 Updated Elexicon vs. Ontario and Peer Group Meters CAPEX (2020-2025)

Meters CAPEX	2020	2021	2022	2023	2024	2025	Elexicon Average
Cost (\$1,000) – UsoA [1860]	1,287.3	1,171.3	907.4	1,603.2	2,033.3	2,144.2	1,571.9
Scale (1,000 Customers)	169.5	171.6	174.2	176.7	179.0	180.5	176.4
Unit Cost (\$/Customer)	7.6	6.8	5.2	9.1	11.4	11.9	8.9
Year over year change (%)	-	-10%	-24%	74%	25%	5%	

Please see below for forecast APB metrics for Billing O&M and Metering O&M. These metrics rely on forecasted expenditures in the Customer Care program updated in 1-SEC-13 Attachment 3 App.2 - JA to JC 2025 & SCC and 2-K and forecasted customer numbers in revised Appendix 2-IB attached to 1-Staff-1.

Table 13: Forecast APB O&M Costs (\$)

APB Programs	USofA	2027	2028	2029	2030	2031
Billing	5315	6,894,510	8,393,636	7,713,133	7,762,774	7,803,167
Metering	5065, 5175 and 5310	1,540,837	1,649,030	1,680,444	1,713,827	1,742,279

1 **Table 14: Forecast APB O&M Units**

	Unit*	2027	2028	2029	2030	2031
Billing	Number of customers (1,000)	185.7	188.4	191.2	194.2	197.0
Metering	Number of customers (1,000)	185.7	188.4	191.2	194.2	197.0

*Number of Customers per revised Appendix 2-IB (attached to response in 1-SEC-13).

2

3 **Table 15: Calculated Forecast Unit Cost**

Years	2027	2028	2029	2030	2031
Billing (\$/Customer)	37.13	44.56	40.33	39.98	39.62
Metering (\$/Customer)	8.30	8.75	8.79	8.83	8.85

4

5 For reasons detailed in this response, Elexicon is unable to provide a unit cost forecast for asset-

6 based programs, which comprise the remaining APB metrics. Consistent with Chapter 5 Filing

7 Requirements, Elexicon plans its investments largely on a programmatic basis informed by asset and

8 system needs. With this programmatic approach, the specific scopes of work and mix of in-serviced

9 assets cannot be determined on a forecast basis (i.e. Elexicon does not plan its work to the level of

10 detail required to forecast as far in advance as would be required by this question), and therefore it

11 is not possible to extract from the investment plan any reliable in-serviced unit costs forecasts.

12 Additionally, Elexicon notes that even if it were somehow possible to extrapolate unit costs forecast

13 from the information on the record, this data would not be comparable to the historical actuals

14 because there is significant renewal work planned for the upcoming rate period, which will increase

15 the value of the fixed assets but not the total number of units, thereby distorting the overall unit cost

16 calculation.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

[Response from Innovative]

a) The question is designed to measure customers’ willingness to accept the proposed investment plan outcomes at an estimated bill impact (i.e., “social permission”), rather than to measure overall customer support or opposition in a traditional “for/against” sense.

The response options therefore include multiple variations of support because customers can accept the proposed rate impact in different ways, including (1) wanting Elexicon to do more than proposed, (2) accepting the plan as proposed, or (3) disliking the increase but viewing it as necessary to maintain the grid to a reasonable standard and prepare for the future.

1 In contrast, non-acceptance is more straightforward for the purposes of calculating social
2 permission: customers either provide social permission (through one of the three
3 acceptance responses) or they do not (by opposing the rate increase or selecting “don’t
4 know”).

5
6 b) This question does not adequately represent the options presented to customers. Grouping
7 customers who say “I don’t like the proposed bill increase, but I think it’s necessary to
8 maintain the grid to a reasonable standard and prepare for the future” and “I oppose the bill
9 increase and think Elexicon needs to scale back its plan” would not meaningfully represent
10 whether customers grant social permission for Elexicon’s draft plan. The customers who
11 selected “I don’t like the proposed bill increase, but I think it’s necessary to maintain the grid
12 to a reasonable standard and prepare for the future” grant social permission for the draft
13 plan. See also the response to part a) above.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 starts or in a future year).

2
3 e) Please provide an illustrative calculation showing Elexicon's conversion of capital expenditures to
4 in-service additions to rate base to revenue requirement. As part of the calculation, please use
5 Elexicon's proposed cost of capital and a weighted-average depreciation rate (reflecting all of the
6 Company's assets).

7
8
9
10 **RESPONSE:**

11 a) An updated version of Chapter 2 Appendix 2-AA is provided in Excel file 2-CCC-11(1)_Revised
12 OEB App.2-AA_ISA.

13
14 b) Please refer to Excel file 2-CCC-11(1)_Revised OEB App.2-AA_ISA.

15
16 c) Confirmed. Elexicon applies the half-year rule for both rate base and depreciation expense.

17
18 d) Elexicon determined its forecasted in-service additions (ISA) based on actual historical
19 experience except for station projects which had a specific completion date.

- 20 • Distribution projects: Elexicon' typically converts 60% of it current year spend (capital
21 expenditure) and 40% of its prior year spend or CWIP (Construction in Progress) into ISA.
22 Additionally, over 2027-2031 AMI project was projected to be converted into ISA in the same
23 year of spend.
24 • General plant projects: Typically 100% of the spend is put in service in a given year.
25 • Station projects: The assets were put in as ISA based on the specific station completion date.

26
27 e) Please refer to Excel file 2-CCC-11(2)_Capex_to_RR_Illustration for this illustrative calculation.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Yes, land purchased for Seaton TS was capitalized in 2021. However, for revenue requirement true-up calculation for ICM the land was only considered to be in-service as of the date of the completion of Seaton TS, refer to calculation provided in Exhibit 2A, Tab 6, Schedule 1, page 3, Table 4. Additionally, Elexicon is not proposing to collect the projected under recovery related to Seaton TS ICM as noted in Exhibit 2A, Tab 6, Schedule 1, page 3, lines 5-6.

b) The land purchased will be placed in-service at the time the asset that will use the land is placed in service.

1 c) Table provided below.

2 **Table 1: Land purchase details for 2027-2031 period**

Description of Land	Cost of Land	Date of Land Purchase	Land In-Service Date	Asset In-Service Date
Uxbridge North MS	\$ 1,000,000	2026	2028	2028
Fairport MS	\$ 2,000,000	2027	2028	2028
GTA East TS	\$ 11,000,000	2028	2031	2031

3

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

Elexicon forecasted its losses on disposal (derecognition) by evaluating its capital programs on the following basis over the test period:

Step 1: Programs with distinctly Identifiable assets: Assets that could be distinctly identified for removal because of the in-service additions (ISA) as per 2027-2031 DSP. For such assets Elexicon's derecognition expense was the forecasted Net Book Value (NBV) of the asset in the year in which it was planned to be removed. This step was primarily applicable to the Substation Renewal program.

Step 2: Programs that drive derecognition expenses but where assets could not be distinctly identified: For such programs Elexicon forecasted the derecognition expense using the historical average derecognition expense per dollar of capital expenditure for the respective programs. The historical loss rate was applied to the program capital expenditures over the test period to determine the derecognition expense.

1 The summation of Step 1 and Step 2 above provided the derecognition expense per year over the
2 test period.

3

4 The forecast period average derecognition expenses are significantly higher than in any year during
5 the historical period due to the Substation Renewal program. The average spend on this program is
6 \$5.4 M over 2020-2025, while the average spend for this category is \$22 M over 2027-2031.
7 Additionally, the asset removals for the Substation Renewal program were identified as per Step 1
8 approach noted above.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

The resulting 59% variance between the OEB-approved project cost and the actual expenditure is primarily attributable to revised road widening plans from the municipality that subsequently drove changes to the project. This resulted in additional civil work along with increased material costs. These changes arose after the estimated project costs were submitted with the ICM application. For clarity, the project was originally planned and designed to utilize approximately 528 m of existing concrete-encased ducts on the north side of Kingston Road and 380 m of existing concrete-encased ducts on the south side of Kingston Road. Subsequent changes, driven by the municipality and outside of Elexicon's control, to the planned road widening within the project limits placed these existing duct sections in conflict with the revised roadway design, necessitating design modifications and the construction of an additional 908 m of concrete-encased ducts.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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):

1

2 i. 2019-2025 Actual Demand (MW)

3 ii. 2019-2025 Actual Weather Normalized Demand (MW)

4 iii. 2019-2025 Actual System Capacity (MW)

5 iv. Forecast Demand (MW) used for capital planning purposes in the most recent DSP (prior to the
6 DSP filed in the current application)

7 v. Weather-Normalized Baseload for 2026-2031 based on each of P90, P50, and
8 P10 scenarios

9 vi. Peak Demand impact of customer growth based on each the low, medium
10 and high growth scenarios for 2026-2031

11 vii. Peak Demand impact of building electrification based on each of the low,
12 medium and high scenarios for 2026-2031

13 viii. Peak Demand impact of EVs based on each of the low, medium and high
14 scenarios for 2026-2031

15 ix. Forecast 2026-2031 System Capacity

16

17 g) Please provide the same information as requested in part (f) for each of the following
18 regions:

19

20 i. Ajax-Pickering

21 ii. Whitby

22 iii. Clarington

23 iv. Belleville

24 v. Port Hope

25 vi. Brock

26 vii. Gravenhurst

27

28

29

RESPONSE:

a) Confirmed.

b) Please see Table 1 below.

Table 1: System Peak Load Forecast Scenarios (P90 Summer) 2024-2031

Scenarios (MW)	2024	2025	2026	2027	2028	2029	2030	2031
Elexicon Scenario	801	852	886	914	943	970	1000	1028
High	801	854	891	922	959	997	1042	1091
Medium	801	844	873	896	920	943	968	993
Low	801	815	830	841	853	865	876	888

c) Confirmed.

d) The scenarios for Figure 8 all use the P90 weather corrected base, which represents conditions at the 90th percentile, corresponding to high-temperature extremes resulting in high demand. The high, medium, and low scenarios for customer growth, building electrification, and electric vehicles are described in Exhibit 2B, Tab 3, Schedule 1, pp. 20, 22, 25.

e) The “low scenario” has no implications on Elexicon’s capital plan related to capacity investment because this plan has been developed to address *existing* system capacity constraints, while positioning the utility to meet future customer and load demand. Currently, 76% of municipal stations across Elexicon’s system have less than 1,000 kVA of available capacity, and 70% of transformer station’s feeders supplying Elexicon’s substations also have less than 1,000 kVA of available capacity, see Exhibit 2B, Tab 3, Schedule 2, p.49 for further details. Elexicon urgently needs to make investments now to ensure its grid and operations can both catch-up to current capacity requirements, as well as accommodate customer and load growth under all planning scenarios, each of which forecasts increased system peak load demand by end of 2031. The application of the “Elexicon Scenario” to the capital budget will not address all constrained areas

1 in Elexicon's system and some capacity constraints will continue past the application term.
2 Elexicon's plan enables the proportion of stations with 1,000 kVA or less of available capacity to
3 reduce from 76% to 36%. As a result, additional investments in capacity will still be required
4 beyond 2031 even with the "Elexicon Scenario" selected; however, Elexicon was mindful of
5 customer price impacts and the need to pace out its investments, including capacity investments
6 in preparing this plan. Selecting the "low" system peak load forecast scenario does not eliminate
7 the need to address existing capacity constraints; it simply slows the rate at which existing
8 constraints intensify, and places greater risk on Elexicon's ability to serve future load growth in
9 the next rate period and beyond. As a result, the scope and timing of investments under the
10 Substation Growth program remain unchanged between the "Elexicon" and "low" system peak
11 load forecast scenarios.

12

13 f) Please refer to the attached Excel file 2-CCC-15(1)_System & Region Peak Demand 2019-2031.
14 Demand provided is peak demand.

15

16 g) Please refer to the attached Excel file 2-CCC-15(1)_System & Region Peak Demand 2019-2031.
17 Demand provided is peak demand.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 Table 1 below summarizes 2027–2031 net capital investments at the program level – the most
3 granular level available – for the needs-based, balanced, and low investment scenarios.

4

5 **Table 1: 2027 - 2031 Net Capital Investments (Low, Balanced, Needs-Based)**

Investment Category	Investment Program	Low (\$M)	Balanced (\$M)	Needs-Based (\$M)
System Access	A1 Externally-Initiated Plant Relocation ¹	28.82	28.82	28.82
	A2 Customer & Generation Connections ¹	41.21	41.21	41.21
	A3 System Expansion ¹	54.15	54.15	54.15
	A4 Metering and AMI 2.0 ²	9.85	31.24	60.85
General Plant	P1 Facilities Management & Security ¹	14.77	14.77	14.77
	P2 Fleet ¹	17.85	17.85	17.85
	P3 IT Systems ¹	10.25	10.25	10.25
	P4 Equipment ¹	5.41	5.41	5.41
	P5 OT Systems	14.83	17.52	36.20
System Renewal	R1 Substation Renewal	78.18	109.88	166.63
	R2 Underground System Renewal	48.64	84.15	136.87
	R3 Overhead System Renewal	55.72	55.72	96.67
	R4 Reactive Capital ¹	30.23	30.23	30.23
System Service	S1 Substation Growth ¹	147.33	147.33	147.33
	S2 Grid Enhancements	33.64	67.80	84.01
	S3 Voltage & System Conversion	21.07	23.64	28.81
TOTAL		611.95	739.96	960.04

6

¹ Programs with no optionality.

² AMI 2.0 had optionality, but Metering did not.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Table 1 below updates Table 20 to include the number of planned replacements during the 2027-2031 planning period. The capital programs included in the data provided are from Substation Renewal, Underground System Renewal, and Overhead System Renewal.

1 **Table 1: Asset Health Index Distribution – 2025 ACA Results**

Asset Class	Population	Planned Replacements	Health Index Distribution (%)						DAI
			Very Good	Good	Fair	Poor	Very Poor	Unknown HI	
Wood Poles	34874	357	26%	24%	31%	16%	1%	2%	96%
Concrete Poles	2379	308	2%	40%	30%	27%	1%	0%	100%
Underground Cables (km)	2624	89.5 km replaced, 100 km injected	22%	9%	25%	17%	27%	0%	98%
Submarine Cables (km)	26	2.7 km	21%	16%	13%	8%	2%	39%	65%
Overhead Conductors (km)	4696	0 km	67%	26%	5%	0%	0%	2%	99%
Pole-Mounted Transformers	8831	92	57%	20%	14%	8%	1%	0%	100%
Pad-Mounted Transformers	14770	332	20%	23%	42%	7%	0%	7%	96%
Vault Transformers	655	32	1%	22%	27%	24%	26%	0%	100%
Submersible Transformers	27	0	7%	78%	4%	0%	0%	11%	91%
Step Transformers	6	0	17%	0%	17%	17%	0%	50%	50%
Pad-Mount Switchgear	457	45	54%	18%	10%	1%	0%	17%	81%
Overhead Switch	16844	852	59%	36%	4%	0%	0%	1%	86%
Station Power Transformer	96	14	16%	43%	38%	3%	1%	0%	96%
Station Circuit Breaker	160	27	55%	24%	18%	3%	1%	0%	99%
Station Charger	55	8	60%	11%	20%	2%	7%	0%	100%
Station Switch	149	26	59%	11%	19%	7%	3%	0%	85%
Station Battery	55	8	53%	27%	20%	0%	0%	0%	96%
Station Relay	187	39	89%	9%	1%	1%	0%	0%	92%
Station Cable	283	31	23%	15%	24%	17%	21%	0%	88%
Station Building	45	8	80%	13%	4%	2%	0%	0%	99%
Station Fence	60	10	82%	8%	5%	5%	0%	0%	100%
Station Switchgear	50	8	34%	12%	26%	24%	4%	0%	98%

2

3 b) Table 2 below provides a revised version of Table 20 to show the health index results at the end

4 of the 2031 period after the proposed 2027-2031 capital plan investments. The capital programs

5 included in the data provided are from Substation Renewal, Underground System Renewal, and

6 Overhead System Renewal. Reactive replacements (i.e. the Reactive Capital program) are not

1 included in the health index results for the end of 2031 given the difficulty in predicting specific
2 asset replacements due to the unplanned nature of the program.

3

4 **Table 2: Asset Health Index Distribution – End of 2031 ACA Results (After Capital Plan**
5 **Investments)**

Asset Class	Population	Planned Replacements	Health Index Distribution (%)						DAI
			Very Good	Good	Fair	Poor	Very Poor	Unknown HI	
Wood Poles	34874	357	24%	22%	33%	18%	0%	2%	96%
Concrete Poles	2379	308	13%	29%	24%	34%	0%	0%	100%
Underground Cables (km)	2624	89.5 km replaced, 100 km injected	18%	13%	14%	20%	35%	0%	98%
Submarine Cables (km)	26	2.7 km	32%	16%	13%	0%	0%	39%	65%
Overhead Conductors (km)	4696	0 km	53%	34%	10%	1%	0%	2%	99%
Pole-Mounted Transformers	8831	92	43%	23%	18%	16%	0%	0%	100%
Pad-Mounted Transformers	14770	332	11%	20%	43%	19%	0%	7%	96%
Vault Transformers	655	32	5%	9%	17%	30%	40%	0%	100%
Submersible Transformers	27	0	7%	26%	56%	0%	0%	11%	91%
Step Transformers	6	0	17%	0%	0%	33%	0%	50%	50%
Pad-Mount Switchgear	457	45	56%	22%	5%	0%	0%	17%	81%
Overhead Switch	16844	852	51%	33%	15%	0%	0%	1%	86%
Station Power Transformer	96	14	28%	42%	28%	2%	1%	0%	96%
Station Circuit Breaker	160	27	70%	18%	12%	1%	0%	0%	99%
Station Charger	55	8	70%	9%	15%	2%	4%	0%	100%
Station Switch	149	26	71%	11%	16%	0%	2%	0%	85%
Station Battery	55	8	52%	17%	32%	0%	0%	0%	96%
Station Relay	187	39	84%	15%	0%	1%	0%	0%	92%
Station Cable	283	31	24%	14%	23%	13%	27%	0%	88%
Station Building	45	8	89%	11%	0%	0%	0%	0%	99%
Station Fence	60	10	90%	5%	3%	2%	0%	0%	100%
Station Switchgear	50	8	42%	8%	20%	22%	8%	0%	98%

6

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.”

RESPONSE:

From Table 2 of the referenced exhibit, Elexicon has highlighted (in bold) the AMI 2.0 and ADMS/DERMS technologies in Table 1 below.

As outlined in Exhibit 2B, Tab 3, Schedule 2, Section 7.3, direct investments that support DER enablement and integration include AMI 2.0 (\$21.39M) and ADMS/DERMS (\$4.00M), which provide enhanced data granularity, real-time visibility, and advanced control capabilities required to integrate DERs into the distribution system.

In addition, the remaining grid modernization investments and technologies support DER readiness by enabling faster fault detection, improved system visibility, and more efficient operation of the distribution system, which are foundational capabilities required to manage increasing DER penetration and bi-directional power flows.

1

2 **Table 1 (Revised Table 2): AMI 2.0 and ADMS/DERMS Technologies**

Program	Technology	Total
S2 Grid Enhancements	CFCIs	\$2.15M
	SCADA-Enabled Switches	\$3.98M
	Self-Resetting Fuses	\$2.26M
	Reclosers	\$4.73M
	Station Modernization	\$7.65M
A4 Metering/AMI 2.0	AMI 2.0	\$21.39M
P5 OT Systems	OT System upgrades	\$9.53M
	ADMS/DERMs	\$4.00M
	OT Grid Modernization	\$4.00M
	Total	\$59.69M

3

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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."

RESPONSE:

As discussed in the Plan versus Actual Variances for the Historical Period (ISA) in Section 1.1 of Exhibit 2B, Tab 4, Schedule 1 (pages 11–23), variances observed during the historical period are attributable to a range of drivers across the various investment categories. Please refer to attachment 2-CCC-19 Attachment 1 for variances between the net in-service addition plan and actuals for all major capital projects (greater than Elexicon's materiality threshold of \$700K; excluding ICM) completed during the 2020-2025 historical period. Table 1 below provides a summary of the variance drivers observed during the analysis with additional details on the drivers below.

Table 1: Summary of Major Capital Projects (>\$700k), Excluding ICM, with Variances >10%, During 2020-2025

Work Category	Major Projects (2020-2025)	Net ISA Plan (2020-2025)	Net ISA Actual (2020-2025)	Net Variance (2020-2025)
Customer Demand-Driven Projects	31	\$43.8M	\$54.9M	\$11.1M
Reactive Projects	20	\$10.4M	\$29.8M	\$19.4M
Planned Distribution Projects	19	\$16.7M	\$27.4M	\$10.7M
General Plant	6	\$8.5M	\$9.8M	\$1.3M
Major Capital Projects With < 10% Variance	17	\$28.9M	\$29.2M	\$0.3M

Customer Demand-Driven Projects

Elexicon executed 31 Customer Demand-Driven Projects between 2020 -2025 which had variances greater than 10%, with a total net ISA variance of \$11.1M over this period. Customer and third-party demand-driven projects are inherently volatile (within Externally Initiated Road Relocations, Customer Connections, System Expansion, and the Metering portion of the System Access investment category) which are primarily driven by external factors outside of Elexicon's control, specifically changes in customer or third-party timelines or requirements. Elexicon's customer growth of 1.4% over the historical period was among the fastest for large utilities in Ontario, and these external circumstances required additional investment to address this mandatory customer-driven work. A key example is the higher volume of residential growth that Elexicon experienced in

2021 (excluding the Seaton area of Pickering), which drove the need for significant incremental customer-driven work to install primary electrical infrastructure required for the energization of new subdivisions, leading to a \$4M increase (275%) above what Elexicon forecasted in its plan for this project.

Reactive Projects

The volume of project work within Reactive Capital experienced significant increases in 2022, 2023, and 2024, due to a combination of extreme weather events and a higher number of equipment failures, with the Reactive Capital program accounting for 32.1% of all System Renewal in-service addition amounts. A significant number of Elexicon's distribution and station assets are in deteriorated condition (poor to very poor) and are operating beyond typical useful life (TUL). This has contributed to the significant increases in reactive capital asset replacements over the historical period that required immediate response to restore system integrity. Several asset classes experienced increasing reactive replacements, including overhead switches, pad-mount transformers, pole-mount transformers, poles and underground primary cable. The effect that defective equipment had is evident within Elexicon's reliability performance over the historical period, as defective equipment has been the largest contributor to customer hours of interruption between 2020-2024 (excluding major event days and loss of supply events). As a result of these trends Elexicon's actual in-year actual costs have exceeded the amount of forecast reactive work estimated at the beginning of the year.

Elexicon executed 20 Reactive Projects between 2020-2025, which had variances greater than 10%, with a total net ISA actual variance of \$19.4M over this period. These projects are inherently volatile as they are driven by extreme weather events and reactive asset failures. Between 2020-2025, Elexicon experienced 11 major events with lengthy durations of outages for large numbers of customers requiring extensive reactive repairs and leading to variances in this category of work. The derecho storm in 2022 and the severe winter storm in 2024 are two key examples of extreme weather events that drove reactive project variances, with the winter storm in 2024 resulting in Gravenhurst reactive in-service experiencing a \$1.54M variance (1330%) relative to the forecasted plan.

1

2 **Planned Distribution Projects**

3 Planned distribution projects – primarily within the System Renewal area – experienced variances
4 primarily driven by the need for Elexicon to address aging and failing infrastructure, which
5 significantly affected system reliability and caused frequent outages. Defective equipment
6 associated with overhead infrastructure was a major contributor to reliability, and Elexicon
7 prioritized investments to renew wood poles, overhead switches, quick sleeves and porcelain
8 insulators and cut-outs that were negatively impacting Elexicon’s operations. A planned wood pole
9 renewal project in 2021 had additional quantities of wood poles added to replace assets in
10 deteriorated condition which were identified after initial project estimates were completed,
11 leading this project in-service to experience a 144% increase exceeding the forecasted plan by
12 \$1.7M. In these instances where the scope of work increases, Elexicon is able to achieve
13 economies of scale by completing additional volumes with fewer truck rolls and set-up/tear-down
14 time however. While more efficient overall, it can cause larger variances relative to original project
15 estimates. A similar wood pole renewal project in 2022 had in-service experience a 210% increase
16 exceeding the forecasted plan by \$1.41M. An overhead line switches renewal project in 2021 had
17 additional quantities of load interrupter switches (LIS) added to replace assets in deteriorated
18 condition, leading this project in-service to experience a 142% increase exceeding the forecasted
19 plan by \$426k. A similar overhead line switches renewal project in 2022 had in-service experience
20 a 150% increase exceeding the forecasted plan by \$450K. The Underground System Renewal
21 program was also significantly impacted during this historical period, with in-service amounts
22 below plan in 2023 onwards due to the need to reallocate funding to other higher priority projects
23 and higher-than-forecasted Reactive Capital work.

24 In total, 19 Planned Distribution Projects had variances greater than 10%, with a total net ISA actual
25 variance of \$10.7M between 2020-2025. Elexicon executed 19 Planned Distribution Projects
26 between 2020-2025, which had variances greater than 10%, with a total net ISA actual variance of
27 \$12.1M over this period. Planned distribution projects (primarily within the System Renewal
28 investment category) experienced variances over this period due to (i) scope increases (e.g.
29 increasing the planned replacement of poles and in-line switches to address asset deterioration

1 and system reliability drivers), (ii) estimation variances (e.g. labor or material requirements on a
2 project exceeding plan estimates due to the extraordinary inflationary pressures experienced over
3 this period), and (iii) project-specific conditions and challenges (e.g. Highway 401 road crossing).

4
5 **General Plant Projects**

6 Critical cyber security projects were undertaken to address identified risks, with Elexicon targeting
7 investments in security related infrastructure and systems. One example is in 2023, where a cyber
8 security project variance is attributable to an unplanned, urgent firewall replacement initiative that
9 was identified after the original capital budget was approved leading this in-serviced project to
10 experience a 479% increase exceeding the forecasted plan by \$719K. Additionally, a project to
11 purchase small vehicles including pickup trucks, vans, and SUVs experienced a variance in 2024 as
12 additional vehicles were purchased to replace end of life vehicles based on the mileage and/or age
13 threshold, leading this project in-service to experience a 211% increase exceeding the forecasted
14 plan by \$527k. In total, 6 General Plant Projects had variances greater than 10%, with a total net
15 ISA actual variance of \$1.3M between 2020-2025.

16 Additionally, throughout the historical period, the COVID-19 pandemic and the rising inflation rates
17 drove up costs for Elexicon's frequently purchased materials and equipment such as hardware,
18 connectors, wire and cable, wood poles, arresters, switches, switchgear, transformers, large
19 equipment such as vehicles, and external services. The cost of capital projects increased as a result
20 of this trend – along with shifting lead times and material availability issues – and challenged the
21 ability to accurately plan and forecast project budgets. Additional information on the impacts of
22 inflationary pressure that Elexicon faced can be found in Exhibit 1 – Tab 5 – Schedule 2.

23 As noted within Elexicon's Asset Management Process, Elexicon has made significant program
24 delivery improvements in recent years and has enhanced its program management oversight of its
25 capital and maintenance execution work programs. Additional information on the Program
26 Delivery enhancements within Elexicon's Asset Management Process can be found in Exhibit 2B –
27 Tab 3 – Schedule 1 – Page 48-49. **Add**

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 a) As noted in the referenced exhibit, forecasted investment for the Externally Initiated Plant
3 Relocation program reflects a combination of known and anticipated relocation projects and
4 draws on the observed spending patterns from historical years. Please see the response below
5 in Part B for a list of known projects and associated costs used in the forecast development. For
6 2027, forecast expenditures reflect known projects, including projects already identified
7 through discussions with municipalities, road authorities, transit agencies, developers, and
8 other third parties. For years 2028-2031, there is less certainty on the projects at this stage;
9 however, Elexicon believes that the pace of development is now at a level consistent with the
10 region's growth plans, which will be sustained to 2031 (and beyond). This is why an average
11 annual net expenditure of near \$5.76M was applied during the 2027-2031 period consistent
12 with net expenditures averaging \$5.30M annually during the historical and bridge period.

13 b) Please refer to Table 1 below, which presents the buildup of the Externally Initiated Plant
14 Relocation program forecast. The table identifies the portion of the 2027 forecast attributable
15 to known committed or identified projects at the time of filing. For the subsequent years of 2028
16 to 2031, where specific future third party driven projects are not yet known with certainty,
17 forecast amounts are primarily based on historical levels as stated in the response a) above. Note
18 that Elexicon does not have detailed cost estimates for the known projects, as they are in the
19 early stages of planning. Accordingly, the cost estimates provided are high-level and based on
20 the information available at this time.

21

22

23

24

1 **Table 1: Summary of Expenditures with known/anticipated projects (2027-2031)**

Project Name (\$M)	2027	2028	2029	2030	2031
Sandy Beach (Montgomery x Bayly) Road Relocation	1.79	0.00	0.00	0.00	0.00
Kingston Rd BRT – Altona Rd to Steeple Hill	1.05	0.00	0.00	0.00	0.00
Radom (Douglas x St. Martins) Road Relocation	0.10	0.00	0.00	0.00	0.00
Harwood (Taunton x Rossland) Road Relocation	TBD	0.00	0.00	0.00	0.00
Sidney (Between CPR x College) Road Relocation	0.92	0.00	0.00	0.00	0.00
Dundas Bridge (Front x Coleman) Road Relocation	1.67	0.00	0.00	0.00	0.00
Avonlough SPS Road Relocation	1.07	1.07	0.00	0.00	0.00
Whitby Harbor (Brock x Water St) Road Relocation	0.00	0.00	TBD	0.00	0.00
190 Westney Switchgear SC35 Relocation	0.37	0.00	0.00	0.00	0.00
Other/Unknown Projects	0.64	8.69	8.83	9.03	8.91
TOTAL (Gross)	7.62	8.69	8.83	9.03	8.91
TOTAL (Contribution)	2.52	2.88	2.92	2.99	2.95
TOTAL (Net)	5.10	5.82	5.90	6.04	5.96

2

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) The total number of residential customers added to Elexicon's customer base in the municipalities listed in Table 7 (Exhibit 2B, Tab 4, Schedule 3, Appendix B) are provided in the table below.

Table 1: Residential Customers Added 2022-2025

Municipality	2022	2023	2024	2025	Total (2022-2025)
Town of Whitby	1,058	825	363	336	2,582
Town of Ajax	294	356	146	37	833
City of Pickering	758	1,035	1,360	857	4,010
Municipality of Clarington	131	64	52	8	255
City of Belleville	78	115	124	79	396
Total	2,319	2,395	2,045	1,317	8,076

b) Yes, the housing targets for municipalities within Elexicon's service region under the Provincial Planning Statement (Table 7 in the referenced exhibit) are used as a key forward-looking input into the Customer and Generation Connections program, together with other drivers such as historical connection trends, population and household growth, and the provincial growth outlook published by the Ontario Ministry of Finance. These inputs are

1 applied to establish the forecast customer counts, which are used in the Customer and
2 Generation Connections program to quantify anticipated connection activity, please refer to
3 Figure 1 in Exhibit 2B, Tab 4, Schedule 3, Appendix B. The investment drivers and needs over
4 the 2027-2031 period are outlined in Section 3 of the referenced exhibit and inform the level
5 of capital investment needed to serve that activity.
6

7 c) Elexicon does not consider recent low housing starts to materially alter the overall capital
8 plan. Through ongoing engagement with the municipalities it serves, Elexicon understands
9 that these municipalities remain committed to their long-term housing objectives.
10 Continued low housing starts would primarily affect the timing and volume of customer
11 connection activity and therefore have the greatest potential impact on the Customer and
12 Generation Connections program, where capital spending is more directly linked to the
13 pace at which new housing developments advance. Elexicon has proposed the Demand
14 Related Variance Account which would provide a mechanism to account for the impacts of
15 any sustained slow down in housing stats, in the unlikely event that they occur (see Exhibit
16 9 – Tab 4- Schedule 1). In contrast, the majority of Elexicon’s proposed capital investments
17 over the 2027 to 2031 period, particularly those related to System Renewal and System
18 Service, are driven by existing system constraints, asset condition, and reliability
19 requirements, which are not impacted by the rate of housing growth.
20

21 d) For the customer connection count by type, Elexicon has the following categories of
22 connections: General Service < 50kW, General Service ≥ 50 kW ≤ 4,999 kW, Large User
23 >4,999kW, and Residential. Please refer to Table 3 and Table 4 in Exhibit 2B, Tab 4,
24 Schedule 3, Appendix B for forecasted and historical customer connection count by type.
25 With respect to customer connection costs (gross, contributions, and net) by customer
26 category, Elexicon does not report costs by subcategories within General Service (i.e.,
27 General Service < 50 kW, General Service ≥ 50 kW and ≤ 4,999 kW, and Large Users > 4,999
28 kW). Accordingly, costs are reported only at the Residential and General Service level and
29 are presented in Tables 2 and 3 below.

Table 2: Historical Costs by Customer Type

		Historical Year (\$M) (Actuals)						
Year		2020	2021	2022	2023	2024	Total	Annual Average
General Service	Gross	2.67	3.16	3.17	4.27	3.21	16.48	3.30
	Contribution	2.33	3.01	2.54	3.58	3.21	14.67	2.93
	Net	0.34	0.15	0.63	0.69	0.00	1.81	0.36
Residential	Gross	8.51	13.94	12.94	12.25	7.69	55.33	11.07
	Contribution	5.10	7.11	4.43	6.17	4.10	26.91	5.38
	Net	3.41	6.84	8.51	6.08	3.58	28.43	5.69
Total	Gross	11.18	17.10	16.11	16.52	10.90	71.82	14.36
	Contribution	7.42	10.12	6.97	9.75	7.31	41.58	8.32
	Net	3.76	6.98	9.14	6.78	3.58	30.24	6.05

Table 3: Forecast Expenditures by Customer Type

		Historical (\$M)	Bridge (\$M)		Forecast (\$M)				
Year		Annual Average 2020-2024	2025	2026	2027	2028	2029	2030	2031
General Service	Gross	3.30	3.15	2.53	3.13	3.39	3.39	3.47	3.63
	Contribution	2.93	2.80	2.27	2.77	2.99	3.01	3.10	3.23
	Net	0.36	0.35	0.26	0.36	0.40	0.38	0.38	0.40
Residential	Gross	11.07	12.33	10.06	13.66	14.35	15.29	16.40	16.71
	Contribution	5.38	6.00	4.94	6.62	6.93	7.43	8.01	8.14
	Net	5.69	6.33	5.12	7.04	7.43	7.86	8.39	8.57
Total	Gross	14.36	15.48	12.60	16.79	17.75	18.68	19.87	20.35
	Contribution	8.32	8.80	7.21	9.38	9.92	10.44	11.10	11.37
	Net	6.05	6.68	5.39	7.40	7.83	8.24	8.76	8.97

e) Please refer to the response in 2B-SEC-58, part a).

f) Elexicon expects volumes to proportionally increase in General Service, Large User, and Residential customer connections in the forecast period at a rate that is consistent with the historical increases in connection volumes. Please refer to Exhibit 2B, Tab 4, Schedule 3, Appendix B, Table 3 and Table 4 for the historical and forecast connection volumes.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 derived.

2
3 e) Please provide a revised version of Table 7 on an in-service addition basis.

4
5 f) Please provide a breakout of Table 7, both on a capital expenditure basis and in-service addition
6 basis, that shows the amounts for each year during the 2027-2031 period related to known system
7 expansions and unknown/placeholder system expansion projects.

8
9 g) Please provide the detailed spreadsheet(s) that show how the 2027-2031 System expenditure
10 budget was derived and describe all assumptions made. Please ensure that the methodology for
11 forecasting capital contributions is reflected in these spreadsheets.

12 2027-2031 System Expansion budget
13
14

15 **RESPONSE:**

16 a) Refer to 2-Staff-52 Part a).
17

18 b) Please refer to Excel file 2-CCC-22(1) Project Costs for detailed project-level cost estimates
19 by spreadsheet tab, together with summaries of the corresponding economic evaluations
20 used to determine the capital contribution. Note that detailed cost estimates are available
21 only for projects that have reached advanced stages of planning. Elexicon develops high-level
22 project cost estimates by assessing material, civil, design, and labour costs associated with
23 the construction of new pole lines or the rebuilding of existing pole lines including
24 highway/railway crossings involved which could significantly between projects. To
25 determine capital contributions for each project, Elexicon applies the Economic Evaluation
26 (EE) model in accordance with the Distribution System Code (DSC), which establishes the
27 respective capital contributions of the customer and Elexicon based on customer load
28 forecasts and the applicable revenue horizon.
29

- 1 c) Refer to the revised Table 2 below. Note that the cost estimates and capital contributions
2 for majority of the projects in Table 2 are yet to be determined as those projects are in pre-
3 consultation stage

4
5 **Table 2 (Revised): Summary of System Expansion Projects in Pre-Consultation**

Customer	District	Est. Connection Year	Load (MW)	Total Cost Estimate	Estimated Customer Capital Contribution	Estimated Net Cost	Description	Project Status
11	Ajax	2031	30	TBD	TBD	TBD	A high-rise condominium developer has submitted a request for 30 MW of capacity by 2028. To accommodate this load, upgrades to the existing distribution infrastructure are required, including feeder expansion from the 27.6kV system to bring additional capacity to the area.	Pre-Consultation
12	Belleville	2029	20	TBD	TBD	TBD	A large industrial customer has submitted a request for 20 MW of power. To meet this demand, feeder expansion from the new Belleville TS DESN 2 will be required, as the existing feeders in the area are currently at capacity	Pre-Consultation
13	Pickering	2029	6	\$1.90M	NA	NA	An existing commercial customer plans to install a 6 MW Battery Energy Storage System (BESS), which will require an expansion of the 27.6kV feeder system to facilitate the connection due to limitations of existing 8.32kV system.	Cancelled
14	Pickering	2031	16	\$7.50M	0	\$7.50M	Multiple high-rise residential developments in Southwest Pickering have requested a combined capacity of 16 MW by 2031. To connect these developments, an expansion is required from the 27.6kV system to bring additional capacity to the area.	Awaiting Customer Response/ Deliverables
15	Port Hope	2027	3.5	NA	NA	NA	An existing industrial customer is planning to expand its facility and has inquired about adding 3.5 MW of additional capacity by 2027. The current distribution system is not capable of supporting this increased load, and a system expansion will be required to accommodate the demand.	Cancelled
16	Port Hope	2029	50	TBD	TBD	TBD	A large commercial developer has submitted an inquiry requesting 50 MW of capacity by 2029. Supplying this load will require extensive system expansion and significant upgrades to the existing distribution infrastructure.	Pre-Consultation

- 6
7 d) The majority of these projects are in the pre-consultation or early planning stages, and as
8 such, Elexicon does not have detailed spreadsheets available as final expansion costs and
9 associated capital contributions have not yet been determined. Please note that Customer
10 14 reflects future phases of development associated with projects currently underway,
11 which will require system expansion to facilitate the connection of these future phases.

These phases are currently in the early stages of planning. For a discussion about how Elexicon develops the project cost estimates, refer to Part B.

e) Refer to revised Table 7 below which represents System Expansion Expenditures In-Service Additions

Table 7 (Revised): System Expansion Expenditures In-Service Additions (2020-2031)

	Actuals (\$M)					Bridge (\$M)		Forecast (\$M)				
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gross	3.10	2.44	5.24	1.66	0.58	25.70	22.16	54.57	51.77	31.10	30.14	34.71
Contributions	2.91	2.44	4.10	0.67	0.90	4.65	11.31	40.25	38.19	22.94	22.23	25.60
Net	0.18	0.00	1.14	0.99	-0.32	21.05	10.85	14.31	13.58	8.16	7.91	9.11

- 1 f) Please refer to Table 4 and Table 5 below for Capital Expenditures and In-Service additions
2 by project.

3 **Table 4: Capital Expenditure by Project**

Forecast (\$M)						
Customer	District	2027	2028	2029	2030	2031
1	Ajax	3.88	3.88	7.75	0.00	0.00
2	Bowmanville	0.00	0.70	0.70	1.40	0.00
3	Pickering	12.00	0.00	0.00	0.00	0.00
4	Pickering	24.90	24.90	0.00	0.00	0.00
5	Pickering	8.00	0.00	0.00	0.00	0.00
7	Uxbridge	0.63	0.00	0.00	0.00	0.00
8	Uxbridge	1.09	0.00	0.00	0.00	0.00
9	Whitby	0.00	0.00	8.75	8.75	17.50
14	Pickering	0.00	0.00	1.88	1.88	3.75
Placeholder ¹	N/A	23.07	7.77	7.93	20.20	15.12
Gross Total	N/A	73.56	37.24	27.00	32.23	36.37
Contribution Total	N/A	54.26	27.47	19.92	23.77	26.83
Net Total	N/A	19.30	9.77	7.08	8.45	9.54

4

5 **Table 5: In-Service Addition by Project**

Forecast (\$M)						
Customer	District	2027	2028	2029	2030	2031
1	Ajax	0.00	0.00	15.50	0.00	0.00
2	Bowmanville	0.00	0.00	0.00	2.80	0.00
3	Pickering	12.00	0.00	0.00	0.00	0.00
4	Pickering	0.00	49.80	0.00	0.00	0.00
5	Pickering	8.00	0.00	0.00	0.00	0.00
7	Uxbridge	0.63	0.00	0.00	0.00	0.00
8	Uxbridge	1.09	0.00	0.00	0.00	0.00
9	Whitby	0.00	0.00	0.00	17.50	17.50
14	Pickering	0.00	0.00	0.00	0.00	7.50
Placeholder	N/A	32.85	1.97	15.60	9.84	9.71

¹ Placeholder includes several forecasted expansion projects that are not identified within Table 1 and Table 2 of Exhibit 2B, Tab 4, Schedule 3, Appendix C.

Gross Total	N/A	54.57	51.77	31.10	30.14	34.71
Contribution Total	N/A	40.25	38.19	22.94	22.23	25.60
Net Total	N/A	14.31	13.58	8.16	7.91	9.11

1 g) Please see the response for parts a) to e) for a list of known projects and associated costs
2 used in the forecast development with detailed spreadsheets. As noted in the referenced
3 exhibit, forecasted investment for the System Expansion program reflects a combination of
4 known and anticipated system expansion projects and draws on the observed spending
5 patterns from historical years. For 2027 and 2028, forecast expenditures reflect known
6 projects, including projects already identified through connection applications received and
7 discussions with developers and large C&I (Commercial and Industrial) customers (see
8 2-CCC-22 Attachment 1).

9 For years 2029-2031, there is less certainty on the projects at this stage; however,
10 Elexicon believes that the pace of development will continue at the historic levels
11 consistent with the region's growth plans that will be sustained to 2031 (and
12 beyond). This is why Elexicon forecasted the net spending range between \$7.08M
13 and \$9.77M for the 2029-2031 period consistent with historical net expenditures
14 which averaged to \$7.17M annually during the historical and bridge period.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 or AMI 2.0 meters.

2
3 f) Please provide a revised version of Table 9 that includes, for both the historical and
4 forecast periods, the following additional details:

- 5
6 • The costs associated with the AMI 2.0 meters
7 • The number of AMI 2.0 meters that will be installed
8 • Any other costs reflected in the AMI 2.0 budget that are not related to the cost of the meter and
9 its installation. To the extent that there are a number of categories of these other costs, please
10 breakout these costs at a detailed level by project/asset.

11
12 g) Please explain the statement that “Elexicon anticipates to have replaced 83,400 meters (43%) in
13 the population with AMI 2.0 meters.” Is that the number of AMI 2.0 meters to be installed between
14 2028 and 2031?

15
16 h) Given the cited high-level nature of the forecasted AMI 2.0 metering budget for the test period,
17 does Elexicon have a proposal with respect to how the OEB should address potential material
18 variances in unit costs?

19
20 i) For the following options, please provide a single table that shows the capital expenditures
21 (separately for regular metering costs and AMI 2.0 costs) and the number of meters installed in the
22 2027-2031 period and the next rate term (i.e., 2032-2036):

- 23
24 • Elexicon’s Option 1
25 • Elexicon’s Option 2
26 • 10-year replacement scenario

27
28 j) For each of the scenarios listed above in part (i), please provide the number of meters (and
29 percentage of total meters) that will be replaced prior to the end of their 15-year useful life.

1

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

7

8

9

10 **RESPONSE:**

11

12 This interrogatory will be addressed in the second round.

13

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

RESPONSE:

a) The expenditure forecast for the projects in Exhibit 2B, Tab 4, Schedule 3, Appendix E, Table 1 are based on estimates utilizing the following spend categories;

- Civil Construction
- Electrical Construction
- Engineering
- Land
- Material
- Project Management
- Transformer
- Other (Contingency and Overhead)

The fundamental assumptions for estimating include:

- Land and Materials price based on the most recent purchases or vendor estimates.
- Construction, Engineering and Project Management based on actuals from recent projects of similar scope and scale.

Please refer to the attached Excel file 2-CCC-24(1)_Proposed Station Investment for individual project expenditure breakdowns for all Substation Rebuild projects in Exhibit 2B, Tab 4, Schedule 3, Appendix E, Table 1.

Major equipment recent purchase orders that were used as part of the estimates are provided in Exhibit 1, Tab 5, Schedule 2, Table 14. Additionally, historical projects that were referenced in developing the estimates are provided in Table 1 below.

Table 1: Recently Completed Substation Rebuild Projects

Station	Scope	Cost (\$M)	In-Service Year
Dowty MS	Single Transformer Rebuild	2.5	2019
Monarch MS	Single Transformer Rebuild	4.5	2024

Please note that errors were identified in Exhibit 2B, Tab 4, Schedule 3, Appendix E, Table 1 regarding the projected project completion years. The corrected version of Table 1, reflecting the accurate in-service dates, is provided in Table 2 below.

Table 2: Proposed Station Investments - Revised

Project	Scope	Net Expenditures (2027-2031)	Completion Year
Shuter MS	Partial Rebuild	\$1.17M	2027
Catharine MS	Full Rebuild	\$1.95M	2027
Fairport MS	Full Rebuild	\$16.78M	2028
Edgehill MS	Full Rebuild	\$11.52M	2028
Cavan South MS	Decommission	\$0.90M	2028
Garden MS	Full Rebuild	\$16.65M	2029
Bigelow MS	Partial Rebuild	\$0.41M	2029
Crandell MS	Full Rebuild	\$8.91M	2030
Riverside MS	Full Rebuild	\$10.04M	2030
Uxbridge East MS	Full Rebuild	\$7.27M	2030
Town Centre MS	Full Rebuild	\$17.90M	2031
Herchimer MS	Decommission	\$1.09M	2030
Cascade MS	Full Rebuild	\$3.16M	2032 ¹
Westney Heights MS	Full Rebuild	\$4.74M	2033Error! Bookmark not defined.
Uxbridge West MS	Full Rebuild	\$1.38M	2033Error! Bookmark not defined.

- b) The statement that the low investment option “will not reduce failures in the system and may result in increased failure risk” is incomplete and requires additional clarification to fully explain the basis for this conclusion. Based on the asset condition assessment (ACA) results, the low investment option does reduce the overall failure risk over the rate period, as reflected by the decrease in the percentage of assets classified as Poor or Very Poor by 2031. However, the extent of risk reduction under the low investment option is lower compared

¹ Long lead times for the station equipment result in capital expenditures required during the 2027-2031 rate period even though respective projects will be complete after the rate period.

to the balanced investment option. The balanced investment option provides a more substantial improvement in asset condition and stabilizes the condition profile of the station asset fleet. Therefore, while both the low and balanced options improve reliability outcomes relative to the current state, the low investment option does not reduce failure risk to the same extent as the balanced investment option.

- c) Table 3 below shows a comparison of the specific station rebuild projects that would be undertaken under each of the balanced and low investment options (including the costs of each rebuild project).

Table 3: 2027 to 2031 Net Expenditures of Station Rebuilds for Balanced and Low Investment Options

Project	Scope	Net Expenditures Balanced Investment (2027-2031) \$M	Net Expenditures Low Investment (2027-2031) \$M
Shuter MS	Partial Rebuild	1.17	1.17
Catharine MS	Full Rebuild	1.95	1.95
Fairport MS	Full Rebuild	16.78	16.78
Edgehill MS	Full Rebuild	11.52	11.52
Cavan South MS	Decommission	0.9	0.9
Garden MS	Full Rebuild	16.65	16.65
Bigelow MS	Partial Rebuild	0.41	0.41
Crandell MS	Full Rebuild	8.91	3.11
Riverside MS	Full Rebuild	10.04	3.96
Uxbridge East MS	Full Rebuild	7.27	7.27
Town Centre MS	Full Rebuild	17.9	8.49
Herchimer MS	Decommission	1.09	0.00
Cascade MS	Full Rebuild	3.16	0.00
Westney Heights MS	Full Rebuild	4.74	0.00
Uxbridge West MS	Full Rebuild	1.38	0.00

- d) During the 2027 to 2031 period, the Station Rebuilds segment of Elexicon's Substation Renewal program includes 12 station rebuild projects that reach completion by 2031, as well as three additional projects that are initiated during the period but completed thereafter. As part of the 12 completed projects, a total of 10 transformers that are currently assessed as being in fair or better condition will be replaced by 2031. Of the 10 transformers to be

1 replaced, eight (8) transformers have procurement payments occurring within the 2027 to
2 2031 period. The forecast expenditure during the 2027 to 2031 period attributable to these
3 eight transformers is \$17.25M.²

² As a subset of transformer procurement expenditures that were incurred prior to 2027, this cost estimate reflects only transformer payments occurring during the 2027 to 2031 period, for transformers assessed as being in fair or better condition. For example, procurement payments for Fairport MS transformer replacement were completed in 2025 and therefore excluded from this amount.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 a) Refer to 2B-SEC-62 part b) for a summary of expenditures by asset class. Additionally, please
3 refer to response b) below for further information on the forecast period unit costs.

4
5 b) For the 2027–2031 forecast period, unit costs by asset class are derived using historical
6 actuals for similar projects across a range of asset sizes, with year-over-year adjustments for
7 inflation and overhead costs.

8
9 c) Elexicon identifies underground cables for rejuvenation or replacement based on several
10 factors, including asset condition, age, and the number of existing splices. In addition,
11 Elexicon conducts cable testing to further assess the suitability of selected cables for
12 injection or replacement. These tests provide an overall assessment of cable health and the
13 likelihood of successful rejuvenation. Cables that have exceeded their typical useful life (TUL)
14 are not considered viable candidates for cable injection, as their insulation is typically
15 degraded beyond the point of effective rejuvenation, resulting in a high risk of post-injection
16 failure. Similarly, cables that have not yet reached their TUL but contain a high number of
17 splices are also generally unsuitable for injection, as splices can impede the propagation of
18 the injection compound and reduce the overall effectiveness and success rate of the
19 rejuvenation process.

20
21 While some underground cables scheduled for replacement may technically be candidates
22 for rejuvenation, it's important to note that approximately 44% of Elexicon's underground
23 primary cable is in poor or very poor condition (approx. 1155 km) and 49% has already
24 exceeded TUL or are expected to do so by 2031 (approx. 1286 km). The Underground System
25 Renewal program plans to replace 92.2 km of cable between 2027 and 2031, equating to
26 approximately 8% of the total cable assessed as Poor or Very Poor. Cable replacement
27 requires prioritization alongside rejuvenation. Please refer to Exhibit 2B, Tab 4, Schedule 3,
28 Pages 21 to 24 for underground cables failure risks and pages 30 -33 for underground cables
29 reliability risks.

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d) Please refer to Table 3 below, which represents a breakdown of the kilometres of cable replaced (including submarine cables) versus injected under each of the three investment scenarios.

Table 3: Underground Cables Injected versus Underground Cables Replaced by Investment Scenarios (km)

	Low	Balanced	Needs-Based
Underground Cables Injected (km)	100	100	100
Underground Cables Replaced (km) ¹	35	92.2	169

¹ "Underground Cables Replaced (km)" includes Submarine cables.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 a) Please refer to 2B-SEC-63, Part b) for a summary of expenditures by asset class. Additionally,
3 please refer to response b) below for further information on the forecast period unit costs.

4

5 b) For the 2027–2031 forecast period, unit costs by asset class are derived using historical cost
6 actuals for similar projects across a range of asset sizes, with year-over-year adjustments for
7 inflation and overhead costs.

8

9 c) Please refer to Table 1 below, which presents the total number of customers served within each
10 district by rear-lot configuration, as well as the number of rear lots planned for conversion during
11 the 2027–2031 forecast period. In future rate periods, Elexicon will continue to phase out
12 rear-lot configurations by targeting areas with poor reliability performance and elevated safety
13 risks. While Elexicon has not yet fully developed plans for future rate periods, it will continue to
14 assess reliability and safety risks as key inputs in identifying priority areas for rear-lot conversions
15 across its service territory.

16

17 **Table 1: Estimated number of Customers to be Converted from Rear-Lot Rebuilt**

District	Number of Rear-Lot Customers	2027 Removal	2028 Removal	2029 Removal	2030 Removal	2031 Removal	2027-2031 Removal
Ajax District	4,257	0	156	143	105	82	486
Belleville District	141	0	0	0	0	0	0
Clarington District	272	0	0	0	0	0	0
Gravenhurst District	80	0	0	0	0	0	0
Brock District	156	0	0	0	0	0	0
Whitby District	96	0	0	0	0	0	0
TOTAL	5,002	-	156	143	105	82	486

18

1 Please refer to Table 2 below, which represents the total costs associated with rear-lot conversion
2 for each year for the 2027-2031 forecast period.

3 **Table 2: Summary of Rear Lot Expenditures (\$M)**

	Forecast				
Year	2027	2028	2029	2030	2031
Rear Lot Infrastructure	-	3.75	3.78	2.94	2.47

4

5 d) Please refer to the response to 2B-SEC-63, Part c).

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please see Elexicon’s response to 2B-SEC-64 and 2-STAFF-61. For greater clarity, Elexicon did not prepare a standalone detailed spreadsheet model to derive the 2027-2031 Reactive Capital forecast. The Reactive Capital program is event driven, non-discretionary, and inherently unpredictable in nature. The forecast was developed based on review of historical reactive capital expenditures, together with anticipated benefits of forecasted capital and maintenance investments, including the Overhead System Renewal, Underground System Renewal, and Substation Renewal programs. Elexicon established the 2027 forecast using recent historical spending, excluding extra-ordinary storm related costs. The 2028 forecast reflects the

1 expectation that reactive needs would remain above the later year level while benefits of
2 proactive renewal and maintenance investments continue to emerge. From 2029 onwards,
3 annual expenditures are relatively flat, reflecting anticipated benefits of those proactive
4 investments, while recognizing that a baseline level of reactive work will remain necessary due
5 to unforeseen failures and weather-related events.

6 b) To the extent available, historical reactive replacement quantities for 2020 to 2025 are provided
7 in Table 1 below. A single annual total across all the asset classes has not been provided because
8 certain asset classes are measured in kilometers while others are measured by unit count, and
9 an aggregated total would therefore not be meaningful. For the forecast period, Elexicon did not
10 prepare annual asset-by-asset replacement count forecast for 2026-2031 under the Reactive
11 Capital program. The Reactive Capital budget was developed at a program level based on
12 historical reactive capital expenditures and expected impacts of proactive capital and
13 maintenance investments rather than as a detailed annual asset-by-asset replacement count
14 forecast given the program is inherently unplanned and unpredictable.

1 **Table 1: Historical Replacement Quantities 2020-2025**

Asset Class	2020	2021	2022	2023	2024	2025
Wood Poles	17	5	93	82	73	74
Concrete Poles						
Underground Cables (km)	0	0.6	0.6	2.2	4.8	1.2
Submarine Cables (km)	0	0	0	0	0	0
Overhead Conductors (km)	2.5	5.2	2.8	8.7	5.8	13.5
Pole-mounted Transformers	11	16	39	57	35	47
Pad-mounted Transformers	58	45	44	54	103	88
Vault Transformers						
Submersible Transformers						
Step Transformers	0	0	0	0	0	0
Pad-Mounted Switchgear	5	0	4	3	2	5
Overhead Switch	72	21	65	282	271	153
Station Battery	1	0	1	0	1	1
Station Building	0	0	0	0	0	0
Station Cable	0	5	2	1	1	3
Station Charger	0	0	0	0	0	0
Station Circuit Breaker	0	0	0	1	0	1
Station Fence	0	0	0	0	0	0
Station Power Transformer	0	0	3	1	0	0
Station Relay	1	0	1	0	0	2
Station Switch	0	0	0	0	0	0
Station Switchgear	0	0	0	0	0	0

2

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Confirmed, with the exception of Winchester West MS as identified in Table 1 below.

b) Please refer to Table 1 below.

Table 1: Project Type for Substation Growth Program

Project	Total Project Cost (\$M)		In-Service Date	Project Type	Rationale
	Gross	Net			
Uxbridge North MS	8.74	8.74	2028	System Enhancement	Required to relieve existing distribution system capacity constraints and support reliability outcomes.
Foster MS	8.14	8.14	2029	System Enhancement	Required to relieve existing distribution system capacity constraints, support reliability outcomes and voltage conversion work in the City of Belleville.
Mobile Station	3.36	3.36	2029	System Enhancement	Required to support the distribution system during construction outages.
Port Hope 27.6kV MS	11.12	11.12	2029	System Enhancement	Required to relieve existing distribution system capacity constraints, support reliability outcomes and voltage conversion work in the Municipality of Port Hope.
Bradshaw MS	8.47	8.47	2031	System Enhancement	Required to relieve existing distribution system capacity constraints and support reliability outcomes.

Project	Total Project Cost (\$M)		In-Service Date	Project Type	Rationale
	Gross	Net			
Winchester West MS	13.91	8.65	2027 (Phase 1) & 2031 (Phase 2)	System Expansion ¹ and System Enhancement	Required to support both general and customer-specific load growth on the distribution system.
GTA East TS	81.18	81.18	2031	System Enhancement	Required to support general load growth on the distribution system in accordance with municipal plans.

1

2 c) The expenditure forecast for the projects in Table 7 is based on estimates utilizing the
3 following spend categories.

- 4
- Civil Construction
 - 5 • Electrical Construction
 - 6 • Engineering
 - 7 • Land
 - 8 • Material
 - 9 • Project Management
 - 10 • Transformer
 - 11 • Other (Contingency and Overhead)

12 The fundamental assumptions for estimating include:

- 13
- Land and Material costs, which are based on the most recent purchases or vendor
 - 14 estimates.
 - 15 • Construction, Engineering and Project Management costs, which are based on
 - 16 actuals from recent projects of similar scope and scale.

¹ At present, customer capital contributions have not been determined for Phase 2. The amount of any capital contributions related to Phase 2 will be determined at the time Phase 2 is advanced, based on the final configuration and applicable Distribution System Code economic evaluation requirements.

Please refer to the attached Excel file 2-CCC-28(1)_Project Net Expenditures for individual project expenditure breakdowns for all projects in Table 7, except for the GTA East TS project. For the GTA East TS project, please refer to the response in 2-Staff-80.

Major equipment recent purchase orders that were used as part of the estimates are provided in Exhibit 1, Tab 5, Schedule 2, Table 14. Additionally, please see Table 2 for historical projects that were referenced in developing the estimates.

Table 2: Recent Substation Rebuild Projects

Station	Scope	Cost (\$M)	In-Service Year
Dowty MS	Single Transformer Rebuild	2.5	2019
Monarch MS	Single Transformer Rebuild	4.5	2024

d) The requirement for Winchester West MS was identified as part of the overall solution for supplying the developments in North Brooklin, requested by the Brooklin Landowners Group (BLG). To determine the portion of the project that was enhancement and the portion that was expansion, Elexicon considered a variety of factors including long-term growth driven by the Town of Whitby's official plan, the existing 13.8 kV and 44 kV infrastructure, the timing of capacity constraints, and BLG's development schedule and scale.

Based on this analysis, Elexicon determined that the proposed MS solution includes both enhancement and expansion elements. The allocation was developed separately for the transformer installation and the remainder of station build costs to reflect the differing drivers for each component. Specifically, costs related to the transformer installation were allocated 75% expansion and 25% enhancement, reflecting the primary role in serving incremental BLG load. The remainder of the station build costs were allocated 30% expansion and 70% enhancement, reflecting the need for Elexicon to incur station infrastructure costs earlier than would otherwise have been required to meet long-term system needs. The resulting overall allocation for the MS build-out is approximately 50% expansion and 50% enhancement for Phase 1.

1 The economic evaluation was undertaken with respect to the solution for the North Brooklin
2 developments, which included the Winchester West MS. Since the evaluation was based on
3 a no-load offer to connect (OTC), the expansion-related costs would be 100% covered by the
4 customer. Please refer to the attached Excel file 2-CCC-28(2)_Winchester West MS for the
5 economic evaluation completed for the Winchester West MS.

- 6
7 e) The mobile station will be procured from a third-party supplier and will not be constructed
8 by Elexicon.

9 Elexicon has completed a high-level assessment of market options, including purchasing
10 from third-party manufacturers, short-term rental from a supplier, and temporary use of
11 mobile units from other local distribution companies (LDCs). These options were considered
12 in terms of availability, system compatibility, and operational flexibility. Due to the specific
13 voltage configuration required for Elexicon's system, available rental units or mobile stations
14 from other LDCs are generally not compatible, limiting the feasibility of these alternatives.
15 Based on this assessment, Elexicon determined that procuring a dedicated mobile station is
16 the most appropriate solution. Formal supplier engagement will proceed in accordance with
17 Elexicon's standard procurement practices as the project advances.

Summary of Customer Data and Economic Analysis Results									

Project Name	North Brooklin Stage 1 (New Brooklin MS)
Project Number	WRP241020
Developer	Brooklin Landowners Group Inc.
Municipality	Whitby

Technician: Luis Zuniga Date Run: 6-Nov-25 Version: R1

EE Template : Whitby Only

New Customers and Input Data

Customers, Type	kWh per Unit	Number of Units or GS load (kW) Added in Each Year					
		Year 1- 2025	Year 2- 2026	Year 3-2027	Year 4-2028	Year 5-2029	Total
General Service Load							0
							0
							0
Residential	750	0	0	0	0	0	0
							0
							0
Total Residential		0	0	0	0	0	0
Average energy added per Res. customer		0	0	0	0	0	0

Data	

Annual O,M, & A

Incremental OM&A, \$/Customer	\$	175.00	\$	175.00

Distribution Rates in effect	

Monthly, fixed customer charge	Residential	\$	37.29
	General Service < 50kW	\$	31.34
	General Service 50 to 4,999 kW	\$	238.73
	Large User	\$	-
Monthly, variable	Residential, per kWh	\$	-
	General Service < 50kW, per kWh	\$	0.0232
Monthly Variable, per kW	General Service 50 to 4,999 kW	\$	4.7680
		\$	-
	Large User	\$	-

Ellexicon Energy Use Only

NOTE: Option 2 - EE Different from OTC

	N/A

Summary

Statement of Costs	

<u>Project Total Costs</u>															
<u>Cost Breakdown:</u>	<u>(Data Inputs)</u>														
Labour (including design, engineering)	\$ 1,297,500.00	<table><tr><th colspan="2">Calculation Results</th></tr><tr><td colspan="2"><i>Expressed in relation to internal construction costs only.....</i></td></tr><tr><td>Total Cost of Project</td><td>\$ 5,200,000.00</td></tr><tr><td>Capital Contribution by Customer</td><td>\$ 5,200,000.00</td></tr><tr><td>Ellexicon's Contribution</td><td>-\$ 0.00</td></tr><tr><td>Capital Contribution Recovery Rate (CCRR) (% of Project Total)</td><td>100%</td></tr></table>		Calculation Results		<i>Expressed in relation to internal construction costs only.....</i>		Total Cost of Project	\$ 5,200,000.00	Capital Contribution by Customer	\$ 5,200,000.00	Ellexicon's Contribution	-\$ 0.00	Capital Contribution Recovery Rate (CCRR) (% of Project Total)	100%
Calculation Results															
<i>Expressed in relation to internal construction costs only.....</i>															
Total Cost of Project	\$ 5,200,000.00														
Capital Contribution by Customer	\$ 5,200,000.00														
Ellexicon's Contribution	-\$ 0.00														
Capital Contribution Recovery Rate (CCRR) (% of Project Total)	100%														
Materials	\$ 3,380,000.00														
Equipment	\$ 520,000.00														
Overhead (including administration)	\$ 2,500.00														
Inspection	\$ -														
Total	\$ 5,200,000.00														

Total Not Eligible Cost	\$	5,200,000.00
Total Eligible for Bid Cost	\$	5,200,000.00

Expansion Deposit	-\$	0.00

Expansion Deposit	-\$	0.00

Prepared by: Capital Asset Analyst

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

RESPONSE:

a) Confirmed.

b) The capacity reservations associated with the Brooklin Landowners Group (BLG) are directly linked to both the Winchester West Municipal Substation (MS) project and the GTA East Transformer Substation (TS) through a tiered infrastructure dependency, whereby the ability to serve the full build-out of the BLG development requires additional capacity at both the local distribution level and the upstream station supply level.

As noted in Exhibit 2B, Tab 4, Schedule 3, Appendix I, pp. 24, the BLG development is in two phases:

- 1 • **Stage 1:** The first phase of the BLG development (~5,000 units) is supported by the partial
2 build-out of Winchester West MS. At this stage, Winchester West MS is supplied from the
3 existing 44 kV station supply at Whitby TS. Planning assessments indicate that the existing
4 44 kV supply configuration can accommodate this initial stage of development, but with
5 limited remaining capacity.
- 6 • **Stage 2:** The second phase of the BLG development (additional ~9,000 residential units)
7 requires the full build-out of Winchester West MS and an increase in upstream station supply
8 capacity. Planning analysis identified that Whitby TS and the broader 44 kV station supply
9 capacity in the Ajax-Pickering-Whitby area are forecast to become capacity-constrained by
10 as early as 2030; see Exhibit 2B – Tab 4 – Schedule: Appendix I-1 “Business Case – GTA East
11 TS, 1.3 Project Drivers, page 8-10. The existing supply arrangement cannot support the full
12 Winchester West MS build-out.
- 13 The GTA East TS project is therefore the critical upstream infrastructure required to provide this
14 incremental 44 kV station supply capacity to the region. By establishing a new station supply
15 point, GTA East TS enables the full build-out of Winchester West MS and supports the connection
16 of Stage 2 of the BLG development.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

- 1 f) Please provide a revised version of Table 7 that breaks out the program costs between feeder
2 enhancements, undersized conductor replacements, animal guards and lighting arrestors.
3
4 g) For each sub-category of spending in the distribution capacity and reliability enhancements
5 program, please explain the methodology applied to forecast the budget for the 2027-2031 period.
6 As part of the response, please provide the assumptions applied.
7
8

1 **RESPONSE:**

2 a) Please refer to revised Table 1 below with the requested information.

3 **Table 1 Revised: Project Levels Details**

Project Title	Related Station	Existing/ Proposed Station	Gross Cost (\$M)	Net Cost (\$M)	ISA Year	System Expansion or Enhancement	Rational for System Expansion or Enhancement
GTA East TS Feeder Enhancements	GTA East TS	Proposed	20.20	20.20	2031	Enhancement	To enable the integration of new GTA East TS capacity into the existing 44 kV network across Ajax, Pickering, and Whitby, while addressing current system capacity constraints.
Baldwin (North x Columbus) Enhancements	Baldwin MS	Existing	1.80	1.80	2027	Enhancement	To support redundancy and (N-1) contingency requirements for the new Winchester West MS.
Country Lane Feeder Enhancements	Lawler MS	Existing	2.40	2.40	2027	Enhancement	To support redundancy and (N-1) contingency requirements for the new Winchester West MS.
Belleville DESN 2 Feeder Enhancements	Belleville TS DESN 2	Under Construction	6.58	6.58	2028	Enhancement	To enable the integration of new capacity from Belleville DESN 2 into the existing 44 kV network while addressing current system capacity constraints.
Foster MS Feeder Enhancements	Foster MS	Proposed	2.05	2.05	2029	Enhancement	To integrate new capacity from Foster MS into the existing 13.8 kV distribution network in Belleville while addressing current capacity constraints.
Foster MS 44kV Supply Feeder Enhancement	Foster MS	Proposed	0.27	0.27	2029	Enhancement	To expand the existing 44 kV supply feeder to serve the new Foster MS in Belleville.
Uxbridge North Feeder Enhancements	Uxbridge North MS	Proposed	0.51	0.51	2028	Enhancement	To integrate new capacity from Uxbridge North MS into the existing 4.16 kV distribution network in Uxbridge.

4

- 1 b) Two projects in the historical period resulted in capital contributions. Refer to Table 2 below for
2 additional details.

3 **Table 2: Historical period projects that resulted in capital contributions**

Project Name	Gross Cost	Net Cost	Project Details
Whitby Smart Grid-ICM	\$6.81M ¹	\$4.17M	The project was part of the Whitby Smart Grid ICM, under which Elexicon received funding from the OEB, resulting in capital contributions for the project. The project scope included the implementation of smart grid infrastructure, such as CFCIs, SCADA, and ADMS upgrades, to prepare the grid for future smart grid technologies.
Winchester Rd (Durham x Thickson) Feeder Enhancement	\$0.32M	\$0.21M	Elexicon initiated a feeder enhancement project to expand its existing 13.8 kV feeder in Whitby. The scope was upgraded to include a 44 kV feeder in response to a developer's capacity request in the area, which resulted in capital contributions toward the project.

4

¹ Gross costs associated Whitby Smart Grid ICM within the Grid Enhancements program are a subset of the entire project.

- 1 c) Refer to 2-Staff-63 Parts a) b) e) and h). Additionally, refer to Table 3 below for a representation
2 of per unit costs by asset.

3 **Table 3 (Revised Table 5): Distribution Modernization Expenditures per Unit Costs**

	Actuals (\$M)					Bridge (\$M)		Forecast (\$M)				
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SCADA-Enabled Switches	0.00	0.19	0.20	0.20	0.20	0.21	0.00	0.22	0.22	0.22	0.23	0.23
CFCIs	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01
Self-Resetting Fuses	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.02	0.02
Reclosers	0.15	0.15	0.16	0.16	0.16	0.17	0.00	0.17	0.18	0.18	0.18	0.18

4

- 5 d) The distribution modernization budget for the 2027–2031 period was developed by identifying
6 targeted investment opportunities to improve system visibility, controllability, and operational
7 response across the distribution system, including SCADA-Enabled Switches, Communicating
8 Fault Current Indicators (CFCIs), Self-Resetting Fuses, and Reclosers. As Elexicon is still in the early
9 stages of its grid modernization roadmap, the program was intentionally scoped to deploy these
10 technologies on a prioritized subset of the system rather than across all feeders. Investments
11 were therefore paced based on what could be reasonably executed within the rate period, while
12 maintaining a balanced mix of device types to support effective grid operation and improve
13 system reliability performance. The resulting overall budget by technology was calculated by
14 multiplying the number of units by the applicable per-unit costs for each asset. Per-unit costs
15 were developed based on historical actuals of comparable projects, with annual adjustments for
16 inflation and associated overhead costs.

17

- 18 e) The station modernization budget for the 2027-2031 period was developed using a program-
19 based, unit-cost forecasting methodology. This segment generally addresses modernization of
20 existing station assets and does not include capacity expansion.

21 The station modernization budget consists of two primary components:

- 22 • Advanced monitoring and Asset Performance Management (APM) technologies: As noted in
23 Exhibit 2B, Tab 4, Schedule 3, Appendix J, pp. 16, this component relates to the deployment

1 of condition monitoring equipment and Intelligent Electronic Devices (IEDs) to support a
2 data-driven APM approach. The budget forecast for this component was developed using
3 unit-pricing quotations obtained from a vendor for implementing these technologies at
4 stations that are planned to be rebuilt as part of the R1 Substation Renewal program or S1
5 Substation Growth program. This approach ensures alignment between modernization
6 investments and station rebuild or build activities.

- 7 • Station protection relay replacement: This component relates to the replacement of legacy
8 protection relays and associated control equipment. Budget estimates for this component
9 were developed using Elexicon's recent historical project experience, supplemented by
10 material quotations from vendors obtained for similar relay replacement work on recently
11 completed projects.

12 Across both components within station modernization, the forecast assumes a steady
13 execution rate, deploying of modernization systems at approximately three stations per
14 year, and the replacement of 26 protection relays across seven stations over the 2027 to
15 2031 period.

- 1 f) Refer to the revised Table 7 below. Historically, Elexicon replaced animal guards and arrestors as
2 part of the System Renewal category. During the forecast period, Elexicon will shift to a more
3 targeted approach for installing new animal guards and arrestors.

4 **Table 7 (Revised): Distribution Capacity and Reliability Enhancements**

	Actuals (\$M)					Bridge (\$M)		Forecast (\$M)				
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Undersized Conductor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.56	2.73	2.94	3.04
Animal Guards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.08	0.08	0.09	0.09
Arrestors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.05	0.05	0.06	0.06
Feeder Enhancements	0.07	0.20	2.69	2.35	2.57	3.26	1.26	6.92	5.62	2.32	0.00	20.20
Capital (Net)	0.07	0.20	2.69	2.35	2.57	3.26	1.26	7.04	8.31	5.19	3.08	23.39

- 5
6 g) The budget for distribution feeder and reliability enhancement investments was developed by
7 identifying targeted investment opportunities to address system constraints, coordinated with
8 new substation growth investments in areas experiencing capacity constraints, reliability
9 concerns, and N-1 contingency issues. The budget is based on known project needs,
10 supplemented by forecasted projects intended to address reliability and capacity constraints.
11 Investments related to feeder enhancement and undersized conductors were forecasted using
12 estimated per-kilometre unit costs from comparable projects. Investments for arrestors and
13 animal guards were developed using estimated per-unit installation costs associated with these
14 programs. These individual budgets were then aggregated into annual forecasts, with
15 adjustments applied annually to reflect inflation and associated overhead costs. Refer to the
16 response to Part A for details on the identified project needs and their associated cost estimates.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

The Voltage & System Conversion budget for the 2027–2031 period was developed by using historical cost actuals for replacement of major assets classes being targeted for the conversion on the legacy 4.16 kV and 8.32 kV assets in Belleville, Port Hope, and North Pickering, with adjustments for inflation and overhead costs year over year. Targeted conversion areas within each district were identified and divided into executable phases over the 2027–2031 period, aligned with system construction activities, including the decommissioning of legacy stations and the construction of new stations in Port Hope and Belleville, resulting in the final budget for the program. Please refer to Exhibit 2B, Tab 4, Schedule 3, Appendix K pages 6, 8 and 11 for quantities of assets being targeted for replacement by asset class in each service district, and pages 29 – 31 for summary and timings of expenditures. The detailed program budget calculations are provided in the attached Excel file 2-CCC-31(1)_Voltage and System conversion.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) Elexicon's Belleville Operations Centre was previously located in a shared facility with the City of Belleville Water Department. Elexicon's lease for this Operations Centre was due to expire and the City of Belleville made the decision to relocate their Traffic Department into the space. As a result, Cresa was engaged to provide an options analysis (report attached) and the resulting decision was for Elexicon to construct a new facility on surplus land that was purchased from the City of Belleville. The total cost of the new facility (including land) was \$4.52M. Please see the report filed as an attachment to the response for 2B-SEC-67.

1 b) Elexicon does not agree with the premise of the question. As outlined in Exhibit 2B, Tab 4,
2 Schedule 1, Appendix L, pg. 7, Elexicon has selected Option 3 as the other options were
3 determined untenable and disruptive to the organization. The investment outlined in Option
4 3 is necessary to provide adequate workspace and meet business objectives, without limiting
5 the organization on decisions regarding their hybrid policy in the future. Furthermore, the
6 noted investment in parking is required to address both existing constraints and the
7 exacerbation of those constraints as Elexicon grows. The option selected as it pertains to
8 parking investment is the lowest cost option available as outlined in the evidence.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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 all 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

1 nearly \$0.12M.

2

3 **RESPONSE:**

4 a) There are 195 active vehicles; the 201 vehicles described above table 1 included 6 vehicles that
5 were in the process of being sold but not fully dispositioned at the time of the filing. The below
6 table corrects this:

7 **Table 1: Updated Table**

Vehicle Type	0-5 Years	5-10 Years	10-15 Years	15+ Years	Total
Heavy Vehicles	10	16	14	10	50
Light Vehicles	30	39	12	5	86
Trailers	14	10	6	10	40
Special Purpose	7	3	6	3	19

8

9 b) Please see (a) above. Personal Vehicles (i.e. SUV's and EV's were misrepresented in the original
10 table as Special Purpose. The Special Purpose vehicles include the following: ATVs, Snowmobiles,
11 Boat, Forklifts, Scissor Lift and a Bobcat.

12

13 c) The heavy vehicles listed in Table 5 are below the km threshold but above the age threshold for
14 replacement. As described in Exhibit 2B, Tab 4, Schedule 3, pg. 4, either threshold of age and
15 kilometers trigger a detailed review to determine whether refurbishment or replacement is to
16 be considered. These triggers are based on manufacturer and industry recommendations. The
17 table of proposed replacement aligns with the Vehicle condition assessment reports outlining
18 the need for replacement (see 2-Staff-66 Attachment 1).

19

20 d) Table 6 outlines the number of new employees required by department through 2027-2031 that
21 have vehicle requirements as part of their core job function. Table 7 translates the workforce
22 demand in Table 6 into a targeted, multi-year fleet acquisition plan outlining the number of new
23 vehicles to be added, the year of acquisition, the service area, and the type and category of
24 vehicle required. Elexicon's service territory spans multiple municipalities, often with
25 simultaneous operational demands. Sharing vehicles across distant service areas was assessed

as operationally inefficient due to travel time, emergency response requirements, and equipment staging needs. As a result, vehicle sharing was maximized within practical and operational constraints, but it was concluded that strategic fleet additions were necessary to support new roles without compromising service levels, productivity, or safety.

e) The table below represents the forecast cost of each vehicle listed in Table 7:

Table 2: Forecast Cost of Vehicles Listed in Table 7

Location	Department	Year	Type	Vehicle Category	Forecast Cost as of April 2026 (\$M)
Ajax	Operations	2027	1/2 Ton Pickup	Light	0.08
Ajax	Operations	2027	Double Bucket Truck - Single Elevator	Heavy	1.00
Ajax	Operations	2027	Self Loading Reel Trailer	Trailer	0.45
Clarington	Operations	2027	Ford F550 - Altec 40' Truck	Heavy	0.40
Clarington	Automation	2027	1 Ton Transit Regular Rear	Light	0.11
Brock	Operations	2027	Ford F550 - Altec 40' Truck	Heavy	0.40
Brock	Operations	2027	1/2 Ton Pickup	Light	0.08
Gravenhurst	Operations	2027	Double Bucket Truck - Single Elevator	Heavy	1.00
Gravenhurst	Operations	2027	Small Boat	Special Purposes	0.08
Whitby	Operations	2028	Single Bucket Truck - 55'	Heavy	0.80
Ajax	Operations	2029	Flat Deck Truck - with HIAB	Heavy	0.65
Belleville	Operations	2029	Double Bucket Truck - Single Elevator	Heavy	1.00
Clarington	Automation	2030	1 Ton Transit Regular Rear	Light	0.11
Clarington	Stations	2030	1 Ton Transit Dual Rear	Light	0.13
Clarington	Stations	2031	1 Ton Transit Dual Rear	Light	0.13

f) Table 9 provides the average maintenance cost of the vehicles that are being proposed to be replaced in the 2027-2031 period. Below is the historical breakdown of the average maintenance cost for these vehicles on a per vehicle basis:

1 **Table 3: Historical Breakdown of Average Maintenance Cost per Vehicle**

Vehicle Category	2020	2021	2022	2023	2024	2025
HT	10,062	19,060	22,258	16,083	14,634	8,732
LT	4,098	4,314	4,892	3,931	4,548	1,403
Special Purpose	792	1,561	768	1,270	1,614	719
Trailers	1,646	2,237	1,721	1,629	1,414	1,594
Grand Total	5,769	9,164	10,319	7,740	7,332	4,544

2

- 3 g) For Heavy Trucks, the forecasted average cost was based on actual heavy truck purchases at the
4 time of the rate filing. Subsequent to that, the cost of heavy trucks has risen to \$0.8-1.0M for
5 the same time-period based on actual quotes received for future truck purchases. During the
6 historical period, the light vehicles typically comprised of Pickup trucks and SUVs yielding an
7 average cost of \$0.06M. The light vehicles required in the forecast period predominately consist
8 of 1 Ton Transit vans that are more expensive than the typical Pickup truck or SUV and require
9 increased upfitting yielding an average cost of \$0.12M

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Elexicon's proposal to replace its laptops every three years reflects technical, cost and operational considerations. Battery performance typically degrades after approximately three years of regular use, impacting system performance and employee productivity, and replacing modern laptop batteries is often less cost-effective than replacing devices when factoring in the equipment and time required to service modern sealed devices. Elexicon's laptops also have a three-year manufacturer warranty and so its refresh cycle aligns with this warranty. A three-year replacement cycle further enables Elexicon to take advantage of technology advancements that drive computing requirements, like AI-enabled tools and advanced security features, and avoids the risks associated with outdated software and hardware. For these reasons, Elexicon has adopted a three-year replacement cycle as a cost-effective and operationally prudent approach that remains within the broader 3–4 year lifecycle range while supporting productivity, security, and evolving technology requirements.

1
2 b) Elexicon's endpoint device refresh budget supports predictable, scheduled lifecycle
3 replacements and its end-user hardware enhancements budget addresses unplanned,
4 incremental and growth-related hardware requirements across the organization. Elexicon's
5 endpoint device refresh budget is a capital project intended to support the planned replacement
6 of end-of-life laptops on a defined lifecycle (e.g., the three-year refresh described above). This
7 budget is focused on systematically replacing existing standard laptops that have reached the
8 end of their planned service life. The end-user hardware enhancements budget is a separate
9 capital project intended to address in-year, non-lifecycle hardware needs, including replacing
10 devices that are damaged, lost, or otherwise fail outside the planned refresh cycle, acquiring
11 hardware required for net new hires or role changes that occur during the year, and acquiring
12 equipment including desktop PCs, monitors, mobile phones, docking stations, peripherals, and
13 other computer accessories.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) Operational Technology (OT) costs relate to systems that support the operation, monitoring, protection, and control of the electricity distribution system, while Information Technology (IT) costs relate to corporate and enterprise systems. The OT and IT environments are implemented as separate environments, each with infrastructure dedicated to its respective purpose. However, for efficiency and consistency, certain categories of OT infrastructure costs, such as servers, networking, storage, and backup platforms used exclusively to support

- 1 OT systems, are managed and budgeted centrally within the IT capital program. All other
2 costs, including applications and enhancements, are fully separated between OT and IT.
3
- 4 b) Please find the response to this question in answer 2-CCC-16.
5
- 6 c) The low investment provided is limited to maintaining compliance with vendor-supported
7 software and does not contemplate enhancements or functional improvements over the test
8 period. The balanced option provides for targeted, incremental enhancements to address
9 evolving business requirements. The balanced option forecast constitutes a measured and
10 prudent level of investment and, as such, represents an appropriate middle ground between
11 minimal compliance maintenance and more extensive system advancement.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

RESPONSE:

a)

i. Please refer to 1-SEC-13 Attachment 3 for Elexicon's 2027-2031 OM&A expenditure as paced.

ii. Please see the table below for Elexicon's 2027-2031 OM&A expenditures if the pacing had not been undertaken. The table shows the paced OM&A in each year and the amount of additional OM&A that would be required had Elexicon not deferred spending for maintenance, delayed the onboarding of necessary employees into later years of the plan and began its AMI 2.0 implementation in 2027. The bottom row of the table estimates the OM&A that would have been required had Elexicon not paced its OM&A expenditures.

1 **Table 1: Elexicon’s 2027-2031 OM&A Expenditures With and Without Pacing**

	2027	2028	2029	2030	2031
(i) Proposed OM&A (1-SEC-13 Attachment 3)	80.87	87.47	89.43	91.34	93.76
Maintenance	1.00	-	-	-	-
Delayed Hiring	1.74	0.85	0.17	-	-
AMI	1.60	-	-	-	-
(ii) OM&A Without Pacing	85.21	88.32	89.60	91.34	93.76

2
3 Elexicon estimates that the impact of not pacing OM&A expenditures would be to increase the
4 2027 revenue requirement by 3.0% relative to what is proposed and increase the distribution
5 bill impact for a typical residential customer in that year from \$10.81 to \$12.22 for a customer
6 in the Veridian rate zone and from \$7.10 to \$8.51 for a customer in the Whitby rate zone.

7
8 b) As described in Exhibit 1, Tab 5, Schedule 1, page 14, Table 4, Elexicon is proposing a single
9 year Cost of Service Rebasing approach to establish rates in 2027, followed by the escalation
10 of revenues each year thereafter by a Custom Revenue Cap Index. Included within the CRCI is
11 a Revenue Growth Factor (“RGF”) which is informed by cost forecasts, including OM&A cost
12 forecasts. As described in Exhibit 1, Tab 5, Schedule 1, pages 17 to 18 and shown in a) above,
13 the RGF approach allows Elexicon to fund its unique operating expenditure profile, providing
14 rate mitigation for customers.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) As noted in the OEB’s findings on Elexicon’s confidentiality request dated April 10, 2026, the footnote “relates to personal information and disclosure is not permitted. The subject information will not be placed on the public record, nor will it be provided to any party, including any person from whom the OEB has accepted a Declaration and Undertaking.” Elexicon can confirm the same adjustment has been made in the Chapter 2 Appendices.

1 b) Confirmed, with the exception that the payroll function moved from Finance to People &
2 Culture in 2023. Please refer to the attached Excel file 4-CCC-37(1)_Revised-OEB App.2-JC-
3 Payroll without Segment Movement, which reallocates the payroll costs from 2020 to 2023
4 from Finance segment to People & Culture segment for ease of comparison. Additionally,
5 Excel file 1-SEC-13(3)_Revised-OEB App.2-JA-JB-JC-K has been updated to reflect this
6 reallocation update.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

RESPONSE:

a) The APSE Cost Components are in Table 1 below, and the DS&C cost components are in Table 2 below. The various cost components for each of the APSE and DS&C segments of the system planning and design program are provided in the tables below.

1 Table 1: APSE Cost Components

APSE (\$000's)	Actual						Forecast					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	355.1	355.5	426.7	355.7	561.5	667.5	847.5	1,114.6	1,242.2	1,293.7	1,369.3	1,399.5
License/ Membership/ Other ¹	26.4	69.3	57.8	57.8	232.4	169.6	236.2	288.2	294.1	299.5	306.3	312.4
Third Party Contractor	73.8	35.4	80.8	51.7	160.5	457.0	32.2	122.1	132.1	134.8	137.5	140.2
Vehicle	0.0	-	0.0	0.1	0.1	-	3.3	3.4	3.4	3.5	3.6	3.7
Total	455.3	460.2	565.3	465.4	954.4	1294.1	1119.2	1528.3	1671.9	1731.5	1816.6	1855.7

2

3 Table 2: DS&C Cost Components

DS&C (\$000's)	Actual						Forecast					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	923.7	871.5	814.2	728.5	818.6	810.1	804.7	983.6	1074.9	1131.1	1161.6	1188.7
Third party contractor	-32.9 ²	93.9	36.7	22.2	55.9	50.6	10.0	10.1	10.3	10.6	10.8	11.0
Licensing Costs/ Others ¹	114.9	97.9	83.2	67.0	8.3	123.0	59.6	67.5	68.5	70.4	71.1	72.5
Vehicle	1.6	1.5	1.3	3.5	6.4	7.7	17.7	18.0	18.4	18.7	19.1	19.5
Grand Total	1007.3	1064.8	935.4	821.2	889.3	991.3	892.1	1079.2	1172.1	1230.8	1262.6	1291.7

4

5 b) The forecast is informed by historical actuals and incorporates additional staffing requirements
6 and segment-specific adjustments to reflect evolving operational requirements, including
7 projected customer connections, increased capital project volumes, and greater variation in
8 project complexity. In the APSE segment, forecast costs reflect the additional staffing required
9 to manage an increased planning workload commensurate with growth in the utility's
10 maintenance and capital programs, system studies, scope package development, capacity
11 assessments, and support for reliability, non-wires, and growth-related planning initiatives. In
12 the DS&C segment, forecast costs reflect historical actuals and bridge year base, and are
13 primarily driven by the resources required to support increasing volume and complexity of

¹ Includes general items such as legal support and office administration

² Immaterial adjustment for allocations based on program balance for 2020

1 connection requests and technical designs driven by customer-initiated work, as well as the
2 planned expansion of Elexicon's maintenance and capital investment plans. For further
3 information on the planned staff additions, please refer to the response in 1-Staff-103. The
4 OM&A planning process and inflation details are described in Exhibit 4 - Tab 1 - Schedule 1 and
5 Exhibit 1 - Tab 5 - Schedule 2, respectively.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 a) Please see below for detailed version of Table 4 with various applicable components.

3 Consulting costs and licensing fees are not applicable to this segment.

4

5 **Table 1: Detailed Version of Table 4 with Various Applicable Components**

(\$000's)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Labor	2.09	2.53	2.50	2.35	2.39	2.48	2.44	2.58	2.74	2.81	2.89	2.96
Joint Use	0.21	0.20	0.17	0.17	0.18	0.18	0.23	0.24	0.24	0.24	0.25	0.25
Vehicles	0.25	0.38	0.46	0.41	0.40	0.43	0.47	0.50	0.51	0.52	0.53	0.54
Minor assets/ Components	0.12	0.01	0.03	0.03	0.05	0.07	0.03	0.04	0.04	0.04	0.04	0.04
Third Party Contractors	0.09	0.04	0.01	0.02	0.04	0.07	0.04	0.04	0.04	0.04	0.04	0.04
Total	2.76	3.16	3.16	2.97	3.04	3.24	3.21	3.40	3.58	3.66	3.76	3.84

6

7 b) For the 2027–2031 forecast period, the OM&A forecast for the Operations segment was
8 developed using the historical and bridge years as a basis for budgeting together with expected
9 continuation of the segment's underlying work drivers. As described in Exhibit 4, Tab 1, Schedule 3,
10 the forecast reflects the increasing volume and complexity of customer-driven isolation requests,
11 rising protection and control maintenance requirements in stations, and the need for supervisory
12 and technical oversight of increased capital and maintenance activities across the distribution system
13 and stations. A standard 2% inflation assumption was applied to non-labour costs for 2028 to 2031
14 (see Exhibit 1 - Tab 5 - Schedule 2). A further description of the OM&A planning process is provided
15 in Exhibit 4 - Tab 1 - Schedule 1.

16

17 c) With respect to the leadership and supervisory resourcing forecast for the Operations function,
18 Elexicon developed the forecast through its workforce planning process, under which internal
19 staffing levels were evaluated against planned work to determine capacity gaps, including the need
20 for field operations resources, supervisory coverage, stations and automation staff, contractor

1 oversight, and operational capacity across Elexicon's geographically dispersed service territory. For
2 the Operations segment, supervisory need is driven by customer-driven isolation requests, rising
3 protection and control and maintenance requirements in stations, and the need for supervisory and
4 technical oversight of increased capital and maintenance activities across the distribution system and
5 stations, including oversight of internal crews and third-party contractors. Elexicon's non-contiguous
6 and geographically dispersed service territory is also an operational consideration in determining
7 supervisory requirements, as it requires field leadership coverage across separate operating areas.
8 Together, these operational requirements form the basis of the supervisory resourcing forecast for
9 this function.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

After the legacy utilities (Veridian and Whitby) merged, Elexicon stood up an Integrated System Operations Centre (known also as the System Control Centre ("SCC") or "Control Centre"). As a combined utility, Elexicon needs one main SCC, and a back-up control centre.

In determining the costs avoided due to the merger, Elexicon considered what arrangements the legacy utilities would have required to maintain best practice for system operations. As such, had the utilities not merged, Whitby would have needed to ensure it had a back-up control centre location and would have incurred costs to acquire space to house this back-up control centre. Please refer to 1-CCC-05 c) for details related to the estimated costs avoided.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

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RESPONSE:

- a) Elexicon’s current maintenance program is based on an area-based cycle, under which inspections and maintenance activities are completed across defined geographic zones on a three-year rotation. Beginning in 2028, Elexicon will transition to an asset-based approach that prioritizes maintenance based on the total number of assets rather than geographic grouping. Under this model, approximately one-third of all assets will be inspected and maintained annually over a three-year cycle.
- This approach supports a more balanced and predictable maintenance workload year over year, enabling improved budget stability and forecasting by reducing fluctuations in annual maintenance expenditures. It also enhances resource planning by allowing more consistent deployment of internal crews and contractors, improving workforce utilization and scheduling efficiency. From an asset management perspective, the asset-based model provides greater flexibility to prioritize assets in poor condition or nearing end of useful life, regardless of location, thereby supporting condition-based maintenance, reducing failure risk, and improving overall system reliability and safety.
- b) Please refer to Table 1 below for the annual cost increases related to distribution system maintenance attributable to enhanced inspection protocols over the 2027–2031 forecast period. On an annual basis, approximately 13% of the total cost increase resulting from the maintenance enhancements is expected to improve overall system reliability and safety by reducing failure risk and enhancing safety for Elexicon staff and the public. Additional information on the cost drivers associated with the enhanced inspection protocols is provided in Exhibit 4, Tab 1, Schedule 4, page 25, Lines 5–26.

Table 1: Enhanced Inspection Budget Increases

Cost (\$000's)	2027	2028	2029	2030	2031
Segment Costs	3,950.3	4,904.6	4,730.2	4,880.8	4,998.4
Cost Increase (Enhancements)	420.73	698.5	621.5	643.5	669.2
Percentage Increase of total segment costs	11%	14%	13%	13%	13%

c) Please refer to Table 2 below for historical vs forecast maintenance cycle.

Table 2: Historical vs Forecast Maintenance Cycle

Asset Type	Maintenance Program	Historical Cycle	Forecast Cycle	Change / Rationale
Overhead	Wood Pole Testing	3 years (poles ≥10 years)	3 years (poles ≥10 years))	No change
	Overhead System Line Patrol (incl. IR scanning & pole-mount inspections)	3 years (patrol & inspections); IR Scanning annually	3 years (patrol & inspections); IR annually	No change –enhanced to Asset base
	Overhead Switch Maintenance	3 years	3 years	No change
	Insulator Washing	1–2 times annually (environment dependent)	2 times annually	Condition/environment driven
Underground	Vault Transformer Inspections	3 years	3 years	No change
	Pad-mount Transformer Inspections	3 years (inspection); repainting annually	3 years (inspection); repainting annually	No change- Enhanced to include internal inspections
	Submarine Cable Inspections	3 years	3 years	No change
	Pad-mount Switchgear Maintenance (incl. IR & CO ₂ cleaning)	3 years	3 years	No change
	Underground Primary & Secondary Cable (testing/repair)	As required	As required	No change – reactive/predictive based

1 d) Please refer to Table 3 below.

2 **Table 3: Distribution System Costs by Component**

Cost (\$000's)	2020	2021	2022	2023	2024	2025*	2026	2027	2028	2029	2030	2031
Labour	2,794.5	1,383.8	1,566.1	1,409.7	1,288.9	1,890.6	1,563.1	1,745.9	1,894.7	1,935.7	2,010.6	2,050.9
Third party contractor	546.5	658.8	621.1	509.9	1,257.8	2,416.2	1,295.6	1,796.2	2,592.9	2,370.1	2,437.4	2,512.0
Vehicles	189.5	200.1	255.4	247.7	188.3	318.6	436.8	358.4	365.6	372.9	380.4	388.0
Materials (minor components /other)	267.8	53.7	46.7	44.5	41.2	101.9	60.9	49.7	51.4	51.5	52.4	47.5
Total	3,798.3	2,296.4	2,489.3	2,211.8	2,776.2	4,727.3	3,356.4	3,950.3	4,904.6	4,730.2	4,880.8	4,998.4

3 *2025 costs reflect actuals in Excel file 1-SEC-13(3)_Revised-OEB App.2-JA-JB-JC-K

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5 e) Please refer to attachment 4-CCC-41(1)_Dx Maintenance System

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2 a) A detailed version of Table 8 from the referenced exhibit with applicable cost components is
3 provided in Table 1 below.
4

5 **Table 1: Maintenance Substation Cost (\$M) by Component Historical, Bridge, and Forecast**
6 **2020-2031**

	Historical						Bridge	Forecast				
Cost Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	\$0.48	\$0.53	\$0.46	\$0.47	\$1.02	\$0.93	\$0.87	\$0.91	\$0.94	\$1.01	\$1.13	\$1.15
Materials and Purchases	\$0.12	\$0.06	\$0.07	\$0.10	\$0.14	\$0.24	\$0.16	\$0.23	\$0.24	\$0.24	\$0.25	\$0.25
Third Party Contractors	\$0.27	\$0.34	\$0.26	\$0.38	\$3.10	\$0.02	\$0.74	\$0.96	\$0.97	\$0.99	\$1.01	\$1.03
Vehicles	\$0.08	\$0.09	\$0.10	\$0.09	\$0.20	\$0.27	\$0.10	\$0.18	\$0.18	\$0.18	\$0.20	\$0.20
Total	\$0.96	\$1.02	\$0.88	\$1.03	\$4.47	\$1.45	\$1.87	\$2.28	\$2.33	\$2.43	\$2.59	\$2.64

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8

b) A detailed version of Table 8 from the referenced exhibit with applicable maintenance substation activities is provided in Table 2 below.

Table 2: Maintenance Substation Cost (\$M) by Maintenance Activity Historical, Bridge, and Forecast 2020-2031

	Historical						Bridge	Forecast				
Maintenance Activity	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Automated Overhead Distribution Equipment	\$0.05	\$0.00	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
Automated Underground Distribution Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01
Battery Impedance Testing, Oil Sampling, Infrared Scanning	\$0.03	\$0.03	\$0.03	\$0.04	\$0.04	\$0.04	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.08
Cyclical Planned Maintenance	\$0.10	\$0.18	\$0.07	\$0.17	\$0.24	\$0.50	\$0.28	\$0.52	\$0.53	\$0.54	\$0.55	\$0.56
Cyclical Protection and Control Planned Maintenance	\$0.00	\$0.00	\$0.01	\$0.00	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.03
Facilities Maintenance	\$0.01	\$0.00	\$0.01	\$0.01	\$0.08	\$0.06	\$0.07	\$0.07	\$0.07	\$0.08	\$0.08	\$0.08
Vandalism Incident (2024)	\$0.00	\$0.00	\$0.00	\$0.00	\$2.08	\$0.69	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Insurance Payout - Vandalism Incident (2024)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.45)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Inspections	\$0.02	\$0.01	\$0.02	\$0.02	\$0.02	\$0.04	\$0.02	\$0.05	\$0.05	\$0.05	\$0.06	\$0.06
Protection and Control Equipment Troubleshooting	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Reactive Station Repairs	\$0.10	\$0.09	\$0.09	\$0.06	\$0.09	\$0.16	\$0.07	\$0.15	\$0.15	\$0.15	\$0.16	\$0.17
Substation Grounds	\$0.16	\$0.16	\$0.19	\$0.25	\$0.28	\$0.40	\$0.33	\$0.33	\$0.34	\$0.35	\$0.35	\$0.36
Substation Maintenance Labour	\$0.48	\$0.53	\$0.46	\$0.47	\$1.02	\$0.93	\$0.87	\$0.91	\$0.94	\$1.01	\$1.13	\$1.15
Transformer Station Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.05	\$0.01	\$0.10	\$0.11	\$0.11	\$0.11	\$0.11	\$0.12
Other Maintenance Spend	\$0.00	\$0.00	\$0.00	\$0.00	\$0.54	\$0.03	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Total	\$0.96	\$1.02	\$0.88	\$1.03	\$4.47	\$1.45	\$1.87	\$2.28	\$2.33	\$2.43	\$2.59	\$2.64

c) For the total cost of the vandalism incident, please refer to the response in 4-STAFF-116. The Maintenance Substation segment costs without the 2024 vandalism incident are provided in Table 3 below.

Table 3: Maintenance Substation Cost (\$M) Without Vandalism Incident Costs Historical, Bridge, and Forecast 2020-2031

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Cost (Without Vandalism)	\$0.96	\$1.02	\$0.88	\$1.03	\$2.38	\$2.21	\$1.87	\$2.28	\$2.33	\$2.43	\$2.59	\$2.64
Variance		\$0.06	-\$0.14	\$0.15	\$1.35	-\$0.17	-\$0.34	\$0.41	\$0.05	\$0.10	\$0.16	\$0.05
Variance (%)		6.7%	-13.4%	16.4%	131.7%	-7.3%	-15.3%	21.9%	2.4%	4.1%	6.5%	2.1%

- d) The cycle for substation maintenance activities has not changed between the historical period and the forecast period; however, the specific timing and number of substations maintained in any given year may vary due to operational and system conditions.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Detailed version of Table 9 with various cost components for the restoration segment is as below in the table. Please note that the 2025 amounts in the table below reflect updated 2025 actual results. More details on 2025 actuals and revised OM&A amounts are be found 1-SEC-13, Attachments 1-3. In addition, cost categories such as consulting costs and licensing fees are not applicable to this segment.

1 **Table 1: Detailed Version of Table 9 with Various Cost Components**

(\$M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>
Labor	1.15	1.22	1.31	1.73	1.72	2.60	1.73	1.82	1.91	1.95	2.00	2.05
Vehicles	0.23	0.28	0.35	0.38	0.35	0.38	0.40	0.44	0.45	0.46	0.46	0.47
Third Party Contractors	0.02	0.09	0.06	0.15	0.24	0.52	0.34	0.04	0.04	0.04	0.04	0.04
Minor assets/components	0.26	0.11	0.05	0.06	0.11	0.25	0.03	0.03	0.03	0.03	0.03	0.03
Total	1.66	1.70	1.78	2.32	2.42	3.74	2.49	2.33	2.42	2.47	2.53	2.59

2

3 b) As filed, annual restoration costs are primarily driven by fluctuations in trouble call volumes and

4 complexity, including storm activity. The increase in segment costs over the historical and bridge

5 periods reflects higher outage volumes caused by aging-equipment failures and heightened storm

6 activity. The 2027 forecast reflects a normalized level of restoration spending following extraordinary

7 bridge-period storm-related expenditures. As noted in the evidence, two major storm events in the

8 bridge period required extensive and unique response to restore service safely and efficiently,

9 resulting in significantly higher than typical OM&A costs driven by rural and island locations

10 impacted, which required specialized equipment and extensive access clearing.

11

12 Elexicon does not consider its 2028-2031 forecasting methodology to be materially different from

13 the 2027 approach. Rather, costs are forecasted to continue from the normalized 2027 base, in line

14 with inflation and the continued aging of Elexicon's asset base. Additionally, as stated in the

15 evidence, the deployment of Dx NEXT and higher volumes of preventative maintenance over 2027-

16 2031 period are expected to act as cost controls within this segment. A standard 2% inflation

17 assumption was applied to non-labour costs for 2028 to 2031 (see Exhibit 1 - Tab 5 - Schedule 2). A

18 further description of the OM&A planning process is provided in Exhibit 4 - Tab 1 - Schedule 1.

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20

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

1 e) Please provide the average cycle time, across the entire service territory, for planned tree
2 trimming activities for each of the historical period and the forecast period.

3

4

5 **RESPONSE:**

6 a) Please see Table 1 below for a more detailed version of Table 10 that shows the various cost
7 components for the vegetation management program.

8 **Table 1: Vegetation Management Segment Cost Components (\$000's)**

Cost	2020	2021	2022	2023	2024	2025*	2026	2027	2028	2029	2030	2031
Labour	92.8	118.6	93.2	137.5	119.1	109.2	133.4	169.7	196.0	208.0	231.2	240.6
Third Party Contractor	915.4	1,170.6	1,049.6	1,158.5	1,463.0	1,581.8	1,477.4	1,260.6	1,937.1	2,035.3	2,063.1	2,264.8
Vehicle	25.0	30.9	29.2	29.4	22.5	25.5	24.3	24.6	25.1	25.6	26.1	26.6
LiDAR ¹	-	-	-	-	-	-	135.8	517.3	530.2	551.7	573.7	597.0
Other	1.8	0.9	0.4	0.2	1.1	0.1	-	-	-	-	-	-
Total	1,034.9	1,320.9	1,172.5	1,325.6	1,605.7	1,716.5	1,770.8	1,972.2	2,688.4	2,820.6	2,894.1	3,128.9

9 *2025 costs reflect actuals from revised Appendix 2-JC (filed with 1-SEC-13)

10

11 b) Please see Table 2 below for a detailed version of Table 10 that shows the costs for the
12 various activities undertaken within the vegetation management segment.

13 **Table 2: Vegetation Management Segment Costs by Activity (\$000's)**

Cost (\$000's)	2020	2021	2022	2023	2024	2025*		2026	2027	2028	2029	2030	2031
Planned Cyclical Tree Trimming	773.3	921.3	809.0	873.0	1,087.9	1,400.2		1,190.9	841.9	1,312.3	1,369.0	1,361.2	1,505.4
LiDAR							135.8	517.3	530.2	551.7	573.7	597.0	
Spot Trimming	133.1	264.9	258.4	322.4	398.1	223.4	272.8	436.8	665.5	716.0	771.7	835.8	
Reactive Trimming	128.6	134.7	105.1	130.1	119.7	93.0		171.2	176.2	180.4	183.8	187.5	190.7
Total	1,034.9	1,320.9	1,172.5	1,325.6	1,605.7	1,716.5		1,770.8	1,972.2	2,688.4	2,820.6	2,894.1	3,128.9

14 *2025 costs reflect actuals from revised Appendix 2-JC (filed with 1-SEC-13)

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¹ Light Detection and Ranging (LiDAR) and AI powered vegetation analytics.

- 1 c) Please see Part a) for costs associated with LiDAR and AI powered vegetation analytics.
- 2
- 3 d) Elexicon will be shifting towards a feeder based trimming cycle for all maintenance areas for
- 4 the forecast period. Please refer to Table 3 below which provides a comparison of historical
- 5 area based trimming approach and the feeder based trimming approach for the forecast
- 6 period.
- 7

8 **Table 3: Historical and Forecast Tree Trimming Cycle by Maintenance Areas/Feeder Based**

9 **Approach (2020–2031)**

Year	Historical (Area based Approach)		Forecast (Feeder based Approach)	
	Maintenance Area	Estimated Total KM	Number of Feeders	Estimated Total KM
2020	A1, W3, C2, BR2, G2, B1	625	-	-
2021	A2, W2, C3, BR3, G3, B2	657	-	-
2022	A3, W1, C1, BR1, G1, B3	690	-	-
2023	A1, W3, C2, BR2, G2, B1	625	-	-
2024	A2, W2, C3, BR3, G3, B2	657	-	-
2025	A3, W1, C1, BR1, G1, B3	690	-	-
2026	A1, W3, C2, BR2, G2, B1	625	76	672
2027	A2, W2, C3, BR3, G3, B2	657	93	643
2028	A3, W1, C1, BR1, G1, B3	690	91	692
2029	A1, W3, C2, BR2, G2, B1	625	76	672
2030	A2, W2, C3, BR3, G3, B2	657	93	643
2031	A3, W1, C1, BR1, G1, B3	690	91	692

**Maintenance area naming convention: A = Ajax/Pickering, W = Whitby, C = Clarington, BR = Brock, G = Gravenhurst, and B = Belleville.

- 10
- 11 e) The average cycle time for planned tree-trimming activities across Elexicon's entire service
- 12 territory is three years for both the historical and forecast periods. During the forecast
- 13 period, Elexicon is transitioning from a historical area-based three-year trimming cycle to a
- 14 feeder-based three-year trimming cycle. In addition, Elexicon will perform mid-cycle,
- 15 targeted spot trimming on its worst-performing feeders that are prone to frequent
- 16 vegetation contacts. This approach will leverage LiDAR technology and AI powered
- 17 vegetation analytics to identify high-risk areas and vegetation encroachment zones, enabling
- 18 targeted trimming rather than trimming an entire feeder.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) Please see Table 1 below with details for each year 2020-2031, total actual and forecast costs, total number of locates, average cost per locate, third party locate costs, and internal locate costs.

For clarity, 2020-2025 reflect actual results, including updated 2025 actuals, and 2026-2031

1 reflects forecast amounts, consistent with the revised Appendix 2-JC attached to 1-SEC-13.
2 Internal locate costs include costs from administrative support, contractor oversight and
3 administration, invoicing and financial reconciliation, data analysis and reporting, quality
4 assurance audits and inspections, damage investigation and root cause analysis, escalated
5 and complex locate support, stakeholder coordination, training and guidance, compliance
6 management & industry representation.

7
8 Elexicon doesn't forecast Locates Notification volume. However, for the purpose of this
9 interrogatory, Elexicon estimated a baseline locates notification volume schedule based on
10 3 year average (2023-2025) and adjusted each year from 2026-2031 to reflect locates activity
11 and expected ongoing construction, development, and infrastructure activity in the service
12 territory.

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Table 1: Locate Segment OM&A Cost Breakdown

					External			Internal	External
	Year	Total Program Costs (\$M)	Locate Volume	Avg. Cost per Locate (\$)	LSP (\$)	Other Third Party Locate Costs (\$)	Ontario One Call (\$)	Internal Supervision Admin and Vehicles (\$)	Special Project Gravenhurst & Port Hope Mapping Update (\$)
Actuals	2020	1.23	25,177	49	805,013	37,523	74,226	314,172	N/A
	2021	1.11	28,249	39	863,838	26,637	76,609	140,035	N/A
	2022	1.24	29,468	42	974,190	27,373	85,410	157,611	N/A
	2023	1.68	22,018	76	1,406,779	41,266	62,420	173,581	N/A
	2024	1.89	20,879	90	1,523,386	45,673	74,914	242,989	N/A
	2025	2.21	20,023	110	1,513,943	46,094	86,563	239,154	326,047
Forecast	2026	2.1	21,602	97	1,655,046	53,726	114,965	271,303	N/A
	2027	2.18	22,250	98	1,719,890	55,831	119,469	282,474	N/A
	2028	2.22	22,918	97	1,754,288	56,948	121,859	286,967	N/A
	2029	2.44	23,605	103	1,789,373	58,087	124,296	467,269	N/A
	2030	2.49	24,313	102	1,825,161	59,249	126,782	476,631	N/A
	2031	2.54	25,043	101	1,861,664	60,434	129,317	484,135	N/A

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- b) The 2025 cost related to the update to Elexicon's mapping records was \$326,047. This amount is not reflected in the GOCA variance account.

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This mapping update was undertaken for Gravenhurst and Port Hope areas to meet the requirements of defined coverage for the Ontario One Call (OOC) mapping notification system, which outlines the specific geographic zones where the utility is responsible for responding to locate requests. This improves data accuracy and expedites locate processing. It also avoids unnecessary costs by ensuring Locate Service Providers (LSPs) are not dispatched to areas where Elexicon has no infrastructure to be located. As a result, Elexicon expects to improve its operational performance and achieve cost savings by avoiding

1 emergency repair expenses and by preventing OOC notifications in areas outside of
2 Elexicon's service coverage areas.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

RESPONSE:

a) Table 1 below provides a breakdown that shows the relevant elements of the billing program. Starting in 2027, Elexicon's Billing segment costs are reduced by the amount of annual savings anticipated from eBilling conversion as a result of Elexicon's Dx NEXT investment.

Table 1: Billing Segment by Cost Component – 2020 to 2031

Billing	Actual						Budget	Forecast				
Cost Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	1.21	1.33	1.32	1.26	1.47	1.50	1.56	1.64	1.69	1.73	1.78	1.82
Third-party contracts	0.31	0.33	0.33	-	-	-	-	-	-	-	-	-
Postage & Stationary	1.67	1.81	1.80	1.77	1.90	2.08	2.15	2.36	2.36	2.34	2.28	2.23
Total (with Dx NEXT eBilling Savings)	3.19	3.47	3.45	3.03	3.37	3.46	3.71	4.00	4.05	4.07	4.06	4.05
Dx NEXT eBilling Savings*								0.12	0.27	0.48	0.76	1.11
Total Costs of Billing Segment (without Dx NEXT eBilling Savings)								4.12	4.32	4.55	4.82	5.16

*See 4-CCC-51 j for details. E-billing savings are calculated using anticipated postage/stationary costs that are avoided on account of e-billing enrollment uptake.

b) In the Billing segment, forecast costs were generated by leveraging historical actuals and reflecting anticipated savings from eBilling enrollment. Non-labour costs comprise of postage and stationery, which are expected to increase with customer growth over the forecast period. These pressures are partially offset by operational efficiencies from Dx NEXT noted in a), above (e-billing savings), as well as FTE cost efficiencies. As a result, total costs for this segment remain relatively consistent over the forecast period as anticipated savings offset cost increases from inflation and customer growth. The OM&A planning process and inflation details are described in Exhibit 4 - Tab 1 - Schedule 1 and Exhibit 1 - Tab 5 - Schedule 2, respectively.

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2 c) Please see response to Part d and as well as 4-CCC-51 j.

3

4 d) Table 2 below provides actual cost of paper and electronic bills for the period of 2020-2025.

5 Please see 4-CCC-51(j) for future projections (2026 to 2031), which utilizes a 10% annual

6 inflation rate for forecasting paper bill costs, reflective of Elexicon's historical experience in

7 postage and stationery cost increases on a per bill basis.

8

9 **Table 2: Historical Costs of Paper Bills and eBills (2020 to 2026)**

	Actuals						CAGR
	2020	2021	2022	2023	2024	2025	
Total Bills Issued	2,052,156	2,076,792	2,108,112	2,138,880	2,166,444	2,183,856	
Total Cost	1,620,272	1,700,462	1,703,951	1,829,557	1,898,229	2,265,084	
Total E-bills Issued	471,996	519,198	569,190	620,275	736,591	786,188	
Total E-bill Cost (\$)	34,739	38,213	41,892	45,652	54,213	57,863	
% eBills	23%	25%	27%	29%	34%	36%	
Total Paper Bills Issued	1,580,160	1,557,594	1,538,922	1,518,605	1,429,853	1,397,668	
Total Paper Bills Cost (\$)	1,585,533	1,662,249	1,662,059	1,783,905	1,844,016	2,207,221	
Cost per Paper bill (\$)	1.00	1.07	1.08	1.17	1.29	1.58	9.49%

10

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 4-CCC-47

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

Question(s):

Table 4: Contact Centre Segment Historical, Bridge and Forecast Costs 2020-2031³

	Historical					Bridge		Forecast					
Years	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	CAGR
Segment Costs (\$M)	2.77	2.95	3.52	4.19	4.57	4.86	5.15	5.40	5.40	5.53	5.67	5.80	6.9%
Variance (\$M)		0.17	0.57	0.68	0.38	0.29	0.29	0.25	0.01	0.12	0.15	0.13	
Variance (%)		6.3%	19.4%	19.3%	9.0%	6.3%	5.9%	4.9%	0.1%	2.2%	2.7%	2.3%	

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

1 third-party on behalf of the Company) regarding any decisions or considerations regarding
2 maintaining the call centre in-house or outsourcing to a third-party.

3
4 f) Please provide the cost of the new key accounts function in its first full year of operation in 2027.
5 Please also provide the number of key accounts serviced by this function and the number of staff in
6 this department (for each year since its inception to 2031).

7
8 g) Please further explain the “discovery phase for AMI 2.0.” As part of the response, please provide
9 the 2027 costs associated with this activity and explain whether these costs continue in the 2028-
10 2031 period.

11
12
13
14 **RESPONSE:**

15
16 a) A breakdown of the costs in the Customer Experience & Contact Centre segment is provided in
17 the table below. These costs are consistent with the revised Appendix 2-JC which incorporate
18 2025 actuals (attached to 1-SEC-13). The largest component of non-labour costs is attributed to
19 third-party contractors who perform Billing System maintenance contract and outage hotline
20 handling (see part c). Consulting costs are primarily driven by external support for team training.
21 In 2022, additional consulting costs were incurred for external support to assess and document
22 requirements for a Customer Relations Management (CRM) system.

1 **Table 1: Contact Centre Segment Cost Breakdown (\$M)**

Cost Component	Actuals						Forecast					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	2.57	2.83	3.02	3.68	3.74	3.95	4.24	4.71	4.71	4.81	4.94	5.06
Third-party contracts	0.10	0.03	0.01	0.48	0.71	0.52	0.60	0.25	0.26	0.26	0.27	0.28
Consulting	0.09	0.06	0.40	0.02	0.08	0.05	0.27	0.38	0.39	0.39	0.40	0.41
Non-recurring purchases	0.02	0.02	0.09	0.02	0.04	0.03	0.04	0.05	0.06	0.06	0.06	0.06
Total	2.77	2.95	3.52	4.19	4.57	4.54	5.15	5.40	5.41	5.53	5.67	5.80

2
3 b) The table below provides the number of customer inquiries (broken out between calls and
4 emails) received / forecast to be received during the 2020-2031 period.

5 **Table 2: Inbound Contact Volumes by Year**

Contact Volume	Actual						Forecast					
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Inbound Calls	115,000	112,500	92,500	92,500	98,000	100,000	106,500	97,500	99,500	101,500	103,500	106,000
Inbound Emails	14,500	15,000	14,000	18,000	19,000	18,000	17,500	16,000	16,000	16,500	17,000	17,000
Total Inbound	129,500	127,500	106,500	110,500	117,000	118,000	124,000	113,500	115,500	118,000	120,500	123,000

6
7 c) The Elexicon Contact Centre is staffed by Elexicon employees, reflecting the model used across
8 both legacy utilities. To support outage-related demand, a third-party provider is engaged to
9 handle outage calls (largely outside of core operating hours).

10

1

2 d) The following table provides the estimated number of positions by activity (i.e., call centre
3 supervisors, call centre agents, key account representatives, etc.) for each year during the 2020-
4 2031 period. As noted in 4-Staff-102, HR records do not capture segment level information, so
5 an estimated number of positions and their related activities is provided on a best-efforts basis
6 in the table below.

7 **Table 3: Estimated levels of Customer Experience and Contact Centre Staffing by Activity**
8 **2020 to 2031**

Staff	Historical						Forecast					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Customer Care - Manager & Supervisors	3	3	4	4	4	4	4	4	4	4	4	4
Customer Experience Representative	24	24	21	23	23	23	23	24	24	24	24	24
Key Accounts - Manager & Specialists	-	-	-	-	2	2	2	2	2	2	2	2
Customer Data & Projects - Managers & Analysts	3	3	5	5	5	4	4	5	5	5	5	5
Total	30	30	30	32	34	33	33	35	35	35	35	35

9

10 e) No analysis has been completed by Elexicon or a third party on behalf of Elexicon regarding
11 outsourcing to a third party. At present, Elexicon's view is that its customers are best served
12 through an in-house model whereby it can retain control to ensure accurate, consistent, high-
13 quality service.

14

15 f) The two roles in Elexicon's Key Accounts function were added in 2024. See Table 3 above. The
16 first full year of operation for this function was 2025, not 2027. The costs in 2025 were \$307K.
17 Please see Exhibit 1, Tab 7, Schedule 2, Section 3.1 for the number of accounts serviced by the
18 Key Accounts function.

19

20 g) This subpart will be addressed in the second round of interrogatories.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 **RESPONSE:**

2

3 a)

4

Table 1: Collections Segment by Cost Component

Collections	Actual						Budget	Rebasing Projection				
Cost Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	0.61	0.69	0.78	1.00	0.98	1.02	1.08	1.13	1.18	1.21	1.24	1.27
Third-party contracts	0.10	0.24	0.32	0.02	0.09	0.09	0.16	0.19	0.20	0.20	0.21	0.21
Consulting	-	-	-	-	-	-	0.13	-	-	0.14	-	-
Customer Correspondences	0.19	0.13	0.12	0.13	0.20	0.17	0.23	0.24	0.25	0.25	0.26	0.26
Bad Debt	3.25	1.95	0.87	0.85	1.25	3.39	1.56	1.65	1.71	1.74	1.78	1.81
Vehicles & Purchases	0.01	0.01	0.03	0.08	0.08	0.12	0.07	0.08	0.10	0.10	0.10	0.10
Total	4.14	3.03	2.11	2.08	2.59	4.78	3.23	3.29	3.43	3.64	3.58	3.66

5 Note: The 1.77M discrepancy in 2025 Budget in Evidence vs Actual in above table is due to bad
6 debt.

7

8 b) Elexicon Energy uses an expected credit loss (ECL) methodology to calculate bad debt
9 expense for its electricity and other trade receivables, in accordance with IFRS. This process
10 involves an assessment of each account balance based on factors such as aging, whether the
11 account is active or finalized, and if it is part of a special payment plan (e.g., Equal Monthly
12 Payment Plan or Arrears Payment Agreement). These factors are used to categorize the
13 accounts, and an appropriate ECL rate is then applied to each group. This rate is determined
14 using historical data and forward-looking information, such as economic factors and
15 government policy. The forecast also integrates growth of electricity revenue, as higher
16 revenues are expected to lead to a proportionately higher bad debt expense.

17

18 To calculate Elexicon's forecasted Customer Bad Debt expense, Elexicon took the average
19 historical bad debt expense from 2019-2023 (an average of \$1.547M) and, using this value,

1 extended the bad debt provision from 2027 through to 2031. Elexicon incorporated inflation
2 of 2% year over year and a customer growth factor of 1.5% in 2028. The Bad Debt provision
3 also includes \$100K base amount related to merchandizing jobs as noted in Appendix 2H
4 4325. This amount is based on historical experience and has been adjusted for inflation of
5 2% year over year.

6
7 c) Elexicon increased its overall Bad Debt provision by a combined total of \$204.7K to account
8 for the closure of two of its large commercial accounts. The amounts attributable to each
9 account are provided below.

- 10 • Customer 1: \$140,744.73
- 11 • Customer 2: \$63,930.13

12
13 d) The costs allocated to the two collection agency model reviews planned for 2026 and 2029
14 are \$133,230 and \$135,900, respectively.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) Table 6 below provides a more detailed breakdown of the cost components for the Metering and Wholesale Settlement segments. These amounts are consistent with the revised Appendix 2-JC attached to the response in 1-SEC-13.

Table 1: Metering and Wholesale Settlement Segment OM&A Cost Breakdown (\$M)

	Historical (Actual)						Bridge and Forecast (Forecast)					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	1.97	1.79	1.57	1.61	1.75	1.74	1.86	1.94	2.03	2.07	2.11	2.14
Licensing Fees	0.71	0.78	0.73	0.69	0.71	0.80	0.83	0.92	2.50	1.78	1.81	1.85
Subcontractors	0.23	0.16	0.24	0.12	0.15	0.18	0.20	0.18	0.18	0.19	0.19	0.20
Meter Communication Cost	0.15	0.19	0.23	0.27	0.20	0.21	0.27	0.28	0.28	0.29	0.29	0.30
Vehicle Costs	0.12	0.14	0.11	0.08	0.09	0.15	0.10	0.12	0.15	0.15	0.15	0.15
Remaining Non-Labour*	0.18	0.15	0.06	0.08	0.07	0.08	0.09	0.11	0.11	0.11	0.11	0.12
Total	3.36	3.21	2.94	2.86	2.96	3.15	3.35	3.55	5.25	4.58	4.67	4.75

*The Remaining Non-Labour costs are related to meter maintenance costs

- b) This interrogatory will be addressed in the second round.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

1 d) Please provide the costs associated with cyber security reflected in the technology segment
2 budget for each year of the historical and forecast periods.

3
4 e) Please confirm that Elexicon's planned increased reliance on cloud-based solutions operates to
5 reduce internal IT staffing requirements.

6
7 f) Please provide a table that shows a detailed list of Elexicon's licensed/subscribed software
8 solutions, and the following information for each software solution:

- 9 • Annual cost during the historical and test period
10 • The annual escalation rate assumed over the 2027-2031 period
11 • Basis for the proposed escalation rate

12
13 g) Please further discuss the AI service-related expenses that are driving cost increases during the
14 2027-2031 period.

15
16 **RESPONSE:**

- 17 a) Please see the following table with costs broken out by category for the Technology
18 Segment, including Historical, Bridge and Forecast Costs for the years 2020 – 2031. These
19 amounts are consistent with Excel file 1-SEC-13(3)_Revised-OEB App.2-JA-JB-JC-K, which
20 incorporates 2025 actuals. (Note that numbers may not add exactly due to rounding). Further
21 information on Technology's workforce and cost drivers and cost management measures are
22 provided in Exhibit 4 – Tab 1 – Schedule 6.

Table 1: Technology Segment Cost Breakdown (2020-20231) (\$M)

Category	Actual (\$M)						Forecast (\$M)					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	0.82	1.03	1.41	1.76	1.47	1.80	1.58	2.40	2.79	2.86	2.94	3.00
Third-Party Contractors / Consulting	0.19	0.43	0.48	0.46	0.61	0.98	0.62	1.54	1.57	1.58	1.61	1.65
Software Licenses / Subscriptions / Support*	1.26	1.16	1.74	2.02	2.34	1.25	3.11	6.62	6.92	6.40	6.54	6.82
Telephony/Data Costs	0.47	0.52	0.53	0.60	0.80	0.74	1.40	1.44	1.48	1.54	1.59	1.65
Administrative /Misc	0.03	0.15	0.39	0.06	0.04	0.45	0.07	0.07	0.08	0.08	0.08	0.08
Totals	2.78	3.31	4.18	4.91	5.27	5.22	6.80	12.09	12.85	12.46	12.77	13.22

*These costs are included in the Technology segment (this includes operational technology, finance and enterprise-wide tools and services)

b) The table below includes Dx NEXT-related costs from 2023 to 2031 that are included in the historical and forecast costs in Table 4 (Exhibit 4 – Tab 1- Schedule 6, on page 15). The costs in this table are not included in the balances recorded in the Cloud Computing deferral account.

Elexicon determined implementation costs eligible to be recorded in the Cloud Computing DVA (1511) to be those costs which are either one-time costs and/or costs related to the initial implementation of the Dx NEXT solution in accordance with the guidance provided by the OEB. A description of implementation costs is included in Table 5 on page 13 of Exhibit 4 – Tab 1 – Schedule 6, Appendix A. For the years 2025 and 2026, Elexicon recorded the software licensing costs in 1511 because they are incurred as part of the initial implementation of Dx NEXT. For 2027, the software licensing costs and support costs are included in the OM&A forecast for the Technology segment.

Table 2: Dx NEXT Related Costs in Technology Segment (2020 to 2031)

	2024(A)	2025 (A)	2026 (F)	2027	2028	2029	2030	2031
Dx NEXT related costs in Table 4 (\$M)	0.41	0.40	0.00	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

c) Elexicon’s Modern Workplace project comprises several smaller initiatives and is not a single large-scale initiative like Dx NEXT. The costs of these initiatives amount to less than \$200,000 on a combined basis – see Table 3 below. These initiatives are primarily driven by the need to address end-of-life systems and transition from legacy platforms that are no longer vendor-supported. In addition, the initiatives help Elexicon to extract additional value from its Microsoft 365 licensing (e.g., Exchange Online, OneDrive migration, Intune, Defender, and associated design and training activities) thus eliminating the cost of overlapping other platforms (e.g. Proofpoint, MaaS 360, CrowdStrike). Each initiative was assessed and executed independently, and all applicable procurement policies and procedures were followed. As such, Modern Workplace should be understood as a grouping of related activities referred to in a consolidated manner for reporting purposes. Specific costs by year for each of the consolidated initiatives are in Table 3 below. Supporting documentation for the need to transition from legacy systems is attached Appendix A – “Microsoft End of Support Notice.

Table 3: Modern Workplace Initiatives and Costs

Initiative	OMA Cost (\$)	Year Implemented
M365 Services Roadmap and Strategy	34,272	2024
M365 Zero Trust Planning	15,437	2024
Exchange Online Migration	72,145	2024
OneDrive Training	5,961	2024
SharePoint Online Migration Assessment and Design	59,764	2025

d) The OM&A costs associated with cyber security reflected in the Technology segment budget for each year of the historical and forecast periods are as follows:

Table 4: Technology Segment Costs related to Cyber Security (Historical Period)

	2020	2021	2022	2023	2024	2025
Licenses and Third-Party Costs (\$)	184,700	119,700	411,000	549,000	265,000	328,500
Labour (\$)	28,101	125,400	156,886	217,951	216,494	232,690

Table 5: Technology Segment Costs related to Cyber Security (Bridge and Forecast Period)

	2026	2027	2028	2029	2030	2031
Licenses and Third-Party Costs (\$)	418,000	429,000	431,000	433,000	435,000	437,000
Labour (\$)	269,594	377,840	383,756	390,876	398,694	404,936

e) Elexicon does not expect to reduce internal IT staffing levels with the transition to cloud-based solutions. Rather, the shift in technologies will allow existing resources to be refocused from routine infrastructure maintenance to higher-value activities, including application support, cyber security, data management, and continuous improvement initiatives.

f) Elexicon relies on several applications that would be difficult to itemize and produce annual costs for in the time allotted for providing responses to this interrogatory. Elexicon has provided the costs of Elexicon's licensed and subscribed software solutions grouped by the type of software (OT, Enterprise, Finance) in Table 6, below. The costs in the table include only software that is centrally managed by the Technology segment. Other segment-specific software licenses are managed directly by other departments, and the costs are reflected in those segments' budgets and forecasts.

A 2% year-over-year inflationary adjustment is applied to non-labour costs, including IT costs, over the 2027–2031 period. Software licensing costs were further adjusted to align with the forecasted hiring plan, reflecting anticipated changes in licensing requirements

1 driven by staffing levels, rather than assumed increases in vendor pricing. Further details on
2 inflation assumptions are provided in Exhibit 1 - Tab 5 - Schedule 2.

7 **Table 6: Historical Software Costs within the Technology Segment 2021 – 2025**

8 Please note that (A) denotes actual costs

Software Licenses within the Historical and Test Periods (excluding services and subscriptions)	Costs (\$M)					
	2021(A)	2022(A)	2023(A)	2024(A)	2025(A)	2026 (F)
Operational Technology Software						
Operational technology software that enables the monitoring, control, and management of electric distribution system in real time (for example, SCADA, ADMS)	0.34	0.41	0.43	0.50	-0.76 ¹	0.89
Enterprise-Wide Technology Software						
Software within this area consists of: • Work Management tools • Planning and Engineering tools • Integration • Information Management • Document Records and Information Governance • Cyber Security and Risk Management tools, Enterprise Productivity and Collaboration platforms (for example, Microsoft Enterprise, AutoCAD, Docusign)	0.53	0.55	0.75	1.26	1.55	1.7
Finance Technology Software						
Financial systems within these historical costs support core accounting, financial controls, and reporting functions, including general ledger, payables, receivables, budgeting, and audit workflows, serving as the system of record for Elexicon's utility's financial transactions.	0.20	0.19	0.23	0.23	0.23	0.23

Total	1.07	1.15	1.41	1.99	1.02	2.82

¹The negative value reflects a credit entry that represents the capitalization of costs associated with the development of the Advanced Distribution Management System (ADMS) for the Whitby Smart Grid project (EB-2022-0024), in accordance with IFRS IAS 38. While the underlying expenditures were incurred between 2022 and 2025 during the development phase, they were subsequently transferred to capital in 2025.

- 1 g) There are no AI service-related expenses in the Technology segment that are driving cost
- 2 increases over the 2027-2031 period. Elexicon will continue to monitor the future adoption
- 3 of AI technologies to ensure alignment with prudent utility operations, cybersecurity
- 4 standards, and value-for-money principles.

Microsoft Exchange 2016 – End of Support Evidence

<https://learn.microsoft.com/en-us/troubleshoot/exchange/administration/exchange-2019-2016-end-of-support>

Exchange Server 2019 and 2016 end of support roadmap

Applies to: Exchange Server 2016, Exchange Server 2019, Exchange Server Subscription Edition, Microsoft 365 Enterprise, Office 365 Enterprise



Summarize this article for me

Support for Exchange Server 2019 and 2016 ended on **October 14, 2025**. If you haven't already migrated from Exchange Server 2019 or 2016 to Microsoft 365, Office 365, or Exchange Server Subscription Edition (SE), now's the time to start planning.

What does end of support mean?

Most Microsoft products have a support lifecycle during which they receive new features, bug fixes, security fixes, and so on. This lifecycle lasts for 7-10 years from the product's initial release.

The end of this lifecycle is known as the product's *end of support*. Because support for Exchange Server 2019 and 2016 ended on October 14, 2025, Microsoft no longer provides the following support for those products:

- Technical support for problems that might occur
- Bug fixes for issues that might affect the stability and usability of the server
- Security fixes for vulnerabilities that might make the server vulnerable to security breaches
- Time zone updates

Although your installation of Exchange Server 2019 or 2016 continues to run, we strongly recommend that you migrate from those versions as soon as possible.

Microsoft SharePoint 2016 – End of Support Evidence

<https://learn.microsoft.com/en-us/lifecycle/products/sharepoint-server-2016>

SharePoint Server 2016

SharePoint Server 2016 follows the [Fixed](#) Lifecycle Policy.

Support dates are shown in the Pacific Time Zone (PT) - Redmond, WA, USA.

Support Dates

 Expand table

Listing	Start Date	Mainstream End Date	Extended End Date
SharePoint Server 2016	May 1, 2016	Jul 13, 2021	Jul 14, 2026

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) The requested information is not available, and Elexicon doesn’t believe that such benchmarking would be useful or instructive as each LDC’s ERP program differs in scope, timing and requirement. For example, Elexicon is implementing a greenfield cloud-based ERP (i.e. a new ERP system from scratch, with no dependency on the old system) with an integrated CIS integrated solution, whereas other utilities may be converting or upgrading an existing ERP system (colloquially known as a brownfield solution) with or without a CIS upgrade/implementation.

b) Please see Table 1 below. Elexicon has revised the savings projections in this table to align with the response at subpart j).

Table 1: OM&A Cost Savings Forecast from Dx NEXT Implementation

OM&A Cost	Description	2027 to 2031
Customer Care – labour (\$M)	Labour efficiencies and avoided hiring in billing, customer care, collections.	9.01
Customer Care – non-labour (\$M)	Reduced postage and printing.	2.74
Finance – labour (\$M)	Labour efficiencies and avoided hiring.	2.49
Software Costs (\$M)	Decommissioning and removal of legacy applications.	4.62
Total (\$M)		18.9
Average Annual Savings (2027 to 2031) (\$M)		3.77
Deferred Implementation Costs (2027 to 2036) (\$M) ¹		4.71

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c) Attached to this response is additional documentation associated with the Dx Next RFP process, including:

- **Appendix A:** “Dx NEXT RFP_Final” in PDF format
- Documents related to the auditing of the RPF:
 - i. **Appendix B:** “B.1.4_Deloitte Internal Audit Review” (Third-party review memo) in PDF format
 - ii. **Appendix C:** “Elexicon RFP Review Phase 1 Conclusion Memo - Deloitte” in PRF format.
- **Appendix D:** “Dx NEXT Evaluation Matrix Template” (A PDF template of the scoring matrix for the RFP proposals)
- **Appendix E:** “Dx NEXT Scoring Matrix_Final Summary” (PDF copy of the completed scoring matrix)

In addition to the information provided in Appendix E, which has been filed confidentially, please find **Appendix F: “Dx NEXT Scoring Matrix_Final Summary Ranking** attached, which summarizes the results of the scoring in a manner that can be filed publicly.

¹ Before carrying charges applied.

1 Appendix E and F provide a transparent overview of the evaluation results and demonstrate
2 the depth and breadth of criteria against which each proponent's bid was assessed in
3 determining the best overall solution for Elexicon. Within the Completeness of Solution
4 evaluation area, the successful proponent achieved the highest scores across multiple
5 functional and technical domains. The proposed solution was ranked highest for customer
6 experience, asset management, and supply chain management, reflecting strong functional
7 coverage and alignment with utility requirements. In addition, the proponent scored highest
8 in key cross-cutting capabilities, including information management, solution architecture,
9 security, data conversion, and infrastructure, demonstrating a comprehensive and
10 well-integrated solution. Within the Ability to Execute evaluation criteria, the successful
11 proponent achieved the highest scores based on its strong performance across key areas,
12 including utility accelerators and tools, data conversion approach, proposed testing plan,
13 proposed project team, change management, and supplier qualifications. Collectively, these
14 elements demonstrated a high level of readiness, utility-relevant experience, and a
15 well-structured approach to delivering the project, supporting confidence in the proponent's
16 ability to execute successfully. When considered together with the pricing component of the
17 evaluation, the proponent's performance across both Ability to Execute and Completeness
18 of Solution supported the conclusion that it represented the best-value option for the
19 project, balancing cost, delivery risk, and overall solution quality.

- 20
- 21 d) While Capgemini's end-to-end delivery model reduced the burden on internal application
22 and project management resources, it did not eliminate the need for Elexicon's IT team to
23 establish and maintain the foundational infrastructure, enterprise system integrations, and
24 third-party integration oversight upon which the solution depends. This body of work
25 required specialized internal expertise across network engineering, identity and access
26 management, enterprise application integration, and vendor coordination, and represented
27 a meaningful and sustained allocation of IT labour resources throughout the implementation
28 lifecycle. Elexicon's internal IT team played a direct and necessary role in supporting the
29 infrastructure requirements of the Dx NEXT implementation, complementary to Capgemini's

1 application-layer responsibilities. Specifically, Elexicon IT staff were engaged to design and
2 implement the underlying technical environment required to support the project, including
3 the following:

- 4 • **Redundant Network Architecture:** Design and implementation of redundant network
5 architecture to ensure robust, reliable, and highly available connectivity between on-
6 premises systems and the Dx NEXT cloud-hosted environment.
- 7 • **Server Provisioning:** Provisioning of additional server capacity to facilitate data
8 migration activities and support third-party system integrations throughout the
9 implementation lifecycle.
- 10 • **Identity and Access Management (Entra ID / Single Sign-On):** Integration of the Dx NEXT
11 platform with Microsoft Entra ID to enable Single Sign-On (SSO) for end users,
12 eliminating the need for separate credentials and reducing administrative overhead. This
13 integration also required the configuration and enforcement of robust security controls,
14 including Multi-Factor Authentication (MFA) and Conditional Access policies, to ensure
15 that access to the SAP environment aligns with cyber security best practices.
- 16 • **Email System Integration (Exchange Online):** Integration of the Dx NEXT SAP
17 environment with Microsoft Exchange Online to enable system-generated notifications,
18 workflow approvals, and other application-driven email communications to flow
19 through Elexicon's existing enterprise email infrastructure, ensuring consistency,
20 auditability, and security of all outbound and inbound application correspondence.
- 21 • **Third-Party System Integration Ownership:** Internal IT resources assumed direct
22 ownership and accountability over integrations between the Dx NEXT platform and
23 third-party systems. Elexicon's IT team provided critical domain expertise, cross-
24 functional coordination, and ongoing oversight to ensure that all integration touchpoints
25 were aligned with existing enterprise platforms, internal architecture standards, and the
26 requirements of external service providers. This internal ownership was essential to
27 ensuring integration integrity and minimizing delivery risk across the broader project
28 ecosystem.

1 In addition to the above, Elexicon has retained responsibility for contract management for
2 services and licensing and change request governance.

3
4 e) Please refer to Appendix G, entitled "Dx NEXT Discovery Readout – 10-16-2023". Elexicon
5 notes that the information provided by IBM was based on high-level assumptions at a given
6 point-in-time. This document was informative during Elexicon's decision-making process
7 regarding the possible adoption of an ERP, but was not determinative of the project's
8 ultimate duration, cost, scope, form of solution, or implementation partner. Through the RFP
9 process, vendor negotiations, the solution's scoping, design and build phases, Elexicon's
10 solution was refined to its specific operational requirements which are reflected in the cost,
11 pacing, and anticipated savings and productivity outcomes expected from this solution.

12
13 f) Elexicon adopted a fit to standard implementation approach, aligning business processes to
14 standard SAP capabilities where possible. The ERP solution leverages standard, out-of-the-
15 box functionality where feasible. Deviations are only considered in the context of regulatory
16 obligations and utility specific operational requirements (e.g. OEB Reporting Requirements).
17 Any such deviations are expected to be limited and addressed in a manner that supports
18 compliance needs while maintaining an overall standard-based solution.

19
20 g) \$61.6M was the estimated cost of both implementing and sustaining Dx NEXT over a ten-
21 year period which was developed in support of the business case issued in December 2024.
22 This amount includes estimates for licensing and support after implementation is complete.
23 \$42M is the estimated costs of implementing the chosen solution.

24
25 h) As noted at page 29 of Exhibit 4 - Tab 6 - Schedule 6, Appendix A, Attachment 1, 'Business
26 Case', in Q4 2024, Elexicon estimated the potential benefits starting from 2031 onward. This
27 estimate includes estimated benefits based on high-level assumptions related to both capital
28 productivity and OM&A. Please refer to subpart j) of this response for details related to

1 estimated OM&A savings in the 2027 to 2031 period. Please refer to the response in 4-SEC-
2 78 regarding the capital benefits related to Dx NEXT.

3
4 i) Please see part e), Appendix G Dx NEXT Discovery Readout – 10-16-2023 at page 6. It is
5 important to note that these are only high-level estimates of third-party resources required
6 to implement an ERP system; they do not include any internal resources, licenses or support
7 costs.

8
9 j) Please refer to the excel attachment “4-CCC-51 Attachment 1” for the detailed OM&A
10 savings calculations from 2027 to 2031. Please note that in this attachment Elexicon is
11 providing a revised calculation of the anticipated OM&A cost savings from Dx NEXT for the
12 2027 to 2031 period. The savings presented in Table 1 in Ref 1 were calculated prior to the
13 implementation of Phase 1 based on the best available information at the time. In preparing
14 this response, Elexicon has reviewed the underlying assumptions and calculations for both
15 labour and non-labour savings as well as impacted software applications and revised its
16 savings estimates accordingly. The initial list of applications slated to be decommissioned at
17 the time the business case was developed was reviewed after Phase 1 implementation. This
18 list was revised to remove any applications that Elexicon has determined it will need to retain
19 during the forecast period. Also, the savings related to those applications Elexicon confirmed
20 will be decommissioned were updated to reflect current costs and adjusted for inflation.
21 Cost savings from FTE efficiencies were revised to include inflation. Cost savings related to
22 e-billing conversion were updated to correct for an error in the initial savings calculation
23 which double-counted the cumulative costs saved from eBilling conversion.

24
25 Elexicon applied the following assumptions in calculating the savings.

26
27 Finance OM&A Savings

28 Elexicon’s Finance segment will avoid the hiring of six positions over the forecast period on
29 account of expected efficiencies from Dx NEXT detailed in the table below. To calculate the

savings related to avoided FTEs in the Finance segment, Elexicon calculated each position's annual savings by using Annual Salary plus Burdens.

Table 2: Avoided Positions in Finance Segment – 2027 to 2031

Finance Functions	Positions Avoided	Avoided Position Rationale
Capital Planning & Reporting	2 Capital Asset Analysts	The capital analysts required to support the increasing capital program are reduced by 2 due to the standardization and some automation to capital project planning and integration with asset management workflow. This enables more accurate forecasting, tracking and reporting required for capital reporting.
Financial Budgeting, Planning & Analysis	1 Business Modeling Analyst	The accuracy, data integrity, and timeliness of corporate close reporting will improve, reducing the need for 1 financial reporting analyst and 1 business modeling analyst. The improved streamlining of invoice management with automatic matching of purchase orders to goods receipts will reduce the need for 2 accounting associates which were originally anticipated to support the increased transaction load.
Financial Reporting	1 Financial Reporting Analyst 2 Accounting Associates (Accounts Payable function)	

Customer Care OM&A Savings

The total savings for the Customer Care program have been refined to include 2025 actual eBill adoption. Elexicon anticipates that it will achieve a higher uptake in eBilling enrollment in light of the improved customer features being implemented through Dx NEXT. On a per-bill basis, the cost of an eBill is much less than the cost of a paper bill. More eBilling enrollment is expected to produce significant savings over the forecast period.

To calculate the savings related to eBilling conversion, Elexicon forecasted the costs of paper billing and e-billing and then forecasted out expected trends in terms of eBilling enrollment uptake over the 2027 to 2031 period using two scenarios: a “no DXNEXT” scenario where eBilling enrollment remains relatively flat (moving from 36% to 38%), and a “with DXNEXT” scenario where Elexicon projects to achieve a target eBilling enrollment of 55% by 2031.

1 To calculate the per bill cost of paper bills in the forecast period, Elexicon assumed these
2 costs would increase by 10% per year. This assumption reflects actual historical cost trends
3 in stationery and postage that are expected to persist. Historical cost increases in postage
4 specifically have well outpaced typical inflation.

5
6 For eBills, Elexicon assumed the cost per eBill would increase by approximately 5% per year.
7 eBilling costs are driven by the “cost per view” imposed by the vendor, and an assumed bill
8 viewing rate (portion of customers that view their bill online) to be 29%.

9
10 The savings related to billing correlate directly to increased customer enrollment in eBilling,
11 thereby significantly reducing Elexicon’s costs by 2031. These savings compare the total cost
12 of issuing bills under the “No DX NEXT” scenario with the total cost of issuing bills under the
13 Dx NEXT scenario. These costs have been directly applied to the Billing segment’s OM&A
14 forecast, as detailed in 4-CCC-46.

15
16 The savings related to the avoided FTEs in the Customer Care Program were identified
17 through a comparison of staffing requirements in scenarios with and without Dx NEXT. Over
18 the 2027 to 2031 period, Dx NEXT investments result in avoided incremental hiring due to
19 the workforce efficiencies obtained for existing staff. By 2031, Elexicon anticipates it will
20 have avoided the hiring of 14 FTEs due to the substantial efficiencies from the Dx NEXT
21 investment. These efficiencies allow greater throughput of work volumes for existing staff
22 across nearly all segments within the Customer Care program. To calculate these FTE
23 efficiency savings, as noted in the attached excel, Elexicon used \$140,000 as the cost of a
24 fully burdened FTE based on the average labour cost in the Customer Experience and Contact
25 Centre segment. Labour costs were then escalated by labour inflation as set out in Exhibit 1
26 - Tab 5 - Schedule 2, page 24.

27
28 Details of the labour efficiencies analysis by segment of the Customer Care program are
29 provided below.

- 1 • **Customer Experience & Contact Centre:** In the “no Dx NEXT” scenario, Contact
2 Centre staffing requirements are assumed to be driven by forecast customer contact
3 volumes (assuming approximately 7 contacts per 10 customers per year), along with
4 standard supervisory and quality assurance ratios. In this scenario, additional FTEs
5 would be needed in the Customer Experience & Contact Centre segment over the
6 forecast period to manage the increase in work volume associated with an increase
7 in the number of customers. However, with Dx NEXT implementation, enhanced
8 self-service and digital capabilities are expected to reduce the customer contact rate
9 to 5-6 contacts per 10 customers per year beginning in 2027, as routine and
10 straightforward contacts are increasingly addressed through digital channels. While
11 the remaining contacts are expected to be more complex, the overall reduction in
12 contact volumes permits this segment to maintain a consistent FTE level over the
13 2027–2031 period.
- 14 • **Collections:** Collections staffing requirements are assumed to be driven by
15 forecasted growth in collections activity resulting from a combination of customer
16 growth as well as driven by external economic conditions. Forecasted staffing levels
17 have been determined using historical levels of activity expected per Customer
18 Experience Representative. Under the “no Dx NEXT” scenario, the projected increase
19 in the volume of collections activity would have required the hiring of additional FTEs
20 in the forecast period. With Dx NEXT implementation, which includes expanded
21 automation, workforce efficiencies can be realized, therefore no new FTEs are
22 required in the Collections segment over the 2027–2031 period.
- 23 • **Billing:** In the “no Dx NEXT” scenario, the Billing segment’s staffing requirements
24 would be driven by growth in billed accounts, with billing volumes increasing in
25 proportion to customer growth. Staffing levels would be determined based on a
26 historical billing activity standard as expected from each Customer Experience
27 Representative as well as standard supervisory ratios. Under this scenario, growth in
28 billing volumes would have required the hiring of additional FTE over the forecast
29 period. With Dx NEXT implementation, billing effort is expected to be increasingly

1 focused on exception processing, as the share of bills requiring manual review is
2 expected to decline over time due to improvements in automation, data quality, and
3 process maturity. While some manual billing work remains necessary, the reduction
4 in manually reviewed bills avoids incremental hiring over the 2027 – 2031 forecast
5 period.
6
7

Elexicon Energy Inc.

Negotiated Request for Proposals (NRFP)

Dx NEXT Program

Elexicon Energy Inc. Reference #: EE2024-12

Elexicon Energy Inc.

55 Taunton Road East

Ajax, ON

L1T 3V3

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PART I ESSENTIAL INFORMATION

1. Invitation

This negotiated request for proposals (the “**NRFP**”), issued by Elexicon Energy Inc. (“**Elexicon**”), is an invitation to potential suppliers (each a “**Proponent**”) to submit proposals (each a “**Proposal**”) for the design, implementation and ongoing provision of industry leading standard operating models and business processes enabled through a single integrated technology platform which includes:

- Customer Experience
- Asset Management, Program Delivery, Construction and Engineering
- Supply Chain Management
- Finance
- Information Technology
- Human Resources
- Payroll Time and Attendance
- Data Analytics
- Health, Safety, and Environment
- Information Management

(the “**Solution**”), including proposing and developing the Solution architecture, provision of all software licenses required for the Solution, services to implement the Solution (including any utility-specific accelerators, training and organizational change management services), hosting the Solution, and associated Application Management Services for the Solution, all as further described in Schedule B (collectively, the “**Services**”).

Capitalized terms not otherwise defined herein will have the meaning set out in Section 19 of Part V this NRFP.

2. The NRFP Administrator

The name and contact information for Elexicon’s representative (the “**NRFP Administrator**”) is:

Name: James Phillips

E-mail: jphillips@elexiconenergy.com

3. Timetable

The following are the schedules and the key deadlines for this NRFP:

Milestone	Date / Deadline
Issue Date of NRFP	May 17, 2024
Deadline for submission of questions re: NRFP	June 7, 2024
Deadline for submission of questions re: Form of Agreement	June 21, 2024
Proposal Submission Deadline	July 8, 2024 16:00 (EST)
Notification to Proponents being invited to Stage IV and V (submission of markup of Form of Agreement and on-site presentation)	July 31, 2024
Submission Deadline for markup of Form of Agreement (for Proponents invited to Stage IV and V)	September 4, 2024
Anticipated timeframe for Proponents invited to Stage IV and V to make their on-site presentation	September 9-13, 2024
Anticipated timeframe for selection and start of Agreement final negotiations and finalization	September 16-20, 2024
Elexicon approvals and anticipated Agreement execution	November 30, 2024

Note that Elexicon reserves the right to change the schedule, including changing dates, adding or removing milestones, or otherwise altering the schedule in its sole discretion.

4. Submission of Proposals

All Proposals must be submitted electronically through the Data Room by the Proposal Submission Deadline, as further described in Sections 9 and 10 of Part III of this NRFP.

5. Data Room

The data room is a defined virtual location through which Elexicon will provide Proponents with access to artefacts (the "**Data Room**"), such as Addenda, technical documentation, process descriptions, database schema, volumetric data, and other artefacts relevant to the NRFP.

The Data Room contains confidential information and for clarity, the contents of the Data Room, like the contents of this NRFP, remains subject to the Non-Disclosure Agreement ("**NDA**") that Proponents have entered into with Elexicon prior to receiving this NRFP.

Elexicon will provide instructions to Proponents on how to access the Data Room, which will be controlled by unique IDs assigned to named Proponent contact(s). Such access will be granted at the times and dates and in a manner determined by Elexicon.

Proponents should review and consider all documents posted in the Data Room in preparing their Proposals, including all Addenda. From time to time during the NRFP process, Elexicon may update or add material to the Data Room; accordingly, Proponents should regularly revisit the Data Room in order to review updated or additional information.

PART II INTRODUCTION

1. Organization

Elexicon is a subsidiary of Elexicon Corporation. It is the fourth largest municipally owned electricity distributor in Ontario. It is regulated by the Ontario Energy Board (“**OEB**”). Elexicon serves one of the province's fastest-growing regions and delivers electricity to more than 178,000 homes and businesses located in ten municipalities in east-central Ontario. It employs approximately 290 people across Ontario's energy sector. In today's world, electricity is an essential need. Elexicon's aim is to supply reliable, safe, and efficient energy to its residential and commercial customers.

Through its investments, Elexicon is focused on grid modernization and integration of innovative technologies to its distribution network to provide reliable and cost-effective services, to meet the current and future needs of its customers.

For more information, visit Elexicon's website at <https://elexiconenergy.com/>

2. Background and Context

Elexicon stands at a pivotal moment driven by rapid customer growth, evolving market demands, and the imperative for operational excellence. The utility sector's landscape is transforming, underscored by the urgent push towards decarbonization, electrification, and the integration of distributed energy resources (“**DERs**”). As Elexicon is experiencing rapid residential and commercial growth, the demand for electricity is increasing. However, Elexicon's ability to scale and innovate is constrained by existing operational challenges.

Elexicon is experiencing challenges managing outdated systems. This places disproportionate burdens on staff. As a part of this project, Elexicon seeks the best technical Solution available to optimize its current business processes based on industry standards to support its people and processes both now and in the future. In addition, given the regulatory environment in which Elexicon operates, Elexicon is looking for a Proponent that understands and can anticipate its needs related to regulatory requirements.

The 'Dx NEXT' program is a multi-year set of foundational initiatives that will deliver cost effective and resilient energy services to enable the energy transition and growth in the region. Elexicon is repositioning and realigning its people, processes, and technology to enable a bright and connected future for its customers.

The need and desire to adopt a solution that not only addresses Elexicon's current inefficiencies but is also scalable to accommodate future growth and technological advancements in the energy sector resulted in the Dx NEXT program. The objective of embarking on this initiative is to fundamentally transform Elexicon's operational backbone, making it agile, reducing operational risks, and to fulfill Elexicon's commitment to delivering safe and reliable energy. The end goal for Dx NEXT is to adopt standard, industry leading operating models, business processes and solution platforms that will:

- Reduce operational risk and administrative burden
- Maximize business performance
- Position Elexicon for future growth
- Create a fresh start for adopting the "Elexicon way"
- Create improved productivity through clear accountabilities and seamless end to end, integrated processes

Guiding principles of the Dx NEXT program are:

- High performance through standardization in recording and reporting, driving consistency and reliability of information.
- A single source of truth for process execution and capture providing access to reliable data, for information and reporting.
- Reorganize work around new processes and not design new processes around the old Elexicon work methods. New processes may include new delivery methods.
- Integrated operations enabling collaboration internally across lines of business and externally with customers and partners.
- Shifting effort from past/reconciliation activities to more future looking strategic activities.
- Leverage Dx NEXT to provide opportunities for Elexicon employees to build skills, learn and provide input into the future operations model for Elexicon.

With this NRFP, Elexicon desires to purchase or otherwise acquire rights for an enabling Solution that meets the requirements identified in this NRFP. Elexicon will consider all technology platforms for this procurement. However, the strong preference is to focus on industry standard solutions that have pre-built, vendor supported, best in class, integrated capabilities within and between the various Solution components.

As part of this NRFP, Elexicon is looking to select an implementation partner that is also able to provide licensing of the technology powering the Solution (whether directly, as a value-added re-seller, or otherwise), to propose a technology solution with standard industry processes to support Elexicon's people and processes across:

1. Customer Experience
2. Asset Management, Program Delivery, Construction and Engineering (including Distribution Operations, Manage Assets, and Capital Projects)
3. Supply Chain Management
4. Finance
5. Information Technology
6. Human Resources
7. Payroll Time and Attendance
8. Data Analytics
9. Health, Safety and Environment
10. Information Management.

However, Elexicon seeks a Proponent partnership that offers more than just a technical platform. Elexicon desires for the prospective Proponent not only to guide the organization in the recommendation of a hosted Solution platform, but also to lead and execute in the design, build, testing, organization change management, training, documentation, and deployment phases of the Solution. Further, the expectation is that the Proponent will also provide ongoing long-term hosting and comprehensive Application Management Services for sustained system performance and reliability. Accordingly, Elexicon requires that any Proposal for a Solution also include the professional services necessary to implement (including providing end-user training and change management for the Solution), and then to continue to support and deliver the Solution.

As part of the comprehensive service scope, the proposed Solution is to include secure, reliable, and scalable hosting services. The enabling Solution should unify Elexicon's operations, enhance data integrity, and provide the agility needed to adapt to the dynamic demands of the energy market. Further, it should facilitate the optimization of current business processes to align with industry best practices and establish a framework for identifying future requirements – ensuring Elexicon's continued growth and success.

Ellexicon Energy is looking to procure the following through a competitive RFP process:

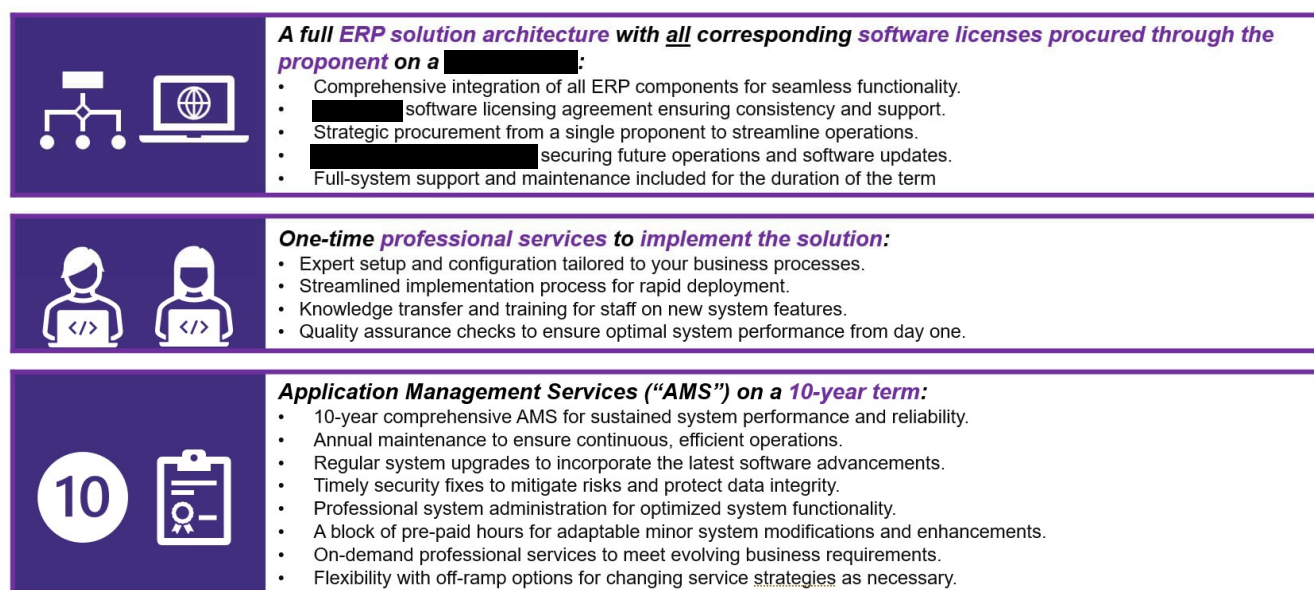


Figure 1 - Scope of NRFP

In summary, through the NRFP, Ellexicon seeks a long-term partner to provide:

1. Solution architecture, licenses and secure hosting services
2. Implementation services (including any utility-specific accelerators, training and organizational change management services)
3. Application Management Services

3. Duration of Contract

Ellexicon is seeking an agreement with an initial term of five years from the effective date of the contract, with an additional optional extension of five years under the same terms and conditions.

Ellexicon has the sole discretion to extend the term for the above optional extension.

4. Instructions for NRFP submissions

The NRFP contains the processes and instructions that Proponents are to follow when submitting Proposals in response to this NRFP. **Ellexicon may disqualify any Proponent that fails to comply with the instructions in this NRFP, or that engages in conduct prohibited by this NRFP.**

PART III SUBMISSION PROCESS

1. Proposals to be from Single Prime Proponent

Joint submissions will not be accepted for this NRFP, meaning Proposals shall not be submitted by joint ventures or other business arrangements comprising multiple parties, except that this does not preclude Proponents from proposing to engage subcontractors (which, for purposes of this NRFP, will be deemed to include COTS Component Provider(s), including, notwithstanding where a value-added reseller model is being proposed for a COTS Component as further described in Section 2(f) of Schedule B), subject to the other requirements in this NRFP and the agreement and provided that:

- (a) Proponent complies with, and ensures that all subcontractors comply with, Proponent's obligations under the NDA;
- (b) To the extent that Proponent proposes to use any subcontractors Proponent clearly identifies such subcontractors in Schedule D.2 – Proposed Solution of their Proposal and provides the details of the Services that each subcontractor will provide;
- (c) The Proposal is submitted by a single legal entity that will act as the Proponent and contact in respect of this NRFP; and
- (d) Proponent has agreements in place with each subcontractor that require and confirm the subcontractor's compliance with applicable laws and prohibits any exchanges of information or coordination of proposals, including pricing, between competing proposals in which they may be involved, and they shall require that the subcontractors establish rigorous firewalls to prevent the teams at the subcontractor which work on different proposals from disclosing any information about their respective proposals to any members of the teams which are working on other proposals (provided, however, that a COTS Component Provider may use the same value-added reseller support personnel to provide factual proposal information about the COTS Component to multiple Proponents provided they do not engage in or facilitate any coordination of Proposal or disclosure of information between competing Proposals).

2. Structure of Proposals

Proponents should structure their Proposals in accordance with the instructions in this NRFP. When Elexicon requests information, responses from Proponents shall use the provided submission forms where one has been provided, and for any other requested information the Proposal should reference the applicable section numbers of the NRFP. Proponents are responsible for assembling all of the information that is necessary to properly prepare a Proposal.

The following documents should be submitted as separate files within your Proposal, in each case in accordance with any applicable instructions contained in this NRFP, including those that may be set out in the submission forms themselves:

Submission Forms	Additional Notes
Schedule C – Mandatory Requirements	Complete using the MS Word Template Provided (submission may be in MS Word or PDF formats)
Schedule D.1 - Capabilities Listing Requirement	Complete using the MS Excel Template Provided
Schedule D.2 – Proposed Solution	Structure as determined by Proponent (subject to the instructions in Schedule B)
Schedule D.3 - Enabling Scenarios	Complete using the MS Word Template Provided (submission may be in MS Word or PDF formats)
Schedule D.4 – Bill of Materials	Complete using the MS Excel Template Provided
Schedule D.5 - Proposed AMS Service	Structure as determined by Proponent (subject to the instructions in Schedule B)
Schedule E - Pricing Form	Complete using the MS Excel Template Provided
Schedule F - Proponent Submission Details	Complete using the MS Word Template Provided (submission may be in MS Word or PDF formats)

3. Schedule G – Form of Agreement

As further described in Schedule G and elsewhere in this NRFP, the Form of Agreement will be made available by Elexicon in the Data Room prior to the

Submission Proposal Deadline. However, Proponents are not required to submit a response to the Form of Agreement with their initial Proposal submission. Instead, only those Proponents that are invited to Stages IV and V will be required to submit a markup of the Form of Agreement, in accordance with the instructions in Schedule G, by the applicable submission deadline in the Timetable.

4. Proposals in English

All Proposals are to be in English, only.

5. Prohibited Communications and Use of Information

Proponents will make all written communication concerning this NRFP solely through the NRFP Administrator, unless otherwise expressly instructed by the NRFP Administrator. A Proponent will not:

- directly or indirectly communicate or attempt to communicate in relation to the NRFP with (a) anyone within Elexicon other than through the NRFP Administrator, unless otherwise expressly instructed by the NRFP Administrator, or (b) any advisor assisting Elexicon with any part of the NRFP process; or
- in any other way seek an unfair advantage over other Proponents.

6. Proponents to Review NRFP

Proponents should carefully examine this NRFP and report any errors, omissions or ambiguities in writing to the NRFP Administrator.

7. Questions and Clarifications

Elexicon will accept questions regarding this NRFP in writing only via email to the NRFP Administrator.

The deadline for submitting questions in respect of the NRFP is set out in the Timetable. However, since the Form of Agreement will be released to Proponents at a later date, there will be a second period for submitting questions in respect of the Form of Agreement only with its own deadline as set out in the Timetable.

Elexicon reserves the right to not respond to questions received, or to edit questions for clarity or applicability to all Proponents, generally. All of the questions and

answers provided by Elexicon, along with any Addenda, will be published in the Data Room and accessible to all Proponents.

8. Amendments to NRFP

If Elexicon determines that it is necessary to provide additional information relating to the NRFP, then such information will be communicated by way of Addenda. Each Addendum will form an integral part of the NRFP. Addenda may contain important information including significant changes to the NRFP and changes to timelines. Addenda will be posted in the Data Room and Proponents will be responsible for monitoring the Data Room regularly and for obtaining all Addenda issued by Elexicon. Elexicon will not notify Proponents of new information posted in the data room.

9. Submission of Proposals in Prescribed Manner and to Prescribed Location

Proposals must be submitted by uploading the Proposal to the Proponent's assigned "Proposal Upload" folder within the Data Room. Proponents are encouraged to contact the NRFP Administrator well in advance of the Proposal Submission Deadline if unable to locate or access a "Proposal Upload" folder within the Data Room.

10. Deadline for Submissions

Proposals must be submitted on or before the Proposal Submission Deadline. For the purpose of calculating time, the file creation date and time in the Data Room will be referenced.

Elexicon shall not be responsible for any technical issues such as Proponent's or public network nor electrical power failures, computer failure, internet browser, and mistakes or errors in submitting the Proposals that cause Proponents to submit Proposals after the Proposal Submission Deadline.

11. No Incorporation by Reference

Any content of websites or other external documents incorporated by reference and not directly included in the Proponent's Proposal will not be considered to form part of its Proposal. Elexicon is under no obligation to seek out information not contained in a Proponent's Proposal.

12. Amending or Withdrawing Proposals Prior to Proposal Submission Deadline

At any time prior to the Proposal Submission Deadline, a Proponent may amend, withdraw or completely resubmit a Proposal. Any amendment should clearly indicate what part of the Proposal the Proponent intends to change or replace. Any amendment, resubmission or notice of withdrawal should be submitted in the same manner that is prescribed herein for the submission of Proposals.

PART IV EVALUATION OF PROPOSALS

1. Stages of Proposal Evaluation

Proposals will be evaluated in the following stages. Please refer to the descriptions below where each stage is further explained.

Stage #	Stage
Stage I	Mandatory Requirements and Completeness Check
Stage II	Evaluation of responses to Rated Requirements
Stage III	Evaluation of Schedule E – Pricing Form
Stage IV	Evaluation of requested changes to Form of Agreement (Only Proponents selected for On-Site Presentation)
Stage V	On-Site Presentations
Stage VI	Final Score

Stage I – Mandatory Requirements and Completeness Check

Stage I will consist of a review to determine which Proposals comply with all of the requirements in Schedule C - Mandatory Requirements. See Schedule C – Mandatory Requirements for additional instructions on completing this component of the Proposal.

Proposals that do not comply with all of these mandatory requirements will be disqualified from this NRFP.

Elexicon may, in its sole discretion, disqualify a Proponent if Elexicon subsequently determines at any time during the evaluation process that the Proponent has failed to meet any of the mandatory requirements.

During this stage the Proposals will also be reviewed by the NRFP Administrator for completeness. Subject to Section 2 of Part IV of this NRFP, a Proposal that is incomplete may either be, in the sole discretion of Elexicon, disqualified from this NRFP or given a score of zero on the incomplete portion(s).

Stage II – Evaluation of Responses to Rated Requirements

Elexicon will only evaluate the Proponents who have passed Stage I.

Stage II will consist of an evaluation of Proponents' Proposals in respect of the following components of their Proposal (the "**Rated Requirements**"):

Rated Requirements
Schedule D.1 – Capabilities Listing Requirement
Schedule D.2 – Proposed Solution
Schedule D.3 – Enabling Scenarios
Schedule D.4 – Bill of Materials
Schedule D.5 – Proposed AMS Service

See Schedule D – Rated Requirements for additional instructions on completing these components of the Proposal.

Stage III – Evaluation of Schedule E – Pricing Form

Ellexicon will only evaluate the Proponents who have passed Stage I.

Stage III will consist of an evaluation of the Proponent's pricing in their Proposal response to Schedule E – Pricing Form.

See Schedule E – Pricing Form for additional instructions on completing this component of the Proposal. Pricing will be evaluated using the method set out in Schedule E - Pricing Form.

Ellexicon reserves the right to clarify arithmetical errors with the Proponent as well as to clarify Ellexicon's understanding of the Proponent's Schedule E – Pricing Form response.

Ellexicon reserves the right to, but will not be required to, make reasonable normalizations to a Proponent's Schedule E – Pricing Form response to better allow the Schedule E – Pricing Form response to be evaluated on a common basis to that of other Proposals.

Invitation to Stage IV and V

Following Stage III, for each Proponent, Ellexicon will combine their Stage II and III scores using an internal weighting. Ellexicon will invite a number of the highest scoring Proponents, as determined by Ellexicon in its sole discretion, to: (i) submit a

markup of the Form of Agreement to be evaluated in Stage IV; and (ii) to make an on-site presentation in Stage V.

Stage IV – Evaluation of Requested Changes to Form of Agreement

As further described in Schedule G – Master Services Agreement, Proponents invited to Stage IV must submit a detailed mark-up of the Form of Agreement. Proponent's mark-up will be evaluated based on the extent of its acceptance of the Form of Agreement as-is, without revision.

Stage V – On-Site Presentation

Elexicon will require Proponents invited to Stage V to provide formal demonstrations and presentations to Elexicon, and to participate in interviews with Elexicon. The Proponent sessions will include a question and answer session in support of, and / or to clarify questions arising from the Proponent's Proposal and presentation.

The Proponent sessions are expected to include the following over a one day period:

- Proponents will be asked to introduce their team and present a full overview of their proposed Solution, the components and their AMS.
- Proponent will be asked to present their implementation methodology, project management plan, industry accelerators, data migration approach, training and organizational change management methodology, as well as any other aspects of their implementation approach.

Additional instructions will be provided to Proponents who are invited to Stage V.

The on-site presentations will not be directly scored; however, a Proposal's prior Stage scores may be adjusted based on the clarifications from the on-site presentations.

Stage VI – Scoring

At the conclusion of Stage V - On-Site Presentation, Elexicon will finalize the scoring of the invited Proponents by combining their Stage V score with their Stage II and III scores using an internal weighting and taking into account any scoring adjustments that have been made.

References and Additional Elexicon Investigations and Decision-Making Criteria

Elexicon may implement appropriate due diligence processes to verify any statement or claim made by a Proponent by whatever means Elexicon considers appropriate, including but not limited to contacting references provided by the Proponent in Schedule F – Proponent Submission Details or references other than those identified by the Proponent; and Elexicon may disqualify any Proponent whose Proposal contains misrepresentations or any other inaccurate or misleading information.

The references provided by the Proponent in Schedule F – Proponent Submission will not be directly scored; however, a Proposal's prior Stage scores may be adjusted based on the outcome of the reference checks.

Elexicon may disqualify Proponents if any of these checks are not satisfactory to Elexicon, in its sole discretion.

2. Completeness; Seeking Clarification and Supplementary Information

Without limiting any other rights of Elexicon, if a Proposal is incomplete, contains irregularities, in a manner that: (a) materially impedes the ability of Elexicon to evaluate the Proposal or renders the Proposal incomplete or insufficient in a material way; or (b) materially impedes the ability of Elexicon to implement the processes or Elexicon's rights contemplated by this NRFP, in each case as determined by Elexicon in its sole discretion, Elexicon may, in its sole discretion, reject the Proposal.

During the evaluation process, Elexicon may, in its sole discretion, elect to contact one or more Proponents to seek clarifications and supplementary information in respect of their Proposals, including to correct clerical or administrative or other minor omissions or errors. Any clarification or supplemental information provided by a Proponent in response to a request by Elexicon should be in writing. Elexicon is not obligated to seek any clarification, supplemental information, verification, confirmation or correction of any aspect of a Proposal. The response received by Elexicon from a Proponent will, if accepted by Elexicon, form an integral part of that Proponent's Proposal.

In the event that Elexicon receives information at any stage of the evaluation process which results in earlier information provided by the Proponent being determined by Elexicon to be inaccurate, incomplete or misleading, Elexicon may revisit the Proponent's compliance with the mandatory requirements, if any, and/or adjust the scoring of Rated Requirements.

3. Selection

Upon the completion of the evaluation process, Elexicon may elect, in its sole discretion, to invite one or more of the highest scoring Proponents to undertake final negotiations and finalization of a contract with Elexicon.

Elexicon may enter into negotiations with one or more Proponents and may conduct such negotiations concurrently or consecutively. Elexicon reserves the right to contract for all or part of the Services or Solution described in this NRFP. Elexicon also reserves the right to enter into multiple agreements for all or any part of the Services or Solution. Negotiations may take place with selected Proponents without an obligation by Elexicon to re-call Proposals or provide an opportunity for other Proponents to offer the same changes.

Elexicon is not obligated to accept any particular provisions included in the Proponent's mark-up of the Form of Agreement (by virtue of the Proponent's Proposal Submission obtaining the highest score or otherwise), and Elexicon expressly reserves the right to continue to seek to negotiate any such provisions. In the event that a Proponent and Elexicon are unable to negotiate, finalize and execute a binding contract in a form, on terms and within a timeframe acceptable to Elexicon, in each case in Elexicon's sole discretion, Elexicon may terminate negotiations with such Proponent and either pursue negotiations with another Proponent or Proponents, or terminate this NRFP.

4. Notification to Other Proponents and Debriefing

If and when Elexicon negotiates and concludes a contract with one or more Proponents further to the process described in this NRFP, the Proponents who submitted Proposals but were not selected to negotiate with (or otherwise did not conclude contracts with) Elexicon will be notified in writing. If requested to do so within 60 days of such notice, Elexicon will debrief these Proponents regarding Elexicon's evaluation of their Proposals.

PART V GENERAL TERMS AND CONDITIONS OF NRFP

1. Elexicon Rights

Elexicon will not be bound or obligated in any manner as a result of this NRFP. Without limiting the generality of the foregoing, Elexicon expressly reserves the right, at its sole discretion, to:

- waive formalities and accept Proposals that substantially comply with the requirements of the NRFP;
- select a Proponent other than the Proponent whose Proposal reflects the lowest cost or highest score;
- accept any Proposal in whole or in part;
- make changes, including substantial changes, to the NRFP, provided that those changes are issued by way of Addenda in the manner set out herein;
- accept or reject a Proposal if only one Proposal is submitted;
- reject any or all Proposals;
- elect not to procure the goods or services that are the subject of this NRFP;
- cancel the NRFP process at any stage; and/or
- cancel the NRFP process at any stage and issue a new NRFP for the same or similar services.

2. No Representations, Warranties or Conditions

Elexicon provides no representations, warranties or conditions of any kind in connection with this NRFP, whether express or implied. Without limiting the preceding sentence, Elexicon does not represent, warrant or guarantee that the information contained in this NRFP or the Data Room or issued by way of Addenda is complete or accurate, and assumes no liability for any errors or omissions contained in this NRFP or the Data Room. Any quantities shown or data contained in this NRFP, the Data Room or provided by way of Addenda are estimates only and are for the sole purpose of indicating to Proponent the general size of the work. It is the Proponent's responsibility to avail itself of all the necessary information to prepare a Proposal in response to this NRFP.

3. Proponents Shall Bear Their Own Costs

Proponents shall bear all costs associated with or incurred in the preparation and presentation of their Proposal including, if applicable, costs incurred for demonstrations, presentations and interviews.

4. No Commitment

For greater certainty, the issuance of this NRFP by Elexicon (and the submission of Proposals by Proponents) does not, nor is it intended to, create a legal binding relationship between Elexicon and any Proponent. This NRFP is not an offer to enter into either a bidding contract (often referred to as "Contract A") or a contract to carry out the services contemplated herein (often referred to as "Contract B"). The selection of a Proponent to perform the services described herein is subject to the successful negotiation and execution of a contract by Elexicon and the Proponent. Elexicon will not be obligated in any manner to any Proponent until a contract has been executed, and Elexicon will not have any obligation to enter into a contract with any Proponent.

5. Limit of Elexicon Liability

Notwithstanding that in accordance with Section Part V4 this NRFP is not a bidding contract and is not intended to create "Contract A", the Proponent and all other entities participating in this NRFP process agree Elexicon will not have any liability to any person or entity for any damages, including, without limitation, direct, indirect, special or punitive damages, arising out of or otherwise relating to this NRFP, any Proponent's participation in this NRFP process (including its preparation of a Proposal), or Elexicon's acts or omissions in connection with the conduct of this NRFP process. This limitation applies to all possible claims, whether arising in contract, tort (including negligence), equity, or otherwise, including, without limitation, any claim for a breach by Elexicon of a duty of fairness or relating to a failure by Elexicon to comply with the rules set forth in this NRFP. If, contrary to the terms of the foregoing, Elexicon should be held liable for any reason whatsoever then such liability will be limited to direct damage and not, in any circumstances, exceed \$20,000.

6. No Exclusivity of Services or Guarantee of Volume of Work

Any contract which Elexicon may enter into further to the process conducted under this NRFP will not be an exclusive contract for the provision of the described services. Elexicon makes no guarantee of the value or volume of work to be assigned to the selected Proponents(s) and reserves the right to contract with others for the same or similar services or to perform the same or similar services internally.

7. Confidential Information of Elexicon

All information provided by or obtained from Elexicon in any form in connection with the NRFP will be deemed to be confidential information of Elexicon and subject to the NDA and:

- must be treated as confidential and must not be disclosed without the express prior written authorization from Elexicon;
- is not to be used for any purposes other than replying to the NRFP and for the performance of services if Elexicon and a Proponent sign a contract; and
- is to be returned by the Proponent to Elexicon promptly upon Elexicon's request.

8. Individual Consents

Each Proponent will obtain all necessary consents in writing from all individuals whose personal information is disclosed in the Proponent's Proposal and will produce such written consents to Elexicon upon request. Upon request, each Proponent will obtain such other consents from the individuals identified in its Proposal in order to enable Elexicon to check references and make any other inquiries Elexicon considers appropriate.

9. Elexicon Use of Third Party Consultants

The information that Proponents provide, including all or any portion of Proponent's Proposal, may be used, reproduced, and disclosed by Elexicon to third parties retained by Elexicon in connection with the subject matter of this NRFP. In addition, it is Elexicon's expectation that the contracts signed with the selected Proponent(s) will permit Elexicon to use, reproduce, and disclose to third parties the work product produced for Elexicon by the Proponent(s).

10. Additional Disclosures by Elexicon

(a) Elexicon is subject to the Municipal Freedom of Information and Protection of Privacy Act (Ontario) ("**MFIPPA**") and may be required to disclose confidential information concerning this NRFP in accordance with the provisions of MFIPPA.

(b) Proponent acknowledges that Elexicon is regulated by the Ontario Energy Board and may be required to disclose Proponent's confidential

information, including pricing, as part of an OEB regulatory proceeding. The Proponent consents to the disclosure of such Proponent confidential information in connection with the OEB regulatory proceeding if reasonably required in connection with such proceeding.

11. Ownership of Materials

All material submitted by Proponents in response to this NRFP, including their Proposals, will become the property of Elexicon and will not be returned.

12. Conflicts of Interest

For the purposes of the NRFP, a conflict of interest includes, without limitation, the following:

- situations or circumstances that could give a Proponent an unfair advantage, or engaging in conduct that may give a Proponent an unfair advantage, during a procurement process or in relation to the performance of its obligations under a resulting agreement, including but not limited to (i) communicating with any person with a view to influencing preferred treatment in the NRFP process; or (ii) engaging in conduct that compromises or could be seen to compromise the integrity of the fair and competitive NRFP process or to render that process non-competitive or unfair;
- the offer or giving of a benefit of any kind, by or on behalf of a Proponent to anyone, employed by, or otherwise connected with, Elexicon; and
- in relation to the performance of its contractual obligations in a resulting agreement, the Proponent's other commitments, relationships or financial interests (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgment; or (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations.

Elexicon reserves the right to:

- solely determine whether any situation or circumstance constitutes a conflict of interest;
- require Proponents participating in a procurement process to declare any actual or potential conflict of interest;

- disqualify Proponents from a procurement process due to a conflict of interest; and
- prescribe the manner in which a Proponent should resolve a conflict of interest in order to avoid disqualification.

13. Role of Service Providers as Potential Proponents

Proponents are advised that certain other potential Proponents may have previously been retained as service providers to Elexicon and that, as part of such service delivery, they may have provided advisory or other services related to the Dx NEXT program, including to help Elexicon assess its capabilities and requirements, and supporting internal audit functions. However, Elexicon does not intend to ascribe any preference to such service providers under this NRFP. Elexicon has also made additional material available in the Data Room to support all Proponents in having access to relevant background and contextual information for the preparation of their Proposals.

14. Use of Elexicon's Name and Logo

The Proponent may not use Elexicon's name or logo or make reference to this NRFP in any advertising copy or other promotional materials or messages without Elexicon's prior written consent.

15. Proponent Not to Communicate with Media

A Proponent may not at any time directly or indirectly communicate with the media in relation to this NRFP without first obtaining the express written permission of Elexicon.

16. Governing Law of NRFP Process

The NRFP process will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without reference to its conflicts of law principles.

17. Construction

In this NRFP, the words "include" and "including" will not be construed as terms of limitation.

18. Legal Representation

Each Proponent hereby acknowledges that Elexicon has engaged the law firm McCarthy Tétrault LLP to represent them in connection with this NRFP, and may continue to engage them in the negotiation of definitive agreements (if applicable) and ongoing assistance or advice relating to any such definitive agreements (if applicable). By submitting a Proposal in response to this NRFP, each Proponent and its subcontractors hereby expressly consent to McCarthy Tétrault LLP continuing to act for Elexicon notwithstanding any unrelated solicitor-client relationship that each Proponent or its subcontractors may have, or may have previously had, with McCarthy Tétrault LLP.

19. Definitions

Provided below are definitions for certain words or acronyms used throughout the NRFP.

1. **"Accountability Wrap"** has the meaning set out in Section 2(e) of Schedule B.
2. **"Addenda"** or **"Addendum"** means any addendum, additions, deletions, modifications or other changes issued by Elexicon with respect to this NRFP.
3. **"ADMS"** means advanced distribution management system.
4. **"AMI"** means advanced metering infrastructure.
5. **"Application Management Services"** or **"AMS"** includes the Services further described in Section 12 of Schedule B.
6. **"Bill of Materials"** or **"BOM"** means a Proponent's Proposal response to Schedule D.4 – Bill of Materials.
7. **"BPO"** means business process owner.
8. **"BPR"** means business process representative.
9. **"CIS"** means customer information system.
10. **"Conflicts of Interest"** includes, without limitation, conflicts of interest described in Part V Section 12.
11. **"COTS Component"** has the meaning set out in Section 2(f) of Schedule B.
12. **"COTS Component Provider"** has the meaning set out in Section 2(f) of Schedule B.
13. **"DERs"** means distributed energy resources.
14. **"EAM"** means enterprise asset management.
15. **"Elexicon"** has the meaning set out in Part I Section 1.
16. **"Form of Agreement"** has the meaning set out in Schedule G.
17. **"GIS"** means geographic information system.

18. **"HSE"** means Health, Safety and Environment.
19. **"IESO"** means Ontario's Independent Electricity System Operator.
20. **"IFCR"** means Internal Controls over Financial Reporting.
21. **"ITGC"** means Information Technology General Controls.
22. **"LDC"** means local distribution company.
23. **"MDM/R"** means meter data management / repository.
24. **"MFIPPA"** means the Municipal Freedom of Information and Protection of Privacy Act (Ontario).
25. **"MWFM"** means mobile workforce management.
26. **"NDA"** has the meaning set out in Part I Section 5.
27. **"NRFP"** has the meaning set out in Part I Section 1.
28. **"NRFP Administrator"** has the meaning set out in Part I Section 2.
29. **"ODS"** means operational data store.
30. **"OEB"** means the Ontario Energy Board.
31. **"OESP"** means the Ontario Electricity Support Program.
32. **"OMS"** means outage management system.
33. **"Proponent"** has the meaning set out in Part I Section 1..
34. **"Proposal"** has the meaning set out in Part I Section 1.
35. **"Proposal Submission Deadline"** means the Proposal submission deadline set out in the Timetable, as may be modified by Elexicon from time to time.
36. **"Rated Requirements"** has the meaning set out in Part IV Section 1.
37. **"RPO"** means Recovery Point Objective.
38. **"RTO"** means Recovery Time Objective.
39. **"Services"** has the meaning set out in Part I Section 1.

40. **"Solution"** has the meaning set out in Part I Section 1.

41. **"Timetable"** means the timetable set out in Section 3 of Part I to this NRFP, as may be modified by Elexicon from time to time.

SCHEDULE A - ELEXICON BACKGROUND AND OVERVIEW

Exlexicon is a regulated electricity distribution company that delivers electricity to more than 178,000 homes and businesses located in the following ten municipalities in east central Ontario: Ajax, Belleville, Brock, Clarington, Gravenhurst, Pickering, Port Hope, Scugog, Uxbridge and Whitby. Exlexicon is regulated by the Ontario Energy Board, an independent regulator of the electricity sector. Exlexicon, through its investments, is focused on grid modernization and integration of innovative technologies to its distribution network to provide reliable and cost-effective services, to meet the current and future needs of its customers. Exlexicon is defining the role of the distributor in the energy transition and electrification of the economy.

1. Geographic Location and Operational Area

- Headquarters (HQ): Ajax, ON
- Belleville
- Brock
- Clarington
- Gravenhurst
- Pickering
- Port Hope
- Scugog
- Uxbridge
- Whitby

2. Regulatory Environment

Exlexicon is a rate-regulated monopoly utility. It operates within a regulatory framework designed to ensure reliable service, fair pricing, and environmental stewardship. Governed by the OEB, the regulator mandates not only how Exlexicon distributes electricity and recovers its revenue but also how the organization engages with its customers (e.g., regarding billing, connections, service requirements). As the customer-facing entity in the electricity sector, Exlexicon is responsible for all the 'pass-through' costs of the entire energy supply chain (generation, transmission, regulation, market operations), adding complexity to billing, accounting, and reporting requirements. As a result, Exlexicon plays a critical role in engaging with Ontario's Independent Electricity System Operator on behalf of its customers. Compliance with the OEB's requirements is essential to Exlexicon's operations and shapes many aspects of both strategic and day-to-day decision-making. Policy changes of the provincial

government and the regulator also have a significant impact on operations, as changes to any aspect of the business are typically implemented on externally set schedules, and often require system changes.

Being a rate-regulated entity entails justifying all operational expenditures and business strategy on a five-year cycle through an adjudicative process known as “rebasings”. The rebasing process requires comprehensive and defensible historical records and forecast revenue needs tied to substantiated business objectives. The success of this process, and Elexicon’s financial viability, depend on high quality, accurate, and accessible data, integrated across multiple systems.

The Proponent’s demonstration of their understanding of the operational impact of this regulatory landscape is essential for the proposed industry Solution.

3. Land Acknowledgement

Elexicon acknowledges the Land on which we conduct our work, and where our staff and customers gather. For millennia, it has been the traditional territory of the Mississaugas of the Credit as well as the Anishinaabeg, the Chippewa, the Haudenosaunee, and the Wendat Peoples. We are grateful for Indigenous Peoples who have cared for the Lands and waters since time immemorial, as they guide us to operate in harmony with our natural environment for generations to come.

4. Elexicon Strategic Pillars

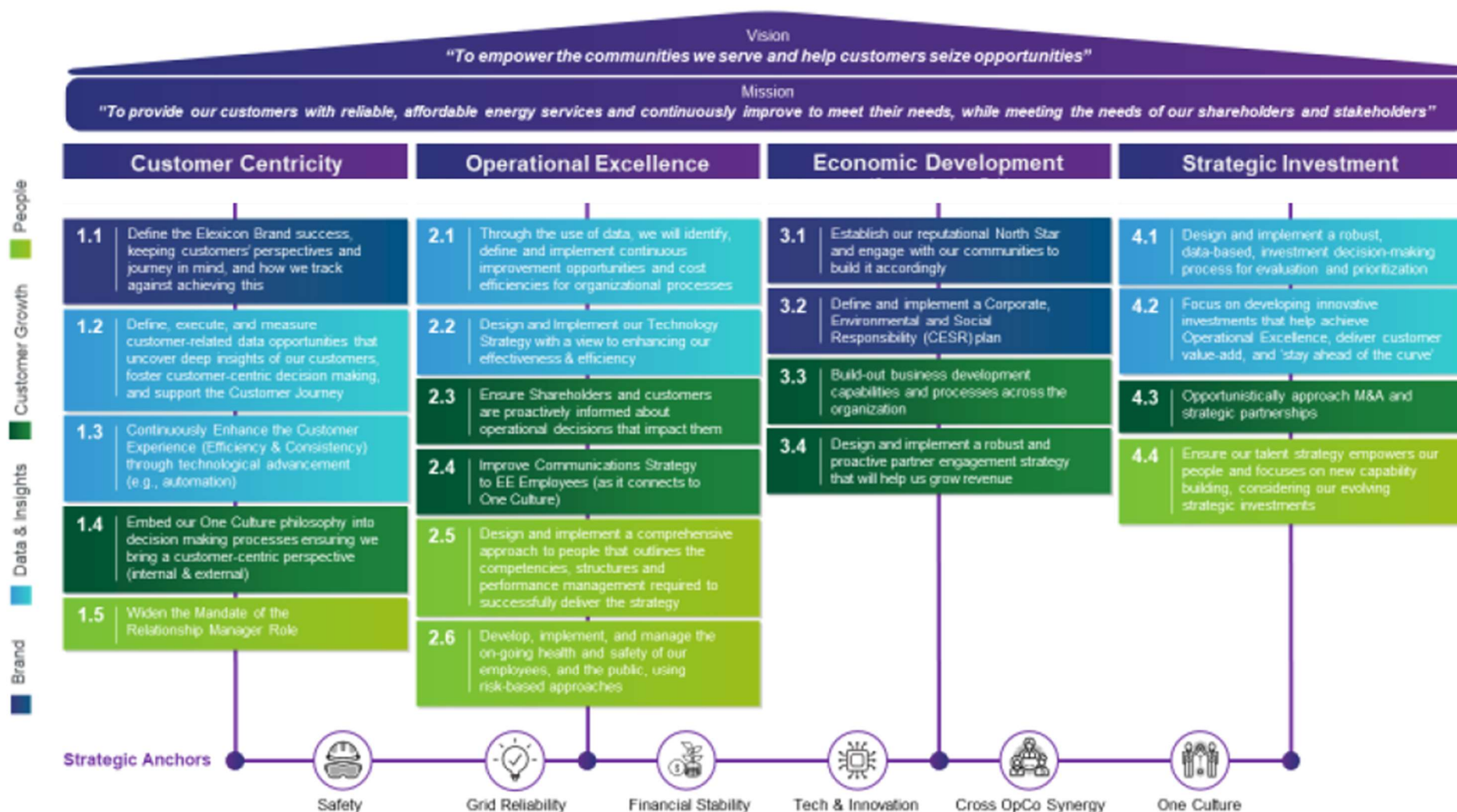


Figure 2 - Elexicon Strategic Pillars

5. Elexicon Structure

The accompanying

PART V REFERENCES

There are no sources in the current document.

Figure 3 - Organizational Structure, provides a detailed breakdown, as at the time of NRFP release, of Elexicon's headcount by departmental distribution.

Department	TOTAL	Union	Non Union/ Non Leader	Supervisor	ELT	Manager	Director
ELT	9		1		8		
Legal	4		1			3	
Customer Experience	72	57	2	6		7	
Finance	22	13	4	1		3	1
People and Culture	24	10	8	2		4	
Digital and Innovation	14	2	7	1		4	
Regulatory and Communications	9		6			3	
Asset Mgmt and Operations:							
Lines	64	53	3	5		2	1
System Control Centre	15	12	1	1		1	
Sub Stations/PC	12	9		2		1	
Asset Management, System Design & Connections	43	30	5	5		3	
TOTALS	288	186	38	23	8	31	2

Figure 3 - Organizational Structure

6. Community and Social Responsibility

Elexicon is committed to upholding community engagement and social responsibility. This is embedded in its strategic objectives and operations. The proposed Solution should support Elexicon initiatives aimed at promoting sustainability, equitable customer service, and community well-being. Capabilities for analyzing and reporting on social impact and community engagement activities will help the organization to measure and improve its contributions to the communities it serves. Elexicon seeks a partner that aligns with its ethical standards and is proactive in implementing practices that benefit society and the environment.

7. Constraints and Parallel Activities

The Dx NEXT implementation timeline needs to accommodate Elexicon's early rebasing rate application process. It is requested that the implementation phases are

such that the Finance and Asset Management teams are not heavily burdened during Q1 and Q2 of 2026. Additionally, it is understood that Finance will be required to support implementation Phase 1 - Customer Experience and Data Analytics but it will have limited availability due to comprehensive business planning in 2025.

It is important for Proponents to recognize and accommodate these constraints and parallel activities that impact the availability of key departments within the organization in the proposed implementation timeline. For consideration, please see the proposed implementation phases timeline in Figure 4 - Proposed Implementation Phases and Figure 5 - Elexicon Considerations and Parallel Activities below.

Proposed Implementation Phases - For Reference Purposes Only

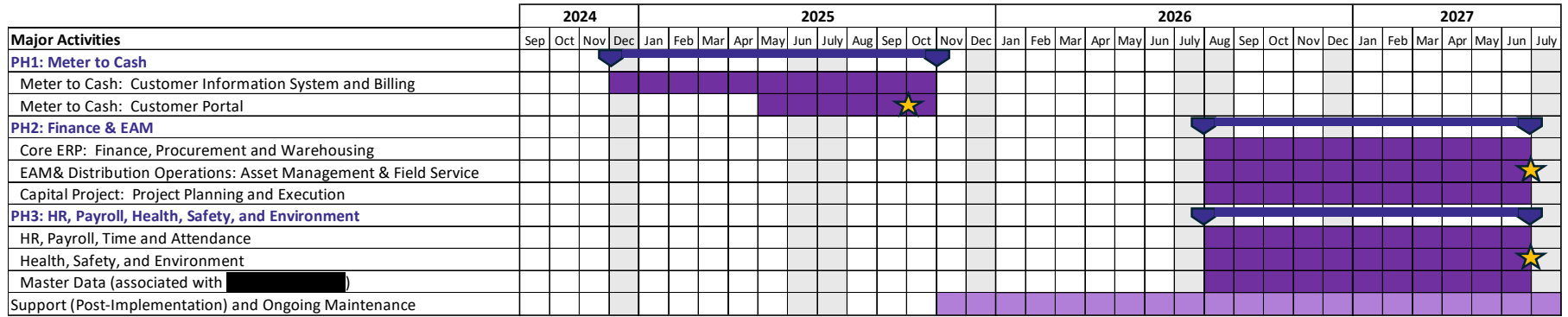
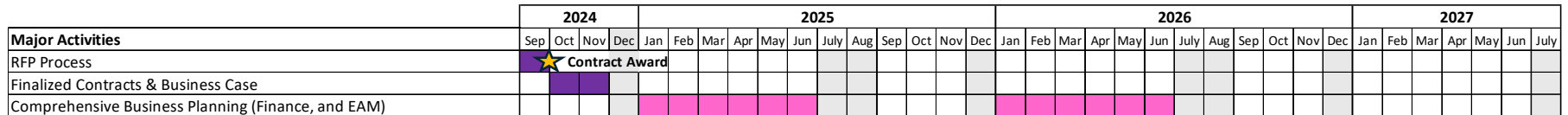


Figure 4 - Proposed Implementation Phases

Ellexicon Considerations & Parallel Activities



Legend: Planned Project Activities
 Finance and EAM have limited-to-no availability

Figure 5 - Ellexicon Considerations and Parallel Activities

8. Financial Overview

As it is essential to understand the financial landscape of Elexicon to align your Proposal with Elexicon's operational scale and fiscal parameters, the following financial metrics from the 2023 fiscal year may be useful:

- Total Revenues: \$526.6 M
- Distribution Revenues: \$97.5 M
- Gross Fixed Assets: \$654.9 M
- 14,822 Accounts Payable Invoices processed worth \$573.9 M

9. Customer Overview

The Customer Experience group is a critical component of the organization, playing a pivotal role in enhancing customer satisfaction and driving business success. As Elexicon anticipates growth in its customer base, the proposed industry Solution should be scalable and flexible to accommodate increasing demands without sacrificing operational performance or customer service quality expectations. This overview provides a snapshot of the organization's customer demographics and the operational metrics that define its service standards. It is crucial for the Proponent to tailor the proposed Solution to meet Elexicon's specific needs and anticipated growth.

(a) Customer Demographics:

Elexicon proudly serves a diverse customer base totaling over 178,000 customer accounts, that includes residential, small commercial, and large commercial customers. The breakdown of the customer base is as follows:

- **Residential Customers:** Making up 93% of Elexicon's total customer base, residential customers are the cornerstone of Elexicon's operations and represent the highest volume.
- **Small Commercial Customers:** Comprising 6% of the customer portfolio, these customers represent a wide range of businesses and services.
- **Large Commercial Customers:** Although representing just 1% of the overall customer base, large commercial and industrial customers are significant users, often requiring complex and customized energy solutions.

(b) Operational Metrics:

- **Customer Inquiries:** The customer service department handles approximately 150,000 customer inquiries each year through various means, including phone, email, portal, and written correspondence. These interactions range from billing questions and usage concerns to service requests and outage reports.
- **Billing Operations:** Annually, Elexicon generates over 2 million bills and expect this to grow with the expected growth in the regions. In 2023, Elexicon achieved a 99.87% accuracy rate in billing processes, underscoring the organization's commitment to providing reliable and error-free billing services to customers.
- **Credit and Collections:** The Credit department manages bad debt, focusing on both active and inactive accounts (final billed, non – payment, non-sign ups, bankruptcies). In 2023, roughly 55,000 notices were sent, and 1500 disconnections (non-payment) occurred.

(c) Current Metering and Wholesale Systems:

- **Meter Systems:** Elexicon currently utilizes two main meter systems:
 - **Sensus:** This system supports a portion of the residential and commercial customer base.
 - **Honeywell:** Is used alongside Sensus and covers the remainder of the metering needs across various customer segments.
- **Data Management and Billing Support:**
 - **Meter Data Management / Repository (MDM/R):** The provincial MDM/R functions as a centralized repository for managing, validating, and processing data on hourly electricity consumption, crucial for facilitating billing operations of local distribution companies.
 - **Savage ODS (Operational Data Store):** Savage ODS serves as a central database for storing, processing, validating and managing information about hourly electricity consumption that supports the billing processes of Elexicon. Acting as a billing engine, it replicates the functionality of the provincial MDM/R system in case of failure. In addition to its primary functions, the ODS system also acts as a message filter for power outages for ADMS and provides reports on transformer loading for engineering.

- **Settlement Support:**

- **Kinetiq:** The Kinetiq Settlement module was initially developed for the Ontario market. Settlement requirements for Ontario include many of the elements common to most markets: data management, data aggregation, load profile management, data export. The Kinetiq Settlement module also includes a selection of reporting and graphical analysis tools to assist retailers in meeting market settlement requirements.
- In 2023, the metering department successfully installed approximately 6,500 meters (new and change outs). This expansion stresses the ongoing efforts to enhance service coverage and improve infrastructure. The integration of these meters into the existing Sensus and Honeywell systems is critical for maintaining continuity and accuracy in billing and customer data management. The proposed Solution must accommodate continued growth and the associated increase in data and management requirements, seamlessly.

Importance of Customer Experience in the Proposed Solution:

The proposed industry Solution should enhance the organization's ability to manage these extensive customer interactions, efficiently. It should offer advanced features that streamline billing processes customer service support and responsiveness and maintain the high accuracy levels Elexicon's customers expect.

Furthermore, the Solution should provide robust data analytics capabilities to help Elexicon better understand its customers, their needs, predict market trends, and personalize services to enhance customer satisfaction.

Understanding these elements of Elexicon's customer experience department and expected growth is crucial for the proposed Solution that not only supports but also enhances customer interactions. Proponents should demonstrate a clear comprehension of Elexicon's needs and propose innovative solutions to elevate its customer service operations and be flexible enough for growth within the organization.

10. Solution Overview

Elexicon is seeking to implement industry leading standard operating models and business processes enabled through a single integrated technology platform through the Dx NEXT program. The objective of Dx NEXT includes but is not limited to:

- Adopt standard industry leading processes while leveraging utilities best practices through the adoption of a fully integrated technology Solution
- Standardize business processes drive efficiencies in day-to-day operations and implementing a single source of truth providing an easy way to collect the information
- Allow Elexicon to scale to the expected growth of the population in the regions served
- Provide employees with the tools needed to effectively perform their roles and provide opportunities for employees to build skills and learn
- Take an approach to standardization and the “Elexicon way” of working. Reorganize work around new processes and not designing new processes around old work
- Enhance customer focus
- Reduce operational risk and administrative burden
- Maximize business performance
- Secure, reliable, and scalable hosting services

Elexicon is motivated to change its organizational and operational model to fully adopt the standard processes and capabilities inherent in a standard industry solution.

With this NRFP, Elexicon desires to purchase or otherwise acquire rights for an enabling Solution that meets the requirements identified in this NRFP. Elexicon will consider all technology platforms for this procurement, but its strong preference is to focus on industry standard solutions that have pre-built, vendor supported, best in class, integrated capabilities within and between the various Solution components.

As part of this NRFP, Elexicon will select an implementation partner, who is also able to provide licensing of the technology powering the Solution (whether directly, as a value-added re-seller, or otherwise), to propose a technology solution with standard industry processes to support Elexicon’s people and processes across:

1. Customer Experience
2. Asset Management, Program Delivery, Construction and Engineering (including Distribution Operations, Manage Assets, and Capital Projects)
3. Supply Chain Management
4. Finance
5. Information Technology

6. Human Resources
7. Payroll Time and Attendance
8. Data Analytics
9. Health, Safety and Environment
10. Information Management

However, Elexicon seeks a Proponent partnership that offers more than just a technical platform. Elexicon expects the prospective Proponent not only to guide the organization and recommend a hosted Solution platform, but also to lead and execute in the design, build, testing, organization change management, training, documentation, and deployment phases of the Solution and to then also provide ongoing long-term hosting and comprehensive Application Management Services for sustained system performance and reliability. Accordingly, Elexicon requires that any Proposal for a Solution also include the professional services necessary to implement (including providing end-user training for the Solution), and then to continue to support and delivery, the Solution.

As part of the comprehensive service scope, the proposed Solution is to include secure, reliable, and scalable hosting services. The enabling Solution should unify operations, enhance data integrity, and provide the agility needed to adapt to the dynamic demands of the energy market. It should facilitate the optimization of current business processes to align with industry best practices and establish a framework for identifying future requirements – ensuring Elexicon’s continued growth and success.

The successful completion of this program will increase operational efficiency and enhance user experience by consolidating key systems across Elexicon as well as leveraging industry leading technologies and automation to streamline business processes for the future.

In summary, Elexicon is looking for a long-term partner to provide:

A full architecture Solution with all corresponding software licenses procured through the Proponent on a [REDACTED]:

- Comprehensive integration of all system components for seamless functionality.
- [REDACTED] software licensing agreement ensuring consistency and support.
- Strategic procurement from a single Proponent to streamline operations.
- [REDACTED] commitment, securing future operations and software updates.

- Full-system support and maintenance included for the duration of the term.
- Secure, reliable, and scalable hosting services.

One-time professional services to implement the Solution:

- Expert setup and configuration tailored to business processes.
- Streamlined implementation process for rapid deployment using a phased approach.
- Knowledge transfer and complete and robust training for staff on new system features.
- Quality assurance checks to ensure optimal system performance from day one.
- Transition Management to coordinate the transfer of knowledge of the in-scope applications and technical environment from the Proponent's implementation Services team to the Proponent's ongoing support Services team prior to each go-live event and establish governance in support of the operations and incident management prior to commencement of AMS steady state operations.

Application Management Services on a 10-year (5+5) term:

- 10-year comprehensive AMS for sustained system performance and reliability.
- Annual maintenance to ensure continuous, efficient operations.
- Comprehensive monitoring and reporting on system health and performance.
- Regular system upgrades to incorporate the latest software advancements.
- Timely security fixes to mitigate risks and protect data integrity.
- Professional system administration for optimized system functionality.
- A block of pre-paid hours for adaptable minor system modifications and enhancements.
- On-demand professional services to meet evolving business requirements.
- Flexibility with off-ramp options for changing service strategies as necessary.
- Comprehensive Solution support and incident management services.

SCHEDULE B - DESCRIPTION OF PRODUCTS, SERVICES AND DELIVERABLES

Schedule B details the Services and Solution requirements to be provided and met under this NRFP.

1. Functional Solution Requirements and Proposed Implementation Phases:

(a) Objective and Strategic Alignment

Elexicon's core objective is to fully adopt industry-leading standard processes across all functional domains, deploying these through a centralized technology platform. This initiative is not merely a technological upgrade but a strategic alignment with the best practices that define top-tier operations in the energy industry. By implementing an 'out-of-the-box', non-customized, standard Solution, Elexicon aims to integrate these best practices seamlessly into its operations.

(b) Need for Continuous Operation

Elexicon has 24 x 7 customer and field operations. The Proponent's implementation strategy needs to provide for Elexicon's continuous operation during the entirety of the Dx NEXT program. This means that the Solution and Services scope includes provision for all interim and intermediary system needs to ensure uninterrupted operation.

(c) Commitment to Standard Practices

Elexicon is fully committed to embracing the significant organizational changes that come with the adoption of this advanced technology. The strategy prioritizes adoption of established industry standards, ensuring that every facet of the organization reflects industry best practice. This commitment underscores Elexicon's belief that true efficiency and innovation stem from proven, universally recognized methodologies rather than customized solutions tailored to legacy processes.

(d) Enhancing Operational Efficiency

The adoption of this technology is expected to help the organization to achieve industry standard levels of operational efficiency. By streamlining workflows and reducing the complexity of processes, Elexicon anticipates improvements in accuracy, and output that will propel the organization ahead of competitive market forces.

(e) The Heart of Elexicon

Figure 6 - The Heart of Elexicon presents a representation of Elexicon's envisioned future state solution. This diagram captures the uniformly integrated approach Elexicon are undertaking to adopt industry-leading processes through a centralized technology platform. It illustrates how each component of operations will interact seamlessly, supported by advanced systems that embody industry best practice where Elexicon can fully adopt standard, out of the box processes.

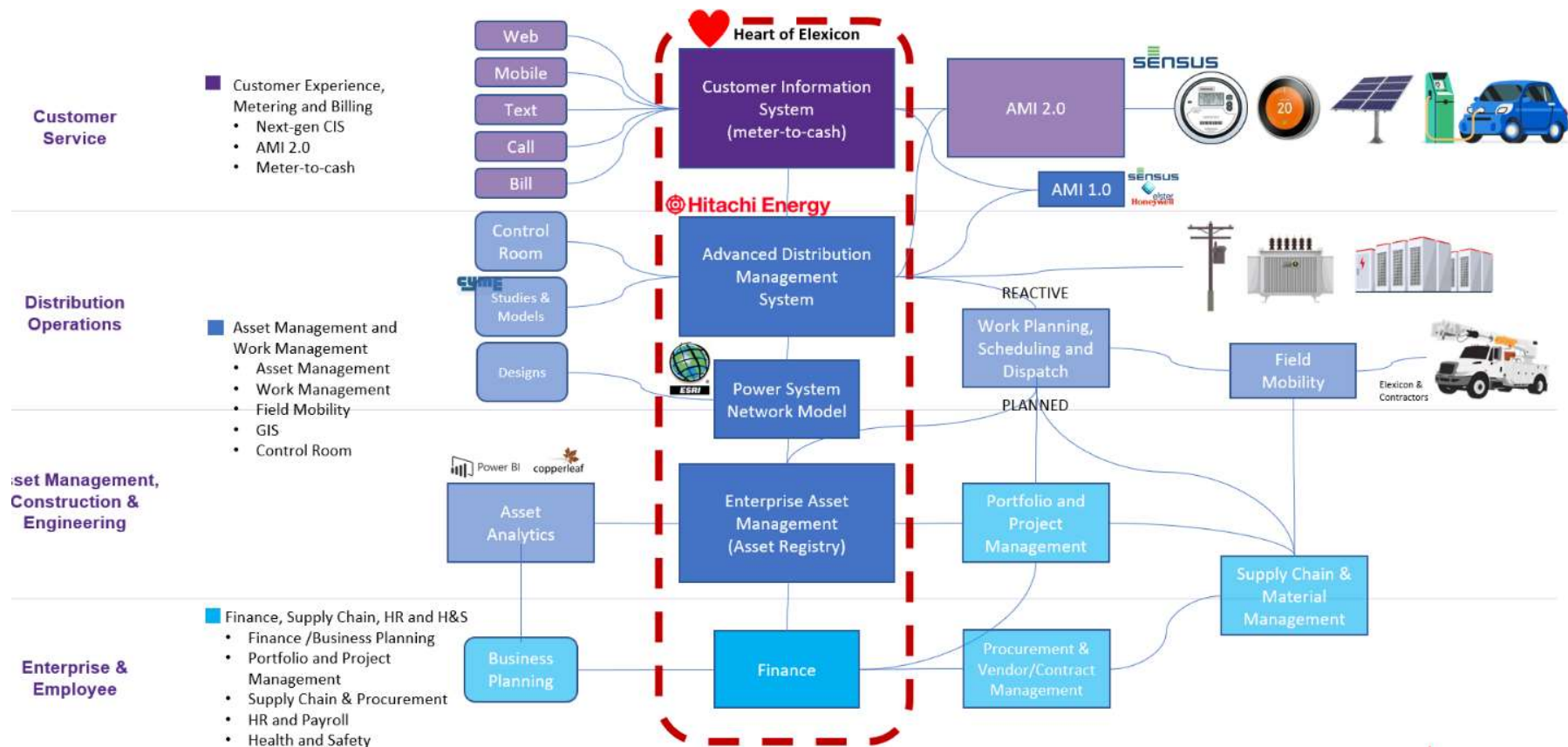


Figure 6 - The Heart of Elexicon

(f) **Introduction to Implementation Phases**

In Elexicon's pursuit to adopt industry-leading practices and enhance its technological capabilities, this NRFP delineates a phased approach to the implementation of the new Solution. The phased strategy is designed to manage risk, maximize efficiency, and ensure the smooth integration of new processes across different functional areas of the organization. Each phase targets specific operational domains and sets clear objectives that contribute to the overarching goals of Elexicon's transformation journey, as detailed in the Figure 7 - Implementation Phases below.

Phase	Scope	Timing
Phase 1	Customer Experience, including associated Data Analytics, Information Management and Information Technology	Commence on signing of the contract with the Proponent.
Phase 2	Core Solution: Asset Management Program Delivery, Construction and Engineering; Finance; Supply Chain Management; and Data and Analytics, and associated Information Management and Information Technology	Aligned with constraints and parallel activities as outlined in Section 13(a) and Appendix D – Project Dx NEXT Proposed Deployment Schedule
Phase 3	Human Resources; Payroll Time and Attendance; and Health, Safety and Environment, and associated Data and Analytics, Information Management and Information Technology	Proponent to propose timing, Elexicon's preference is to align with Phase 2.

Figure 7 - Implementation Phases

In accordance with the Form of Agreement, and following the completion of Phase 1, Elexicon reserves the right to delay or elect not to proceed with Phase 2 or Phase 3 with the Proponent. In addition, if Elexicon terminates Phase 1, in accordance with the Form of Agreement, Elexicon reserves the right to, within the scope of this NRFP, enter into negotiations with one or more other Proponents selected by Elexicon to provide all or any portion of the Services or Solution, including, at Elexicon's sole discretion, to complete all or a portion of Phase 1 (whether by using all or a portion of the prior

service provider's completed Phase 1 deliverables or by first having them re-perform all or a portion of the Phase 1 services, as determined by Elexicon in its sole discretion).

(g) **Phase 1 Overview: Customer Experience and Data Analytics Focus**

Objective: Enhance direct customer interactions and leverage advanced data analytics to improve decision-making processes.

Key Components:

Customer Experience:

- Service Optimization: Assess and enhance customer service operations to improve overall satisfaction.
- Digital Access Enhancements: Implement a customer portal along with mobile workforce management tools and apps to improve service accessibility and user experience.
- System Integration: Seamlessly integrate new and existing technologies to streamline customer service processes and enhance efficiency.

Data and Analytics:

- Advanced Analytics Implementation: Develop capabilities in business intelligence, predictive analytics, and performance metrics to drive strategic decisions.
- Data Governance: Establish a comprehensive data governance framework that ensures data integrity and security, supporting reliable analytics.

Expected Outcomes: Improved customer satisfaction, increased operational efficiencies and transparency and data-driven decision-making.

Capabilities referenced in Phase 1 -3 Overview in Figure 8 - Phase 1 Overview, Figure 9 - Phase 2 Overview and Figure 10 - Phase 3 Overview are detailed in Schedule D.1 Capabilities Listing Requirement.

Functional Area	Scope
Customer Experience	All capabilities. Note that this will include Finance functional area capabilities to the extent needed to

Functional Area	Scope
	support the Customer Experience functional area capabilities.
Data and Analytics	All capabilities as required to support the Customer Experience functional area
Information Management	All capabilities as required to support the above functional area scope for this phase.
Information Technology	All capabilities as required to support the above functional area scope for this phase.

Figure 8 - Phase 1 Overview

(h) **Phase 2 Overview: Core Solution**

Objective: To broaden the Solution's integration into core operational areas including Asset Management, Program Delivery, Construction and Engineering; Finance; and Supply Chain Management.

Key Components:

Asset Management, Program Delivery, Construction and Engineering:

- Manage and optimize service delivery resources and utility network operations.
- Enhance mobile workforce management tools and maintain productive assets.

Finance:

- Streamline financial operations such as reporting, planning, accounting, tax management, project billing and treasury operations.

Supply Chain Management:

- Optimize material planning, requisitioning, and supplier management.
- Implement strategic sourcing and contract management enhancements.

Expected Outcomes: Streamlined operations, reduced costs, and improved efficiency across asset management, financial, and supply chain processes.

Functional Area	Scope
Asset Management, Program Delivery, Construction and Engineering	All capabilities
Finance	All capabilities
Supply Chain Management	All capabilities
Data and Analytics	All capabilities
Information Management	All capabilities as required to support the above functional area scope for this phase.
Information Technology	All capabilities as required to support the above functional area scope for this phase.

Figure 9 - Phase 2 Overview

(i) Phase 3 Overview: HR, Payroll, Health, Safety and Environment

Objective: In order to integrate advanced functionalities in HR/Payroll, Health, Safety and Environment (HSE) and finalize comprehensive system integration.

Key Components:

Human Resources:

- Automate recruitment, onboarding, payroll, performance management, and talent management processes. Furthermore, provide an effective workforce management and learning management systems.

Health, Safety and Environment:

- Implement comprehensive HSE management systems, including risk assessments, training management, and emergency preparedness.
- Develop sustainability data management and incident management protocols.

Expected Outcomes: Enhanced employee management, improved safety standards, and a fully integrated, organization-wide system.

Functional Area	Scope
Human Resources	All capabilities
Health, Safety and Environment	All capabilities
Data and Analytics	All capabilities as required to support the Human Resources and Health, Safety and Environment functional areas
Information Management	All capabilities as required to support the above functional area scope for this phase.
Information Technology	All capabilities as required to support the above functional area scope for this phase.

Figure 10 - Phase 3 Overview

(j) Capabilities Listing Requirements

Exelicon has provided a detailed inventory of the processes that are critical to operations in the Schedule D.1 Capabilities Listing Requirement, and which form a key part of the Solution requirements under this NRFP. See Schedule D.1 – Capabilities Listing Requirements for additional instructions on how to respond with respect to these requirements.

(k) Proposed Solution Requirements

As part of Proponent's proposed Solution in their Schedule D.2 – Proposed Solution response, Proponents should submit a comprehensive Proposal for an end-to-end Solution that aligns with Exelicon's vision for a fully integrated and innovative system. This Solution should encapsulate all functional areas outlined in the NRFP and demonstrate a clear understanding of the industry's challenges and opportunities. The Proposal should not only address Exelicon's specified requirements but also leverage the Proponent's industry expertise to suggest enhancements that will deliver substantial value to the organization.

As part of Proponent's Solution Proposal in their Schedule D.2 – Proposed Solution response, Proponents should include the following elements:

(i) Solution Overview:

Provide a detailed description of the proposed Solution, explaining how it integrates all required functionalities and processes. This overview should include an explanation of the Solution architecture, technologies used, and how these components work together to create a seamless system.

(ii) Alignment with Organizational Needs:

Clearly articulate how the proposed Solution meets the specific needs outlined in the NRFP. This should include a discussion on how the Solution aligns with the organization's strategic objectives and how it will help Elexicon achieve operational excellence.

(iii) Innovation and Industry Best Practices:

Demonstrate understanding of the latest trends and technologies in the industry by incorporating innovative features that enhance efficiency, reliability, and user experience. Explain how these innovations are embedded in your Solution and the practical benefits they bring.

(iv) End-to-End Functionality:

Detail the end-to-end functionality of the proposed Solution, from initial setup and integration, through day-to-day operations, to support and maintenance. Include information on any unique capabilities that set your Solution apart in handling complex processes and data flows.

(v) Implementation Strategy:

Outline a clear and realistic implementation plan that includes timelines, milestones, and risk mitigation strategies. This plan should detail the phased rollout of the Solution, training for users, and any transitional support offered.

(vi) Flexibility:

Discuss the flexibility of the Solution to adapt to future changes in business processes, regulatory requirements, and technology advancements. Include examples of how the Solution has successfully adapted in other deployments.

(vii) Case Studies:

Include case studies or references where similar solutions have been successfully implemented. Highlight the outcomes and benefits realized through these deployments.

(l) Enabling Scenarios Requirements

In addition to the Capabilities Listing Requirements in Schedule D.1, please refer to Schedule D.3 – Enabling Scenarios where each line of business has provided an overview of their department and identified key enabling scenarios that should be enabled through the Solution proposed by the Proponent. This document is essential for understanding the specific needs and expectations of each department within the organization. See Schedule D.3 – Enabling Scenarios for additional instructions on how to respond with respect to these requirements.

2. Technology Solution Requirements

Elexicon is seeking a comprehensive Solution that enables the defined functional requirements through a fully integrated system. Elexicon emphasizes the need for a unified suite of technologies, designed to function seamlessly without requiring additional, customer supported, integrations between modules. A preference is given to Solutions that are cloud-based and hosted in Canada to comply with Elexicon's data residency regulations. Proposals are to detail any third-party components and demonstrate how these will be effectively supported and maintained with the main Solution over the contract term. Additionally, the desired Solution should be equipped with pre-configured master data, robust reporting tools, stringent security measures, and embody best practices standard to the industry. This comprehensive approach will help the organization achieve operational excellence and maintain compliance with industry standards, without the need to customize or modify the core Solution.

(a) Key Capabilities

In the proposed Solution, the Proponent is required to demonstrate a clear and effective strategy to address the following key criteria that are essential for meeting Elexicon's comprehensive needs. Each aspect should be thoroughly covered to ensure the Solution can integrate seamlessly with existing systems and deliver robust functionality:

- **Integration with Legacy Systems:** The Solution is to be capable of integrating smoothly with existing systems that are being kept, including legacy metering

and telephony platforms, without compromising performance or data integrity. See Section 7 for integration details.

- **Integration with 3rd parties:** The Solution is to be capable of integrating smoothly with 3rd party vendors which will remain. This includes but is not limited to required 3rd parties such as IESO MDM/R, ERT, OESP, AMI systems and fulfillment vendors such as Kubra for print/mail and payment services.
- **Identity and Access Management (IAM):** Provide a comprehensive IAM solution capable of managing access for Elexicon's growing customer base, ensuring secure and efficient user management.
- **Standard Reporting and Analytics:** The Solution should include "out of the box" standard reporting and analytics tools that require minimal customization and can deliver insights immediately upon deployment.
- **Master Data Management:** Include industry-standard master data management practices to ensure data accuracy, consistency, and governance across all company data assets.
- **AMI 2.0 Readiness:** Ensure the Solution is ready for Advanced Metering Infrastructure (AMI) 2.0, accommodating future upgrades and integrations as necessary to stay ahead in technology advancements.
- **Data Retention and Disposition:** The proposed Solution should have the ability to manage retention and disposition of data and information in alignment with Elexicon policies, and to ensure compliance with evolving privacy legislation and regulatory requirements. Data retention and disposition capabilities for personal information is a firm requirement.

(b) **Governance and Controls**

As a critical component of this Solution delivery, it is required that the Proponent to adhere to stringent compliance and reporting standards that support the commitment to robust governance and oversight. Specifically, the Proponent (including subcontractors) is expected to fulfill the following obligations:

- **Annual SOC1 and SOC2 Reports:** Provision of annual Service Organization Control SOC1 and SOC2 reports. These reports are essential as they attest to the controls at a service organization related to data security, availability, processing integrity, confidentiality, and privacy. These reports will help verify that the Proponent and Solution maintain a high standard of service and operational control that meets or exceeds industry standards for security and trust.

- **Support for ICFR:** The Solution is expected to support Internal Controls over Financial Reporting (ICFR, that is critical for ensuring the accuracy and reliability of financial statements. The Proponent's Solution should provide tools and features that facilitate compliance with financial reporting requirements, help in the detection and prevention of errors and fraud in financial statements, and ensure that the financial operations are conducted in accordance with the laid down regulations and standards.
- **Information Technology General Controls (ITGC):** The Solution should also support Information Technology General Controls, that are integral to securing the IT infrastructure and ensuring the integrity of the system's data. ITGCs typically include controls over data center and network operations; system software acquisition, change management, maintenance, and access security; and application system acquisition, development, and maintenance. The Proponent should demonstrate how their Solution enhances the ITGC environment through these controls.

These elements are crucial for maintaining compliance with applicable regulations and for ensuring the integrity and reliability of Elexicon's operations and reporting. The Proponent should provide clear and detailed descriptions of how their Solution meets these requirements and how they will maintain compliance throughout the duration of their service.

(c) **Current State Diagram**

The diagram in Figure 11 - Current State Diagram, below, offers an overview of the current Elexicon Enterprise Solutions technology landscape. It is noteworthy that this diagram is intended solely as a reference point shows the existing configurations and interconnections between various technology systems and platforms within the organization, to facilitate a better understanding of Elexicon's infrastructure as the Proposal is prepared.

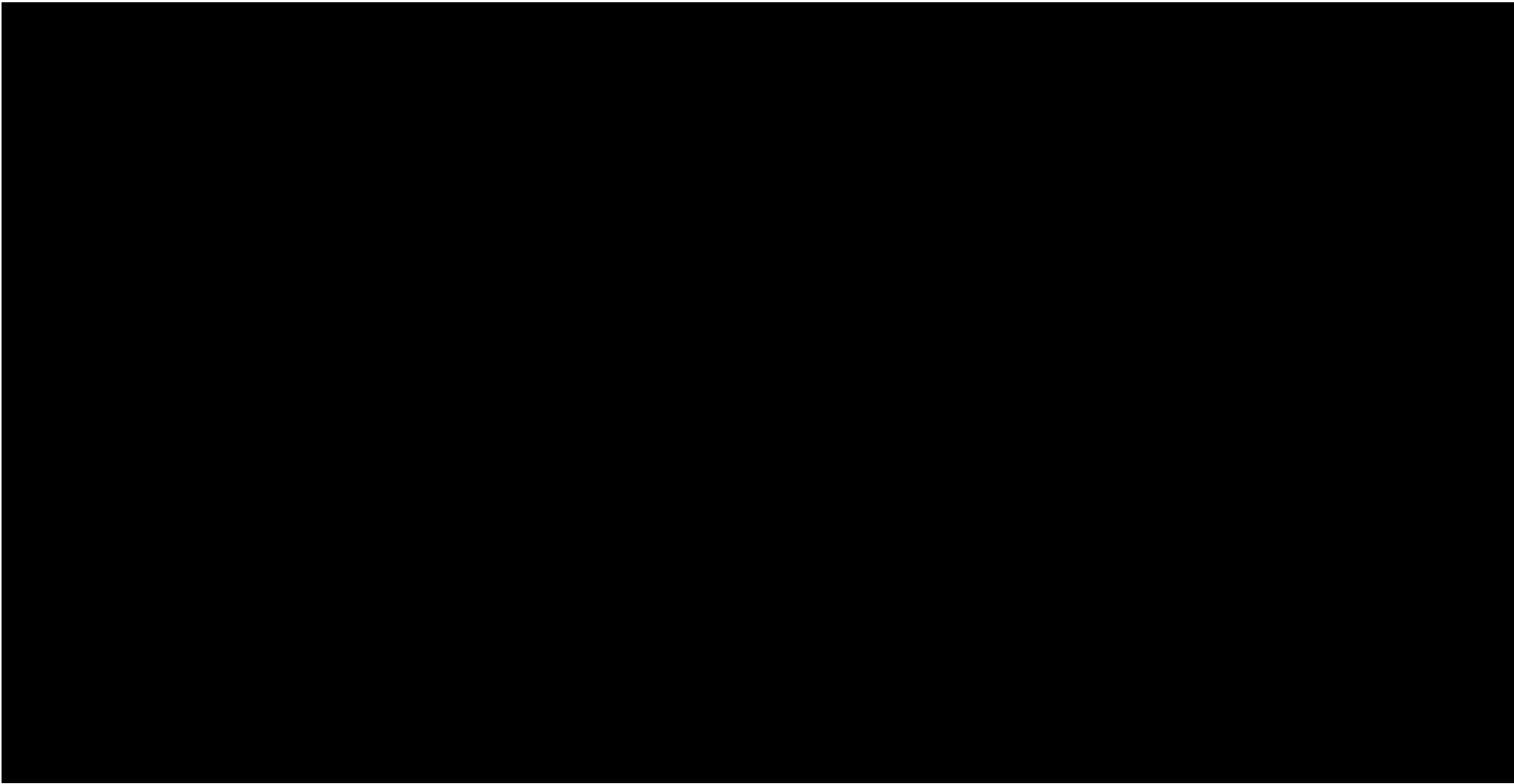


Figure 11 - Current State Diagram

(d) **Inventory of Current Applications**

In Figure 12 - Inventory of Current Applications below is an inventory of current applications at Elexicon that should be considered by the Proponent in the overall Solution.

Applications with a status of “Integration Required” are expected to remain in use and the Proponent will be required to integrate their Solution with the application.

Applications with a status of “No Legacy Requirement” are not required to be retained if their functionality will be replaced by the Proponent’s proposed Solution. However, to the extent the application’s functionality will not be replaced by the Proponent’s Solution then the Proponent will be expected to integrate their Solution to the legacy application.

Current Applications	Version	Description	Status
Customer Systems:			
AMI – Sensus	██████	Advanced Metering Infrastructure system that facilitates smart meter data collection and management for residential and commercial customers.	Integration Required
AMI – Honeywell	██████	Advanced Metering Infrastructure system that facilitates smart meter data collection and management for residential and commercial	Integration Required
Genesys	████████████████████	Contact centre platform (Phone, IVR email, chat and outbound dialler).	Integration Required
Green Button	██████	Mandatory standardized data format for customers to access energy usage data.	Integration Required
Tableau	████████████████████	Data visualization tool	No Legacy Requirement

Current Applications	Version	Description	Status
[REDACTED]	[REDACTED]	Customer Portal	No Legacy Requirement
[REDACTED]	[REDACTED]	Customer information and billing software	No Legacy Requirement
[REDACTED]	[REDACTED]	Utilities Mobile Workforce Management ("MWFM") A highly configurable and intuitive solution, [REDACTED] allows service order information to flow seamlessly from the office to the field, and back, resulting in a real-time flow of service-order data.	No Legacy Requirement
Powerview Web	[REDACTED]	Commercial, industrial and wholesale data web presentment and analytics tool for internal and external customers.	No Legacy Requirement
Xphase	[REDACTED]	Cross phase analytics and register reconciliation tool.	No Legacy Requirement
Savage Data Systems ODS	[REDACTED]	Central database for storing, processing, validating and managing hourly electricity consumption supporting Elexicon's billing processes. Acting as a billing engine, it replicates the functionality of the provincial MDM/R system in case of failure. In addition to its primary functions, the ODS system also acts as a message filter for power outages for ADMS and provides reports on transformer loading for Engineering.	Integration Required
Kubra	[REDACTED]	Bill print, email, credit card /online payments	Integration Required However, to the extent the proposed Solution

Current Applications	Version	Description	Status
			replaces a portion of the functionality performed by Kubra, integration is only required with respect to the remaining Kubra functionality.
Customer Choice		Customer optionality – switches in price plans	No Legacy Requirement
Kinetiq (Retail and Wholesale settlements)		Wholesale and retail settlement system.	No Legacy Requirement
ICF/OESP		Regulated low-income credit assessment agency	Integration Required
BlueWorks LIVE		Process mapping tool (Live March 2024)	No Legacy Requirement
AS/2		File exchange tool between the CIS and MDM/R	No Legacy Requirement
CLEO		Cloud based subscription, enabling MDM/R processes	No Legacy Requirement
Clevest		MWFM tool to optimize the deployment and management of utility field workers.	No Legacy Requirement
Healthsys (Health Systems/ Fortra) - Automate		A workflow automation solution	No Legacy Requirement
Automate			No Legacy Requirement

Current Applications	Version	Description	Status
Aegysis	N/A	Server monitoring	No Legacy Requirement
MSSQL		Contains Datamart's and other historical tables created for analytics.	No Legacy Requirement
ERTH Hub		ERTH Business Technologies manages and maintains the market hub where Electronic Business Transactions are exchanged to facilitate the process.	Integration Required
Distribution Operations Systems:			
Clevest Mobile Workforce Management		System designed to optimize field operations through real-time scheduling, dispatching, and tracking of field personnel.	No Legacy Requirement
MS Project 2021 Standard		Planning tool (formally used Smartsheet)	No Legacy Requirement
Geotab		Geotab fleet Telematics	Integration Required
Asset Management Systems:			
(Hitachi ADMS		Advanced Distribution and Outage Management System that provides comprehensive network management and help ensure the reliable distribution of electricity.	Integration Required
CYME		Software for electrical engineers involved in the planning and operation of electrical distribution systems.	No Legacy Requirement
Esri GIS System		Geographic Information System software that manages and analyzes geographical data, supporting	Integration Required

Current Applications	Version	Description	Status
		various functions of asset management in utility companies	
Hexagon/Intergraph (Asset Condition Data)		Software solutions that facilitate the collection and analysis of asset condition data for informed decision-making	No Legacy Requirement
Quadra (Capital Job Cost Estimator)		Software for estimating costs associated with capital projects, enabling accurate budgeting and financial planning	No Legacy Requirement
Spidacalc		Electrical Pole loading analysis	No Legacy Requirement
Finance Systems:			
		An enterprise resource planning (ERP) solution currently used for financials.	No Legacy Requirement
		Performance management tool used to support budgeting, forecasting.	No Legacy Requirement
HRMS, Pay, Time and Attendance Systems:			
		A human capital management platform that transforms the employee experience by combining HR, payroll, benefits, workforce management, and talent management	No Legacy Requirement

Figure 12 - Inventory of Current Applications

See Section 7 for additional integration details.

(e) **Accountability Wrap Requirement**

Elexicon seeks a comprehensive and fully accountable partnership with the selected Proponent to provide an end-to-end Solution. Given the limited internal technical capabilities, it is imperative that the Proponent assumes full responsibility for the functionality, integration, and long-term support of the proposed Solution.

Accordingly, Elexicon requires an "Accountability Wrap" for all components of the proposed Solution. This includes all software, hardware, and services, along with their integrations. The term "Accountability Wrap" signifies that the entire Solution—every element and process—must operate cohesively and be supported collectively by the Proponent throughout the duration of the contract. This comprehensive responsibility encompasses the following:

- **Seamless Integration:** Ensuring that all components of the Solution, including legacy system integrations, work seamlessly together without requiring additional oversight or intervention from Elexicon.
- **End-to-End Support:** Proponent provides full support services covering all aspects of the Solution, from implementation and maintenance to upgrades and troubleshooting. This support is to be proactive and responsive, ensuring minimal downtime and optimal performance at all times. The support arrangement should anticipate regulatory and government changes that will need to be reflected in the solution over time.
- **Training and Documentation:** The Proponent is expected to equip Elexicon staff with the necessary training and documentation to effectively use the Solution, despite the limited in-house IT resources. This training should be comprehensive and adapted to the skill levels of employees.
- **Regular Updates and Compliance:** The Proponent is to maintain the Solution in accordance with evolving industry standards, regulatory requirements, and technological advancements, ensuring the Solution remains current and effective.
- **Direct Accountability:** In instances of system failures or performance issues, the Proponent takes direct accountability without deflecting responsibility to third parties or subcontractors. This includes a clear escalation path and predefined service level agreements (SLAs) that guarantee timely resolutions to any issues that arise.

Proposals should detail how the Proponent plans to meet these requirements, including descriptions of their support structure, integration strategies, training

programs, and accountability measures. The Proposal should also outline the Proponent's experience in managing comprehensive solutions for clients with similar operational scales and complexity.

(f) **COTS Components**

Exelion anticipates that the Solution will be built using one or more commercially available applications (each a **"COTS Component"**), which may be proprietary to certain third party providers (each a **"COTS Component Provider"**). Exelion expects the Proponent, as part of their Proposal, to be able to provide all software licenses required for the Solution, including for any COTS Components.

As noted above, Exelion seeks a comprehensive and fully accountable partnership with the selected Proponent to provide an end-to-end Solution, and simplify Exelion's contracting requirements. Accordingly, it is Exelion's strong preference that, unless prohibited by the applicable COTS Component Provider who only allows value-added reseller sales of licenses that are to be directly held by the end customer, the Proponent be willing and able to directly hold the licenses to the COTS Components (for use by the Proponent in delivering the Solution, and by Exelion in using the Solution), provided that the Proponent is able to assign or transfer the licenses to Exelion if requested, and that the end-to-end Solution be provided entirely on uniform contract terms directly with the Proponent pursuant to the Form of Agreement, with the Proponent managing Proponent's downstream contracts with COTS Component Providers.

The Proponent's Proposal should specify the approach it is proposing, and preference will be given first to the approach described above, and then to approaches that otherwise: (i) provide the best licensing and related contract terms to Exelion; (ii) provide for full accountability for the Proponent for the ongoing operation of the end-to-end Solution; and (iii) simplify the contracting model (from Exelion's perspective).

For purposes of references in this NRFP, and regardless of the contracting model ultimately employed, a COTS Component Provider will be deemed to be a subcontractor of the Proponent.

As part of the Services, to the extent requested by Exelion, the Proponent will acquire or supply, as the case may be (whether in its own name for the benefit of Exelion, or on behalf and in the name of Exelion) all, or any requested portion of, the COTS Components (including associated support and maintenance and other services from the COTS Component Provider) on the terms and conditions that are agreed to by

Elexicon. To the extent any such licenses or agreements are entered into with the Proponent as the direct licensee, they are to be assignable to Elexicon upon Elexicon's request. Notwithstanding the foregoing, Elexicon will have no obligation to procure any or all of the COTS Components (including any or all associated support and maintenance or other services from the COTS Component Provider) from or through the Proponent.

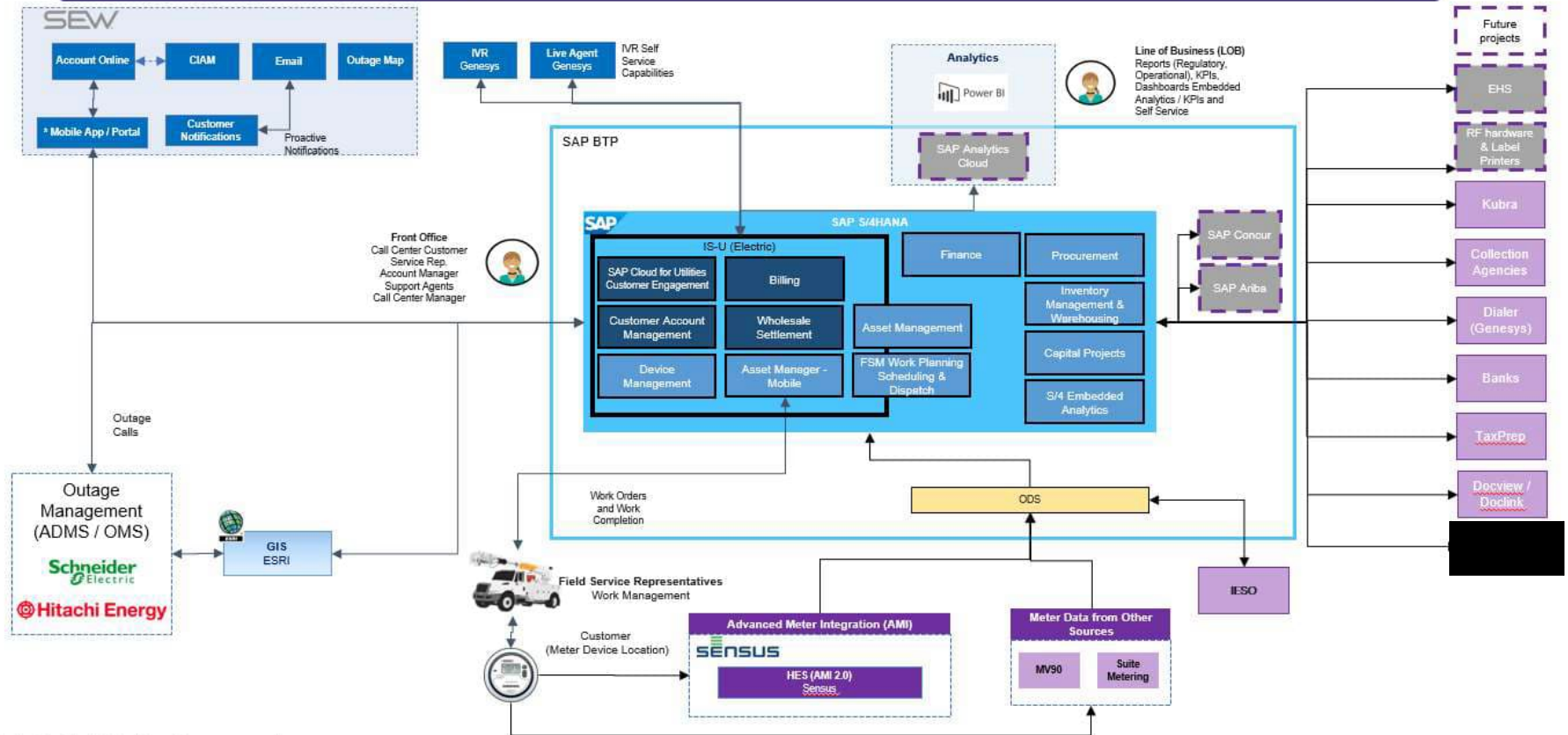
Regardless of how the COTS Components (including associated support and maintenance and other services from the COTS Component Provider) are procured, the Proponent will have prime responsibility for the end-to-end Solution, including configuring, implementing, stabilizing, enhancing, upgrading, modifying, supporting, providing training or otherwise providing services in respect of the Solution, all as further described above part of the Accountability Wrap.

(g) **Reference Target State Landscape**

Elexicon is committed to finding a comprehensive solution that will fully satisfy its unique operational needs. In order to facilitate this, the outline provided in the Figure 13 - Reference Technology Landscape below is of a possible reference architecture. This architecture represents the envisioned end state and captures the broad functionality and integration capabilities expected from the proposed Solution.

It is important to note that Elexicon is not prescribing any specific technologies or platforms through this diagram. Instead, Elexicon is open to exploring various Solutions that Proponents believe will effectively meet its requirements. **The architecture provided here serves merely as an illustrative guide to demonstrate what a potential Solution could look like.** In no way should it be thought of as an inventory of required technology. Elexicon encourages the Proponent to propose innovative Solutions that leverage their expertise and technology to achieve the full enablement of Elexicon's needs, ensuring alignment with the organization's aforementioned strategic objectives.

Reference Technology Landscape Used for Estimation Purposes Only



Draft – Confidential, for discussion purposes only

Figure 13 - Reference Technology Landscape

(h) **PIPEDA and MFIPPA Compliance Requirement**

In order to protect the privacy and security of customer information, it is imperative that the Proponent ensures all handling, processing, storage, and transmission of customer data strictly adhere to the Personal Information Protection and Electronic Documents Act (PIPEDA), and the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA). These acts set the standard for how Elexicon may collect, use, and disclose personal information in the course of its business. Future developments in privacy legislation are anticipated, including the requirement to remove individuals' personal information upon request. Elexicon is looking for a Proponent and Solution that will be responsive to existing requirements and adaptive to such changes.

Key Requirements under PIPEDA and MFIPPA include:

- **Consent:** The Proponent is required to obtain individual consent for the collection, use, or disclosure of personal information, except where inappropriate. The purposes for which data is collected must be stated at the time of collection clearly and understandably.
- **Limited Collection:** The collection of personal information must be limited to that which is necessary for the purposes identified by the organization. Information must be collected by fair and lawful means.
- **Limited Use, Disclosure, and Retention:** Personal information must not be used or disclosed for purposes other than those for which it was collected, except with the consent of the individual or as required by law. Information must be retained only as long as necessary for the fulfillment of those purposes.
- **Accuracy:** Personal information must be as accurate, complete, and up-to-date as is necessary for the purposes for which it is to be used.
- **Safeguards:** Personal information must be protected by security safeguards appropriate to the sensitivity of the information. This includes physical, organizational, and technological measures.
- **Openness:** The Proponent must make readily available to customers information about their policies and practices relating to the management of personal information.
- **Individual Access:** Upon request, an individual must be informed of the existence, use, and disclosure of their personal information and given access to that information. An individual must be able to challenge the accuracy and completeness of the information and have it amended as appropriate.

- **Challenging Compliance:** An individual shall be able to address a challenge concerning compliance with the above principles to the designated individual or individuals accountable for the organization's compliance.

Implementation by the Proponent:

The Proponent is required to demonstrate how their operations and systems will comply with PIPEDA and MFIPPA, including these principles. This includes providing a detailed description of its data handling protocols, ability to retrieve, amend, and remove data from the systems, and measures for breach detection, response and notification.

As part of implementation methodology, the Proponent's Services scope includes supporting the completion of a Privacy Impact Assessment and ensuring that any identified mitigations are implemented to the satisfaction of Elexicon.

3. Integration and Security Requirements

The Proponent is required to propose a comprehensive end-to-end Solution encompassing design, development, integration, security, and maintenance of the Solution. The Proponent will be responsible for the following:

(a) Platform Considerations:

- **Data Residency:** The Solution is to ensure data residency remains within Canada.
- **Microsoft Compatibility:** Proponent should take into consideration that Elexicon has a significant deployment of the Microsoft technology stack, including MS Edge, MS Office, and MS SQL, and Elexicon leverages single sign-on through Azure IdP. While hosting of the Solution by the Proponent is not required to use Azure as its hosting environment, Elexicon has a preference for Azure usage, given Elexicon's existing use of the Microsoft technology stack.
- **Design and Implementation:** Responsible for the complete design, construction, and implementation of the Solution.
- **Coordination:** Work in coordination with Elexicon's IT support team to facilitate seamless implementation.
- **User Onboarding:** Create and manage user accounts to ensure smooth onboarding to the system.

(b) **Integration Scope:**

- **Existing Integrations:** Elexicon utilizes WebMethods to integrate existing customer systems. Proponent should develop, test, and implement their Solution to connect with existing customer systems where applicable.
- **Data Exchange:** Ensure seamless and secure exchange of data, adhering to cyber security best practices.
- **Authentication:** Implement modern and secure authentication protocols such as SAML and OAuth.

(c) **Security Scope:**

- **Data Security:** [REDACTED]
[REDACTED]
[REDACTED].
- **Compliance:** Ensure compliance with ISO 27001, SOC2 standards, and NIST 2.0 framework.
- **Audit Logging:** Implement comprehensive audit logging to track and manage access and changes to the system.

(d) **Additional Security Measures:**

- **Vulnerability Management:** Establish a robust vulnerability management process that includes regular assessments and remediation strategies.
- **Incident Response:** Develop and maintain an incident response plan to address security breaches promptly.
- **Disaster Recovery:** Implement a disaster recovery process to ensure continuity of operations in the event of a system outage or disaster.

4. **Non-functional Requirements**

As part of Proponent's Proposal, it is crucial to specify the non-functional requirements that support the operational integrity, security, and efficiency of the proposed Solution. These requirements ensure that the proposed Solution not only meets Elexicon's functional needs but also aligns with its organizational standards for performance, security, and scalability. The following non-functional criteria should be addressed by the Proponent in their proposed Solution:

(a) **Performance and Scalability:**

- **System Performance:** The Solution should deliver high performance under varying load conditions. Proposals should include benchmark data or estimates on system response times during peak operational periods.
- **Scalability:** The Solution should be scalable to accommodate growth in user numbers and data volume without degradation in performance.

(b) **Reliability and Availability:**

- **System Uptime:** Proposals should specify the expected uptime metrics, aiming for high availability Solutions.
- **Redundancy Measures:** Include strategies for ensuring continuous operation, such as failover systems and data redundancy.

(c) **Usability and Accessibility:**

- **User Interface:** The proposed Solution should have an intuitive user interface that is accessible to users with varying levels of technical proficiency.
- **Accessibility Standards:** The Solution should comply with the *Accessibility for Ontarians with Disabilities Act* requirement, including applicable conformance with Web Content Accessibility Guidelines (WCAG) 2.0, Level AA standards, as well as international accessibility standards, to ensure it is usable for all users, including those with abilities challenges.

(d) **Security and Compliance:**

- **Data Security:** Detailed mechanisms for encryption of data in transit and at rest should be described.
- **Regulatory Compliance:** The system is to meet relevant compliance requirements, which should be detailed by the Proponent, including adherence to ISO 27001, SOC2 standards, and Ontario Energy Board requirements.
- **Audit Capabilities:** The system should provide comprehensive logging and audit capabilities to monitor access and changes to sensitive data.

(e) **Maintenance and Support:**

- **System Maintenance:** Describe the maintenance schedule, including planned downtime and notification procedures.

- **Support Services:** Details of support services available, including tiers, response times, and availability of support personnel.

(f) **Disaster Recovery and Business Continuity:**

- **Recovery Procedures:** Outline of disaster recovery plans and objectives, including Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO).
- **Business Continuity:** Strategies to maintain business operations by the system under various scenarios, including system failures and external threats.

5. Data Conversion and Migration

For the successful implementation of the Dx NEXT program, comprehensive data conversion and migration is essential. The scope of data conversion encompasses all necessary actions to ensure that master data, transaction data, and budget/historical data are accurately and efficiently transferred from the current systems to the new platform. The Proponent is expected to provide a detailed end-to-end data conversion plan that includes the following responsibilities:

(a) **Data Extraction and Transformation:**

Outline the methodology for extracting data from existing systems. This includes the transformation of extracted data to align with the format and structure required by the new Solution.

(b) **Data Migration, Loading, and Validation:**

Develop and execute a plan for the migration and loading of all in-scope data into the new Solution. This should include robust validation processes to ensure data integrity and accuracy.

Specify the steps involved in loading the data, ensuring that all data sets are correctly integrated into the new system's environment.

(c) **Documentation and Support Materials:**

Provide comprehensive procedures, templates, and guidelines necessary for all required data handling (to be described in detail in the Proposal). This documentation should facilitate a clear understanding and replicability of the data conversion process.

(d) **New Data Construction:**

Identify and document the requirements for any data elements that are not currently available but are needed for the new Solution (Proponent should identify these in their Proposal). While the actual construction of such data is outside the scope of this NRFP, defining these requirements is crucial.

(e) **Error Handling:**

Implement an effective error handling mechanism to address any data discrepancies or issues during the data conversion process. This should include error detection, reporting, and corrective actions to ensure data quality and completeness.

(f) **Exclusions:**

Elexicon will retain responsibility for all required data cleansing and the construction of data that currently does not exist. The Proponent should not include these activities in its Proposal.

(g) **Existing Data for Conversion:**

Figure 14 - Overview of Existing Data provides a detailed illustration of the existing data that will need to be migrated and transformed as part of the Dx NEXT program. This overview captures the key data domains currently utilized in Elexicon's systems that will be transitioned to the new platform.

CUSTOMER EXPERIENCE	DISTRIBUTION AND OPERATIONS	ENTERPRISE ASSET MANAGEMENT	FINANCE	SUPPLY CHAIN MANAGEMENT
• BP - Customer Master • Transactional Data • Contact information • Customer profile • Service/ mailing address • Historical service orders and account notes/comments • Premise Data • Payment /Bill History • Security Deposit • Historical Credit/Collections events • Payment Plan details/option • Meter information • Meter Reading data • Billing Data • Portal enrolments • Settlement data (wholesale, retail, pricing, NSLS, etc.)	• Spare Parts Material • Network • Resource / Capacity Plan • Preventive Maintenance Order • Unplanned Work Order • Service Order • Emergency Response Order • Stations Preventative Maintenance Reports • Oil Sampling Records • Stations Monthly Inspections	• Work Center • Functional Location • Equipment Master • Catalog Data • Measuring Points • Equipment Classes & Characteristics • Bill of Materials • Maintenance Strategy / Plan / Task list • Project / WBS elements • Internal orders	• Chart of Accounts • Profit Centers & Groups • Cost Center & Groups • Trading Partner • Bank Keys • Bank Accounts • House Banks & House Bank Accounts • Business Partner – Customer & Vendor • Investment orders • Activity Types • Statistical Key Figures • Open GL, AR/AP Balances	• BP - Vendor • Purchase Info Record • Pricing Conditions - Purchasing • Spare Parts • Inventory Open Balances • Open Purchase Order • Purchase Contract / Requisitions

Figure 14 - Overview of Existing Data

Please note that the master data associated with Elexicon's current [REDACTED] solution, which is in scope for Phase 3 of the project implementation, is not depicted in Figure 14 - Overview of Existing Data.

(h) **Data Discovery Findings Table:**

Elexicon conducted an assessment of Elexicon's data through a data discovery process. Figure 15 - Data Discovery Findings summarizes the findings, highlighting the quality and estimated quantity of its data, as well as any notable concerns. For certainty, the migration and transformation (subject to Subsection (f) above) of this data forms part of the Service scope.

Id	Area	Data Objects	Source Systems	Expected Volume	Data Quality	Extraction / Collection
1	Customer Experience	- BP - Customer Master - Transactional Data - Contact information - Customer profile - Service/mailling address - Historical service orders and account notes/comments - Premise Data - Payment /Bill History - Security Deposit - Historical Credit/Collections events - Payment Plan details/option - Meter information - Meter Reading data - Billing Data - Portal enrolments - Settlement data (wholesale, retail, pricing, NSLS, etc.)	██████ – Primary systems - Relevant data available in GENESYS (Contact), ██████ KUBRA, Sensus, MS SQL and Mobile Workforce Management (██████/Clevest) - Wholesale / Metering: Kinetiq – Settlement, Residential - Sensus – Whitby only, Honeywell – All regions, ITRON MV90 - wholesale, commercial and industrial - Xphase – 3rd Party (Supporting system for Meter accuracy testing) Savage ODS - Provincial Meter Data Management Repository – provide reads on demand basis	~ 178 K active customers out of total 416 K customers 10 K + duplicates exist with in ██████ and across all applications / systeregms 25 months of historical data for Biling, Credit, Customer Care 60 months of historical data for wholesale loading, reconciliation and invoice purposes.	- Assessed as Low to Medium - Evaluated based on following criteria: - Completeness – Medium Source systems data models vary from the Target system data model - Uniqueness – Low to Medium Harmonization effort is required to provide a single source of the truth - Relevancy – Medium Leverage active indicatory to identify active records - Consistency – Low to Medium - Data field values are not consistent across different applications	- Extraction of data files is possible - Medium – High Data cleansing / harmonization efforts - Data enrichment and data collection is required to meet target system requirements
2	Distribution and Operations	- Spare Parts Material - Network - Resource / Capacity Plan - Preventive Maintenance Order - Unplanned Work Order - Service Order - Emergency Response Order	- Clevest– Primary system - Data is available in other systems such as GIS – Preventive Maintenance, ██████ Quatra (estimation-New), Intergraph (Hexagen), Schneider electric, Smartsheet and	High Volume - TBD	- Assessed to be Medium - Completeness – Medium Source systems data models vary from Target system data model - Uniqueness – Medium - Need Harmonization efforts to provide a single source of the truth	- Data construct efforts will be significant due to different source system data models - Effort required for data enrichment

Id	Area	Data Objects	Source Systems	Expected Volume	Data Quality	Extraction / Collection
		- Stations Preventative Maintenance Reports - Oil Sampling Records - Stations Monthly Inspections	Inhouse DB – Asset ID creation - Excel - PDF		- Relevancy – Medium Leverage active indicator to identify active records - Consistency – Medium - Data field values are not consistent across different applications	
3	Enterprise Asset Management (EAM)	- Work Center - Functional Location - Equipment Master - Catalog Data - Measuring Points - Equipment Classes and Characteristics - Bill of Materials - Maintenance Strategy / Plan / Task list - Project / WBS elements - Internal orders	- GIS – Primary system - Data is available in other systems such as Clevest, Veridian DB, Quatra and local share drive, Excel, Smartsheets	High Volume - ~ 1 M + records	- Low to Medium - Completeness – Medium Source systems data models vary from Target system data model - Uniqueness – Medium Harmonization effort required to provide single source of the truth - Relevancy – Medium Leverage active indicator to identify active records - Consistency – Low - Data field values are not consistent across different applications	- Data construct efforts will be significant due to different source systems data model - Effort required for data enrichment
4	Finance	- Chart of Accounts - Profit Centers and Groups - Cost Center and Groups - Trading Partner - Bank Keys - Bank Accounts - House Banks and House Bank Accounts - Business Partner – Customer and Vendor - Investment orders - Activity Types - Statistical Key Figures - Open GL, AR/AP Balances	██████████ – Primary system - Data is available in other systems such as Netsuite (Group consolidation), ██████████ (Payroll), ██████████ (for integration), Vensoft, GIS and ██████████ for Fixed Assets	Medium to High Volume – depends on objects vary from 500 to 50K)	- Medium - Completeness – Medium Source systems data models vary from Target system data model - Uniqueness – Medium - Need Harmonization efforts to GL simplification - Relevancy – Medium Identify active Assets as well inventory quantity - Consistency – Low - Data field values are not consistent across different applications)	- Data construct effort will be significant due to different source system data models - Effort required for data enrichment
5	Supply Chain Management	- BP - Vendor - Purchase Info Record	██████████ as main source	High Volume ~ TBD	- Low to Medium - Completeness – Medium Source systems data	Data construct efforts will be significant due to

Id	Area	Data Objects	Source Systems	Expected Volume	Data Quality	Extraction / Collection
		• Pricing Conditions - Purchasing • Spare Parts • Inventory Open Balances • Open Purchase Order - Purchase Contract / Requisitions	• Data is available at local share drive, Excel, Smartsheets		models vary from Target system data model • Uniqueness – Medium • Harmonization effort required to provide single source of the truth • Relevancy – Medium Leverage active indicator to identify active records • Consistency – Low • Data field values are not consistent across different applications	different source system data models • Effort required for data enrichment
6	People and Culture		• [REDACTED]		• Low to Medium • Completeness – data cleansed with move to [REDACTED] in 2022 • Uniqueness – Low • Harmonization effort low as data already cleansed and will ensure that all records are coming from [REDACTED] into a new solution • Relevancy – All records currently in [REDACTED] are relevant, timely and all information to come into the new Solution • Consistency – Medium • Data field values are consistent but with new Solution would like to drive more consistency so that reporting becomes more seamless and less complex	

Figure 15 - Data Discovery Findings

6. Reporting and Data Analytics Requirements

It is Elexicon's goal to embrace industry-leading practices. Consequently, the organization's preference is to maximize out-of-the-box reporting capabilities provided by the proposed industry Solution.

(a) **Out-of-the-Box Reporting:**

Elexicon requires that the Proponent's Solution includes out-of-the-box reporting functionalities that cater to the majority of its operational, financial, and management reporting needs. These standard reports should be readily available within the Solution, requiring minimal customization and providing comprehensive insights into business operations. The Solution should also support regulatory reporting.

(b) **Ad Hoc Reporting and Custom Reports:**

- Recognizing the need for tailored reporting Solutions, Elexicon requires the implementation of an ad hoc reporting tool that integrates seamlessly with MS Power BI. This will enable all teams to create and manage custom reports that are specific to Elexicon's unique business requirements.
- The Proponent should outline its support for MS Power BI, including details on data integration, user access, and security measures. Proposals should also include training provisions for Elexicon staff to ensure effective utilization of the ad hoc reporting tools.
- Ad Hoc reporting and custom reports are not limited to dashboards and summaries, but should also include the ability to extract lists based on business requirements.

The Proponent should provide details on how custom datamarts can be created based on business needs.

(c) **Data Analytics Strategy:**

- The Proponent is expected to propose a comprehensive approach to data management and analytics.
- The proposed reporting should provide for business analysis and reporting purposes, supporting real-time insights that drive business decisions.
- The Proponent should detail the architecture of the reporting solution, including data ingestion, storage, management, and security protocols. Additionally, the Proposal should describe how the reporting solution integrates with other business systems as required.
- Proposals should detail all technical and functional aspects of the reporting and data analytics solutions, including compatibility with existing systems, scalability, user-friendliness, and compliance with data governance standards.

- The Proponent should provide examples of similar implementations, demonstrating their capability to deliver a comprehensive reporting and data analytics infrastructure.

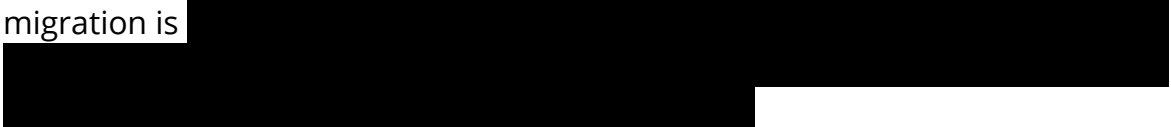
7. Integration Requirements

(a) Critical Integrations

As part of the proposed Solution, it is crucial for the Proponent to ensure comprehensive integration with the following legacy technologies currently in use at the organization. These integrations are essential to maintain continuity, enhance system capabilities, and ensure seamless operations across various functions. Below is a detailed look at each technology that requires integration, each of which is to be within the Proponent's scope of Services:

(i) Customer Information System ("CIS") Integration with Outage Management System ("OMS")

Seamless integration of the proposed industry Solution with the organization's existing Outage Management System, implemented with Hitachi Energy. Integration is essential for automating the flow of data between the CIS and the OMS, maintaining Elexicon's ability to manage outages. Currently, this migration is



The Proponent should detail the technological approach, tools, and processes they will utilize to achieve this integration, ensuring that the Solution is reliable, secure, and meets Elexicon's operational needs.

Purpose: The OMS is pivotal for quickly identifying and resolving service interruptions. It optimizes the restoration process and improves communication with customers during outages.

Integration Needs: Integration with this system is essential for real-time sharing of outage data and restoration status, enhancing response strategies and customer communication.

(ii) Enterprise Asset Management (“EAM”) Integration to Geographic Information System (“GIS”)

Integration of the EAM system with Elexicon’s Power System Network Model is a crucial component of the proposed Solution. This integration should support a smooth and continuous update process, allowing for the efficient synchronization of electrical data and EAM information within the GIS (ESRI), ultimately feeding into the ADMS Database. The proposed Solution should facilitate an incremental update process that ensures data integrity and accuracy are maintained throughout the system’s operation. The Proposal should include a detailed explanation of the integration mechanism, including any necessary middleware, APIs, and security protocols. The Proponent should provide any relevant experience with similar integrations and provide a clear and feasible plan to implement this critical component of the proposed Solution.

For a detailed visual representation and further technical specifications of the integration requirements outlined above, please refer to Appendix F – Key Integration.

Purpose: GIS supports spatial analysis and decision-making through detailed geographic data about network infrastructure. It plays a crucial role in asset management, planning, and maintenance activities.

Integration Needs: Effective integration with GIS allows for enhanced visualization and management of physical assets, improving operational efficiency and planning accuracy.

(iii) Advanced Metering Infrastructure (AMI) - Honeywell and Sensus:

- Purpose: AMI systems are critical for collecting, analyzing, and managing meter data efficiently. Elexicon’s systems from Honeywell and Sensus facilitate real-time data collection and utility management which supports dynamic pricing, outage management, and customer engagement.
- Integration Needs: The proposed Solution is to seamlessly connect with these AMI systems to ensure uninterrupted data flow that supports billing, customer service, and grid management.

(iv) Customer Telephony System - Genesys:

- Purpose: This customer experience platform enables robust handling of customer interactions across multiple channels. It is vital for delivering excellent customer service and support.
- Integration Needs: The Solution is to integrate with Genesys to leverage its capabilities in routing, interaction management, and analytics to enhance customer engagement and satisfaction.

(v) Green Button:

- Purpose: The Green Button initiative promotes easy access to energy data for consumers, allowing them to track and manage their energy usage effectively.
- Integration Needs: Integration with the Green Button data standard is crucial for providing customers with secure, easy access to their consumption data, supporting Elexicon's commitment to transparency and empowerment in energy management.

(vi) Meter Data Management Repository:

- Purpose: The provincial MDM/R functions as a centralized repository for managing, validating, and processing data on hourly electricity consumption, crucial for facilitating billing operations of local distribution companies (LDCs).
- Integration Needs: The Solution is to integrate with the provincial data repository.

(vii) Savage ODS (Operational Data Store):

- Purpose: Savage ODS serves as a central database for storing, processing, validating and managing information about hourly electricity consumption that supports the billing processes of Elexicon. Acting as a billing engine and report brokering system it replicates the functionality of the provincial MDM/R system in case of failure. In addition to its primary functions, the ODS system also acts as a message filter for power outages for ADMS and provides reports on transformer loading for Engineering.
- Integration Needs: Integration with this system is essential to support billing processes, load forecasting, planning activities, and engineering

reporting. The integration should also support customized reporting requirements from the business such as (but not limited to) hourly trending, unauthorized usage, regulatory reporting.

(viii) EARTH HUB Connector:

- Purpose: Customers in Ontario have the option to enrol with a retailer. They contract directly with retailers and engage in a contract that offer rates different from the OEB rates. Utilities continue to bill and collect from the customer and a settlement process occurs between the retailer and the utility. EARTH Business Technologies manages and maintains the market hub where electronic business transactions are exchanged to facilitate the process.
- Integration Needs: The Solution is to integrate with the EARTH market hub.

(ix) Kubra – depending on solution:

- Purpose: Kubra Data Systems currently provides bill print/mail fulfilment, ebill notification, and credit card/bank account payment services (EZPAY).
- Integration Needs: Depending on the final Solution, one or all of these integrations may be required (depending on the extent to which the final Solution does not replace the existing functionality of Kubra). If no integration is required, alternate processes will be required for each of these functions.

(x) ICF/OESP:

- Purpose: The Ontario Electricity Support Program (OESP) reduces the cost of household electricity costs by applying a monthly credit directly to customers bills. Customers enrol through a central agency (ICF) who sends rates and tariffs to the utility to apply.
- Integration Needs: The Solution is to integrate with the ICF/OESP systems.

(xi) Banks:

- Purpose: Banks facilitate payment and credit/refund processing. Bank files are processed daily, and payments and refunds are updated into the CIS on individual accounts.

- **Integration Needs:** The proposed Solution is to integrate with the banks Elexicon operates with to ensure consistency of transactions posted by the bank and recorded in Elexicon's system are aligned. File formats mandated by the banks but must be supported and the system needs to be flexible to adapt to file format changes.

The integration strategy should be detailed in the Proposal, outlining methods, tools, and processes that will be used to achieve a fully integrated system landscape.

(b) **Middleware**

For the successful implementation and ongoing functionality of the proposed Solution, robust middleware integration is crucial. Middleware acts as a bridge between different software applications, databases, and systems, enabling them to communicate and function cohesively. The Proponent's scope includes proposing, maintaining, and supporting all middleware requirements necessary to ensure seamless integration between the systems that will support the Solution.

Integration Requirements:

- **Propose Integration Solutions:** The Proponent is to detail their approach to middleware integration, specifying the technologies and platforms they will utilize to facilitate seamless data flow between disparate systems. This should include compatibility with the existing infrastructure and any new components included in their Proposal.
- **System Interoperability:** Ensure that the middleware supports interoperability among all integrated systems, including legacy systems and new applications. The middleware should handle all forms of data communications, transformations, and transactions efficiently.

Maintenance and Support:

- **Ongoing Maintenance:** The Proponent is responsible for the continuous maintenance of the middleware, ensuring it remains efficient, updated, and aligned with evolving technology standards and business needs.
- **Support Services:** Provide comprehensive support services for the middleware, including troubleshooting, performance optimization, and upgrades. The support plan should detail response times, support hours, and escalation procedures to address any issues that arise.

Security and Compliance:

- **Secure Data Transfers:** The middleware should ensure secure data transfers between systems, employing encryption and other security protocols to protect data integrity and confidentiality.
- **Compliance with Standards:** The middleware solution should comply with relevant industry standards and regulations, ensuring that data handling and processing meet all legal and operational compliance requirements.
- **Provincial Entities:** Where middleware is used to facilitate integration with regulatory and system operator systems (e.g. OEB and IESO), required technical specifications should be supported.

Documentation and Training:

- **Technical Documentation:** Provide complete technical documentation for the middleware, detailing architecture, configuration, and integration points. This documentation should be accessible to both technical staff and end-users.
- **Training Programs:** Offer training programs tailored to different user levels within the organization, ensuring that staff can effectively manage and utilize the middleware.

Proposal Deliverables:

- **Implementation Plan:** Submit a detailed implementation plan that outlines the phases, timelines, and milestones for setting up and integrating the middleware.
- **Performance Metrics:** Include metrics and benchmarks to monitor middleware performance, detailing how these will be reported and evaluated.

8. Organizational Change Management Requirements

The implementation of the proposed Solution represents a significant transformation within the organization. Given Elexicon's current capability and maturity levels, managing this change effectively is not merely beneficial; it is critical to the success of the project. Without robust change management practices, there is a substantial risk that the Solution will not be effectively adopted by end users, thus compromising Elexicon's ability to leverage the Solution's full capabilities. The Proponent's scope of Services is to include the following:

(a) **Change Management Strategy:**

- Comprehensive Strategy Development: Develop and implement a comprehensive change management strategy that encompasses communication, training, and support tailored to different user groups within the organization.
- Stakeholder Engagement: Identify all key stakeholders and develop a plan to engage them throughout the project lifecycle. This plan should include regular updates and feedback loops to ensure stakeholders are informed and have the opportunity to contribute to the transition process.

(b) **Post Go Live Training to Ensure Continuous Adoption:**

- Repeatable Training Programs: Develop and deliver training programs that Elexicon can use to ensure that all new employees can use the system effectively in the future.
- Onboarding Resources: Provide resources for post-implementation to assist Elexicon in having its users adapt to the system. This should include the establishment of user manuals, FAQs, and online support resources.

(c) **Communication Plan:**

- Regular Updates: Implement a communication plan that provides regular updates to all employees about the progress of the implementation and what changes to expect. Communication should be clear, jargon-free, and accessible to all levels of the organization.
- Feedback Mechanisms: Establish mechanisms for employees to provide feedback on the system and the change process, which will be critical for continuous improvement and adaptation.

(d) **Organizational Alignment:**

- Alignment of Systems and Processes: Ensure that the proposed Solution aligns with existing business processes or develop new processes where necessary. This alignment should be clearly communicated to all users to facilitate smooth transitions.
- Cultural Integration: Address organizational culture in the change management plan to ensure the new system is not only implemented but is also embraced by the organization.

(e) **Monitoring and Evaluation:**

- **Performance Indicators:** Define clear performance indicators to monitor the effectiveness of the change management efforts. These should include metrics related to user competency, system utilization, and overall satisfaction with the system.
- **Regular Review and Adjustment:** Set regular review points to evaluate the effectiveness of the change management strategy and make adjustments as necessary based on user feedback and system performance.

The Proponent should detail their approach to each component of the operational change management scope mentioned above. Proposals should include timelines and resource allocations associated with the operational change management activities.

9. Training Requirements

Given Elexicon's current maturity level and non-standard ways of working, extensive training is crucial to ensure smooth adoption and to capitalize on the opportunities for improved efficiency and effectiveness that the new system offers. The Proponent's scope of Services is to include the following:

(a) **Training Strategy, Plan, and Execution:**

- **Comprehensive Training Strategy:** Develop and execute a detailed training strategy that aligns with the organizational transition goals. This strategy should consider Elexicon's lean structure and the significant shift in roles and responsibilities expected as a result of the new Solution implementation.
- **Tailored Training Plan:** Create a tailored training plan that schedules sessions in a manner that minimizes disruption to daily operations while maximizing learning outcomes. The plan should include timelines, milestones, and clearly defined objectives for each training module.

(b) **Training Curriculum and Material Development:**

- **Curriculum Design:** Develop a training curriculum that covers all necessary aspects of the new system and the associated changes in business processes. This curriculum should cater to different learning styles and be suitable for adult learners.

- **Material Development:** Produce comprehensive training materials, including manuals, quick reference guides, FAQs, and interactive digital content. These materials should be easy to understand and designed to facilitate both classroom learning and self-study.

(c) **Coordination and Scheduling:**

- **Training Coordination:** Handle all logistics related to training, including the scheduling of sessions and allocation of resources. Ensure that training is delivered at optimal times for each department to ensure broad participation.
- **Resource Management:** Manage training resources efficiently, considering Elexicon's limited internal resources. This includes securing qualified trainers and necessary technological supports without overly taxing existing staff.

(d) **Training Instruction and Delivery:**

- **Professional Delivery:** Conduct training sessions using professional instructors that are knowledgeable about both the system and industry-standard practices. Training delivery should be dynamic and engaging, capable of effectively conveying complex information.
- **Adaptive Instruction Techniques:** Use adaptive teaching techniques that cater to varying levels of user familiarity and expertise. Include practical, hands-on sessions that allow users to experience the system in real-world scenarios.

(e) **Stakeholder Engagement in Training:**

- **Business Process Owner Involvement:** Ensure that Business Process Owners (“BPOs”) and Business Process Representatives (“BPRs”) are actively involved in the training process to provide insights into how the new system aligns with organizational workflows.
- **Feedback Integration:** Incorporate feedback from these stakeholders into training practices to continuously improve the training experience and relevance.

(f) **Considerations for Lean Operations:**

- Recognizing constrained internal resources, the training approach should be efficient and streamlined, minimizing the demand on Elexicon's personnel while ensuring comprehensive coverage of all necessary topics. Proposals should outline how the Proponent will achieve this balance.

The Proponent should detail their proposed approach to each component of the training scope outlined above. Proposals should include specific methodologies for training delivery, examples of materials to be used, and a clear description of how the training program will be managed from inception through to completion, including post-implementation support and refresher training.

10. Regulatory Requirements

As a regulated entity, Elexicon is required to adhere to regulatory requirements from several entities, including the OEB, ESA and IESO. The Solution is expected to enable Elexicon to comply with relevant regulatory requirements specific to electricity distribution utilities and to be flexible in order to adapt to changes in regulatory requirements over the contract term.

This includes Elexicon's ability to meet regulatory driven reporting requirements that encompass all aspects of its operations (connections, billing, service calls, customer interactions, financial results, unit costs, workforce, reliability etc.).

As a rate-regulated entity, Elexicon must justify all planned operational expenditures and business strategy on a five-year cycle through an adjudicative process known as "rebasings". The rebasing process requires comprehensive and defensible historical records and forecast revenue needs tied to substantiated business objectives. The success of this process, and Elexicon's financial viability, depend on high quality, accurate, and accessible data, integrated across multiple systems.

Elexicon is subject to specific accounting treatment that requires it to reconcile and reproduce its financial statements in accordance with a regulatory accounting standard known as "Modified" IFRS.

Due to the nature of being a rate-regulated licensed electricity distributor in Ontario, Elexicon must also:

- Track and reconcile pass-through costs for the system operator (IESO), and the transmitter (Hydro One), as well as the Ontario Energy Board;
- Track and reconcile customer billing, metering data, and commodity invoices;
- Implement bi-annual commodity rate changes and ensure rates classes are accurately billed;
- Track and report on the various incentive and structural programs related to commodity pricing (e.g. Industrial Conservation Initiative), the Ontario Energy Rebate, and enable customers to offset commodity with embedded generation;
- Interact and process metering data compiled by the Meter Data Management Repository from the third party 'Smart Metering Entity' which interfaces with Elexicon's Customer Information Systems, Advanced Metering Infrastructure (AMI), and billing functions;
- Track and report balances in all 'deferral and variance accounts' related to pass-through costs, externally driven work etc.;
- Enable customer participation in "Green Button" which standardizes customer data for third-party use;
- Implement changes to commodity pricing structures which impact billing and variance tracking; and
- Adopt prescribed billing presentation.

As a licensed electricity distributor in Ontario, Elexicon is subject to annual reporting requirements which include:

- reliability data (e.g. interruption and duration of outages, feeder-level reliability);
- customer data (e.g. customer service metrics, emergency call response rates, # and type of customers);
- financial data (e.g. capital expenditures, regulated return on equity, reconciliation of trial balance and financial statements to regulatory accounting standards); and
- compliance with cybersecurity requirements.

The Solution should ensure Elexicon can comply with its regulatory requirements, including its reporting obligations (and ideally optimize and automate these reporting requirements where possible), and adapt to changing regulatory requirements with minimal manual processes.

11. Software Procurement and Licensing Requirements

To streamline operations and ensure seamless integration of technologies within the solution architecture, the selected Proponent will be responsible for procuring all necessary software licenses as further described in Section 2(f) of Schedule B. This approach aims to simplify the acquisition process and provide a strategic advantage by consolidating procurement through a single, experienced Proponent.

(a) **Software Licensing for a Total of [REDACTED]:**

- The Proponent should provide comprehensive licensing options that cover a total term of [REDACTED], structured as [REDACTED]. This structure should support Elexicon's [REDACTED] operational stability and planning. Licenses and associated costs should only be provisioned as they become needed, based on the applicable implementation phases.

(b) **Negotiate Pricing and Licensing Terms:**

- Where Proponent is acting as a value added reseller, the Proponent is expected to negotiate favorable pricing and licensing terms with COTS Component Providers on Elexicon's behalf. This includes securing discounts, ensuring compliance with Elexicon's business needs, and optimizing cost-efficiency.

(c) **Comprehensive Bill of Materials (BOM):**

- Provide a detailed Bill of Materials in Schedule D.4 – Bill of Materials that includes all software licenses required for every phase and component of the Solution. This BOM should outline specific licenses needed for various stages of implementation, such as development, testing (including performance testing), production, and support environments.
- The BOM should be clear, itemized, and categorized by Solution phase to facilitate understanding and verification.

(d) **Facilitate Procurement Process:**

- Manage all aspects of the procurement process, including the acquisition and activation of software licenses. This responsibility entails ensuring that all licenses are procured in a timely manner and are fully operational to meet project timelines.

- Subject to the considerations and preferences described in Section 2(f) of Schedule B, the Proposal should include a detailed outline of the proposed software procurement and management approach.

(e) **Licensing Terms, Support, and Upgrades:**

- Provide detailed information on all relevant operational licensing terms, such as relevant license types and licensing metrics driving compliance or cost, and COTS Component Provider maintenance and support and upgrade policies. This information is crucial to understanding the total cost of ownership and ensuring that the software remains viable and supportive of Elexicon's business needs throughout the contract term.

(f) **Transparent Reporting and Documentation:**

- Ensure transparent reporting and documentation of all procurement activities and license statuses to maintain compliance and auditability throughout the duration of the contract.

(g) **Exclusions:**

- Please note that Microsoft Power BI licenses are excluded from this scope and will be procured directly by Elexicon. The Proponent should not include these licenses in their Proposal or BOM.

12. Application Management Services Requirements

Elexicon is seeking comprehensive AMS to support the Solution, acknowledging its limited internal capabilities to manage such a complex system. The Proponent will be responsible for the ongoing management and enhancement of the Solution to ensure operational continuity, system performance, and security.

(a) **Duration of Service:**

- A 10-year (5+5) comprehensive AMS contract to ensure sustained performance and reliability of the system.

(b) **Annual Maintenance and Continuous Operations:**

- Conduct annual maintenance activities to ensure the system operates efficiently without interruptions.

- Provide proactive monitoring and regular health checks of the proposed Solution to prevent issues.

(c) **System Upgrades:**

- Regularly upgrade the system to integrate the latest software advancements, maintaining the system at one version behind the latest (n-1) to balance stability with modern features.

(d) **Security Management:**

- Implement timely security fixes and patches to mitigate risks and protect data integrity.
- Conduct regular security audits to identify and address vulnerabilities, ensuring compliance with the latest security standards and regulations.
- Maintain strict security measures to protect against unauthorized access and cyber threats.

(e) **Help Desk and Incident Response:**

- Provide a dedicated help desk to log, track, and resolve system issues.
- Define Service Level Agreements to establish expected response times for different issue priorities.
- Implement a formal incident response plan detailing procedures for rapid and effective issue resolution.

(f) **Knowledge Management:**

- Provide access to a comprehensive knowledge base to assist users in resolving common issues efficiently.

(g) **Change and Release Management:**

- Establish a formal process for requesting, evaluating, and approving system changes.
- Maintain a formal change management process to ensure all changes are documented, tested, and communicated effectively to maintain system stability.
- Implement a formal release management process to ensure changes are thoroughly tested and validated before deployment to production environments.

(h) **Disaster Recovery:**

- Develop and implement a disaster recovery plan with clear procedures for restoring operations in the event of system failures or disasters.

(i) **Service and Incident Management:**

- Proponent will measure and report on the service levels on a monthly basis and, in the event of a service level failure, Proponent will: (i) investigate and report on the root causes of the failure to achieve the service level; (ii) advise Elexicon of the status of remedial efforts being undertaken; (iii) notify Elexicon of the steps which Proponent believes should be taken to correct the root causes; and (iv) promptly correct the root cause and begin meeting the Service Levels

Proposals should clearly outline the approach to managing all aspects mentioned, including detailed plans for maintenance, upgrades, security, and user support. Proponents should provide case studies or evidence of successfully managing similar AMS contracts.

Proposals should include a detailed pricing model for the 10-year service period.

13. Implementation Considerations

(a) **Proposed timelines:**

Elexicon encourages the Proponent to draw upon their implementation expertise to propose timelines best suited for the proposed Solution. Proposed timelines (see Appendix D – Proposed Deployment Schedule and Figure 16 - Proposed Implementation Timelines below) should consider the constraints and parallel activities as well as recognizing the "Lean Elexicon" model. Elexicon seeks detailed, phase-by-phase timelines that include all critical milestones and deliverables, providing a clear path to a \successful implementation. Your Proposal should demonstrate a deep understanding of Elexicon's industry and operational environment to propose realistic, effective strategies for managing the project within these constraints.

Proposed Implementation Phases - For Reference Purposes Only

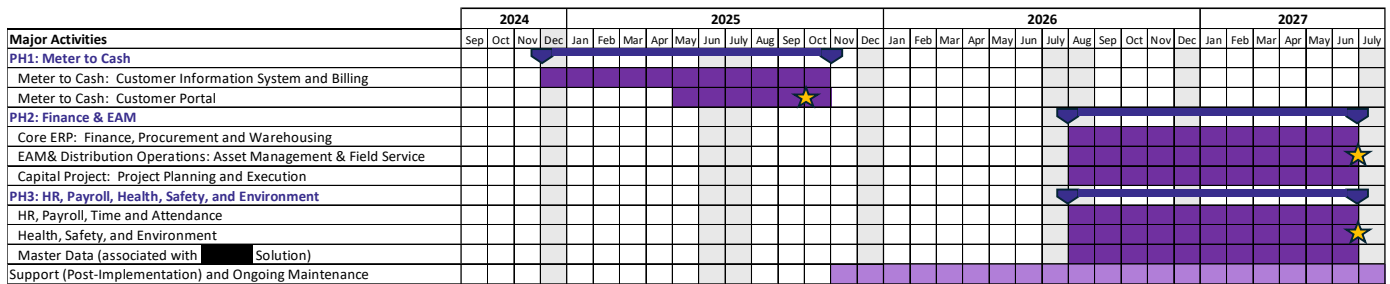


Figure 16 - Proposed Implementation Timelines

(b) Support of Onshore/ Offshore Delivery

Ellexicon is fully supportive of onshore/offshore delivery model as long as no data leaves Canada. The team would work on Eastern Standard Time ("EST"). Ellexicon does expect onshore in person account management and resources with electrical utility regulatory jurisdictional knowledge.

(c) Virtual and Remote Delivery

The organization is also fully supportive of virtual and remote delivery where required. It will be left to the Proponent to propose what activities should be held onsite, such as training.

(d) Enhance Support/Care and Warranty Period

The Proposal should outline the proposed warranty period and a comprehensive plan for providing a period of enhanced support and care for each implementation phase in connection with each go-live, as well as for transitioning from the project-team to post-implementation support, that will ensure a smooth handoff and effective functioning of the proposed Solution following system go-lives.

As Phase 1 represents customer facing, metering and billing, special consideration should be given to ensure the completeness and accuracy of all metering, billing and settlement processes in scope.

The Proponent should specify the proposed length of warranty period and enhanced support and care periods, the nature of the enhanced support and care provided during this period (e.g., onsite, remote), the continued role of implementation project team members during this period, the availability of support personnel, response times for critical issues, and any other resources that will be made available to address challenges encountered during these periods for each implementation phase.

(e) **Billing Accuracy Sensitivity**

As Elexicon is deploying a billing system, the organization is sensitive to ensuring the continuing high quality and accuracy of its billing operation and needs to be ensured of a comprehensive testing, quality assurance and warranty.

(f) **Field Workforce Management**

Elexicon envisions a single integrated toolset for the field that will work on phones, tablets and personal computers for all work that is executed in the field. It should be fully automated and allow field and office workers to collaborate in real time.

(g) **Specialized Hardware for use of Solution**

Proponent to propose specialized hardware, if any, required for the use of the proposed Solution such as handheld scanners or RFID readers, tablets or computers. To the extent such specialized hardware is needed, Proponent should include these costs in its Schedule E – Pricing Form response.

14. Reference Materials

In order to aid in the development of the Proposals, Elexicon is providing the Proponent with the following documents as appendices to this NRFP, which can be found in the Data Room:

- (a) Appendix A – Process Capabilities and Tools Assessment Report
- (b) Appendix B – Change Management Impact Assessment
- (c) Appendix C - Reference Architecture
- (d) Appendix D - Project Dx NEXT Proposed Deployment Schedule
- (e) Appendix E - Settlement Calculation Mapping
- (f) Appendix F – Key Integrations
- (g) Appendix G – Integration Architecture

SCHEDULE C - MANDATORY REQUIREMENTS

As noted in Section 2 of Part III of the NRFP, each Proponent must complete this Schedule C - Mandatory Requirements and submit it as a separate file within your Proposal.

Proposals must comply with each of the mandatory requirements listed below. For each mandatory requirement below, Proponents are to indicate their compliance or non-compliance by checking either the applicable Yes or No box.

Proposals that do not comply with all of these mandatory requirements will be disqualified from this NRFP. Proponents are strongly encouraged to ask any clarifying questions with respect to the intended scope of these mandatory requirements prior to the deadline for submission of questions regarding the NRFP.

1. Completeness of Solution Scope

Proponent's Proposal must include:

- All three implementation phases:
 - Phase 1 – Customer Experience,
 - Phase 2 – Core Solution (Asset Management, Program Delivery, Construction and Engineering; Finance; Supply Chain Management; and Data and Analytics), and
 - Phase 3 – Human Resources; Payroll Time and Attendance; and Health, Safety and Environment; and
- Provision of AMS.

This mandatory requirement is satisfied if a Proposal includes a proposed Solution and Service scope that speaks to each of these phases and AMS but, for example, does not require that all functionality requirements within a Phase, or all capabilities in Schedule D.1 – Capabilities Listing Requirement, be met. For example, a Proposal to only provide the Customer Experience functional area scope, or a Proposal that does not include AMS, would not comply with this mandatory requirement.

- ☐ Yes, Proposal complies with the mandatory requirement.
- ☐ No, Proposal does not comply with the mandatory requirement.

SCHEDULE D - RATED REQUIREMENTS

1. Schedule D.1 – Capabilities Listing Requirement

As noted in Section 2 of Part III of the NRFP, Schedule D.1 – Capabilities Listing Requirement document must be completed and submitted as a separate file within your Proposal. Proponents shall use and complete the provided MS Excel document titled "Schedule D.1 – Capabilities Listing Requirement", which can be found in the Data Room, for this component of their Proposal.

The capabilities listing contains the functionality requirement within each functional area for the proposed Solution to fulfill. The Proponent is required to review the detailed inventory of processes listed in "Schedule D.1 – Capabilities Listing Requirement" and indicate which of these processes are supported by their proposed Solution. This will provide a straightforward assessment of the Solution's coverage of the required functionalities.

Please complete the following in each worksheet in the listing:

Column F - Solution Enablement:

For each requirement listed in Schedule D.1, fill in the corresponding value in Column F to indicate whether the proposed Solution meets the capability:

- **Yes** - The proposed Solution fulfills this requirement using standard functionality.
- **Extended** – The proposed Solution fulfills this requirement by adding to or extending the standard functionality.
- **No** - The proposed Solution does not fulfill this requirement.

Column G - Solution Component (Module):

For responses where the Solution Enablement response to a capability is ("Yes"), Proponents are to specify the module or product within the proposed Solution that will fulfill this requirement. Where the Solution Enablement capability response is ("Extended"), if applicable specify the module or product within the proposed Solution that this requirement will be fulfilled. This detail is crucial for assessing the direct applicability of your Solution to Elexicon's needs.

Please ensure that all parts of the capabilities listing are accurately and thoroughly completed to reflect the functionality and adaptability of the proposed Solution. This

document is integral to the evaluation process and will be used to gauge how well the proposed Solution aligns with Elexicon's operational requirements.

Worksheet Tab mapping by functional area and phase in Figure 17 - Capabilities worksheet tab by functional area mapping.

Worksheet Tab	Functional Area	Phase
1. Customer Experience	Customer Experience	Phase 1
2. Distribution Ops	Asset management, Program Delivery, Construction and Engineering	Phase 2
3. Manage Assets	Asset Management, Program Delivery, Construction and Engineering	Phase 2
4. Capital Projects	Asset Management, Program Delivery, Construction and Engineering	Phase 2
5. Supply Chain	Supply Chain Management	Phase 2
6. Finance	Finance	Phase 2
7. Information Technology	Information Technology	Phase 1 - 3
8. HR	Human Resources	Phase 3
9. Pay, Time & Attend	Payroll Time and Attendance	Phase 3
10. Data Analytics	Data Analytics	Phase 1 - 3
11. H&S, Env't	Health, Safety, and Environment	Phase 3
12. Information Management	Information Management	Phase 1 - 3

Figure 17 - Capabilities worksheet tab by functional area mapping

2. Schedule D.2 – Proposed Solution

As noted in Section 2 of Part III of the NRFP, Schedule D.2 - Proposed Solution must be submitted as a separate file within your Proposal. Proponents shall submit a document titled "Schedule D.2 – Proposed Solution" using a structure that the Proponent feels will clearly present their Solution and demonstrate how they meet the scope and requirements detailed in Schedule B – Description of Products, Services and Deliverables of this NRFP. Schedule D.2 Proposed Solution should be submitted in accordance with the instruction details in section Part III including all of the following sections.

Sections	Proposed Solution Section
Section 1	Executive Summary
Section 2	Proponent Background
Section 3	Proposed Solution
Section 4	Project Methodology and Roadmap
Section 5	Staffing
Section 6	Project Schedule
Section 7	System and Application Architecture
Section 8	Data Conversion Plan
Section 9	Testing
Section 10	Security and Software Hosting

Ensure any additional information requested in the sections is included in Schedule D.2 to provide a better understanding of the potential benefits and capabilities of your proposed Solution. When addressing sections from Schedule B – Description of Products, Services and Deliverables, please include references to the applicable Sections or Subsections of Schedule B you are addressing to help facilitate Elexicon's evaluation of the Proposal and traceability to Elexicon's requirements. Proponents can choose the format of the schedule to be submitted that best showcases the strengths of the proposed Solution, including any additional information that enhances the clarity and depth of response.

(a) EXECUTIVE SUMMARY

A summary from Proponent's Executive Sponsor outlining why the Proponent is responding to this NRFP and why a partnership between Elexicon and your organization would result in a successful journey.

(b) **PROPONENT BACKGROUND**

Provide an overview describing the background of your organization and address the following elements to allow Elexicon to better understand your capabilities and experience, particularly as they relate to the utility sector:

(i) Company Overview:

- Describe your company's history, main streams of business, and core qualifications. Include the number of years your organization has been involved in implementing the type of solutions proposed. Provide any other relevant information that to support the Proposal.

(ii) Experience in the Utilities Industry:

- Provide information on utility industry practice within your organization and highlight.
- Highlight specific implementation experience in the Utilities Industry to help understand your experience (Ontario is preferred).
- Describe any relevant experience working with utility companies or similar organizations. Include details on any unique challenges faced during these implementations and how they were addressed if possible.

(iii) Quality Assurance and Customer Service:

- Philosophy on Quality Assurance: Describe your approach to ensuring the quality of technology configuration.
- Commitment to Customer Service: Explain your philosophy and practices ensuring exceptional customer service throughout the implementation process.

(iv) Certified Application Consultants:

- Provide details on the number of certified application consultants available within your organization for the proposed Solution, categorized by functional area and skill level.
- Specifically highlight those consultants with experience in the Ontario electrical utility industry.

(v) Factors for Success:

- Describe any barriers or challenges your organization has encountered in previous utility implementations and experience you can bring forward to this implementation.
- Detail the proactive steps you plan to take in this proposed project to mitigate similar challenges.

(c) PROPOSED SOLUTION

Proponents are required to provide a detailed and comprehensive description of the proposed Solution to meet the capabilities outlined in Schedule B - Description of Products, Services, and Deliverables of this NRFP. This description should also explain how the licensing for the software set out in your Schedule D.4 – Bill of Materials response works under your Solution.

In the proposed Solution response, Proponents should address the following sections from Schedule B – Description of Products, Services and Deliverables:

- Functional Solution Requirements and Proposed Implementation Phases (Section 1 of Schedule B)
- Reporting and Data Analytics Requirements (Section 6 of Schedule B)
- Organizational and Change Management Requirements (Section 8 of Schedule B)
- Training Requirements (Section 9 of Schedule B)
- Regulatory Requirements (Section 10 of Schedule B)
- Software Procurement and Licensing Requirements (Section 11 of Schedule B)
- Application Management Services Requirements (Section 12 of Schedule B)
- Implementation Considerations (Section 13 of Schedule B)

(d) APPROACH AND METHODOLOGY

Provide a detailed description of the proposed approach and methodology for the delivery of the scope described in Schedule B - Description of Products, Services, and Deliverables of this NRFP. Proponents should include a comprehensive implementation plan outlining the stages, methodologies, and strategies tailored to meet the project's goals and requirements.

Your response should address how you will approach each of the stages supporting the implementation including but not limited to:

- Process Design and Explore Phase
- Technical Development and Extensibility
- Data Conversion
- Testing
- Organizational Change Management
- Training
- Deployment
- Enhanced Support/Care and Warranty Period
- Transition to Support/AMS Provider

Within this section of the response, please also include the following:

- Project methodologies, including description of tasks, major milestones, deliverables, planning and communications.
- Provide detail on Implementation Accelerators (Industry, etc.)
- Provide summary of Key Deliverables and Activities for the project
- Outline Roles and Responsibility for Key Components
- What testing tools will be used to support testing.
- Describe the process and procedures for Project Scope Changes (i.e., Change Request)
- Describe how quality assurance and quality control is considered and managed through the project
- Describe the potential areas of risk, and the suggested plan to minimize risk
- Describe your approach to manage technology releases during and after implementation of each module
- Describe considerations and guidance for data security controls and compliance globally
- Describe your technology capabilities and approach (i.e., options for support after the hyper-care period is over).

(e) **STAFFING AND SUBCONTRACTING**

This section should describe the proposed project team, including any subcontractors, proposed to provide Services to Elexicon.

- Provide Proponent's detailed functional and technical staffing plan to support the scope detailed in Schedule B - Description of Products, Services, and Deliverables of this NRFP, including:
 - Physical location of each resource (City, Country)

- Time commitment of each resource by phase as percentage of FTE
- If Proponent intends to subcontract any of the Services, identify the subcontractors and describe the 's intended scope of subcontracting. Specifically, describe the Services that each subcontractor will provide as well as the expertise and credentials of the subcontractor.
- Provide a one-page resume for the following key roles, and any other proposed key roles:
 - Delivery Executive
 - Project Manager (specifically indicate years of proposed technology Project Management experience)
 - Change Management Advisor
 - Solution Architect
 - Integration Lead
 - Module Functional Lead for each module in scope (leads are expected to have previous hands-on delivery experience in their respective module/functional area for the technology proposed)
- Each Proponent key role personnel's resume should outline, at minimum, the following information:
 - Years of experience delivering the technology
 - Years of experience in the Utilities
 - Relevant technology certifications
 - Summary of previous and relevant proposed technology implementations
- Describe how the Proponent will ensure continuity of assigned resources throughout the lifecycle of the implementation phases as well as the remainder of the contract term

(f) **PROJECT SCHEDULE**

Based on the described scope in Schedule B - Description of Products, Services, and Deliverables of this NRFP, Proponents are to provide a project schedule for the functional areas based on the phases outlined in Sections 1(a) through (i) of Schedule B.

(g) **SYSTEM APPLICATION AND ARCHITECTURE**

Please respond to the system application and architecture components of the scope detailed in the Technology Solution Requirements (Section 2 of Schedule B) and Integration Requirements (Section 7 of Schedule B), and also address the following questions:

- (i) Demonstrate how your proposed Solution architecture provisions for continuous operations, without interruption, during the life cycle of the project.
- (ii) How many environments are available with your proposed Solution by phase at (e.g., test, training, quality, production)?
- (iii) Describe how often major and minor software updates are provided, as well as the level of Elexicon resources required for a major update and the level of resources required for a minor update.
- (iv) Please describe the major/minor upgrade process that is required if the Solution requires a client-based installation.
- (v) List all browsers that are certified for use with the application and describe any required browser add-ons, function enablement, etc.
- (vi) The underlying architecture of the application design is important to Elexicon. Please describe your system architecture model and explain the capabilities and features of this model that led to your use of it in developing this system.
- (vii) Please describe how data privacy and security compliance is supported within your proposed software Solution. Is the system HIPAA compliant?
- (viii) Describe your approach to ensure scalability of the product. This includes transaction growth, upgrades, and replacements of components of the architecture, technology, and application.
- (ix) Provide the virtualization details in the proposed Solution and confirm where data residency will be located.

(h) **DATA CONVERSION PLAN**

Based on the data provide in Schedule B - Description of Products, Services, and Deliverables of this NRFP, provide your proposed approach to developing and implementing the data conversion plan, and what processes will be undertaken by the Proponent's project team to convert existing data, as well as to interface with identified source systems. Include methods of quality control and testing that will be utilized specific to data conversion.

Ensure that requirements from Data Conversion and Migration (Section 5 of Schedule B) are addressed in this section.

(i) **TESTING**

(i) Describe the testing methodology and tools to be used during the implementation program to support the scope outlined in this NRFP. Please provide details for the following information:

(ii) Please describe your proposed approach to testing throughout the program, including the types of testing (e.g., unit testing, integration testing, user acceptance testing, etc.).

(iii) What testing tools do you propose to utilize during the implementation program? Please provide details on the specific testing tools, including their capabilities, features, accelerators, and compatibility with the Proposed Solution system being implemented.

(iv) What strategies do you propose for performance testing to assess the scalability, reliability, and responsiveness of the proposed Solution system under various load conditions? What tools do you propose to use?

(v) What is the testing methodology used post go live to test system upgrades or patches? Are testing tools required?

(j) **HOSTING AND SECURITY**

As part of the comprehensive Service scope, the proposed Solution is to include secure, reliable, and scalable hosting services. In this section, Proponents should detail their hosting capabilities, including data security, uptime guarantees, and disaster recovery processes.

Provide a detailed description of the security protocols and hosting arrangements for the proposed Solution. Please elaborate on the following key aspects:

- **Hosting Infrastructure:** Describe the infrastructure where the Solution will be hosted.
- **Data Security and Privacy:** Outline the data security measures and privacy protocols the proposed Solution adheres to. This should include encryption methods, data access controls, and compliance with relevant data protection regulations (e.g., PIPEDA, GDPR, HIPAA, etc.). Detail how you will ensure the confidentiality, integrity, and availability of Elexicon's data.
- **Network Security:** Describe the network security technologies and processes you will employ to protect the Solution from unauthorized access and cyber threats. Include information on firewalls, intrusion detection systems, and secure VPNs for remote access.
- **Disaster Recovery and Business Continuity:** Provide a comprehensive disaster recovery plan that details recovery point objectives (RPOs) and recovery time objectives (RTOs). Explain how the proposed Solution ensures business continuity in the event of a disaster or system failure.
- **Incident Response:** Describe the incident response plan, including how incidents are reported, managed, and communicated to clients. Outline the protocols for breach notification and remediation.

Proponent should also address security and hosting requirements outlined in the Integration and Security Requirements (Section 3 of Schedule B) and Non-Functional Requirements (Section 4 of Schedule B).

3. Schedule D.3 - Enabling Scenarios

As noted in Section 2 of Part III of the NRFP, Schedule D.3 - Enabling Scenarios must be completed and submitted as a separate file within your Proposal. Proponents shall use and complete the provided MS Word document titled "Schedule D.3 - Enabling Scenarios - Submission Form", which can be found in the Data Room, for this component of their Proposal.

In Schedule D.3 – Enabling Scenarios each line of business has provided an overview of their department and identified key enabling scenarios that should be enabled through the Solution proposed by the Proponent. This document is essential for understanding the specific needs and expectations of each department within the organization.

As the Proponent's response to this component, the Proponent is required to review the enabling scenarios in Schedule D.3 – Enabling Scenarios and augment the document by providing details on how the proposed Solution can enable each of the identified enabling scenarios.

As part of your Proposal, it is essential to demonstrate a thorough understanding of the enabling scenarios in addressing the specific needs of the organization.

4. Schedule D.4 - Bill of Materials ("BOM")

As noted in Section 2 of Part III of the NRFP, Schedule D.4 Bill of Materials must be completed and submitted as a separate file within your Proposal. Proponents shall use and complete the provided MS Excel document titled "Schedule D.4 - Bill of Material - Submission Form", which can be found in the Data Room, for this component of their Proposal. The BOM will be used to assess the completeness of the proposed Solution, ensuring that all necessary components are accounted for and appropriately licensed.

The Proponent should provide a detailed BOM that outlines all software licenses required to successfully implement and operate the proposed Solution. All software licenses required for each phase and component of the Solution should be detailed in the schedule. The BOM should also include licenses needed during the implementation (e.g. testing tool licenses, performance testing licenses, etc.), production, and to support the environments with AMS. The BOM should be clear, itemized, and categorized by Solution phase to facilitate understanding and verification.

Proponents are required to complete the BOM document to provide a detailed breakdown of all software licensing costs associated with the implementation of the proposed Solution for 10 years. The costs should be in CAD and separated by phase of implementation. The BOM should be filled out as follows:

- **Required Implementation Phase:** Specify the phase during which the software is required.
- **Functional Area:** Identify the functional area that each software product or service will support (e.g., Finance, Customer Experience, HR, etc.).
- **Module and Product Description:** Provide a brief description of the software module and product.
- **Material # / SKU:** Enter the Stock Keeping Unit (SKU) or material number for each product listed, ensuring that each item can be accurately identified.

- **License Metric/Unit of Measure:** Specify the metric or unit of measure for the licensing (e.g., number of users, transactions, percentage of revenue, etc.).
- **Quantity:** Quantity required for each product or service by year.
- **Price per Unit:** List the unit price for each product or service.
- **Extended Cost** will be calculated for each year by phase.
- **Commentary:** Provide any additional comments or explanations that offer insight into the pricing or licensing details, especially if the costs are expected to change over the course of the term.

Please ensure that all costs are provided in Canadian dollars and are exclusive of taxes. The BOM should reflect a comprehensive understanding of the licensing requirements over the term of the proposed Solution. It is essential that the BOM is clear, detailed, and reflective of the total cost associated with the software licensing for the proposed Solution.

Total costs by phase by year for the BOM will be used in Schedule E – Pricing Form, as part of the Licensing and Software Cost worksheet.

By phase by year

Please ensure that the BOM is clear, detailed, and aligned with the overall Solution design and operational needs of the organization. This will be a critical component of Elexicon's evaluation process, aiding in understanding the total cost of ownership and ensuring that there are no hidden requirements or unforeseen license shortages post-implementation.

5. Schedule D.5 – Proposed AMS Services

As noted in Section 2 of Part III of the NRFP, Schedule D.5 - Proposed AMS Services must be submitted as a separate file within your Proposal. Proponents shall submit the document titled "Schedule D.5 - Proposed AMS Services" using a structure that the Proponent feels showcases the strengths of the proposed Solution.

Schedule D.5 - Proposed AMS Services should address the following Application Management Services proposal requirements:

Elexicon is seeking a comprehensive AMS Proposal that aligns with the detailed scope outlined in the NRFP, Section 12 of Schedule B. The Proponent should demonstrate your ability to support and enhance the proposed Solution, ensuring its operational continuity, system performance, and security over a 10-year service period.

(a) **Overview of AMS Services:**

- Provide a description of the AMS offerings, including how your services will support the specific requirements listed in the AMS services requirements Section 12 of Schedule B. This description should cover all aspects from annual maintenance to disaster recovery plans.

(b) **Detailed Service Description:**

- **Duration and Maintenance:** Outline your approach to delivering a 10-year comprehensive AMS contract. Include how you will handle annual maintenance activities and proactive system monitoring.
- **System Upgrades and Security Management:** Describe your processes for regular system upgrades, maintaining the system at one version behind the latest for stability. Explain your strategy for implementing security measures, including regular audits and timely updates and patches.
- **Help Desk and Incident Response:** Detail the operation of a dedicated help desk and define the SLAs that will govern response times and issue prioritization. Include your incident response strategy.
- **Knowledge and Change Management:** Provide plans for maintaining a comprehensive knowledge base and managing system changes and releases effectively.
- **Disaster Recovery and Support Structure:** Explain your disaster recovery strategies and outline the support structure, including the allocation of support hours and onshore team management responsibilities.

(c) **Case Studies and Evidence of Capability:**

- Submit relevant case studies or examples demonstrating your experience and success in managing similar AMS contracts. These should highlight your ability to meet the demands of a system as complex as the one being proposed.

The AMS Proposal should clearly articulate a strategy for managing the proposed Solution's lifecycle, emphasizing proactive maintenance, rapid incident response, and continuous improvement. It is important that your Proposal demonstrates a thorough understanding of Elexicon's requirements and showcases your firm's

ability to deliver high-quality, reliable AMS that aligns with Elexicon's long-term operational needs.

SCHEDULE E – PRICING FORM

As noted in Section 2 of Part III of the NRFP, Schedule E – Pricing Form must be completed and submitted as a separate file within your Proposal. Proponents shall use and complete the provided MS Excel document titled "Schedule E – Pricing Form", which can be found in the Data Room, for this component of the Proposal.

The Proponent is to provide a comprehensive pricing Proposal that details all expenses associated with the implementation of the Dx NEXT program, licensing and hosting costs and for subsequent AMS for a term of [REDACTED]. The Schedule E – Pricing Form is to be completed in accordance with the instructions in this Schedule as well as those in the MS Excel document itself.

All costs are to be itemized and provided in Canadian dollars (CAD) by implementation phase and include one time and recurring annual costs for the [REDACTED] term. The structure of payments for each implementation phase is to be a fixed fee, payable based on the completion of milestones, aligning financial commitments with project progress and specific requirements outlined below:

1. Licensing and Software Costs

- **Term and Structure:** Costs should be outlined for a [REDACTED] term, specifying annual licensing and hosting fees for each phase of the project.
- **Detail by Year and Phase:** Provide a breakdown of licensing costs by year and by implementation phase, ensuring clarity on expenses over the project duration.
- **All license software costs** required for the project implementation should also be included (i.e. testing, performance testing etc.).

2. Implementation Costs (One-time Costs)

- **Implementation Services by Year by Phase:** Costs should be detailed by implementation phases in the year they will occur. Each phase should clearly outline the services provided and associated costs.
- **Fixed Fee Basis:** All pricing for implementation services must be submitted on a fixed fee basis. Payments will be released upon the successful completion of pre-identified major milestones.
- **Milestone Identification and Payment Schedule:** Clearly define proposed major milestones for each phase of implementation. In the payment schedule provide details when payments are due based on these

milestones. This schedule should list all payments corresponding to the completion of specific scopes of work.

- **Other One-time Costs and T&E Expenses:** The fixed fee pricing above should be inclusive of any costs or expenses, such as travel expenses.

3. Annual Support (AMS) Costs

- **Duration and Terms:** Provide a detailed breakdown of annual support costs for a "5+5" year period, starting at the end of the enhanced support/care period as described in Section 13(d) of Schedule B (note, however, that the first "5" year of AMS will technically be less than a full 5 years as it will only commence once the first implementation phase is complete and will then run the end of the first 5 years from the contract effective date).
- **Yearly Cost Detail:** Costs should be detailed annually, allowing for a clear understanding of the ongoing financial commitment.
- **Hosting Costs:** To the extent that hosting costs are not covered under the Licenses and Software Costs above, include applicable hosting costs together with the other AMS pricing.
- **Fee Basis:** Provide the proposed split between fixed and variable AMS costs that Proponent believes will offer Elexicon the best value.

4. Payment Schedule Based on Milestones:

To ensure alignment between payment and project delivery, Proponents are required to propose a detailed payment schedule for the implementation fees based on the completion of clearly defined milestones, with payments calculated as percentages of the total project cost by phase of implementation. The proposed payment schedule should specify the scope of Services and deliverables that Proponent proposes should attach to each milestone. This approach ensures that each payment corresponds directly to specific, measurable project achievements.

Final Payment: The release of the final payment for each phase of implementation will be contingent upon successful completion of the enhanced support/care and formal business acceptance after the phase goes live. This final milestone is to ensure that all project specifications and requirements are satisfactorily met, with all system functionalities performing as agreed in the final project deliverables.

The payment schedule proposed by the Proponents should provide clear linkage between project deliverables and payment triggers to facilitate smooth financial

management and project execution. Proponents should propose a milestone and payment schedule that encourages shared risk between work accomplishments, high quality outcomes and line of business satisfaction with a material percentage allocated to the final milestone.

Evaluation of Schedule E – Pricing Form

Ellexicon will use the Schedule E – Pricing Form response to determine a total cost projection for the Proposal and will score Proponents relative to other submissions.

SCHEDULE F - PROPONENT SUBMISSION DETAILS

Please provide concise responses to all the following questions.

1. Contact Information

Please fill out the following form and name one person to be the contact for this Proposal and for any clarifications that might be necessary.

Full Organization Legal Name:	
Street Address:	
City, Province/State:	
Postal Code/Zip code:	
Phone Number:	
Organization Website:	
Organization Ownership (specify private or public company):	
Parent Organization Name (if any):	
NRFP Contact Person and Title:	
E-mail Address for NRFP Contact Person:	

2. References

Provide at least three references with which your organization has implemented the recommended technology Solution in last three years and:

- Contact Information:
 - Company Name
 - Contact Name
 - Contact Phone Number
 - Contact Email Address
 - Date Work Undertaken
 - Summary of Work

- At least two of the three references must be from the utilities industry
- At least one reference must have had the Project Manager proposed in the Proponent's Staffing plan as the Project Manager role in the reference's project

In the event the Proponent cannot provide references that meet the above requirements, the Proponent should indicate this and the Proponent may substitute other references to ensure three (3) total references are provided, with understanding that this will be reflective in the evaluation of the Proponent. Substitute references may include those that are in the implementation process, have implemented comparable scopes of work without including all system modules, industry etc.

Please include the following information for each reference:

- Were you the primary contractor or subcontractor for the project?
- List the technologies included in the Solution
- Timeframe of delivery for the project
- Detail how many of the Proponent's own employees worked on each project, their responsibilities and length of involvement
- Was the project on time? If not, why?
- Was the project on budget? If not, why?
- Describe any other challenges encountered during the project
- Provide additional comments about the Proponent's participation in the project, if needed, to clearly describe the Proponent's involvement

3. Conflict of Interest Declaration

Check the following box to indicate that there is (1) no actual or perceived Conflict of Interest relating to Proponent's Proposal; and (2) no foreseeable actual or perceived Conflict of Interest in Proponent's performance of the Services or its other contractual obligations under a resulting agreement that may be entered into pursuant to this NRFP.

☐

Otherwise, provide details of the actual or perceived Conflict of Interest:

4. Proposal Submission Checklist

This Proposal submission checklist is included to assist Proponents in completing and submitting their Proposal. Please review this checklist carefully before submitting your Proposal to ensure that you have included each Proposal component listed below and complete this Proposal checklist by ticking the check box beside each item in the table.

Proposal Component	Completed and Included
Schedule C – Mandatory Requirements	
Schedule D.1 - Capabilities Listing Requirement	
Schedule D.2 – Proposed Solution	
Schedule D.3 - Enabling Scenarios	
Schedule D.4 – Bill of Materials	
Schedule D.5 - Proposed AMS Service	
Schedule E - Pricing Form	
Schedule F - Proponent Submission Details	

SCHEDULE G - MASTER SERVICES AGREEMENT

The form of Master Services Agreement (together with its Schedules) under which Elexicon expects the Services to be provided (the “**Form of Agreement**”) will be made available in the Data Room prior to the Submission Proposal Deadline. Proponents will not be required to submit a mark-up or comments on the Form of Agreement with their initial Proposal submission. However, Proponents that are invited to Stages IV and V will, at such time, be required to indicate their level of agreement with the Form of Agreement by providing a detailed mark-up of the Form of Agreement. Proponent’s mark-up should include any proposed amendments or variations proposed to the Form of Agreement in the form of a complete and accurate mark-ups. In preparing their mark-up, Proponents should specifically note the following:

- (a) Proponent’s positions should be stated in the form of drafted language and drafted changes to the applicable provisions of the Form of Agreement, not in the form of comments or draft notes (other than supplemental explanatory notes to explain drafting changes, and such notes should not include non-responsive comments such as “TBD”), so that Proponent’s positions can be fully understood and drafting should be of a level of quality and completeness that Proponent would expect in a final agreement;
- (b) any mark-up of the Form of Agreement is to be complete and to reflect a position that has been escalated to the extent required to obtain the full approval and support of Proponent’s organization. Where a Proponent has not marked-up a term or condition, it will be deemed to have agreed to the term or condition as proposed in the Form of Agreement;
- (c) the terms of any existing agreements between Proponent and Elexicon are not relevant for purposes of the mark-up; and
- (d) Proponents will include both clean and black-lined electronic versions of Proponent’s proposed revisions to the Form of Agreement, and the clean version of the document should be in the form of an editable MS Word document and not subject to any password or other protections.

Elexicon reserves the right to modify or supplement these terms and conditions in the Form of Agreement, or negotiate different terms and conditions with any Proponent.



elexicon
ENERGY

Appendix A – Process Capabilities and Tools Assessment Report

Why Dx NEXT?

Push to Transform	Pull by the Energy Transition	Addressing Operational Risk
• Customer growth - current work practices cannot scale • The 'war on talent' is real at Elexicon, retention in competitive and restricted (union) labour market • Merger evolved roles have led to unclear role accountabilities & functions missing from the organization • Employees do not have the tools to effectively perform their roles	• Decarbonization – New zero-carbon energy sources, resources, and incentives are driving massive electrification • Decentralization – Emergence of Distributed Energy Resources (DERs) & Distribution System Operator (DSO) Services • Increased Demand for Electricity – Electric vehicles • Customer Growth – population in the Durham region is expected to grow	• Mixed organizational accountabilities have resulted from the merger • Low operational maturity • Inconsistent, unreliable and scattered data across multiple systems • Lack of visibility of all assets • Legacy systems out of maintenance • End of life technology – meters

The goal of Dx NEXT is to transform Elexicon's organization, processes and systems to be nimble, reduce risk in operations and organize effectively to execute on its promise to deliver safe and reliable energy to their communities.

Why Dx NEXT?



Enhance Customer Focus

Improved customer master data, improved UI, and more integrated transaction data, all to improve customer service and customer experience



Improve Operational Effectiveness

More integrated operational, maintenance and administrative processes with improved data to help drive operational effectiveness



Enhance Public Policy Responsiveness

More flexible technology platform with better data access and integration to improve responsiveness and compliance to public policy



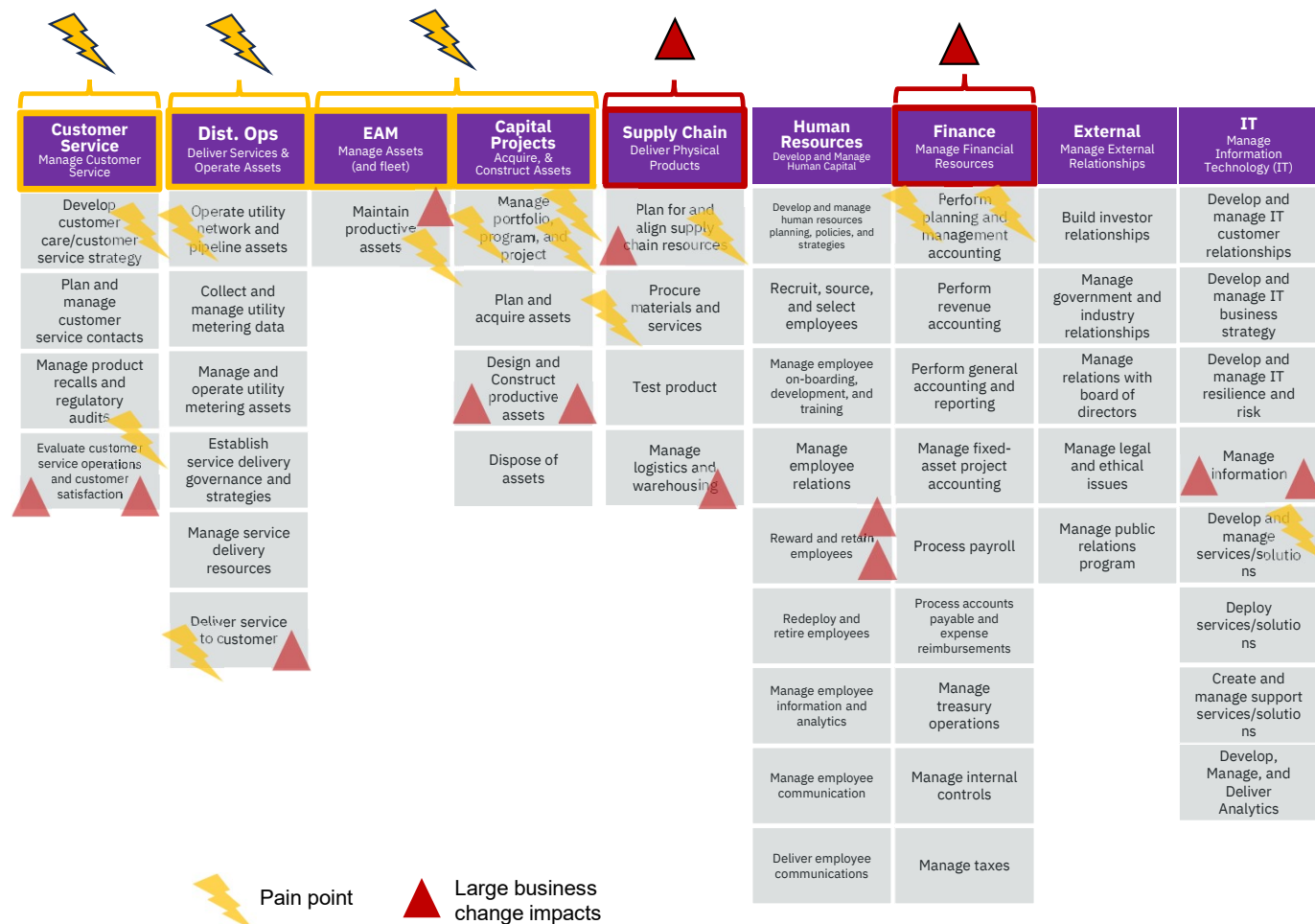
Improve Financial Performance

Improved business processes built on a scalable platform with improved data and analytics to drive business outcomes and financial performance

Utility Enterprise Model

Key Takeaways:

1. Consistent feedback on areas of pain and large change impacts across Elexicon's Executive team
2. Significant pain points are driven from undefined organizational accountabilities & lower process maturity:
 - Project planning and execution is scattered, lacking control and leading to weak execution
 - Lack of centralized and effective Procurement & Inventory management leads to maverick spending, operational delays and increased costs
 - The planning, procurement and design of all power related assets should be centralized under asset management
 - Elexicon is lacking a long term strategic plan for modernizing the grid and incorporating different sources of power



Pain Points & Change Impacts

Our Executive Alignment sessions confirmed significant areas for improvement aligned with pain points (lightning bolts ⚡)

Pain points from Executive Alignment workshops

Change Impacts from Executive Alignment workshops

 Customer Service	 “We do not know who our customers are and we don’t know what their needs are”  Inability to provide a modern, multichannel, customer experience across web, mobile and voice  Need to evaluate Elexicon based on customer data and insights  We want to develop ancillary services, but we need to first be consistent
 Enterprise Asset Management	 Large gap of timely information and visibility around assets  Rudimentary capital planning process and prioritization  Lack of strategic asset management plan to drive the work that Elexicon should be doing – ‘the cart is driving the horse’ - play in the future and be proactive, strategic about how we design and construct our assets  Visibility and insights to assets and current infrastructure - when to refresh – what is the pipeline of assets - where do we need to invest
 Distribution Ops	 Inability to accurately plan and track operating assets challenged by systematic processes and information  Numerous escalations on service delivery and visibility to how quickly we can fulfill requests  Lacking visibility to how quickly we fulfill requests which drives investment decisions

 Finance	 Lack of transparency and disconnect between finance and asset management on cost, in-service date etc.  Inability to easily and quickly track costs of capital projects to feed regulatory filings
 Supply Chain	 Lack of control where “everyone buys” in Elexicon resulting in inefficient processes and increased costs  Delays to projects due to an absence of vendor performance management  Inefficient spend due to lack of compliance with procurement procedures from buyers, and adherence to supplier governance  Paper-based processes with untimely insights into inventory
 Performance, Measurement & Benchmark	 Not part of our culture - Elexicon pushes back on metrics and it is not part of our processes today  Need to develop metrics, scorecards, KPIs and process mapping to measure and manage processes

Elexicon can significantly increase its operational maturity and build a foundation for high performance by standardizing processes based on leading practices and adopting an efficient utilities enterprise model.

We Hear You

“The merger will truly be **completed**. Staff will identify with the ‘**Elexicon way**’”

“We are a great big quilt with **patches all over**.”

“We can’t keep doing what we are doing.”

“We require **clarity in roles and responsibilities** across the organization, including a **revised org structure** where required.”

“We can’t find the **data** and we **don’t believe** the data we have”.

“There are multiple projects on the go that are **competing** with Dx NEXT.”

“**Resources are frustrated**, anxious and experiencing **change fatigue**.”

“Staff need to feel **energized and engaged** – they need to see improved **tools, systems and processes** on the horizon.”

“The **pace of investment/results** may not align with **employee expectations**. **Communication** will be critical.”

Dx NEXT – Hopes, Fears, Challenges & Opportunities

	Hopes	Fears	Challenges	Opportunities
People	 - Leverage Dx NEXT as a retention vehicle for high potential employees - Capacity planning to enable employees to produce their best work - Remove people driven processes, modernize the business	- Dx NEXT will result in more work for resources in the short-term, which increases the risk of turnover - Competing priorities	- Communicating the value of the transformation - Adopting the new technologies	- Define the Elexicon 'way' - Understanding of the way the organization functions and why certain decisions are made - Professional development for front line employees will be part of a large-scale business transformation
Process	 New processes/tools can help support upcoming rebasing and defend funding requests to the regulator	Financial constraints	Identify the future state and bring it to life	- Identify opportunities for efficiencies of operations - Improved organizational communication - Increase the emphasis on process documentation and mapping - Strengthen cross-functional awareness of business processes
Data	 Create a single source of the truth by allowing Dx NEXT to enable more robust and accurate information	Belief that "Dx NEXT will solve all of my issues". Technology is only the enabler of process/people	- Can't find or trust the data - Lack of system integration - Managing interim state with initiatives on hold to be part of Dx NEXT	- Strengthen the connection between teams to enable cross-functional awareness - Reduced manual workloads
Technology	 Technology will enable employees to work with data that they can trust – a single source of truth	- Expectations will not be properly managed and employees will feel Dx NEXT will solve all their issues - Technology is only the enabler of process/people	- Lack of system integration - New station, new technology but inadequate training	Improved communication within the organization

Dx NEXT: The Journey Ahead

THE END-GOAL FOR Dx NEXT

- Pursue an end-to-end transformation of Elexicon's core operating model
- Adopt standard, industry leading operating models, business processes and solution platforms that will:
 - Reduce operational risk & administrative burden
 - Maximize business performance
 - Position the company for future growth
- A fresh start for adopting "the Elexicon way"
- Improved productivity through clear accountabilities and seamless end to end, integrated processes



Building a Strong Foundation

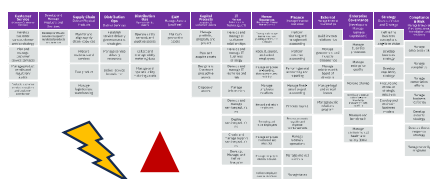


GUIDING PRINCIPLES / "NON-NEGOTIABLES"

- High performance through standardization in recording and reporting driving **consistency** and **reliability** of information
- A **single source of truth** for process execution and capture providing access to reliable data, information and reporting
- **Reorganize our work around new processes** and not design our new processes around our old work. New processes may include new delivery methods.
- Integrated operations **enabling collaboration** internally across lines of business and externally with customers and partners
- **Shifting effort** from past/reconciliation activities to more **future looking strategic activities**
- Leverage Dx NEXT to provide **opportunities** for our employees to **build skills, learn** and provide input into the future operations model for Elexicon

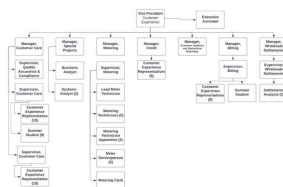
Operating Model – Organizational Blueprint

Utility Enterprise Model



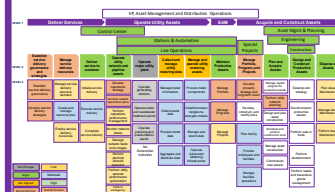
Leading Practices
Reference Model for
Utilities Industry

Org Chart



Aligning
Organization &
Functions

Process Library



Reviewing
Processes &
Maturity

Future State:

- ✓ Role Clarity
- ✓ Defined Accountability
- ✓ Everyone understands their role in the process
- ✓ Centralized functions & single source of truth
- ✓ Standard, efficient ways of working

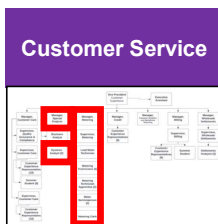
Organization – Current State Review



President & CEO
Indrani J. Butany



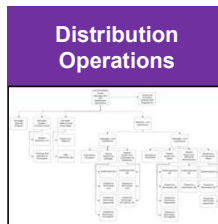
Kriston Romano



- **Meter Services and Management** is not consolidated under the area that has the proper skillset
- Customer Service **applications and servers** are being managed outside of IT



Sam Sadeghi



- Lack of **Training** Planning, Coordination and **Certification** Management



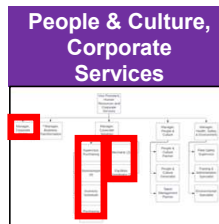
Stacia Boss



- Lack of **strategic planning** for modernizing the grid and supporting different sources of energy



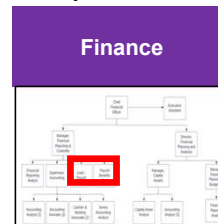
Cynthia Chan



- Centralized **procurement & inventory** standards are lacking
- Lack of controls for **facilities and fleet** maintenance



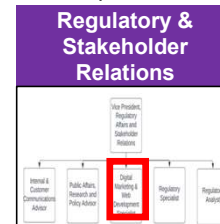
Stephen Vetsis



- **Payroll and Benefits** pertains to the employee, contains PSI and should be centralized so that employees have one touchpoint



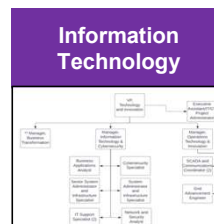
Lincoln Frost-Hunt



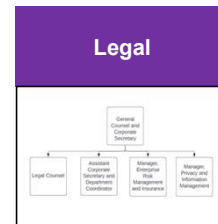
- **Key Accounts** should not be separated from customer experience – they manage all customer relationships
- The **Elexicon website** is being managed outside of IT



Kristine Chandler



- IT does not currently manage all **applications and servers** within the Elexicon ecosystem

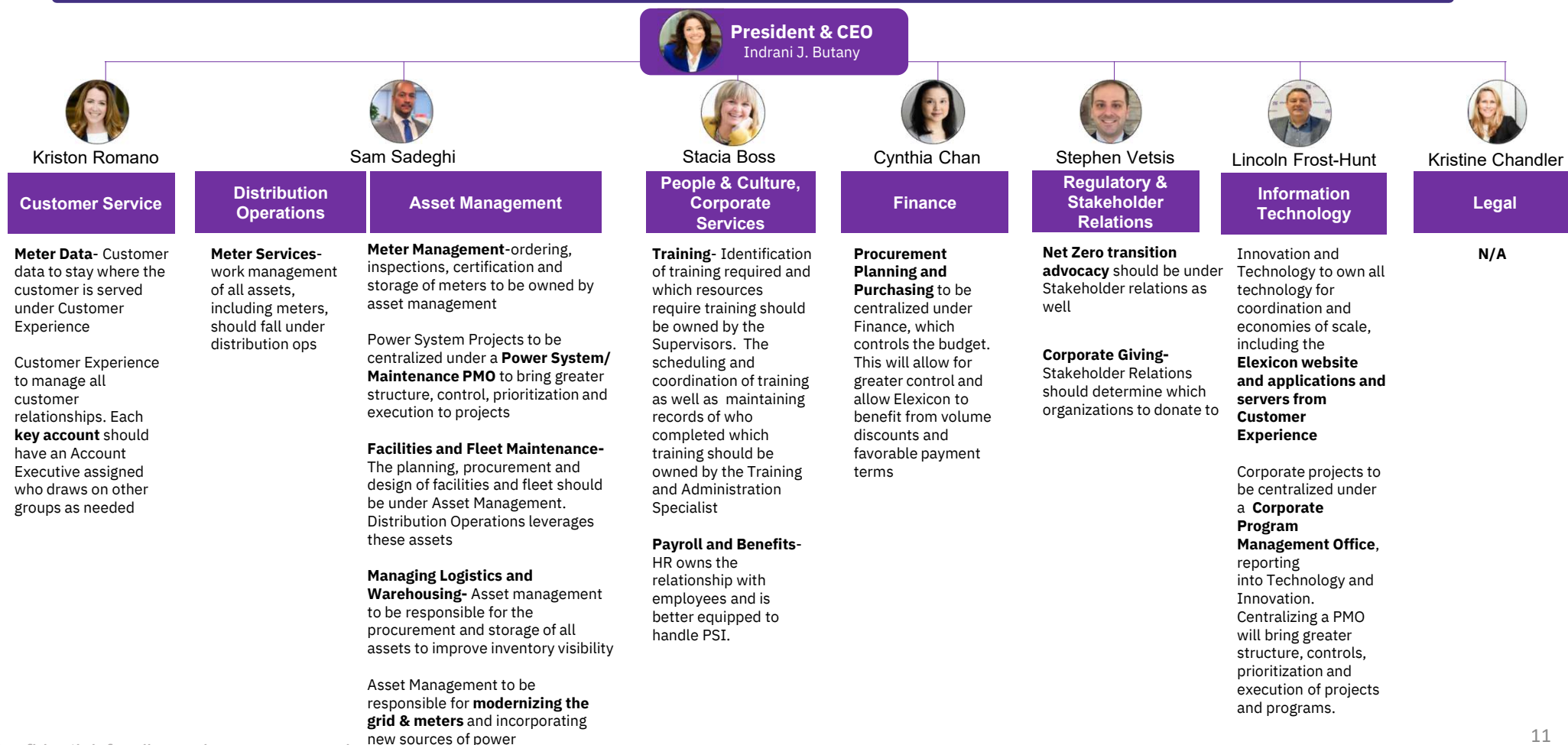


Portfolio and Project Management is scattered and lacking control and structure

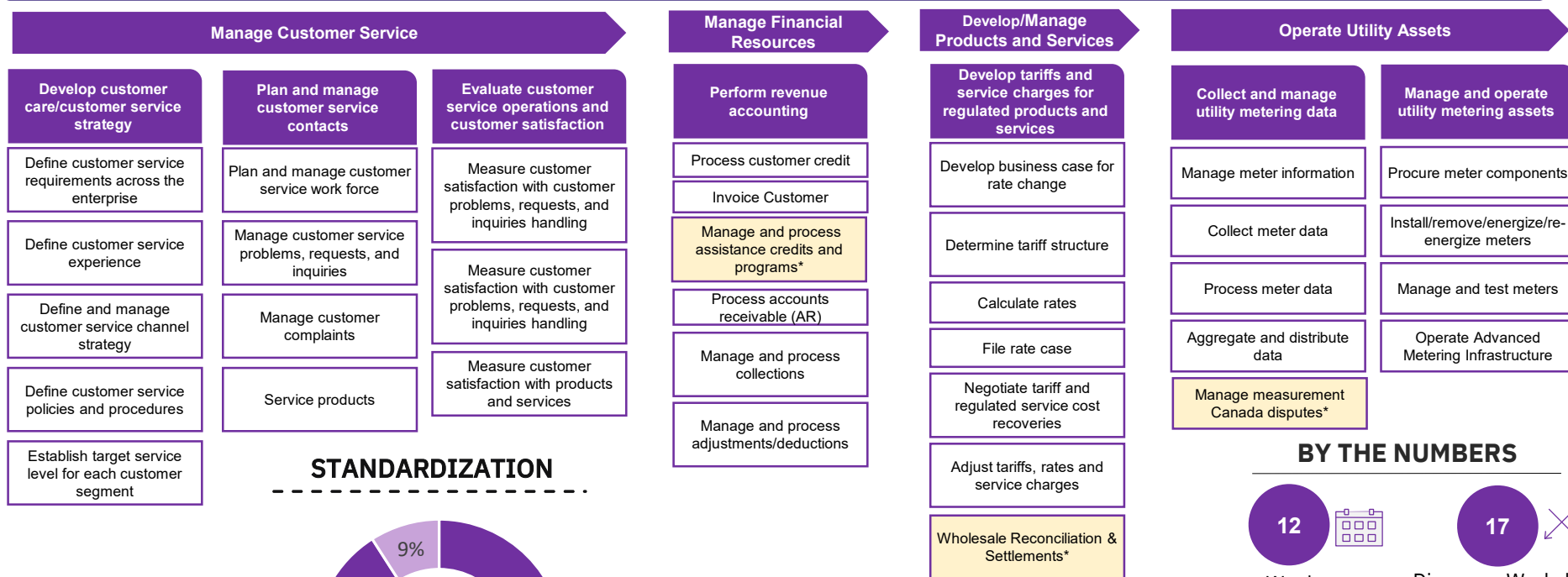
● Must log into multiple systems to respond to customer inquiries ● Lack of oversight to changes in metering information ● Manual process for A/R, Credit & troubleshooting billing issues	● No resource forecasting & optimization ● Operations management is reactionary ● No grid health index or assessment of asset criticality ● Customers struggle to report issues	● Asset data is spread across multiple systems limiting a holistic view ● Maintenance is reactive in addressing failures ● No cost control within work orders ● Lack of proactive inventory management	● MRP is not automated ● No quality procedures exists ● No supplier collaboration or evaluation ● No contract management system exists	● Planning, budgeting and forecasting are manual and dependent on institutional knowledge ● Lack of integration between Asset Management and Finance on Project Accounting, Capital Planning & Project Approval	Not Assessed	Not Assessed	Not Assessed

Low Process Maturity provides Elexicon with an opportunity to transform

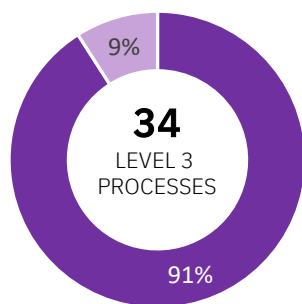
Organization – Future State Recommendations



Customer Experience: Scoping Summary



STANDARDIZATION



■ 'ADOPT' PROCESSES

■ 'ADD/ADJUST' PROCESSES

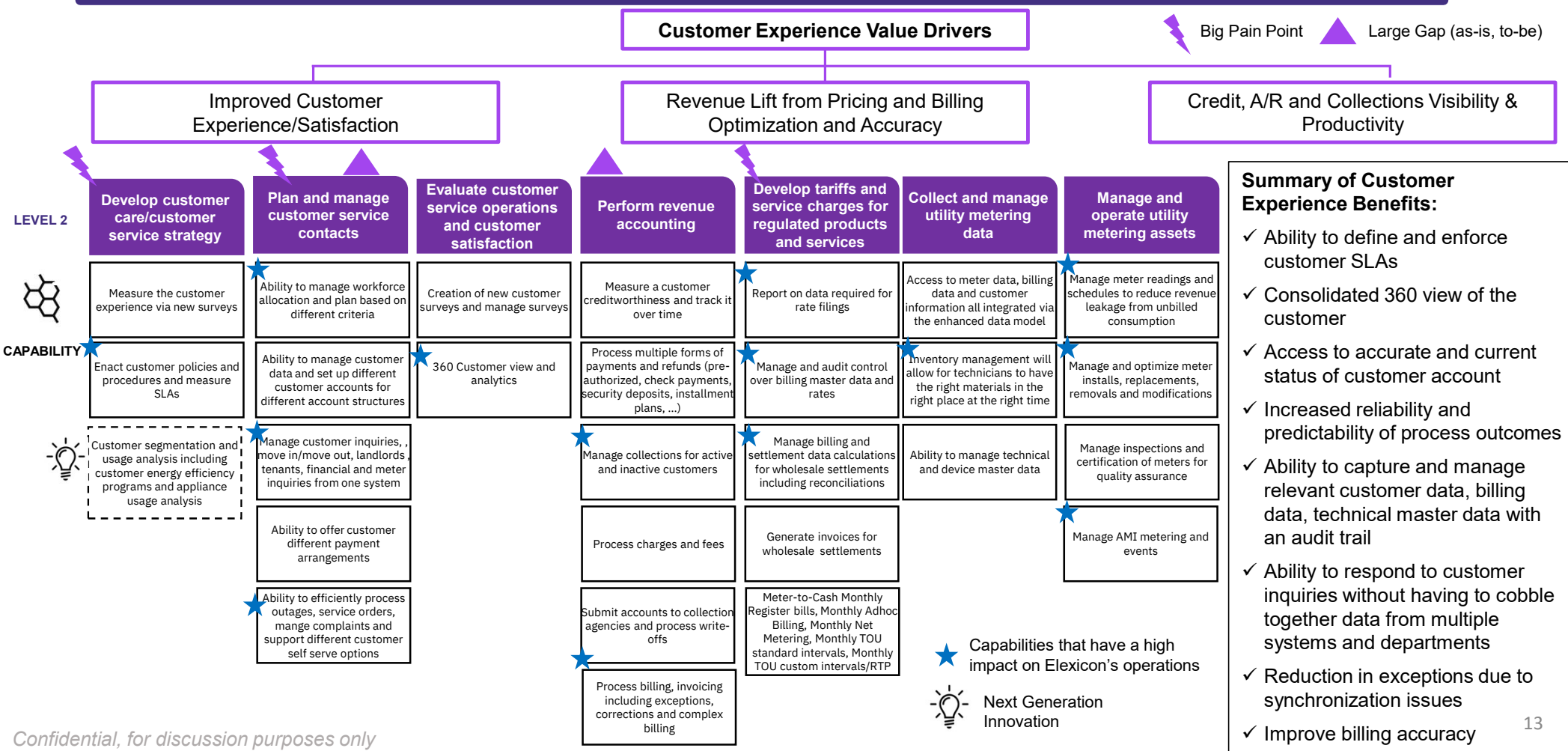
The following processes are not currently performed as per industry standards

- Manage and process assistance credits and programs
- Wholesale Reconciliation & Settlements
- Manage measurement Canada disputes

BY THE NUMBERS



Customer Experience: Capabilities & Value Drivers



Customer Experience: Organizational Change Impacts

	Ways of Working	Knowledge & Skills	Accountability
Vice-President	- Enforce a standard way of working within one consolidated system - Ability for the business to define a customer service experience to align with the vision (which can not only meet but exceed regulatory requirements)	- Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Enforce usage of the system - Develop data governance for Customer Data - Refine the customer policies, procedures and SLAs - Develop customer segmentation strategies based on usage analysis
Manager	- Leverage information in the system instead of manually created reports - Ability for the business to define a customer service experience to align with the vision (which can not only meet but exceed regulatory requirements)	- Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Ensure teams are leveraging the system and do reverting back to old manual processes - Lead by example through use of the new system and following the newly define processes
Supervisor	- Leverage information in the system instead of manually created reports - Automated credit process to be defined and implemented - Optimized workforce scheduling of technicians based on defined priorities and capacity	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Follow defined processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement in the new system
Customer Experience Rep	- Maintain customer master for different account structures following data governance rules - Use one consolidated system to respond to all customer inquiries. No longer need to reach out to other departments. - Enhanced automated capabilities for credit, payment options, fees, billing - More customer self-serve options	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Enhanced measurement of customer satisfaction with customer problems, requests, and inquiries handling / complaints - Training on account level data in C4C. All workorders at the particular service location are consolidated and info is presented before answering the call.	Adhere to all standards/processes put in place
Technician <i>*may move to Distribution Ops</i>	- Optimized workforce scheduling of technicians based on defined priorities and capacity - Mobile applications	Training required on mobile applications	Adhere to all standards/processes put in place

Customer Experience: Data Assessment

Key Data Objects:

- Customer Master (BP)
- Contracts
- Meter Reading
- Device / Device Location / Info
- Payment /Bill History
- Collections History
- Premise /Installation

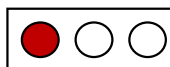
Current State Source Systems



- [REDACTED] – Primary systems
- Relevant data available in GENESYS (Contact), [REDACTED], KUBRA, Sensus, tableau and Mobile Workforce Mgmt
- WholeSale / Metering - maintained (mainly for data collection and Billing), Kinetic (to be added to system inventory) – Settlement, Sensus – Whitby only, Honeywell – All regions, Xphase – 3rd Party (meter monitoring) and Provincial repository – provide reads on demand basis

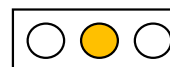
Data Quality – Low to Medium

Rating	Criteria
Medium	Completeness
Low	Uniqueness
Medium	Relevancy
Low	Consistency



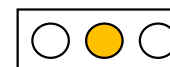
Scattered Master & Transactional Data (for Conversion/Migration)

- Lack of integration of data across disparate key systems
- Need easy access to data to provide holistic 360-degree view of customer at Enterprise level
- Data is manually entered into multiple systems
- ~10k+ duplicate data exists within [REDACTED] and across all applications / systems
- Significant effort to gather data to meet regulatory requirements
- Significant effort to respond to customer service needs
- Significant effort to collaborate across business streams like billing, metering and operations



Unstructured Data Governance

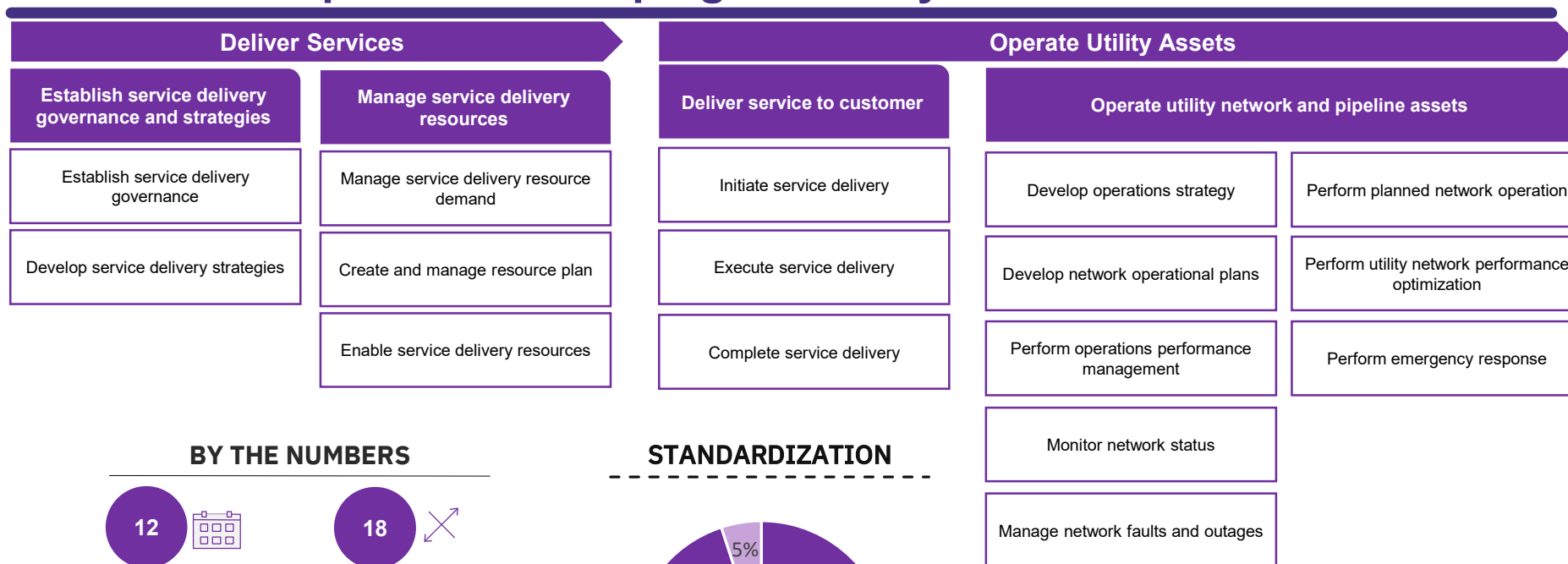
- Limited data stewardship and no overall collaboration
- Requests for new master data are manual process that involves multiple people



Absence of Data Archiving

- ~176k active customers out of total 416k customers
- Historical Data has not been archived
- Over retention of enterprise Data increases costs and risks for Elexicon

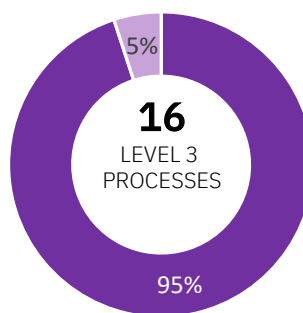
Distribution Operations: Scoping Summary



BY THE NUMBERS



STANDARDIZATION

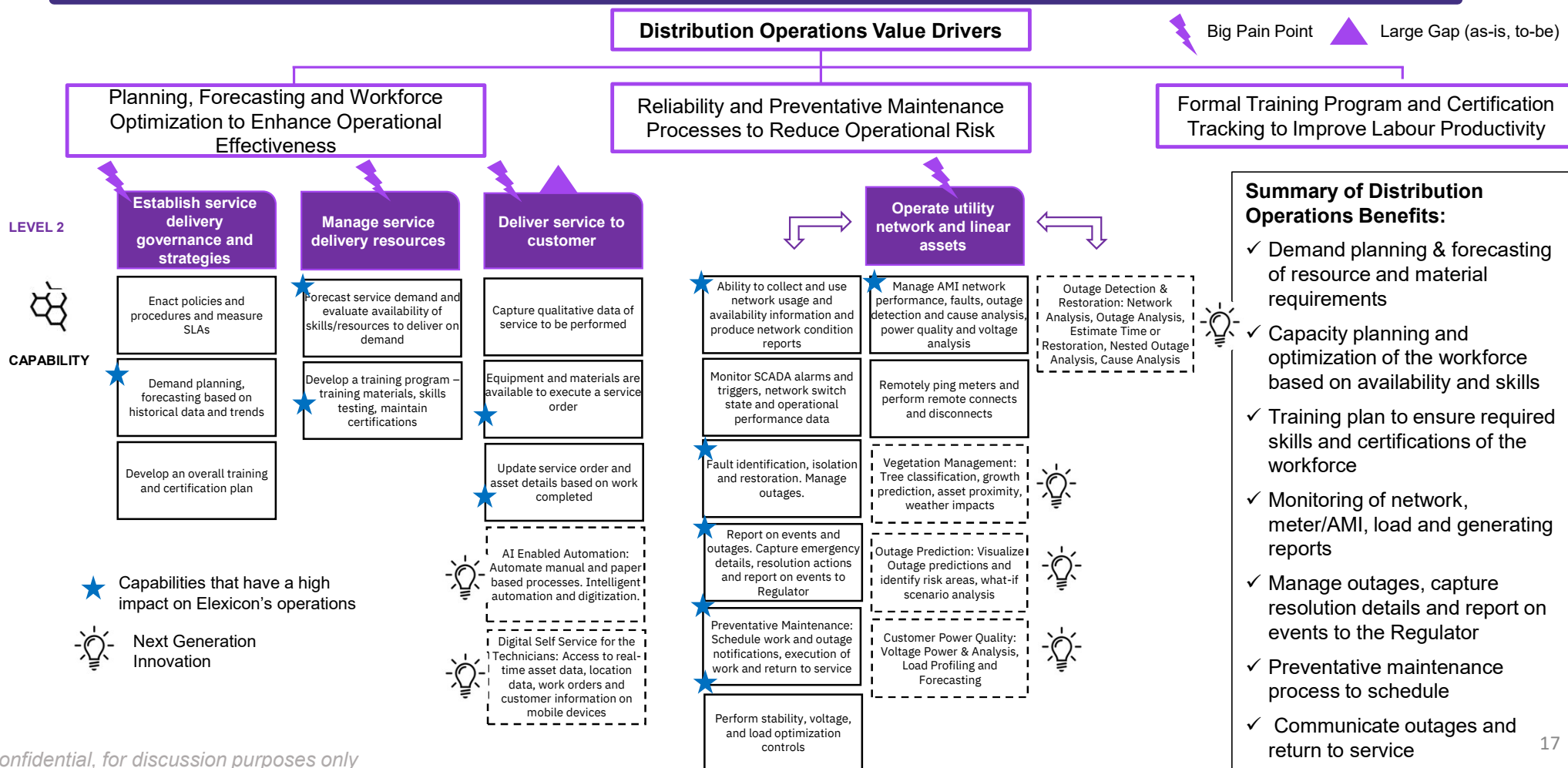


‘ADOPT’ PROCESSES

*‘ADD/ADJUST’ PROCESSES

- Adoption rates for the remaining 5% depends on usage of other tools with in Elexicon’s landscape and the integration to those tools. For ex; ADMS
- Some additional differences may only become visible at L4 and L5

Distribution Operations: Capabilities & Value Drivers



★ Capabilities that have a high impact on Elexicon's operations

💡 Next Generation Innovation

Low (Slight Change)
Medium (Moderate Change)
High (Substantial Change)



Distribution Operations: Organizational Change Impacts

	Ways of Working	Knowledge & Skills	Accountability
Vice-President	Enforce a standard way of working within one consolidated system	Leverage information in the system instead of manually created reports	- Enforce usage of the system - Develop data governance for Customer Data - Refine the customer policies, procedures and SLAs - Develop customer segmentation strategies based on usage analysis
Manager	Leverage information in the system instead of manually created reports	Leverage information in the system instead of manually created reports	- Ensure teams are leveraging the system and do reverting back to old manual processes - Lead by example through use of the new system and following the newly define processes
Supervisor	- Leverage information in the system instead of manually created reports - Optimized workforce scheduling of technicians based on defined priorities and capacity	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Leverage information in the system instead of manually created reports	- Follow defined processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement in the new system
Technician	- Optimized workforce scheduling of technicians based on defined priorities and capacity - Mobile applications	Training required on mobile applications	Adhere to all standards/processes put in place

Distribution Operations: Data Assessment

Key Data Objects:

- Technical Object Hierarchy
- Bill for Material
- Resource
- Maintenance Task List
- Maintenance Plan
- Maintenance Orders

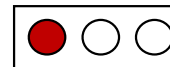
Current State Source Systems

- Clevest– Primary system
- Data is available in other systems such as GIS – Preventive Maintenance, Quatra (estimation-New), Intergraph (Hexagon), Scheider electric, Smartsheet and Inhouse DB – Asset ID creation



Data Quality – Medium

Rating	Criteria
Medium	Completeness
Medium	Uniqueness
Medium	Relevancy
Low	Consistency



Scattered Master & Transactional Data (for Conversion/Migration)

- Data is dispersed across systems (Clevest, GIS, spreadsheets, Other CMMS)
- Limited visibility across business lines (lines, customer care , metering, etc.,)
- Potential negative impact of service to customer or business functions

Unstructured Data Governance

- Manual coordination as data exist in multiple systems
- Data construct efforts will be significant due to different source system data model
- Additional efforts may be required for data enrichment

High Volume of Data

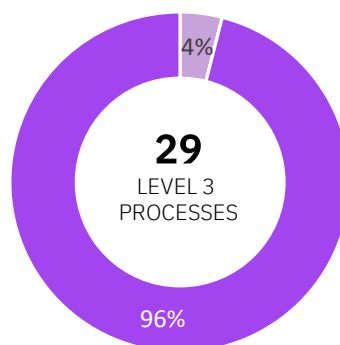
- High Volume – exact users TBD

EAM: Scoping Summary

Enterprise Asset Management

Asset Data and Information Management	Asset Operation & Maintenance	Material/ Parts Planning	Asset Strategy & Performance	Environment , Health & Safety
Equipment	Unplanned Work Corrective	Demand Planning	Monitor Asset Health & Maintenance Demand	Environment Management
Functional Location	Planned Work Preventive	MRP	Define Asset Maintenance Strategy	Health & Safety Management
Work Center	Refurbishment Internal	Inventory Optimization	Risk & Reliability Management	Incident Management
Maintenance Task List	Refurbishment External			Management of Change
Maintenance Plan	Emergency Maintenance			Maintenance Safety
Classification Data	Condition Monitoring			
Measuring Point	Predictive Maintenance			
Catalog Data	Calibration			
Bill of Material	Project Based Maintenance			

STANDARDIZATION



BY THE NUMBERS



- An interface will be required to [redacted] to capture time confirmation

EAM: Capabilities & Value Drivers

EAM Value Drivers

Big Pain Point

Large Gap (as-is, to-be)

Accurate Asset Data and Visibility Will Enhance Public Policy Responsiveness

Increase Asset Utilization/Uptime

Protect the Health & Safety of Elexicon Employees and Contractors & Reduce Penalties/Fines

LEVEL 2



CAPABILITY

★ Capabilities that have a high impact on Elexicon's operations

💡 Next Generation Innovation

Manage Asset Information

★ Accurate asset data, graphical representation and classification maintained

Asset specification and work history available as a reference

★ Asset GIS information available to expedite the technician's ability to find the asset

Asset Operation & Maintenance

★ Default cost collector and track time in work orders to accurately capture, report on costs and as input for payroll

Safety instructions, drawings, repair manuals are readily available for technicians to leverage

★ Can categorize and prioritize work orders by type (preventive, corrective, reactive) for work scheduling optimization

★ Graphical work scheduling, colour coded by type, taking into account worker availability

★ Download work orders, scan barcodes, work requests and ability to upload pictures on a technician's mobile device

★ Trigger preventative maintenance activities based on time or performance

Material/Parts Planning

Establish and maintain an accurate catalog of maintenance parts lists for important equipment or models

★ Work order checks availability of parts prior to being assigned to a technician

Asset Strategy & Performance

Inspection and risk assessment of an asset based on historical data

★ Asset analytics to determine asset lifespan, utilization, MTTR (Mean time to Repair), MTBF (Mean time between failure) etc...

Failure analytics – MTTR (Mean Time to Repair), root cause analysis, time since last failure, probability of failure..

★ Cost analysis – labour plan vs actual, highest maintenance spend area etc....

💡 Predictive Maintenance and Intelligent Asset Management (IAM) to analyze and visualize an asset's lifespan and risk, calculate the likelihood and consequence of failure

💡 IoT integration monitors asset condition to detect developing problems

Environment, Health & Safety

★ Workflow driven incident creation, investigation and corrective actions

Real time incident analytics, reports and dashboards

Management of chemical data, exposure risks

Capture examination results, diagnoses, follow up events, work restrictions in the central patient record

Summary of EAM Benefits:

- ✓ Accurate identification of maintenance on the right assets with quality, standard master data and GIS information
- ✓ Enable easy and quick access to essential asset content & spare parts for rapid response to equipment downtime leveraging mobility
- ✓ Set up a reliability program to capture asset criticality and drive preventative, corrective and reactive maintenance
- ✓ Optimize asset management work via graphical work scheduling taking into account asset priorities and worker capacity
- ✓ Capture accurate asset maintenance cost and labour information for financial reporting
- ✓ Automate preventative maintenance by establishing thresholds
- ✓ Asset analytics to determine asset lifespan, utilization and predict failure
- ✓ Environmental Health & Safety to provide workflow driven incident management

EAM: Organizational Change Impacts

	Low (Slight Change)
	Medium (Moderate Change)
	High (Substantial Change)

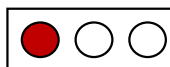


	Ways of Working	Knowledge & Skills	Accountability
Vice President	- Oversee use of the system and mobile devices across sites to ensure optimal practices - Lead change review process for modifications in system functionality, data standards, or integrated work processes.	Knowledge of new reporting and analytics on work, costs, and compliance	- Support and provide leadership in line with common, centrally defined work processes - Develop and manage the EAM department's budget
Supervisor	- Familiarization with mobile handheld devices - Administration of digitized workflow approvals for planned materials on work orders	- Familiarization with using the system and handheld devices - Knowledge of new reporting and analytics on work, costs, and compliance - Knowledge of maintenance strategy concepts	- Accountable for adoption of new integrated processes and data standards - Provide leadership and support in the adoption of and adherence to the new system - Approve workflows in timely manner - Review and prioritize work orders based on urgency, criticality, and available resources - Schedule and coordinate maintenance tasks to optimize asset uptime and minimize disruptions. - Provide reports on planned versus actual maintenance activities and performance. - Share insights and recommendations for improvement based on data analysis.
Technician	- Use the system to review scheduled work and assign work - Administration of digitized workflow approvals for planned materials on work orders - Increased reliance on corrective task lists for emergency corrective work - Rely on Planner to prepare his work in advance	- Familiarization with using the system and handheld devices - Ability to navigate a revised set of Functional Location and Equipment master data following data cleansing exercise - Knowledge on accessing daily & weekly schedules, work assignments, work order backlog, work instructions, material availability checks, other reporting - Proficiency in searching and applying existing tasks lists for corrective work	- Perform routine inspections, preventive maintenance tasks, and repairs on various types of assets (e.g., machinery, equipment, facilities) to ensure their proper functioning. - Follow maintenance schedules and work orders generated by Maintenance Planners and Supervisors. - Approve workflows in timely manner - Enter confirmation, or ensure they are entered by leads or technicians, in a timely manner - Ensure all materials and parts are accounted for on the right work order - Ensure that all work is documented through a work order - Validate accurate information of actual work completed and technical findings - Ensure maintenance team is accurately using mobile technologies to initiate, execute, and close out work where enabled

EAM: Data Assessment

Key Data Objects:

- Bill of Materials
- Maintenance Strategy Plan
- Task List
- Project / WBS Elements
- Internal Orders
- Work Center
- Functional Location
- Equipment Master
- Catalog Data
- Measuring Points
- Equipment Classes & Characteristics



Manual Data Processes with Minimal Data Consistency (for Conversion/Migration)

- Lack of tracking Materials or inventory due to dispersed data in local drive or spreadsheets
- Manual data maintenance in multiple systems (updates to GIS records, Quatra applications)
- Limited visibility of current work loads and impact forecast maintenance proactively
- No access to confirmation of feeder cables/station assets

Current State Source Systems

- GIS – Primary system
- Data is available in other systems such as Clevest, Veridian DB, Quatra and local share drive, Excel / Smartsheets



Unstructured Data Governance

- Data Construct efforts will be significant due to different source system data model
- Effort required for data enrichment

Data Quality – Low to Medium

Rating	Criteria
Low	Completeness
Low	Uniqueness
Low	Relevancy
Low	Consistency



High Volume of Data

- High Volume - ~ 1 M + records

Finance: Scoping Summary

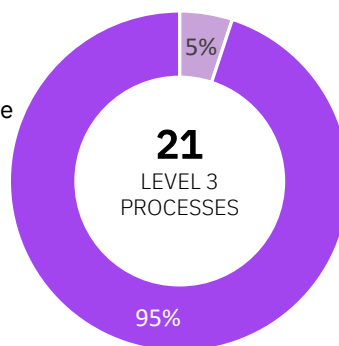
Finance

Perform Planning & Management Accounting	Perform General Accounting & Reporting	Manage Fixed Asset & Project Accounting	Process A/P & Expense Reimbursement	Manage Treasury Operations	Manage Taxes
Perform cost accounting & control	Manage policies and procedures	Perform capital planning and project approval	Manage corporate credit cards	Manage treasury policies and procedures	Develop tax strategy & plan
Perform planning / budgeting / forecasting	Perform general accounting	Perform capital project accounting	Process accounts payable (AP)	Manage debt and investment	Process Taxes
Evaluate and manage financial performance	Perform financial reporting	Periodic Settlement & Closure	Process expense reimbursements	Manage cash	
Perform cost management				Monitor & execute risk & hedging transactions	
				Manage financial fraud/dispute cases (in A/R)	
				Manage in-house bank accounts	

BY THE NUMBERS



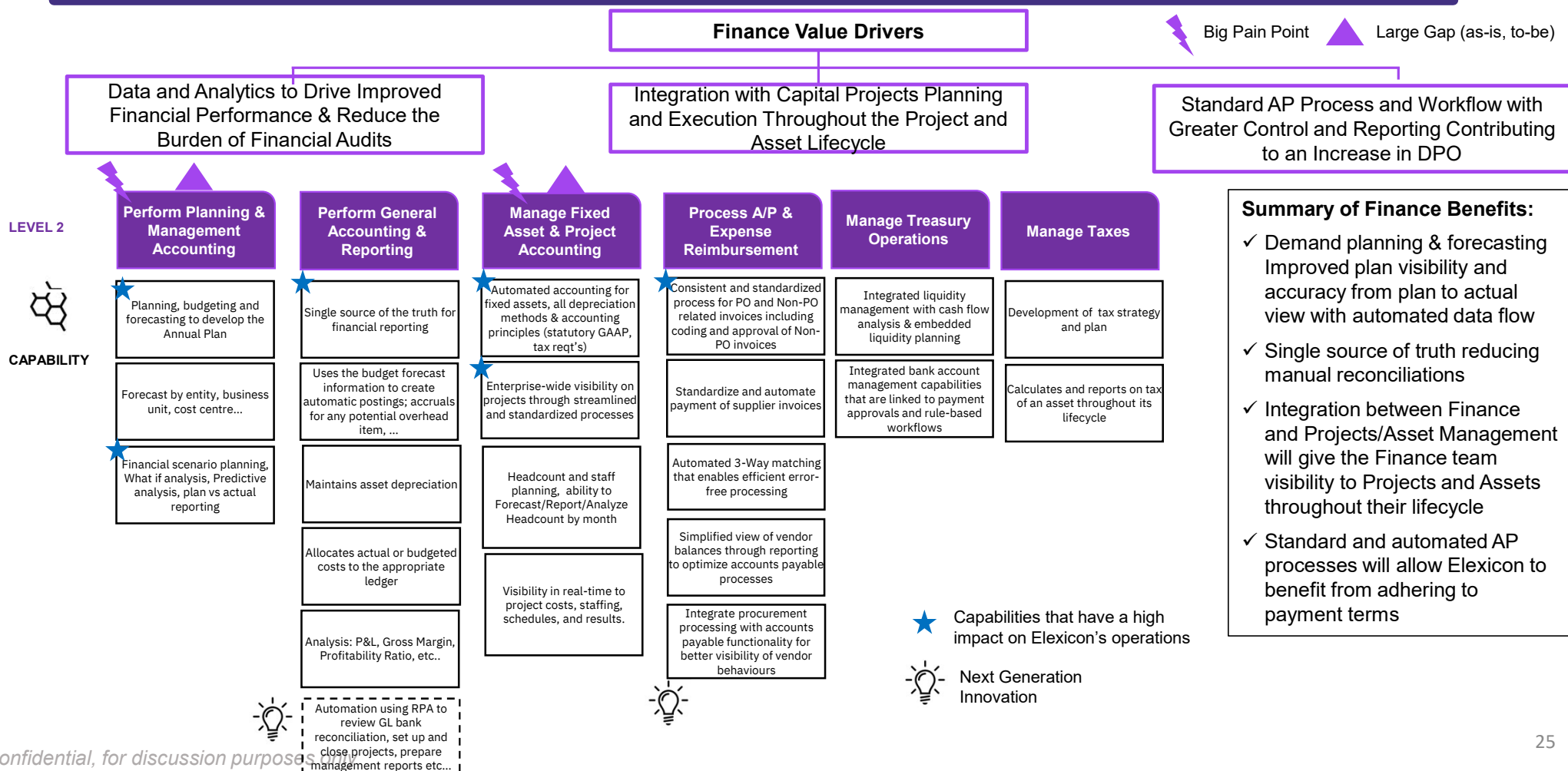
STANDARDIZATION



- 'ADOPT' PROCESSES
- 'ADD/ADJUST' PROCESSES

- An interface will be required to [redacted] which will remain for Payroll
- OEB reporting is standard in Ontario but not across the industry

Finance: Capabilities & Value Drivers



Finance: Organizational Change Impacts

Low (Slight Change)
Medium (Moderate Change)
High (Substantial Change)



	Ways of Working	Knowledge & Skills	Accountability
Vice-President	- Enforce an enterprise wide way of working - Adapt new reporting layouts - Use system for reporting – do not create custom reports - Enhanced communication and feedback loops from working in single system and eliminating offline analysis	- Change in maintenance & governance policy - Leverage information in the system instead of manually created reports - Ability to get enterprise view in real time	- Enforce established processes and governance - Lack of policy development standards (e.g., providing definitions) - Define ownership of data structures
Manager	- Use system for reporting – do not create custom reports - Enforce the use of standard data structures COA, CC, PC, etc. - Enhanced communication and feedback loops from working in single system and eliminating offline analysis	- Trust in the numbers and source of data - Understand the data elements inputs to each process - Understand how to execute each process - Ability to leverage single system data for budgeting, forecasting and long term modelling eliminating offline analysis in Excel, etc. - Learn to segment data in single system using COA structure eliminating multiple offline reports	- Single system of record - Ensure teams are leveraging the system and are not reverting back to old manual processes - Lead by example through use of the system and following the newly defined processes - Definition of in and out processes to Unit Tax using ERP v. Tax software
Analyst	- Use system for reporting – do not create custom reports - Follow and use standard structures COA, CC, PC, etc. - Automation in Accounts Receivable CIS FICA, Treasury Bank Reconciliation eliminates manual process steps and improves productivity	- Reporting – Ops & maintenance teams should have visibility into costs - not overly rely on finance - Use of controlling templates such as overhead costing sheets eliminates manual steps and improves productivity - Ability to leverage single system data for budgeting, forecasting and long term modelling eliminating offline analysis in Excel, etc. - Learn to segment data in single system using COA structure eliminating multiple offline reports	- Follow define processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement

Finance: Data Assessment

Key Data Objects:

- Chart of Accounts
- Profit Centers & Groups
- Cost Center & Groups
- Trading Partner
- Bank Keys
- Bank Accounts
- House Banks & House Bank Accounts
- House Banks & House Bank Accounts
- Business Partner – Customer & Vendor
- Investment Orders
- Activity types
- Statistical Key Figures
- Open GL, AR/AP Balances

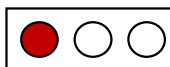
Current State Source Systems

- [REDACTED] – Primary system
- Data is available in other systems such as Netsuite (Group consolidation), [REDACTED] (Payroll), [REDACTED] (for integration), Vensoft, GIS and [REDACTED] module for Fixed Assets

ORACLE
NETSUITE

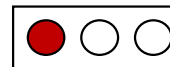
Data Quality – Low to Medium

Rating	Criteria
Low	Completeness
Low	Uniqueness
Medium	Relevancy
Low	Consistency



A Need for a Single Source of Truth (for Conversion/Migration)

- Need to standardize Cost Center and GL structure to align to the Line of Business
- Reconciliation and accuracy of inventory and assets in terms of quantity and value
- Significant effort to have consolidation / reporting
- Data Collection and Improve Data quality



Unstructured Data Governance

- Data Construct efforts will be significant due to different source system data models
- Effort required for data enrichment

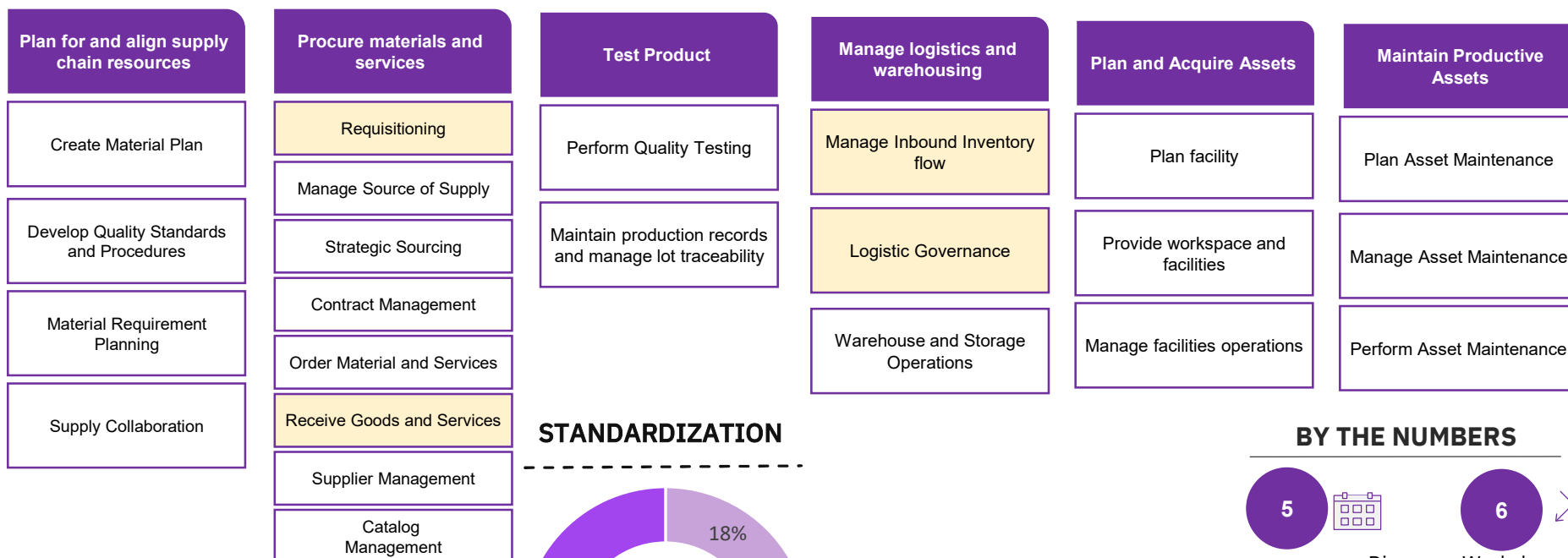


Medium – High Volume of Data

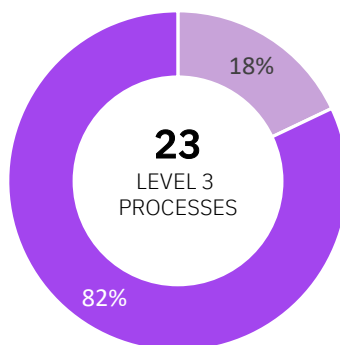
- Medium to High Volume – depend on objects vary from 50k to 500k

Supply Chain: Scoping Summary

Supply Chain



STANDARDIZATION

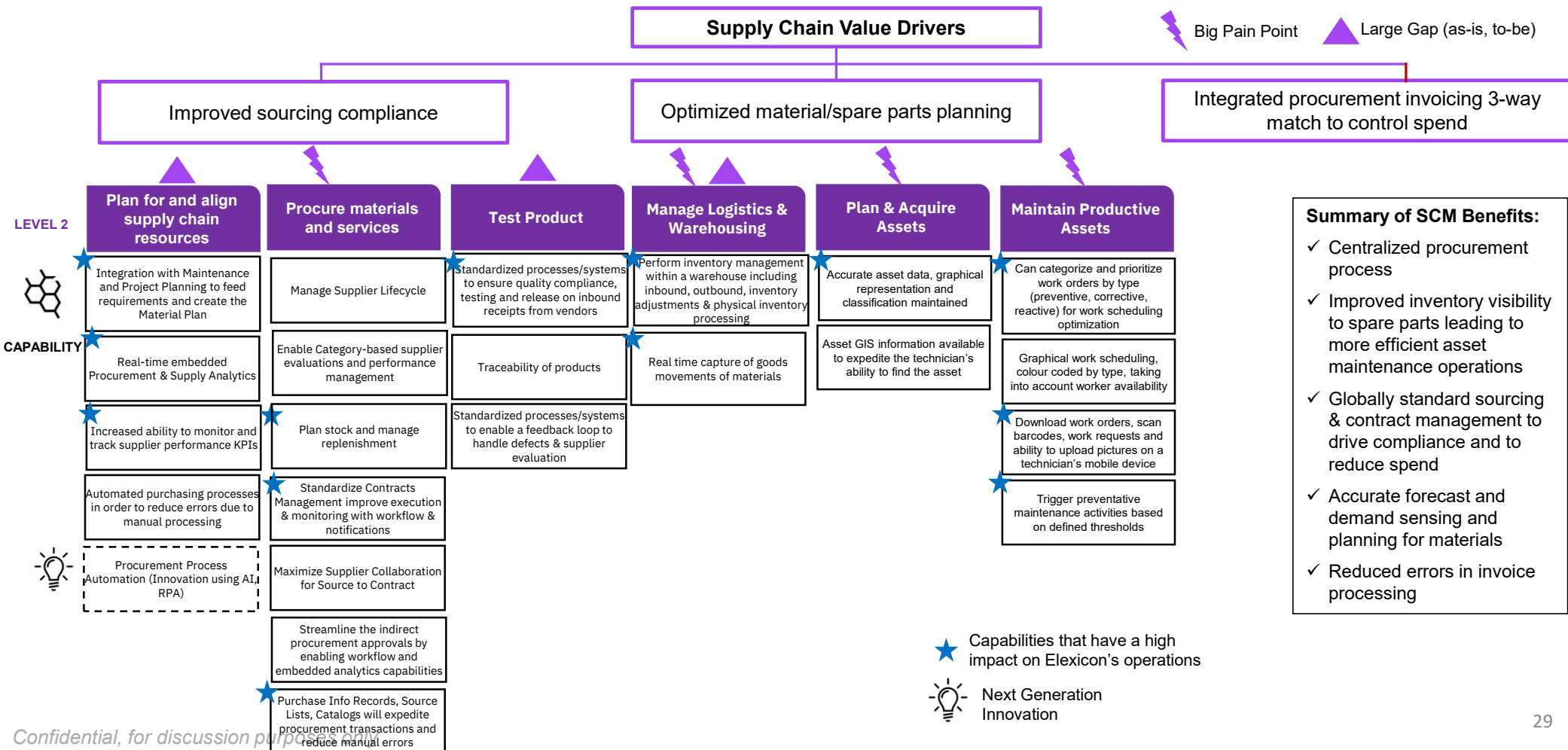


- Manage Inbound Inventory flow can be an adjust to reflect fixed bins/slotting/yard storage requirements for their inbound operations
- Logistics Governance will be an adjust – this is needed to reflect the specific warehouse and yard structure
- Requisitioning / order materials and services: i.e. flexible workflows for approvals and P.O. printing functionalities
- Receive goods and services; to add bar code scanning functionalities

BY THE NUMBERS



Supply Chain: Capabilities & Value Drivers



Low (Slight Change)
Medium (Moderate Change)
High (Substantial Change)



Supply Chain: Organizational Change Impacts

	Mindset	Ways of Working	Knowledge & Skills	Accountability
Procurement Supervisor	- Analysis of price quote variance retained for analytical & historical reference - Debrief with all key users and knowledge-holders to learn their needs and wants - Use cross-functional teams for negotiations (incl. users, functional experts) - Conduct regular Supplier Challenge workshops/ideation sessions (e.g., innovation, labor markets, waste reduction, etc.) - Ensure that master data maintenance is approached as an on-going program	- Develop constructs that enable contract development without direct involvement of Legal on every supplier agreement - Procurement is integrated with inventory & production planning on forecasted plans & programs under consideration - Regular work sessions with all major suppliers and carriers with an agenda geared to price, quality, service improvement, and innovation - Use a procurement platform, e.g., Ariba, and establish a supplier network - Conduct diagnostics (or forensics) for after-the-fact or emergency POs - Establish owners/data stewards with defined data quality standards	- Aggregate spend globally, regionally and locally and optimize for lowest cost - Use e-sourcing for e-RFX tools - Formal specification for all direct materials and all major indirect goods and services - Train the team in tactical negotiation techniques - Use a representative market-basket for MRO programs - Establish catalog buying - Develop a workflow for master data updates	- Sourcing strategy for all major spend categories, annually updated - Establish spend level thresholds, policies & approvals for each, e.g., >\$100K requires 3 formal bids - Ensure delegation of authority & signing authority is established via policy - Periodic evaluation of major suppliers (to capacity, financial viability, quality systems, technical capabilities, etc.) - Consolidate the supply-base - Build an Approved Supplier List
Buyer/ Purchaser	- Stop using "suppliers' paper" - Guidance available for requisitioners on specifications, routing, help desk, approved suppliers "Perfect order": On time, complete, accurate price & quantity billing	- Difficult to make buyers comply with procurement procedures - P-cards to decrease need for requisition creation - Evaluative supplier work sessions are held regularly	- Employ a tool for contract management (CMS) & establish an archive of signed contracts - Utilize procurement portals - Utilize supplier scorecards with multiple weighted criteria - Measure and track "perfect orders"	- Track tactical buying for one-time buys and purchases from unapproved suppliers - Standardize PO terms and conditions (the "boilerplate") - Ensure that only Procurement can create POs and enable hands-free PO creation
Storeskeeper	- Enable ability to manage materials from an internal, inbound and outbound processing standpoint - Ensure accuracy and timely recordings	- Plan every inch of every warehouse - Plan outstanding warehouse tasks to operate from the system - Report on outstanding warehouse tasks - Ensure all Warehouse Operations (Outbound, Inbound, Internal) are executed in timely manner	- Record real time recording for all outbound, inbound, internal processing - Manage materials within bin management - RF framework to scan and process materials accordingly	- Enable all visibility for material flow - Implement warehouse picking and replenishment rules - Ensure accuracy and real time recording within the system - Generate any system outputs (labels, forms, etc.)
Inventory Scheduler	- Ensure proper management of materials practices are in place - Enable automated quality inspection where appropriate	- Plan every inch of every warehouse - Continually review warehouse design - Track storage bin and space capacity - Reduce cycle counts through statistical sampling - Clean inventory frequently to move excess / obsolete	- Plan and schedule material receipts to balance workload & traffic - Enable automated goods receipt using RFID, barcodes, OCR, etc.	- Enable visibility for all inbound, outbound, and internal material flow - Establish exception management processes - Implement picking & replenishment rules - Incorporate technology in laydown yards to avoid stolen materials

Confidential, for discussion purposes only

Supply Chain: Data Assessment

Key Data Objects:

- Vendor
- Purchase Info Record
- Pricing Conditions - Purchasing
- Spare Parts
- Inventory Open Balances
- Open Purchase Order
- Purchase Contract / Requisitions

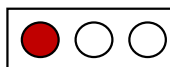
Current State Source Systems

- [Redacted] is the main source
- Data is available at local share drive, Excel / Smartsheets



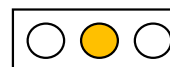
Data Quality – Low to Medium

Rating	Criteria
Low	Completeness
Low	Uniqueness
Low	Relevancy
Low	Consistency



Scattered Master & Transactional Data (for Conversion/Migration)

- Effort required to consolidate reporting and 360 view of all procurement (mainly spare parts are managed locally)
- Effort to improve data - cleansing, harmonize and enrichment
- Limited data governance org or process at enterprise level
- Data maintenance is done in silos by different resources at application / Business line
- Different interpretation of data elements across systems / applications at Elexicon



Unstructured Data Governance

- Data Construct effort will be significant due to different source system data model
- Effort for data enrichment



High Volume of Data Users

- High Volume - TBD

Executive Alignment Implications for the Implementation Approach

Common Themes from Hope & Fears

Common, standardized processes across the enterprise
Don't design based on today, adopt leading practices

Set a realistic schedule and due dates that can be met
Focus on minimizing the disruption to operations
Communicate the benefits and how jobs will become easier, and ensure people understand and agree to them

Resource constraints, need the good people to participate
Conflicting priorities & initiatives
Attrition of key people during the project and retention and growth opportunities

Implications for Implementation Strategy:

Drive standardization and integrated rollout approach
*Change, transform, improve and adopt leading practice for all process areas (**Greenfield Approach**)*

Paced implementation with planned **impact to business operation + business benefits realization**

Prove out solution to Elexicon organization in **early** rollouts to build change momentum

*Importance of **resourcing** and **getting the right people's time to participate in** while **building sustain and governance skills** for the future*

Elexicon Implementation Factors to Consider

Elexicon Business Factors:

- Accounting is set up for **regulatory reporting** only, adding unnecessary complexity and inability to gain clear **management reporting**
- Essentially 4 regions: (Ajax/Pickering, Clarington, Northern Region, Whitby) – some of which are very **remote** affecting connectivity, and a spread-out customer base and revenue distribution

- Significant **construction** and **growth** activity in all regions
- Rebasing process** is critical to fund business improvement projects



Business

- Geographic scope
- Revenue distribution
- Customers served
- Imposed business cycles deadline
- Business process scope and complexity
- Compliance

Elexicon Technical Factors:

- Homegrown billing system is at technical capacity and CIS system is **highly customized** and **out of support** – **will not scale** with regional growth
- Manual coordination** of field work operations, no centralized intake or systematic assignment of work orders
- Significant **manual integrations** across the business



Technical

- Legacy systems
- Data Quality
- Technical landscape
- Integrations
- Reporting complexity

- Highly manual / excel-based processes are **prone to error**

Elexicon Change Factors:

- Customer** service is the process area **most ready** for change
- Finance & Asset Management are also change ready as systems in use are beyond end of life
- However, **capacity** in Finance & Asset Management are **limited by focus on Rebasing**



Change

- Degree of Process Change required
- Decision Culture (Consensus? Central?)
- Business Risk Culture (quick wins?)



Resource

- Staffing availability
- Skill level, Process maturity
- Location
- Cultural Fit

Elexicon Resource Drivers:

- Limited availability of resources with **key skills** (e.g. billing)
- Competing Operational Priorities
- Backfill** timing and notice given **Elexicon lean resources**
- Location of resources** – resources in smaller operation centers may have difficulty to work on project and day job in parallel

Implementation Strategy – Evaluation Drivers & Ranking

Defining the Evaluation Drivers that will be used to evaluate Implementation plans

RANK	DRIVER	DESCRIPTION	BENEFIT OF PRIORITY
1	Risk Aversity (Operational & Business Disruption)	Prioritizes reduction in operational risk resulting from project implementation, existing immature processes, and/or legacy systems, approach mitigates business risk and complexity in deployment clusters	- Reduces operational risk in business - High degree of approach and deployment success - Low risk of business disruption
2	Resource Capacity (Availability) & Cost Optimization	Prioritizes Resource Availability of Lean Elexicon model and balancing with optimization of internal and external resource cost	- Optimize around resource availability - Balancing cost implications of speed to deploy and availability of resources
3	Pain-Point Alleviation & Speed to Benefits	Prioritizes deployment waves and clusters experiencing significant pain-points with current-state applications, operating models, or processes and will contribute substantial value to the business quickly	- Capture business benefit earlier in the program where it matters most - begin value realization sooner - Alleviate pain points caused by legacy systems
4	Program Portfolio Considerations (Rebasing)	Prioritizes key programs & operational activities such as 2027 rebasing and for the related dependencies and milestones	Prioritize functionality with dependencies to other initiatives
5	Change Readiness	Prioritizes deployment waves and clusters with end-user groups with a transparent readiness and willingness to adopt and accept change	Capitalize on willingness to accept change to gain program momentum, expands trusted change network
6	Technology - Legacy Investment Avoidance	Prioritizes deployments to avoid investment in legacy system maintenance, upgrades, overhauls, etc.	- Minimize investment outlay - Avoidance of prolonged (or duel) interim states – save IT costs
7	Innovation Focused	Prioritizes an approach that allows Elexicon to capitalize on opportunities to differentiate in the marketplace, beyond existing capabilities	- Capitalize on expanded functionality/ non-core - Choose where to differentiate vs. standardize

Implementation Strategy Options

Big Bang



OPTION #1: Accelerated Big Bang ✗

✗ Not Recommended

Approach/Clustering: *All at once* (with Portal on slight delay)

Pace: *Speed (fastest)*

Drivers Prioritized: Cost optimization, speed to benefits

By Line of Business
x *Paced/Phased*



OPTION #2: Evolve the Core & Enable Rebasing Driven

Approach: Horizontal (by Line of Business)

Clustered by: End-to-End Business Area

Pace: Speed to Value at Pace, driving adoption & results

Drivers Prioritized: *Driven by enabling Finance & Assets early, to provide visibility to Rebasing process*

OPTION #3: Capacity & Change Readiness Driven

Approach: Horizontal (by Line of Business)

Clustered by: End-to-End Business Area

Pace: Speed to Value at Pace, driving adoption & results

Drivers Prioritized: *Driven by readiness/capacity of Customer group & constraint of Finance/EAM availability*

By Line of Business
x *Constrained*



OPTION #4: Evolve the Core & Enable Rebasing Driven

Approach: Horizontal (by Line of Business)

Clustered by: End-to-End Business Area

Pace: *Constrained (slow)*

Drivers Prioritized: Driven by enabling Finance & Assets early, to provide visibility to Rebasing process

OPTION #5: Capacity & Change Readiness Driven ✗

Approach: Horizontal (by Line of Business)

Clustered by: End-to-End Business Area

Pace: *Constrained (slowest)*

Drivers Prioritized: Driven by readiness/capacity of Customer group & constraint of Finance/EAM availability

Implementation Option #1: Accelerated Big Bang

STRATEGY OVERVIEW ✗ Not Recommended

Key Data Points:

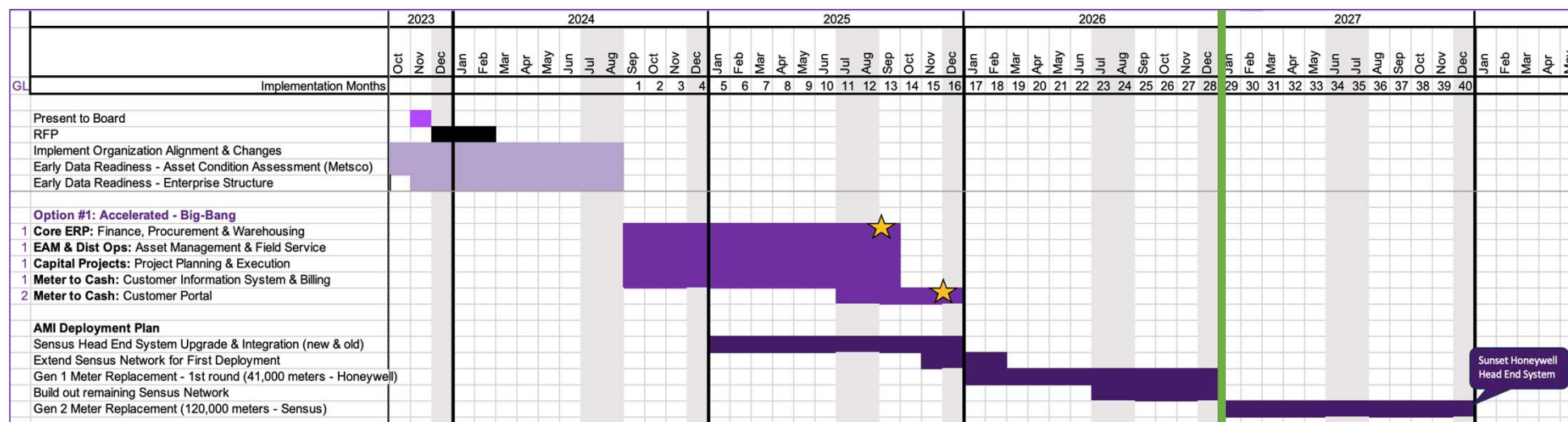
- **16 months** total timeline
- Single big-bang go-live across all Lines of Business (with exception of Portal on a slight delay)
- **Least costly** due to focused resource effort

Drivers

- Cost Optimized → One go-live event shortens timeline, focusing resource effort
- Pain Point & Benefit Driven → Pain points alleviated quickly and value achieved
- Program Portfolio Considerations → Pulls forward finance & asset management prior to 2027 rebase initiative
- Program Portfolio Considerations → Entire investment goes into service prior to 2027 rebasing resulting in lower return on invested capital

Drivers

- Resource Capacity → Need a large team from Elexicon, dedicated for the time period - assumes unconstrained business support
- Deployment Risk is High – impacting the business operations all at once, with a new solution
- Change management impacts will not be able to be addressed in timeframe and speed of change



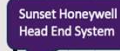
Sunset Honeywell Head End System

✗ Not Recommended

- **20 months** total timeline, 2nd shortest with Finance & EAM in parallel
- 2 major go-lives split by Back Office and Front Office
- **Reasonable cost** due to focused resource effort

- Risk Aversity Driven→ Leading with Finance & asset management allows to mitigate business risk due to unsupported homegrown systems
- Program Portfolio Considerations→ Pulls forward finance & asset management prior to 2027 rebase initiative
- Pain Point & Benefit Driven → Leading with Finance & Asset management allows for significant pain point alleviation given current solution is not working

- Resource Capacity→ Need a dedicated team from Elexicon with some part-time
- Resource Capacity→ Minimized overlap balancing resource constraints; however, finance resources will be needed directly prior to and during rebase efforts
- Technology→ Minimizes throwaway work / interim state complexity



✗ Not Recommended

- 27 months total timeline
- 4 go-lives with Customer first, Ops and then Finance
- Reasonable cost due to focused resource effort

- Risk Aversity Driven → Phased into more go-lives to reduce deployment risk
- Change Readiness → Pulls forward Customer Experience to bring benefits early and addressed capacity and readiness for new CIS
- Operational Risk → Finance is not addressed until later
- Pain Point & Benefit Driven → Enables early reduction in DSO, the top business benefit identified & prioritizes customer experience over internal functions

- Resource Capacity→ Need a dedicated team from Elexicon with some part-time
- Resource Capacity→ Minimized overlap to account for Elexicon Resource constraints
- Technology→ Enables billing engine to scale with growth removing dependency on manual interfaces



Implementation Option #4: Evolve the Core & Enable Rebasing

STRATEGY OVERVIEW

✗ Not Recommended

Key Data Points:

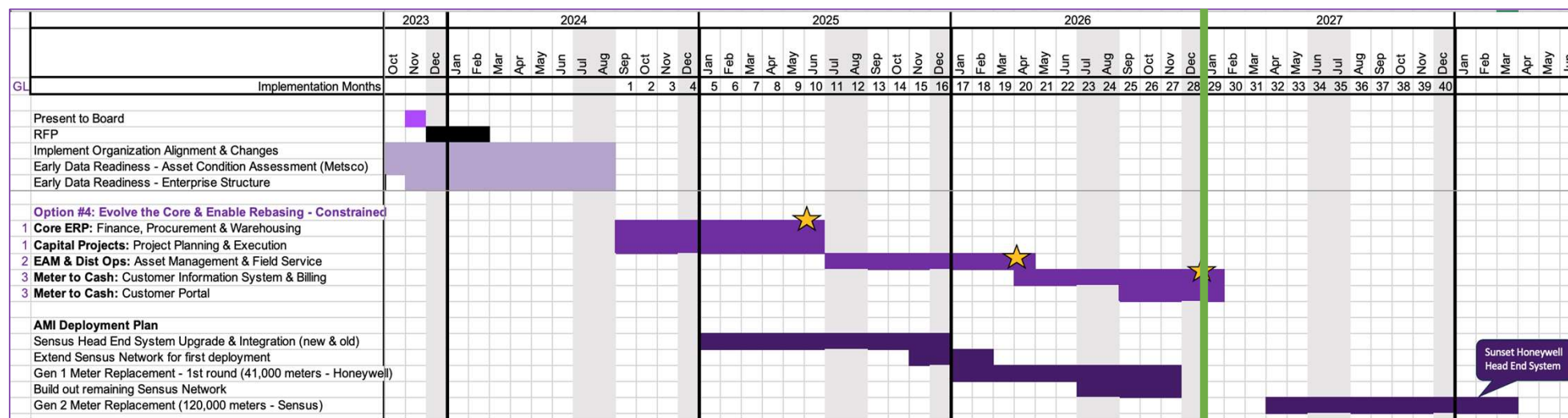
- 29 months total timeline
- 3 go-lives split by Back Office, Operations and Front Office (Customer)
- Increased cost due to added time for resource constraints

Drivers

- Risk Aversity Driven → Leading with Finance & asset management allows to mitigate business risk due to unsupported homegrown systems
- Risk Aversity Driven → Minimized overlap de-risking go lives
- Program Portfolio Considerations → Finance & asset management prior to 2027 to support rebase initiative
- Pain Point & Benefit Driven → Slow achievement of benefits

Drivers

- Resource Capacity → Focused on LoB teams from Elexicon to allow flexibility (step-in, step-out)
- Resource Capacity → Minimized overlap to balance timeline due to resource constraints; however, finance resources will be leveraged directly prior to and during rebase efforts



Sunset Honeywell Head End System

Implementation Option #5: Capacity & Change Readiness Driven

STRATEGY OVERVIEW ✗ Not Recommended

Key Data Points:

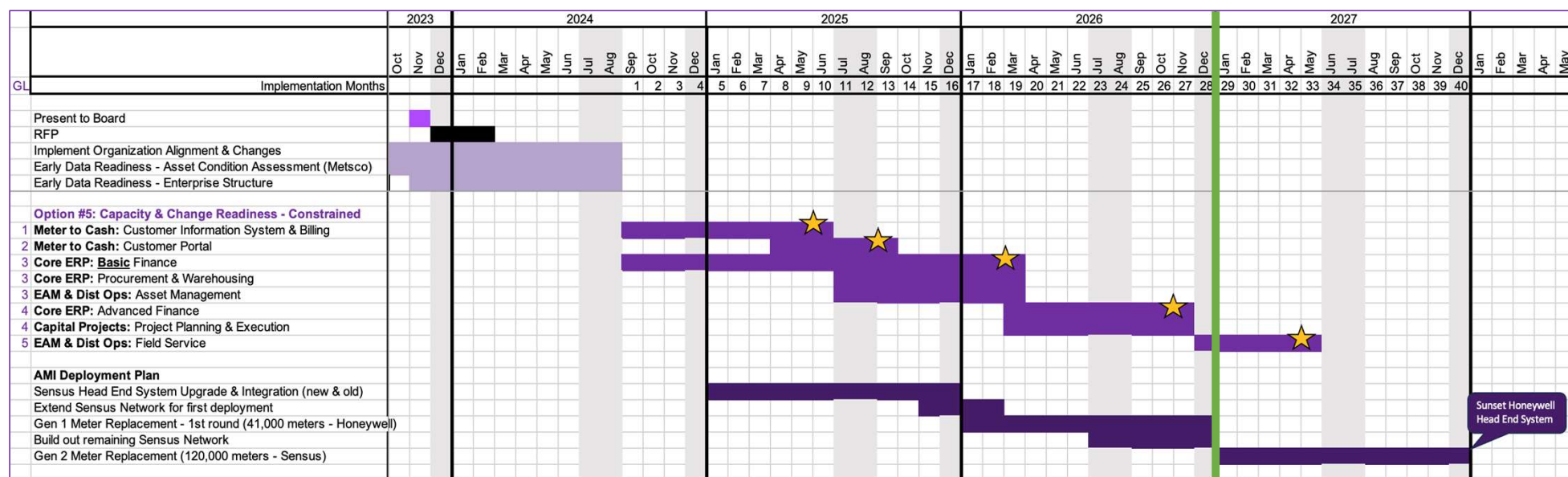
- 33 months total timeline
- 5 go-lives with Customer first, Ops and then Finance and then Mobility
- High cost - extended duration leads to extremely costly approach

Drivers

- Risk Aversity Driven → Small functionality per go live minimized business risk
- Change Readiness → Pulls forward Customer Experience to bring benefits early and addressed capacity and readiness for new CIS
- Operational Risk → Finance is not addressed until later
- Change Readiness → Pace of change is slow leading to program fatigue and minimal value and change realized

Drivers

- Resource Capacity → Focused on LoB teams from Elexicon to allow flexibility (step-in, step-out)
- Resource Capacity → Minimized overlap to account for Elexicon Resource constraints
- Resource Capacity → High risk of turnover within project team and changes may result in mis-alignment



Sunset Honeywell Head End System

Governance Structure

Elexicon will require a well-developed governance structure in place for Dx NEXT to support the SAP implementation

Communication Cadence:

- Establish Steering Committee monthly to escalate issues and focus on decision-making
- Executive Committee of key leaders including Executive sponsors

Drive standardization via SSB:

- Establish a Solution Standardization Board & Design Authority – all IT tools/system to go through evaluations for fit to SAP and constraints standardization principles
- Maintain strong Design Authority & Process Governance to drive adoption of Utilities best practices and to ensure overall Elexicon IT architecture and integration standards are adhered to
- Establish Business Process Owner (BPO) per key area to represent overall process for Process Area (Level 1 in Enterprise Map)



The Business Process Owner (BPO)

An ongoing role held by a Business-strong Elexicon employee that makes decisions on future-state business processes

- Process Owners are responsible for **leading common business process design** for their process area
- They ensure that any technology **enables the enterprise-wide design** approach and meets the needs of the end users
- They are responsible for working with all impacted business and functional executives to **lead successful transformation** for all in-scope business areas

WHAT DO THEY DO?



GUIDE DESIGN

Develop process specific design guiding principles and capabilities in support of Elexicon strategic priorities



COMMONALITY

Drive the definition of common business processes and data



BUY-IN

Manage global buy-in of decisions on common business processes, data ownership, and organization design



OWN

Establish results ownership and KPI tracking while enabling value capture. Evaluate results against competitive benchmarks



PROTECT+

Continually evaluate processes and the operating model to protect the standard while finding improved ways of working

Capabilities Supporting OEB Framework Goals

ENHANCE CUSTOMER FOCUS



360 Customer View

All business and technical master data (billing, meters, customer) are within the same system, so changes will be reflected real time and CERs can easily respond to customer inquiries



Ability to define customer service experience and enforce SLAs



Enhanced data model for customer account structure, ability to service different types of customer profiles and offer relevant programs based on their usage



Implementing credit scoring functionality will enable new capabilities for the business



Accurate billing and the elimination of time-consuming billing sync issues



Ability to handle invoice exceptions and complex billing



Installment plans will be fully integrated with overall A/R processes in CIS



Rate configuration, validations and associated testing can be optimized



Automated workflows to enforce thresholds and approvals

Capabilities Supporting OEB Framework Goals

IMPROVE OPERATIONAL EFFECTIVENESS



Automation will enable employees to focus on more strategic tasks



Enhanced planning, forecasting and material planning to ensure technicians have the right materials at the right time



Workflow, process automation and AI to optimize processes such as maintenance scheduling



Improve overall equipment effectiveness and reduce cost by adopting a risk-based approach to determine critical assets and drive optimal maintenance strategies



Improve technician wrench time by providing all information required to install, inspect and maintain assets on mobile



Consistent and accurate real-time view across all departments (billing/metering/wholesale)



Integrated process from Procurement through to projects/assets. Costs directed from PO to related project



Align projects with portfolio strategy



Monitoring of running projects on a portfolio level

Capabilities Supporting OEB Framework Goals

ENHANCE PUBLIC POLICY RESPONSIVENESS



Data to support regulatory modelling can be made available from centralized analytics



Validations and controls will be in place to ensure accuracy of meter master data



Full visibility to Elexicon's assets, their condition and depreciated value



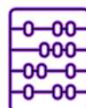
Collect and analyze sensor data from physical assets to predict operational failure using AI



Initiate countermeasures to prevent downtime through service or maintenance orders



Proven reliability methodologies : Perform asset strategy development assessments using failure mode effects analysis, reliability centered maintenance, and others



Communicate outage to customers, provide status updates and perform root cause analysis to be included in the report submitted to the Regulator



EHS incident management involves recording, analyzing, and reporting on incidents, safety observations, and near misses and performing an incident investigation to ensure compliance with safety measures and mandates.

Capabilities Supporting OEB Framework Goals

IMPROVE FINANCIAL PERFORMANCE



Improved productivity across all areas from automation and consolidation of data



Reduce revenue leakage from unbilled consumption with improved meter-to-cash processes, data integration & analytics



Reduce spend on materials and services through supplier management, improved contract governance, and capture of available discounts



Increase DPO and better manage payables timing with better data integration to free up one-time cash and lower working capital.



Decrease DSO with improved collections management processes and receivables processing, to free up cash and lower working capital



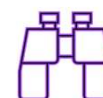
Reduce days in inventory by increasing forecast accuracy resulting in less inventory to buffer for uncertainty in demand



Improved budget monitoring and analysis capabilities



Cash flow forecasting based on AR or AP invoices, purchase orders, sales, and project receivables



Improved visibility to asset information for financing decisions



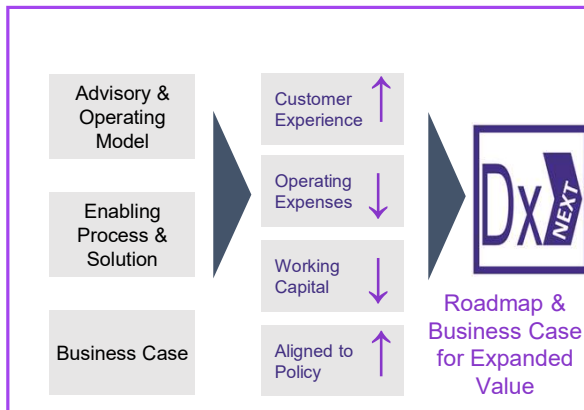
Optimal portfolio decisions and project execution, align project portfolio to support growth and strategy

Value Continuum for Realization & Benefits Tracking

Discovery

Identify & Quantify Value

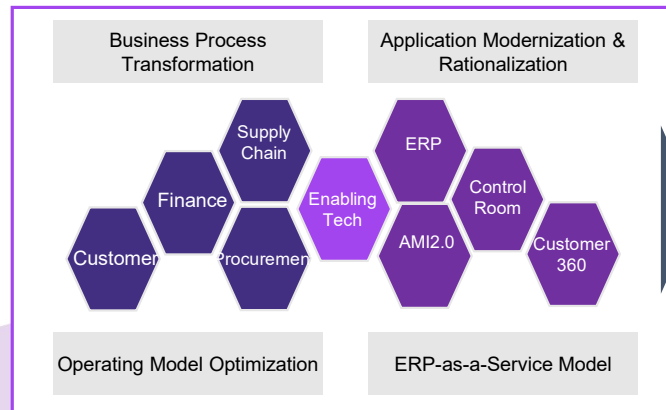
Shape the Transformation with targeted and complementary value



Implementation

Transformation Program

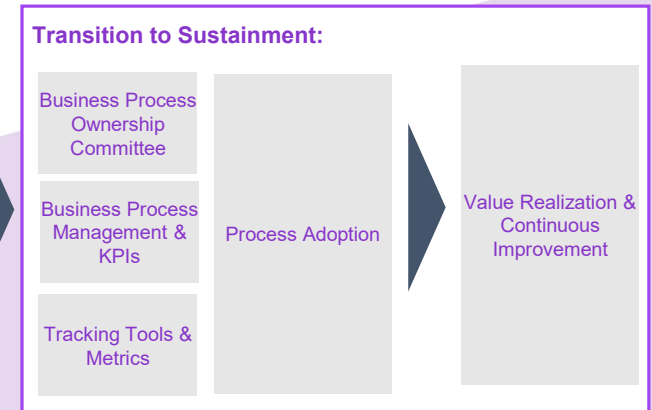
Capture Expanded Value with tailored and bundled solutions



Post-Implementation

Value Realization

Continuously innovate, track and measure improvements



Identify, Qualify, Prioritize



Design, Develop, Test



Deploy, Scale, Optimize

Align roadmap and Business Case

Monitor for new opportunities to expand value

Track Benefits



Dx NEXT

**Appendix B - Change Management Impact
Assessment**

Overview

- Dx Next represents a significant change for Elexicon, resulting in standardized processes and technology as well as shifts in roles and responsibilities for end users
- This large-scale transformation will inevitably result in uncertainty and resistance
- The purpose of this document is to detail the proposed Change Management Strategy and Roadmap for the Dx Next Transformation

Customer Experience: Organizational Change Impacts

High (Substantial Change)
Medium (Moderate Change)
Low (Slight Change)

	Ways of Working	Knowledge & Skills	Accountability
Vice-President	- Enforce a standard way of working within one consolidated system - Ability for the business to define customer service experience to align with the vision (which can not only meet but exceed regulatory requirements)	- Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Enforce usage of the system - Develop data governance for Customer Data - Refine the customer policies, procedures and SLAs - Develop customer segmentation strategies based on usage analysis
Manager	- Leverage information in the system instead of manually created reports - Ability for the business to define customer service experience to align with the vision (which can not only meet but exceed regulatory requirements)	- Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Ensure teams are leveraging the system and do reverting back to old manual processes - Lead by example through use of the new system and following the newly define processes
Supervisor	- Leverage information in the system instead of manually created reports - Automated credit process to be defined and implemented - Optimized workforce scheduling of technicians based on defined priorities and capacity	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Leverage information in the system instead of manually created reports - Enhanced data model for customer account structure, ability to service different types of customer profiles	- Follow defined processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement in the new system
Customer Experience Rep	- Maintain customer master for different account structures following data governance rules - Use one consolidated system to respond to all customer inquiries. No longer need to reach out to other departments. - Enhanced automated capabilities for credit, payment options, fees, billing - More customer self-serve options	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Enhanced measurement of customer satisfaction with customer problems, requests, and inquiries handling / complaints - Training on account level data in C4C. All workorders at the particular service location are consolidated and info is presented before answering the call.	Adhere to all standards/processes put in place
Technician <i>*may move to Distribution Ops</i>	- Optimized workforce scheduling of technicians based on defined priorities and capacity - Mobile applications	Training required on mobile applications	Adhere to all standards/processes put in place

Finance: Organizational Change Impacts

High (Substantial Change)
Medium (Moderate Change)
Low (Slight Change)

	Ways of Working	Knowledge & Skills	Accountability
Vice-President	- Enforce an enterprise wide way of working - Adapt new reporting layouts - Use system for reporting – do not create custom reports - Enhanced communication and feedback loops from working in single system and eliminating offline analysis	- Change in maintenance & governance policy - Leverage information in the system instead of manually created reports - Ability to get enterprise view in real time	- Enforce established processes and governance - Lack of policy development standards (e.g., providing definitions) - Define ownership of data structures
Manager	- Use system for reporting – do not create custom reports - Enforce the use of standard data structures COA, CC, PC, etc. - Enhanced communication and feedback loops from working in single system and eliminating offline analysis	- Trust in the numbers and source of data - Understand the data elements inputs to each process - Understand how to execute each process - Ability to leverage single system data for budgeting, forecasting and long term modelling eliminating offline analysis in Excel, etc. - Learn to segment data in single system using COA structure eliminating multiple offline reports	- Single system of record - Ensure teams are leveraging the system and are not reverting back to old manual processes - Lead by example through use of the system and following the newly defined processes - Definition of in and out processes to Unit Tax using ERP v. Tax software
Analyst	- Use system for reporting – do not create custom reports - Follow and use standard structures COA, CC, PC, etc. - Automation in Accounts Receivable CIS FICA, Treasury Bank Reconciliation eliminates manual process steps and improves productivity	- Reporting – Ops & maintenance teams should have visibility into costs - not overly rely on finance - Use of controlling templates such as overhead costing sheets eliminates manual steps and improves productivity - Ability to leverage single system data for budgeting, forecasting and long term modelling eliminating offline analysis in Excel, etc. - Learn to segment data in single system using COA structure eliminating multiple offline reports	- Follow define processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement

Supply Chain: Organizational Change Impacts

High (Substantial Change)
Medium (Moderate Change)
Low (Slight Change)

	Mindset	Ways of Working	Knowledge & Skills	Accountability
Procurement Supervisor	- Analysis of price quote variance retained for analytical & historical reference - Debrief with all key users and knowledge-holders to learn their needs and wants - Use cross-functional teams for negotiations (incl. users, functional experts) - Conduct regular Supplier Challenge workshops/ideation sessions (e.g., innovation, labor markets, waste reduction, etc.) - Ensure that master data maintenance is approached as an on-going program	- Develop constructs that enable contract development without direct involvement of Legal on every supplier agreement - Procurement is integrated with inventory & production planning on forecasted plans & programs under consideration - Regular work sessions with all major suppliers and carriers with an agenda geared to price, quality, service improvement, and innovation - Use a procurement platform, e.g., Ariba, and establish a supplier network - Conduct diagnostics (or forensics) for after-the-fact or emergency POs - Establish owners/data stewards with defined data quality standards	- Aggregate spend globally, regionally and locally and optimize for lowest cost - Use e-sourcing for e-RFx tools - Formal specification for all direct materials and all major indirect goods and services - Train the team in tactical negotiation techniques - Use a representative market-basket for MRO programs - Establish catalog buying - Develop a workflow for master data updates	- Sourcing strategy for all major spend categories, annually updated - Establish spend level thresholds, policies & approvals for each, e.g., >\$100K requires 3 formal bids - Ensure delegation of authority & signing authority is established via policy - Periodic evaluation of major suppliers (to capacity, financial viability, quality systems, technical capabilities, etc.) - Consolidate the supply-base - Build an Approved Supplier List
Buyer/Purchaser	- Guidance available for requisitioners "Perfect order": On time, complete, accurate price & quantity billing	- Difficult to make buyers comply with procurement procedures - P-cards to decrease need for requisition creation - Evaluative supplier work sessions are held regularly	- Employ a tool for contract management (CMS) & establish an archive of signed contracts - Utilize procurement portals - Utilize supplier scorecards with multiple weighted criteria - Measure and track "perfect orders"	- Track tactical buying for one-time buys and purchases from unapproved suppliers - Standardize PO terms and conditions (the "boilerplate") - Ensure that only Procurement can create POs and enable hands-free PO creation
Storekeeper	- Enable ability to manage materials from an internal, inbound and outbound processing standpoint - Ensure accuracy and timely recordings	- Plan every inch of every warehouse - Plan outstanding warehouse tasks to operate from the system - Report on outstanding warehouse tasks - Ensure all Warehouse Operations (Outbound, Inbound, Internal) are executed in timely manner	- Record real time recording for all outbound, inbound, internal processing - Manage materials within bin management - RF framework to scan and process materials accordingly	- Enable all visibility for material flow - Implement warehouse picking and replenishment rules - Ensure accuracy and real time recording within the system - Generate any system outputs (labels, forms, etc.)
Inventory Scheduler	- Ensure proper management of materials practices are in place - Enable automated quality inspection where appropriate	- Plan every inch of every warehouse - Continually review warehouse design - Track storage bin and space capacity - Reduce cycle counts through statistical sampling - Clean inventory frequently to move excess / obsolete	- Plan and schedule material receipts to balance workload & traffic - Enable automated goods receipt using RFID, barcodes, OCR, etc.	- Enable visibility for all inbound, outbound, and internal material flow - Establish exception management processes - Implement picking & replenishment rules - Incorporate technology in laydown yards to avoid stolen materials

Distribution Operations: Organizational Change Impacts

High (Substantial Change)
Medium (Moderate Change)
Low (Slight Change)

	Ways of Working	Knowledge & Skills	Accountability
Vice-President	Enforce a standard way of working within one consolidated system	Leverage information in the system instead of manually created reports	- Enforce usage of the system - Develop data governance for Customer Data - Refine the customer policies, procedures and SLAs - Develop customer segmentation strategies based on usage analysis
Manager	Leverage information in the system instead of manually created reports	Leverage information in the system instead of manually created reports	- Ensure teams are leveraging the system and do reverting back to old manual processes - Lead by example through use of the new system and following the newly define processes
Supervisor	- Leverage information in the system instead of manually created reports - Optimized workforce scheduling of technicians based on defined priorities and capacity	- Deeper training required in perform revenue accounting processes, many which will be automated for the first time at Elexicon - Leverage information in the system instead of manually created reports	- Follow defined processes and work with manger where there is any uncertainty - Openly discuss what works and what doesn't for continuous process improvement in the new system
Technician	- Optimized workforce scheduling of technicians based on defined priorities and capacity - Mobile applications	Training required on mobile applications	Adhere to all standards/processes put in place

Enterprise Asset Management: Organizational Change Impacts

High (Substantial Change)
Medium (Moderate Change)
Low (Slight Change)

	Ways of Working	Knowledge & Skills	Accountability
Vice President	- Oversee use of the system and mobile devices across sites to ensure optimal practices - Lead change review process for modifications in system functionality, data standards, or integrated work processes.	Knowledge of new reporting and analytics on work, costs, and compliance	- Support and provide leadership in line with common, centrally defined work processes - Develop and manage the EAM department's budget
Supervisor	- Familiarization with mobile handheld devices - Administration of digitized workflow approvals for planned materials on work orders	- Familiarization with using the system and handheld devices - Knowledge of new reporting and analytics on work, costs, and compliance - Knowledge of maintenance strategy concepts	- Accountable for adoption of new integrated processes and data standards - Provide leadership and support in the adoption of and adherence to the new system - Approve workflows in timely manner - Review and prioritize work orders based on urgency, criticality, and available resources - Schedule and coordinate maintenance tasks to optimize asset uptime and minimize disruptions. - Provide reports on planned versus actual maintenance activities and performance. - Share insights and recommendations for improvement based on data analysis.
Technician	- Use the system to review scheduled work and assign work - Administration of digitized workflow approvals for planned materials on work orders - Increased reliance on corrective task lists for emergency corrective work - Rely on Planner to prepare his work in advance	- Familiarization with using the system and handheld devices - Ability to navigate a revised set of Functional Location and Equipment master data following data cleansing exercise - Knowledge on accessing daily & weekly schedules, work assignments, work order backlog, work instructions, material availability checks, other reporting - Proficiency in searching and applying existing tasks lists for corrective work	- Perform routine inspections, preventive maintenance tasks, and repairs on various types of assets (e.g., machinery, equipment, facilities) to ensure their proper functioning. - Follow maintenance schedules and work orders generated by Maintenance Planners and Supervisors. - Approve workflows in timely manner - Enter confirmation, or ensure they are entered by leads or technicians, in a timely manner - Ensure all materials and parts are accounted for on the right work order - Ensure that all work is documented through a work order - Validate accurate information of actual work completed and technical findings - Ensure maintenance team is accurately using mobile technologies to initiate, execute, and close out work where enabled

Executive Summary

- The results from Process Maturity Assessments and the collection of change impacts across the business indicate that this ERP implementation represents a high degree of change
- Interviews with the Executive Leadership Team and workshops with Management suggest the need for a highly personalized change management and engagement approach across various different functions
 - Enterprise Asset Management will require a direct level of engagement, while Supply Chain and Finance need higher levels of detail orientation. The Customer Service change journey will focus on task lists and a more intuitive and modern employee experience
- Interviews with the Executive Leadership Team indicate that system and data integration, clear roles and responsibilities, and Elexicon's lean operating environment are focus areas for the future state capability design and change management planning

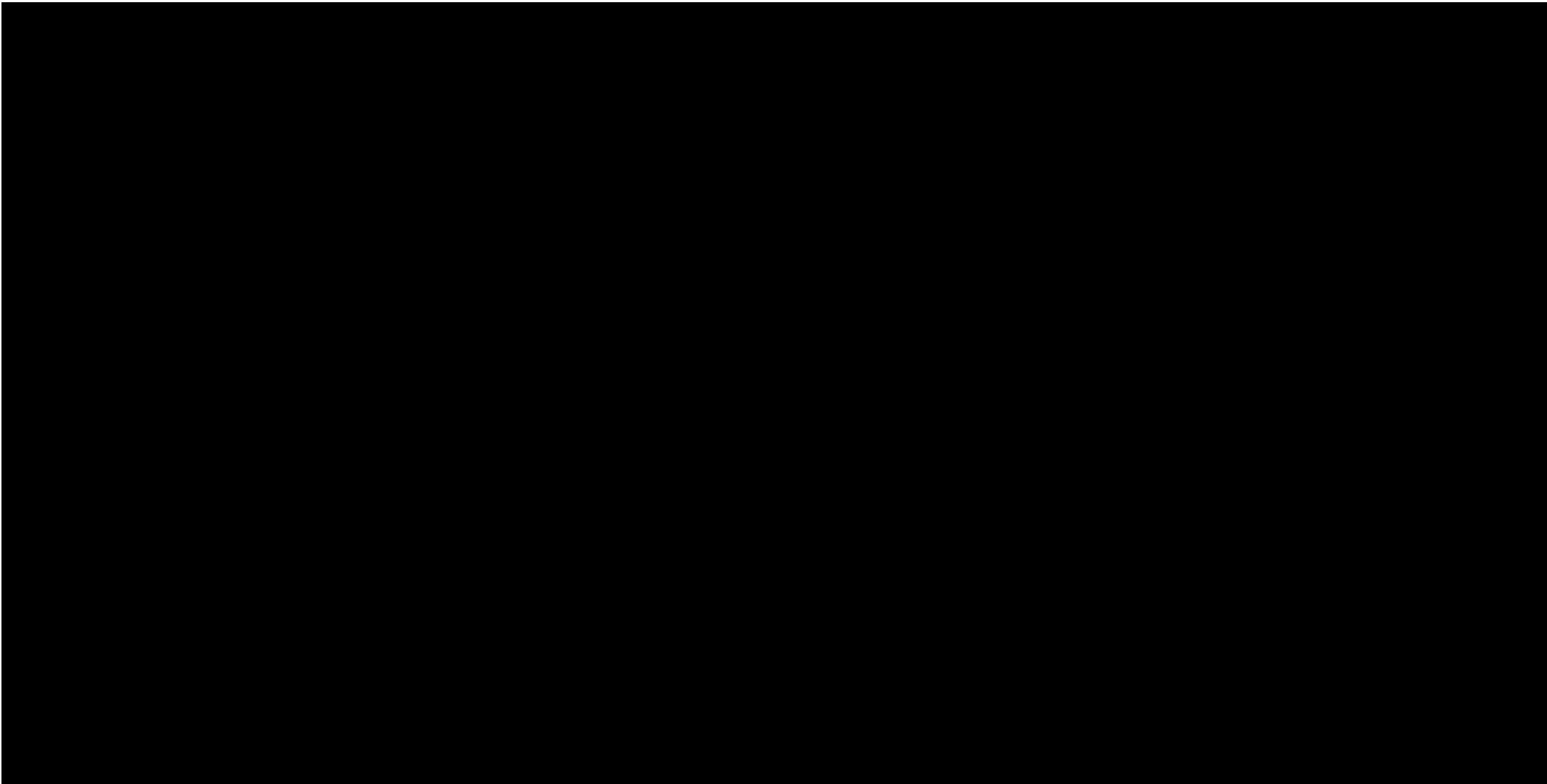


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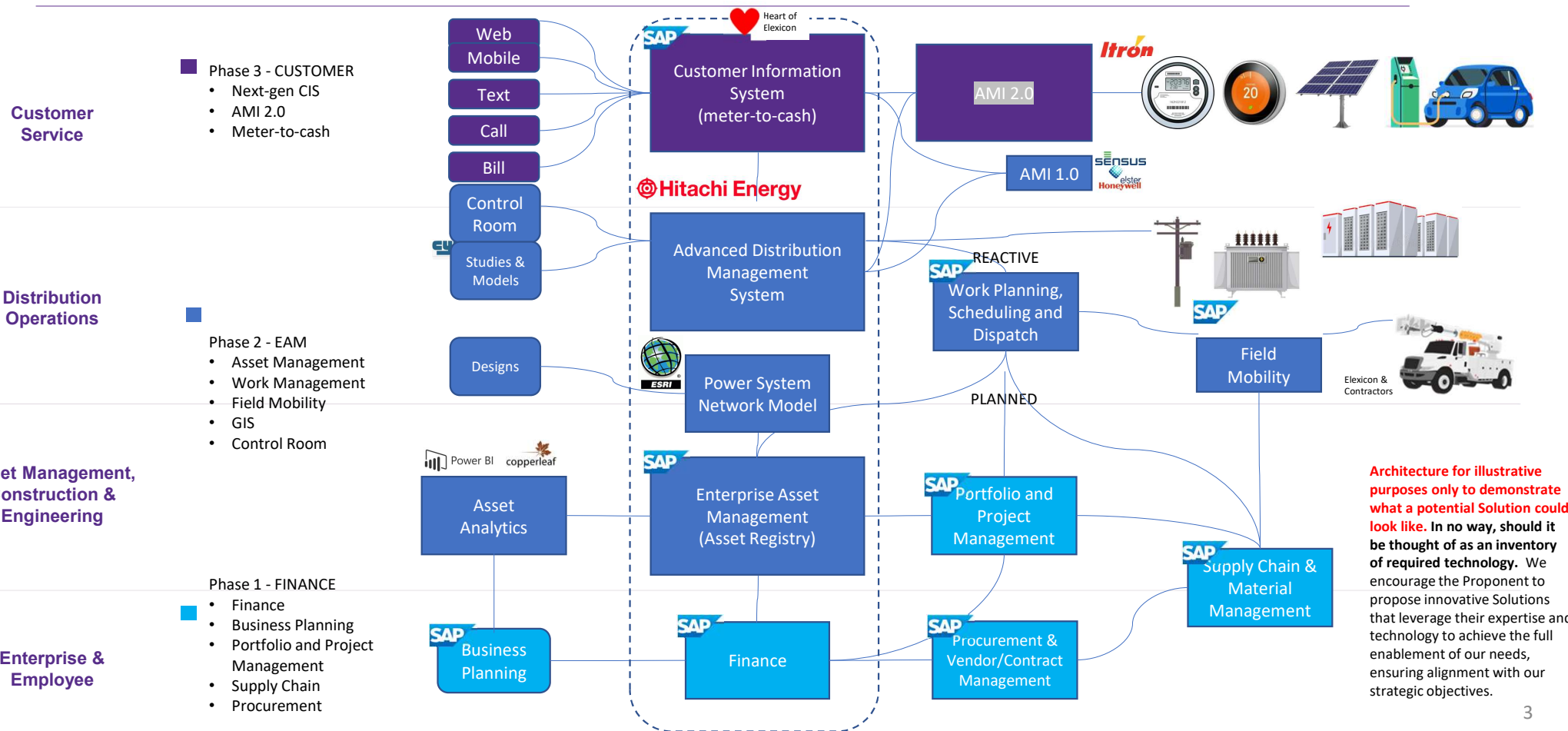
Dx NEXT

Appendix C – Reference Architecture

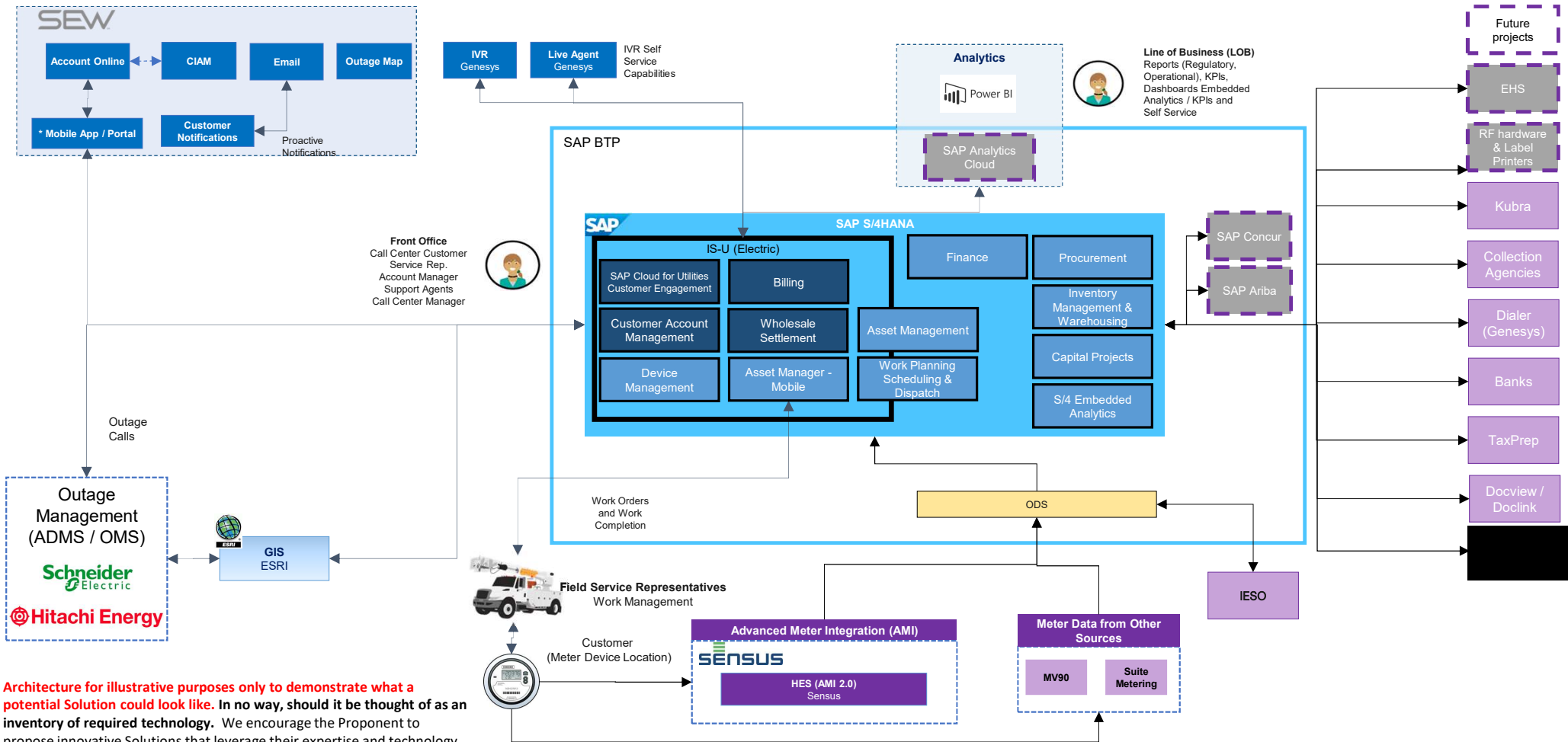
Current State Architecture



Initial view of future state – For Illustrative Purposes Only!



Future State Architecture - Reference Solutions – For Illustrative Purpose only!



Architecture for illustrative purposes only to demonstrate what a potential solution could look like. In no way, should it be thought of as an inventory of required technology. We encourage the Proponent to propose innovative Solutions that leverage their expertise and technology to achieve the full enablement of our needs, ensuring alignment with our strategic objectives.

Appendix D - Project Dx NEXT Proposed Deployment Schedule



Proposed Implementation Phases - For Reference Purposes Only

[illegible]

Ellexicon Considerations & Parallel Activities

[illegible]

Appendix E – Settlement Calculation Mapping

S.No.	Service Type	Rate Zone	Technology Used	# of Channels	UOM	VEE Code	Current Cycle	Calculations Done	# of Channels	UOM Used for Billing
1	Microfit	VRZ	AMI	2	KWH - Del KWH - Rec	93	WS73M	No	4	KWHINREG KWHIN KWHRWG KWH
		WRZ	AMI							
2	Net MeterSet 1 - Two meter setup (MA, MB)	VRZ	AMI & MV90	4 (Meter MA)	KWH - Del KVARH - Del KWH - Rec KVARH - Rec	93	WS72	Yes Meter Multiplier Applied CHARGE = (1.0482*MB1)+(1.0482*MA1)+(SSLA*MB2) CREDIT = (1.0482*MB1)+(SSLA*MA2)+(SSLA*MB2)	MA - 6	KWH - Del KVARH - Del KWH - Rec KVARH - Rec KWReg KVARReg
		WRZ	N/A	4 (Meter MB)	KWH - Del KVARH - Del KWH - Rec KVARH - Rec				MB - 6	KWH - Del KVARH - Del KWH - Rec KVARH - Rec KWReg KVA Reg
3	Net Meter Setup 2 - Two meter setup (MA, MB)	VRZ	AMI & MV90	4 (Meter MA)	KWH - Del KVARH - Del KWH - Rec KVARH - Rec	93	WS72	Yes 1. Meter Multiplier applied 2. CHARGE = MA1 CREDIT = MA2 * SSLA	MA - 6	KWH - Del KVARH - Del KWH - Rec KVARH - Rec KWReg KVARReg
		WRZ	N/A	4 (Meter MB)	KWH - Del KVARH - Del KWH - Rec KVARH - Rec				MB - 6	KWH - Del KVARH - Del KWH - Rec KVARH - Rec KWReg KVA Reg
4	Net Meter Setup 3 - One meter setup	VRZ	AMI & MV90	2	KWH - Del KWH - Rec	93	WS72	Yes 1. Meter Multiplier applied 2. CHARGE = MA1 CREDIT = MA2 * SSLA	MA - 3/6	KWH - Del KVARH - Del KWH - Rec KVARH - Rec KWReg KVARReg
		WRZ	AMI & MV90	2 or 5	KWH - Del KWH - Rec KWH KVARH KVARH KVARH					

Appendix E – Settlement Calculation Mapping

S.No.	Service Type	Rate Zone	Technology Used	# of Channels	UOM	VEE Code	Current Cycle	Calculations Done	# of Channels	UOM Used for Billing
5	FIT	VRZ	AMI & MV90	4	KWH - Del KVARH - Del KWH - Rec KVARH - Rec	90	WS73G	No	2	GKWH KVARH
		WRZ	MV90	4 or 5	KWH - Del KWH - Rec KVARH - Del KVARH - Rec "Unused"					
6	50-200 KW	VRZ	AMI & MV90	2 or 4	KWH KVARH KWH KVARH KWREG KVAREG	95	WS82	Yes - Meter Multiplier applied	4	KWH KVARH KWREG KVAREG
		WRZ	MV90	2 or 3	KWH KVARH/KVAH KWH KVARH KVAH					
7	Suite Metering	VRZ	Triacta, GHS	1	KWH	93	WS82A	Yes - 1. Meter Multiplier Applied For accounts with multiple meters (bulk metered) 1. Meter Multiplier Applied 2. KWH = All KWH added	1	KWH
		WRZ	GHS	1	KWH					
8	> 200 KW	VRZ	MV90	2 or 4	KWH KVARH KWH KVARH KWH KVARH			Yes - Demand calculation via Kinetiq	4	KWH KVARH KWREG KVAREG
		WRZ	MV90	2 or 4	KWH KVARH/KVAH KWH - Del KWH - Rec KVARH - Del KVARH - Rec					
9	Residential	VRZ	AMI					MDM/R calculations		
		WRZ	AMI							

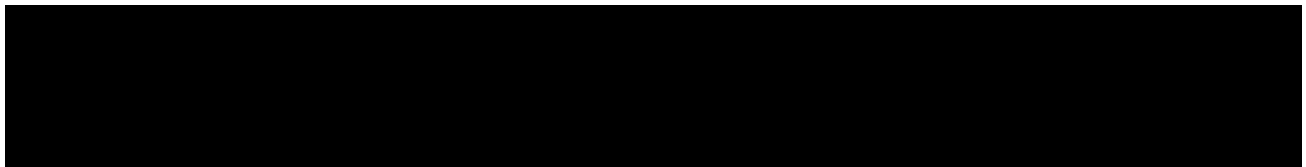
CIS Integration to Outage Management System

There are two (2) Customer Information System (CIS) to Outage Management System (OMS) Integrations that will be discussed. One is the present state, and the other is the future state.

The Geographical Information System (GIS) is used to store, manage and visualize customer information, equipment and provides a pictorial representation of assets in the Elexicon Energy grid.

The OMS is used to help Local Distribution Companies (LDCs) such as Elexicon locate, analyze and fix power outages on the grid. An OMS can coordinate with many different data sources in order to integrate and analyze data from all over the grid.

Present State



Process

1. 
 - a. 
2. 
 - a. 

Frequency

1. 
2. 

Data



- a) 
- b) 
- c) 
- d) 
- e) 



- a) 
- b) 
 - a. 

Future State

[REDACTED]

[REDACTED]

Process

1. [REDACTED]
 - a. [REDACTED]
2. [REDACTED]
 - a. [REDACTED]
1. [REDACTED]
2. [REDACTED]
 - a. [REDACTED]

Data

[REDACTED]

- a) [REDACTED]
- b) [REDACTED]
- c) [REDACTED]
- d) [REDACTED]
- e) [REDACTED]

[REDACTED]

- a) [REDACTED]
- b) [REDACTED]
 - a. [REDACTED]

Expectations

The proposed future state is expected to be live by Q3 2024. The Hexagon OMS is also expected to be decommissioned around this timeframe as well.

[REDACTED]

The proponent must detail the technological approach, tools, and processes they will utilize to achieve this integration, ensuring that the solution is reliable, secure, and meets our operational needs.

PSE Network Model Upload [REDACTED]

Process

1. [REDACTED]
[REDACTED]
 - a. [REDACTED]
[REDACTED]

Frequency

[REDACTED]
[REDACTED]

Data

[REDACTED]

- a) [REDACTED]
- b) [REDACTED]
- c) [REDACTED]
- d) [REDACTED]

Expectations

[REDACTED]
[REDACTED]
[REDACTED]

The proposal should include a detailed explanation of the integration mechanism, including any necessary middleware, APIs, and security protocols. The proponent should also provide any relevant their experience with similar integrations and provide a clear and feasible plan to implement this critical component of the ERP system.

Appendix F – Key Integrations



Appendix

System	Operating Systems Used	Databases Used
ADMS	Cisco IOS	
	Vmware vShpere V7.X	
	Windows Standard 2019	
	Vmware Appliance	
	Red Hat Enterprise Linux 7.X	
	Cisco IOS	
	Red Hat Enterprise Linux 7.X	
	Windows 10 Pro	
GIS	Microsoft Windows Server 2016 (64-bit)	Oracle Database 19c Standard Edition 2 Release 19.0.0.0.0
	Microsoft Windows Server 2019(64-bit)	
HARRIS	Microsoft Windows Server 2016	Microsoft SQL Server 2017

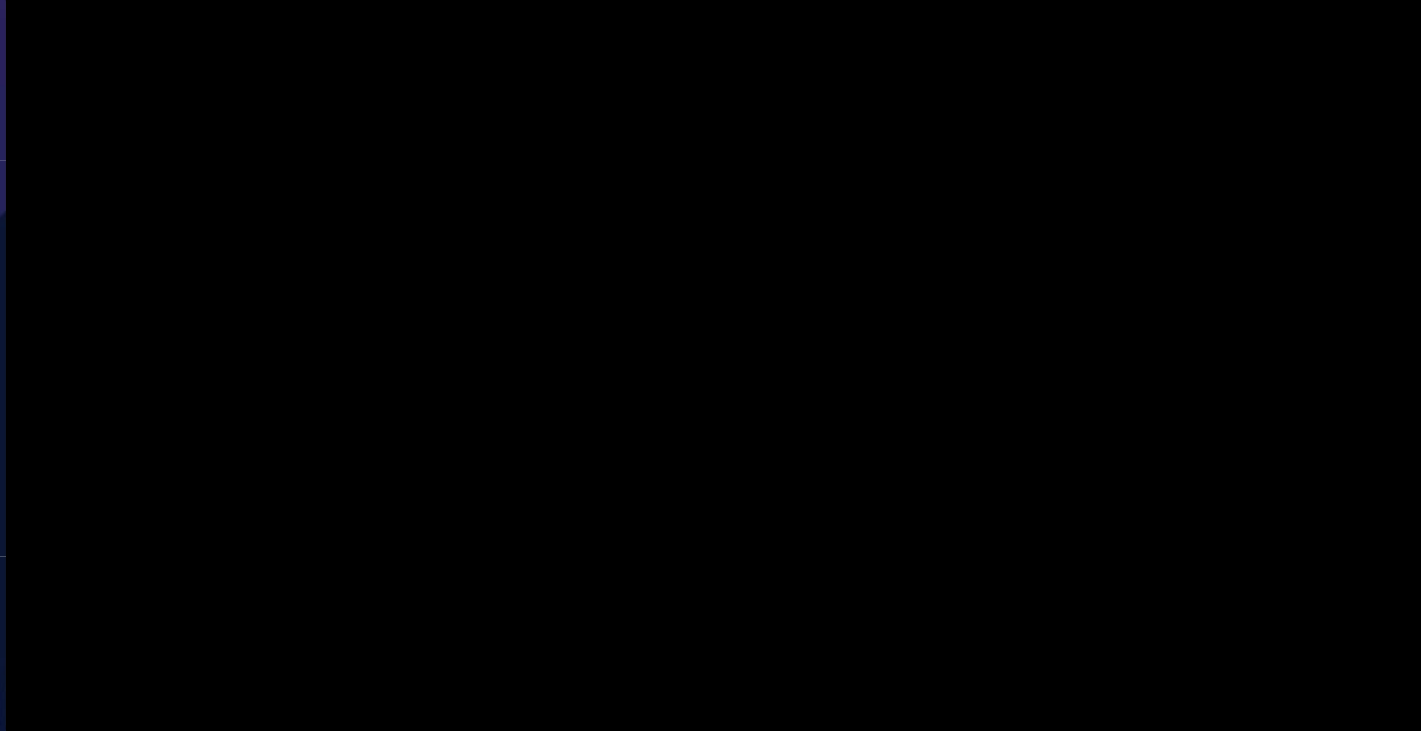
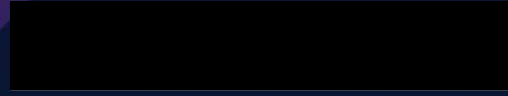
Elexicon

Dx Next RFP

Appendix G – Integration Architecture

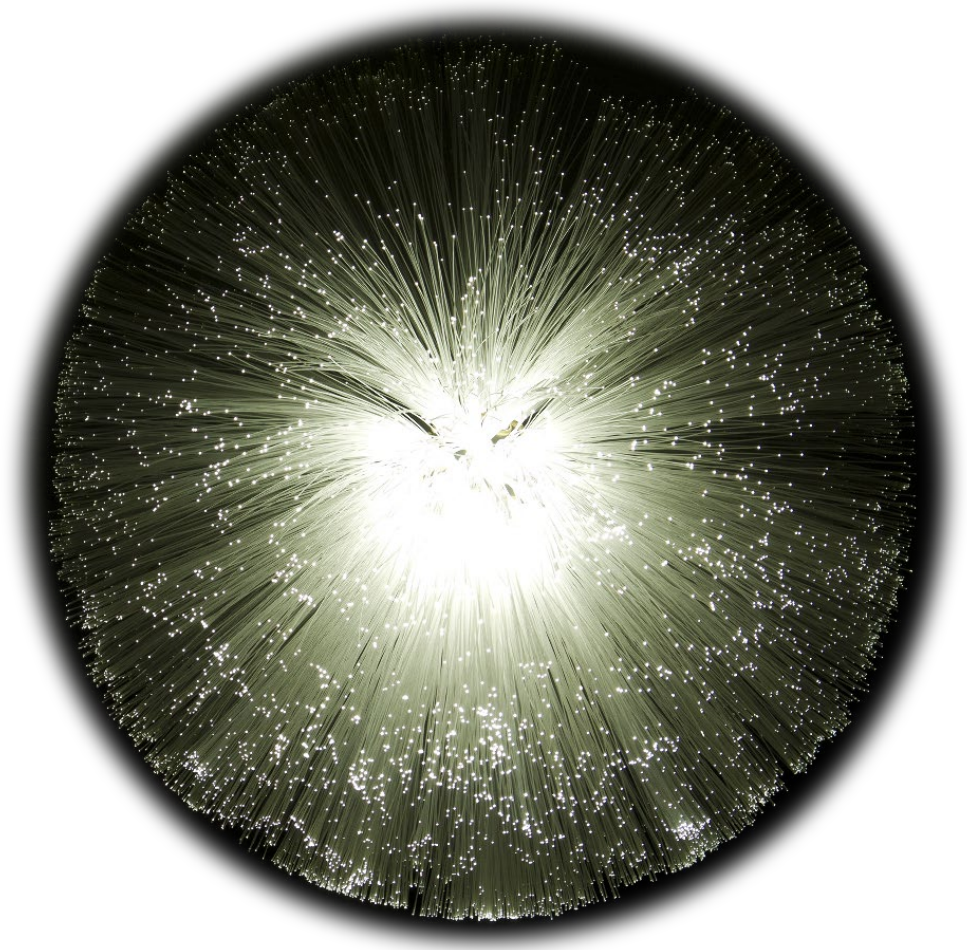


Integration between



PSE Network Model Upload





Elexicon Energy

Dx NEXT: Internal Audit Review

December 30, 2024

Dx NEXT Review Overview

Phase 1 & 2 RFP Review

RFP Document

Phase 3 Selected Vendor SOW Review

Objective

- Evaluation of the Dx Next RFP to determine adherence to industry best practice and the inclusion of all the necessary elements for conducting a thorough and competitive procurement process (excluding related commercial legal requirements).

Workshop sessions

- IA captured a wide range of Elexicon stakeholders and business owners' inputs.
- We ensured completeness by giving each stakeholder the opportunity to share their perspectives and insights, enhancing the quality and relevance of the Dx NEXT RFP.
- IA did not provide input into the actual technical requirements or design of the RFP.

Outcomes

- The RFP process has been well managed and executed, ensuring a high-quality, comprehensive document that accurately reflects the business needs and requirements.



Objective

- Evaluation of the selected vendor contractual documents
- Provide reasonable assurance on the vendor's alignment with functional and technical requirements, scope, and adherence to industry best standards.

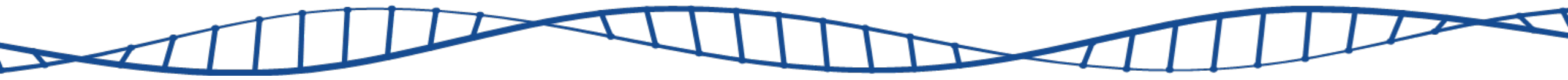
Review of Dx NEXT SoWs

- IA assessed the SOW's alignment with organizational requirements outlined in RFP.
- IA provided feedback for Management's consideration*.

Outcomes

- Nothing has come to our attention that would indicate that the SoW documents reviewed are not in alignment with the RFP.

Dx NEXT SoW Documents Review – Phase 3



Based on our agreed upon scope of work, Internal Audit (IA) completed Phase 3 of the Dx NEXT Request for Proposal (RFP) review engagement. This final phase encompassed carrying out an evaluation of the selected vendor's Statements of Work (SOWs) to provide reasonable assurance that the vendor's SOWs are aligned with the RFP functional and technical requirements, scope, and adhere to industry best standards. Please note that the work performed is intended for Management consideration and should not be construed as providing legal counsel.

Earlier in 2024, IA facilitated a session attended by all relevant Elexicon stakeholders/business owners responsible for providing input during the discovery phase of the RFP process. IA ensured through our facilitation that each stakeholder had the opportunity to express their business needs and requirements and that those requirements were reflected in the RFP. This inclusive approach allowed Elexicon to capture a wide range of perspectives and insights, thereby enhancing the quality and relevance of the Dx NEXT RFP. IA did not provide any input into the actual requirements or the design of the RFP itself.

IA reviewed the SOW documents drafted by the selected vendor for the Dx NEXT project to assess the SOWs alignment with the organization's requirements outlined in the RFP and provided points of feedback for Management's consideration. Our feedback was intended to bring awareness to Management about key factors that should be considered within each phase, and it is at Management's discretion as to whether any of these points are included within further SOW revisions or kept in mind for ongoing Dx NEXT program management.

Some highlighted findings per SOW phase are:

- Customer Experience Phase - we expect to see a phase approach to AMI integrations (with backwards compatibility required in the interfaces for AMI 1.0) to ensure the integrity of key customer metrics such as billing quality, and properly detailed out SEW <-> S/4 integrations to make sure that requirements related to Digital Access Enhancements in the Self-Serve scope are adequately fulfilled in the final solution.
- Utilities Data Foundation Phase - preparing good data with the correct level of detail as per business requirements in advance (i.e., in Phase 2 rather than Phase 3) will be immensely beneficial in terms of having the right set of user stories and test scripts and such, and proper closure of the loop on requirements traceability in Phase 3.
- Core ERP Phase - we recommend incorporating the Work Clearance Management (WCM) module in addition to SAP EHS, to sufficiently meet the requirements in the Distribution Operations and Asset Management space, as specified in Attachment C.

Overall, based on the work performed to date, nothing has come to our attention that would suggest that the SOW documents for Phase 1 (Customer Experience), Phase 2 (Utilities Data Foundation), and Phase 3 (Core ERP) are not in alignment with the RFP.



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Dx Next RFP Review – Phase 1

Date:	May 15, 2024
To:	Lincoln Frost-Hunt, Vice President, Digital and Innovation
Cc:	Indrani Butany, President and Chief Executive Officer
From:	Tim Scott, Partner, Deloitte Karim Najjar, Senior Manager, Deloitte Joe Rauti, Senior Manager, Deloitte
Subject:	DX Next RFP Review – Phase 1 Memo

Based on the agreed upon statement of work signed on April 17, 2024, Internal Audit (IA) completed phase one of the Dx Next RFP Review engagement. Phase one included an evaluation of the Dx Next RFP to determine adherence to industry best practice and the inclusion of all the necessary elements for conducting a thorough and competitive procurement process excluding anything related to commercial legal requirements.

IA reviewed the RFP and the associated appendices and in order to assess and provide any points of feedback for managements consideration. Any points of feedback provided were minor in nature and were more for managements consideration as opposed to any deficiencies noted in the RFP. Additionally, IA facilitated a session attended by all relevant Elexicon stakeholders/business owners responsible for providing input during the discovery phase of the RFP process. IA ensured through the facilitation, that each stakeholder had the opportunity to express their business needs and requirements and that those requirements were reflected in the RFP. This inclusive approach has allowed Elexicon to capture a wide range of perspectives and insights, thereby enhancing the quality and relevance of the DX Next RFP.

This collaborative effort is reflected in the RFP, which incorporates all the necessary business requirements, ensuring that it is comprehensive and tailored to the specific needs of Elexicon. Stakeholder input was crucial in identifying requirements, business needs and in setting realistic timelines which will enable potential suppliers to provide more accurate and competitive proposals.

Based on the work performed to date, IA is of the view that the RFP process has been well managed and executed, ensuring a high-quality, comprehensive document that accurately reflects the business needs and requirements.

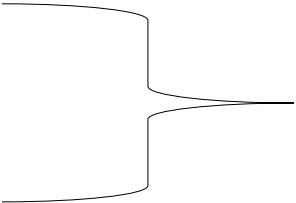
Phases 2 of the engagement will commence once a successful vendor is selected and will focus on evaluating successful candidates' compliance with functional and technical prerequisites, scope and adherence to industry best practices.

Appendix 3 - Evaluation Matrix - Evaluator 1

			Proposal A			Proposal B			Proposal C			Proposal D			Proposal E		
BPO SCORING			Rating	Comments	Wt. Score	Rating	Comments	Rating	Comments	Rating	Comments	Rating	Comments				
#	Criteria																
1. Completeness of Solution (40%)																	
1.1	CUSTOMER EXPERIENCE:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.1.1	Customer Experience: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.1.2	Customer Experience: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.1.2.1	i. Customer Interaction			0.00													
1.1.2.2	ii. Billing			0.00													
1.1.2.3	iii. Metering			0.00													
1.2	ASSET MANAGEMENT:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.2.1	Asset Management: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.2.2	Asset Management: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.2.2.1	i. Enterprise Asset Management			0.00													
1.2.2.2	ii. Digital Field Worker			0.00													
1.3	SUPPLY CHAIN MANAGEMENT:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.3.1	Supply Chain Management: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.3.2	Supply Chain Management: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.3.2.1	i. Supply Chain			0.00													
1.3.2.2	ii. Procurement			0.00													
1.4	FINANCE:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.4.1	Finance: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.4.2	Finance: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.4.2.1	i. Financial Accounting, Reporting and Consolidation			0.00													
1.4.2.2	ii. Budget and Planning			0.00													
1.5	INFORMATION MANAGEMENT:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.5.1	Information Management: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.5.2	Information Management: Proposed Solution incl. Enabling Scenarios:			0.00													
	i. Data Retention																
1.6	DATA ANALYTICS:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.6.1	Data Analytics: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.6.2	Data Analytics: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.6.2.1	i. Out of the box Reporting			0.00													
1.6.2.2	ii. Ad hoc Reporting (e.g. Ease of maintenance, flexibility, Industry/OEB Reports delivered)			0.00													
1.6.2.3	iii. Data Analytics Strategy			0.00													
1.7	HEALTH, SAFETY, AND ENVIRONMENT:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.7.1	Health, Safety, and Environment: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.7.2	Health, Safety, and Environment: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.7.2.1	i. Health, Safety, and Environment			0.00													
1.8	HUMAN RESOURCES:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.8.1	Human Resources: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.8.2	Human Resources: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.8.2.1	i. Human Resources, Payroll, Time, and Attendance			0.00													
1.9	INFORMATION TECHNOLOGY:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.9.1	Information Technology: Capabilities (POPULATED)	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.9.2	Information Technology: Proposed Solution incl. Enabling Scenarios (CALCULATED):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.9.2.1	i. Solution Architecture			0.00													
1.9.2.2	ii. Security			0.00													
1.9.2.3	iii. Software Hosting			0.00													
1.9.2.4	iv. Technology (Understanding of requirements, proposed solution, methodology, recommended approach)			0.00													
1.9.2.5	v. Data Conversion			0.00													
1.9.2.6	vi. Infrastructure			0.00													
1.9.2.7	vii. Information Technology General Controls (ITGC)			0.00													
1.10	INTEGRATION WITH LEGACY SYSTEMS:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.10.1	Integration with Legacy Systems			0.00													
1.11	ACCOUNTABILITY WRAP:	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.11	Accountability Wrap (sum of 5 criteria below):	0.00		0.00	0.00		0.00		0.00		0.00		0.00				
1.11.1	i. Bill of Materials			0.00													
1.11.2	ii. Points of Integration			0.00													
1.11.3	iii. Upgradeability of Solution			0.00													

1.11.4	iv. "Out of the Box", standard functionality			0.00							
1.11.5	v. System Interoperability (ERP Standard vs Best of Breed)			0.00							
1.12	AMS SOLUTION:	0.00		0.00	0.00		0.00		0.00		
1.12	AMS Solution (sum of 5 criteria below):	0.00		0.00	0.00		0.00		0.00		0.00
1.12.1	i. System Upgrades and Security management			0.00							
1.12.2	ii. Help Desk and Incident Response			0.00							
1.12.3	iii. Change and Release Managements			0.00							
1.12.4	iv. Maintenance			0.00							
1.12.5	v. Disaster Recovery			0.00							
Completeness of Solution (out of 40) - Subtotal:				0.00							
2. Ability to Execute (50%)											
2.1	Supplier Qualifications			0.00							
2.2	Proposed Project Team			0.00							
2.3	Project Management and Methodology			0.00							
2.4	Utility Accelerators and Tools			0.00							
2.5	Data Conversion Plan			0.00							
2.6	Testing Plan			0.00							
2.7	Change Management and Training			0.00							
2.8	Ease of Contract			0.00							
2.9	Security and Software Hosting			0.00							
2.10	Integration with Legacy Systems			0.00							
Ability to Execute (out of 50) - Subtotal:				0.00							
3. Pricing (10%)											
3.1	One-Time Costs (Implementation): (CALCULATED)			#VALUE!							
3.2	Ongoing Operating Costs: i. Software Licensing Fees ii. AMS (CALCULATED)			#VALUE!							
Pricing (out of 10) - Subtotal:				#VALUE!							
Rank / Weighted Sum (out of 100) -->				#####							

Rank	Vendor Proponent	Score
1		0 #VALUE!
2	Propsal A	#VALUE!
3		0 #VALUE!
4		0 #VALUE!
5		0 #VALUE!



Overall Scoring Summary

Scoring Criteria

Criteria		Weight		Score Method
1	Completeness of Solution	100%		40%
1.1	Customer Experience	12%		
	1.1.1 Capabilities	5%	Populated	Quantitative
	1.1.2 Proposed Solution including Enabling Scenarios	7%		
	i. Customer Interaction	1.5%	Score 1-5	Qualitative
	ii. Billing / Settlement	4.0%	Score 1-5	Qualitative
	iii. Metering	1.5%	Score 1-5	Qualitative
1.2	Asset Management	11%		
	1.2.1 Capabilities	5%	Populated	Quantitative
	1.2.2 Proposed Solution including Enabling Scenarios	6%		
	i. Enterprise Asset Management	3.0%	Score 1-5	Qualitative
	ii. Digital Field Worker	3.0%	Score 1-5	Qualitative
1.3	Supply Chain Management	8%		
	1.3.1 Capabilities	4%	Populated	Quantitative
	1.3.2 Proposed Solution including Enabling Scenarios	4%		Qualitative
	i. Supply Chain	2%	Score 1-5	Qualitative
	ii. Procurement	2%	Score 1-5	Qualitative
1.4	Finance	8%		
	1.4.1 Capabilities	4%	Populated	Quantitative
	1.4.2 Proposed Solution including Enabling Scenarios	4%		Qualitative
	i. Financial Accounting, Reporting and Consolidation	2%	Score 1-5	Qualitative
	ii. Budget and Planning	2%	Score 1-5	Qualitative
1.5	Information Management.	7%		
	1.5.1 Capabilities	4%	Populated	Quantitative
	1.5.2 Proposed Solution including Enabling Scenarios	3%		Qualitative
	i. Data Retention	3%	Score 1-5	Qualitative
1.6	Data Analytics	7%		
	1.6.1 Capabilities	4%	Populated	Quantitative
	1.6.2 Proposed Solution including Enabling Scenarios	3%		Qualitative
	i. Out of the box Reporting	1.0%	Score 1-5	Qualitative
	ii. Ad hoc Reporting (e.g. Ease of maintenance, flexibility, Industry/OEB Reports delivered)	1.0%	Score 1-5	Qualitative
	iii. Data Analytics Strategy	1.0%	Score 1-5	Qualitative
1.7	Health, Safety and Environment	6%		

Criteria		Weight	Score Method
	1.7.1 Capabilities	3% Populated	Quantitative
	1.7.2 Proposed Solution including Enabling Scenarios	3%	Qualitative
	i. Health and Safety	1.5% Score 1-5	Qualitative
	ii. Environment	1.5% Score 1-5	Qualitative
1.8	Human Resources	6%	
	1.8.1 Capabilities	3% Populated	Quantitative
	1.8.2 Proposed Solution including Enabling Scenarios	3%	
	i. Human Resources	1.5% Score 1-5	Qualitative
	ii. Payroll, Time and Attendance	1.5% Score 1-5	Qualitative
1.9	Information Technology	10%	
	1.9.1 Capabilities	3% Populated	
	1.9.2 Proposed Solution including Enabling Scenarios	7%	
	i. Solution Architecture	1% Score 1-5	Qualitative
	ii. Security	1% Score 1-5	Qualitative
	iii. Software Hosting	1% Score 1-5	Qualitative
	iv. Technology (Understanding of requirements, proposed solution, methodology, recommended approach)	1% Score 1-5	Qualitative
	v. Data Conversion	1% Score 1-5	Qualitative
	vi. Infrastructure	1% Score 1-5	Qualitative
	vii. Information Technology General Controls (ITGC)	1% Score 1-5	Qualitative
1.10	Integration with Legacy Systems	5% Score 1-5	Qualitative
1.11	Accountability Wrap	10%	
	i. Bill of Materials	2% Score 1-5	Qualitative
	ii. Points of Integration	2% Score 1-5	Qualitative
	iii. Upgradeability of Solution	2% Score 1-5	Qualitative
	iv. "Out of the Box", standard functionality	2% Score 1-5	Qualitative
	v. System Interoperability (ERP Standard vs Best of Breed)	2% Score 1-5	Qualitative
1.12	AMS Solution	10%	
	i. System Upgrades and Security management	2% Score 1-5	Qualitative
	ii. Help Desk and Incident Response	2% Score 1-5	Qualitative
	iii. Change and Release Managements	2% Score 1-5	Qualitative
	iv. Maintenance	2% Score 1-5	Qualitative
	v. Disaster Recovery	2% Score 1-5	Qualitative
2	Ability to Execute	100%	50%
2.1	Supplier Qualifications	10% Score 1-5	Qualitative
2.2	Proposed Project Team	10% Score 1-5	Qualitative

Criteria		Weight	Score Method
2.3	Project Management and Methodology	20% Score 1-5	Qualitative
2.4	Utility Accelerators and Tools	10% Score 1-5	Qualitative
2.5	Data Conversion Plan	10% Score 1-5	Qualitative
2.6	Testing Plan	10% Score 1-5	Qualitative
2.7	Change Management and Training	15% Score 1-5	Qualitative
2.8	Ease of Contract	5% Score 1-5	Qualitative
2.9	Security and Software Hosting	5% Score 1-5	Qualitative
2.10	Integration with Legacy Systems	5% Score 1-5	Qualitative

3 Pricing	
One-Time Costs (Implementation)	
On-going Operating Costs	
Software Licensing Fees	
AMS	

10%	10%
6%	Only on Summary Page
4%	Only on Summary Page

Worksheet Mapping by Phase:

Worksheet Tab	Functional Area	Phase	Total Capabilities	Count		
				Yes	No	Extended
1. Customer Experience	Customer Experience	Phase1	266	0	0	0
2. Distribution Ops	Asset management, Program Delivery, Construction and Engineering	Phase 2	50	0	0	0
3. Manage Assets	Asset management, Program Delivery, Construction and Engineering	Phase 2	259	0	0	0
4. Capital Projects	Asset management, Program Delivery, Construction and Engineering	Phase 2	39	0	0	0
5. Supply Chain	Supply Chain Management	Phase 2	146	0	0	0
6. Finance	Finance	Phase 2	497	0	0	0
7. Information Technology	Information Technology	Phase 1 - 3	46	0	0	0
8. HR	Human Resources	Phase 3	181	0	0	0
9. Pay, Time & Attend	Payroll Time and Attendance	Phase 3	167	0	0	0
10. Data Analytics	Data Analytics	Phase 1 - 3	64	0	0	0
11. H&S, Env't	Health, Safety, and Environment	Phase 3	21	0	0	0
12. Information Management	Information Management	Phase 1 - 3	25	0	0	0
Total			1,761	-	-	-

Fuctional Area	Total Capabilities	Possible Score	Proposal A	
			Actual Score	% Scored
Customer Experience	266	532	0	0.0%
Asset management, Program Delivery, Construction and Engineering	348	696	0	0.0%
Supply Chain Management	146	292	0	0.0%
Finance	497	994	0	0.0%
Information Technology	46	92	0	0.0%
Human Resources and Payroll	348	696	0	0.0%
Data Analytics	64	128	0	0.0%
Health, Safety, and Environment	21	42	0	0.0%
Information Management	25	50	0	0.0%
	1761	3522	0	0.0%

Pricing Criteria	Proposal A
One-Time Costs (Implementation): Overall cost relative to the budget and market rates.	
Ongoing Operating Costs: i. Software Licensing Fees ii. AMS	

Proposal A					Proposal B										
Score					Count				Score				Count		
Total	Yes	Extended	Total	TBS	Yes	No	Extended	Total	Yes	Extended	Total	TBS	Yes	No	Extended
0	0	0	0	266	0	0	0	0	0	0	0	266	0	0	0
0	0	0	0	50	0	0	0	0	0	0	0	50	0	0	0
0	0	0	0	259	0	0	0	0	0	0	0	259	0	0	0
0	0	0	0	39	0	0	0	0	0	0	0	39	0	0	0
0	0	0	0	146	0	0	0	0	0	0	0	146	0	0	0
0	0	0	0	497	0	0	0	0	0	0	0	497	0	0	0
0	0	0	0	46	0	0	0	0	0	0	0	46	0	0	0
0	0	0	0	181	0	0	0	0	0	0	0	181	0	0	0
0	0	0	0	167	0	0	0	0	0	0	0	167	0	0	0
0	0	0	0	64	0	0	0	0	0	0	0	64	0	0	0
0	0	0	0	21	0	0	0	0	0	0	0	21	0	0	0
0	0	0	0	25	0	0	0	0	0	0	0	25	0	0	0
-	-	-	-	1,761	-	-	-	-	-	-	-	1,761	-	-	-

Proposal B		Proposal C		Proposal D		Proposal E	
Actual Score	% Scored	Actual Score	% Scored	Actual Score	% Scored	Actual Score	% Scored
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%
0	0.0%	0	0.0%	0	0.0%	0	0.0%

Proposal B	Proposal C	Proposal D	Proposal E

Proposal C					Proposal D										
Score					Count				Score				Count		
Total	Yes	Extended	Total	TBS	Yes	No	Extended	Total	Yes	Extended	Total	TBS	Yes	No	Extended
0	0	0	0	266	0	0	0	0	0	0	0	266	0	0	0
0	0	0	0	50	0	0	0	0	0	0	0	50	0	0	0
0	0	0	0	259	0	0	0	0	0	0	0	259	0	0	0
0	0	0	0	39	0	0	0	0	0	0	0	39	0	0	0
0	0	0	0	146	0	0	0	0	0	0	0	146	0	0	0
0	0	0	0	497	0	0	0	0	0	0	0	497	0	0	0
0	0	0	0	46	0	0	0	0	0	0	0	46	0	0	0
0	0	0	0	181	0	0	0	0	0	0	0	181	0	0	0
0	0	0	0	167	0	0	0	0	0	0	0	167	0	0	0
0	0	0	0	64	0	0	0	0	0	0	0	64	0	0	0
0	0	0	0	21	0	0	0	0	0	0	0	21	0	0	0
0	0	0	0	25	0	0	0	0	0	0	0	25	0	0	0
-	-	-	-	1,761	-	-	-	-	-	-	-	1,761	-	-	-

Proposal E				
	Score			
Total	Yes	Extended	Total	TBS
0	0	0	0	266
0	0	0	0	50
0	0	0	0	259
0	0	0	0	39
0	0	0	0	146
0	0	0	0	497
0	0	0	0	46
0	0	0	0	181
0	0	0	0	167
0	0	0	0	64
0	0	0	0	21
0	0	0	0	25
-	-	-	-	1,761

CAPABILITIES LISTING

1. Customer Experience

Customer Experience			Proposal A		Proposal B		Proposal C		Proposal D		Proposal E	
#	L1 Process	Capability	Solution enablement (2 - Yes/1 + Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 + Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 + Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 + Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 + Extended/0 - No)	Solution Component (Module)
1	Manage Customer Service	Ability to develop new and manage existing surveys										
2	Manage Customer Service	Ability to perform trending										
3	Manage Customer Service	Ability to integrate with ADRS/OMS for two way outage information flow, including API development if needed										
4	Manage Customer Service	Ability to integrate with Genesis - Livehub, screen pops and scripts										
5	Manage Customer Service	Ability to integrate with Genesis - Dialer (run multiple outbound campaigns with agents and seatlines)										
6	Manage Customer Service	Ability to integrate with Genesis - IVR (customer journey)										
7	Manage Customer Service	Ability to perform phone cancellations										
8	Manage Customer Service	APIs to integrate with Genesis - IVR for customer self-service										
9	Manage Customer Service	APIs to integrate with Genesis for two way outage information flow										
10	Manage Customer Service	Development of new API's for account/self-serve options										
11	Manage Customer Service	Ability to receive, respond to and manage customer inquiries through multiple channels (omni) including email, chat, etc.										
12	Manage Customer Service	Ability to manage claims inquiries										
13	Manage Customer Service	Ability to accept and track complaints from different sources (regulator, media, direct customer contact etc.)										
14	Manage Customer Service	Ability to manage escalations										
15	Manage Customer Service	Ability to manage customer complaint life cycle										
16	Manage Customer Service	Ability to manage multiple tier complaints (inquiries, escalations, formal complaints, OER, etc.)										
17	Manage Customer Service	Ability to perform trending and root cause analysis on customer complaints										
18	Manage Customer Service	End to end case management tool, that can span departments										
19	Manage Customer Service	Ability to manage customer inquiries										
20	Manage Customer Service	Ability to manage customer verification										
21	Manage Customer Service	Ability to manage account holder, bookkeeper, authorized representative relationships (permanent and short term)										
22	Manage Customer Service	Ability to manage customer relationships										
23	Manage Customer Service	Ability to manage landlord/tenant relationships										
24	Manage Customer Service	Ability to manage landlord agreements										
25	Manage Customer Service	Ability to set up customer accounts for different types of account structures (multiple parent, child accounts)										
26	Manage Customer Service	Ability to create alerts on individual accounts (flexible alert options) for: ie: Disconnect, OESP, AMP, Reconnection services etc.										
27	Manage Customer Service	Ability to support customer self-service options										
28	Manage Customer Service	Ability to manage customer data										
29	Manage Customer Service	Ability to manage premise data										
30	Manage Customer Service	Ability to view usage information by lifelines										
31	Manage Customer Service	Ability to re-generate pdf bill copy for final bill collection/bankruptcy purposes										
32	Manage Customer Service	Ability to re-issue bills to customers by selected method										
33	Manage Customer Service	Ability to view historical bill prints and reprint/issue from the main system										
34	Manage Customer Service	Ability to view bill details as seen and received by customers										
35	Manage Customer Service	Ability to reprint bills and send them to customers via print/email or email										
36	Manage Customer Service	Ability to view bill totals & subtotals (pre-tax, commodity, delivery, etc.) by year, season, month, etc.										
37	Manage Customer Service	Ability to investigate customer billing and invoice details										
38	Manage Customer Service	Ability to investigate customer financials										
39	Manage Customer Service	Ability to investigate customer meter reads										
40	Manage Customer Service	Ability to manage customer move in (account set up)										
41	Manage Customer Service	Ability to manage customer move out (account closure)										
42	Manage Customer Service	Ability to enroll customers on PAD										
43	Manage Customer Service	Ability to automatically generate reconnection fees on non-low income accounts										
44	Manage Customer Service	Ability to manage payments (including from 3rd parties) and payment arrangements (including set up, changes, cancellations and follow ups as needed)										
45	Manage Customer Service	Ability to offer, monitor, track and report balance and security deposit payment arrangements including sending reminder/default notices & ability to place on bill print										
46	Manage Customer Service	Ability to review and charge different fees/debits										
47	Manage Customer Service	Ability to apply credits and process reversals with ease										
48	Manage Customer Service	Ability to identify, manage, bill and track accounts with gaps between customers (i.e. occupant/floor move to accounts)										
49	Manage Customer Service	Ability to process and manage account FTC (non-sign-up) (full cycle, from proactive communication to service disconnect), and exited move ins, including issuing letters and letter maintenance as well as automated generation of letters and orders										
50	Manage Customer Service	Ability to create, view and manage service orders and tickets										
51	Manage Customer Service	Ability to manage Customer Correspondence (emails, chat, letters, etc.) including fulfillment (Physical functionality)										
52	Manage Customer Service	Ability to manage customer communication including email correspondence history										
53	Manage Customer Service	Ability to manage proactive customer communications based on predictive trending analysis										
54	Manage Customer Service	Ability to manage proactive customer contact based on exceptions such as high usage, low usage, crossed meters, anomalies, etc.										
55	Manage Customer Service	Ability to manage letter (content) changes and easily add new letters and have letter version controls, show letter backlog										
56	Manage Customer Service	Ability to manage letters including flexibility with fonts, margins, word merge tokens etc.										
57	Manage Customer Service	Ability to fulfil letter print and mail function (bills, letters, notices etc.)										
58	Manage Customer Service	Ability to provide credit reference letters										
59	Manage Customer Service	Ability to process outages and emergencies										
60	Manage Customer Service	Ability to view on going outages and emergencies - full life cycle historic and real time for notices and notifications sent										
61	Manage Customer Service	Ability to manage outage and emergency communications by tiers (planned, urgent, planned, unplanned, and emergency)										
62	Manage Customer Service	Ability to manage outages and emergencies - full life cycle including creating, alerting and follow ups										
63	Manage Customer Service	Ability to manage Customer Choice options and flexibility to implement new ones as required										
64	Manage Customer Service	Ability to manage GreenButton, including integration with ERTH GB Solution										
65	Manage Customer Service	Ability to create, manage and update SLA's between internal departments with linked and dependent processes										
66	Manage Customer Service	Ability to report on SLA's										
67	Manage Customer Service	Ability to access and update a knowledgebase library (process documentation, one-page job aid, training materials, knowledge assessment tools). The documentation should be delivered as part of the access.										
68	Manage Customer Service	Ability to perform quality checks on all work processes performed to ensure regulatory and corporate standards are met										
69	Manage Customer Service	Ability to review and plan work force based on different criteria										
70	Manage Customer Service	Ability to set users up with different access levels, based on functions performed										
71	Manage Customer Service	Ability to manage work force allocation										
72	Manage Customer Service	Ability to manage and use email templates										
73	Manage Customer Service	Ability to manage builders accounts and new connections activities (automated workflows between departments)										
74	Manage Customer Service	Ability to easily investigate and link meter to customer data and information										
75	Manage Customer Service	Ability to easily view all transactions, arrangements, programs, payments, refunds occurring on an account										
76	Manage Customer Service	Ability to manage and log HelpDesk type support tickets, including the ability to collaborate, track, trend, narrow tickets as needed										
77	Manage Financial Resources	Ability to design and generate a new Bill Design and make updates/changes easily as needed										
78	Manage Financial Resources	Ability to integrate with a 3rd party to fulfil the bill/letter print and mail function										
79	Manage Financial Resources	Ability to send EBill notifications, including attachments, links to bills/inserts, and the ability to update these notifications with ease										
80	Manage Financial Resources	Ability to manage and process collections for active customers (flexibility not limited to requirements detailed in Enabling Scenarios section)										
81	Manage Financial Resources	Ability to manage and process collections for inactive customers (flexibility not limited to requirements detailed in Enabling Scenarios section)										
82	Manage Financial Resources	Ability to manage, process and view credit events - single view into current and historical actions										
83	Manage Financial Resources	Ability to distinguish accounts as unique such as house accounts, multi-unit accounts, life support, low-income, high risk accounts, access issues etc. and have them lead into a separate collections process if needed										
84	Manage Financial Resources	Ability to create & customize payment allocation rules, considering multi services										
85	Manage Financial Resources	Ability to manage bankruptcies/credit protection										
86	Manage Financial Resources	Ability to perform end to end customer communication process for collections (i.e.: Dunning Process) for active and closed accounts										
87	Manage Financial Resources	Ability to remove accounts from collection (notices) and/or overdue interest indefinitely or for a certain time period either individually or due to a payment arrangement										
88	Manage Financial Resources	Ability to manage and process letter creation										
89	Manage Financial Resources	Ability to manage customer programs, on top of regulated requirements (i.e.: customer education initiatives (hot summer)										
90	Manage Financial Resources	Ability to manage customer and assistance programs such as LEAP/OESP/CEAP/ODSP programs										
91	Manage Financial Resources	Ability to manage mandated programs, such as Conservation, EWRB, ICI, APA, etc.										
92	Manage Financial Resources	Ability to monitor and process life support accounts including a separate collections process										

[illegible]

193	Manage Financial Resources	Ability to manage payment arrangement alternatives.
194	Manage Financial Resources	Ability to manage retailer relations - Transactions, settlement, billing, move in/out, account maintenance, invoicing, and so forth.
196	Manage Financial Resources	Ability to calculate the bill amount based on contract price and hourly data for a specific time period.
198	Manage Financial Resources	Ability to export hourly data based on customer category, customer rate class, etc.
197	Manage Financial Resources	Ability to create various reports based on elements such as rate classification, service area, and sub-classifications (i.e., Class A/B, various commodity rates, etc.).
198	Manage Financial Resources	Ability to create exception reports for meter real data conditions, application of rates, and account setup issues.
199	Manage Financial Resources	Ability to create reports to assess usage/demand values for account classification.
200	Manage Financial Resources	Ability to create all existing regulatory (RPR) reports and flexibility to create reports for new requirements as they may be required.
201	Manage Financial Resources	Ability to create reports to support internal/external audits.
202	Operate Utility Assets	Ability to create customized ad-hoc reports to support confirmation of departmental activities.
203	Operate Utility Assets	Ability for remote connects and disconnects.
204	Operate Utility Assets	Ability to manage AMI metering and events.
205	Operate Utility Assets	Ability to manage AMI network faults.
206	Operate Utility Assets	Ability to perform outage detection and cause analysis.
207	Operate Utility Assets	Ability to perform power quality and voltage analysis.
208	Operate Utility Assets	Ability to remote ping meters.
209	Operate Utility Assets	Ability to complete all possible meter changes.
210	Operate Utility Assets	Ability to complete and manage disconnections and reconnections.
211	Operate Utility Assets	Ability to manage bulk to suite metering.
212	Operate Utility Assets	Ability to manage exceptions and notifications.
213	Operate Utility Assets	Ability to manage Measurement Canada disputes.
214	Operate Utility Assets	Ability to manage meter sample requirements.
215	Operate Utility Assets	Ability to manage new meter assignments, issues and returns.
216	Operate Utility Assets	Ability to manage meter installs, replacements, removals and modifications.
217	Operate Utility Assets	Ability to manage regulatory compliance IEC, OEB, ISO, ESR.
218	Operate Utility Assets	Ability to query meter information (disconnected, active, removed) based on an external list.
219	Operate Utility Assets	Ability to create and manage trouble shooting request tickets via helpline.
220	Operate Utility Assets	Ability to pull data directly from the back end tables using external tools.
221	Operate Utility Assets	Ability to support the meter credit phase process.
222	Operate Utility Assets	Ability to manage device master data.
223	Operate Utility Assets	Ability to manage physical inventory.
224	Operate Utility Assets	Ability to manage technical master data.
225	Operate Utility Assets	Ability to track and manage specific meter type performance.
226	Manage Financial Resources	Ability to manage and synchronise MDMS interfaces.
227	Meter Data Management	Ability to perform bill insert management.
228	Meter Data Management	Ability to create exportable peak demand factor information for a list of accounts for a specific time period.
229	Meter Data Management	Ability to create exportable hourly data with Total Loss Factor (TLF) applied for a specific time period using list of accounts as input.
230	Meter Data Management	Ability to create exportable coincident peak information for requested accounts based on specific date range.
231	Invoice Generation	Ability to calculate exportable Peak Demand Factor for requested accounts based on specific dates.
232	Meter Data Management	Ability to create monthly ISO wholesale mock invoice based on PSS (Preliminary Settlement Statement), RSS (Final Settlement Statement), and RSS (Resettlement Settlement Statement) information.
233	Market Data Integration	Ability to present data in a web-based platform for internal and external customers.
234	Meter Data Management	Ability to integrate with ISO wholesale energy market to retrieve and process market data, including pricing information and settlement statements, for accurate settlement calculations.
235	Tariff and Rate Management	Ability to scope and draft hourly data based on customer rate classification.
236	Tariff and Rate Management	Ability to create Net System Load Shape information.
237	Billing Calculation	Ability to create Weighted Average Price information.
238	Meter Data Management	Ability to support relevant billing by creating daily settlement and pricing information, ensuring accurate billing calculations based on regulatory requirements and contractual agreements.
239	Meter Data Management	Ability to export hourly data based on an external list of account numbers.
240	Tariff and Rate Management	Ability to present energy consumption, including variability into usage (flexible periods), costs, pricing and metering calculations (power factor, demand, combine data) for internal and external customers.
241	Meter Data Management	Ability to configure and manage complex tariff structures and rates for different customer segments, ensuring accurate settlement calculations based on regulatory requirements and contractual agreements.
242	Meter Data Management	Ability to efficiently collect and manage meter data from various sources to ensure accuracy in billing and settlement processes.
243	Meter Data Management	Ability to identify and manage exceptions and gaps in meter data.
244	Change Request Management	Ability to basic error handling capabilities to detect and handle exceptions or errors encountered during data retrieval, validation, or processing. This includes logging error messages, alerting users, and initiating corrective actions.
245	Change Request Management	Ability to create new processes, workflows, and reports from scratch to address emerging market requirements or regulatory mandates, leveraging agile development methodologies for rapid deployment.
246	Change Request Management	Ability to assess the impact of market rule changes or settlement modifications on existing system processes, reports, and data requirements, identifying areas that require adjustments or enhancements.
247	Change Request Management	Ability to prioritize system changes based on the urgency and impact of market rule changes, ensuring that critical modifications are addressed promptly to maintain compliance and operational efficiency.
248	Change Request Management	Ability to plan and coordinate the implementation of system changes within a maximum of 4 weeks, including defining tasks, allocating resources, and establishing timelines to ensure timely and effective execution.
249	Change Request Management	Ability to modify existing processes, ISO change types, and reports to accommodate market rule changes or settlement modifications, ensuring continuity of operations and data management.
250	Change Request Management	Ability to thoroughly test system changes, including process modifications, rate changes, report enhancements, and data validations, to ensure accuracy, reliability, and compliance with market rules and settlement requirements.
251	Tariff and Rate Management	Ability to provide training and support to system users and stakeholders on new processes, reports, and functionalities introduced as a result of market rule changes or settlement modifications.
252	Meter Data Management	Ability to manage customer level changes such as but not limited to TLF change and retailer change.
253	Meter Data Management	Ability to create customer specific user logins to ensure customer and data privacy.
254	Meter Data Management	Ability to overlay data for multiple different periods PS in graphs.
255	Meter Data Management	Ability to visualize imported and created settlement data and information such as but not limited to PSS (Preliminary Settlement Statement), PSS (Final Settlement Statement), and RSS (Resettlement Settlement Statement), Net System Load Shape, HOEP.
256	Meter Data Management	Ability to manually and through automated processes create new or update existing rates and data.
257	Meter Data Management	Ability to create custom reports to identify accounts or customers with specific details or characteristics.
258	Meter Data Management	Ability to create reports and export data for accounts with retailers for a specific time period.
259	Tariff and Rate Management	Ability to create custom settlement calculations based on existing or new meter types.
260	Tariff and Rate Management	Ability to create custom settlement calculations based on customer rate classification.
261	Tariff and Rate Management	Ability to create and use different type of Total Loss Factors in settlement calculations.
262	Tariff and Rate Management	Ability to manage multiple ISO market participants in the same settlement system.
263	Manage Financial Resources	Ability to select or create multiple accounts or customers in a bulk format.
264	Manage Financial Resources	Ability to automate the creation and update of new and existing rates.
265	Manage Financial Resources	Ability to apply mass credits and place a summary note on the account detailing the adjustment/reason.
266	Manage Financial Resources	Ability to track and report unbillable usage.
267	Manage Financial Resources	Ability for data exception/validation alterations to feed into all systems, ex. source and billing systems.

3. Manage Assets (Acquire, Construct, and Manage Assets)

	LI Process	Capability	Solution enablement (2 - Yes/1 - Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 - Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 - Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 - Extended/0 - No)	Solution Component (Module)	Solution enablement (2 - Yes/1 - Extended/0 - No)	Solution Component (Module)
1	Acquire, Construct, and Manage Assets	Geospatial presentation of asset hierarchy with drilling capability										
2	Acquire, Construct, and Manage Assets	Display assets in a hierarchical structure by creating parent-child relationship of its components										
3	Acquire, Construct, and Manage Assets	Hierarchy that can be navigated by clicking on graphical presentation										
4	Acquire, Construct, and Manage Assets	Copy and share capability to create new assets from existing records										
5	Acquire, Construct, and Manage Assets	Availability of asset specification sheets										
6	Acquire, Construct, and Manage Assets	Work history for the asset										
7	Acquire, Construct, and Manage Assets	The ability to track and manage an asset through its entire life cycle										
8	Acquire, Construct, and Manage Assets	Mass upload of O&M asset list with serial number and all other relevant asset attributes										
9	Acquire, Construct, and Manage Assets	Asset classification										
10	Acquire, Construct, and Manage Assets	Asset description based on business rule										
11	Acquire, Construct, and Manage Assets	Asset ID number, OEM number, cross referencing										
12	Acquire, Construct, and Manage Assets	Ability to track and manage an asset through its entire life cycle										
13	Acquire, Construct, and Manage Assets	Asset nomenclature										
14	Acquire, Construct, and Manage Assets	Taxonomic identification of the assets										
15	Acquire, Construct, and Manage Assets	Installed asset location										
16	Acquire, Construct, and Manage Assets	Flexible definitions of segments (Level Asset Management)										
17	Acquire, Construct, and Manage Assets	The ability to track relationship between linear and discrete non-linear assets										
18	Acquire, Construct, and Manage Assets	Integration between Linear Asset Management and GIS										
19	Acquire, Construct, and Manage Assets	Geospatial coordinates and linear reference points										
20	Acquire, Construct, and Manage Assets	Relationships between different segments										
21	Acquire, Construct, and Manage Assets	PM task definitions										
22	Acquire, Construct, and Manage Assets	PM task times										
23	Acquire, Construct, and Manage Assets	Checklists										
24	Acquire, Construct, and Manage Assets	PM contains "function/location" and equipment objects										
25	Acquire, Construct, and Manage Assets	Define the default cost center for work orders										
26	Acquire, Construct, and Manage Assets	Safety tasks/instructions are recorded against work orders										
27	Acquire, Construct, and Manage Assets	Ability to retrieve drawings directly within the work order screen										
28	Acquire, Construct, and Manage Assets	Electronic versions of repair manuals and instructions can be accessed through work order										
29	Acquire, Construct, and Manage Assets	Track the time on the work order										
30	Acquire, Construct, and Manage Assets	Procedure to follow for job (checkboxes) with warnings and alerts for special steps										
31	Acquire, Construct, and Manage Assets	Ability to include instructions in work orders										
32	Acquire, Construct, and Manage Assets	Option to base uncompleted work order as breakdown or as corrective										
33	Acquire, Construct, and Manage Assets	Priorities can be defined in a user-defined manner										
34	Acquire, Construct, and Manage Assets	System can capture all cost related to work order (Parts, labor, overhead, etc.)										
35	Acquire, Construct, and Manage Assets	User-defined work order types and work order status										
36	Acquire, Construct, and Manage Assets	Visibility of parts on work order including supplier & ETA										
37	Acquire, Construct, and Manage Assets	Ability to change time to a work order										
38	Acquire, Construct, and Manage Assets	Standard parts list for the selected asset within the work order screen										
39	Acquire, Construct, and Manage Assets	Multiple accounts can be set up where routine is automated										
40	Acquire, Construct, and Manage Assets	Work requests can be created by anyone with web, mobile app or e-mail access and processed automatically										
41	Acquire, Construct, and Manage Assets	Separate field to prioritize work orders based on urgency										
42	Acquire, Construct, and Manage Assets	Work Order Backlog by Work Type										
43	Acquire, Construct, and Manage Assets	Billable and non-billable work order types										
44	Acquire, Construct, and Manage Assets	Define shift hours on the work order										
45	Acquire, Construct, and Manage Assets	Real time work order dashboard										
46	Acquire, Construct, and Manage Assets	Work order or service order can reference to a Project, Project WBS										
47	Acquire, Construct, and Manage Assets	Corrective Maintenance / Hazard Repair work order										
48	Acquire, Construct, and Manage Assets	Construction work order										
49	Acquire, Construct, and Manage Assets	Work order status change updates in real time										
50	Acquire, Construct, and Manage Assets	Ability to enter readings manually or imported from a file										
51	Acquire, Construct, and Manage Assets	Define monitoring classes for each asset										
52	Acquire, Construct, and Manage Assets	Upper and lower boundaries of acceptable operation are defined for each asset										
53	Acquire, Construct, and Manage Assets	Emails can be auto-generated when a boundary is exceeded										
54	Acquire, Construct, and Manage Assets	Work orders can be auto-generated when a reading falls outside of predefined boundaries										
55	Acquire, Construct, and Manage Assets	Readings can be displayed as a report with color-coded exceptions										
56	Acquire, Construct, and Manage Assets	Prevent a closed work order										
57	Acquire, Construct, and Manage Assets	Change job/material to a closed work order										
58	Acquire, Construct, and Manage Assets	Prevent closing a work order based on work order status										
59	Acquire, Construct, and Manage Assets	Record final asset disposition status before closing the work order										
60	Acquire, Construct, and Manage Assets	When work order is closed, system to capture Feature ID, CauseID, Action, Delays, time worked, parts used, comments										
61	Acquire, Construct, and Manage Assets	Planned vs. unplanned work orders with percent of completion										
62	Acquire, Construct, and Manage Assets	System integration with GPS to change asset status as "available"										
63	Acquire, Construct, and Manage Assets	Geospatial schedule showing workload and resource availability										
64	Acquire, Construct, and Manage Assets	Geospatial schedule shows workload capacity										
65	Acquire, Construct, and Manage Assets	Ability to drag and drop work orders on the graphical schedule										
66	Acquire, Construct, and Manage Assets	Users can draw and drop resources on the graphical schedule										
67	Acquire, Construct, and Manage Assets	Users can click/over to access detailed work order information from within the graph itself										
68	Acquire, Construct, and Manage Assets	Users can then edit the work order information from within this detailed work order screen										
69	Acquire, Construct, and Manage Assets	Calendar shows hours available by crew by day										
70	Acquire, Construct, and Manage Assets	Users can show crew utilization graphically by day										
71	Acquire, Construct, and Manage Assets	Contract maintenance can be identified on the schedule										
72	Acquire, Construct, and Manage Assets	Priorities are combined and used to suggest a schedule										
73	Acquire, Construct, and Manage Assets	Priorities can be combined in a user-defined manner using Boolean logic										
74	Acquire, Construct, and Manage Assets	Users can perform what-if analyses allowing changes to work order priority										
75	Acquire, Construct, and Manage Assets	Employee availability is captured from a time request system										
76	Acquire, Construct, and Manage Assets	Distinction is made between scheduled and unplanned										
77	Acquire, Construct, and Manage Assets	Users can report on how many tools and special equipment are checked out by a given user										
78	Acquire, Construct, and Manage Assets	Task usage can be analyzed from the schedule										
79	Acquire, Construct, and Manage Assets	Schedule has resource balances										
80	Acquire, Construct, and Manage Assets	Corrective maintenance assessment scheduling										
81	Acquire, Construct, and Manage Assets	Configurable, secure and audited contractor portal										
82	Acquire, Construct, and Manage Assets	Real-time assignments and work order completion information										
83	Acquire, Construct, and Manage Assets	Download work orders onto a Mobile Phone										
84	Acquire, Construct, and Manage Assets	Upload hours worked and work done against a work order from a Mobile Phone										
85	Acquire, Construct, and Manage Assets	Download parts required to Mobile Phone										
86	Acquire, Construct, and Manage Assets	Downloaded other inventory information on Mobile Phone										
87	Acquire, Construct, and Manage Assets	Upload parts used to work order on mobile phone										
88	Acquire, Construct, and Manage Assets	Scan barcodes on assets, parts, or employee badges with scanner built into Mobile Phone										
89	Acquire, Construct, and Manage Assets	Work requests can be entered on a Mobile Phone										
90	Acquire, Construct, and Manage Assets	Ability to upload pictures using a mobile phone										
91	Acquire, Construct, and Manage Assets	There is a PM master that can show forecasted cycles resulting from choice of frequency										
92	Acquire, Construct, and Manage Assets	Users can display shutdown periods on the maintenance schedule										
93	Acquire, Construct, and Manage Assets	Users can display holidays on the maintenance schedule										
94	Acquire, Construct, and Manage Assets	Maintenance history is used automatically to suggest corrections to future maintenance scheduled										
95	Acquire, Construct, and Manage Assets	Users can establish multiple blackout periods for assets										
96	Acquire, Construct, and Manage Assets	Users can establish necessity for a given asset										
97	Acquire, Construct, and Manage Assets	User defined scheduling rule										
98	Acquire, Construct, and Manage Assets	User compliance and certification information from HCM system										
99	Acquire, Construct, and Manage Assets	Users can bypass preventive maintenance by time/usage										
100	Acquire, Construct, and Manage Assets	Users can bypass preventive maintenance by level/condition										
101	Acquire, Construct, and Manage Assets	Users can have multiple triggers per asset										
102	Acquire, Construct, and Manage Assets	Users can nest triggers with different cycles										
103	Acquire, Construct, and Manage Assets	Users can recommend corrective actions based on condition										
104	Acquire, Construct, and Manage Assets	Users can have a maintenance routine triggered on a preferred day/date if within tolerance										
105	Acquire, Construct, and Manage Assets	Users can forecast when the next meter reading should occur based on historical readings										
106	Acquire, Construct, and Manage Assets	Assets triggers alarm, mobile or e-mail										
107	Acquire, Construct, and Manage Assets	Trigger activity when downtime exceeds a threshold value										
108	Acquire, Construct, and Manage Assets	Trigger activity when measures exceed control limits										
109	Acquire, Construct, and Manage Assets	Trigger activity when measures trend within certain a percent of control limits										
110	Acquire, Construct, and Manage Assets	Trigger activity when average MTBF is outside a given range of values										
111	Acquire, Construct, and Manage Assets	Trigger activity when parts have not arrived for a work order cycle due										
112	Acquire, Construct, and Manage Assets	Trigger activity when wait time within a workflow exceeds a value										
113	Acquire, Construct, and Manage Assets	Trigger activity when a failure has repeated within a user-defined period										
114	Acquire, Construct, and Manage Assets	Establish a maintenance route for multiple assets in a single location										
115	Acquire, Construct, and Manage Assets	Establish an "asset group" with several assets to one or more procedures										
116	Acquire, Construct, and Manage Assets	Rebuild maintenance referencing a GIS layer										
117	Acquire, Construct, and Manage Assets	Labor and material can be charged using an average cost spread over all assets on route										
118	Acquire, Construct, and Manage Assets	Inspection & Risk Assessment										
119	Acquire, Construct, and Manage Assets	Users can conduct multiple inspections at multiple points on an asset or infrastructure										
120	Acquire, Construct, and Manage Assets	Users can set up and record results of a risk-based assessment defining risk and criticality of failure										
121	Acquire, Construct, and Manage Assets	System automatically increases the frequency of inspection if the risk increases										
122	Acquire, Construct, and Manage Assets	For a given assessment, users can provide inspectors with normal (i.e. expected) value										
123	Acquire, Construct, and Manage Assets	Users can provide inspectors with historical information including last value, date, and description										
124	Acquire, Construct, and Manage Assets	Users can define minimum and maximum threshold values for inspection readings										
125	Acquire, Construct, and Manage Assets	Periodical inspections hourly, daily, weekly, monthly, annually										
126	Acquire, Construct, and Manage Assets	Models calculate asset health scores and predict life spans										
127	Acquire, Construct, and Manage Assets	Calculate remaining life of asset based on age, life expectancy, other defined conditions of the asset										
128	Acquire, Construct, and Manage Assets	Ability to identify, prioritize, and forecast when assets will be in need of replacement										
129	Acquire, Construct, and Manage Assets	FMECA based on RCM logic										
130	Acquire, Construct, and Manage Assets	Call up tasks based the identified failure modes in the FMECA										
131	Acquire, Construct, and Manage Assets	Breakdown analysis based on occurrence										
132	Acquire, Construct, and Manage Assets	Gather and use historical data to produce Predictive Maintenance										
133	Acquire, Construct, and Manage Assets	Rules-based logic using sensor data										
134	Acquire, Construct, and Manage Assets	Pattern recognition for asset condition monitoring										
135	Acquire, Construct, and Manage Assets	Alerts when current operation deviates from the historical norm										
136	Acquire, Construct, and Manage Assets	Predict inspection due dates based on mileage or number of days										
137	Acquire, Construct, and Manage Assets	Set meter and number of days due soon thresholds										
138	Acquire, Construct, and Manage Assets	Alerts for bad trends or other rules-based logic										
139	Acquire, Construct, and Manage Assets	Set alert thresholds to communicate when the deviation between actual values and predicted values exceeds allowed limits										
140	Acquire, Construct, and Manage Assets	Machine learning and AI to analyze and visualize an asset's lifespan and risk, calculate the likelihood and consequences of failure										
141	Acquire, Construct, and Manage Assets	IoT integration										
142	Acquire, Construct, and Manage Assets	Predictive Maintenance										
143	Acquire, Construct, and Manage Assets	Recommending corrective action based on condition, i.e., using indicators, Boolean logic and/or actions										
144	Acquire, Construct, and Manage Assets	Triggering a maintenance routine on a preferred day or date if the meter reading is within tolerance										
145	Acquire, Construct, and Manage Assets	Forecasting when the next meter reading should occur based on historical readings										
146	Acquire, Construct, and Manage Assets	Overriding or taking credit for corrective work that covers PM work due, to avoid duplication										
147	Acquire, Construct, and Manage Assets	Monitors the equipment condition to detect developing problems										
148	Acquire, Construct, and Manage Assets	Diagnosis - isolating the root cause of the issue and developing a corrective plan based on priority, equipment condition and its remaining life										
149	Acquire, Construct, and Manage Assets	Abnormalities during optimal condition checks										
150	Acquire, Construct, and Manage Assets	RCM Failure management										
151	Acquire, Construct, and Manage Assets	RCM Failure Root Cause										
152	Acquire, Construct, and Manage Assets	Breakdown analysis based on MTBF										
153	Acquire, Construct, and Manage Assets	Breakdown analysis based on MTTR										
154	Acquire, Construct, and Manage Assets	KPI and Analysis										

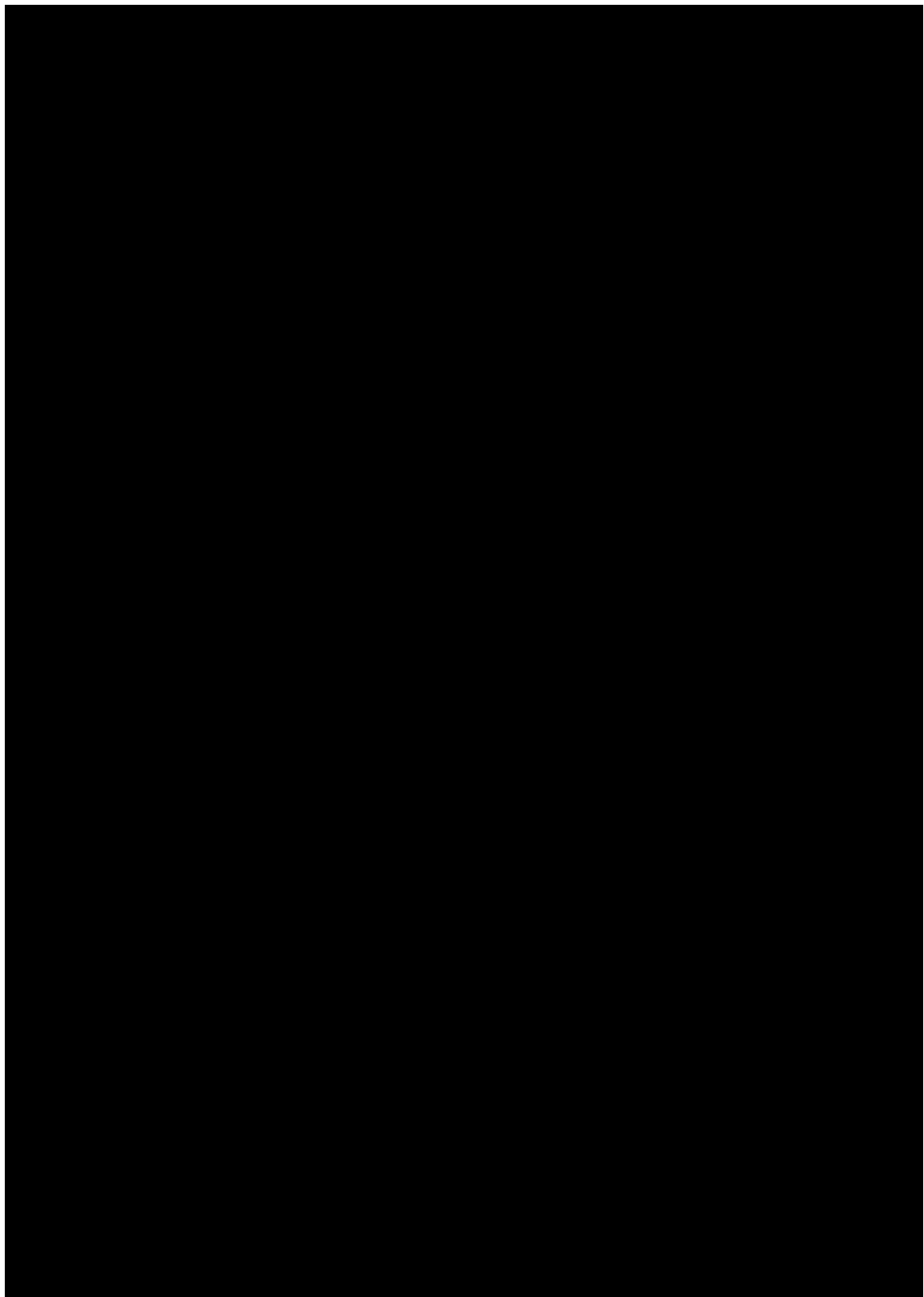
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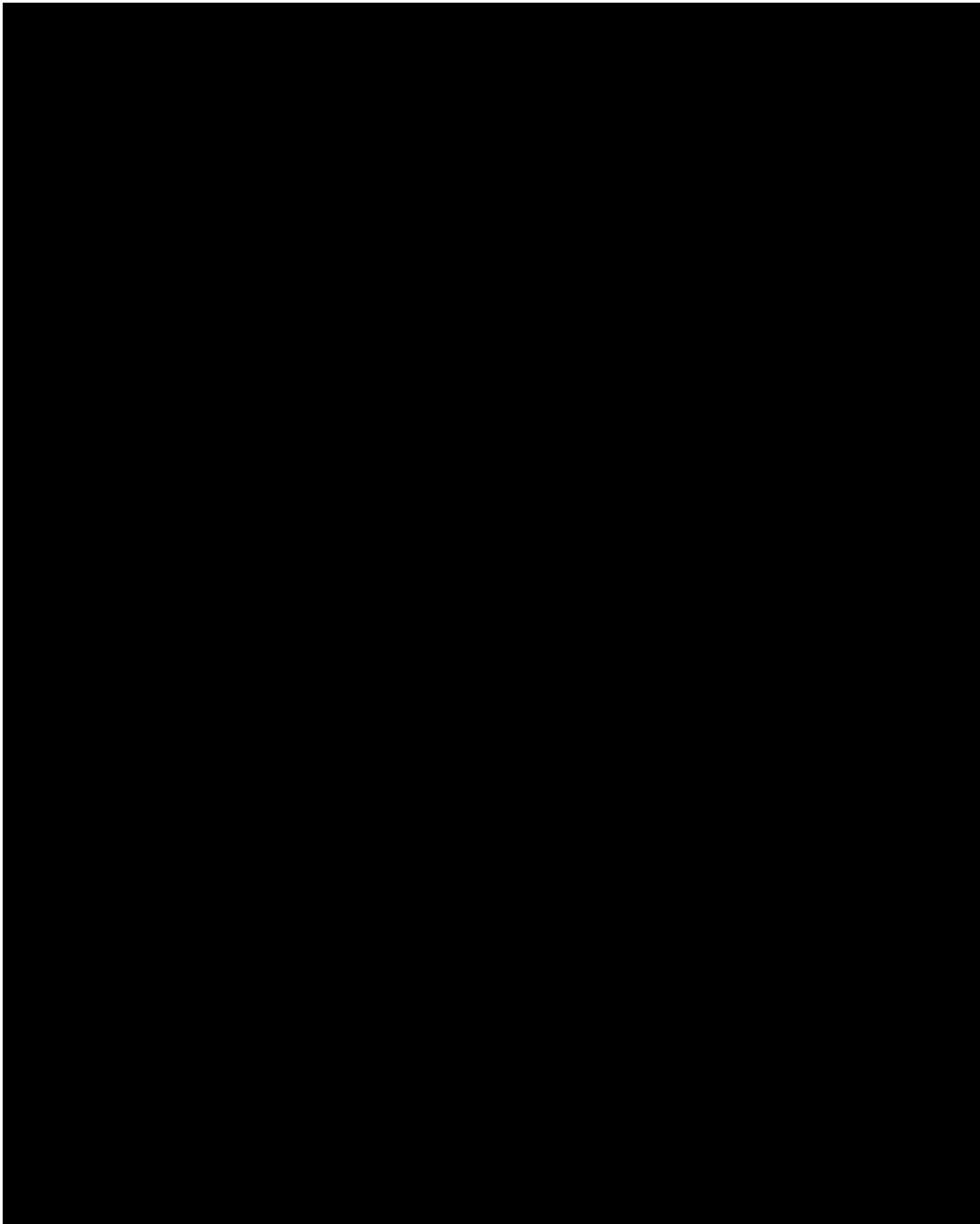
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120	Manage Financial Resources	Value of discounts used
127	Manage Financial Resources	Records date payment must be received for a discount to be effective
128	Manage Financial Resources	Tracks sales associated with each supplier as well as item discounts calculated before tax
129	Manage Financial Resources	Identifies supplier types including franchisees, employees, one-time
130	Manage Financial Resources	Suppliers with multiple locations, addresses, and currencies
131	Manage Financial Resources	Audit report for any changes to the vendor master file should show the information before the change, indicate what was changed, who changed it, and what the new information is
132	Manage Financial Resources	One-time vendor
133	Manage Financial Resources	Creates miscellaneous distribution lines to record charges and invoices for items that do not have PO's
134	Manage Financial Resources	Validates vendor invoice numbers, with only valid invoices posted to the accounts payable ledger being scheduled for payment
135	Manage Financial Resources	AP aging report
136	Manage Financial Resources	Distributes invoices to different accounts within separate companies or locations
137	Manage Financial Resources	Currency and exchange rate defaults by vendor
138	Manage Financial Resources	Payment matching-match and pay without invoice
139	Manage Financial Resources	Keep current Document Management Software (DocuLink). Has workflow approval capabilities. Also used for employee expense reports, cheque reconciliations and Journal Entries (with supporting documents) - would require integration and validation between new ERP system and DocuLink
140	Manage Financial Resources	Scanned invoice images available online
141	Manage Financial Resources	Forms accounts payable invoices into system with option to drill down to view invoice
142	Manage Financial Resources	Flexible invoice processing (e.g. one check from multiple invoices or multiple checks from a single invoice)
143	Manage Financial Resources	Recognizes credit notes or cost adjustments made by user
144	Manage Financial Resources	Line cost adjustment back to original invoice and ensures adjustment is tied to check or payment of the original invoice
145	Manage Financial Resources	Handles a batch filing system--each invoice requires a cross reference number in the system as well as a vendor code
146	Manage Financial Resources	Suppliers, puts on hold for an individual vendor, individual invoice, and individual line
147	Manage Financial Resources	Sends or re-bills invoices to various departments for approval and on request produces a report by department that ages the invoices either by invoice date or date sent to department (i.e., tracks the status of a document and to whom it has been sent)
148	Manage Financial Resources	Flags outstanding items
149	Manage Financial Resources	Two-way invoices or PO options by invoice, PO--on hold until received
150	Manage Financial Resources	Three-way invoicing or PO options by invoice, PO, and receiving document match
151	Manage Financial Resources	Invoice batch splits for checking data input prior to update
152	Manage Financial Resources	Invoice inquiry supports search by dollar amount, invoice number, vendor number, vendor name
153	Manage Financial Resources	Verified sales and use tax at vendor level
154	Manage Financial Resources	Currency and exchange rate overrides by invoice
155	Manage Financial Resources	Facilities to prevent a vendor with an open PO or unpaid invoice from being deleted
156	Manage Financial Resources	Place holds on all vendor invoices for a given vendor
157	Manage Financial Resources	Release payment at vendor level, invoice level, or the item
158	Manage Financial Resources	Supports selective payment by vendor type
159	Manage Financial Resources	Validates vendor invoices to avoid duplication
160	Manage Financial Resources	Order entry for all AP transactions, including EDI entry
161	Manage Financial Resources	Upload invoice from excel
162	Manage Financial Resources	Automatically calculates discounts based on vouchers and terms of credits
163	Manage Financial Resources	Automatically calculates net payment, incorporating discounts and discount dates
164	Manage Financial Resources	Automatically calculates lost discounts resulting from late or unstaffed payments
165	Manage Financial Resources	Overrides discount amounts
166	Manage Financial Resources	Allocates freight costs at distribution the level of a company or division
167	Manage Financial Resources	Allocates sales tax at distribution the level of a company or division
168	Manage Financial Resources	Push sales tax to user-specified account
169	Manage Financial Resources	Recurring payments can be set on weekly, monthly, quarterly, annual, or semi-annual basis
170	Manage Financial Resources	Recurring payments can be set at irregular intervals
171	Manage Financial Resources	Accepts invoices without a PO
172	Manage Financial Resources	Order view of vendors with current unpaid balances
173	Manage Financial Resources	Processes credit card payments
174	Manage Financial Resources	ETI's and wire transfers
175	Manage Financial Resources	Payments may be processed even when an invoice does not exist
176	Manage Financial Resources	Partial payments
177	Manage Financial Resources	Prepayments
178	Manage Financial Resources	Provides summary and aged listing of documents or invoices sent to a department (date based on invoice date, date mailed, and date sent)
179	Manage Financial Resources	Alerts users of outstanding action items
180	Manage Financial Resources	Clearly identifies input entry generating the PO document
181	Manage Financial Resources	EOI of purchase orders and invoices for select vendors
182	Manage Financial Resources	Real-time activity, such as always employees to e-mail expense reports for processing
183	Manage Financial Resources	Traffic and entertainment reporting, as well as verification of employee
184	Manage Financial Resources	Push invoices to future periods but allow them in the current period instead of holding onto them
185	Manage Financial Resources	Payment holds based on the performance of vendors
186	Manage Financial Resources	Pick the right currency to pay to vendor
187	Manage Financial Resources	Prepays vouchers or makes payments with manual checks
188	Manage Financial Resources	Order entry and processing of vouchers, with views for purchase order information, receiving document information, and credit memo information
189	Manage Financial Resources	Three-way matching for invoice, order, and receipt information (automatic and accommodates balances)
190	Manage Financial Resources	Multiple vendor sites can be used on a voucher, including different addresses for shipping and receiving
191	Manage Financial Resources	Buys and reports purchase price variance in instances of discrepancy between projected and actual costs
192	Manage Financial Resources	Tracks and maintains vouchers that may not be discounted
193	Manage Financial Resources	Suspends payment for a voucher and records amount due
194	Manage Financial Resources	Tracks payment and discount-related information
195	Manage Financial Resources	Uses vouchers to select which items will be paid
196	Manage Financial Resources	Reissues all invoices in a date range as indicated by the voucher record discount pay date
197	Manage Financial Resources	Pays all invoices on the open item listing, or all invoices up to and including a particular voucher number for a vendor or a range of vendors
198	Manage Financial Resources	Periodic expenses, which do not have an invoice, or where the invoice covers consecutive periods, can be set as individual vouchers for each period
199	Manage Financial Resources	Debit and credit memos can be specified for an invoice or account
200	Manage Financial Resources	Automatically accrues vouchers as they are released
201	Manage Financial Resources	Automatically calculates month-end accruals posted to the journal voucher and reverses transactions that are not needed
202	Manage Financial Resources	Accrual-basis accounting for recognizing revenue
203	Manage Financial Resources	Links invoice number to GL journal number
204	Manage Financial Resources	Designates GL entries on AP transactions
205	Manage Financial Resources	Automatically creates an intercompany billing report to show transaction details
206	Manage Financial Resources	Sorts open invoices by expected payment date to project cash requirements
207	Manage Financial Resources	Calculates discrepancy between discounts and cost of capital
208	Manage Financial Resources	Sorts open invoices by expected payment dates when the voucher is processed, and corrects discrepancies
209	Manage Financial Resources	Payments can be made from multiple banks
210	Manage Financial Resources	Multiple companies can be designated, with one company designated as the paying company
211	Manage Financial Resources	Funds can be drawn from more than one bank
212	Manage Financial Resources	Checks can be written from more than one bank
213	Manage Financial Resources	User-selected check formats include printed check and EFT formats
214	Manage Financial Resources	System generates EFT Payment Notification emails to vendors when they are paid
215	Manage Financial Resources	Ability to create "Take payment to process Pre-Authorized Payments" in system
216	Manage Financial Resources	Suppliers can opt to receive a single check per invoice
217	Manage Financial Resources	Users can select criteria such as supplier number, voucher number, due date, and discount date, to determine check sequence
218	Manage Financial Resources	Reconciles checks and accounts that are manually input
219	Manage Financial Resources	Voided and replaced checks
220	Manage Financial Resources	Automatically reverses distribution when a check is voided
221	Manage Financial Resources	Invoices are automatically returned to the system if a check is voided
222	Manage Financial Resources	Automatically reconciles the bank account with the accounts payable payment history
223	Manage Financial Resources	Processes cancelled checks
224	Manage Financial Resources	Check number control before new check run
225	Manage Financial Resources	Flags checks requiring attachments prior to mailing
226	Manage Financial Resources	Sorts checks one based on dollar amount of checks
227	Manage Financial Resources	Supports automated check reconciliation from the bank
228	Manage Financial Resources	Supports the transfer of data of all cashed checks from banks
229	Manage Financial Resources	Pushes invoices being processed to one accounting period, but posts the check run to another accounting period
230	Manage Financial Resources	Pushes an invoice or check (no longer payable by the system) reverses original distributions, and adjusts the outstanding check line, prints ledger, a complete audit trail
231	Manage Financial Resources	Generates a manual check of an invoice already in the system as an open item waiting to

290	Manage Financial Resources	Labor planning
291	Manage Financial Resources	Labor expenses analysis
292	Manage Financial Resources	Plan salaries, benefits, compensation and taxes by department, by employee, by position
293	Manage Financial Resources	Payroll expense projection
294	Manage Financial Resources	Salary and wage forecasts
295	Manage Financial Resources	ITS Planning
296	Manage Financial Resources	Capability to quickly calculate and run scenarios on bonus payouts, utilization rates, and overhead rates (by project and by aggregate)
297	Manage Financial Resources	Ability to ForecastReportAnalyze Headcount by month - Current and Approved Future Employees
298	Manage Financial Resources	Ability to apply salary increases at variable rates and dates
299	Manage Financial Resources	Ability to ForecastReportAnalyze labor costs separately from non-labor costs
300	Manage Financial Resources	Generate client reports for raw data, and compare actuals to budget by employee
301	Manage Financial Resources	Fiscal calendar is defined by the user
302	Manage Financial Resources	Calendar periods are defined by the user
303	Manage Financial Resources	Multi-entry financial reporting
304	Manage Financial Resources	Twelve or thirteen fiscal months
305	Manage Financial Resources	Organization of calendar periods determined by the user
306	Manage Financial Resources	Sets reporting entity and its organizational characteristics
307	Manage Financial Resources	Each entity's ledger can have its own calendar and chart of accounts
308	Manage Financial Resources	Each entity's ledger can have its own accounting periods opened and closed
309	Manage Financial Resources	Maintains unit and dollar amount postings in GL and sub-ledgers
310	Manage Financial Resources	Automatic check to ensure that prior to debiting a financial record, the account balance must have been "closed out" (i.e., nets to zero)
311	Manage Financial Resources	Automatically inserts actual account balances into the elapsed month's budget in a future forecast file at the end of each accounting period when the system rolls into the next period
312	Manage Financial Resources	Charge cross charge percentages without retroactively changing previously published financial information
313	Manage Financial Resources	Provision for use of standards that can be automatically propagated throughout the system to the various ledgers
314	Manage Financial Resources	Uses the budget forecast information to create automatic postings, accounts for any potential overhead items, for example, bonus, depreciation, professional fees, new product development, and marketing expense; supports standard (automatically repeating) postings and entries that are generated each month with reference to amounts maintained in budget ledgers for the month. The amounts may or may not be the same from month to month
315	Manage Financial Resources	Automatic year-end rolls of balances in sub-ledgers and general ledger control accounts
316	Manage Financial Resources	Processes jobs in edit and update mode
317	Manage Financial Resources	Jobs required to include error and warning messages on reports
318	Manage Financial Resources	User-defined controls to allow specific jobs to update multiple times in a period
319	Manage Financial Resources	Complies with generally accepted accounting principles (GAAP)
320	Manage Financial Resources	Multi-GAAP dimension or parallel ledger accounting by different accounting principles
321	Manage Financial Resources	Defaults to required number of alphanumeric characters other than requiring the maximum allowable
322	Manage Financial Resources	Common chart of accounts
323	Manage Financial Resources	Accounts, cost centers, and departments are ordered in a logical manner or in numeric sequence
324	Manage Financial Resources	Credits accounts in accordance with structure of the chart of accounts
325	Manage Financial Resources	Specifies account types in chart of accounts structure
326	Manage Financial Resources	The current balance of an account may be determined from within a chart of accounts
327	Manage Financial Resources	Determines the size of the current period's budget for specific accounts
328	Manage Financial Resources	Predicts the size of a future period's budget for specific accounts
329	Manage Financial Resources	Financial accounts, which specify user-defined values and descriptions containing information that is not monetary
330	Manage Financial Resources	Funds and segments can be defined in an account structure
331	Manage Financial Resources	Automatic intercompany accounts reconciliation
332	Manage Financial Resources	Tracks multiple organizational divisions such as business areas and profit centers
333	Manage Financial Resources	Tracks multiple entities in instances where each organization has a specific accounting structure
334	Manage Financial Resources	Consolidates multiple entities (unpublished) results including calendars, chart of accounts, and subsidiaries
335	Manage Financial Resources	Comprehensive system reorganization facilities including the ability to relate a new chart of accounts to a previous one
336	Manage Financial Resources	Manage account hierarchies via an interface (drag-and-drop)
337	Manage Financial Resources	Chart of accounts and titles may have multiple entities, which can be consolidated
338	Manage Financial Resources	Accounting periods may be designated by calendar or fiscal years
339	Manage Financial Resources	Budget accounts for current and future year
340	Manage Financial Resources	Accounts may be added to the chart of accounts with characteristics replicated for all departments
341	Manage Financial Resources	Departments may be added to the chart of accounts with characteristics replicated for all expense accounts
342	Manage Financial Resources	Budgets and accounts can be assigned to a department
343	Manage Financial Resources	Automated Reconciliation
344	Manage Financial Resources	Manages disparate sets of books for each entity
345	Manage Financial Resources	Assigned books use ledger calendar and chart of accounts
346	Manage Financial Resources	A currency base and the reporting year may be determined and set for all books
347	Manage Financial Resources	Maintains DRN-specific shipment, return and last sold unit, and dollar amount data, when GL accumulation of data may be at higher level of aggregation such as when SKUs are consolidated together
348	Manage Financial Resources	Manipulates data within the GL and sub-ledgers according to preset or calculated parameters
349	Manage Financial Resources	Defines allocation of overhead
350	Manage Financial Resources	Calculates and posts expense items in accordance with an established group of allocation models
351	Manage Financial Resources	Different exchange rates for month-end processing and budget or reforecast creation
352	Manage Financial Resources	Different overhead/expense rates for month-end processing and budget or reforecast creation
353	Manage Financial Resources	Identifies accounts that are inactive and inhibits or prohibits posts to those accounts
354	Manage Financial Resources	Expense account creation to track transactions with errors, to be processed and permanently classified at a later date
355	Manage Financial Resources	Journal entries may be input directly
356	Manage Financial Resources	Journal entries may be imported from Document Management software that has workflow approval and journal entry support
357	Manage Financial Resources	Real time journal entries update daily journal file and balances instantly
358	Manage Financial Resources	Journal entries can be input online, with user annotations
359	Manage Financial Resources	Automatically numbers standard journal entries in sequence or as predefined (with a manual option)
360	Manage Financial Resources	Automates journal entries which occur in each period
361	Manage Financial Resources	Journal entries may be editorial (non-financial) or financial
362	Manage Financial Resources	Creates a journal entry by reversing an existing entry while maintaining an audit trail
363	Manage Financial Resources	Multi-entry transactions create intercompany journal entries
364	Manage Financial Resources	Real time comparison of journal entries (individual or batch) for validation and balancing
365	Manage Financial Resources	Manually entered journal entries can be modified before posting
366	Manage Financial Resources	Batch holds and batch checking
367	Manage Financial Resources	Allows entries to cost centers and divisions by means of a GL validated formula
368	Manage Financial Resources	Spreads a single entry over multiple accounts based on predefined user criteria
369	Manage Financial Resources	Moves balances from one period to another with appropriate security
370	Manage Financial Resources	Creates automatic postings based on predefined calculation and information contained in the general ledger
371	Manage Financial Resources	Creates or generates reversal postings for transactions generated from a journal entry posted in error
372	Manage Financial Resources	Flexibility to define which journal entries (recuring or non-recuring) require a two-step process: 1) Review the journal entry, allow users to edit or delete it, 2) Post/lock it
373	Manage Financial Resources	Direct journal entry Exception report
374	Manage Financial Resources	Creates journal voucher input with verification of input
375	Manage Financial Resources	Designates a journal voucher suspense account for the GL, to correct entries
376	Manage Financial Resources	Debits and credits have separate columns in the journal voucher entry screen
377	Manage Financial Resources	Adjustable start and end dates for determining, debit and credit balances
378	Manage Financial Resources	Reversing journal entries are automatically posted by the GL, for each accounting period
379	Manage Financial Resources	Month-end accruals are reversed, without manual intervention, at the start of the following period
380	Manage Financial Resources	Line item calculation and posting for clearing entries generates offsetting entries
381	Manage Financial Resources	Start and stop dates for standard journal transactions may be determined by the user
382	Manage Financial Resources	Start and stop dates for recurring journals may be determined by the user
383	Manage Financial Resources	Intercompany eliminations
384	Manage Financial Resources	Initiates new year before closing previous year
385	Manage Financial Resources	Expense accounts are automatically cleared at year-end close
386	Manage Financial Resources	Performs period-end closing multiple times, for trial purposes
387	Manage Financial Resources	Ability to re-open a period to audit a transaction
388	Manage Financial Resources	Ability to close subsidiaries (subsidiaries) at different times
389	Manage Financial Resources	Ability to roll post to GL when period is closed for specific group of users with appropriate permissions
390	Manage Financial Resources	Compiles Transactions (as desired) by the user
391	Manage Financial Resources	Posting to both the general ledger and sub-ledger simultaneously
392	Manage Financial Resources	Automatic inter-company posting when entry being posted to more than one ledger within the system (at the same time or within the same source (for example, a journal voucher))
393	Manage Financial Resources	Creation of additional financial postings based on financial data entered by journal entry
394	Manage Financial Resources	Creation of additional financial transactions based on statistical and non-financial data entered by journal voucher
395	Manage Financial Resources	Foreign exchange calculated automatically when posting a journal entry in an underlying currency that is different from the general account to which it is being posted
396	Manage Financial Resources	Allows entry of any other currency on journal voucher
397	Manage Financial Resources	Prior to close, multiple period-end close can be performed
398	Manage Financial Resources	Records details on leased property
399	Manage Financial Resources	Current cost
400	Manage Financial Resources	Reimburse reversals
401	Manage Financial Resources	Retirement values of asset appraisals
402	Manage Financial Resources	Maintains up-to-date data on depreciation for a group of assets
403	Manage Financial Resources	Transfer asset options including full or partially, current period or retroactively, and mass transfer
404	Manage Financial Resources	Multiple asset retirement options based on period, cost, with trade-in, etc.
405	Manage Financial Resources	Flexible asset depreciation calendars
406	Manage Financial Resources	Depreciation may be calculated year-to-date or period-by-period
407	Manage Financial Resources	User-defined depreciation rates can be rules-based
408	Manage Financial Resources	User-defined prorata conversions and retirement conventions
409	Manage Financial Resources	Transfer and use of asset depreciation calculations
410	Manage Financial Resources	Straightline, declining balance, sum of years digits, units of production, and flat rate depreciation methods
411	Manage Financial Resources	Asset information (such as department and type) presented for depreciation methods
412	Manage Financial Resources	Automatically calculates changes in depreciation at period end
413	Manage Financial Resources	User can construct an accelerated straight line depreciation method
414	Manage Financial Resources	Generates depreciation projections
415	Manage Financial Resources	Uses prorata conversions, including half year, actual months, months after, modified half year, and full year, for the first year of an asset's life
416	Manage Financial Resources	Creates useful life scenarios to project depreciation
417	Manage Financial Resources	Depreciation rate updates in every X yrs.
418	Manage Financial Resources	Ability to define asset depreciation based on useful life
419	Manage Financial Resources	Calculate Canada capital cost allowance (CCA)
420	Manage Financial Resources	Conducts asset transactions and reconciliations among multiple companies and divisions
421	Manage Financial Resources	Flexible parameters for depreciation books
422	Manage Financial Resources	Any number of assets can be listed in depreciation books
423	Manage Financial Resources	Any number of fiscal periods or calendars can be listed in depreciation books
424	Manage Financial Resources	Reports transfers between companies and divisions in individual reports and consolidated reports
425	Manage Financial Resources	Enums and tracks expense items for property control
426	Manage Financial Resources	Automatic end-of-period updates to GL
427	Manage Financial Resources	Updates fixed assets from an AIP entry
428	Manage Financial Resources	Balances a manually entered fixed asset entry with the entry in the AIP records
429	Manage Financial Resources	Updates FIA records automatically whenever a transfer or disposal is entered into journal
430	Manage Financial Resources	Generates exception reports for FIA and AIP reconciliation
431	Manage Financial Resources	Maintains multiple calculation codes for various algorithms used in calculating different cost data
432	Manage Financial Resources	Overhead rates
433	Manage Financial Resources	Uses parameters to determine whether a work center rate or task rate will be used in the calculation of operation rates
434	Manage Financial Resources	Surcharges can be applied as fixed amounts over the nominal cost, percent of total cost, etc.
435	Manage Financial Resources	Actual vs plan expenses report based on business area, Department, Sub-Department, cost center
436	Manage Financial Resources	Cost centers grouping structure and roll up
437	Manage Financial Resources	Calculation of full-line equivalent (FTE)
438	Manage Financial Resources	Fringe benefits
439	Manage Financial Resources	Attributes cost pool dimension codes for the source and target of the allocation
440	Manage Financial Resources	Groups dimension codes into cost pools by dimension type
441	Manage Financial Resources	Assigns user-defined allocation codes to activities that generate cost
442	Manage Financial Resources	Uses allocation codes to post results to GL
443	Manage Financial Resources	Uses allocation codes to group accounts into cost categories
444	Manage Financial Resources	User-defined budget allocation codes
445	Manage Financial Resources	Models cost allocation code definitions
446	Manage Financial Resources	Imports cost driver data from multiple operational data sources
447	Manage Financial Resources	Automatic revisions to cost driver data
448	Manage Financial Resources	Flexible cost category definitions based on applicable GL account groupings
449	Manage Financial Resources	Total or partial transfers from ledger account to costing categories
450	Manage Financial Resources	Flexible cost object activity definitions
451	Manage Financial Resources	Activity codes linked to biggest cost objects
452	Manage Financial Resources	Cost center hierarchy and grouping

60	10.6 Payroll, Time & Attendance Entry & Management	Unlimited Earning codes																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											





Evaluation and Vendor/Product Selection

"Pencil Scores"

Categories			Proposal #1	Proposal #2	Proposal 3
Criterion	Attribute Weight (out of 100)	PCT Amount of Total Score	Ranking	Ranking	Ranking
Completeness of Solution (40%)	40	40%	1	2	3
CUSTOMER EXPERIENCE:	12.0	4.8%	1	2	2
Customer Experience: Capabilities	5.0	2.0%	1	2	3
Customer Experience: Proposed Solution incl. Enabling Scenarios:	7.0	2.8%	1	2	3
i. Customer Interaction	1.5	0.6%	1	3	2
ii. Billing	4.0	1.6%	1	3	2
iii. Metering	1.5	0.6%	1	1	2
ASSET MANAGEMENT:	11.0	4.4%	1	2	3
Asset Management: Capabilities	5.0	2.0%	2	1	3
Asset Management: Proposed Solution incl. Enabling Scenarios:	6.0	2.4%	1	2	2
i. Enterprise Asset Management	3.0	1.2%	1	3	2
ii. Digital Field Worker	3.0	1.2%	1	2	2
SUPPLY CHAIN MANAGEMENT:	8.0	3.2%	1	2	1
Supply Chain Management: Capabilities	4.0	1.6%	1	1	1
Supply Chain Management: Proposed Solution incl. Enabling Scenarios:	4.0	1.6%	2	3	1
i. Supply Chain	2.0	0.8%	1	3	1
ii. Procurement	2.0	0.8%	3	1	3
FINANCE:	8.0	3.2%	3	2	1
Finance: Capabilities	4.0	1.6%	3	1	2
Finance: Proposed Solution incl. Enabling Scenarios:	4.0	1.6%	3	2	1
i. Financial Accounting, Reporting and Consolidation	2.0	0.8%	2	3	1
ii. Budget and Planning	2.0	0.8%	2	2	1
INFORMATION MANAGEMENT:	7.0	2.8%	1	2	3
Information Management: Capabilities	4.0	1.6%	1	1	2
Information Management: Proposed Solution incl. Enabling Scenarios:	3.0	1.2%	1	3	2
i. Data Retention					
DATA ANALYTICS:	7.0	2.8%	3	1	2
Data Analytics: Capabilities	4.0	1.6%	3	1	2
Data Analytics: Proposed Solution incl. Enabling Scenarios :	3.0	1.2%	2	1	2
i. Out of the box Reporting	1.0	0.4%	2	1	3
ii. Ad hoc Reporting (e.g. Ease of maintenance, flexibility, Industry/OEB Reports delivered)	1.0	0.4%	2	1	3
iii. Data Analytics Strategy	1.0	0.4%	2	1	3
HEALTH, SAFETY, AND ENVIRONMENT:	6.0	2.4%	1	3	2
Health, Safety, and Environment: Capabilities	3.0	1.2%	2	2	1
Health, Safety, and Environment: Proposed Solution incl. Enabling Scenarios:	3.0	1.2%	1	3	2
i. Health, Safety, and Environment	3.0	1.2%	1	3	2
HUMAN RESOURCES:	6.0	2.4%	3	2	1
Human Resources: Capabilities	3.0	1.2%	2	1	1
Human Resources: Proposed Solution incl. Enabling Scenarios:	3.0	1.2%	3	2	1
i. Human Resources, Payroll, Time, and Attendance	3.0	1.2%	3	2	1
INFORMATION TECHNOLOGY:	10.0	4.0%	1	2	3
Information Technology: Capabilities	3.0	1.2%	2	1	2
Information Technology: Proposed Solution incl. Enabling Scenarios	7.0	2.8%	1	3	2
i. Solution Architecture	1.0	0.4%	1	2	2
ii. Security	1.0	0.4%	1	2	2
iii. Software Hosting	1.0	0.4%	1	3	2

iv. Technology (Understanding of requirements, proposed solution, methodology, recommended approach)	1.0	0.4%	1	3	2
v. Data Conversion	1.0	0.4%	1	2	2
vi. Infrastructure	1.0	0.4%	1	2	3
vii. Information Technology General Controls (ITGC)	1.0	0.4%	1	2	2
INTEGRATION WITH LEGACY SYSTEMS:	5.0	2.0%	1	2	3
Integration with Legacy Systems	5.0	2.0%	1	2	3
ACCOUNTABILITY WRAP:	10.0	4.0%	1	1	2
Accountability Wrap:	10.0	4.0%	1	1	2
i. Bill of Materials	2.0	0.8%	1	2	3
ii. Points of Integration	2.0	0.8%	1	2	3
iii. Upgradeability of Solution	2.0	0.8%	2	1	3
iv. "Out of the Box", standard functionality	2.0	0.8%	1	2	2
v. System Interoperability (ERP Standard vs Best of Breed)	2.0	0.8%	1	2	3
AMS SOLUTION:	10.0	4.0%	2	1	3
AMS Solution:	10.0	4.0%	2	1	3
i. System Upgrades and Security management	2.0	0.8%	3	1	2
ii. Help Desk and Incident Response	2.0	0.8%	2	1	3
iii. Change and Release Managements	2.0	0.8%	2	3	3
iv. Maintenance	2.0	0.8%	3	1	2
v. Disaster Recovery	2.0	0.8%	1	1	3
Ability to Exeucute (50%)	50	50%	1	2	3
Supplier Qualifications	10	5.0%	1	3	2
Proposed Project Team	10	5.0%	1	3	2
Project Management and Methodology	20	10.0%	1	2	2
Utility Accelerators and Tools	10	5.0%	1	3	2
Data Conversion Plan	10	5.0%	1	2	2
Testing Plan	10	5.0%	2	1	3
Change Management and Training	15	7.5%	1	2	3
Ease of Contract	5	2.5%	2	3	1
Security and Software Hosting	5	2.5%	1	1	2
Integration with Legacy Systems	5	2.5%	1	2	3
Pricing (10%)	10	10%	1	3	2
One-Time Costs (Implementation):	6	6.0%	1	2	3
Ongoing Operating Costs:					
i. Software Licensing Fees	4	4.0%	1	3	2
ii. AMS					
One-Time Costs (Implementation):	0	0.0%	1	2	3
Ongoing Operating Costs (Software and AMS):	0	0.0%	1	3	2
TOTAL PRICE			1	3	2
Proposed Timelines					
Phase 1 (Prep to Go-Live, excl. Hypercare)			Jan 2025 - Nov 2025	Dec 2024 - Nov 2025	Dec 2024 - Sep 2025
Phase 2 (Prep to Go-Live, excl. Hypercare)			Aug 2026 - Jul 2027	Mar 2026 - Jul 2027	Aug 2026 - May 2027
Phase 3 (Prep to Go-Live, excl. Hypercare)			Aug 2026 - Jul 2027	Jul 2026 - Jul 2027	Aug 2026 - May 2027
Ongoing (PH1 Prep to PH2/3 Hypercare Conclusion)			Jan 2025 - Jul 2027	Dec 2024 - Oct 2027	Dec 2024 - Jun 2027
Weighted Average Score			1	2	3
Weighted Ranking			1	2	3



elexicon
ENERGY

Dx NEXT Board Presentation

November 10th, 2023

Why Dx NEXT?

Push to Transform

- **Customer growth** - current work practices cannot scale
- Merger evolved roles have led to **unclear role accountabilities & functions missing from the organization**
- Employees do not have **the tools to effectively perform their roles**
- The **'war on talent'** is real at Elexicon, retention in competitive and restricted (union) labour market

Pull by the Energy Transition

- **Decarbonization** – New zero-carbon energy sources, resources, and incentives are driving massive electrification
- **Decentralization** – Emergence of Distributed Energy Resources (DERs) & Distribution System Operator (DSO) Services
- **Electrification** – Electric vehicles, shift towards non-emitting sources
- **Customer Growth** – population in the Durham region is expected to grow by 43% to 1 million by 2041 and 1.3 million by 2051¹

Need to Address Operational Risk

- Mixed organizational accountabilities have resulted from the merger
- Low operational maturity
- Inconsistent, unreliable and scattered data across multiple systems
- Lack of visibility of all assets
- Legacy systems no longer supported

The goal of Dx NEXT is to transform Elexicon's organization, processes and systems to reduce risk, position the company for growth and effectively execute on its promise to deliver safe and reliable energy to its communities.

Understanding our Current Risks



Building a Strong Foundation

Risk due to Customer systems being at end-of-life

Source: Two end-of-life operating systems running key functions

- 2 Critical Vulnerabilities

Impact areas:

- **Privacy and Cyber:** may result in financial, reputational & regulatory implications
- **Customer:** may result in very dissatisfied customers & inability to meet service levels
- **Operational:** may result in substantial impact or disruption to Elexicon operations
- **Legal & Regulatory:** may result in prosecution and fines. Very serious litigation.
- **Financial:** may result in a net income shortfall of >25%

Risk due to limited Asset Management capabilities

Source: 3rd party Asset Management Current State Assessment Report - August 2023:

- 10 Critical challenges to the asset management capability at Elexicon

Impact areas:

- **Health, Safety & Environment:** may result in significant health & safety implications for employees/public
- **Asset/Infrastructure:** may result in critical operational failures and inability to serve the public/customers
- **People:** may result in a significant impact on employee work experience
- **Legal & Regulatory:** may result in prosecution and fines. Very serious litigation including class actions
- **Financial:** may result in a net income shortfall of >25%



Address Key Operational Risks

Elexicon needs to address core capabilities to resolve critical risks



Our ability to meter, bill and serve our Customers

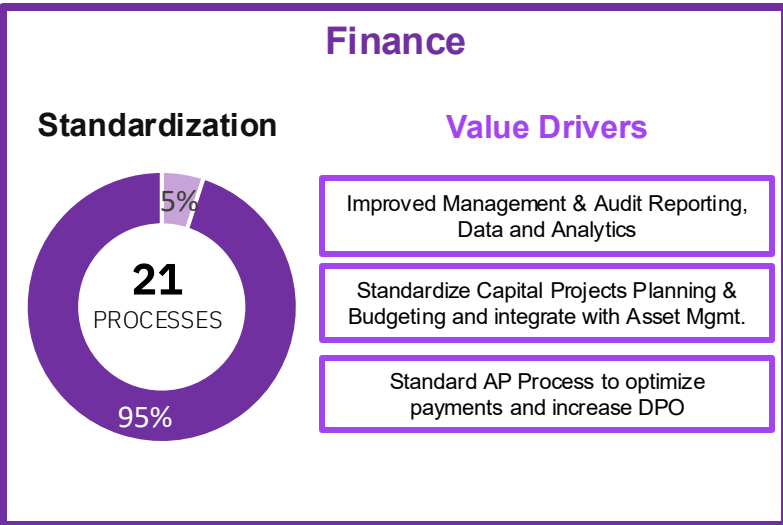
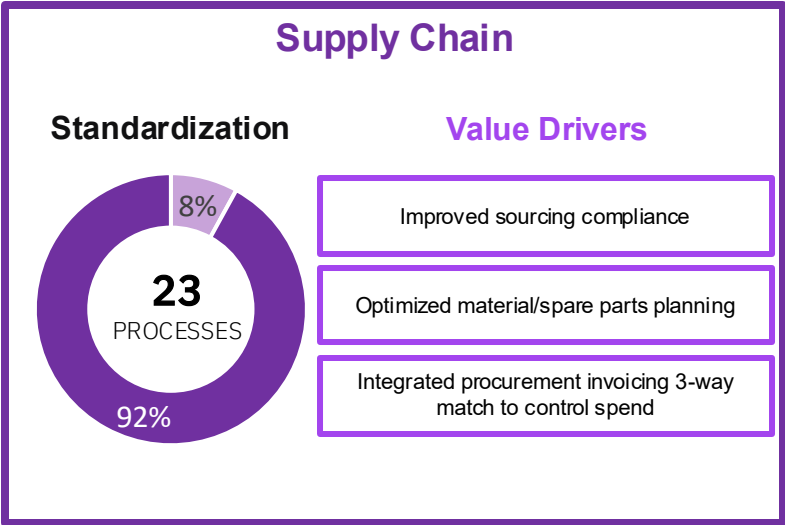
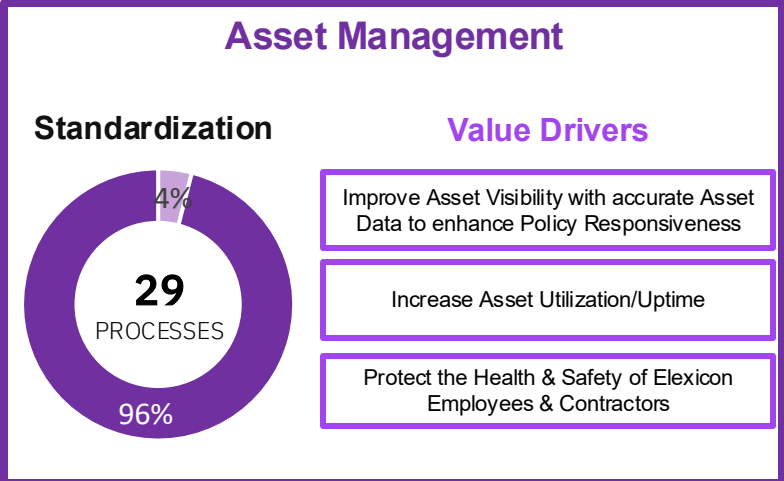
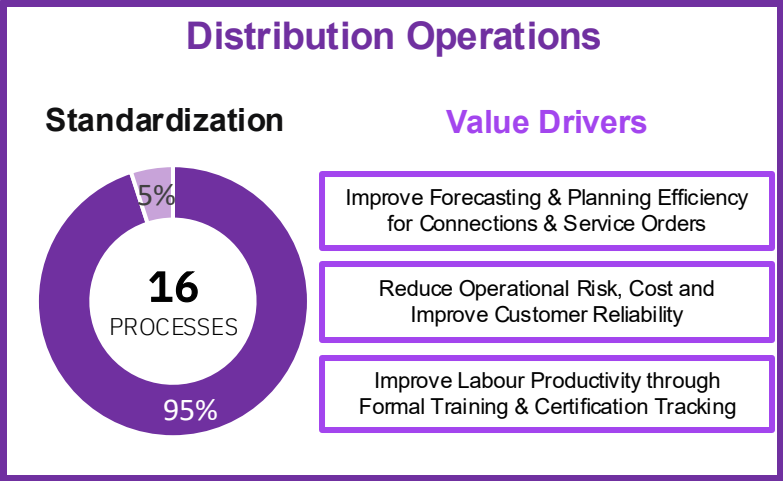
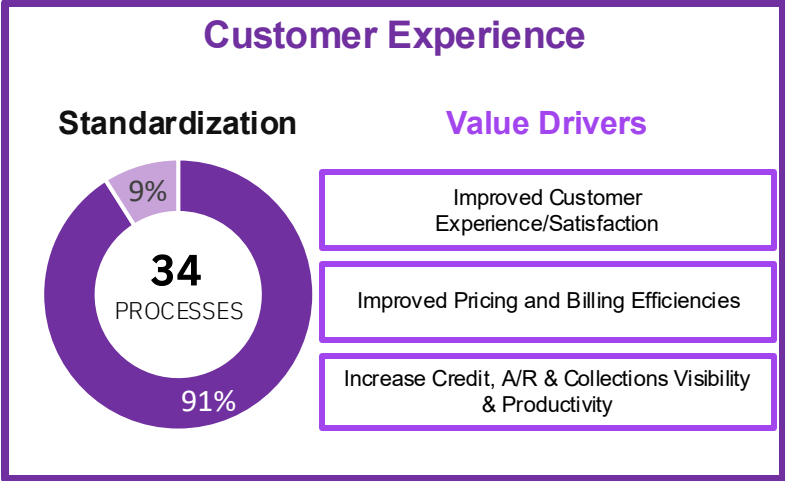


Our ability to manage the Power System and provide electricity to our service territory

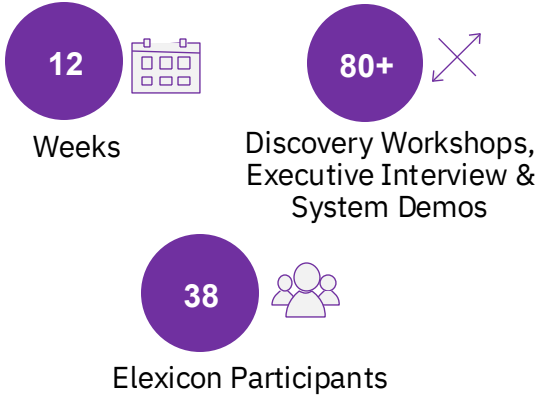
The Due Diligence Process

Elexicon undertook a rigorous process over the last 8 months to identify the operational risks and organizational opportunities

Standard Process & Capabilities Elevate Elexicon’s Process Maturity



ELEXICON WORKSHOPS BY THE NUMBERS



Implementation Strategy Options [changed & to and]

/ Not Recommended
★ Emerging Preference

Big Bang
Accelerated



By Line of Business
Phased & Paced



By Line of Business x
Phased & Constrained



OPTION #1: Accelerated Big Bang

Approach:

All at once

Pace:

Fastest to complete

System Implementation Cost:



Risk:

High

Drivers Prioritized

Speed to benefits

OPTION #2: Rebasing (Core enabled)

Approach:

By Line of Business

FIN, EAM, SCM first, then Customer, Meter to Cash

Pace:

At Pace, driving adoption and results

System Implementation Cost:



Risk:

Medium

Drivers Prioritized:

Enabling Finance & Enterprise Asset Management ("EAM") to go early

OPTION #3a: Risk + Readiness + Capacity

Approach:

By Line of Business

Meter to Cash & Customer first, then FIN, EAM, SCM

Pace:

At Pace, driving adoption and results

System Implementation Cost:



Risk:

Medium

Drivers Prioritized:

Customer Experience is ready and has capacity; Finance/EAM availability is constrained due to Rebasing effort

OPTION #3b: Risk + Readiness + Capacity + Rebasing

Approach:

By Line of Business

Meter to Cash & Customer first, then GAP then FIN, EAM, SCM

Pace:

At Pace – with a timeline GAP

System Implementation Cost:



Risk:

Low to Medium

Drivers Prioritized:

Customer Experience is ready and has capacity; delaying Finance and EAM to go-live after Rebasing (2027)

OPTION #4: Rebasing (Core enabled)

Approach:

By Line of Business

FIN, EAM, SCM first, then Customer, Meter to Cash

Pace:

Constrained (slow)

System Implementation Cost:



Risk:

Medium (Change Fatigue)

Drivers Prioritized:

Enabling Finance & Assets early, to provide visibility to Rebasing process

OPTION #5: Readiness + Capacity

Approach:

By Line of Business

Meter to Cash & Customer first, then FIN, EAM, SCM

Pace:

Constrained (slow)

System Implementation Cost:



Risk:

Medium (Change Fatigue)

Drivers Prioritized:

Customer group is ready and has capacity, and Finance/EAM availability is constrained

Financial Opportunity

	Value Driver	Value Pools (Quantifiable Benefits)	Financial Impact	Preliminary Estimate of Benefits	
Customer Experience	Improved Customer Experience/Satisfaction	Revenue lift from pricing and billing optimization Reduce revenue loss from unbilled consumption	↑ Revenue (EBITDA)	\$0.5M recurring	TOTAL ANNUAL RECURRING BENEFITS⁽¹⁾ \$6.0M _{/YR Estimated}
	Improved Pricing and Billing Efficiencies	Customer service productivity Invoice processing (A/R; billing) productivity Reduce uncollectible write-offs	↓ Cost	\$0.3M recurring	
	Increase Credit, Billing and A/R Productivity	Decrease days sales outstanding (DSO)	↑ Working Capital	\$2.8M one-time	
Distribution Ops & Asset Management	Improve Workforce Planning to Drive Efficiency for Customer Connections Reduce Operational Risk, Costs and Improve Customer Reliability Improve Asset Visibility with accurate Asset Data Increase Asset Utilization and Uptime	Improve margin on construction projects Capital project management productivity Reduce Asset Maintenance Labour Costs	↓ Cost	\$2.7M recurring	TOTAL ONE-TIME BENEFITS \$6.7M _{Estimated}
	Improve Management and Audit Reporting, Data and Analytics Standardize Capital Projects Planning and integrate with Asset Management Standardize AP Process to optimize payments	Finance and accounting productivity Reduced working capital benefit (WACC)	↓ Cost	\$0.4M recurring	
		Increase days payables outstanding (DPO)	↑ Working Capital	\$3.7M one-time	
Supply Chain	Improved Sourcing Compliance	Procurement & Warehousing labor productivity Reduce spend on materials and services	↓ Cost	\$1.5M recurring	TOTAL CUMULATIVE BENEFITS OVER 10 YEARS \$56.7M _{Estimated}
	Optimized Material/Spare Parts Planning				
	Integrated Procurement Invoicing 3-Way Match to Control Spend	Inventory reduction	↑ Working Capital	\$0.2M one-time	

Note: Total includes \$0.55M in annual IT cost avoidance benefits for legacy ERP systems hardware and software costs.

Option #3b: Readiness, Rebasing & Risk Optimized Plan

PROPOSED PLAN OVERVIEW

[illegible]

Key Data Points:

- 35 months (11 + 11 + gap) total timeline
- 2 go-lives - Customer first, then Finance/EAM/SCM
- [REDACTED] - focused resource effort

Drivers

1. Mitigates Operational Risk → Current Customer systems are end-of-life
2. Customer Experience is ready for change and has capacity
3. Accommodates Rebasing by shifting 2nd go-live for Finance & EAM after 2027
4. Puts focus on enabling customer growth and removes risk of manual custom processes

ELEXICON CONSIDERATIONS & PARALLEL ACTIVITIES

[illegible]

Elexicon Resourcing & Sustainment Model

External Team

Proposed Roles	Location	Commitment
Partner & Delivery Executive	Canada	1.5
Project Manager	Canada	1
PMO Staff	Various	3
Integration Manager / Architect	Canada	2
Meter to Cash Lead	Canada	1
Meter to Cash Consultants	Canada	3
	Near/Offshore	4
Finance Lead	Canada	1
Finance Consultants	Canada	1
	Near/Offshore	3
EAM Lead	Canada	1
EAM Consultants	Canada	2
	Near/Offshore	3
SCM Leads (Proc., Ariba & Log.)	Canada	3
SCM Consultants (Proc., Ariba, & Logistics)	Canada	2
	Near/Offshore	10
Data Lead	Canada	1
Data Team	Near/Offshore	4
Technical & Integration / Dev Lead	Canada	2
Technical, Integration, Security & Dev Team	Near/Offshore	10
Digital Change Lead (+SME + Comm)	Canada	2.5
Training Lead (+ Consultant)	Canada	2
Training Team	Near/Offshore	3

Internal Team

Recognizing constraints for Elexicon's resources to participate in Dx NEXT

Limited full-time resources

Focus and priority on operations

Very difficult to backfill key SME resources

Elexicon Team to be complemented by the appropriate number of external resources to ensure project is fully resourced while recognizing operational priorities & local capacity constraints

Critical success factor is to leverage “hand-picked” Elexicon resources to provide oversight to project team

Implementation Partner



Balance of required implementation resources from external

Limited Internal Resources

Preliminary Costs for Dx NEXT

Based on Option 3b

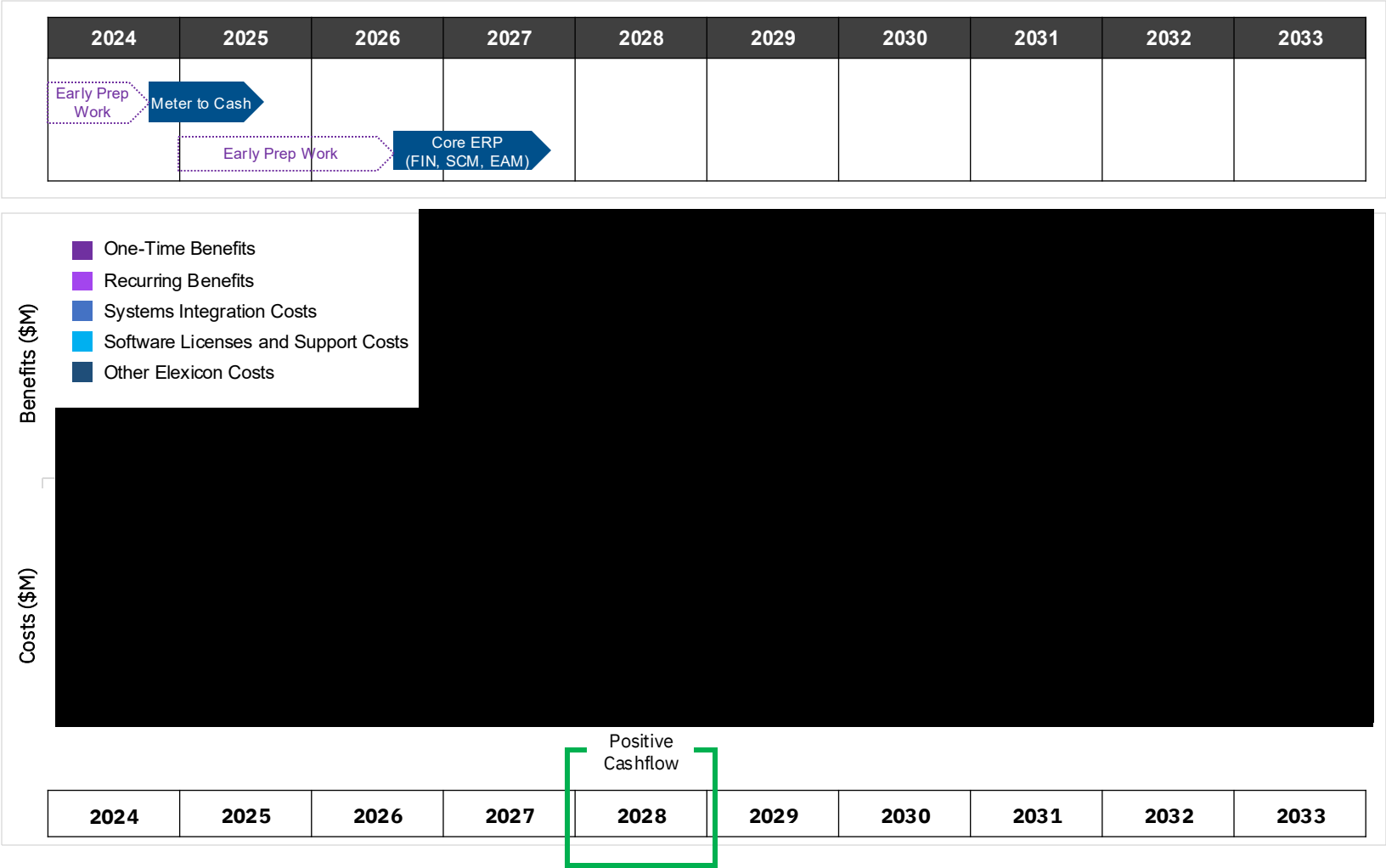
\$21.6M
pre-2027

Dx NEXT Cost Categories	2024	2025	2026	2027	2028	Total
System Integration - Advisory & Implementation Service Costs						
Software License Subscription & Ongoing Services Costs						
Reference Architecture: License Subscriptions						
Reference Architecture: Other Applications License Subscriptions						
Support (Post-Implementation) Services Costs						
Total Software License & Ongoing Service Costs						
Ellexicon Internal Resources Costs						
Estimated Travel & Expense Costs						
Total Ellexicon Costs						
Total Costs						
Less:						
Rationalized IT Costs						

1. All figures are in \$M, all figures are in CAD for illustrative purposes. Contracting is assumed to be done in Canada, in CAD.
2. Does not include any external costs for help with early data projects.
3. Assume 3.5% of Implementation fees for Travel & Expense Budget.
4. Implementation costs have been estimated based on the reference model and reference software, proposed Option 3a timeline, and assumed Elexicon resource commitment. This is a ROM estimate price (+/-30%).
5. Software costs are representative for budgetary purposes only (not to be considered a formal offer) and are dependent on volumes, terms and timing of purchase.

Business Value Case

Our roadmap is optimized around risk reduction, organizational readiness, internal capacity and rebasing efforts. Based on initial assumptions, it would return preliminary estimated net benefits of **\$5.1M** over a 10-year period with cumulative benefits of **\$56.7M** over this time



SUMMARY

Business Value ⁽¹⁾	
Recurring Benefits	\$6.0 Million /Year
One-Time Benefits	\$6.7 Million
Cumulative Benefits	\$56.7 Million
Total Costs	\$51.6 Million
Net Benefits	\$5.1 Million
Net Present Value ("NPV")	(\$2.6 Million)
Internal Rate of Return ("IRR")	3.8%
Return on Investment ("ROI")	9.9%

KEY ASSUMPTIONS

- All benefits are modeled to **begin ramping 3 months** after go-live
- Benefits are modeled to ramp-up to **full-year run rate 9 months** after go-live
- Benefit projections increase at 4.1% CAGR to account for 50% growth in scale of business

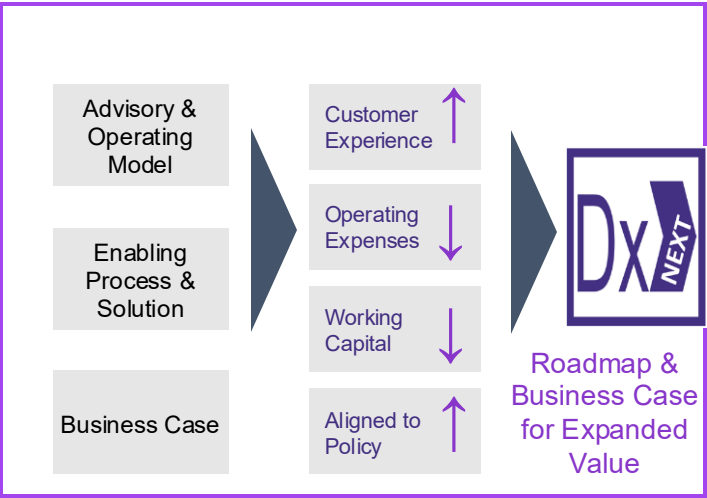
Note: (1) All benefits, and financial metrics (NPV, IRR, ROI) have been calculated using WACC of 6.5% and calculated as before taxes

Value Continuum for Realization & Benefits Tracking

Discovery

Identify and Quantify Value

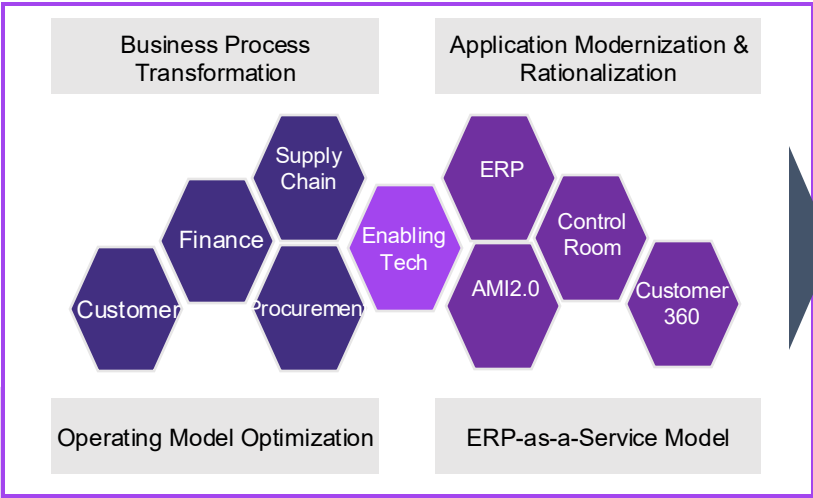
Shape the transformation with targeted and complementary value



Implementation

Transformation Program

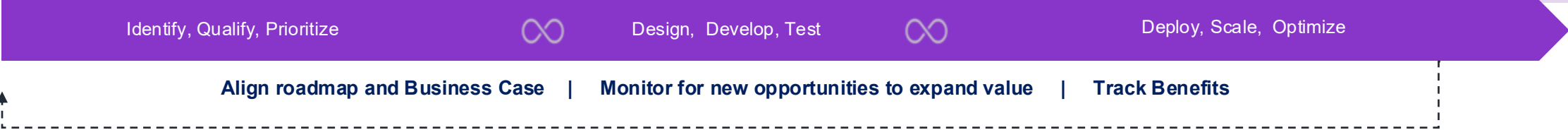
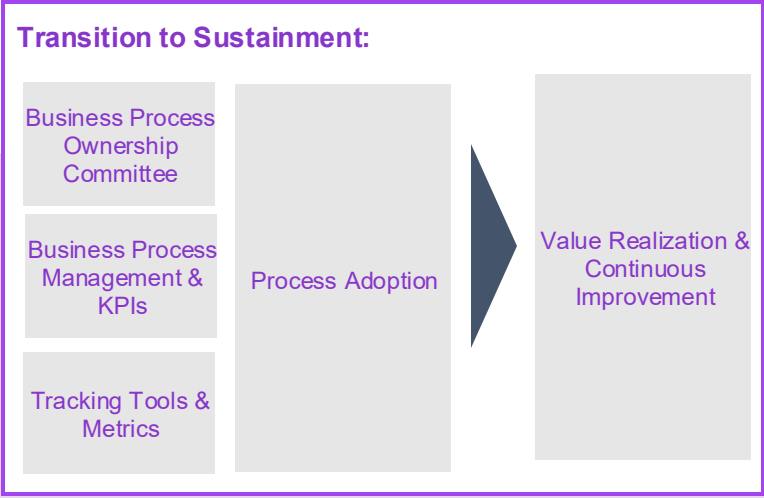
Capture expanded value with tailored and bundled solutions



Post -Implementation

Value Realization

Continuously innovate, track and measure improvements





Proposed Transformation is Aligned with the Regulatory Framework

VALUE PROPOSITION FOR THE TRANSFORMATION

ONTARIO ENERGY
BOARD
REGULATORY
FRAMEWORK
OUTCOMES

GOALS OF
THE Dx NEXT
TRANSFORMATION



Enhance Customer Focus

Improved customer master data, improved UI, and more integrated transaction data, all to improve customer service and customer experience



Improve Operational Effectiveness

More integrated operational, maintenance and administrative processes with improved data to help drive operational effectiveness



Enhance Public Policy Responsiveness

More flexible technology platform with better data access and integration to improve responsiveness and compliance to public policy



Improve Financial Performance

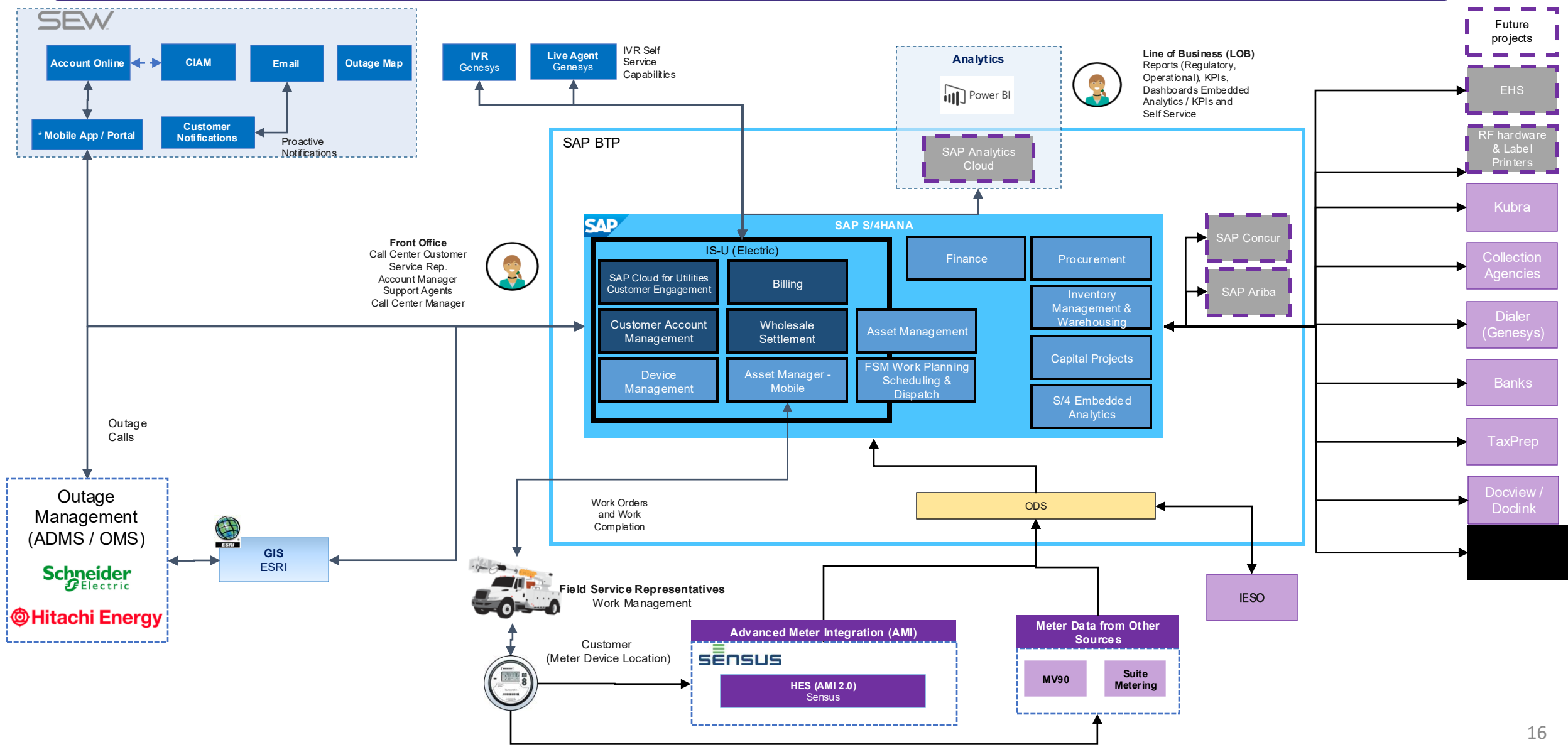
Improved business processes built on a scalable platform with improved data and analytics to drive business outcomes and financial performance

Factors Considered for the Implementation Strategy

		Option #1	Option #2	Option #3b	Option #4	Option #5
#	DRIVER	<i>Accelerated Big Bang</i>	<i>Evolve the Core + Enable Rebasing</i> <i>PACED</i>	<i>Readiness + Rebasing + Risk Optimized</i> <i>PACED</i>	<i>Evolve the Core + Enable Rebasing</i> <i>CONTRAINED</i>	<i>Capacity + Change Readiness</i> <i>CONTRAINED</i>
1	Program Portfolio Considerations (Rebasing)					
2	Resource Capacity (Availability) & Cost Optimization					
3	Risk Aversity (Operational & Business Disruption)					
4	Pain-Point Alleviation & Speed to Benefits					
5	Change Readiness					
6	Technology - Legacy Investment Avoidance					
7	Improvement and Innovation	<i>Dx NEXT is an initiative around elevating capabilities that are core to the organization, and will become an enabler of Innovation</i>				

Preferred Option

Reference Technology Landscape Used for Estimation Purposes Only



Local Utilities Landscape

Utility Company	# of Customers	Finance	EAM	CIS
Alectra	1,000,000	JD Edwards		Oracle CC&B
Toronto Hydro	790,000	SAP	SAP	Oracle CC&B
Ottawa Hydro	335,000			Oracle CC&B
London Hydro	166,000	SAP	SAP	SAP
Enwin Utility	91,000	SAP	SAP	
Liberty Utilities	1,000,000	SAP	SAP	
Halton Hills Hydro	22,500	SAP		
Bluewater Power	37,000	SAP		
Greater Sudbury Hydro	48,000	SAP		
Oshawa Power	60,000	Jomar		Jomar
Hydro One	1,400,000	SAP	SAP	SAP
FortisOntario (Westario, Cornwall, Niagara)	144,000	SAP	SAP	SAP
FortisBC	1,500,000	SAP	SAP	SAP
Hydro Quebec	4,000,000	SAP	SAP (RYO for production)	SAP (RYO for Industrial Billing)

SAP was used as a credible reference solution adopted widely in the Utilities industry to estimate implementation timeframes, costs and benefits associated with the transformation and to provide a baseline for the Business Value Case

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

- a) The table below provides OM&A costs in the People and Culture segment by category for the 2020–2031 period, which reflects 2025 reflects actuals, consistent with the revised Appendix 2-JB provided as an attachment to the response to interrogatory 1-SEC-13.

Table 1: OM&A costs – People and Culture Segment (2020 to 2031)

\$M	2020	2021	2022	2023	2024	2025	2026 (F)	2027 (F)	2028 (F)	2029 (F)	2030 (F)	2031 (F)
Labour	1.01	1.58	1.80	2.53	3.19	3.44	3.79	4.21	4.44	4.59	4.74	4.85
Third-Party Contractors	0.47	0.85	0.21	0.21	0.22	0.35	0.30	0.42	0.43	0.44	0.44	0.45
Consulting	0.26	0.38	0.61	0.64	0.55	0.40	0.79	0.87	0.88	0.90	0.92	0.94
Licensing Fees	-	-	0.21	0.20	0.23	0.24	0.33	0.34	0.35	0.35	0.36	0.37
External Training Services	0.07	0.14	0.08	0.28	0.37	0.19	0.12	0.09	0.09	0.09	0.09	0.10
Training Delivery*	0.28	0.15	0.16	0.24	0.32	0.28	0.82	0.94	0.95	0.98	1.00	1.02
Total	2.09	3.10	3.08	4.10	4.88	4.90	6.15	6.86	7.14	7.35	7.55	7.72

*expenses primarily incurred to support the delivery of training activities and includes incidental costs of a similar nature to support employees, for example pandemic supplies.

- b) Please see Table 2 below for the number of People and Culture FTEs relative to the number of total employees.

Table 2: All FTE to HR FTE Ratio – 2020 to 2031

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
People & Culture FTE	6.9	6.9	9.0	11.5	11.8	12.4	12.5	12.0	12.0	12.0	12.0	12.0
All FTE	246	246	256	264	307	320	351	378	395	408	412	412
Ratio	35:1	36:1	28:1	23:1	26:1	26:1	28:1	32:1	33:1	34:1	34:1	34:1

As outlined in Exhibit 4 – Tab 2 – Schedule 1 – Section 3.2.4, over the historical period the People & Culture segment grew to ensure that the segment’s structure, programs, and supports were in place to support Elexicon’s forecasted growth. Examples include:

- In 2022, the People and Culture program grew in the area of recruitment, onboarding, and talent management. There was also growth to manage environmental programming.
- In 2023, Elexicon transitioned its payroll function from Finance into the People & Culture segment to gain effectiveness and efficiencies due to the close relationship and

workflows between the teams. This also allowed for the better alignment of responsibilities across the team such as pension and benefit administration.

Into the forecast period, the all FTE to HR ratio restores to post merger levels, which will be possible through the People and Culture segment continuously improving its structure and programs; as well as further leveraging its technology platforms to support the business as it grows further. A discussion on the evolution of the People and Culture segment can be found within Exhibit 4 – Tab 1 – Schedule 6 pages 25-26.

- c) The training costs in the People and Culture segment for each year from 2020 to 2031 are provided in Table 3 below. The forecast is based primarily on staffing levels and associated labour costs and includes both mandatory legislated trades training and corporate training. Trades training costs are forecast based on a review of employees due for recertification, new employees and apprentices requiring initial training, and upcoming legislated training requirements. Corporate training costs are forecast based on identified training requirements and actual and planned staff levels over the forecast period. Purchased costs primarily include third-party trainers and external program or course fees.

Table 3: Training Costs (Actual 2020–2025 and Forecast 2026–2031)

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
0.36	0.58	0.63	1.55	1.87	1.82	2.52	2.91	3.09	3.22	3.33	3.41

- d) Specific training for System Operator Apprentices is delivered internally, with costs reflected in the Control Centre segment and not the People and Culture segment. External training for apprentices, including MEARIE, is included within the overall trades training program and budget.

Based on 2025 actuals, MEARIE training costs are estimated at \$6,200 per apprentice as a one-time, non-labour cost, inclusive of course fees and materials. Over the 2020–2031 period, MEARIE costs are incorporated into the mandatory trades training forecast and are driven by anticipated apprentice intake and overall training requirements. In addition, System Operator Apprentices participate in corporate training required of all staff, such as

1 WHMIS, which is included within the broader corporate training forecast. As a result, training
2 costs cannot be further disaggregated by apprentice role beyond the information provided
3 above.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Please refer to 4.0-VECC-45 c).

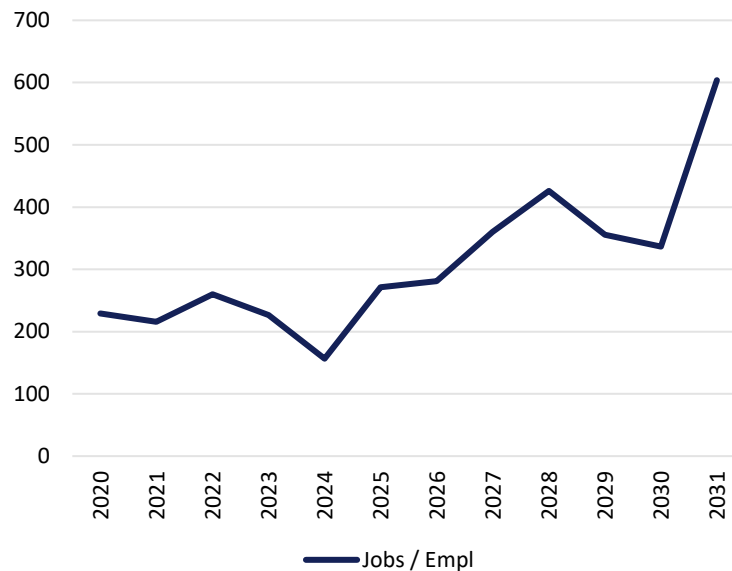
b) Please see Table 1 and Figure 1 below for an analysis of project-related jobs relative to the number of employees. For this analysis, Elexicon determined the number of jobs that require processes performed by the capital asset team, determined the historical 5-year average of capital cost per job and then estimated the number of jobs per year for the

forecast period. As shown by the Table and the Figure, over the forecast rate period, the ratio of jobs to employees is increasing significantly, even with the planned additional positions.

Table 1: Historical and Projected Jobs per Employee

	Actual						Bridge	Forecast				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
# of Jobs	688	647	780	737	626	1084	1125	1441	2131	2134	2019	3623
# of Employees	3	3	3	3.25	4	4	4	4	5	6	6	6
Jobs / Employee	229	216	260	227	157	271	281	360	426	356	336	604

Figure 1: Capital Job Closures per Employee



c) For an estimate of the labour and non-labour costs that Elexicon anticipates will be moved to Treasury, please refer to the response to 4-SEC-75 a).

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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?

RESPONSE:

a) The various cost components for the Procurement and Facilities segment are provided in the table below.

Table 1: Procurement and Facilities Segment Cost Breakdown by Cost Component

Cost Component	Actuals (\$M)						Forecast (\$M)					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Labour	0.90	0.93	0.93	0.60	0.51	0.49	0.68	0.71	0.75	0.77	0.79	0.81

	Actuals (\$M)						Forecast (\$M)					
Cost Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Materials	0.02	0.02	0.02	0.04	0.02	0.01	0.07	0.07	0.07	0.07	0.07	0.08
Third party contractors and materials	0.63	0.66	0.73	0.86	0.97	1.42	1.03	1.97	2.05	2.12	2.20	2.28
Utilities	0.54	0.50	0.49	0.56	0.57	0.67	0.62	0.62	0.64	0.65	0.66	0.68
Other*	-0.32	-1.34	-0.87	-0.84	-0.91	-1.06	-1.13	-1.20	-1.23	-1.25	-1.27	-1.30
	1.77	0.78	1.31	1.21	1.17	1.53	1.26	2.18	2.28	2.36	2.45	2.54

*Other costs consist of Fleet and Facilities recovery that allocates indirect costs to jobs based on resource usage through burdens

- b) The costs for the Procurement and Facilities segment by activity (e.g., procurement, facility maintenance, security, etc.) are provided below. These costs are consistent with the revised Appendix 2-JC attached to 1-SEC-13.

Table 2: Procurement and Facilities Segment Cost Breakdown by Activity

	Actuals (\$M)						Forecast (\$M)					
Cost Component	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
All Labour	0.90	0.93	0.93	0.60	0.51	0.49	0.68	0.71	0.75	0.77	0.79	0.81
Facilities Maintenance	0.87	-0.16	0.38	0.60	0.62	0.93	0.46	0.41	0.42	0.43	0.44	0.45
Procurement	0.00	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Security	0.00	0.00	0.00	0.00	0.02	0.10	0.12	1.05	1.10	1.16	1.21	1.28
	1.77	0.78	1.31	1.21	1.17	1.53	1.26	2.18	2.28	2.36	2.45	2.54

- d) Elexicon's procurement support requirements are determined by its level of forecasted capital expenditures. Elexicon's procurement team is responsible for all aspects of supply chain, which includes materials ordering, warehousing, managing vendor relationships, as well as executing and overseeing all RFPs on behalf of Elexicon. In 2025, Elexicon's procurement team had eight positions which supported a work program of approximately \$79M in gross capital spend. This work program is expected to more than double by the end of 2031. This centralized team supports all regions within Elexicon's vast and disbursed service territory. To ensure Elexicon can execute its planned capital work over the 2027 to 2031 period, Elexicon will be enabled through new systems and processes through Dx NEXT that will improve productivity of the procurement team. The team will also be adding 1x procurement specialist and 1x inventory scheduler over the forecast period to build and

1 maintain supplier relationships, track and report procurement performance, and support
2 Elexicon's contractor management, all of which increase the support requirements from the
3 team as there will be significant increases to the work that the program supports.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

The enhanced municipal and stakeholder engagement that began in 2025 reflects a more proactive and structured approach to working with municipalities and other key stakeholders across our service territory. As a merged entity serving 10 communities and with some of the fastest growth in the province, Elexicon is managing an increasingly diverse and extensive set of questions, concerns, and needs from from municipal authorities, residents, and business than it managed previously. As a result, Elexicon is adopting more regular and proactive engagement and communication with a range of stakeholders, including: government administration in the areas of planning, capital projects, economic development and infrastructure, and communications; local elected officials (municipal, provincial, and federal); as well as customer escalations and community engagement.

When comparing the number of reactive outreaches or escalations from government officials, there was a 116% increase from 2024 to 2025. While these instances benefit Elexicon and its communities by ensuring there is a path of escalation when an issue arises and that there is an opportunity to

1 align on context, they drive an increase in workload and complexity, supporting the need for
2 additional staff to maintain service levels. Early signs are that 2026 will continue this trend of growth
3 in the number of escalations.

4
5 This area of Elexicon's business also supports other lines of business in their communication and
6 engagements with external stakeholders, such as internal planning teams in their work with
7 municipalities to identify and secure land for new infrastructure, such as substations. This includes
8 participating in council and committee processes to support required approvals, as well as
9 supporting any engagement with the community as part of consultation and construction.

10
11 The proactive approach helps improve communication and alignment with Elexicon's stakeholders
12 and allows issues and opportunities to be identified and addressed earlier, particularly as system
13 needs continue to grow and become more complex. It also allows for additional avenues of
14 communication with Elexicon's customers (e.g. during outages). These activities – and the
15 investment in them - all drive service improvements and long-term operational efficiencies.

16
17 Looking ahead, Elexicon is projecting significant levels of investment in its system including 6 new
18 stations. Enabling this investment will require effective navigation of engagement key stakeholders
19 (e.g. municipalities). This growth in investment is also happening against a backdrop of growing
20 customer connections combined with significant capacity constraints. As outlined in Section 3.3 of
21 Exhibit 1 – Tab 2 – Schedule 1, 76% of Elexicon's existing stations have less than 1MW of available
22 capacity. This is at a time where there is a significant local and provincial policy mandate to enable
23 growth. It is reasonable to expect that there will continue to be ongoing escalations which will
24 require positive relationships and ongoing communication to manage expectations and enable
25 outcomes for customers and economic development within the community.

26
27 As a result of these drivers and others, Elexicon must invest in its staff complement in this area of
28 its operations. The increase in the volume and complexity of engagement is placing ongoing upward

- 1 pressure on the stakeholder relations program over the test period and is driving the need for
- 2 additional FTEs as outlined in Staff-127.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) and b) as follows. Elexicon interprets part (b) of the question as having meant to ask for the cost breakdown for the Legal and Corporate Secretariat segment, rather than the Procurement and Facilities segment. Labour costs are the primary driver of costs in the Legal and Corporate Secretariat segment, with non-labour costs typically immaterial for each function. As such, Elexicon is responding to parts (a) and (b) with a single table, displayed below as Table 1, which presents all Labour costs for the segment, and other costs grouped by function, with additional elaboration following the table for the material non-labour items. These figures align with the revised appendix 2-JB which is an attachment to 1-SEC-13. Labour is provided in aggregate rather than on a per function basis to avoid publicly disclosing salaries of individual employees given that many of these functions have only one staff member.

Table 1: Function costs for Legal and Corporate Secretariat Segment (\$M)¹

Cost Component	Historical					Bridge		Forecast				
	2020	2021	2022	2023	2024	2025 (A)	2026 (F)	2027	2028	2029	2030	2031
All Labour	0.64	0.93	1.20	1.66	1.65	1.20	1.48	1.58	1.63	2.26	2.33	2.38
Legal	0.13	0.13	0.04	0.09	0.08	0.22	0.28	0.44	0.44	0.45	0.46	0.47
Info Mgmt/Privacy	0.00	0.06	0.02	0.02	0.09	0.11	0.16	0.25	0.25	0.25	0.26	0.27
ERM	0.00	0.09	0.13	0.03	0.00	0.00	0.05	0.03	0.03	0.03	0.03	0.03
Insurance	0.63	0.72	0.83	0.80	0.97	1.02	1.30	1.53	1.89	2.11	2.35	2.62
CEO Office ²	0.76	0.60	0.74	0.48	0.43	1.21	1.46	1.89	1.94	1.98	2.03	2.08

¹ Numbers may not sum due to rounding.

² Corporate Governance allocation begins in 2025 and has not been characterized as labour.

	Historical					Bridge		Forecast				
Cost Component	2020	2021	2022	2023	2024	2025 (A)	2026 (F)	2027	2028	2029	2030	2031
Board of Directors	0.23	0.24	0.28	0.29	0.22	0.42	0.93	0.94	0.96	0.98	1.00	1.02
Internal Audit	0.15	0.24	0.18	0.20	0.09	0.35	0.24	0.24	0.25	0.25	0.26	0.26
Total	2.55	3.03	3.42	3.58	3.54	4.32	5.89	6.89	7.38	8.32	8.72	9.13

Non-labour costs within the Insurance function are largely attributable to insurance premiums, with a smaller component related to periodic consulting services used to review and optimize coverage through the bridge and forecast period. Forecast premiums reflect historical average increases and anticipated insurer pricing adjustments to reflect market conditions, as well as policy realignments to reflect growing work activity informed by coverage reviews.

The CEO Office's costs are consistent with the Corporate Governance costs shown in the revised Appendix 2-N filed as an attachment to 4-Staff-131, and also include costs related to corporate memberships and external support to execute strategic corporate initiatives. Forecast assumptions are informed by historical trends, planned initiatives, and third-party benchmarking to ensure compensation and related costs remain market-aligned.

Board of Directors costs primarily consist of director fees and forecast cost drivers include the implementation of the revised governance structure, discussed further in part (f), as well as market-based director compensation.

- c) The legacy utilities did not have internal functions for legal, privacy, information management, insurance administration, or enterprise risk management. The statement reflects the reality of Elexicon's post-merger needs as a larger, consolidated utility situated within an evolving and increasing complex risk landscape. Additionally, Elexicon is subject to compliance requirements that were introduced after the merger, such as the Ontario Cyber Security Framework, and its scale of governance and risk mitigation has increased in complexity. These factors required centralized, internal capabilities that are now necessary to meet Elexicon's scale and circumstances.

1

2 d) Elexicon purchases the following insurance policies:

3 • Fleet/Vehicle Policy³ – covers all vehicles owned or leased.

4 • Property Policy – covers all property as listed.

5 ○ Crime endorsement – crime coverage is part of the property policy.

6 • General Liability Policy – covers premises and operations, products and completed
7 operations, employers/contingent employers' liability, bodily injury liability,
8 personal injury, advertising liability, property damage liability, tenant's legal
9 liability, environmental impairment, errors & omissions/professional liability, non-
10 owned automobile, and legal expense (conflict of interest and occupational health
11 & safety).

12 ○ Directors and Officers endorsement – coverage is part of the general liability
13 policy and covers employment practices liability, benefits administration
14 liability, outside directorship liability, workplace violence response cost, and
15 crisis management expenses.

16 ○ Cyber Endorsement – coverage is part of the general liability policy and
17 covers incident response, direct network interruption restoration expenses,
18 cyber extortion and ransom and privacy and network security liability.

19 Elexicon's suite of policies will continue to require enhancements in the forecast period to
20 match the growing complexity of the business.

21

22 e) Elexicon has one insurer, MEARIE. The table below presents the number of claims
23 administered per year,⁴ and payout amounts from MEARIE during the historical period. As

³ Premiums for the Fleet/Vehicle policy are paid for out of the Procurement and Facilities segment, but the policy is administered by the Corporate and Legal Secretariat segment.

⁴ This includes self-insured claims (i.e., those under our deductible or not covered by our policy) and claims to recover losses from a third party's insurer, as these claims still require effort to administer. However, the self-insured amounts and amounts recovered from third-party insurers are not included in the column "Reimbursed by MEARIE."

claims can take years to resolve, there may be a disconnect between the year in which a claim is administered and the year in which Elexicon receives its reimbursement.

Table 2: Claims administered and paid out by MEARIE

Year	# of Claims Administered	Value of Claims Reimbursed by MEARIE
2021	127	\$75,680.57
2022	167	\$1,853,251.38
2023	213	\$242,190.88
2024	187	\$1,592,983.72
2025	193	\$180,897.94

Work volumes within the Insurance function are a result of multiple drivers. Claims administration includes managing claims whether they are successful or denied, administering recovery efforts for losses where a third party is at fault, and assessing incidents that are resolved through “self-insurance”, that is, below the policy deductible or not covered by our policy. Each claim requires varying amounts of time and administration effort. Some claims may not be closed for several years and require many hours of staff time to administer. In addition to the management of claims, the renewal of Elexicon’s insurance policies requires administration, and management of the insurance review process is necessary to ensure Elexicon’s portfolio of policies adequately and appropriately covers the organization.

Theft and vandalism have also resulted in the loss or damage of Elexicon assets with an estimated value of approximately \$3 million between 2020-2025, which has caused disruptions and delays to the execution of the capital program. Historically, claims management has been partially decentralized, with business units managing smaller claims on their own and the Insurance function within the Legal and Corporate Secretariat program managing larger or higher-profile claims. This approach will no longer be sustainable given the increasing frequency and complexity of claims (both observed and anticipated as the capital program expands), and continuation would likely result in processing delays, under-recovery where matters are not pursued to completion, and diversion of operational staff

from core business activities, resulting in an overall negative impact to the organization and customers. Centralizing end-to-end claims management will result in improved cost recovery and better oversight and documentation of Elexicon's overall insurance program.

f) Table 3 below displays the number of Directors and the number of Board and Committee meetings for both the regulated utility and the holding company. Both entities are displayed to provide important context for the function's costs in the forecast period.

Table 3: Board and Committee Meetings and Director Counts for Elexicon Energy (EE) and Elexicon Corp (EC)⁵

	Historical					Bridge		Test and Forecast				
	2020	2021	2022	2023	2024	2025	2026 (F)	2027 (F)	2028 (F)	2029 (F)	2030 (F)	2031 (F)
EE Board Meetings	11	7	11	10	15	14	6	6	6	6	6	6
EE Committee Mtgs	11	8	8	12	9	7	0	0	0	0	0	0
EE Total	22	15	19	22	24	21	6	6	6	6	6	6
EC Meetings	11	14	8	8	11	9	6	6	6	6	6	6
EC Committee Mtgs	15	4	19	7	4	15	18	18	18	18	18	18
EC Total	26	18	27	15	15	26	24	24	24	24	24	24
EE Directors	7	7	7	7	7	7	5	5	5	5	5	5
EC Directors	11	11	11	11	11	11	11	11	11	11	11	11

In the historical period, the utility maintained its own Board of Directors as well as Board-level Committees operating at the utility level.

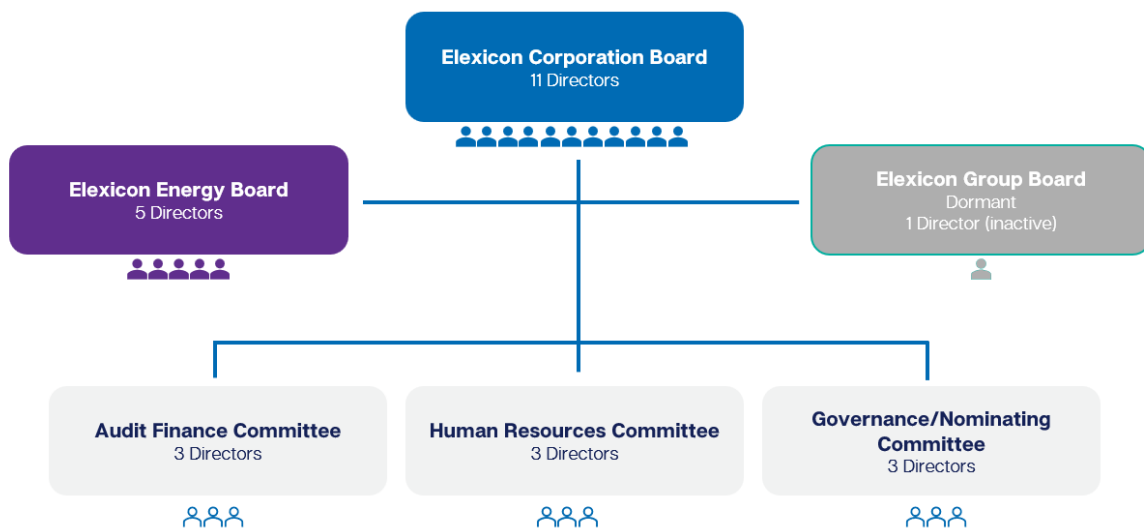
As the utility grows to meet growing investment needs and prepares to become a debt issuer, with debt held at the holding company level, there is a need for enhanced financial and risk oversight, and greater engagement on matters such as capital planning, treasury, internal controls, and regulatory compliance. Effective in Q4 2025, Elexicon's governance structure was realigned and the Board Committees were consolidated and moved to the holding company level, as shown in Figure 1 below.

⁵ Table does not include meetings of ad-hoc committees.

This change coincided with the wind-down of the unregulated affiliate business. As a result, the holding company Board of Directors is now almost exclusively focused on oversight of the regulated utility, rather than dividing its attention between the utility's operations and unregulated affiliate activities, as had been the case historically.

The new structure is aligned with OEB Guidelines as well as legal obligations under the OBCA. It also aligns with common structures by other large utilities that issue debt and it is well understood by debt investors. By leveraging the committees at the holding company level, the structure avoids unnecessary duplication and allows for fewer overall directors relative the past structure. The new governance structure therefore reflects a clearer line of sight to the utility's risks, performance, and regulatory obligations.

Figure 1: Governance structure with Boards, Committees and Director composition



A governance structure that is fully focused on the regulated utility and scaled to support growth strengthens Elexicon's financial discipline, risk management, and long-term access to capital at competitive rates. This ultimately supports system reliability, lowers financing risk, and helps ensure

1 that major investment decisions are made with strong independent oversight, all of which benefit
2 customers over the long term.

3

4 Please see the table below for a breakdown of Board of Director costs by cost element including a
5 realignment of director fees to align with market.

6

Table 4: Board of Directors Costs by Cost Element (\$M)⁶

Cost Component	Historical					Bridge		Forecast				
	2020	2021	2022	2023	2024	2025 (A)	2026 (F)	2027	2028	2029	2030	2031
Directors Fees	0.16	0.21	0.21	0.26	0.19	0.20	0.80	0.81	0.83	0.85	0.86	0.88
Training	0.04	0.00	0.01	0.02	0.02	0.01	0.04	0.04	0.05	0.05	0.05	0.05
Subcontracts	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.06	0.06	0.06	0.06	0.06
(other)	0.04	0.03	0.05	0.01	0.00	0.00	0.03	0.03	0.03	0.03	0.03	0.03
Totals	0.23	0.24	0.28	0.29	0.22	0.42	1.07	0.94	0.96	0.98	1.00	1.02

7

⁶ Numbers may not sum due to rounding.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 out into the various segments of those programs). However, we recognize, based on the narrative
2 in the evidence, that certain positions cannot be mapped to a single OM&A program. In this regard,
3 we request that Elexicon breakout the AM/DO roles as granularly as possible.

4
5 d) Please provide additional details regarding the three locate-related roles that were added during
6 the 2020-2025 period. Please explain the separation of work that Elexicon completes internally
7 relative to the work completed by the LSPs.

8
9 e) Elexicon stated that the stakeholder relations team “comprises of a manager of communications
10 and stakeholder relations, a digital marketing and web development specialist, and a social media
11 and public relations specialist, as well as a research and policy advisor, all of which were added
12 post-merger.” Please confirm that this entire function was created post-merger. If this is not the
13 case, please explain. Please also explain the roles and responsibilities of all the staff in this group
14 (including all proposed new positions up to 2031).

15
16 f) The Company stated that “during its business planning process, Elexicon revised its forecast
17 internal staffing levels over multiple planning stages to determine the minimal amount of net new
18 positions to be added to Elexicon’s workforce during the forecast period (2026 to 2031).” Please
19 provide any internal documentation that shows the initial workforce plan and the revisions to that
20 plan.

21
22 g) Please explain the methodology used for forecasting the staffing requirements for the “program
23 delivery group.” As part of the response, please provide the number of positions in this group in
24 each year during the 2020-2031 period.

25
26 h) Please further explain the need for additional resources related to “Privacy Impact
27 Assessments.”

28
29 i) Please provide Elexicon’s actual vacancy rate for each year during the 2020-2025 period.

1

2 j) Please advise whether a vacancy rate is assumed for the forecast period. If so, please provide
3 that vacancy rate for each year of the test period. Please also explain how it is applied (e.g., does
4 the FTE count and associated compensation in Appendix 2-K reflect a reduction that is the equal to
5 the assumed vacancy rate? Is there an offset applied elsewhere to the revenue requirement to
6 reflect the expected vacancy rate?).

1 RESPONSE:

2 a) Please refer to the attached Excel file 4-CCC-57(1)_Modified-OEB.App2-K, Tab 4-CCC-57-
3 Part A). For greater clarity, Elexicon's Appendix 2-K uses FTEs, not number of employees.

5 b) Confirmed. The attachment provided in the response to part a, Tab 4-CCC-57 part B),
6 includes the requested information breakdown in a separate tab.

8 c) Elexicon can provide historical FTE information by division, but it is not readily available at
9 the OM&A segment and program level and would need to be manually created, which is
10 not possible in the time allotted for response. However, Elexicon has provided a table
11 below with historical FTE and Forecast FTE by division for the 2026 to 2031 period.
12 Actual FTEs for the 2020 to 2025 period and forecast FTEs for the 2026 to 2031 period are
13 detailed below by division in Table 1.

Table 1: FTE by Division – 2020 to 2031*

	2020	2021	2022	2023	2024	2025**	2026 (F)	2027 (F)	2028 (F)	2029 (F)	2030 (F)	2031 (F)
Asset Management/Distribution Operations	122.1	122.1	123.6	120.4	145.5	156.7	175.7	197.9	211.9	218.9	221.9	221.9
Customer Experience	59.0	57.8	59.6	68.3	76.9	79.2	76.9	77.1	77.1	77.1	77.1	77.1
Digital & Innovation	10.0	11.7	15.7	16.9	16.4	15.7	22.3	23.0	22.0	22.0	22.0	22.0
Finance	26.2	22.6	22.4	22.0	24.7	25.5	27.6	28.6	29.6	31.6	32.6	32.6
People and Culture & Corporate Services	21.6	24.0	26.7	22.5	23.7	23.8	29.8	30.0	31.0	31.0	31.0	31.0
Legal and Corporate Secretariat	3.5	3.7	4.9	6.0	8.7	7.5	7.0	8.0	8.0	11.0	11.0	11.0
Regulatory Affairs and Stakeholder Relations	4.0	3.9	2.6	7.8	11.2	12.0	12.0	13.0	15.0	16.0	16.0	16.0
TOTAL FTE	246.5	245.7	255.5	263.9	307.1	320.4	351.4	377.6	394.6	407.6	411.6	411.6

*2026 to 2031 are forecast FTE levels.

**320.4 is the actual FTE level for 2025. The Forecast FTE per Ex. 4 - Tab 2 - Schedule 1, page 8, Table 1 was 333.

1 Elexicon has also provided its forecast and actual OM&A labour budget in Table 2, below capturing
2 relative variance to plan for OM&A labour budgets in the historical period.

3 **Table 2: Elexicon's OM&A Labour Costs – Budget & Actuals 2020 to 2025**

\$M	2020	2021	2022	2023	2024	2025
Labour Budget	26.91	26.75	27.86	28.98	29.07	33.37
Labour Actuals	23.92	24.57	26.28	27.95	30.04	33.75
Variance (\$) (Spend relative to budget)	-2.98	-2.18	-1.59	-1.03	+ 0.96	+ 0.38

4

5 d) Please refer to the response in 4-Staff-118 e).

6

7 e) Confirmed. Pre-merger, the legacy utilities did not have dedicated stakeholder relations
8 teams. Current positions in the Stakeholder Relations segments are detailed below:

9

10 Manager, Communications and Public Affairs:

- 11 • Leads corporate communications, stakeholder and government relations, media
- 12 relations, brand management and crisis communications, while providing strategic
- 13 advice across the organization.
- 14 • Acts as corporate spokesperson for inquiries from external stakeholders (e.g.
- 15 media, government).

16

17 Digital Marketing and Web Development Specialist:

- 18 • Manages and develops the company's websites, digital platforms, and online user
- 19 experience, including accessibility compliance and ongoing enhancements.
- 20 • Provides graphic design services for needs across the organization.
- 21 • This function was historically outsourced across multiple vendors; bringing it in-
- 22 house reduces costs, improves turnaround times, enables more frequent updates,
- 23 stronger security, and a consistent customer experience.

24

1 Social Media and Public Relations Specialist:

- 2 • Leads social media strategy, content creation, social customer engagement and
3 real-time monitoring of public sentiment and industry news.
4 • Supports customer and stakeholder communication during outage and emergency
5 situations.
6 • This function was previously outsourced; insourcing has increased effectiveness
7 and engagement, enabled expanded channels of communication, improved
8 responsiveness (including during outages and emergencies), and strengthened
9 online presence for community and customer engagement.

10 Government and Stakeholder Relations Advisor:

- 11 • Monitors policy, regulatory, and legislative developments, and supports
12 engagement with key stakeholders including with all levels of government,
13 including the ten municipal governments and one regional government within our
14 service territory.
15 • This work was previously limited and reactive; this role supports proactive
16 engagement enabling alignment with community needs, stronger advocacy on
17 behalf of Elexicon's customers, and earlier identification of risks and opportunities,
18 improving organizational positioning with government and industry partners.

19 Communications Advisor:

- 20 • Leads internal communications for staff and supports customer-facing messaging,
21 including regulated communication requirements, ensuring alignment across
22 departments and clear, consistent communication with employees and customers.
23 • Supports customer and stakeholder communication during planned and unplanned
24 outages and emergency situations and the preparation of corporate reports.
25 • This role has evolved to expand the number of channels of communication (such as
26 greater education and information provided on our website, community reports,
27 printed and e-newsletters) with greater message consistency and reach, as well as
28 strengthened employee engagement, and enhanced coordination with customer-
29 facing teams, particularly during outages and critical events.

1
2 In the forecast period, Elexicon is forecasting the need for two additional positions: (i) a
3 second Government and Stakeholder Relations Advisor in 2028 and (ii) a Communications
4 Generalist in 2029.

5
6 The additional Government and Stakeholder Relations Advisor supports the increased
7 volume and complexity of policy and stakeholder engagement activities, as well as expanded
8 municipal engagement requirements which are detailed in 4-CCC-55. The volume of work in
9 this area cannot be absorbed by the existing resource and an additional resource is required.
10 This role ensures continuity of engagement, improves responsiveness to emerging issues,
11 and strengthens the organization's ability to proactively influence and respond to
12 government policy consultations to align with customer needs and preferences.¹

13
14 The Communications Generalist function will support internal and external communications
15 through:

- 16 • administrative coordination of an increasing number stakeholder engagements and
17 increase in communication with customers in more forums
 - 18 • provide additional back-up and support during major events and outages
 - 19 • drafting communications materials in support of the social media and
20 communications advisor roles, to support growing expectations and requirements
21 regarding customer communications and internal engagement and change
22 management
 - 23 • track and report on engagement metrics to measure progress and performance
 - 24 • support staff in various areas of business with drafting required communications
25 materials
- 26

¹ Elexicon notes that a permanent candidate for the Government and Stakeholder Relations Advisor position has already been recruited to backfill for a temporary leave.

f) During Elexicon’s planning process it revised its workforce plan. Elexicon’s initial needs-based, bottom-up, workforce plan is reproduced below in Table 1. This plan was developed during the business planning process described in Exhibit 1 - Tab 2 - Schedule 1, pages 24 to 27. Through that process, the workforce requirements for the 2026 to 2031 period were reduced from 117 to 63, as shown in Tables 1 and 2, below.

This iterative workforce planning process resulted in a planned increase of 63 positions from 2026 to 2031, a reduction of 54 positions from its initial workforce plan.

Table 1: Needs-Based Workforce Plan

Segment	2024	2025	2026	2027	2028	2029	2030	(2026 – 2031) Total
Asset Management & Distribution Operations	1	10		32	18	12	3	65
CEO Office				3	1			4
Customer Experience	1			12	3	2	1	18
Digital & Innovation	1	2	1	1	2			4
Finance	2			8				8
Legal and Corporate Secretariat	2	1		6	1			7
People & Culture/Corporate Services		6		3	3	1		7
Reg Affairs & Stakeholder	2			4				4
Total – All Divisions								117

Table 2: Paced Workforce Plan by Division

Segment	2026	2027	2028	2029	2030	(2026 to 2031) Total
Asset Management & Distribution Operations	2	14	13	5	3	37
CEO Office						
Customer Experience		2	1			3
Digital & Innovation	2	1	2			5
Finance	2	1	1	1	1	6
Legal and Corporate Secretariat		1		3		4
People & Culture/Corporate Services	4		1			5
Reg Affairs & Stakeholder			2	1		3
Total						63

g) The table below sets out the Program Delivery Group (“PDG”) staffing levels for the period 2020–2031, expressed as year-end headcount for each calendar year. A description of the

1 PDG mandate and the roles included within this group is provided in Exhibit 4, Tab 2,
2 Schedule 1, Section 3.1.5 (p. 15).

3 The forecast staffing levels were developed by aligning PDG resources with the anticipated
4 increase in capital program execution, which grows to nearly three times 2026 levels over
5 the forecast period. As capital investment increases, additional PDG resources are required
6 to support enhanced program management, coordination and oversight associated with
7 greater contractor participation in project delivery. This includes incremental effort required
8 for contract administration and controls. Table 4, 'PDG Staffing Levels 2020-2031' below,
9 illustrates the change in staffing in the PDG group over that period as well as providing a
10 year-over-year % change for Gross Capital Spend (values per Table 4: Capital Expenditures
11 and System O&M with ICM, from Exhibit 2B, Tab 4, Schedule 1, page 10 and 11) and a Year
12 over Year % change in non-student staffing levels, starting with a 2025 baseline. The period
13 of 2023-2025 represented the establishment of PDG as well as the development of core
14 competencies and processes in the delivery of the capital and maintenance annual programs.
15 2026 and forward represent incremental growth of the team as the capital program grows
16 and Elexicon prepares for a ramp-up of capital-related work execution.

17 To help manage labour costs and support the development of a future talent pipeline, co-op
18 student positions are included in the staffing levels shown. Co-op participation increases
19 from two positions in 2025 reaching four positions by 2029, remaining at that level through
20 the end of the forecast period.
21

1

Table 4: PDG Staffing Levels 2020-2031

	2020	2021	2022	2023	2024	2025	2026	2027 (F)	2028 (F)	2029 (F)	2030 (F)	2031 (f)
PDG - # of Non Student Headcount at Year End	0	0	0	1	4	4	4	7	8	8	9	9
PDG - # of Student Headcount at Year End	0	0	0	0	1	2	2	3	3	4	4	4
Total Positions to be added								4	1	1	1	
Year over Year Capex Gross Spend % Change (2025 Baseline)						-	+31%	+82%	-10%	+8%	+2%	+23%
Year over Year Non- Student Headcount % Change (2025 Baseline)						-	-20%	75%	15%	0	12%	0

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h) Elexicon has adopted the approach of using structured Privacy Impact Assessments (PIAs) rather than less formalized general privacy risk assessments because regulators, including the OEB and the Information and Privacy Commissioner of Ontario, increasingly require a formal, structured, and documented assessment demonstrating that privacy risks have been identified, assessed, and mitigated wherever personal information is collected or used. Current guidance from federal and provincial privacy regulators emphasizes PIAs as the preferred accountability and governance tool. Recent legislative changes in Ontario requiring formal PIAs for provincial public sector institutions² further signal expected changes to the equivalent legislation affecting utilities³. By adopting the approach of formal PIAs instead of generic risk assessments, Elexicon also ensures compliance with the Ontario Cyber Security Framework requirement to conduct thorough assessments of privacy impacts for programs, systems, and processes involving personal information.⁴ From the perspective of being a

² Bill 194, *Strengthening Cyber Security and Building Trust in the Public Sector Act*, 2024, revising the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, CHAPTER F.31

³ Specifically, the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56

⁴ *Ontario Cyber Security Framework*, ID.RM-P1

1 responsible custodian of personal information, Elexicon also recognizes that PIAs provide the
2 most robust framework for analysis of privacy impacts and foster defensible identification of
3 risk-appropriate mitigations.

4 Elexicon implemented the use of PIAs in 2025, and sustaining this work represents a distinct
5 and incremental activity rather than an extension of existing privacy functions. PIAs are
6 resource-intensive, require specialized expertise, and must be revisited as initiatives change
7 over time, requiring sustained engagement with project teams throughout system or process
8 design. This work cannot be absorbed into the existing 0.5 FTE without adversely impacting
9 service levels in other areas and undermining the regulatory and risk-management value of
10 the assessments themselves. PIA volumes and complexity are expected to increase as
11 regulatory requirements continue to expand and the organization's technology environment
12 becomes more advanced. The implementation of systems with greater functionality, broader
13 data sets, and increased integrations support operational efficiency and business
14 enablement, but also increases the scope of personal information involved and the potential
15 for privacy risk. Taken together, these pressures require more frequent and more complex
16 PIAs, necessitating additional resources to ensure assessments are completed in a timely,
17 robust, and compliant manner and do not create delays to operational or IT initiatives.
18 Under-resourcing PIAs increases the risks of project delays, incomplete or defensively weak
19 decision making, and gaps between identified risks and implemented controls. Accordingly,
20 additional resources are required to ensure PIAs are timely, defensible, and effective as a
21 core element of Elexicon's privacy and risk management framework.

22
23 i) Please refer to the response in 4-SEC-86 b).

24
25 j) Please refer to the response in 4-SEC-86 c).

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 level positions. If so, please provide the relevant benchmarking analysis.

2
3
4
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6
7
8 **RESPONSE:**
9

10 a) The 3% compound annual growth rate for cash compensation per FTE over the 2026-2031
11 period reflects Elexicon's forecasted labour escalation assumptions set out in Table 17 in
12 Exhibit 1 – Tab 5 – Schedule 2 Table 17 (page 23). As shown in Table 17 (Labour Escalation),
13 Elexicon forecasted declining labour escalation rates over the rate period across
14 management, non-management (non-union), and unionized employee groups. When
15 applied across the workforce mix and averaged over the 2026–2031 period, these escalation
16 assumptions result in an average annual growth rate of approximately 3% for cash
17 compensation per FTE.

18
19 For the purposes of the forecast, cash compensation includes the following components:

- 20 • Base salary, merit pay and incentive pay for Non-Unionized Staff
21 • Terms and wage progression under Elexicon's current collective agreement for unionized
22 staff
23

24 Additionally, Exhibit 4-Tab 2- Schedule 1- Part 6.1 and 6.2, pages 40-43 outline compensation
25 for union and non-union staff respectively.
26

27 b) A summary of Elexicon's forecast percentage increase in base salary for Management,
28 non-Management (Non-Union), and Unionized employees over the 2026–2031 period is
29 provided in Table 1.

Table 1: Forecast Percentage Increase in Base Salary (2027 to 2031)

	2027	2028	2029	2030	2031
Executive	3.9%	3.5%	3.0%	3.0%	2.6%
Management	3.8%	3.5%	3.0%	3.0%	2.6%
Non Union	3.2%	4.0%	3.4%	2.8%	2.6%
Union	3.1%	2.9%	[Redacted]	[Redacted]	[Redacted]

c) Annual merit is incorporated on an aggregate basis in the 2027–2031 forecast. Adjustments are applied to the base salaries of existing non-unionized employees, based on performance ratings and an inflation-informed range of 1–2%. Further details are provided in Exhibit 4 – Tab 2 – Schedule 1, Section 6.1.

d) Short-term incentive compensation is forecast by applying Elexicon’s incentive structure to the eligible positions and associated salaries. Elexicon’s incentive pay is detailed in Exhibit 4 – Tab 2 – Schedule 1, and section 6.1.3.

e) The overtime-related compensation is typically only applicable to non-management and union positions. It is forecasted based on historical averages, normalized to remove emergency events (e.g. Storms). These assumptions are refined through detailed sessions with each business unit during the labour budget process, supported by historical trends, operational drivers, and expected workload. Please refer to Excel file 4-CCC-57(1)_Modified-OEB.App2-K for overtime-related compensation, including historical data with 2025 actuals. The methodology aligns with the broader workforce and compensation planning set out in Exhibit 4 – Tab 2 – Schedule 1.

f) Table 15 & 16 are a subset of Table 14. The reconciling item between Table 14 and the Appendix 2-K Total Benefits (Current + Accrued) is the employer’s share of payroll taxes. Please see Table 2 below and attached Excel file 4-CCC-58(1)_Ex 4-2-1 Tables 14 & 16 Updated.

1 **Table 2: Reconciliation of Tables 14-16 to Appendix 2-K (\$M)**

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Table 14: Employee Costs Active Employees	4.7	4.8	5.1	5.2	6.1	7.1	8.8	9.7	10.4	10.9	11.2	11.4
Taxes (employer share of payroll taxes)	1.7	1.8	1.9	2.06	2.38	2.7	2.8	3.0	3.2	3.4	3.5	3.5
Total Benefits (Current + Accrued) per 2K- Compensation	6.1	6.9	7.4	7.7	9.1	10.4	11.6	12.7	13.6	14.3	14.6	14.9

2

3 g) Please see Attachments 2 and 3. For more information, please see 4-Staff-110 (b) and (c).

Elexicon Corporation

CEO Compensation Review

March 4, 2025

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Introduction

- Mercer has been engaged by Elexicon Corporation (“Elexicon”) to review the market competitiveness of the **Chief Executive Officer’s (“CEO”)** total direct compensation program
- The table below summarizes the CEO’s current target compensation range (\$000’s):

Position	Base Salary Range			Target STI		Target Total Cash ²		
	Min (85%)	Mid	Max (115%)	% of Salary ¹	\$ (at midpoint)	Min (85%)	Mid	Max (115%)
CEO								

- 1) Target STI for reaching stretch goals is [REDACTED]
- 2) Due to no long-term incentive plan (“LTI”) offered to the CEO, target total direct compensation is same as target total cash compensation

- Mercer has evaluated Elexicon’s current executive target compensation ranges (base salary + short-term incentives) to market data from:
 - 1) **Primary Scope**: Similar sized peers from the Broader Energy Sector (Mercer Survey Data); and
 - 2) **Secondary Scope**: The current comparator group (Publicly Disclosed Data)
- For detailed benchmarking methodology refer to *Appendix A*

Elexicon is positioned [REDACTED]

- The graph below summarizes the competitiveness of Elexicon’s current **target base salary** and **target total cash compensation** against the market:



Key Observations:

- Compared to the **Primary Scope** (Mercer Survey Data) of similarly-sized **Broader Energy peers**, Elexicon is **positioned** [REDACTED]
- Compared to the **Secondary Scope** (Comparator Group) of publicly disclosed organizations, Elexicon’s **base salary is** [REDACTED]
 - We note that Elexicon is one of the smaller organizations in the secondary comparator group; ranking at roughly the **25th percentile** based on **revenues**, and is between the **25th and 50th percentile** based on **Assets**

Recommendation for Consideration

- The following outlines Mercer’s recommendation to adjust Elexicon’s current CEO target compensation [REDACTED]

All values in \$CAD 000s

PROPOSED OPTION	BASE SALARY			TARGET STI	TARGET TOTAL CASH			TARGET MTI	TARGET TOTAL DIRECT		
	MIN <i>(85% of mid)</i>	MID	MAX <i>(115% of mid)</i>		MIN <i>(85% of mid)</i>	MID	MAX <i>(115% of mid)</i>		MIN <i>(85% of mid)</i>	MID	MAX <i>(115% of mid)</i>
Option 1											
Option 2											

CEO Target Positioning as a % of P50			
Compensation Element	Primary Scope: Mercer Survey Data - Broader Energy		
	Base Salary	Target Total Cash	Target Total Direct
Current	[REDACTED]		
Option 1			
Option 2			

Mercer recommends the above adjustment to the CEO target compensation:

- Option 1 proposes [REDACTED]
[REDACTED]
 - [REDACTED]
- Option 2 proposes [REDACTED]
[REDACTED]
 - [REDACTED]
- The recommended base salary that would be provided to the new CEO could range from [REDACTED]

Summary of Findings

- Above +10% of P50 Within +/-10% of P50 Below -10% of P50**

1) Market P25 target total cash of the publicly disclosed peers is lower than base salary due to some peers only disclosing a single total compensation figure. In these cases, the most recent total compensation amount was taken as the total cash compensation and total direct compensation

- Elexicon's **base salary** midpoint is positioned [REDACTED]
- Elexicon's **short-term incentive target** of [REDACTED]
- On **target total cash compensation**, Elexicon is positioned [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - In contrast, the primary market scope provides more relevant insights from a broader group of both size- and industry-specific companies

Elexicon’s Positioning: LTI & Target Total Direct Compensation

- The table below outlines Elexicon’s **base salary**, and **target total direct compensation** compared to market:

Above +10% of P50

Within +/-10% of P50

Below -10% of P50

		Base Salary							Long-Term Incentives (% of Salary)					Target Total Direct Compensation (TDC)						
Position	Market Scope	MARKET				Elexicon			LTI Elig. (%)	MARKET				MARKET				Elexicon		
		P25	P50	P60	P75	Mid	As a % of P50	As a % of P60		P25	P50	P60	P75	P25	P50	P60	P75	Mid	As a % of P50	As a % of P60
CEO	Primary Scope: Mercer Survey Data - Broader Energy, Revenue \$50M - \$250M	\$351	\$439	\$460	\$507				57%	69%	107%	119%	166%	\$671	\$948	\$1,127	\$1,283			
	Secondary Scope: Publicly Disclosed Data - Comparator Group	\$455	\$635	\$684	\$760				42%	0%	0%	165%	130%	\$425	\$1,040	\$1,270	\$2,266			

Key Observations:

- Elexicon’s **target total direct compensation** [REDACTED]
 - We note that LTI eligibility among similarly-sized broader energy companies is 57%
- Compared to the publicly disclosed comparator group, Elexicon’s positioning on target total direct compensation [REDACTED]
 - Only 5 of 12 (42%) of Elexicon’s publicly disclosed peers provide LTI to their CEO, consistent with Elexicon

APPENDIX A

Benchmarking Methodology

Below summarizes the methodology used for this study

- Mercer has used compensation data from Mercer’s 2024 Benchmark Database (“MBD”) survey in addition to publicly available data from most-recently disclosed annual reports and management information circulars (“proxies”) for the current comparator group
 - Mercer survey data is comprised of companies in the utilities/energy industry (excluding oil and gas) similar in size to Elexicon, including crown corporations, privately-held companies, and not-for-profits with annual revenues between \$50M and \$250M
 - Summary statistics have been aged forward at a rate of 3.3%, to reflect 2025 projected median national increases for executives in Canada (sourced from Mercer’s latest Compensation Planning Survey)
- Data is shown for the 25th, 50th (median), 60th and 75th percentiles, and Mercer generally considers a position to be competitive if it is within +/-10% of the market median
- The following table summarizes the compensation elements that are included in our analysis:

Compensation Element	Elexicon	Primary Scope: Survey Data	Secondary Scope: Publicly Disclosed Data ¹
Base Salary	• 2024 base salary range	• 2024 base salary	• 2023 Base salary
Target Total Cash Compensation	• Base salary + target STI	• Base salary + <u>target</u> STI²	• Base Salary + <u>target</u> STI²
Target Total Direct Compensation	• Same as target total cash as Elexicon does not grant LTI	• Target Total Cash + <u>actual</u> LTI²	• Target Total Cash + <u>target</u> LTI²

1) Some peers only disclosed a single total compensation figure. In these cases, the most recent total compensation amount was taken as the total cash compensation and total direct compensation

2) If target STI was not available, 3-year average actual STI was used; If target LTI was not available, 1-year actual LTI was used

Mercer recommends that Elexicon refer to Mercer survey data from similar size energy companies as the primary source for evaluating the CEO’s compensation, with publicly disclosed comparator group data serving as a secondary reference. This approach reflects our preference for the more relevant insights provided by size-specific survey data

Secondary Market Scope: Comparator Group Financials

All Values in \$CAD Millions						Size / Complexity		1/2 – 2x Elexicon
Company Name (n=14)	Assets ¹	Revenue ¹	Number of Customers	Headquarters	GICs Sub-Industry ²			1/3 – 3x Elexicon
Current Peers - MAERIE Survey								
Hydro Ottawa Holding Inc.	\$2,611	\$1,190	364,334	ON, Canada	Electric Utilities			
ENOVA Power Corp ³	\$795	\$454	162,061	ON, Canada	Electric Utilities			
ENWIN Utilities Ltd. ³	\$425	\$53	91,700	ON, Canada	Electric Utilities			
Current Peers - CEO Review								
Ontario Power Generation Inc.	\$68,936	\$7,243	NA	ON, Canada	Electric Utilities			
Hydro One Limited	\$35,123	\$8,368	1,458,062	ON, Canada	Electric Utilities			
Toronto Hydro Corporation	\$8,015	\$3,894	794,000	ON, Canada	Electric Utilities			
Alectra Inc.	\$6,077	\$3,933	1,082,646	ON, Canada	Electric Utilities			
New Additions:								
EPCOR Utilities Inc.	\$15,791	\$3,677	18,999	AB, Canada	Electric Utilities			
Saskatchewan Power Corporation	\$14,136	\$3,237	557,444	SK, Canada	Electric Utilities			
ENMAX Corporation	\$9,661	\$3,563	747,000	AB, Canada	Electric Utilities			
Capstone Infrastructure Corporation	\$1,637	\$223	180,000	ON, Canada	Electric Utilities			
Independent Electricity System Operator	\$440	\$225	NA	ON, Canada	Electric Utilities			
Electrical Safety Authority	\$151	\$125	NA	ON, Canada	Diversified Support Services			
Ontario Energy Board	\$21	\$68	NA	ON, Canada	Diversified Support Services			
Summary Statistics								
75th Percentile	\$15,377	\$3,923						
50th Percentile	\$7,046	\$3,400						
25th Percentile	\$429	\$149						
Elexicon Energy Inc	\$838	\$115	176,725	ON, Canada	Electric Utilities			
Percentile Positioning	P33	P22						

1) 12-month trailing revenue and most recently reported total assets

2) S&P/JP Morgan Chase Global Industry Classification Code (GICS)

3) Represents peers both in the current MAERIE survey and CEO Review current peer groups

APPENDIX B

Detailed Benchmarking Results

Primary Scope: Survey Data from Similar Sized Broader Energy Peers

- The table below presents survey market data for **Broader Energy peers** (utilities/energy industry excluding oil and gas) within 1/2x – 2x Elexicon’s Revenue:

Below -10% of P50

Within +/-10% of P50

Above +10% of P50

All compensation data in \$CAD 000s

Compensation Elements	BROADER ENERGY (SURVEY DATA) 1/2x – 2x ELEXICON REVENUE						Elexicon Current Midpoint	As a % of / Pt. Diff. from P50	As a % of / Pt. Diff. from P50
	Obs #	P25	P50	P60	P75	Avg			
Revenue (\$M)	14	\$60	\$118	\$164	\$208	\$141			
Base Salary	21	\$351	\$439	\$460	\$507	\$439			
Target Short-term Incentive (% of Salary)	19	50%	75%	100%	100%	75%			
Target Total Cash Compensation	21	\$514	\$697	\$775	\$965	\$746			
Long-term Incentive (% of Salary)	12	69%	107%	119%	166%	121%	--	--	--
Target Total Direct Compensation	21	\$671	\$948	\$1,127	\$1,283	\$1,063			
STI Eligibility		90%							
LTI Eligibility		57%							

Note: In cases where insufficient data was available, or unapplicable, a “--” is shown in the data tables.

Secondary Scope: Publicly Disclosed Comparator Group Data

- The table below presents **publicly disclosed comparator group** compensation data for the Chief Executive Officer:

All Monetary Values in \$CAD

Company	Revenue (CADm)	Incumbent Name	Position Title	2023 Base Salary	2023 Target STI		Target Total Cash Comp	2023 Target LTI		Target Total Direct Comp	
					As a % of Base	As an Amount		As a % of Base	As an Amount		
Hydro One Limited	8,368	Lebeter D.	Pres. & CEO	600	100%	600	1,200	200%	1,200	‡	2,400
Ontario Power Generation Inc.	7,243	Hartwick K.	President and CEO	684	60%	410	1,094	70%	479		1,573
Alectra Inc.	3,933	Bentz B.	President & CEO	583	78%	456	‡ 1,039	34%	197	‡	1,236
Toronto Hydro Corporation	3,894	Haines A.	President and CEO	729	65%	474	1,203	0%	0	‡	1,203
EPCOR Utilities Inc.	3,677	Lee S.	President & CEO	756	75%	567	1,322	175%	1,322		2,644
ENMAX Corporation	3,563	Poweska M.	President & CEO	780	100%	780	1,560	150%	1,170		2,730
Saskatchewan Power Corporation ¹	3,237	Pandya R.	President and CEO	N/D	--	--	343	0%	0	‡	343
Hydro Ottawa Holdings Inc.	1,190	Conrad B.	President and CEO	413	3%	14	‡ 427	0%	0	‡	427
ENOVA Power Corp ²	454					N/D					
Independent Electricity System Operator	225	Gallinger L.	President and CEO	630	9%	55	‡ 685	0%	0	‡	685
Capstone Infrastructure Corporation	223	Eva D.	CEO	450	80%	360	810	0%	0	‡	810
Electrical Safety Authority ²	125					N/D					
Ontario Energy Board ¹	68	Zagar S.	CEO	N/D	--	--	407	0%	0	‡	407
ENWIN Utilities Ltd.	53	Rossi G.	President and CEO	295	0%	0	‡ 295	0%	0	‡	295
Summary Statistics ³											
75th Percentile	3,923			760	85%	594	1,242	130%	1,030		2,266
60 th Percentile	3,654			684	78%	489	1,119	165%	1,227		1,270
50th Percentile	3,400			635	70%	447	955	0%	0		1,040
25th Percentile	149			455	7%	46.2	425	0%	0		425
Average	2,598			612	57%	384	894	52%	376		1,270
Ellexicon Corporation	115			█	█	█	█	--	--		█

‡: When target STI is not available, reflects 3-year average actual STI. When target LTI is not available, reflect 1-year as-reported LTI

1) Saskatchewan Power and Ontario Energy Board only provide information on their total compensation

2) ENOVA Power Corp and Electrical Safety Authority do not disclose their CEO compensation levels

3) Summary statistics are calculated including zeros

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Elexicon Corporation

Executive Compensation Review

Fall 2025

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Introduction

- Mercer has been engaged by Elexicon Corporation (“Elexicon”) to conduct an independent review and assessment of compensation levels for various Executive jobs, in connection with an internal review of Executive compensation.
- This report includes an overview of the methodology leveraged for the review, survey benchmark matches, and the market results for the following compensation elements:
 - **Base salary**
 - **Short-term incentives (“STI”)**
 - **Total cash compensation**
 - **Long-term incentives (“LTI”), and**
 - **Total direct compensation**

Below summarizes the methodology used for this study

- Mercer has used compensation data from Mercer’s 2024 proprietary survey sources
 - Mercer survey data is comprised of companies in the utilities/energy industry (excluding oil and gas) similar in size to Elexicon, including crown corporations, privately-held companies, and not-for-profits with annual revenues between 1/2x to 2x Elexicon’s. Where data was limited, the comparator group was expanded based on the hierarchy in the table below.
 - The outlined approach is tried and tested and aligns with market best practice. It is a common approach Mercer leverages when conducting similar reviews within the utilities industry.

Market Scope	Details
Primary	Comparably sized Canada-based organizations within the utilities industry
Secondary	Comparably sized Canada-based organizations within the broader energy industry (excluding oil and gas)
Tertiary	Comparably sized Canada-based organizations within the general industry

- Summary statistics have been aged forward at a rate of 3.1%, to reflect Mercer’s 2025 projected median national increases for Executives in Canada. Market data is shown for the 25th, 50th (“market median” or “P50”) and 75th percentiles¹
- The majority of Ontario local distribution companies (“LDC”) target the 50th percentile for pay; as such, this has been leveraged as the target pay positioning for this review. We note that Mercer generally considers a job to be market competitive if it is within +/-10% of the target positioning (i.e., +/-10% of the market median). The following table summarizes the compensation elements that are included in this report:

Compensation Element	Elexicon	Survey Data
Base Salary	• 2024 base salary	• 2024 base salary
Target Total Cash Compensation	• Base salary + target STI (“pay-for-performance” or “pay-at-risk”)	• Base salary + target STI²
Target Total Direct Compensation	• Same as target total cash as Elexicon does not grant LTI	• Target Total Cash + actual LTI²

1) The 25th (P25), 50th (market median/P50) and 75th (P75) percentiles represent compensation levels where 25%, 50%, and 75% of the market data fall below (for example: P25 is the value below which 25% of the data falls).

2) If target STI was not available, 3-year average actual STI was used; If target LTI was not available, 1-year actual LTI was used.

EXECUTIVE SUMMARY

- The graph below summarizes the competitiveness of Elexicon’s current **compensation levels** against the market:



Key Observations:

- Compared to similarly sized organizations, including those in the broader energy sector, Elexicon is [redacted]
- The current **short-term incentive (“STI”) provided to Executives at Elexicon is** [redacted]
- [redacted]

Detailed Findings

DETAILED FINDINGS

- The table below presents Elexicon’s **base salary, short-term incentives (“STI”)** and **target total cash compensation** market positioning relative to market data:

Above +10% of P50

Within +/-10% of P50

Below -10% of P50

Position	Base Salary					Target Short-Term Incentives (% of Salary)					Target Total Cash Compensation (TTC)					
	MARKET			Elexicon		STI Elig. (%)	MARKET			Elexicon		MARKET			Elexicon	
	P25	P50	P75	Cur.	As a % of P50		P25	P50	P75	Cur.	Pt. Diff from P50	P25	P50	P75	Cur.	As a % of P50

Average P50 STI: 40%

Key Observations:

- Elexicon’s **base salary for all Executives** is positioned [redacted] relative to the market, [redacted]
- Elexicon’s **short-term incentive target** [redacted]
 - As a result, **the target total cash compensation is positioned** [redacted]

- Above +10% of P50** **Within +/-10% of P50** **Below -10% of P50**

Average P50 LTI: 25%

[REDACTED]
 [REDACTED]

- 2) We note that the compensation details pertain to the prior incumbents (i.e. former General Counsel and VP, People). [REDACTED]

Survey Job Matches

SURVEY JOB MATCHES

Benchmark Matches

- The table below outlines the survey benchmark matches used for each Elexicon Executive job:

Elexicon Executive	Match Job Title	Match Job Description
Vice President, Digital and Innovation	Head of Information Technology (CIO)	Head of Information Technology (CIO) is accountable for all processes & teams associated with the following areas: •IT Platform Architectures •IT Systems Software, Hardware & Databases •Data & Voice Networks •Data Processing Operations •End User Technology & Software Support.
Vice President, Chief Financial Officer	Head of Finance & Accounting (CFO)	Head of Finance & Accounting (CFO) is accountable for all processes and teams associated with: •General Finance •Corporate Finance (Financial Planning/Analysis & Treasury) •Financial Control, Reporting & Accounting •Tax
Vice President, Distribution Operations and Asset Management	Head of Utilities Operations (Utilities)	Head of Utilities Operations (Utilities) is accountable for the direction, management, and profitability of a regulated utility business, either electric, gas, or combined electric and gas. Responsible for transmission, distribution, marketing, and customer service within its service area.
Vice President, Customer Experience	Head of Customer Service	Head of Customer Service is accountable for work associated with one or more of the following: •General Customer Service •Customer Relationship Management, Issue Resolution & Account Activation •Contact Center Operations & Training

Benchmark Matches *(cont'd)*

- The table below outlines the survey benchmark matches used for each Elexicon Executive job:

Elexicon Executive	Match Job Title	Match Job Description
Vice President, Regulatory Affairs and Stakeholder Relations	General Regulatory Affairs - Executive	Responsible for ensuring that organization's activities are conducted ethically and in compliance with relevant regulations, laws and standards. Develops and implements regulatory strategies, procedures and controls for new products and/or business activities that require governmental approvals. Prepares and submits regulatory applications such as permits, licenses, certificates and authorization required by governmental agencies. Coordinates government interactions and compliance activities; and interacts with regulatory agencies.
	Government Relations - Executive	Government Relations work is a specialized area of Corporate Affairs focused on influencing government policy and legislative direction to improve the regulatory and economic environment in which the organization operates including: •Building/maintaining relationships with governments, trade associations, industry coalitions, public services, and other authorities to influence policies and positions •Monitoring, analyzing, and reporting on government policy and legislation (e.g., identifying emerging policy/regulatory trends, developing issues and position papers for presentation to business leadership, etc.) •Educating business leaders and the public about the potential consequences of legislation •Developing and implementing government relations initiatives (e.g., trade association member outreach, grassroots employee/public calls to action, political action committees, etc.)
Vice President, General Counsel	Head of Legal	Head of Legal is accountable for work associated with two or more of the following: •General Business Law/ Legal Counsel •Patent/Intellectual Property Law •Legal Research & Document Drafting •Contract Negotiation & Administration •Legal Records Management
Vice President, People, Safety, Environment, & Corporate Services	Head of Human Resources	Head of Human Resources is accountable for all processes and teams associated with: •General Human Resources •Mobility •Compensation & Benefits •HR Operations •Employee/Labor Relations & Diversity •Talent Acquisition •Talent Management & Organization Development •Training & Development In some organizations, may be accountable for Payroll

Sample Survey Participants

Sample Survey Participants

The table below presents a **list of sample** organizations included in Mercer's 2024 MTCS (Industry Specific) and 2024 MBD (General Industry) surveys.

Utility Participants	Sample of General Industry Participants	
Alberta Electric System Operator	Advantage Oil & Gas, Ltd.	Kruger Products L.P.
Alberta Utilities Commission	Aecon Group, Inc.	Labatt Breweries of Canada
AltaLink Management, Ltd.	Agnico Eagle Mines Limited	Ledcor Aviation
Apex Utilities	Alstom Transport Canada, Inc.	Linamar Corporation
Aquatera Utilities, Inc.	ALDO Group	Mackenzie Financial Corporation
ATCO, Ltd.	Apotex, Inc.	Maple Leaf Foods, Inc.
BC Hydro & Power Authority	ARC Resources, Ltd.	Mattamy Homes Limited
Capital Power Corporation	B2Gold Corp.	McKesson Canada Corporation
Emera, Inc.	Bombardier Recreational Products, Inc. (BRP, Inc.)	Mercedes-Benz Canada, Inc.
ENMAX Corporation	Canada Mortgage And Housing Corporation	National Bank of Canada
EPCOR Utilities, Inc.	Canadian Natural Resources, Ltd.	Nestle Canada
Fortis, Inc. - FortisAlberta, Inc.	Capstone Mining Corp.	Paramount Resources, Ltd.
Fortis, Inc. - FortisBC, Inc.	Cascade Canada, Ltd.	Richardson International Limited
Heartland Generation	CIBC Mellon	RioCan Real Estate Investment Trust
Hydro-Quebec	Coca-Cola Canada Bottling Limited	ROCKWOOL INC. - Canada
Manitoba Hydro	Colas Canada, Inc.	Sagen MI Canada, Inc.
Primary Engineering & Construction	ConocoPhillips Canada	Shell Canada Limited - Downstream
SaskEnergy Inc	Dairy Queen Canada, Inc.	Siemens Canada Limited
SaskPower	Day & Ross, Inc.	Sollio Agriculture
Schneider Electric Canada, Inc.	DELL Canada, Inc.	Stanley Black & Decker Canada Corp.
Toronto Hydro Corporation	Gibson Energy, Inc.	The Co-operators Group Limited
TransAlta Corp.	Great Canadian Railtour Company Ltd	The Minto Group
TriSummit Utilities, Inc.	Hasbro Canada	TJX Canada

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19

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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

1 there are methodological differences in Mercer's approach in the current study relative to the
2 Alectra study, please explain why.

3
4 c) To the extent that there are differences in the approach to establishing the market median in the
5 current Elexicon study relative to the Alectra study, please provide revised results (in the same
6 format as the table on page 4) that applies the approach used in the Alectra study to Elexicon's
7 data.

8
9 d) Please provide a revised version of the study that includes benchmarking on a Total
10 remuneration basis (i.e., inclusive of pensions and benefits). As part of the response, please provide
11 the comparison of Elexicon's Total Remuneration to the market median using the approach in the
12 current study and as requested in part (c) to this question. If this is not possible, please explain
13 why.

14
15 e) Please advise whether it is Mercer's typical practice to benchmark Total Direct Compensation
16 (i.e., TTC plus long-term incentives) when the subject company (in this case, Elexicon) does not
17 offer long-term incentives.

18
19 f) For each Mercer "Grade" (e.g., E11, E10, etc.), please provide the relevant job categories as set
20 out Appendix 2-K (i.e., management, Non-Union and Union) that are reflected in the grade. In the
21 circumstance that both management and non-Union are in the same Mercer "Grade", please show
22 both categories where that applies. Please confirm that the "Union-PWU" Grade reflects all the
23 unionized jobs that were benchmarked.

RESPONSE FROM MERCER:

A. As noted in the referenced Mercer study, after understanding the market within which Elexicon competes for talent, Mercer identified two comparator groups – the Energy Peer Group and General Industry Peer Group - that contain relevant industries in which required skillsets for Elexicon exist. Given Elexicon’s desire to source talent with industry specific knowledge for the majority of jobs, a blend of the General Industry peer group and the Energy peer group was used for non-sector specific jobs. The Energy peer group was primarily used for sector specific jobs. This approach allowed 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. The table below outlines the comparator group for each benchmark job.

Non-Union Jobs	Peer Group	Non-Union Jobs	Peer Group
Director, Asset Planning & System Engineering	Energy	Network and Security Analyst	General + Energy
Director, Design and Construction	Energy	Social Media and Public Relations Specialist	General + Energy
Director, Financial Planning and Analysis	Energy	District Supervisor	Energy
Manager, Operations Technology and Innovation	General + Energy	Field Safety Supervisor	Energy
Manager, People, Culture and HSE	General + Energy	Supervisor, Accounting	General + Energy
Manager, System Design and Connections	Energy	Supervisor, Connections	Energy
Director, Grid Operations and Emergency Management	Energy	Supervisor, Purchasing	Energy

Non-Union Jobs	Peer Group	Non-Union Jobs	Peer Group
Manager, Business Transformation & Manager, Enterprise Technology	General + Energy	Supervisor, System Design	Energy
Manager, Communications, Marketing & Public Affairs	General + Energy	Internal & Customer Communications Advisor	General + Energy
Manager, Corporate Services	General + Energy	Supervisor, Customer Care	Energy
Manager, Field Operations	Energy	Supervisor, Billing	Energy
Manager, Financial Reporting & Controller	Energy	Supervisor, IT Service Delivery	General + Energy
Manager, Regulatory Policy and Compliance	Energy	Supervisor, Metering	Energy
Manager, Technology and Security Operations	General + Energy	Digital Marketing & Web Development Specialist	General + Energy
Manager, Capital Assets	Energy	Financial Planning and Budgeting Analyst	General + Energy
Manager, Customer Care	General + Energy	Financial Reporting Analyst	General + Energy
Manager, Financial Planning & Budgeting	Energy	IT Support Specialist	General + Energy
Manager, Privacy and Information Management	General + Energy	People & Culture Generalist	General + Energy
Manager, Billing	Energy	Executive Assistant	General + Energy
Manager, Credit	Energy	Payroll and Benefits Specialist	General + Energy

Non-Union Jobs	Peer Group	Non-Union Jobs	Peer Group
Supervisor, Distribution System Planning	Energy	Training & Administration Specialist	General + Energy
Supervisor, System Control Centre	Energy	Integration and Database Specialist	General + Energy
Cyber Security Specialist	General + Energy	Regulatory Analyst	Energy
Distribution Engineer	Energy	Senior System Administrator and Infrastructure Specialist	General + Energy
Distribution Engineer - Standards & System Studies	Energy	System Administrator and Infrastructure Specialist	General + Energy
Environmental Specialist	General + Energy	Payroll and Benefits Coordinator	General + Energy

1

Union Jobs	Peer Group	Union Jobs	Peer Group
Engineering Technician	Energy	Lead Meter Technician	Energy
GIS Technician	Energy	Metering Technician	Energy
Lead Stations Technician	Energy	Storeskeeper	General + Energy
Mechanic	General + Energy	Customer Experience Representative	General + Energy
P&C Technician	Energy	Metering Technician - Apprentice	Energy
Powerline Technician	Energy	P&C Technician - Apprentice	Energy

Union Jobs	Peer Group	Union Jobs	Peer Group
Powerline Technician - Lead Hand	Energy	Powerline Technician - Apprentice	Energy
Stations Technician	Energy	Stations Technician - Apprentice	Energy
System Operator	Energy	System Operator - Trainee	Energy

B. Any study Mercer conducts for a utility company is designed in contemplation of unique contextual factors and the talent strategy for that company. As such, the methodology used in the Mercer study for Elexicon is reflective of Elexicon's particular circumstances. The methodology used in studies for other utilities is reflective of the particular circumstances of those utilities.

Response from Elexicon on subpart "B":

Elexicon's position is that the details of the study Mercer did for Alectra, for purposes of its own rate application, are not relevant to this application.

RESPONSES FROM MERCER:

- C. In Mercer's view, applying the methodology used in one study, for a specific organization and particular to its context and circumstances, to another study for a different organization with different parameters is inappropriate. This approach oversimplifies compensation benchmarking principles and would generate results that are inaccurate and not representative of the methodology Mercer utilized to formulate a representative assessment of Elexicon's competitiveness levels. As noted in response to part (B) above, the methodology used in the Elexicon study is reflective of Elexicon's particular circumstances.
- D. Mercer respectfully declines to comply with this request, which amounts to a request to conduct a new study at considerable time, effort and expense. This request is outside the

1 scope of Mercer's engagement. Mercer was engaged to conduct a benchmarking
2 assessment of the market positioning of Elexicon's total direct compensation (i.e. base
3 salary + short-term incentive + long-term incentive). Pension and benefits were not in
4 scope.

5
6 **Response from Elexicon on subpart "D":**

7 Elexicon's study did not include pension and benefits given that Elexicon is a member of
8 the OMERS plan and it does not have authority or control over the terms of the plan and
9 member contribution rates. Elexicon's benefits for unionized staff are determined through
10 collective bargaining, and for its non-represented staff, are typically in line with what is
11 provided to its represented employees and are periodically assessed and informed by
12 market analysis provided by a consultant that supports Elexicon and other MEARIE-
13 affiliated utilities.

14
15 **RESPONSES FROM MERCER:**

16
17 E. When assessing the competitiveness of an organization's compensation levels, it is not
18 uncommon to include compensation elements the organization does not currently provide.
19 One reason, amongst others, is that the compensation elements that are included in a
20 market review are not primarily driven by the compensation elements an organization
21 provides, but rather the focus of the review.

22
23 F. Mercer is unaware of the definitions used for the referenced job categories in Elexicon's
24 Appendix 2-K. As such, providing the information in the manner being requested risks the
25 misinterpretation of the study results and does not align with the methodology of the
26 study. The methodology used in the Mercer study for Elexicon focused on developing a
27 representative sample of non-executive benchmark jobs to appropriately assess the market
28 competitiveness of Elexicon's overall pay levels. The list of benchmark jobs in each grade is
29 presented in Appendix B of the Mercer study.

1 The “Union-PWU” row reflects the unionized benchmark jobs included in the market
2 review. We note that a grade breakdown could not be provided for union jobs because
3 they do not have grades.

4

5

1 **RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES**

2

3 **INTERROGATORY 4-CCC-61**

4

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

6

7 Question(s):

8

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

11

12

13 **RESPONSE:**

14 Please refer to the response in 1-SEC-14.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

Elexicon interprets “regulatory risk” to mean the degree to which the utility is exposed to and must manage uncertainty. In that context, Elexicon does not view there to be a material difference in risk between the Price Cap IR and Custom IR. Both frameworks require utilities to manage within a funding envelope without rebasing costs to align with changing factors over a five-year period. Both have mechanisms of limited scope to address some uncertainty (e.g. Z-factor).

Where Price Cap IR and Custom IR differ is in their ability to yield just and reasonable rates that fund the investment needs in Elexicon’s system and meet the fair return standard. As shown in Table 2 of Exhibit 1, Tab 5, Schedule 1, the Price Cap IR framework would result in funding levels that would produce a revenue shortfall that would grow to \$36.7M by 2031, would almost negate the entirety of the OEB approved ROE and which would negatively impact Elexicon’s financial viability.

Multi-year Cost of Service is not relevant as it is not an option available to electricity distributors under the OEB’s Renewed Regulatory Framework.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) As noted in Exhibit 5, Tab 1, Schedule 1, page 1, Elexicon has leveraged the OEB's deemed Long-Term Debt rate in establishing its proposed weighted average long-term debt rate, and Elexicon will update its cost of capital parameters to reflect the OEB's 2027 parameters when they are published in Q4 of 2026. As stated on page 2 of the same reference, the final approved rate is proposed to be applied for the 2027 to 2031 period.

- 1 b) Elexicon has proposed a fixed cost of capital for the 2027 to 2031 term, consistent with
2 standard practice in OEB rate-setting. As such, Elexicon will bear the risk of any changes in
3 actual cost of capital relative to deemed cost of capital over the 2027 to 2031 rate term.
4
- 5 c) Elexicon does not have more recent information from RBC regarding the forecast interest
6 rate for a debt issuance extending out to 2027. As noted in Exhibit 5, Tab 1, Schedule 2, page
7 3, there is significant variance in forecast long-term bond yields, including material month-
8 over-month changes. These month-over-month changes will occur until time of new debt
9 issuance in 2027. Elexicon has proposed the OEB's deemed Long-Term Debt rate for this
10 debt.

1 **RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES**

2

3 **INTERROGATORY 6-CCC-64**

4

5 Ref: Appendix 2-H

6

7 Question(s):

8

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

11

12

13 **RESPONSE:**

14

15 Please refer to the response at 6-Staff-143.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

For ease of reference, Table 1 noted above has been provided below. Highlighted in yellow are the above referenced OEB cost assessment-related costs from the relevant Cost of Service proceedings.

Table 1: CoS Amounts and Escalation for 1508 Sub Account – OEB Cost Assessment

VRZ	IRM Rate	Veridian - Adjustment to Base Rates (\$)	WRZ	IRM Rate	Whitby - Adjustment to Base Rate (\$)	Ellexicon - Adjusted Base Rate Amount (\$)
			2010 COS (EB-2009-0274)		133,319	
			2012	0.6%	134,092	
			2013	1.1%	135,540	
2014 COS (EB-2013-0174)		310,661	2014	1.4%	137,438	
2015	1.3%	314,700	2015	1.3%	139,225	
2016	1.8%	320,364	2016	1.8%	141,731	
2017	1.6%	325,490	2017	1.6%	143,998	
2018	0.9%	328,419	2018	0.6%	144,862	
2019	1.2%	332,360	2019	0.9%	146,166	
2020	1.7%	338,011	2020	1.4%	148,213	
2021	1.9%	344,433	2021	1.6%	150,584	
2022	3.0%	354,766	2022	2.7%	154,650	
2023	3.4%	366,828	2023	3.4%	159,908	
2024	4.5%	383,335	2024	4.5%	167,104	
2025	3.3%	395,985	2025	3.3%	172,618	568,603
2026	3.4%	409,449	2026	3.4%	178,487	587,936

As per Exhibit 9, Tab 3, Schedule 5, Table 1 above, the OEB cost assessment-related costs in VRZ EB-2013-0174 are \$310,661 and WRZ EB-2009-0274 are \$133,319. Excerpts from EB-2013-0174 and EB-2009-0274 are provided as Figure 1a and 1b respectively.

Figure 1a: VRZ EB-2013-0174 App.2-M

**Appendix 2-M
Regulatory Cost Schedule**

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost? ²	Last Rebasing Year (2010 Board Approved)	Most Current Actuals Year 2012	2013 Bridge Year	Annual % Change	2014 Test Year	Annual % Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = [(G)-(F)]/(F)	(I)	(J) = [(I)-(G)]/(G)
1 OEB Annual Assessment	5655		On-Going	\$ 304,573	\$ 306,692	\$ 309,000	0.75%	\$ 334,300	8.19%
2 OEB Section 30 Costs (Applicant-originated)	5655		One-Time	\$ -	\$ -	\$ -		\$ 28,900	
3 OEB Section 30 Costs (OEB-initiated)	5655		On-Going	\$ 7,648	\$ 7,082	\$ 7,500	5.91%	\$ 8,500	13.33%
4 Expert Witness costs for regulatory matters	5655		One-Time	\$ 12,961	\$ -	\$ 10,500		\$ -	-100.00%
5 Legal costs for regulatory matters	5655		On-Going	\$ 32,085	\$ 31,068	\$ 20,000	-35.62%	\$ 40,800	104.00%
Legal costs for regulatory matters	5655		One-Time	\$ 50,000		\$ 50,000		\$ 100,000	
6 Consultants' costs for regulatory matters	5655		On-Going	\$ 32,085	\$ 5,388	\$ 20,000	271.23%	\$ 25,500	27.50%
Consultants' costs for regulatory matters	5655		One-Time	\$ 50,000		\$ 145,000		\$ 48,000	
7 Operating expenses associated with staff resources allocated to regulatory matters	Labour costs and related operating expenses for staff resources allocated to regulatory matters are applied to USoA account 5615 (General Administrative Salaries and Expenses)								
8 Operating expenses associated with other resources allocated to regulatory matters ¹									
9 Other regulatory agency fees or assessments (ESA)	5655		On-Going	\$ 45,919	\$ 52,894	\$ 53,349	0.86%	\$ 55,500	4.03%
10 Any other costs for regulatory matters (Newspaper Notices)	5655		On-Going	\$ 12,027	\$ 10,663	\$ 4,500	-57.80%	\$ 15,600	246.67%
11 Intervenor costs	5655		On-Going	\$ 8,626	\$ 15,332	\$ 6,000		\$ 15,000	
Intervenor costs	5655		One-Time					\$ 100,000	
12 Sub-total - Ongoing Costs ³		\$ -		\$ 442,962	\$ 429,118	\$ 420,349	-2.04%	\$ 495,200	17.81%
13 Sub-total - One-time Costs ⁴		\$ -		\$ 112,961	\$ -	\$ 205,500		\$ 276,900	34.74%
14 Total		\$ -		\$ 555,923	\$ 429,118	\$ 625,849	45.85%	\$ 772,100	23.37%

1

Figure 1b: WRZ EB-2009-0274 2M \$133,920

Regulatory Cost Schedule

Regulatory Cost Category	USoA Account	Ongoing or One-time Cost?	2006	2007	2008	2009 Bridge Year	% Change in bridge year vs. last year of actuals	2010 Test Year	% Change in Test year vs. Bridge Year
OEB Annual Assessment	5655	ongoing	123,924	128,648	121,610	130,396	7.22%	133,920	2.70%
OEB Section 30 Costs (OEB Initiated)	5655	ongoing	-	6,133	8,209	6,080	-25.93%	6,080	0.00%
Operating expenses associated with staff resources allocated to regulatory matters	5655	ongoing	119,899	122,031	144,200	165,000	14.42%	189,129	14.62%
Other regulatory agency fees or assessments	5655	ongoing	800	800	800	800	0.00%	800	0.00%
Any other costs for regulatory matters - Cost Allocation Informational Filing	5655	one-time	27,260	-	-	-	n/a		n/a
Any other costs for regulatory matters - 2010 Rate Application (Note 1)	5655	one-time	-	-	14,128	51,832	266.88%	62,500	20.58%

2

1

2 In Settlement for Veridian (EB-2013-0174) there was a \$2M envelope reduction resulting in a 7.071%
3 decrease in OM&A. This decrease was applied to the OEB Cost Assessments as follows: $\$334,300 \times$
4 $(1 - 7.071\%) = \$310,662$ (rounding).

5

6 In Settlement for Whitby (EB-2009-0274) there was a \$298,624 (3.348%) reduction in OM&A. There
7 was then a subsequent 3% increase to derive 2011 OM&A due to the timing of the settlement (see
8 excerpts from the Settlement copied below. This was applied to the OEB Cost Assessments:
9 $\$133,920 \times (1 - 3.348\%) = 129,436 \times (1 + 3\%) = \$133,319$.

10 Excerpts from the EB-2009-0274 Decision, page 13 are presented in Figures 2a and 2b¹.

11

Figure 2a: Settlement Excerpt A EB-2009-0274

Complete Settlement: For the purpose of obtaining complete settlement of all issues,
the Parties accept that the 2010 proxy for OM&A should be \$8,620,797. This amounts to
a reduction of the \$8,919,421 OM&A amount proposed by Whitby Hydro for 2010 by
\$298,624.

12

13

14

Figure 2b: Settlement Excerpt B from EB-2009-0274

Complete Settlement: The Parties agree that it would be appropriate to derive 2011
OM&A included in revenue requirement by increasing the proxy for the 2010 OM&A by
3%, from \$8,620,797 to \$8,879,421, to be consistent with Whitby Hydro's historic annual
increases.

15

16

¹ EB-2009-0274 'Decision_Whitby_APX_20102012' dated December 20, 2010, page 13 of 25 (pdf page 19).

1 **RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES**

2

3 **INTERROGATORY 9-CCC-66**

4

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

6

7 Question(s):

8

9 Please confirm that the result of Elexicon's methodology shown in Table 8 is that the total actual
10 locate-related costs that were incurred above the amount built into rates is proposed to be
11 recovered from ratepayers through the GOCA. If this is not correct, please explain.

12

13

14

15 **RESPONSE:**

16 This interrogatory will be addressed in the second round.

17

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) Elexicon has calculated the amount in the *Low-income Energy Assistance Emergency Financial Assistance (LEAP EFA) Funding Deferral Account* using the same methodology as requested and approved in EB-2025-0046 (ie without escalation).

The LEAP funding included in rates was not escalated by the PCI because this was not prescribed in the Accounting Order *Electricity Distributor Accounting Order Account 1508 – Other Regulatory Assets, Sub-Account LEAP EFA Funding Deferral Account*, EB-2023-0135, date February 12, 2024. The accounting order reads “In the LEAP EFA Funding Deferral sub-account, distributors may record prudently incurred incremental LEAP EFA contributions made on and after March 1, 2024 that are beyond the amounts currently embedded in distribution rates”.

1 This is unlike *Electricity Distributor Accounting Order (002-2023) Account 1508-Other*
2 *Regulatory Assets, Sub-Account Getting Ontario Connected Act (GOCA) Variance Account*
3 which was specific on this topic and said: "To record the locate "revenue" amount
4 representing the OM&A expense related to the locate cost that was approved in base rates,
5 escalated accordingly by the annual rate adjustments in the distributor's IRM decision(s) and
6 order(s) or the locate "revenue" amount representing the approved OM&A amount related
7 to the locates in the distributor's custom IR decision and order."

8 b) PCI escalation for each rate zone is as follows.

9 Whitby Rate Zone (WRZ)

10 Whitby Hydro's original application did not include costs specific to LEAP in keeping with the
11 OEB's letter on September 28, 2009 which advised distributors that work in this area was put
12 on hold based on direction from the Minister of Energy and Infrastructure ("The Minister").
13 On July 5, 2010 The Minister requested that the OEB consider resuming its efforts on this
14 initiative and further consider increasing the original amount of funding allocated to the
15 emergency financial assistance program for low-income customers from that indicated in the
16 March 10, 2009 *Report of the Board on Low-Income Energy Assistance Program (EB-2008-*
17 *0150)*. The Board Report suggested funding through distribution rates at a level equal to the
18 greater of 0.12% of a distributor's Board-approved distribution revenue requirement, or
19 \$2,000. However, Whitby chose not to update the Service Revenue Requirement during the
20 EB-2009-0274 proceeding and therefore there are no LEAP funding in rates, and no
21 escalation required.

22 Elexicon acknowledges that Exhibit 9 – Tab 3 – Schedule 5 Table 10 on page 10 should have
23 been labelled to more accurately reflected this. The column titled "Included in Rates (S)"
24 should have been labelled "Base Rate Calculation."

25 Veridian Rate Zone (VRZ)

26 The PCI escalation to base LEAP funding for VRZ to 2026 is in Table 1 below.

1

Table 1: VRZ PCI Escalation to Base LEAP Funding 2014-2026

VRZ	IRM Rate	Veridian - Adjustment to Base Rates
2014 COS (EB-2013-0174)		64,629
2015	1.3%	65,469
2016	1.8%	66,648
2017	1.6%	67,714
2018	0.9%	68,323
2019	1.2%	69,143
2020	1.7%	70,319
2021	1.9%	71,655
2022	3.0%	73,804
2023	3.4%	76,314
2024	4.5%	79,748
2025	3.3%	82,380
2026	3.4%	85,180

2

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

a) The table below shows the Dx NEXT expenditures incurred/ forecast to be incurred in each year over the 2024-2027 period inclusive of the three-phase implementation. These amounts have been updated with 2025 actuals, however, the total project costs remained unchanged.

The table below includes an amount of \$626,260 for RFP costs that are considered implementation costs and that were accordingly tracked to the Cloud Computing DVA in 2024. Elexicon decided to remove these costs from the account in 2025 due to the lack of specificity in the OEB's guidance as to whether these costs would be accepted as implementation costs, despite their causality and criticality to the project.

Table 1: Dx NEXT Implementation Costs Recorded/Forecast in Account 1511

	2024	2025	2026	2027	Total
	Actual	Actual	Forecast	Forecast	
Implementation costs recorded/forecast for 1511		12,211,112	10,300,753	19,492,916	42,004,781
RFP costs initially recorded in 1511	626,260	(626,260)			
Net	626,260	11,584,852	10,300,753	19,492,916	42,004,781

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2 b) Please refer to the response in 9-SEC-96 c).

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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.

RESPONSE:

Please see Tables 1 and 2 below for the requested information. As noted in Exhibit 9 – Tab 4 – Schedule 2, New Stations Deferral Account (NSDA) will apply to investment in New Stations and any existing station where capacity is added that is not incorporated in the 2027-2031 plan.

1 **Table 1: 2027-2031 Capital Program ISA with Applicable DVA**

OEB Category	Program ISA (\$M)	2027	2028	2029	2030	2031	Applicable DVA
System Access	A1 Externally-Initiated Plant Relocation	4.3	5.5	5.9	6.0	6.0	DRVA
System Access	A2 Customer & Generation Connections	6.6	7.7	8.1	8.6	8.9	DRVA
System Access	A3 System Expansion	14.3	13.6	8.2	7.9	9.1	DRVA
System Access	A4 Metering & AMI 2.0	1.8	2.4	8.9	9.1	9.0	CISAVA
	Sub-Total	27.0	29.2	31.0	31.5	33.0	
System Renewal	R1 Substation Renewal	5.4	38.8	18.3	28.6	19.3	CISAVA
System Renewal	R2 Underground System Renewal	0.4	6.1	13.9	21.4	29.3	CISAVA
System Renewal	R3 Overhead System Renewal	1.5	7.2	12.2	14.0	14.8	CISAVA
System Renewal	R4 Reactive Capital	8.3	7.1	5.1	5.1	4.5	CISAVA
	Sub-Total	15.7	59.3	49.5	69.1	67.8	
System Service	S1 Substation Growth	4.1	8.7	22.7	-	93.3	CISAVA
System Service	S1 Substation Growth- HONI Contribution	-	-	-	-	22.1	CCRAVA
System Service	S2 Grid Enhancements	5.8	9.9	9.7	9.0	21.8	CISAVA
System Service	S3 Voltage & System Conversion	0.0	4.9	7.5	5.7	4.1	CISAVA
	Sub-Total	9.9	23.6	40.0	14.8	141.3	
General Plant	P1 Facilities Management	5.2	2.0	5.4	1.4	0.8	CISAVA
General Plant	P2 Fleet	4.0	3.4	4.6	3.0	2.9	CISAVA
General Plant	P3 IT Systems	2.6	2.1	2.0	2.0	1.5	CISAVA
General Plant	P4 Equipment	1.1	1.3	1.4	0.8	0.8	CISAVA
General Plant	P5 OT Systems	0.8	1.7	3.4	5.3	6.3	CISAVA
	Sub-Total	13.7	10.4	16.8	12.5	12.3	
	Total	66.3	122.4	137.2	127.9	254.4	

1 **Table 2: Summary of ISA by DVA**

DVAs	2027	2028	2029	2030	2031	5 Year Total	Type of Account
DRVA	25.2	26.8	22.1	22.4	24.0	120.5	Symmetrical
CCRAVA	-	-	-	-	22.1	22.1	Symmetrical
CISAVA	41.1	95.6	115.1	105.5	208.3	565.6	Asymmetrical
Total	66.3	122.4	137.2	127.9	254.4	708.2	

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RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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).

RESPONSE:

a) The Residential bill impacts and customer-weighted average are provided below based on i) Exhibit 10, and ii) updated rates as per 1-Staff-1. The bill impacts are separated between the

impacts of opening rate base and OM&A catch-up, consistent with the impacts calculated in 1-SEC-11, and the remaining bill impacts.

Table 1: Residential Bill Impacts

Sub-Total A	WRZ	VRZ	Average	Customer-Weighted Average
Exhibit 10 - Residential Total 5-Year Impact				
Opening Rate Base and OM&A Catch-Up Bill Impacts	14.22%	14.48%	14.35%	14.41%
Remaining Bill Impacts	38.04%	53.45%	45.74%	49.15%
Updated 1-Staff-1 - Residential Total 5-Year Impact				
Opening Rate Base and OM&A Catch-Up Bill Impacts	14.32%	14.58%	14.45%	14.51%
Remaining Bill Impacts	43.14%	59.06%	51.10%	54.62%

b) The table below provides Residential bill impacts excluding rate riders.

Table 2: Residential Total 5-Year Impact

Sub-Total A	WRZ	VRZ	Average	Customer-Weighted Average
Exhibit 10 - Residential Total 5-Year Impact				
Opening Rate Base and OM&A Catch-Up Bill Impacts	14.70%	15.21%	14.95%	15.07%
Remaining Bill Impacts	36.26%	62.32%	49.29%	55.06%
Updated 1-Staff-1 - Residential Total 5-Year Impact				
Opening Rate Base and OM&A Catch-Up Bill Impacts	14.79%	15.30%	15.05%	15.16%
Remaining Bill Impacts	40.41%	68.38%	54.89%	60.86%

c) Elexicon is unable to provide an estimate of the impact OPG's proposed payment amount changes on a customer's total bill. OPG payment amounts are reflected in RPP prices. At the time RPP prices are updated each year so is the amount of Ontario Energy Rebate which acts to largely offset to changes in electricity prices. The impacts shown in the OPG application are likely not reflective of what will be experienced by Elexicon's customers on their bills.

RESPONSES TO CONSUMERS COUNCIL OF CANADA INTERROGATORIES

INTERROGATORY 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 SCC 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. [

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2 f) Please explain why the “Starting Org Structure in 2025 Bridge” is the same in both Tables 2 and
3 3. Please provide the response in the context of the stated loss of 9 staff (Footnote 4, p. 2).

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5 g) Please provide revised versions of Tables 2 and 3 that show the number of planned positions in
6 each year (2026-2030) instead of staffing additions. Please also breakout qualified operators and
7 apprentice operators and add additional lines that show contracted staff support (i.e., same
8 information as shown in Table 4).

9

10 h) Assuming Tables 2 and 3 are on position basis as opposed to an FTE basis, please revise both
11 tables to show the pre-filed and updated proposals on an FTE basis. Also, instead of showing
12 staffing additions, show the number of FTEs in each position and for each year of the plan. Please
13 also breakout qualified operators and apprentice operator and add additional lines that show
14 contracted staff support (FTE Equivalent basis) (i.e., same information as shown in Table 4).

15

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

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25 **RESPONSE:**

26 This interrogatory will be addressed in the second round.

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