

BY EMAIL AND RESS

September 8, 2026

Mr. Ritchie Murray
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Mr. Murray,

Hydro One Networks Inc.

483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Pasquale Catalano

Director
Infrastructure, Partnership and
Compliance

647.616.8310

Pasquale.Catalano@HydroOne.com

EB-2026-0155 – Hydro One Networks Inc. Leave to Construct Application – Durham Kawartha Power Line Project – Interrogatory Responses

In accordance with Procedural Order No.1, issued August 12, 2026, please find attached an electronic copy of responses provided by Hydro One to interrogatory questions posed by Ontario Energy Board ("OEB") Staff and intervenors on August 28, 2026.

Intervenor interrogatory responses have been assigned Exhibit I. OEB Staff interrogatories have been assigned Tab 1 of Exhibit I and all other intervenor interrogatories have been organized consistent with the manner the intervenors were listed in Schedule A of Procedural Order No. 1. Thus, the interrogatory responses have been organized in the following order:

Exhibit	Tab	Intervenor
I	1	OEB Staff
I	2	Brian and Mandy Jensen
I	3	Minogi Corporation

Hydro One has, pursuant to Rule 10 of the OEB's Rules of Practice and Procedure (the "**Rules**") and the OEB's Practice Direction on Confidential Filings dated December 17, 2021 (the "**Practice Direction**"), requested confidential treatment of certain commercially sensitive information contained in its responses to OEB Staff and intervenor interrogatories as follows:

- **Exhibit I, Tab 1, Schedule 9, Attachment 1** – pertaining to requests seeking information regarding the calculation of the tariff adjustment containing itemized material and equipment costs from the fixed-price Engineering, Procurement and Construction ("EPC") contract;
- **Exhibit I, Tab 3, Schedule 1, part a)** – pertaining to requests seeking information regarding Indigenous economic participation costs from the fixed-price EPC contract; and
- **Exhibit I, Tab 3, Schedule 3, parts c) and d)** – pertaining to requests seeking information regarding Indigenous procurement, employment and training costs and contractual terms from the fixed-price EPC contract.

Accordingly, the above-noted responses and related documents are redacted from the public version of this filing which will be posted to the public record of the proceeding.

In accordance with subsection 6.1.2, 6.1.4 and 6.1.7 of the Practice Direction and subsections 10.01 and 10.02 of the Rules, Hydro One has proposed that the confidential versions of these responses be treated as confidential and be disclosed only to OEB Staff, OEB Counsel and OEB Commissioners, but not to their experts or consultants nor to the representatives (including counsel), experts or consultants of the registered intervenors in this proceeding. The basis for the requested confidential treatment is that at least one of the specified intervenors represent or constitute entities which may procure or provide utility services in competition with Hydro One's EPC contractor and could receive commercial advantages from having access to the confidential information. With respect to the foregoing requests, by way of separate filing, Hydro One's counsel will be filing a motion consistent with the Rules and the Practice Direction.

An electronic copy of these responses has been submitted using the OEB's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Catalano", written over a light blue horizontal line.

Pasquale Catalano

OEB STAFF INTERROGATORY - 01

Reference:

Exhibit B-1-1, Page 3 of 8

Preamble:

Hydro One states that impacted First Nations will have the opportunity to invest in a 50% equity stake in the transmission line component of the Project. Hydro One further states that the limited partnership through which this investment would occur has not yet been finalized and that commercial details remain under negotiation.

Hydro One indicates that ownership, governance, and financing arrangements associated with the proposed Indigenous equity participation are still being developed. Hydro One nevertheless states that the proposed ownership arrangement is not expected to materially affect Project costs. Staff notes that the evidence provides limited information regarding the potential ownership, financing, asset ownership, cost recovery, and regulatory implications of the proposed arrangement.

Interrogatory:

- a) Please provide an update on the status of the proposed Indigenous equity partnership.
- b) Please identify the First Nations that will have the opportunity to participate in the partnership.
- c) Please discuss whether the final ownership and financing structure could have any implications for project timing, cost recovery, or transmission rates.

Response:

- a) As outlined in **Exhibit B, Tab 1, Schedule 1**, the limited partnership and corresponding commercial details have not yet been finalized; negotiations are still ongoing.

Hydro One continues to work closely with the seven First Nation partners to advance the partnership documentation, including the partnership structure. The parties remain committed to finalizing the commercial details as soon as possible.

- b) The local First Nations that will have the opportunity to participate in the partnership include:
 - Alderville First Nation;

- Beausoleil First Nation;
- Chippewas of Georgina Island First Nation;
- Chippewas of Rama First Nation;
- Curve Lake First Nation;
- Hiawatha First Nation; and
- Mississaugas of Scugog Island First Nation.

c) As described in **Exhibit B, Tab 1, Schedule 1**, Hydro One does not anticipate that the limited partnership will impact either the Project cost estimates provided at **Exhibit B, Tab 7, Schedule 1**, or the Project schedule set out in **Exhibit B, Tab 11, Schedule 1** which underpins that cost estimate. While negotiations remain ongoing as noted in response to part a) above, Hydro One continues to advance the Project in parallel with those discussions and does not anticipate any material impact to Project timing as a result of the limited partnership.

The Project's transmission line facilities are expected to be owned by, and included in, the rate base of the future limited partnership licenced by the OEB and, accordingly the associated costs are being recorded and tracked in Hydro One's OEB-approved ATP regulatory account¹. These costs are expected to be recovered through future revenue requirement applications of the limited partnership following the completion of the Project. Any determination regarding the recovery of such costs will be subject to OEB approval for recovery from ratepayers.

¹ EB-2021-0169, OEB Decision and Order (October 7, 2021).

OEB STAFF INTERROGATORY - 02

Reference:

Exhibit B-6-1, Page 2 of 2

Preamble:

Hydro One states that it has engaged Indigenous governments and communities throughout project development and will continue engagement throughout the life cycle of the Project. Hydro One also indicates that Indigenous communities have been involved in discussions regarding project decisions and economic participation opportunities. OEB staff seeks to better understand how input received through Indigenous engagement and consultation activities influenced the development of the Project.

Interrogatory:

- a) Please describe how input received through Indigenous engagement and consultation activities influenced, if at all:
 - i. route selection;
 - ii. project design;
 - iii. risk mitigation measures; and
 - iv. construction planning.
- b) Where such input resulted in modifications to the Project, please identify the modification and the concern it was intended to address.

Response:

- a) & b) The following outlines the input received through Indigenous engagement and consultation activities conducted to date and describes how that input informed the Project and, where appropriate, resulted in modifications to address the concerns identified. As the Project is currently in the development phase, Indigenous engagement and consultation efforts undertaken to date have been primarily focused on matters being assessed and advanced through the environmental assessment process, including route selection, project design considerations, potential effects, and mitigation measures. Hydro One recognizes that Indigenous engagement and consultation is an ongoing process and will continue to work closely with Indigenous communities to ensure meaningful opportunities to participate and that consultation obligations are met as the Project progresses.

i. Route Selection:

Indigenous engagement and consultation has been ongoing since the earliest phases of project planning and directly informed the route evaluation and selection process.

1 The route evaluation framework included Indigenous Culture, Values and Land Use
2 as one of four equally weighted evaluation themes. Indigenous communities were
3 invited to comment on the proposed criteria and indicators through meetings,
4 correspondence, site visits, and a route evaluation survey. Based on community
5 feedback, the evaluation considered areas of Indigenous significance, including lands
6 available for exercising treaty rights and landscapes of importance, traditional-use
7 plants, water features and woodlots. A specific criterion for potential impacts to Treaty
8 Rights identified by Indigenous communities was also added and ranking was based
9 on their feedback.

10
11 Representatives of Indigenous communities were also offered opportunities and came
12 to visit the Project area and view the route alternatives firsthand. This supported
13 location-specific discussions regarding environmental features, cultural interests, and
14 potential effects associated with each alternative.

15
16 The preferred route was ultimately selected in part because it crossed the least amount
17 of area identified by Indigenous communities as significant, the least amount of area
18 with potential for exercising Treaty Rights, and the smallest area of woodlots. It also
19 scored best under the Indigenous Culture, Values and Land Use theme and was
20 expected to have fewer effects on wetlands, wildlife habitat, species at risk, designated
21 natural areas, and areas with restoration potential.

22
23 **ii. Project Design:**

24 Information gathered through Indigenous engagement and consultation emphasized
25 the cultural and ecological importance of wetlands, watercourses, woodlands, wildlife
26 habitat, and habitat connectivity. This input reinforced the direction provided to the
27 design team to avoid and minimize impacts on these features through tower
28 placement, access planning, and use of the existing transmission corridor wherever
29 practicable. During detailed design, the Project will continue to work to avoid
30 permanent infrastructure in wetlands, minimize tower placement in sensitive features,
31 maintain hydrologic function, and use existing access and crossings where feasible.

32
33 Indigenous communities also identified species and ecosystems of cultural
34 importance. They provided non-exhaustive lists of species of cultural significance, and
35 a review of field results confirmed 61 such species within the study areas, including
36 48 plant and 13 wildlife species. Concerns regarding Black Oak Savannah, Tallgrass
37 Prairie, traditional-use plants, wildlife movement, fish habitat, and culturally significant
38 wetlands and woodlands were considered in environmental studies and will continue
39 to inform detailed design, restoration planning, and the Project's biodiversity initiative.

1 Indigenous communities' feedback also influenced the scope and timing of
2 environmental investigations undertaken as part of the environmental assessment
3 process. In response to requests for additional and multi-season information, an
4 environmental DNA sampling program was implemented, an additional spring 2025
5 field season was completed, and the draft environmental study report (ESR) schedule
6 was adjusted to allow for this additional work and to obtain access to additional survey
7 locations. Hydro One also supported the development of Indigenous-led winter wildlife
8 studies addressing wildlife and bird movement through the corridor. The results of
9 these studies will be considered during detailed design and construction planning.

10
11 **iii. Risk Mitigation Measures:**

12 Indigenous communities were engaged and consulted in the identification and
13 refinement of environmental protection and mitigation measures as part of the
14 environmental assessment process. To facilitate meaningful input, Indigenous
15 communities were provided with early drafts of ESR sections and supporting natural
16 environment reports before mitigation measures were finalized. This process was
17 established in response to community requests for earlier involvement and allowed
18 comments to be discussed and incorporated into environmental studies, mitigation
19 measures, and ESR commitments before public release of the draft ESR for the formal
20 30-day review period. Indigenous communities provided comments regarding
21 wetlands, watercourses, vegetation, species at risk, wildlife habitat, invasive species,
22 erosion and sediment control, spills, restoration, and the exercise of Aboriginal and
23 Treaty Rights. These comments resulted in refinements to mitigation commitments,
24 including enhanced protection buffers in certain circumstances, clearer restrictions on
25 machine clearing and grubbing near wetlands and watercourses, and commitments to
26 maintain vegetative buffers and use hand-clearing methods near sensitive water
27 features.

28
29 Input received through engagement and consultation also informed commitments to
30 treat wetlands and woodlands potentially affected by the Project as potentially
31 culturally significant until their significance can be confirmed through further
32 engagement. Where effects may affect the exercise of rights, culture, harvesting, or
33 culturally important ecological features, appropriate mitigation will be further
34 developed in consultation with the potentially affected Indigenous communities.

35
36 Indigenous communities emphasized the importance of restoration using native and
37 culturally appropriate vegetation. In response, Hydro One committed to considering
38 native plants in post-construction seed mixes and plantings, retaining compatible
39 vegetation where practicable, controlling invasive species, and involving Indigenous
40 communities in restoration and biodiversity planning. Following comments regarding
41 wildlife wintering habitat, Hydro One and its contractor also committed to developing

1 a specific restoration plan for affected wildlife wintering habitat, including the use of
2 compatible species to help maintain habitat function and connectivity within the right-
3 of-way.

4
5 Indigenous communities input also influenced archaeological aspects of the
6 environmental assessment, including risk mitigation. Indigenous communities
7 reviewed the archaeological assessment reports and provided comments on its
8 content and conclusions, survey methodology, and areas that should be reassessed.
9 Indigenous communities also provided comments regarding notification, expectations,
10 and attendance at archaeological sites if archaeological resources or sensitive finds
11 were encountered. In response, Hydro One revised the language in the archaeological
12 assessment report, committed to implementing enhanced pedestrian survey methods,
13 agreed to revisit certain previously assessed areas, and incorporated Indigenous
14 communities' requirements relating to culturally sensitive archaeological sites into
15 construction planning.

16
17 **iv. Construction Planning:**

18 Indigenous communities influenced construction planning by emphasizing the need to
19 minimize disturbance to wetlands, watercourses, wildlife habitat, culturally significant
20 vegetation, and archaeological resources. These concerns informed commitments
21 related to access planning, tower and work-area placement, constructed access in
22 sensitive areas, erosion and sediment controls, invasive species management,
23 dewatering and water management, timing restrictions, spill response, and post-
24 construction restoration.

25
26 Based on Indigenous communities' feedback, construction activities, including access
27 roads, laydown areas, and work areas, will not proceed in areas of archaeological
28 potential until the required archaeological assessments have been completed.
29 Indigenous communities will continue to have opportunities to participate in
30 archaeological and natural environment fieldwork and to review archaeological reports
31 and findings.

OEB STAFF INTERROGATORY - 03

Reference:

Exhibit B-7-1, Page 2 of 12

Preamble:

At the above reference, Hydro One provides the current estimated cost of the Durham Kawartha Power Line Project, a new approximately 55 km, 230 kV double-circuit transmission line between Dobbin TS and Clarington TS, including associated station modifications. The Application indicates that the Project has progressed through planning, route selection, environmental assessment, engineering, consultation, and procurement activities prior to filing.

Interrogatory:

- a) Please identify any Project costs that remain subject to significant uncertainty and provide the estimated range of potential cost increases or decreases associated with each item.

Response:

- a) The Project's cost estimate presented in **Exhibit B, Tab 7, Schedule 1** reflects the current scope of work, predicated on the timing of the approval, design and construction activities provided in the Project schedule at **Exhibit B, Tab 11, Schedule 1**, and includes an allowance for contingencies developed through a risk management model in recognition of risks and potential uncertainties with the execution of the Project. The Project's cost estimate, inclusive of this cost contingency, is based on a project definition equivalent to an AACE Class 3 estimate with an estimated accuracy range of -20% to +30%.

Further as described in **Exhibit B, Tab 7, Schedule 1**, there are certain risks identified that may have significant impact to the Project but were not included in the above-noted contingency allowance due to their unlikelihood and uncertainty of occurrence, timing and potential magnitude. These risks include: labour disputes; safety or environmental incidents; significant changes in costs and/or availability of materials and equipment beyond Hydro One's control including impacts arising from government policy, tariffs, and geopolitical or economic conditions; and any other unforeseen and potentially significant event/occurrence that could affect Project execution.

As these risks are highly uncertain and event-driven in nature, Hydro One is unable to reasonably estimate a specific range of potential cost increases or decreases associated with these risks. Should any of these risks materialize the resulting cost

Filed: 2026-09-08

EB-2026-0155

Exhibit I

Tab 1

Schedule 3

Page 2 of 2

- 1 impacts would depend on the circumstances, duration, and severity of the event.
- 2 Accordingly, no quantified range has been developed for these risks; however, the
- 3 costs associated with these risks would be beyond the overall Project cost estimate
- 4 and accuracy range noted above.

OEB STAFF INTERROGATORY - 04

Reference:

Exhibit B-5-1, Page 1 of 4

Preamble:

Hydro One states that the IESO evaluated two feasible termination points for the Project, Cherrywood TS and Clarington TS, and concluded that both options could be developed at a comparable cost while providing similar system benefits. Hydro One subsequently selected Clarington TS as the preferred termination point.

Interrogatory:

- a) Please explain the basis on which Hydro One selected Clarington TS rather than Cherrywood TS.
- b) Please provide a quantitative comparison of the estimated capital cost of the Cherrywood TS and Clarington TS alternatives, including:
 - i. Total project cost;
 - ii. Transmission line cost; and
 - iii. Station modification and expansion cost.

Response:

- a) Hydro One assessed the two termination point options with respect to routing, environmental impact, constructability, and land-use considerations. Hydro One, in consultation with the IESO, ultimately selected Clarington TS as the preferred termination point for the Project. A key advantage of terminating the new 230 kV transmission line at Clarington TS, rather than at Cherrywood TS, is the ability to leverage existing infrastructure at Clarington TS, while also enabling a shorter overall transmission corridor. This results in reduced environmental and land-use impacts while meeting the identified system needs. As noted in **Attachment 6 of Exhibit B, Tab 3, Schedule 1**, the IESO supports the Project as necessary to maintain a reliable electricity supply to Eastern Ontario.

Notwithstanding the foregoing, Hydro One notes that the OEB stated in Procedural Order No.1¹ that need and consideration of alternatives are not issues in this proceeding because by an Order in Council the Project was declared a priority project under section 96.1 of the *OEB Act*.

¹ EB-2026-0155, [Procedural Order No.1](#), August 12, 2026, p. 3.

1 b) Please refer to the response in part a) above. The selection of the preferred
2 termination point was informed by an assessment of routing, environmental,
3 constructability, and land-use considerations, following the IESO's evaluation of the
4 two feasible termination points for the Project, namely Cherrywood TS and Clarington
5 TS, as part of the bulk regional planning process. As noted in **Attachment 6 of Exhibit**
6 **B, Tab 3, Schedule 1**, the IESO concluded that both options could be developed at a
7 comparable cost while providing similar system benefits.

8
9 Following the selection of Clarington TS as the preferred termination point, Hydro One
10 advanced the development of the Project on that basis. Accordingly, Hydro One
11 developed an AACE Class 3 estimate only for the Project as described within the
12 Application, as reflected in **Table 1 and Table 2 of Exhibit B, Tab 7, Schedule 1**.
13 Hydro One did not develop an AACE Class 3 estimate for the alternative termination
14 point at Cherrywood TS and, therefore, is unable to undertake the requested
15 quantitative comparison.

OEB STAFF INTERROGATORY - 05

Reference:

Exhibit B-5-1, Page 2 of 4

Preamble:

Hydro One evaluated four conductor alternatives and concluded that all four alternatives satisfy the Project's capacity requirements. Hydro One selected Alternative #4 (1443.7 kcmil ACSR/TW) because it produced the lowest total annual cost and 50-year net present value (NPV) result.

Interrogatory:

a) Please explain why the 1443.7 kcmil ACSR/TW conductor has a lower estimated capital cost than the smaller conductor alternatives.

Response:

a) As described in **Exhibit B, Tab 5, Schedule 1**, the conductor size alternatives analysis takes into consideration the total cost of the transmission line design, rather than procurement costs alone, to determine the most economic alternative. The total capital cost of the transmission line design includes factors such as structure count, structure loading, foundation requirements, span lengths, conductor sag, and structure heights. Consequently, while the selected conductor may have a higher conductor procurement cost than the alternative conductors considered, these incremental material costs are offset by lower costs associated with other aspects of the transmission line design, such as a reduced number of structures and foundations, as well as corresponding reductions in land right requirements. Overall, the proposed conductor was selected as the most economic alternative when all design and capital cost factors are considered.

This page has been left blank intentionally.

OEB STAFF INTERROGATORY - 06

Reference:

Exhibit C-1-1, Page 1 of 6

Preamble:

Hydro One states that approximately 95% of the proposed transmission line will be located within an existing transmission corridor. The application further states that approximately 400 metres of the line will be constructed underground near Regional Road 3 in Clarington to avoid crossing four existing 230 kV transmission lines.

Interrogatory:

- a) Please provide the engineering and economic rationale for the approximately 400 metre underground transmission section, including the alternatives considered and the reasons those alternatives were not selected.
- b) Please provide the cost of the preferred option and the alternatives evaluated.

Response:

- a) As noted in **Exhibit B, Tab 7, Schedule 1** and **Exhibit C, Tab 1, Schedule 1**, the 400 m short segment of underground line was required for the Project to avoid clearance limitation constraints associated with crossing over four existing 230 kV transmission lines located near Clarington at the south end of Regional Road 3.

The alternative to an underground design as outlined in the Application would be an overhead design. Various overhead line configurations were reviewed, including: (i) spanning over the existing four transmission lines with a single span; (ii) spanning over the existing four transmission lines with intermediate towers and smaller spans; and (iii) threading the new 230 kV transmission line above and below the existing four transmission lines requiring the use of two specially designed, tall structures to achieve the necessary clearances. Obtaining outages on all four existing transmission lines to facilitate the conductor stringing of an overhead line configuration would be extremely challenging due to system constraints. Similar outage limitations would also arise during future operation and maintenance activities due to the close proximity of all six transmission lines. Accordingly, all of the proposed overhead line configurations introduced unacceptable system reliability and operational concerns and were rejected as viable alternatives.

Consequently, the underground design was considered most suitable as it would avoid the clearance limitation constraints of the overhead design, and thereby significantly

- 1 reduce the complexities and risks to the design, construction, operation, and
2 maintenance of the new 230 kV transmission line.
3
4 b) Please refer to the response in part a) above. While various overhead line
5 configurations were reviewed, all were rejected as viable alternatives due to the noted
6 system reliability and operational concerns. Accordingly, as no technically feasible
7 option was identified, Hydro One did not develop an AACE Class 3 estimate for the
8 alternative overhead line configurations and, therefore, is unable to undertake the
9 requested cost comparison.

OEB STAFF INTERROGATORY - 07

Reference:

Exhibit B-7-1

Preamble:

At the reference above Hydro One states that the transmission line cost estimate for the Project is based on a fixed price EPC contract procured through a two-stage Early Contractor Involvement, Engineering, Procurement and Construction (ECI-EPC) methodology. Hydro One further states that qualified EPC contractors developed independent competitive proposals that formed the basis for the project cost estimate.

Interrogatory:

- a) Please explain how Hydro One determined that the ECI-EPC methodology was the preferred procurement and delivery approach for the Project.
- b) Please explain how Hydro One satisfied itself that the fixed – price EPC contract reflects competitive market pricing and provides value for ratepayers.
- c) Please describe the allocation of major project risks between Hydro One and the EPC contractor, including:
 - i. Risks retained by Hydro One;
 - ii. Risks allocated to the EPC Contractor; and
 - iii. Risks excluded from the EPC arrangement.
- d) Please explain whether the fixed-price EPC contract transfers tariff-related cost risk to the EPC contractor or whether Hydro One retains some or all of that risk.

Response:

- a) Hydro One uses the ECI-EPC model when the scale and complexity of a proposed project requires industry-tested expertise and innovation, increased transparency and prudence, and when collaborative risk allocation is warranted but not clearly defined at the onset of a project. Accordingly, the ECI-EPC model was selected as the preferred delivery approach for the Project.
- b) As noted in **Exhibit B, Tab 7, Schedule 1**, the fixed price EPC contract was established through an independent competitive price proposal process. This process allowed the two ECI-EPC contractors to advance and optimize line design, obtain competitive market pricing from their suppliers and vendors and to identify and evaluate engineering, procurement and construction risks and opportunities during the

development of their bid offers. Further, there was focused effort to validate the ECI-EPC contractors' estimates against market benchmarks and analysis supported from the Owner's Engineer. Bids were then evaluated based on a combination of commercial and technical considerations including such items as: pricing, capacity, technical competence to deliver the project, and past performance in delivering projects of similar size, scope and complexity. This evaluation ensures the EPC contract reflects competitive market pricing and provides value for ratepayers.

- c) If any of the risk categories identified within the Project's contingency, as listed in **Exhibit B, Tab 7, Schedule 1**, were to materialize the accountability for the associated costs would depend on the allocation of risk under the EPC contracts. Hydro One would be accountable for costs arising from risks outside the EPC contractors' control, including delays in environmental and regulatory approvals, delays in securing necessary land rights, outage availability, delays in archeological assessments. The accountability for the remaining risk would generally rest with the EPC contractors, including construction permits delays, technical design risks including subsurface conditions, off-corridor construction access, labour, and other execution-related risks.

In addition, if any of the risk categories identified as outside the Project's contingency, as documented in **Exhibit B, Tab 7, Schedule 1**, were to materialize the associated costs would primarily be the accountability of Hydro One. These risks include labour disputes; safety and environmental incidents attributable to Hydro One or its representatives; significant changes in materials and equipment arising from changes in government policy, geopolitical disruptions and/or tariffs; and any other unforeseen and potentially significant events. In general, the EPC contractors are accountable for the costs associated with the safety and environmental incidents risks attributable to the contractor and for certain material and procurement cost impacts within their contractual scope and control.

- d) Please refer to the response in part c) above. Hydro One retains the risk for cost increases resulting from any significant changes in materials and equipment arising from changes in government policy, geopolitical disruptions and/or tariffs. Please refer to the response in part b) of **Exhibit I, Tab 1, Schedule 9** for Hydro One's approach to mitigate tariff-related risks.

OEB STAFF INTERROGATORY - 08

Reference:

Exhibit B-7-1, Page 1 of 2

Preamble:

Hydro One includes contingency allowances as part of the Project cost estimate for both the transmission line and station components of the Project. Contingency allowances are intended to account for project risks and uncertainties that may affect the final project cost.

Interrogatory:

- a) For Exhibit B, Tab 7, Schedule 1, Page 1 of 2, for both Table 1 and Table 2, please provide a detailed list of the costs included in the contingencies category and the reason for its inclusion.
- b) Please describe how the contingency cost estimate for the Project compares to contingency cost estimates developed for projects of similar size and complexity. Please discuss any differences or similarities in costs between these projects and the Durham-Kawartha Power Line Project.

Response:

- a) As described in **Exhibit B, Tab 7, Schedule 1**, Hydro One followed an industry established best practices methodology in developing the contingency allowances utilizing a risk management model. The components of the risk management model are: obtain input from project team stakeholders; assess level of complexity and subsequent level of structured analysis required; plan a project specific risk model defining project objectives, risk thresholds, roles and responsibilities, and how the remaining risk processes will be implemented; identify all credible threats to the achievement of project objectives and if any opportunities exist that may possibly promote project objectives; analyze the likelihood of one occurrence, degree of impact on occurrence, and the prioritization of identified risks slated for further analysis, respond by developing a strategy to treat the risk (i.e. accept, avoid, mitigate, transfer); and execute and control by implementing the planned strategy with continued monitoring and control to confirm effectiveness, make adjustments if needed, and ensure the planned results are achieved.

The risk management model included a qualitative risk analysis that scores and ranks risks to produce a prioritized list of identified risks and a quantitative risk analysis that numerically analyzes the individual and combined effect of identified risks on project objectives. Using a 3-point estimate, a simulation tool is utilized to run scenario

iterations to produce degrees of confidence intervals. For the contingency allocation for the Project, the confidence interval was set at the 85th percentile. Such an analysis provides supporting information which reduces project uncertainty and enables informed decision making. It is important to note that the contingency allocation is not funded liability for each individual risk cost but rather a probabilistic value based on their likelihood of occurrence.

Given the probabilistic nature of the contingency valuations, a detailed breakdown of the contingency by lines work and stations work is only available to the extent already presented in **Table 1 and Table 2 of Exhibit B, Tab 7, Schedule 1**, respectively.

- b) Please refer to Table 1 below for the comparison of the Project's contingency cost estimate relative to overall contingency costs for projects of similar size and complexity recently undertaken by Hydro One.

Table 1 - Contingency Cost Comparison

	DKPL Project	Chatham Lakeshore Project	Waasigan Project – Phase 1	Waasigan Project – Phase 2	St. Clair Transmission Line Project	Welland Thorold Power Line Project
Project Contingency	9.7%	8.4%	10.6%	9.8%	8.8%	12.6%

As noted, the Project's contingency is within the range of contingency allowance that Hydro One has applied to other transmission projects of similar size and complexity. Further, Hydro One notes that the contingency value is a project-specific forecast and will only be utilized if a risk actually materializes on the Project that needs to be mitigated.

OEB STAFF INTERROGATORY - 09

Reference:

Exhibit B-7-1

Preamble:

Hydro One has included adjustments in Tables 3 and 4 related to a “Newly Enacted Tariff Impact” and escalation factors applied to comparable project costs. Given the potential effect of recent tariffs and inflationary pressures on transmission project costs, additional information is required to understand Hydro One’s methodology, assumptions, cost exposure, and the reasonableness of the resulting adjusted comparable cost estimates. Greater transparency regarding these adjustments will assist in assessing the prudence of the proposed project costs and the appropriateness of the benchmarking analysis presented in the application.

Interrogatory:

- a) For the project costs shown in Table 1 and Table 2, please describe and quantify all categories that are currently exposed to tariff cost increases and list any additional risks.
- b) Please identify any mitigation measures Hydro One has implemented or is considering reducing exposure to tariff-related cost increases.
- c) Table 3 and Table 4 contains adjustments labelled “Newly Enacted Tariff Impact”.
 - i. How were these values calculated? What factors contributed to this analysis?
 - ii. Please provide an Excel spreadsheet showing how these adjustments were calculated, the factors that were included, and what values were assigned to each factor.
- e) For Table 3 and Table 4, Hydro One noted that the inflation adjustment factors used for comparator projects are consistent with the OEB’s annual inflation parameters for electricity transmitters’ rate applications.
 - i. Please confirm if Hydro One has applied the OEB’s 2027 inflation parameters in the escalation adjustment.
 - ii. If not, please update the escalation adjustment calculations for Table 3 and Table 4 using the OEB’s 2027 inflation parameters.
- f) For Table 3 and Table 4, please provide detailed calculations (in Excel format) for the Escalation Adjustment values (or the Total Adjusted Comparable Cost) for the three

comparable projects. The calculations should show the annual inflation parameters applied for each year.

- g) In Table 4, the “Total Adjusted Comparable Cost” of the Dobbin TS is shown to be \$67.542 million. This is higher than all the comparable projects. Please discuss why the station work at Dobbin TS has a higher estimated adjusted cost compared to the comparable projects.

Response:

- a) Of the cost categories listed in **Table 1 and Table 2 of Exhibit B, Tab 7, Schedule 1**, the cost categories that would be directly affected by the newly enacted tariffs would be *Materials*, and *Equipment Rental and Contractor Costs* categories. There are no additional known tariff risks for the Project other than those listed in the cost categories of **Table 1 and Table 2 of Exhibit B, Tab 7, Schedule 1**.

As shown in **Table 3 of Exhibit B, Tab 7, Schedule 1**, the estimated cost impact of the newly enacted tariffs on the transmission line costs is approximately \$5 million of the \$335 million line-related costs presented in **Table 1 of Exhibit B, Tab 7, Schedule 1**. Similarly, **Table 4 of Exhibit B, Tab 7, Schedule 1** indicates that the estimated cost impact from the newly enacted tariffs on the stations costs is approximately \$1.5 million of the \$93 million station-related costs presented in **Table 2 of Exhibit B, Tab 7, Schedule 1**.

Please refer to the response in part c) below for further details regarding the calculation used to determine the estimate impacts of the newly enacted tariff.

- b) For both the line and station components of the Project, Hydro One has implemented a sourcing strategy that prioritizes Ontario and Canadian based suppliers over international suppliers when a commercially viable option is available. Suppliers are evaluated based on factors such as ownership location, manufacturing and resource location. In addition, Hydro One has incorporated Canadian content as a factor in its contract evaluation process alongside technical and commercial considerations.

Furthermore, Hydro One requires its contractors to provide Ontario and Canadian suppliers a meaningful opportunity to bid on relevant work packages and strategic commodities such as steel structures, conductors, hardware, and electrical equipment.

The objective of this approach is to strengthen domestic supply chains, support local industry, and mitigate tariff-related risks.

c) As described in **Exhibit B, Tab 7, Schedule 1**, the newly enacted tariff adjustment accounts for incremental costs associated with new tariffs effective December 26, 2025, whereby the Government of Canada imposed a 25% tariff on imported steel derivative products, including tower steel structures, conductors and tower foundation steel materials. These costs are attributed to current government policy and were not incurred by the other comparable projects.

Accordingly, the newly enacted tariff adjustment reflects the combined effect of: (i) the tariffs in effect at the time the estimate was developed, and (ii) the forecast costs associated with the components subject to those tariffs. The adjustment amount is determined by multiplying the applicable tariff rates by the forecast costs of the affected components.

Please refer to Attachment 1 of this Schedule for the requested Excel spreadsheet showing how these adjustments were calculated. Attachment 1 has been filed confidentially with the OEB in accordance with its Practice Direction on Confidential Filings.

e) Given that both the issuance of the OEB 2027 Inflation Parameters and the filing of the Project's leave to construct application occurred in early June, Hydro One did not incorporate the OEB's 2027 Inflation Parameters into the escalation adjustment calculation presented in **Table 3 and Table 4 of Exhibit B, Tab 7, Schedule 1**.

Please refer to Table 1 and Table 2 below for the escalation adjustments using the OEB's 2027 Inflation Parameters, for the line and station comparators respectively.

Table 1 - Revised Escalation Adjustments for Comparable Line Projects

	Woodstock Area Reinforcement	Power South Nepean Project	Chatham x Lakeshore Transmission Line
Escalation Adjustment	\$17,919K	\$12,189K	\$23,167K
Total Adjusted Comparable Cost	\$48,253K	\$51,063K	\$157,828K
Unit Cost	\$3,548K/km	\$4,186K/km	\$3,221K/km

Table 2 - Revised Escalation Adjustments for Comparable Station Projects

	Chatham SS (CxL Project)	Wawa TS (EWT Project)	Lakehead TS (EWT Project)
Escalation Adjustment	\$4,327K	\$12,912K	\$15,080K
Total Adjusted Comparable Cost	\$29,481K	\$55,471K	\$64,788K

1 f) Please refer to Attachment 2 of this Schedule for the detailed calculations (in Excel
2 format) for the Escalation Adjustment values (including the Total Adjusted Comparable
3 Cost) for the three comparable projects as presented in both **Table 3 and Table 4 of**
4 **Exhibit B, Tab 7, Schedule 1.**

5
6 g) As outlined in **Exhibit C, Tab 1, Schedule 1**, the scope of work at Dobbin TS extended
7 beyond the installation of a new diameter, breakers and associated equipment
8 required to terminate the new 230 kV transmission line. The scope also included the
9 replacement of five existing 230 kV breakers and associated equipment to
10 accommodate the increase in fault levels with the addition of the new 230 kV
11 transmission line. This replacement work involves removal of the existing breakers
12 and associated equipment (i.e. disconnect switches, foundations, etc.) and installation
13 of new breakers and associated equipment together with modifications to the related
14 protection, control, and telecommunication equipment. This additional scope required
15 to accommodate the increase in fault levels is a project-specific requirement and was
16 not required for the comparable projects identified in **Table 4 of Exhibit B, Tab 7,**
17 **Schedule 1.** As a result, the Project's estimated adjusted cost is slightly higher than
18 those of the referenced comparable projects.

19
20 Furthermore, though Table 4 denotes that the Dobbin TS estimate is 2.4% higher than
21 the adjusted comparable cost of Lakehead TS, it is important to consider that the
22 actual costs of the comparable projects have been escalated only by a conservative
23 escalation factor, notably the OEB inflation factor. The annual OEB inflation factor
24 escalation, as detailed in Attachment 2 of this Schedule ranging from 2% to 5.4%
25 annually with current rate of 2.9%, has been generally accepted in past applications
26 as an escalation factor. However, the OEB annual inflation factors fails to reflect that
27 costs of critical transmission components have risen dramatically between the in-
28 service date of the comparable projects and the Project. The rate of escalation far
29 outstrips even the elevated inflation levels experienced over the past five years. At the
30 same time, the construction labour market has tightened as the size of the labour force
31 has failed to keep pace with rising demand for construction labour across North
32 America which adds additional cost pressure on the labour market. When this
33 consideration is taken into account, the cost of Dobbin TS is consistent with that of
34 comparable projects.

OEB STAFF INTERROGATORY 09 – ATTACHMENT 1
TARIFF ADJUSTMENT CALCULATION – CONFIDENTIAL EXCEL

The Newly Enacted Tariff Impacts adjustment calculations for the Project's line and station components, as presented in **Table 3 and Table 4 of Exhibit B, Tab 7, Schedule 1**, respectively, have been filed as a 'live' MS Excel spreadsheet and have been filed confidentially with the OEB in accordance with its Practice Direction on Confidential Filings.

OEB STAFF INTERROGATORY 09 – ATTACHMENT 2
ESCALATION ADJUSTMENT CALCULATIONS – 2026 AND 2027

The Escalation adjustment calculations for the line and station comparable projects, as presented in **Table 3 and Table 4 of Exhibit B, Tab 7, Schedule 1**, respectively, have been filed as 'live' MS Excel spreadsheets.

OEB STAFF INTERROGATORY - 10

Reference:

Exhibit E-1-1

Preamble:

At the above reference, Hydro One states that to complete the transmission line scope of work, Hydro One is required to acquire land rights from 183 directly impacted properties consisting of 171 privately held properties (including 7 Conservation Authority properties), 10 municipally held properties, 1 provincially held property, and 1 railway property. Hydro One further stated that It is working with the directly impacted property owners to acquire voluntary agreements. Hydro One also notes that approximately 95% of the route will utilize and re-purpose portions of existing transmission line corridors.

Interrogatory:

- a) Please provide an update on the negotiations with the landowners for the necessary rights required for the construction of the proposed transmission line.
- b) Please explain how 183 properties are being directly impacted when 95% of the route will use existing transmission line corridors.

Response:

- a) At the time of filing these responses, negotiations with the affected landowners for the necessary rights required for the Project have been progressing well. An update to Hydro One's progress towards securing voluntary agreements with all affected landowners, as of August 31, 2026, is set out in Table 1 below.

Table 1 - Land Acquisition Status (As of August 31, 2026)

Property Type	Number of Properties	Early Access Agreement Offered	Early Access Agreement Achieved	Voluntary Settlement Agreements Offered	Voluntary Settlement Agreements Achieved
Private Lands ¹	171	171	167	154	66
Municipal Lands	10	10	10	10	0
Provincial Lands	1	1	1	1	0
Railway Lands	1	N/A	N/A	N/A	N/A

¹ Private Lands includes the seven Conservation Authority properties.

b) Although the preferred route for the Project utilizes existing transmission line corridors for approximately 95% of its length, the existing land right agreements within those corridors provide rights only for constructing and maintaining the existing transmission line along a specific centreline, not constructing a new transmission line. To avoid expanding the existing transmission corridor footprint, the new 230 kV transmission line will be positioned with its centreline approximately 4.6 metres north of the existing structures. As a result, a portion of the new 230 kV transmission line right-of-way will overlap with the existing right-of-way for the adjacent 230 kV transmission line (circuit P15C). Therefore, the existing land rights cannot be relied upon for the construction and operation of the new 230 kV transmission line and new land rights must be negotiated with impacted property owners.

For clarity, the figure below, extracted from the detailed route map found at **Exhibit E, Tab 1, Schedule 1, Attachment 1**, illustrates the layout of the new 230 kV transmission line within the existing transmission line corridors along the majority of the Project route.



OEB STAFF INTERROGATORY - 11

Reference:

Energy for Generations, Ontario's Integrated Plan to Power the Strongest Economy in the G7, June 2025

Interrogatory:

- a) Please discuss if there are portions of the above reference that Hydro One considers relevant to the matters in issue in this proceeding.

Response:

- a) In addition to the Project being declared a priority transmission project, as identified in **Exhibit B, Tab 3, Schedule 1**, the Project is also explicitly identified by the Government of Ontario in Chapter 3 of the Integrated Energy Plan as one of the key projects currently underway to support growth in Eastern Ontario. Chapter 3 states that the Project will help meet increasing electricity needs in the Peterborough to Quinte West area and address upstream transmission constraints that could otherwise limit future load growth in the Ottawa area. Chapter 3 further recognizes the importance of expanding transmission infrastructure in the region to ensure a reliable electricity system capable of supporting this growth.¹

Furthermore, Chapter 8 highlights the Province's commitment to advancing economic reconciliation as a key component of Ontario's energy future² and identifies Hydro One's 50-50 Equity Partnership model³ as an example of Indigenous participation in transmission projects with specific reference to the Project. This chapter further emphasizes the Province's objective of ensuring Indigenous communities share in the economic benefits of energy development, and recognizes the important role Indigenous communities play in the planning, development, construction, operation, and long-term benefits associated with transmission investments.⁴

Accordingly, Hydro One considers Chapters 3 and 8 of the Integrated Energy Plan to be particularly relevant to this Application.

¹ [Ontario's Integrated Energy Plan: Energy for Generations](#), p. 73.

² Ibid, p. 130.

³ Ibid, p. 135.

⁴ Ibid, p. 135.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 01

Reference:

In accordance with the Procedural Order issued August 12, 2026, the Intervenor, owner of properties known as [REDACTED] and [REDACTED] (the "Properties") provide the following questions to be answered by Hydro One Networks Inc. ("HONI"):

Interrogatory:

To provide the following documents:

- a) Grading and regrading drawings with respect to the Properties;
- b) Construction drawings relating to the bases of the towers, including the class and dimensions.

Response:

- a) The new transmission line is being designed without the need for permanent grading changes and as a result, corresponding grading and regrading drawings with respect to the Properties are not required. However, the existing grade may be temporarily changed to establish access to the work area. Those access plans are currently under development as part of the Project's detailed engineering phase, which is anticipated to conclude in March 2027, as noted in **Exhibit B, Tab 11, Schedule 1**.

In addition, Hydro One is committed to working with affected property owners to mitigate and, where appropriate, compensate for any physical property damage arising from Project-related pre-construction and construction activities undertaken by Hydro One and/or its contractors, as outlined in the Project's land acquisition program.

- b) Please refer to **Section 2.0 of Exhibit C, Tab 1, Schedule 1**, for details pertaining to the tower structures, including diagrams of the proposed tower structures that will be utilized for the Project. As highlighted, these tower structures will be supported by either helical pile type or concrete drilled caissons foundations. The final determination on the foundation type will be made based on site-specific geotechnical conditions and specific tower structure to be installed at each location. As noted in the response to part a) above, further design details and drawings are currently under development through the Project's detailed engineering phase, which is anticipated by March 2027.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 02

Interrogatory:

To advise as to the construction timeline for the towers being built on the Properties, including when HONI anticipates commencing work on the Properties and when they anticipate being done with the work on the Properties;

Response:

Construction of the Project is contingent upon obtaining leave to construct and securing the necessary land rights required to carry out the work. As set out in **Exhibit B, Tab 11, Schedule 1**, Hydro One currently anticipates commencing line construction in March 2027, with the Project expected to be placed in service in December 2029. Site-specific construction schedules will not be finalized until leave to construct is obtained. At this time, Hydro One expects that construction activities at the identified Properties will be during the above referenced time periods.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 03

Interrogatory:

To advise as to the exact location of the towers on the Properties;

Response:

The location of the towers on the Properties as currently contemplated at this time are as follows. Tower placements are subject to change as detailed engineering of the transmission line progresses.

For Property 1 () there will be 2 towers constructed on the property and located at the following coordinates:

- Latitude: 44° 2'1.23"N and Longitude: 78°49'15.51"W
- Latitude: 44° 2'10.83"N and Longitude: 78°48'56.13"W

For Property 2 () there will be 1 tower constructed on the property and located at the following coordinates:

- Latitude: 44° 7'5.01"N and Longitude: 78°41'17.81"W

Hydro One continues to engage with property owners to secure voluntary access to lands required to construct the Project and will provide additional site-specific information as it becomes available.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 04

Interrogatory:

To advise as to the kilovolts of the transmission lines and towers being placed on, over, and across the Properties;

Response:

As outlined in the Application, Hydro One is seeking leave to construct a new 230 kV double-circuit transmission line. Accordingly, the transmission facilities to be placed on, over, and across the Properties will operate at 230 kV, and the associated tower structures will be designed and constructed to support a 230 kV double-circuit transmission line.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 05

Interrogatory:

To provide schematics of the towers and lines, including the magnitude/clearance from ground level, and details on what the base that the towers will be located on;

Response:

Please refer to **Figures 1 through 3 of Exhibit C, Tab 1, Schedule 1**, for schematics of the representative transmission tower structures to be utilized for the Project. Information on foundation descriptions are provided in response to **Exhibit I, Tab 2, Schedule 1**.

Hydro One's standard minimum design clearance to ground, at maximum operating temperature, is 8.8 m over cultivable farmland. However, final clearances for towers and lines, and details pertaining to foundations will be determined through detailed engineering and site-specific geotechnical investigations. As outlined in **Exhibit B, Tab 11, Schedule 1**, the detailed engineering phase is anticipated to conclude by March 2027.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 06

Interrogatory:

To advise how far apart each tower will be from the other on the Properties;

Response:

As described in **Section 2.0 of Exhibit C, Tab 1, Schedule 1**, the proposed self-supported lattice suspension towers will have a nominal span length of approximately 320 meters. However, actual tower spacing is determined during detailed engineering and will vary based on site-specific topography, environmental constraints, and constructability considerations. Accordingly, the individual tower spans on the noted Properties are expected to vary between approximately 250 meters and 320 meters.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 07

Interrogatory:

To advise when HONI will be required to have access to the Properties, as well as the details for same, including what types of vehicles, equipment and machinery (including helicopters), will be required to attend the Properties, and how they will access the location of the Towers;

Response:

Hydro One requires access to lands during both the development and execution phases of the Project. Hydro One works with property owners to secure voluntary agreements to facilitate the required access to properties affected by the transmission corridor to perform various activities/studies associated with the development of the Project, including specific environmental studies, engineering and design studies, and property specific land valuations/studies. Hydro One will also require intermittent access to properties affected by the transmission corridor during the detailed engineering, construction, commissioning, and site remediation stages of the Project. The anticipated timing of these activities is outlined in **Exhibit B, Tab 11, Schedule 1**.

Access to the specific tower locations will be via a temporary construction track constructed along the length of the easement corridor. This will allow the Contractor access from one property to the next. The access to the corridor/property will be off a county or municipal roadway or an adjacent property.

Hydro One anticipates that a variety of vehicles, equipment and machinery will be required during construction of the transmission line, including but not limited to bulldozers, cranes, back hoes, pullers/tensioners, excavators, front end loaders, concrete trucks and dump trucks. Specific equipment and access requirements for individual properties will be confirmed through detailed engineering and construction planning.

Hydro One continues to engage with property owners to secure voluntary access to lands required to construct the Project and will provide additional site-specific information as it becomes available.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 08

Interrogatory:

To advise if there will be substations located on either of the Properties;

Response:

The Project does not include the construction of any new transformer stations or substations. As outlined in **Exhibit C, Tab 1, Schedule 1**, the transmission station-related work is limited to modifications at existing Hydro One stations, primarily Dobbin TS and Clarington TS; as well as updates to relay protection, control, and telecommunication settings at Chat Falls SS, Havelock TS, Merivale TS, and Cherrywood TS. Accordingly, no new transformer stations or substations are proposed on either of the Properties as part of the Project that is the subject of this Application.

This page has been left blank intentionally.

JENSENS INTERROGATORY - 09

Interrogatory:

To advise if HONI will be implementing any mitigating plans to reduce any potential adverse impacts and if there will be emergency and/or evacuation plans shared with affected property owners;

Response:

Hydro One has committed to mitigation and restoration measures to address potential environmental effects as outlined in the Project's Final Environmental Study Report¹. Examples of these mitigation and restoration measures include, but are not limited to:

- Installation of silt fencing, where required;
- Removal of temporary access roads and work pads;
- Re-leveling and re-seeding of disturbed areas; and
- Restoration of any existing fencing removed.

Any required emergency response and safety procedures for the protection of the construction workers will be implemented in accordance with Hydro One's standard construction and operating requirements.

The Contractor undertaking the work will provide advance notification to the affected property owners for any activity directly affecting the property. Specific hazards will be identified and mitigation plans will be implemented by the Contractor for those specific activities.

¹ [Hydro One's Durham Kawartha Power Line Class EA Final ESR](#) (January 30, 2026).

This page has been left blank intentionally.

JENSENS INTERROGATORY - 10

Interrogatory:

And; To advise whether the existing 230kv line is to be decommissioned and its lines and towers removed, and if so, the particulars regarding timing and restoration of the subject lands.

Response:

The Project will repurpose portions of existing transmission line corridors, representing approximately 50 km of the overall route defined through the environmental assessment process. As outlined in **Section 3.0 of Exhibit C, Tab 1, Schedule 1**, the Project includes the removal of approximately 196 transmission structures, conductors, and associated components, together with restoration activities. The removal of these transmission facilities is planned to occur during the construction phase of the Project, which is currently anticipated to start in March 2027 with site remediation anticipated to finish in May 2030, as outlined in **Exhibit B, Tab 11, Schedule 1**. The timing of these activities is contingent upon obtaining leave to construct and securing necessary land rights required to undertake the work.

Filed: 2026-09-08
EB-2026-0155
Exhibit I
Tab 2
Schedule 10
Page 2 of 2

1

This page has been left blank intentionally.

MINOGI CORP. INTERROGATORY - 01

Reference:

1. Exhibit B-1-1, Pages 3-4
2. Exhibit B-7-1, Pages 3-4

Interrogatory:

- a) Please identify any project costs associated with Indigenous economic participation that are included in the cost estimate for the Project and indicate the cost category in which each such cost is included.
- b) Please identify any anticipated costs associated with Indigenous economic participation that are not included in the Project cost estimate and explain why they have been excluded.
- c) Please identify any allowances included in the Project cost estimate or contingency for project design, construction, monitoring, protection, avoidance or other measures that may arise from matters identified through HONI's engagement with affected First Nations, and indicate where those amounts are reflected in the estimate.
- d) Please confirm whether HONI expects any material change to its Indigenous economic participation arrangements or other project-related measures involving affected First Nations to result in a change to the Project cost estimate. If not, please explain why.

Response:

- a) The Project cost estimate incorporates the costs associated with Indigenous consultation and engagement activities, including capacity funding and other measures designed to enable meaningful participation by Indigenous communities throughout the development and execution of the Project, and to meet the required consultation and economic participation obligations.

During the development phase, Hydro One undertook Indigenous engagement and consultation activities to support Indigenous communities' participation in the environmental assessment process. These activities included opportunities to participate as field monitors in the archaeology programs and the environmental field surveys, as well as engagement related to partnership opportunities. Capacity funding was provided to ensure opportunity for participation and consultation. The cost of these activities is estimated at approximately \$6.2 million and is included within the \$17.7 million allocated to the Sundry cost category in **Table 1 of Exhibit B, Tab 7, Schedule 1**.

As the Project progresses into the execution phase, the requirements and associated costs related to Indigenous economic participation and engagement activities related to the procurement and project delivery process have been incorporated into the competitively procured fixed-price Engineering, Procurement and Construction (EPC) contract. These activities have been informed by several years of ongoing engagement with Indigenous communities and are embedded within the EPC contractor's pricing. The fixed-price contract includes an estimated [REDACTED] related to indigenous-owned subcontracting, material and labour procurement, and engagement activities, which has been appropriately allocated in the direct cost categories of **Table 1 of Exhibit B, Tab 7, Schedule 1**. The costs associated with the EPC contractor pricing has been filed confidentially with the OEB in accordance with its Practice Direction on Confidential Filings.

b) The Project cost estimate includes all anticipated costs associated with Indigenous economic participation that are reasonably foreseeable at this stage of Project development. Accordingly, there are no anticipated Indigenous economic participation costs that have been excluded from the Project cost estimate.

c) The Project cost estimate includes an allowance for contingencies in recognition of risks that may arise during Project execution. As outlined in the response to part a) of **Exhibit I, Tab 1, Schedule 8**, Hydro One follows an industry established best practices methodology in developing the contingency utilizing a risk management model that includes both a qualitative and a quantitative risk analysis of identified risks to the Project.

The contingency allowance was informed by Hydro One's experience delivering similar transmission projects, the competitively procured fixed-price EPC contract, and insights gained through several years of ongoing engagement with potentially affected Indigenous communities. Given the probabilistic nature of the contingency valuations, a detailed breakdown of the contingency is only available to the extent already presented in **Table 1 and Table 2 of Exhibit B, Tab 7, Schedule 1**. As a result, there is no discrete contingency allowance amount specifically designated for matters arising from engagement with affected Indigenous communities.

d) Hydro One does not expect any material change to the Project cost estimate arising from any economic participation or other project-related measures involving affected Indigenous communities. Further, as outlined in the response to part c) of **Exhibit I, Tab 1, Schedule 1**, Hydro One does not anticipate that the limited partnership will impact the Project cost estimates provided at **Exhibit B, Tab 7, Schedule 1**. As noted in responses to parts a) and c) above, the Project cost estimate, including contingency provisions, has been informed by feedback received through Indigenous communities'

- 1 engagement and consultation activities, as well as Hydro One's experience in
- 2 developing and delivering comparable transmission projects.

This page has been left blank intentionally.

MINOGI CORP. INTERROGATORY - 02

Reference:

1. Exhibit B-1-1, Pages 3-4
2. Exhibit B-7-1, Pages 3-4

Interrogatory:

- a) Please describe the assumptions HONI has made in preparing the Project cost estimate regarding the potential for additional project expenditures arising from ongoing engagement with affected First Nations or from measures developed in response to matters raised through that engagement, such as impacts on the rights of First Nations and their members.
- b) Please indicate whether HONI has identified any cost or schedule risks associated with implementing its Indigenous employment, training, contracting, economic participation or other project-related commitments to affected First Nations and, if so:
 - i. describe each material risk identified;
 - ii. indicate whether that risk has been quantified; and
 - iii. explain whether and how the risk is reflected in the Project contingency.

Response:

- a) The Project cost estimate is based on the assumption that ongoing engagement with affected Indigenous communities will continue in a manner consistent with the relationships, engagement processes, and consultation activities established throughout Project development. This assumption is informed by the Indigenous engagement and consultation undertaken to date to understand community priorities, interests, potential impacts, and opportunities for participation; the established relationships with affected Indigenous communities, which in many instances build upon broader, long-standing relationships developed through Hydro One's work across the transmission system; and Hydro One's experience in developing and delivering comparable transmission projects.

As outlined in the response to part b) of **Exhibit I, Tab 3, Schedule 1**, the Project cost estimate includes all reasonably foreseeable costs associated with ongoing Indigenous engagement and project-related measures involving affected Indigenous communities. Accordingly, Hydro One considers the Project cost estimate to appropriately reflect anticipated expenditures and does not expect any material changes to the cost estimate as presented in **Exhibit B, Tab 7, Schedule 1**.

1 b) Hydro One has incorporated reasonably foreseeable commitments, participation
2 opportunities, mitigation measures, and implementation requirements into the Project
3 cost estimate and schedule. Therefore, no material project-specific cost or schedule
4 risks specifically associated with implementing Indigenous employment, training,
5 contracting, economic participation, or other project-related commitments to affected
6 Indigenous communities are expected.

7
8 As outlined in the response to part c) in **Exhibit I, Tab 3, Schedule 1**, the Project cost
9 estimate includes an allowance for contingencies in recognition of risks that may arise
10 during Project execution. However, given the probabilistic nature of the contingency
11 valuations, there is no specific identified risk or discrete contingency allowance amount
12 specifically related to Indigenous participation commitments or ongoing engagement
13 with affected Indigenous communities.

14
15 Hydro One will continue to engage with affected Indigenous communities throughout
16 Project execution and remains committed to working collaboratively with communities
17 to address matters that may arise during Project implementation.

MINOGI CORP. INTERROGATORY - 03

Reference:

1. Exhibit B-1-1, Pages 3-6
2. Exhibit B-6-1, Page 2

Preamble:

HONI states that the Project supports Indigenous-led economic development and will provide Indigenous governments and communities with training, employment, economic benefits, and investment opportunities.

Interrogatory:

- c) Please provide HONI's current estimates, where available, of:
 - i. the dollar value of procurement opportunities expected to be awarded to Indigenous or First Nation-owned businesses;
 - ii. the number or proportion of employment opportunities expected to be filled by Indigenous persons; and
 - iii. the value and nature of training opportunities expected to be provided.
- d) Please identify any targets, performance indicators or other measures HONI intends to use to assess whether these economic benefits are achieved.
- e) Please describe how HONI intends to track and report on the Indigenous procurement, employment, training and other economic benefits generated by the Project.
- f) Please indicate and describe (e.g., content, frequency, duration etc.) whether HONI intends to report to the OEB on the implementation and outcomes of the Indigenous economic participation measures relied upon in its evidence, including Indigenous procurement, employment, training and equity participation. If no, please explain why not.

Response:

- c) Through the competitively procured fixed-price Engineering, Procurement and Construction (EPC) process, Hydro One's objective is to provide meaningful Indigenous economic participation opportunities associated with the Project, including employment, training, and other business opportunities for affected Indigenous communities.
 - i. Please refer to the response in part a) of **Exhibit I, Tab 3, Schedule 1** for the total dollar value of procurement opportunities (including labour, materials, etc.) expected to be awarded to Indigenous communities.

1 ii. A copy of this response has been filed confidentially with the OEB in accordance
2 with its Practice Direction on Confidential Filings. [REDACTED]

3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10
11 iii. As part of the fixed-price EPC contract, funding has been established for the skills
12 and training development of Indigenous communities for work readiness,
13 environmental monitors, project support and technical skills. The associated costs
14 are included within the employment opportunity value referenced in response to
15 part c-ii) above. These initiatives are in addition to the training opportunities offered
16 during the Project's development phase, as described in the response to part a) of
17 **Exhibit I, Tab 3, Schedule 1.**

18
19 d) A copy of this response has been filed confidentially with the OEB in accordance with
20 its Practice Direction on Confidential Filings. [REDACTED]

21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28
29 e) In accordance with the EPC contract terms specific to the Project, the extent of realized
30 procurement and employment and training opportunities are reported to Hydro One by
31 the EPC contractor, enabling Hydro One to track accomplishment of these targets.

32
33 f) Hydro One's evidence in this proceeding describes its approach to Indigenous
34 engagement and economic participation and forms part of the evidentiary record upon
35 which the OEB will assess the Application. Any additional information related to
36 Indigenous equity participation will be provided, as appropriate, through future
37 regulatory applications filed on behalf of the limited partnership. Accordingly, Hydro
38 One has not proposed a separate reporting framework to the OEB specifically for
39 Indigenous procurement, employment, training, equity participation, or other economic
40 participation initiatives associated with the Project and does not consider such a report
41 necessary.

MINOGI CORP. INTERROGATORY - 04

Reference:

1. Exhibit B-1-1, Pages 3-6
2. Exhibit B-6-1, Page 2

Interrogatory:

- a) Would HONI have any objection to a condition of approval requiring HONI to report to the OEB on the implementation and outcomes of the Indigenous economic participation commitments relied upon in this Application? If yes, please explain.

Response:

- a) Hydro One's view is that the objectives of such a condition are already addressed through existing regulatory processes and reporting frameworks, and therefore such a condition of approval is not necessary. As outlined in response to part f) of **Exhibit I, Tab 3, Schedule 3**, Hydro One's approach to Indigenous engagement and economic participation has been described in the evidence filed in this proceeding and will continue to be reflected in future regulatory applications, as applicable.

In addition, Indigenous economic participation opportunities associated with the Project are being developed through ongoing engagement and collaboration with affected Indigenous communities and are expected to be reflected in project-specific commercial arrangements between the parties. HONI considers these existing regulatory, governance, and engagement mechanisms to provide appropriate transparency and accountability regarding the implementation of Indigenous economic participation measures and outcomes.

Filed: 2026-09-08
EB-2026-0155
Exhibit I
Tab 3
Schedule 4
Page 2 of 2

1

This page has been left blank intentionally.