

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-01:

Ref: Appendix B – Incremental Capital Module Whitby Smart Grid & Sustainable Brooklin P8

The amount of the capital contribution would be approximately \$2,260 per home or building before Elexicon supplies power. Please explain how this amount was derived.

Response:

Please see response to CCMBC-5 part a.

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-02:

Ref: Appendix B – Incremental Capital Module Whitby Smart Grid & Sustainable Brooklin P11

Table 1 provides the WSG net benefits.

- a) Please provide references for the Cost of Power, ICM Additional Revenue, Additional OM&A expenses, Operating Efficiencies from WSG and the Projected VoLL Benefit from Reliability.
- b) Please discuss and quantify the impact on reliability benefits if the scope of the WSG work component was reduced by 50%.
- c) Please provide all sensitivity analyses undertaken by Elexicon with respect to the annual customer benefit.

Response:

- a) Please see below:

Cost of Power:

For the year 2021, Elexicon completed a reconciliation of its Cost of Power between the WRZ and VRZ in the course of its audit. The outcome of that reconciliation was a Cost of Power for the WRZ of \$108,526,471.

ICM Additional Revenue:

The “ICM Incremental Revenue” listed in the table noted can be found in Elexicon’s ACM-ICM Model filed for the Whiby Smart Grid in the WRZ¹, as submitted in Elexicon’s pre-filed evidence. The figure can be found under tab “Incremental Capital Adj.” in row 93, titled “Incremental Revenue Requirement”.

¹ File name “EE_WRZ WSG_2023_ACM_ICM_Model_1.0_20220727”



Additional OM&A Expense and Operating Efficiencies:

Assumptions and calculations informing Elexicon’s estimated Additional O&M Expense and Operating Efficiencies are further detailed in the table below:

Table 1 – O&M Costs and Benefits

O&M Costs & Benefits

Estimated Additional FTEs	Hourly Rate	Cost Loading	Total Hourly	Annual Hours	Annual Cost	Qty	Cost
Supervisor	\$ 55.00	25%	\$ 68.75	2080	\$ 143,000	1	\$ 143,000
Hourly Staff (e.g. operator, electrician)	\$ 46.33	25%	\$ 57.91	2080	\$ 120,458	1.5	\$ 180,687
Total							\$ 323,687

Estimated OM&A Savings

Average Annual Outages	117
Average Reduction to Response Time	1
Total Annual Outage Response Time Reduction	117
Hourly Cost of Truck Roll (2 Tech & OH)	\$ 350.00
O&M Savings	\$ 40,950
Net O&M Impacts \$ 282,737	

Projected VoLL Benefit from Reliability:

To calculate an estimate of the Value of Lost Load (VoLL) Elexicon relied on a U.S.-based Lawrence Berkley National Laboratory (LBNL)² study updated in 2015, which had been previously relied upon by Navigant Consulting Ltd. (Navigant) in their analysis of the PUC Distribution Sault Smart Grid, as approved by the OEB in EB-2020-0249.³ The LBNL values recognize the different economic value (loss) of service interruptions amongst different customer sizes. The LBNL study, as referenced by Navigant, provides costs per customer (by size) per 60 minute outage, represented in 2015 Canadian Dollars. The table produced by Navigant, relying on the LBNL study referenced, is provided below:

² Michael J. Sullivan, Josh Schellenberg, and Marshall Blundell. Updated Value of Service Reliability Estimates for Electric Utility Customers in the United States. Updated January 2015

³ EB-2020-0249, Appendix AA5 – Appendix 4 JTC1_18 Copy of PUC SSM UDM Business Case Analysis_FINAL 20160504

Table 2 -- LBNL Costs per customer

LBNL Customer Class ⁷	Cost per Customer per 60 Minute Outage (\$CAD ⁸)
Medium & Large C&I (> 50,000 Annual kWh)	\$22,737
Small C&I (< 50,000 Annual kWh)	\$826
Residential	\$6.50

For the purpose of estimating VoLL, Elexicon escalated these costs by actual GDP-IPi as presented by Statistics Canada for the period of Q1 2016 through Q1 2022.

To complete the VoLL estimate, Elexicon relied on its actual WRZ customer count by customer size and the forecast SAIDI improvement resulting from the Whitby Smart Grid. The resulting calculation is presented in the table below:

Table 3: Reliability Benefit

	Cost/Customer per 1hr outage	GDP-IPi Escalation: Q1 2016 to Q1 2022	SAIDI Reductions	Cost/Customer per 0.58 hr outage	Customers	Reliability Benefit
Residential	\$ 7	\$ 7	\$ 1	\$ 4	\$ 43,441	\$ 183,970
GS <1 MW	\$ 826	\$ 928	\$ 1	\$ 538	\$ 2,737	\$ 1,472,952
GS >1MW	\$ 22,737	\$ 25,541	\$ 1	\$ 14,814	\$ 11	\$ 162,952
					Total Benefit	\$ 1,819,874

b) Reducing the WSG scope by 50% would result in all customers in the WRZ paying for the project, but only a subset of those customers gaining the benefits. Elexicon cannot precisely quantify the impact of a reduction of 50% in the Whitby Smart Grid project scope. A hypothetical impact of any value would require a detailed plan and corresponding results estimate based on specific stations, feeders, and other assets which were excluded from the Whitby Smart Grid. Elexicon intends to modernize its entire WRZ system, and has completed no such hypothetical design.

c) Elexicon did not perform any sensitivity analysis with respect to customer benefit.

Elexicon Energy Inc.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-03:

Ref: Appendix B – Incremental Capital Module Whitby Smart Grid & Sustainable Brooklin P24

The Sustainable Brooklin community is forecasting 700+ DER and EV ready homes per year starting in Q4, 2023.

Please provide the forecast of DER and EV ready homes by year.

Response:

Table 1 shows the estimated number of DER and EV ready homes in the Sustainable Brooklin community under the three growth scenarios described in Appendix B-4 (see pages 10-12 of Appendix B-4 of the Application for more details on these scenarios).

Table 1: Brooklin Household Forecast - All Scenarios

Year	Number of Households		
	Region of Durham Scenario	Brooklin Low Scenario	Brooklin High Scenario
2023	658	227	253
2024	995	457	509
2025	1,337	711	791
2026	1,685	988	1,100
2027	2,707	1,686	1,876
2028	3,778	2,353	2,618
2029	4,901	3,053	3,397
2030	6,079	3,786	4,213
2031	7,313	4,555	5,068
2032	8,375	5,216	5,804
2033	9,442	5,881	6,543
2034	10,513	6,548	7,286
2035	11,589	7,218	8,032
2036	12,670	7,891	8,780
2037	13,755	8,567	9,532
2038	14,845	9,246	10,288

	Number of Households		
Year	Region of Durham Scenario	Brooklin Low Scenario	Brooklin High Scenario
2039	15,939	9,927	11,046
2040	17,038	10,612	11,808
2041	18,142	11,300	12,573
2042	18,604	11,587	12,893

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-04:

Ref: Appendix B – Incremental Capital Module Whitby Smart Grid & Sustainable Brooklin P29

On July 11, 2022, Elexicon presented the ICM Projects to Whitby Town Council.

Please provide a copy of all written reports/memorandums to Whitby Town Council.

Response:

Please see response to SEC-11 and CCMBC-6 part c.



Elexicon Energy Inc.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-05:

Appendix B – Incremental Capital Module Whitby Smart Grid & Sustainable Brooklin P55 Table 12 provides the Sustainable Brooklin ICM Bill Impacts. Table 13 provides the illustrative WSG ICM Bill Impacts.

Please provide the ICM bill impacts for Sustainable Brooklin and WSG for the Residential Class at the 10th percentile.

Response:

Below are the ICM bill impacts for Sustainable Brooklin and WSG for the Residential Class at the 10th percentile.

Table 1: ICM Bill Impacts for 10th Percentile

Total \$ Bill Impacts	Residential Rate Class 10th Percentile
Sustainable Brooklin ICM Bill Impacts (WRZ)	2.74
WSG ICM Impacts (WRZ)	4.19

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-06:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P11

Estimates provided for the VVO and FLISR field hardware herein should be considered Class 4 estimates as defined by AACE and other standard estimate formats. The conditions for a Class 4 estimate presume that 1-15% of Project Definition has been completed. Typical Accuracy ranges of a Class 4 estimate are -30% on the low side and +50% on the high side. All other costs can be considered Class 5 estimates as defined by ACCE.

Please provide the date that Elexicon expects to have a Class 3 estimate and Class 1 estimate and the party that will prepare the estimate.

Response:

Please see response to SEC-18 part e.

Elexicon Energy Inc.
 Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-07:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P12

Table 2 summarizes the forecast capital expenditures as follows:

Table 2: Forecast Capital Expenditures (\$M)

	Capital Expenditures (\$'000)
ADMS (Software, Communications Infrastructure, Active Demand Management Program Design)	\$8,082
VVO and FLISR Field Hardware	\$39,130
Total Capital Expenditure	\$47,212
NRCan Funding	\$4,041
Total Capital Expenditure (Excluding NRCan Funding)	\$43,171

- a) Please provide a further breakdown of the cost components of ADMS, VVO and FLISR Field Hardware.
- b) Please provide a breakdown of the NRCan Funding allocated to part a).
- c) Please provide the historical spending to date on each of these cost components.
- d) Please provide the spending included in the DSP by year on each of these cost components.
- e) Please provide the service territory coverage as a percentage before and after the ICM for ADMS, VVO and FLISR Field Hardware.
- f) Please provide the contingency included in the capital costs and how it was derived.
- g) Please provide the schedule contingency and how it was derived.
- h) Please provide a breakdown of the additional O&M expenses due to the Whitby Smart Grid implementation.
- i) Please provide the number of incremental FTEs to operate management of the smart grid systems.
- j) Please provide the date of the Forecast Capital Expenditures in Table 2.

Response:

a) The breakdown of the FLISR and VVO Field Hardware costs is listed in the Table below:

Table 1 – Breakdown of FLISR and VVO Costs

Components	Cost \$M
Distribution Automation Switches	\$18.00M
Capacitor Bank	\$2.85M
Regulator Bank	\$7.68M
Major Equip Field Commissioning	\$.59M
CFCIs	\$.83M
Voltage Sensors	\$1.93M
SpeedNet HeadEnd	\$.28M
Router and Leased Lin	\$. 80M
Minor Equipment Field Commissioning	\$. 23M
Project Management	\$1.66M
Engineering	\$3.32M
IT Support	\$.66M

For a breakdown of ADMS costs please see response VECC-10.

b) The NRCan funding is 50% of the overall cost of the ADMS portion of the Whitby Smart Grid project (\$8.082 million).

c) No historical costs have been incurred to date on the VVO and FLISR components of the Whitby Smart Grid. For the ADMS portion, \$441,479 was incurred.

d) No costs in the DSP exist for the VVO and FLISR portions of the Whitby Smart Grid. For ADMS, \$800,000 was forecast for 2021, and \$500,000 for 2022.

e) The ADMS will cover 100% of Elexicon’s territory once completed. The VVO and FLISR Field Hardware will cover 100% of the Whitby Rate Zone on completion of the Whitby Smart Grid.

f) Estimates provided for the VVO and FLISR field hardware herein should be considered Class 4 as defined by AACE and other standard estimate formats. The conditions for a Class 4 estimate presume that 1-15% of Project Definition has been completed. Typical Accuracy ranges of a Class 4 estimate are -30% on the low side and +50% on the high side. All other costs can be considered Class 5 estimates as defined by ACCE. Typical Accuracy ranges of a Class 5 estimate are -50% on the low side and +100% on the high side.

g) Elexicon is confident that it will deliver against its proposed schedule. The schedule has been designed to enable Elexicon to deliver the project within the timeframe set out by the NRCan to enable full utilization of the NRCan funding.

h) Please see VECC-02 for Elexicon’s estimate of incremental OM&A costs.



- i) Elexicon expects to absorb these costs within rates. Please also see VECC-02.
- j) The forecast capital expenditures listed in Table 2 will be incurred from 2022 – 2025.

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-08:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P23

Table 12 shows the estimated DER penetration required for deferral based on the number of DER connections required and total expected customers from the new Brooklin development for the given time periods.

- a) Please provide the calculations that underpin the percentages in the table.
- b) Please recast the table in terms of number of DER connections.

Response:

- a) Table 13 on page 22 of Appendix B-4 shows the capacity forecast of the 27.6-kV and 44-kV systems combined under the Brooklin Low scenario: 802.0 MVA in 2038 and 832.0 MVA in 2040 compared to the total capacity of 791.0 MVA. The year 2042 is not shown in the twenty-year forecast but is forecast to reach 852.0 MVA. The additional capacity needed to meet the needs in the region for an addition one, three, or five years is 11.0 MVA, 41.0 MVA, and 61.0 MVA respectively.

Page 24 of Appendix B-4 lists the assumptions used to define the DER penetration calculations. The per unit capacity is 3.33 kW for solar PV, 10.00 kW for solar PV with BESS, and 6.67 kW for a mix of houses with 50% solar PV only and 50% solar PV with BESS.

The number of DERs needed to defer investment is the quotient of the additional capacity requirement and the per-unit capacity of the DER, rounded up such that there is a whole number of units. For example, 3,294 solar PV units are needed to defer investment by one year:

$$\frac{11.0 \text{ MVA} \times 1000 \frac{\text{kW}}{\text{MVA}}}{3.33 \frac{\text{kW}}{\text{unit}}} = 3,294 \text{ units}$$

This calculation assumes unit power factor for the generation units.

The percentage of DERs within the new North Brooklin development is calculated as the quotient of the number of units required and the number of new households constructed under the Brooklin low scenario. For the years of interest, these numbers are: 9,246 households by 2038, 10,612 households by 2040, and 11,587 households by 2042. For example, the 3,294 solar PV units needed to defer investment by one year translates into 36% of households in the new development lands:

$$\frac{3,294}{9,246} = 36\%$$

The number of solar PV units (without BESS) that would be needed to defer investment by three or five years exceeds the number of households in the new Brooklin development, listed as N/A in the reference.

- b) Table 15 on page 24 of Appendix B-4 shows both the percentage of DERs and number of DER connections.

Elexicon Energy Inc.
 Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-09:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P26

Table 13 provides the estimated assets required for Whitby Smart Grid Field Technology Upgrades.

- a) Please add a column to the table that shows the projected cost of these assets.
- b) Please discuss the impact of on the planned work and proposed budget in the DSP as a result of the type and number of field hardware assets in Table 13 that will be installed as part of the Whitby Smart Grid project.

Response:

a)

Table 1 Appendix B-1 Table 13 Updated with Projected Costs

Asset Type	Units	Projected Costs (\$M)
Automated Switches	144	\$18.36M
Capacitors	46	\$2.85M
Voltage Regulators	46	\$7.91M
Major Equip Field Commissioning	236	\$.59M
Communicating Faulted Circuit Interrupters	138	\$.83M
Voltages Sensor	138	\$1.93M
Radio HeadEnd	8	\$.28M
Routers and Leased Line	8	\$.80M
Minor Equip Field Commissioning	292	\$.23M



b) There is no impact on the planned work and proposed budget in the DSP as a result of the type and number of field hardware assets in Table 13 that will be installed as part of the Whitby Smart Grid project.



Elexicon Energy Inc.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-10:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P23

Table 14 provides a breakdown of Project Veritas components to be carried out as part of the Whitby Smart Grid Project. Please provide a breakdown of the forecast costs allocated to each hardware and software component.

Response:

Please see below.

Table 1: Forecast Costs by Component

Phases (\$Thousands)	Software	Hardware	Labour	Overhead	Other Expenses
1. ADMS/OMS Implementation	\$1,080	\$300	\$1,356	\$84	\$30
2. DERMS Implementation	\$1,220	\$260	\$202	\$84	\$30
3. Active Demand Management Program Design			\$205	\$84	\$30
4. Communication Infrastructure Implementation	\$900	\$1,500	\$600	\$84	\$30
Total	\$3,200	\$2,060	\$2,363	\$337	\$120
Grand Total				\$8,082	

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-11:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P36

Table 18 lists the assets that will be involved in the VVO upgrade.

Please provide the forecast total number of assets by asset/device and total costs for the VVO upgrade.

Response:

Please see response to VECC-09 part a.

Elexicon Energy Inc.
 Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-12:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P40

Please provide the following reliability metrics for the past 10 years:

- a) Number of Sustained Outages
- b) Customer Hours of Interruption
- c) SAIDI and SAIFI
- d) SAIDI and SAIFI excluding Loss of Supply and Major Event Days

Response:

Elexicon only has access to the reliability metrics from 2014. The Tables below show the reliability metrics from 2014 to 2021 for the Veridian Rate Zone and the Whitby Rate Zone.

Table 1 - Veridian Rate Zone Reliability Metrics From 2014

Year	Number of Sustained Outages	Customer Hours of Interruption	SAIDI	SAIFI	SAIDI (Excluding LOS and Med)	SAIFI (Excluding LOS and Med)
2014	961	297,269	2.52	2.65	1.97	1.72
2015	915	333,171	2.80	3.13	1.62	2.13
2016	708	236,393	1.97	1.97	1.24	1.29
2017	783	252,604	2.09	1.77	1.07	1.07
2018	1090	780,340	6.38	2.80	1.55	1.26
2019	819	201,583	1.63	1.27	1.23	0.96
2020	877	497,399	3.97	1.92	1.43	0.97
2021	860	282,305	2.24	2.02	1.34	1.14

Table 2 - Whitby Rate Zone Reliability Metrics From 2014

Year	Number of Sustained Outages	Customer Hours of Interruption	SAIDI	SAIFI	SAIDI (Excluding LOS and Med)	SAIFI (Excluding LOS and Med)
2014	141	82,623	2.00	3.38	1.89	2.32
2015	184	56,332	1.35	1.62	1.35	1.62
2016	325	41,366	0.99	1.23	0.99	1.23
2017	284	55,796	1.32	2.71	0.72	1.50
2018	231	94,785	2.22	1.97	0.73	0.91
2019	184	71,915	1.65	1.30	1.65	1.30
2020	158	68,008	1.52	1.22	1.19	1.14
2021	171	89,474	1.95	1.65	0.70	1.06

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-13:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P41 Table 21 lists the devices and elements are assumed to be involved in the FLISR/DA systems upgrade.

Please provide the forecast quantity by asset/device and the total amount (\$) by asset/device.

Response:

Please see response to VECC-09 part a.

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-14:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P53

The evidence states “Elexicon conducted a customer engagement survey from October to December 2020. A key outcome that supports the proposed project was that “Customer’s support “investing in grid management technologies that will help it manage the impact of more Electric Vehicles, Renewable Generation, and Energy Storage” and felt Elexicon should focus on “Preparing the grid for new types of uses, like EV’s & renewable generation.”

- a) Has Elexicon share specific information on this ICM proposal with customers including the costs and potential bill impacts? If yes, please explain and provide the outcome.
- b) Has Elexicon undertaken any customer consultation with low income customers regarding the ICM proposal including the costs and potential bill impacts? If yes, please explain and provide the outcome.

Response:

- a) Please see response to SEC-20.
- b) Please see response to SEC-20.

Elexicon Energy Inc.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition

Interrogatory VECC-15:

Ref: Appendix B-1 - Whitby Smart Grid Business Case P57 Table 27 provides the Whitby Smart Grid Percentage of Current Forecast Capital Expenditure by OEB Category. Please recast the table to reflect dollar amounts.

Response:

Original Table 27: *Whitby Smart Grid Percentage of Current Forecast Capital Expenditure by OEB Category*

OEB Category	Percentage of current approved capital spend						
	2023	2024	2025	2026	2027	2028	Average
CPI Adjusted	87%	211%	226%	194%	130%	186%	172%
General Plant	87%	94%	90%	88%	80%	86%	88%
System Access	52%	60%	50%	61%	65%	62%	58%
System Renewal	98%	94%	181%	323%	346%	557%	267%
System Service	19%	23%	24%	28%	27%	29%	25%

Table 27 Recast: *Whitby Smart Grid Percentage of Current Forecast Capital Expenditure by OEB Category Recast to Reflect Dollar Amounts*

OEB Category	\$'000						
	2023	2024	2025	2026	2027	2028	Average
CPI Adjusted	7,536	9,210	8,468	8,819	10,400	11,160	9,266
General Plant	8,152	8,162	9,178	9,801	10,400	11,180	9,479
System Access	7,658	8,293	9,098	10,049	10,400	11,160	9,443
System Renewal	7,652	8,607	9,110	10,016	10,380	11,140	9,484
System Service	7,708	8,286	8,922	9,873	10,530	11,310	9,438

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-16:

Ref: 2023 Incentive Rate-Making Application P44 The Sustainable Brooklin Project involves Elexicon providing capacity to a group of residential developers represented by the Brooklin Landowners Group Inc. (the “Developers”), who will in turn construct new homes in Brooklin, ON with DER enabling features such as rough-ins for solar panels, battery storage and EVs.

Ref: Appendix B-6 Letters of Support for ICM Application

The July 19, 2022 letter from the Region of Durham states:

“On behalf of the Brooklin North Landowners Group (“BNLG”), the Region of Durham is providing this letter of support for the joint Incremental Capital Module (“ICM”) application submitted to the Ontario Energy Board (OEB) by Elexicon Energy and BNLG.

Ref: Appendix B-6 Letters of Support for ICM Application

July 18, 2022 email from the Town of Whitby states “On behalf of the North Brooklin Landowner’s Group Inc. (“BLGI”), The Town of Whitby is pleased to provide this letter of support for the joint Incremental Capital Module (“ICM”) applications to the Ontario Energy Board (OEB) by Elexicon Energy and BLGI. It is estimated the capital contribution by BLGI and Elexicon Energy may be the largest in Ontario history for any residential development and we are delighted to give our full support to the ICM application.”

- a) Please explain the relationship between Brooklin North Landowners Group and Elexicon and the nature of the capacity to be provided.
- b) Please explain the relationship between Brooklin North Landowners Group and the Region of Durham.
- c) Please explain the relationship between Brooklin North Landowners Group and the Town of Whitby.
- d) Please provide any documents that govern the relationship between Brooklin North Landowners Group and: Elexicon, the Region of Durham and the Town of Whitby.
- e) Is the ICM application to the OEB submitted on behalf of Elexicon and Brooklin North Landowners Group as a joint submission as referred to in Appendix B-6 correspondence referred to above? Please discuss.

Response:

- a) Please see Elexicon Energy's response to CCMBC-10 part a.
- b) Elexicon has no direct knowledge of, nor any comment on, this relationship (if one exists).
- c) Beyond coordination work done between Elexicon, North Brooklin Developers and the Town of Whitby relating to the design and routing of the Brooklin Line, Elexicon has no direct knowledge of, nor any comment on, this relationship.
- d) Elexicon has not entered into any governing documents or agreements with the Brooklin North Landowners Group on an individual or multi-party basis (i.e. including Region of Durham and/or the Town of Whitby).
- e) No. As Elexicon is the entity regulated by the OEB and responsible for management of its business and system, the ICM application submitted to the OEB is Elexicon's submission only. As noted in evidence, Elexicon actively consulted with the Brooklin Landowners Group in the development of its Sustainable Brooklin project. The North Brooklin Landowners have chosen to intervene in respect of the Application, as is their legal right.

Elexicon Energy Inc.

Answer to Interrogatory from

Vulnerable Energy Consumers Coalition

Interrogatory VECC-17:

Please explain how Elexicon and its customers are protected from significant cost overages, scheduling issues, delays and lower than expected benefits for some segments of the system.

Response:

Elexicon relies on strict processes for project management, including costs and scheduling. Further, Elexicon's procurement practices purchase material with sufficient lead time and source material and labour with the best quality and price in mind.

However, as has been shown during the COVID-19 pandemic, like other businesses, and indeed other distributors in the sector, Elexicon does not have direct control with respect to broader supply chain costs and potential delays. Elexicon is committed to making every effort to overcome challenges as they arise by following its planning and project management principles and practices, as well as communicating with contractors and suppliers, to minimize any impacts to the project.

Elexicon believes that the benefits stated in the ICM application are achievable. Elexicon has mitigated customer risk of lower than expected benefits by choosing proven technologies to support the Whitby Smart Grid. Elexicon's choice of Volt-Var Optimization and Fault Location Isolation and Restoration are tried, tested, and have been previously approved by the OEB.