



**BY EMAIL and RESS**

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

**Attn: Nancy Marconi, Registrar**

Dear Ms. Marconi:

**Re: EB-2023-0298 – UCT 2 – SEC Interrogatories**

We are counsel to the School Energy Coalition ("SEC"). Enclosed, please find SEC's interrogatories in this matter.

Yours very truly,  
**Shepherd Rubenstein P.C.**

Mark Rubenstein

cc: Brian McKay, SEC (by email)  
Applicant and intervenors (by email)

**Mark Rubenstein**  
mark@shepherdrubenstein.com  
Dir. 647-483-0113

January 10, 2024  
Our File: EB20230298

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B), as amended (the “*OEB Act*”);

**AND IN THE MATTER OF** an application by East-West Tie Limited Partnership, by its General Partner Upper Canada Transmission 2, Inc. (“UCT 2” or “Applicant”), for an Order or Orders made pursuant to section 78 of the Act approving rates for the transmission of electricity to be effective January 1, 2024.

**INTERROGATORIES**

**ON BEHALF OF THE**

**SCHOOL ENERGY COALITION**

*[Please note: Where interrogatories refer to the Applicant, this includes UCT, UCT 2, East-West Tie Limited Partnership, NextBridge Infrastructure LP, any of these entities’ limited partners, or shareholders of those general partners and limited partners, affiliates of those partners (e.g. NextEra), or other related entities.]*

**SEC-1**

[A-1, p.6] Please provide a table that shows, a) approved budget amount, b) actual incurred costs, c) actual costs paid by the Applicant, and d) costs for rate recovery, broken down by construction cost category provided in the Quarterly EWT Progress Report, Project Cost Update Table.

**SEC-2**

[A-1, p.7] With respect to the negotiated outcome:

- a. Was the outcome memorialized in a document or agreement? If so, please provide a copy.
- b. Please provide a copy of all correspondence or written material exchanged between the Applicant and Valard regarding final COVID-19 (including productivity losses) costs that led to the negotiated outcome.
- c. Please provide a copy of any other written material (i.e. meeting notes, summaries, analysis, presentations, memorandums) regarding quantification of COVID-19 costs (including productivity losses) with Valard.

**SEC-3**

[A-1, p.9] The Applicant proposed that the total balance in the CCVA and COVID Deferral Accounts allocated to USoA 1706, 1720, and 1730 “based on the same proportion of capital additions for calculating UCT 2’s revenue requirement as approved in Decision and Order, EB-

2020-0150". Please explain why the Applicant has proposed this method as opposed to recording these incremental costs to the specific UsoA account to which they would belong.

**SEC-4**

[B-1, p.4] Please provide a revised version of Table Ex.B.1 with a forecast/actual of the 2023 ROE calculation.

**SEC-5**

[B-1, p.3-4] Please provide a revised ESM calculation that grosses up the amount to be credited to ratepayers for taxes.

**SEC-6**

[C] With respect to the additional costs from Valard:

- a. Please provide extracts of the contract which Valard relied upon to seek additional recovery of additional costs (both COVID and other construction costs).
- b. Please provide a full copy of the contract with Valard.

**SEC-7**

[C-1] Please provide a copy of any analysis undertaken by the Applicant regarding quantification of COVID-19 costs (either direct, loss of productivity, or other).

**SEC-8**

[C-1, p.7] With respect to Valard providing notice that the COVID-19 pandemic was a Force Majeure Event:

- a. Please provide a copy of the Force Majeure Event notice.
- b. Once Valard provided the Applicant with the Force Majeure Event notice, please explain how the Applicant determined how the project would move forward and how Valard would determine what additional costs it would be reasonable to incur.

**SEC-9**

[C-1, p.1] Please provide a revised version of Table Ex.C.1 that shows, a) actual incurred costs, b) actual costs paid by the Applicant, and c) costs for rate recovery.

**SEC-10**

[C-1, p.16; C-2] With respect to Socotec Advisory, LLC:

- a. Did the Contractor share with the Applicant any of the work product it had received from Socotec? If so, please provide copies.
- b. Please provide a copy of the Applicant's retainer with Socotec Advisory.
- c. Is the Socotec Advisory report an expert report and is the Applicant seeking to qualify its authors as experts?
- d. What is the specific basis for the 15% Valard markup and 3% Supercomm fees?
- e. Please provide a copy of the excel spreadsheet (with formulas intact) for the comparison tables included in pages 44, 46, 48, 49, 51 and 52 of the report.

**SEC-11**

[D-1, p.5] Please provide a revised version of Table Ex.D.2 that shows, a) actual incurred costs, b) actual costs paid by the Applicant, and c) costs for rate recovery.

**SEC-12**

[E-1, p.4] Please provide a copy of all:

- a. Material prepared for each monthly management meeting during the construction phase of the project.
- b. Monthly Reports provided by Valard to the Applicant.
- c. Quarterly Reports filed with the OEB (note: it is acceptable to simply deem these reports filed under EB-2017-0182 as being on the record in this proceeding).
- d. Any other material not listed in the status update or progress reporting prepared by, or provided to, the Applicant regarding the project.

**SEC-13**

[E-3] Did the Applicant provide any formal written response or feedback to Valard in response to its Monthly Reports? If so, please provide copies.

**SEC-14**

[E-1, p.12] [D-1, p.5] Please provide a revised version of Table Ex.E.1 that shows, a) EPC claimed costs, b) actual costs paid by the Applicant, and c) applied-for costs from negotiated outcome.

**SEC-15**

[F-1, p.2] With respect to financing of project costs:

- a. Please explain how the Applicant financed the project between the in-service date of the project and May 1, 2023? Please provide the interest rate of that financing.
- b. Please explain how the Applicant is financing the incremental construction costs it seeks approval for in this application. Please provide the interest rate of that financing.

**SEC-16**

[F-1, p.4] Please provide a copy of all analysis and advice given by TD Bank to the Applicant regarding options for raising the long-debt, length of time of any debt issuance, expected debt rates, etc.

**SEC-17**

[F-1, p.4] With respect to the short-term debt:

- a. Please provide the key terms of the short-term credit facility.
- b. Please provide a copy of the short-term credit facility agreement.
- c. Please explain why it was reasonable to wait until May 2023 to enter into a short-term debt arrangement.

**SEC-18**

[F-1, p.9, Attachment 1] Please explain what type of additional short-term debt, aside from the May 2023 credit facility, is required to finance the incremental capital sought for approval in this application.

Respectfully, submitted on behalf of the School Energy Coalition on January 10, 2024.

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Mark Rubenstein  
Counsel to the School Energy Coalition