

EB-2023-0298

**Upper Canada Transmission 2, Inc.
Application for electricity transmission rate changes beginning January 1, 2024**

AMPCO Interrogatories January 10, 2024

AMPCO-1

Ref: Exhibit A Tab 1 p. 7

Accumulated Actual Cost Overruns total \$255,500,000. UCT 2 and Valard commercially negotiated a materially lower overrun amount of \$205,000,000 (the Negotiated Outcome). UCT 2 is seeking rate recovery of a portion of the Negotiated Outcome of \$160.4 million.

- a) Please provide a description and explanation of the variance between the Accumulated Actual Cost Overruns and the Negotiated Outcome.
- b) Please provide a description and explanation of the variance between the Negotiated Outcome of \$205 million and the amount sought for rate recovery of \$160.4 million and explain why the variance was not included for recovery.
- c) Please provide a copy of the document that describes the Negotiated Outcome.

AMPCO-2

Ref:Exhibit C Tab 1 p. 7

Following the WHO's March 11, 2020, declaration of the COVID-19 pandemic, Valard, provided UCT 2 with an Event Notice on March 12, 2020. The Event Notice indicated that Valard found the pandemic to qualify as a Force Majeure Event under the EPC Contract and that COVID-19 would likely severely impact the ability of Valard to complete the Project within the prescribed budget and schedule.

- a) Please provide a copy of the March 12, 2020 Event Notice and any further Notices.
- b) Please provide all descriptions of Force Majeure Event under the EPC Contract.

AMPCO-3

Ref: Exhibit C Tab 1

UCT 2 developed new financial cost codes for the Project team to account for COVID-19.

- a) Please provide a listing of the new financial cost codes with descriptions and provide the date they were implemented.
- b) Please provide copies of all documentation provided to the project team on when and how to implement the new financial cost codes.
- c) Please provide a breakdown of the \$255,500,000 in Accumulated Actual Cost Overruns by financial cost code amounts.
- d) Please provide a breakdown of the \$160,400,000 in applied for costs by financial cost code amounts.

AMPCO-4

Ref: Exhibit C Tab 1 p. 9

Please provide the financial cost codes and amounts under each cost item listed in Table Ex. C. 3.

AMPCO-5

Ref: Exhibit C Tab 2

- a) Please provide the relevant sections of the EPC Contract that explain the 15% Valard markup and 3% Supercomm Fees.
- b) Please explain the basis for applying these fees to incremental COVID-19 costs.

AMPCO-6

Ref: Exhibit C Tab 2 p. 6

- a) For each of the publications in the table, please provide the references in each publication for the low and high percentages.
- b) For the Cleaner Energy and Technology publication, please summarize the basis for 70% as the high percentage.

AMPCO-7

Ref: Exhibit C Tab 2 p.58

In total, the Contractor incurred 2,244,906 of actual labour hours from March 2020 through Substantial Completion of the work. The contractor incurred actual labour costs associated with these hours totaling \$165,731,014.

- a) Please provide the total actual Contractor hours from the start of the project until substantial completion of the work and the total actual labour costs associated with these hours.
- b) Please provide the original budgeted Contractor labour hours and labour costs for the project.
- c) Please provide the total budgeted and actual cost of materials for the project.
- d) Please provide the budgeted and actual cost of materials for the project from March 2020 through substantial completion of the work.

AMPCO-8

Ref: Exhibit D Tab 1 p.25

Table Ex. D.9 provides a summary of incremental costs attributable to Permitting Delays & ROW concerns.

Please explain the \$420,000 in BZA Litigation Costs.

AMPCO-9

Exhibit E Tab 1 Page 4

To manage expenditure cost control and variances, the E&C team also maintains dashboard metrics that are reviewed during monthly management meetings.

Please provide the full list of dashboard metrics reviewed during monthly management meetings.

AMPCO-10

Ref: Exhibit E Tab 2 p. 1

Table Ex. E.T2.1 provides the amounts on the change order #6 and #7. Any differences between amounts shown in Table Ex. E.T2.1 and amounts identified in Exhibits C and D, are due to the inclusion in the latter of costs not incurred or claimed by Valard.

Please add columns to Table Ex. E.T2.1 for Amounts Requested, Variance, and provide further details on the variance.

AMPCO-11

Ref: Exhibit E Tab 2

Scope Change Order #6 refers to SDN#00037: Current out-of-scope costs associated with the Kama Cliffs access restrictions and helicopter program scope changes and SDN #00038: Current out-of-scope costs as a result of MNRF Forest Fire Emergency Area Order Force Majeure Event.

Please provide copies of SDN #00037 and SDN #00038.

AMPCO-12

Ref: Exhibit E Tab 2

Scope Change Order #7 refers to several Deviation Notices (SDNs) related to additional Scope of Work.

Please provide copies of SDN #00033, SDN #00039, SDN #00042, SDN #00043, SDN #00040, SDN #00047, SDN #00048, SDN #0-0049, SDN #00050, and SDN #00051.