

1 Q. Reference: 2024 Capital Budget Application – Intervenor Evidence, Utility
2 Management Responsibility Report, Midgard Consulting Incorporated, page 31,
3 footnote 39.

4
5 *“[Reliability improvement per dollar spent] is not currently reported by any of the*
6 *Canadian utilities reviewed by Midgard.”*

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8 Reference: 2024 Capital Budget Application – Intervenor Evidence, Utility
9 Management Responsibility Report, Midgard Consulting Incorporated, page 33.

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11 *“... some utilities do use metrics like risk reduction or reliability enhancement per*
12 *dollar spent to assess and include projections of enhanced reliability in their capital*
13 *investment proposals.”*

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15 Please reconcile the two referenced statements.

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18 A. In Section 5, Table 6 of Midgard’s evidence, Midgard identifies the extent to which
19 the identified strategies are verified as achieving the desired objectives. None of
20 the jurisdictions do measure actual outcomes of specific capital investment nor do
21 the jurisdictions compare forecast outcomes to actual measured outcomes.

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23 ENWIN Utilities Ltd. (“ENWIN”) created a prioritized list of capital investment
24 projects through PROSORT, a prioritization tool which ranks projects based on
25 their cost-effectiveness in risk reduction, not reliability enhancement. The
26 PROSORT tool uses a Risk Matrix that combines the consequence and likelihood
27 of a failure to estimate the risk to ENWIN's business values.¹ Midgard considers
28 ENWIN’s PROSORT prioritization tool a step towards attempting to ensure
29 expected outcomes of its capital investments are achieved, but that step is the step
30 of forecasting expected outcomes, not the step of comparing actual outcomes
31 against forecast outcomes:

32
33 *“In Ontario, ENWIN's PROSORT project prioritization tool is considered*
34 *an exception and most utilities do not currently attempt to measure actual*
35 *outcomes.”*²

¹ Midgard Evidence, P0688-D003-RPT-R01-EXT, Appendix C.6, p. 78.

² Ibid, Section 5, Footnote 40, p. 32.