

# Recommendation for DER Connection Cost Estimating

Process Subgroup Recommendation

# Overview of Cost Estimating Proposal

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## Context

- Subgroup identified +/- 50% uncertainty reported in Hydro One cost estimates to be a source of concern for developers.
- Subgroup reviewed possible solutions for refined estimates or new ways of reporting cost estimates.
- Hydro One has ongoing initiatives to improve uncertainty.

## Recommendation

- Confirm support for Hydro One continuing its efforts to improve cost estimate uncertainty, request an update from Hydro One on status of initiatives during future Subgroup meetings, and revisit whether further review is warranted during future sessions.

## Anticipated Benefit

- Hydro One will be able to continue to execute its internal initiatives to improve expected uncertainty range of estimates, and can report back on its internal plans.
- Subgroup can make recommendation that will remain relevant once outcomes of Hydro One's initiatives are further advanced.

# Proposal for Cost Estimating

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The Process Subgroups recommends the following:

- The Working Group should confirm support for Hydro One to continue its internal initiatives to i) improve cost estimate uncertainty and ii) potentially revisit the way in which estimates are presented.
- The Process Subgroup should receive updates from Hydro One as appropriate and re-evaluate whether further review is warranted, once the outcomes of Hydro One's ongoing initiatives are better known.