

1 **OEB Staff Interrogatory # 17**

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3 **Reference:**

4 IESO's Addendum to the 2017 Updated Assessment for the Need for the East-West Tie  
5 Expansion

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7 The IESO's "Addendum to the 2017 Updated Assessment for the Need for the East-West Tie  
8 Expansion" states:

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10 If the in-service date is delayed beyond 2020, using interim measures to manage the need will  
11 result in additional costs and increased risks to system reliability.

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13 The IESO's Addendum then goes on to forecast the potential capital and energy costs, as well as  
14 the foregone loss savings, of a delay to the in-service date.

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16 **Interrogatory:**

17 a) Is Hydro One prepared, if granted LTC approval, to pay the annual system costs associated  
18 with a delay beyond the date proposed in its application (i.e. December 2021)? Please  
19 explain.

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21 **Response:**

22 a) No, Hydro One is not prepared to pay any annual system costs associated with a delay  
23 beyond 2021.

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25 Any potential annual system cost increase, estimated by the IESO to be as much as  
26 approximately \$20M annually, that would be incurred by ratepayers during any delay period  
27 would be offset by the delay in in-servicing the asset and its corresponding effect on Hydro  
28 One's revenue requirement, estimated to be approximately \$30M in year 1 and  
29 approximately \$50M in year two as provided in Exhibit B, Tab 9, Schedule 1.