

Hydro One Networks Inc.

**Application for electricity transmission revenue
requirement effective January 1, 2019**

DECISION ON CONFIDENTIALITY

March 13, 2019

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on October 26, 2018 under section 78 of the *Ontario Energy Board Act, 1998* (OEB Act)¹. Hydro One is seeking approval for changes to its electricity transmission revenue requirement to be effective January 1, 2019.

In Procedural Order No. 1 dated January 24, 2019, the OEB made provision for OEB staff and intervenors to file written interrogatories and for Hydro One to file written responses. On February 28, 2019, Hydro One filed complete written responses, including a request for confidential treatment for some or all of the information in the responses to Exhibit I-3-2 and Exhibit I-6-1, which included materials provided to Hydro One's Board of Directors (collectively referred to as the materials), as follows:

1. Cover Memo dated October 1, 2018
2. PowerPoint presentation titled "Financial Forecast 2019-2022"
3. Appendix 1 titled "Business Plan Opportunities & Risks"
4. Appendix 2 titled "Transmission Rate Filing – OEB Direction"
5. Memo

¹ S.O. 1998, c. 15, (Schedule B)

In accordance with the OEB's *Rules of Practice and Procedure* and the *Practice Direction on Confidential Filings* (Practice Direction), Hydro One filed redacted and un-redacted versions of the materials.

Hydro One stated that certain portions of the redacted materials contain either information that is irrelevant to this application or confidential information. Hydro One explained that the irrelevant information contains data relating to Hydro One's distribution and unregulated businesses, or information about potential transmission costs and plans beyond 2019. Confidential information refers to material that contains commercially sensitive information. In order to distinguish between redactions of irrelevant material and those of material for which confidential treatment is being requested, Hydro One noted that the information contained within blue boxes is considered confidential and information contained within red boxes is considered irrelevant. Hydro One indicated that the un-redacted version of the materials was provided for the OEB panel's review only. Hydro One also noted that all of the confidential information has been characterized as also being irrelevant information. In other words, Hydro One asserted that the commercially sensitive material is a subset of the irrelevant material.

Findings

Hydro One has proposed a revenue cap incentive rate setting approach to determine its 2019 transmission revenue requirement. Given the mechanistic nature of this application, the OEB agrees with Hydro One that the identified information is irrelevant to this application. It will not be placed on the record in this proceeding. As a result of this finding, it is not necessary for the OEB to consider whether the information in the blue boxes should be kept in confidence, since that information is also not relevant.

The OEB notes that this decision should not be seen as a pre-determination of any confidentiality request that Hydro One may make in its next revenue requirement application, currently anticipated to be a 2020-2022 Custom IR application.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Registrar

E-mail: boardsec@oeb.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, **March 13, 2019**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary