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**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs



BY COURIER

September 18, 2009

Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON.  
M4P 1E4

Dear Ms. Walli:

**EB-2009-0096 – Hydro One Networks' 2010 -2011 Distribution Revenue Requirement and Rate Application – Comments Respecting Proposed Issues List**

Hydro One Networks Inc. ("Hydro One") is pleased to provide the following remarks respecting the comments made by the various Intervenor groups on the issues list included as Appendix A to Procedural Order No.1, issued by the Board on September 9, 2009.

Hydro One has the following specific comments on the Interveners submissions:

- Hydro One does not agree with the Intervenor groups who have argued that Hydro One's Green Energy Plan (GEP) should be dealt with in a generic proceeding. Hydro One's GEP is integrally linked with its Cost of Service Application and cannot be separated and dealt with outside of the context of this Cost of Service Proceeding. The work to successfully complete the Green Energy Plan is embedded throughout the evidence and the decisions made by the OEB on the GEP will have direct impact on the approvals requested in Hydro One's Distribution Application. Hydro One needs to start the work proposed in the GEP to meet the demands of renewable generation and cannot wait until a Generic Proceeding process would be completed.
- Several Intervenor groups have requested a delay to the Interrogatory process due to the fact that the Vegetation Management Benchmarking study and that CDM targets have not yet been filed. Hydro One will file the Vegetation Management Benchmarking study as part of an update that it will be filing prior to the start of the Interrogatory process. With respect to the CDM targets Hydro One does not believe that these targets or a detailed discussion of CDM in this proceeding is material to this application. As noted in past Distribution hearings Hydro One's participation in CDM programs is coordinated with and funded by the OPA and as such is not part of the costs before the Board in this proceeding. Hydro One therefore does not agree that the IR process need be delayed.

- Hydro One does not agree with those Intervenor suggesting a delay to the process, and in particular the October 29 date for filing intervenor evidence, as a result of waiting until after the Interrogatory process to make a decision on whether or not to file their own evidence. Extensive pre-filed evidence for this Application was filed on July 13, 2009. In advance of filing its Application Hydro One held several stakeholder sessions with the Intervenor where the scope and key issues to be addressed in the pre-filed evidence were discussed. As such, Hydro One submits that there has been ample time for Intervenor to consider the evidence from their constituency's perspective and intervenors should already have made the decision on whether or not they would be filing evidence.
- Hydro One agrees that a discussion of what topics might be dealt with in a written proceeding vs. an oral proceeding could be dealt with at the Settlements Conference as suggested by several intervenors.

Hydro One believes the proposed issues list as suggested in our September 15, 2009 letter and the comments above will contribute to a more efficient application process that will ensure a thorough and focused examination of the key issues most relevant to Hydro One's 2010-2011 Distribution Rate Application.

Sincerely,

ORIGINAL SIGNED BY

Susan Frank

c. EB-2009- 0096 Intervenor