

UNDERTAKING

Undertaking

TO PROVIDE AN ESTIMATE OF WHAT THE BACKLOG CONSISTS OF, IN TERMS OF NUMBER OF DEFECTS THAT ARE AWAITING CATCHUP I WILL CALL IT. AND HOW LONG, BASED ON THIS INCREASED LEVEL OF SPENDING, THE COMPANY ANTICIPATES IT WILL TAKE TO CATCH UP

Response

Correcting known defects is a requirement of the Distribution System Code and the defect correction program proposed in this Application addresses this requirement. Defect corrections are undertaken for a variety of reasons: risk of outages, addressing end-of-life conditions and mitigating safety risks.

Currently, Hydro One has 164,445 logged defects in the distribution lines system. In 2010 we are expecting to complete the final phase of the Data Collection effort. The projected number of defects to be identified in 2010 is 39,000. Beyond 2010 the number of new defects identified is expected to reduce as this will be the second cycle of full inspection. Excluding defects to be recorded beyond 2010, and assuming an accomplishment level of 25,000 is maintained beyond 2011, Hydro One Distribution will have addressed the backlog of outstanding defects by 2018.