

**Hydro One Networks Inc.**

8<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5700  
Fax: (416) 345-5870  
Cell: (416) 258-9383  
Susan.E.Frank@HydroOne.com



**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs

BY COURIER

February 20, 2013

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

Dear Ms. Walli:

**EB-2012-0047 – Horizon Utilities Corporation – Application for Service Area Amendment – Hydro One Networks Responses to Undertakings**

I am attaching two (2) paper copies of the Hydro One Networks' Responses to February 15<sup>th</sup> Undertakings.

An electronic copy of the responses have been filed using the Board's Regulatory Electronic Submission System.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

Attach.

c – Horizon Utilities Corporation (Electronic Only)  
Intervenors (Electronic Only)

**UNDERTAKING**

**Undertaking**

TO ADVISE OF SPECIFIC NUMBER OF CUSTOMERS THAT EXIST ON HIGHWAY 56 FROM RYMAL ROAD DOWN TO BOUNDARY OF BINBROOK AND THE EXACT DISTANCE.

ALSO PLEASE ADVISE HOW YOU GET OVER THE 3,000 CUSTOMER THERESHOLD (TR Volume 2, page 179, line 20)

**Response**

The number of customers along Highway 56 between Rymal Road to the North and Cemetery Road to the South (representing the boundary of Binbrook) is 213 customers. This includes customers with addresses right on Regional Road 56 as well as customers along Guyatt and Golf Club Road which are streets off of Highway 56 between Rymal Road and Cemetery Road that are included in determining the urban cluster. The linear distance measured from Rymal Road and Regional Road 56 to the intersection of Cemetery Road and Regional Road 56 is 5.4km, however, the circuit kilometers, which is 10km is used to calculate the customer density not road kilometers.

As per Hydro One's response to SEC IR 11, the new urban cluster is made up of customers along Rymal Road between Fletcher Road and Highway 56, south on Highway 56 into and including customers in the Binbrook area. There are 2408 existing connected customers in this defined area now. There are 286 customers included in the design for Summit Park Phase 7. There are 172 customers in new Binbrook developments that have been designed and based on the growth rate in the area over the past three years there will be another 200 customers within the next seven months for a total of 3066 customers, 51 km of circuit and 60 customers/km. Given Offers to Connect are prepared well in advance of houses being built, it made more sense to use the rate class that the customers will be eligible for at the time they request a connection which will be Urban for Summit Park Phase 7 based on the density study performed.

**UNDERTAKING**

**Undertaking**

BEST EFFORTS TO PROVIDE AVAILABLE ESTIMATES AND APPROVAL DOCUMENTS FOR THE BINBROOK LOOP FEED COSTS.

**Response**

Hydro One does not have any additional detail regarding the enhancement investment to provide a loop feed to Binbrook. Our internal approval process is one where initial investment scenarios are developed using benchmark estimates in the development of a business plan that is approved by our Board of Directors. The investment scenarios are prioritized to maximize the mitigation of corporate risk. The approved funding level for system enhancements and modifications is \$50M for 2012 and \$62.4M for 2013.

The Binbrook loop feed investment of \$2.8M (per our area study) is included in the above approved levels.

As this investment has now moved to execution phase several releases will be made to the field to produce detail estimates, plans and designs. An example of the current release under construction was provided at the hearing as Exhibit K2.4