July 17, 2014

Kirsten Walli

Board Secretary

Ontario Energy Board

2300 Yonge St., 27th Floor

Toronto, Ont. M4P1E4

Dear Ms. Walli,

**Re: Board File no. EB-2013-0416 - Hydro One Networks (HON) Application**

**July 21st 2014 - Technical Conference**

Please be advised that Balsam Lake Coalition (BLC) will have two representatives in attendance at the above July 21st 2014 Technical Conference. BLC will be seeking clarification on the following issues:

1. In response to the Board’s Interrogatory question no. 94 (Ex.1,tab 7.02,sch.1, page 2) and also BLC’s interrogatory question No. 3; HON submitted two tables entitled:

**Table 1- Distribution and Total Bill Impacts if All Seasonal Customers Migrate to R1 and R2 Rate Classes and,**

**Table 2- Distribution and Total Bill Impacts for Seasonal Customers Moving to R1 and R2 Residential Rate Classes.**

Please explain in detail by reference to cost allocation factors and any other relevant data, why the Distribution rates and the total bills of customers in classes other than R1 and R2 changes as a result of the migration of all Seasonal (SR) customers to R1 and R2. Is the adverse impact to General Service (GS) customers caused by a change in the 2015 R/C Ratio and/or rates? If the adverse impact is caused by a change in 2015 R/C Ratio and/or rates, is the inclusion of GS customers in Table 1 appropriate?

1. Is it possible to correlate Table 1 and Table 2 so that we can compare customers with identical consumption profiles?,

e.g., i) In Table 1- please include both R2 customers **with RRRP subsidy and also without RRRP subsidy,** and

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ii) Change Table 2- to 50/400/**800 kwh/mo**., for SR customers migrating to R1 and R2 and,

iii) In Table 2 - SR customers migrating to R2 should have the **same RRRP calculation as in Table 1 (i.e., both with and without RRRP subsidy)**

BLC has identified the above issues so that HON may bring the requested information to the July 21st 2014 Technical Session. BLC reserves the option of asking questions on other issues.

Yours very truly,

 Original signed by

Nicholas P. Copes

Balsam Lake Coalition

c. Erin Henderson (Hydro One)

Intervenors

Bill Cheshire (BLC)