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August 15, 2014

Delivered by RESS and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2014-0002
Horizon Utilities Corporation – Five Year Custom Distribution Rate
Application**

We are counsel to Horizon Utilities Corporation (“Horizon Utilities”) with respect to the above-captioned matter. On August 5, 2014, we wrote to you regarding certain interrogatories in respect of which Horizon Utilities proposed to file responses in confidence. Certain material was filed confidentially in its entirety, while redacted versions of other material were placed on the public record. Copies of the confidential material, with the exception of material identified as personal or irrelevant information, were provided in confidence to the Board and to those of the parties’ counsel and/or consultants who executed the Board’s form of Declaration and Undertaking with respect to confidentiality. Horizon Utilities received copies of the undertaking from counsel to BOMA, counsel to the City of Hamilton, and counsel to the School Energy Coalition (“SEC”).

Horizon Utilities is in receipt of submissions from Board Staff and SEC. Horizon Utilities’ submissions in reply to those of Board Staff and SEC are set out below. Horizon Utilities repeats and relies upon its submissions on confidentiality as set out in our letter of August 5th and does not intend to repeat them here except as necessary to respond to the Board Staff and SEC submissions.

The Board Staff submission:

Board Staff have provided comments on Horizon Utilities’ response to Question 4-Staff-26(f) and made a brief general comment on confidentiality. The Staff comments related to Question 4-Staff-26(f) and the Staff comments on information related to wage increases prior to negotiation of collective agreements will be addressed below with Horizon Utilities’ reply to the SEC submissions. With respect of Staff’s general comments about confidentiality, Horizon Utilities acknowledges that the Board’s general policy as stated in the *Practice Direction on Confidential Filings* (the “Practice Direction”) is that all evidence should be on the public record. Horizon Utilities does not dispute this, and submits that it has complied with this general policy in its filings to date in this proceeding. Staff go on to state¹ that “the Board has also recognized that some information may be of a confidential

¹ At page 3 of the Staff submission of August 12, 2014.

nature and should be protected.” Horizon Utilities submits that it has requested confidential treatment of only a limited amount of material, that it submits reasonable warrants such treatment, for reasons supported by the Practice Direction, and that the grounds for the confidentiality request were clearly set out in our August 5th letter.

The Board Staff and SEC submissions on specific Horizon Utilities responses:

Horizon Utilities has organized its comments according to the order in our letter of August 5th.

Board Staff:

Question 2-Staff-21

Information provided in response to this Interrogatory that relates to matters of the security of Horizon Utilities’ facilities (at pages 29-31 of the response) was filed in confidence, consistent with the Board’s treatment of similar pre-filed evidence in PO#1. Board Staff do not disagree with Horizon Utilities’ request for confidentiality in respect of this material, and offer no further submission. SEC has no submission in this regard. Horizon Utilities respectfully requests that the Board confirm that this material will remain confidential.

Question 4-Staff-26(f)

There were five items related to this question:

- i. The MEARIE Management Salary Survey of Local Distribution Companies (including a 2013 Addendum);
- ii. A Mercer 2012 CEO Compensation Analysis pertaining to Horizon Utilities’ CEO;
- iii. A Mercer 2012 Executive Compensation Review addressing all Horizon Utilities executives with the exception of the CEO;
- iv. A Mercer 2013 Compensation Cost Benchmarking Study sponsored by Hydro One Networks Inc. but reflecting information related to Horizon Utilities; and
- v. A Short Term Incentive Pay Design Survey.

As Horizon Utilities had released item (i) publicly, the Board Staff and SEC submissions related only to items (ii) – (v).

Items (ii) and (iii): Mercer 2012 CEO Compensation Analysis and Mercer 2012 Executive Compensation Review

Item (iv): Mercer 2013 Compensation Cost Benchmarking Study sponsored by Hydro One Networks Inc. but reflecting information related to Horizon Utilities

Board Staff Submissions:

The Board Staff submission on items (ii), (iii) and (iv) addresses the Board's findings in its combined decision on confidentiality in EB-2013-0115, EB-2013-0159 and EB-2013-0174, in which the Board determined that certain MEARIE surveys (compensation and reliability) were to be placed on the public record. Board Staff note that notwithstanding any non-disclosure agreements with consultants, it is up to the Board to determine confidentiality. Staff submit that Horizon Utilities "has not presented any evidence of what or how the disclosure would allow other competitors to use this information in a manner that would prejudice Horizon's competitive position."

Board Staff make no submissions on Horizon Utilities' request that the personal information included in those documents not be disclosed in any way, either publicly or in confidence.

SEC Submissions:

SEC makes a similar comment to that of Board Staff with respect to the Board's role in determining confidentiality, and submits that the lack of authorization to place a document on the public record is not a valid reason to claim confidentiality.

Beyond this, SEC suggests that Horizon Utilities' refusal to provide compensation information for individual executives publicly or in confidence is unreasonable and contrary to Board policy, and argues that the three documents should be placed on the public record in fully unredacted form. Moreover, SEC would have the Board require Horizon Utilities to provide compensation details for all of its employees earning \$100,000 or more in the same manner as those entities that are subject to Sunshine List reporting.

Horizon Utilities' Reply:

Horizon Utilities reiterates its August 5th reasons for its confidentiality request in respect of these documents. Those reasons clearly explain why Horizon Utilities will be prejudiced in competing for executive employees with other employers – specifically, with Horizon Utilities' executive compensation information (and information in item (iv) related to other non-union employees) public, other employers will be in a position to potentially outbid Horizon Utilities for new candidates. Horizon Utilities wishes to emphasize, though, that the public disclosure of compensation information related to individual employees (in this case, executives and certain other non-union staff identified in item (iv) above) is not only prejudicial to Horizon Utilities – it is also prejudicial to Horizon Utilities' employees whose compensation information is disclosed in the surveys. As discussed in our August 5th letter, disclosure of that information could reasonably be expected to prejudice the employees' own competitive positions in the labour market in that the disclosure would allow other prospective employers to reduce compensation that might otherwise be offered to attract those individuals.

With respect to the personal information contained in these documents, SEC asserts that refusing to disclose an individual's salary information contravenes Board policy. Horizon Utilities respectfully disagrees, and offers the following comments in this regard:

- SEC may want Horizon Utilities subject to the same Sunshine List disclosure requirements as those entities identified in the *Public Sector Salary Disclosure Act, 1996*, but as SEC and the Board are aware, there is no legislative basis for the SEC request. In the absence of such a disclosure requirement, Horizon Utilities maintains that the personal information it has redacted from these documents is not subject to disclosure.
- Contrary to the SEC assertion, the Board's policy is to protect personal compensation information from disclosure. This is clear from the following:
 - a. The Practice Direction (at section 4.3.1) provides that "Subject to limited exceptions, the Board is prohibited from releasing personal information, as that phrase is defined in FIPPA." Appendix "A" to the Practice Direction sets out the Board's Considerations in Determining Requests for Confidentiality, and includes "whether the information is personal information". Appendix "B" to the Practice Direction includes "individual personal records" among the types of information that have previously been held confidential;
 - b. Since 2005, the time of the development and issuance of the 2006 Electricity Distribution Rate Handbook (the "2006 EDR Handbook"²), the Board has taken steps to avoid the disclosure of individual employees' compensation information. At pages 40-41 of the 2006 EDR Handbook, the Board states:

To review the reasonableness of the applicant's total compensation expense, information is required on the number of employees and compensation levels.

The applicant is to provide three years of historical data (2002, 2003 and 2004) for the following four broad categories of distributor employees and contract workers in Schedule 6-4:

- executive: CEO, COO, VP(s), General Manager(s), Director(s)
- management: operational, middle, and supervisory managers
- non-unionized: positions not included in union bargaining units that have no supervisory or management responsibilities
- unionized: positions that are part of a union bargaining unit

Where there are three, or fewer, full-time equivalents (FTEs) in any category, the applicant may aggregate this category with the category to which it is most closely related. This higher level of aggregation may be continued, if required, to ensure that no category contains three, or fewer, FTEs.

For an applicant with fewer than three employees, reporting of employee compensation under this section is not required.

The Board's reasoning in this regard (with respect to both the aggregation of compensation information and the reporting of compensation for employees making

² Available at: http://www.ontarioenergyboard.ca/documents/edr_final_ratehandbook_110505.pdf

more than \$100,000 per annum) of can be seen in its May 11, 2005 Report on the 2006 EDR Handbook.³ At pages 39-40, the Board wrote:

Compensation disclosure rules with two, or fewer, employees

The Draft Handbook contains two alternatives for applicants with two, or fewer, employees. Under Alternative 1, no employee compensation reporting is required if the average total compensation per employee is less than \$100,000. Alternative 2 is that regular disclosure is required.

Most stakeholders supported Alternative 1, primarily due to privacy concerns. VECC suggested that the Alternative should apply for applicants with fewer than 3 employees, not fewer than 3 full time equivalents. Power Workers Union (PWU) submitted that no salary disclosure should be required for any applicant with fewer than three employees (regardless of salary level).

Conclusions

The Board concludes reporting of employee compensation for those applicants with fewer than 3 employees will not be required, regardless of the average total compensation. This will alleviate any privacy concerns.

Additional salary disclosure rules where employees make greater than \$100,000

The issue is whether or not compensation for each employee making more than \$100,000 per annum should be reported separately.

Customer groups supported disclosure, with limitations. CCC suggested that it might be more applicable to distributors with more than 50 employees. LPMA suggested that the applicant should provide the job title, but not the employee's name. VECC supported no disclosure so as to eliminate legal concerns. Schools submitted that distributors should be held to the same level of transparency as other public sector employees and submitted that privacy legislation would not prohibit disclosure if a distributor were ordered to do so by the Board.

Distributors opposed mandatory disclosure. PWU questioned the need for individual compensation information to establish the prudence of compensation levels.

Conclusions

The Board will not require the separate disclosure of total compensation for each employee earning more than \$100,000 per annum. The Board does not believe that this information is necessary to determine the appropriateness of the aggregate compensation.

As can be seen from this extract, the Board (appropriately, in Horizon Utilities' submission) rejected the SEC position on requiring disclosure of individuals' compensation information almost a decade ago, and Horizon Utilities submits that there is no reason to change that policy for this proceeding.

- c. The Board rejected SEC's attempt to obtain personal compensation information for Horizon Utilities' top five executives in its 2011 Cost of Service hearing (EB-2010-0131). Having considered the *Freedom of Information and Protection of Privacy Act*, the Board determined that it would not require Horizon Utilities to provide individual compensation information for each of its top five executives. Rather, it requested for the public record the total compensation for the top five executives without any names.⁴ Specifically, the Board made the following ruling:

³ Available at: http://www.ontarioenergyboard.ca/documents/edr_final_boardreport_110505.pdf

⁴ See EB-2010-0131 Tr. Vol.3, p.29, lines 1-22, available at:

“RULING:

MS. HARE: With respect to Undertaking J2.6, the Board has had the opportunity to consider the Freedom of Information and Protection of Privacy Act. Section 42 of that Act states that the Board:

“...shall not disclose personal information in its custody or under its control except in a limited number of circumstances.”

The Board does not find that any of these exceptions apply in this case. If the Board were to receive this information, we would have to keep it in confidence and not disclose it, including to parties who have signed confidentiality undertakings.

The Board will therefore not accept the undertaking response as drafted.

The Board requests for the public record the aggregated total compensation of the top five executives without any names.

So Mr. Sidlofsky, the Board asked to see the undertaking response. It actually was never filed. So we ask that copies be returned to you, and that you file a new version of that undertaking response.”

As the personal information at issue here is similar to that requested in 2011, Horizon Utilities submits that the information now at issue would also have to be kept in confidence and not disclosed, including to parties who have signed confidentiality undertakings. This is exactly the approach that Horizon Utilities has taken in the current proceeding.

- d. The Board’s approach to protection of individuals’ compensation information has continued to the current Filing Requirements.⁵ Section 2.7.3.1 of the Filing Requirements (at page 35) provides (in part):

Where there are three or fewer employees in any category, the applicant must aggregate this category with the category to which it is most closely related. This higher level of aggregation must be continued, if required, to ensure that no category contains three or fewer employees.

- Horizon Utilities acknowledges that the Board cites (in s.2.3.7.1 of the Filing Requirements) compensation benchmarking as an example of relevant studies among the items the Board considers part of a complete explanation of a distributor’s compensation strategy. However, Horizon Utilities submits that this is not a basis for overturning the Board’s longstanding and ongoing concern for the protection of personal compensation information. While the Board has ordered the MEARIE compensation survey placed on the public record in other proceedings and Horizon Utilities has placed it on the public record in this proceeding, there is a fundamental and critical difference between the MEARIE survey and the three documents at issue here. The MEARIE survey consists of aggregated information across dozens of Ontario distributors, while the subject documents include personal compensation information related to specific identifiable Horizon Utilities employees. There is no basis for suggesting that because the Board ordered the disclosure of the MEARIE survey, the documents at issue here should be treated in the same way.

http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/264360/view/Transcript_Vol%203_20110411.DOC

⁵ Available at: http://www.ontarioenergyboard.ca/oeb/_Documents/Regulatory/Filing_Reqs_Dx_Applications_ch_2.pdf

- Finally, Horizon Utilities submits that if the Board were to consider revising its policy in respect of material of this kind, it would only be appropriate to do so in the context of a broader consultation. A policy change of the kind suggested by SEC is beyond the scope of a single utility's distribution rate application.

For all of the reasons set out in our previous letter and above, it remains Horizon Utilities' submission that the information it has identified as personal should not be produced in any form, either publicly or in confidence. Moreover, that information should not be produced in any form even if the Board were to require portions of these documents be placed on the public record.

Horizon Utilities wishes to correct one typographical error in the August 5th letter. SEC noted a reference in the last line of the August 5th discussion of item (iv), the Compensation Cost Benchmarking Study sponsored by Hydro One, to "items (b) and (c)". This was an error. Horizon Utilities' intention was to refer to items (ii) and (iii) above.

Item (v): Short Term Incentive Pay Design Survey

Both Board Staff and SEC submit that this document should be placed on the public record. As discussed in our August 5th letter, Horizon Utilities was not a sponsor of the survey – it simply provided information to Mercer. The survey was provided in confidence to Horizon Utilities. Horizon Utilities has been in communication with the sponsors and is able to file the survey in confidence if ordered by the Board to do so.

AMPCO:

Question 4-AMPCO-16(b)

Note that this response is also applicable to the following questions:

- **4-AMPCO-21(p)**
- **4-Energy Probe-29(b)**
- **4-SEC-23**
- **4.2-VECC-41**

Because of the upcoming collective bargaining process between Horizon Utilities and its unionized employees, Horizon Utilities has provided the historical information related to wage increases for all employee groups but has proposed to maintain the 2015-2019 information in confidence, while disclosing values for total salary and benefits, for the reasons set out in our August 5th letter. This approach is consistent with the approach taken by Horizon Utilities in the Application, and approved by the Board in PO#1.

SEC Submissions:

Board Staff make no submissions on this matter. SEC does not disagree with the thrust of Horizon Utilities' submissions but suggests that the proposed redactions appear to be more than required to achieve the result of confidentiality of union rate increases. Second, SEC suggests that because this

issue will come up more often as utilities file multi-year applications based on future costs, it may be time for the Board to consider whether forecast compensation increases should be considered confidential at all. However, SEC is not proposing that the Board make this information public in this proceeding.

Horizon Utilities' Reply:

Horizon Utilities submits that it has carefully considered the redactions it has made with respect to forecasted wage increases. As discussed previously, it is insufficient to simply redact the union-related forecasts, as it then becomes possible to calculate that forecast using the other employee groups' forecasted increases and the forecasted total compensation increases. The proposed redactions are consistent with those approved by the Board in PO#1, and with those approved by the Board in Horizon Utilities' 2011 cost of service application (EB-2010-0131). Horizon Utilities requests that the Board approve the proposed redactions as filed.

Question 4-AMPCO-21

Part (e):

Board Staff and SEC Submissions:

Board Staff make no specific submission on confidentiality with respect to this question (the AMPCO request for pay grades for management employees). For all requests for confidentiality other than in respect of Board Staff Question 4-Staff-26(f), Board Staff rely on their submissions in respect of that question as well as their general submission on confidentiality.

SEC relies on its submission on Question 4-Staff-26.

Horizon Utilities' Reply:

Horizon Utilities has provided this information in confidence for the reasons discussed in respect of Question 4-Staff-26. Both the submissions contained in our letter of August 5th and those set out above pertaining to Question 4-Staff-26 are applicable here. Horizon Utilities has no further submissions in this regard.

Part (p):

In this question, AMPCO has requested that Horizon Utilities reproduce Tables 4-53 and 4-54 with Non-management – Union and Non-union shown separately. For the reasons accepted by the Board in PO#1 and discussed by Horizon Utilities in relation to Question 4-AMPCO-16(b) above, Horizon Utilities will be redacting the 2015-2019 compensation information for the individual employee groups from the public version of the requested expanded Table 4-54.

Neither Board Staff nor SEC have submissions in respect of this request. Horizon Utilities requests that the Board confirm that this redacted information will remain confidential.

CCC:

Question CCC.1:

In this question, CCC has asked for materials provided to senior management and Horizon Utilities' Board of Directors related to this Application, and materials provided to senior management and Horizon Utilities' Board of Directors regarding the decision to file for a Custom IR plan for the period 2015-2019. For the reasons set out in its response to Question CCC.1 (these include the fact that certain of these documents contain commercially sensitive information related to both regulated and unregulated business activities carried on by Horizon Utilities and members of its corporate family; forward looking financial information; and assumptions with respect to labour cost increases), three of the eight documents referred to in the response are being filed in confidence. Horizon Utilities confirms that it is requesting confidential treatment of these three documents in their entirety.

SEC Submissions:

SEC submits that with the exception of information related to unregulated activities or to future union contract negotiations, which could be redacted, almost all of the information in these three documents can and should be placed on the public record.

Horizon Utilities' Reply:

Horizon Utilities submits that its proposed confidential treatment of this material is consistent with the Board's treatment of similar material in its 2011 cost of service application (EB-2010-0131)⁶ and with its treatment of similar material in other cases. Horizon Utilities' reasonable expectation was, and remains, that this material will remain confidential. Horizon Utilities reiterates its request that these documents be treated as confidential in their entirety, for the reasons set out in our letter of August 5th.

Question CCC.2

In this question, CCC has asked for correspondence provided to Horizon Utilities' employees regarding the development of this Application. Attachment 1 to Horizon Utilities' response includes an email message to certain employee groups and individuals regarding the commencement of work on the Application. Names of individual addressees have been redacted from the document. The addressee names constitute personal information, and they have been redacted in a manner consistent with the Board's treatment of individuals' names in Horizon Utilities' tax returns.

⁶ See pages 5-6 of the Board's Decision and Order on Confidentiality Issues issued March 30, 2011, available at: http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/261148/view/dec_order_Confidentiality_IRRs_Horizon_20110330.PDF
See also the Board's Decision on Confidentiality and Procedural Order No. 4, and its Decision on Confidentiality Issues, at Toronto Hydro's 2011 distribution rate application, at: http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/239028/view/dec%20on%20confidentiality%20&%20po4_THESL_2011%20rates_20110112.PDF and http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/246971/view/dec_order%20on%20confidentiality_THESL_2011%20rates_20110207.PDF respectively.

SEC Submissions:

SEC claims that it has not been provided with any version of these documents. However, the documents (with individuals' email addresses removed) were appended to Horizon Utilities' response to this interrogatory. SEC submits that the addressees' names, but not their email addresses, should be provided, as the Board should know to whom the communication was addressed.

Horizon Utilities' Reply:

Horizon Utilities submits that the email correspondence was provided to employees who would be working on its 2015-2019 rate application. The names and email addresses of the individual employees constitute personal employee information, and Horizon Utilities maintains that it is reasonable to redact both the names and the email addresses. Moreover, Horizon Utilities respectfully submits that the names of the addressees of a "kick-off" memo in respect of the 2015-2019 rate application project are entirely irrelevant to this proceeding. The memo is before the Board, but it is the outcome of their work – the Application – that is before the Board and relevant to this proceeding.

Question CCC.8:

In this question, CCC has asked for copies of certain studies and information on their costs and the costs of certain reports included in the Application. All of the requested reports were included in the Application, although the CAPSYS Security Study was filed in confidence. That approach was approved by the Board in PO#1, where the Board recognized that security of Horizon Utilities' facilities is an important aspect in maintaining safe and reliable electricity service, and for the privacy of its customers and employees, and held that the security information is to remain confidential.

No party has opposed Horizon Utilities' request to maintain the cost information in confidence, and Horizon Utilities requests that the Board confirm that this information will remain confidential.

Energy Probe:

Question 4-Energy Probe-29(b)

In this question, Energy Probe has asked for updates to information contained in Tables 4-53 and 4-54. For the reasons accepted by the Board in PO#1 and discussed by Horizon Utilities in relation to Question 4-AMPCO-16(b) above, Horizon Utilities redacted the 2015-2019 compensation information for the individual employee groups from the public version of the requested expanded Table 4-54.

SEC addressed this item in its submission on Question 4-AMPCO-16(b) and other similar questions. Horizon Utilities reiterates its request that the forecasted 2015-2019 compensation information be maintained in confidence in light of its upcoming collective bargaining process.

Question 4-Energy Probe-43

In this question, Energy Probe has asked for a copy of Horizon Utilities' 2013 Corporate Tax Return. Horizon Utilities has provided a version of the Corporate Tax Return from which employee names have been redacted. The redactions are consistent with the Board's findings in this regard in PO#1. SEC

makes no submission in this regard, and Horizon Utilities requests that the Board confirm that the redacted information will not be placed on the record either publicly or in confidence.

SEC:

Question 2-SEC-18

In this question, SEC has requested a copy of the retainer and instructions provided to Innovative Research Group (“Innovative”). For the reasons set out in Horizon Utilities’ response to the question (in part, Innovative is a consulting firm engaged in a competitive business, and the public disclosure of its proposed methodologies and pricing with respect to this project could reasonably be expected to prejudice the economic interest of, significantly prejudice the competitive position of, cause undue financial loss to, and be injurious to the financial interest of Innovative), Horizon Utilities proposes to file the Letter of Agreement between Innovative and Horizon Utilities in confidence.

SEC Submissions:

SEC agrees that the pricing provisions should be redacted but submits that the remainder of the contract should be placed on the public record.

Horizon Utilities’ Reply:

Horizon Utilities has discussed this matter further with Innovative Research, and is prepared to place the Letter of Agreement on the public record with the exception of (i) the Cost and Billing Terms set out on page 2 of the Letter of Agreement; and (ii) Appendix C (Estimated Budget).

Question 4-SEC-23

In this question, SEC has requested the cost assumptions embedded in this Application regarding Horizon Utilities’ next collective agreement scheduled to take effect June 1, 2015, and those embedded in the Application regarding the next collective agreement if the June 1, 2015 agreement is not expected to extend to the end of the test period. For the reasons accepted by the Board in PO#1 and discussed by Horizon Utilities in relation to Question 4-AMPCO-16(b) above, Horizon Utilities has redacted the value from the public version of the response and will be providing this information in confidence.

SEC addressed this item in its submission on Question 4-AMPCO-16(b) and other similar questions. Horizon Utilities reiterates its request that these cost assumptions be maintained in confidence in light of its upcoming collective bargaining process.

Question 4-SEC-36

In this question, SEC has requested a copy of the “Power in Motion Labour Market Information Study” (updated in 2012). Horizon Utilities had advised that it is prepared to file this survey in confidence. In its submission, SEC indicated that this study was placed on the public record by Hydro One in response to an SEC interrogatory in EB-2013-0416.

Horizon Utilities has considered the SEC submission and will provide on the public record in this proceeding a copy of the study as filed in the interrogatory response in the Hydro One proceeding referred to by SEC.

VECC:

Question 4.2-VECC-41

In this question, VECC has asked Horizon Utilities to provide the annual total Human Resource costs as shown in Table 4-28 if the cost increase were limited to (1) Horizon's annual inflation assumption (please provide inflation assumptions) and (2) Horizon's assumed percentage annual increase in FTEs. Because it is necessary to include assumed compensation increases in answering this question, and for the reasons accepted by the Board in PO#1 and discussed by Horizon Utilities in relation to Question 4-AMPCO-16(b) above, Horizon Utilities provided a redacted version of its response on the public record.

SEC addressed this item in its submission on Question 4-AMPCO-16(b) and other similar questions. Horizon Utilities reiterates its request that the forecasted compensation information be maintained in confidence in light of its upcoming collective bargaining process.

Should you have any questions or require further information with respect to these matters, please do not hesitate to contact us.

Yours very truly,
BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky
JCS/ac

copy to: Christie Clark, Ontario Energy Board
 Maureen Helt, Ontario Energy Board
 Keith Ritchie, Ontario Energy Board
 John G. Basilio, Horizon Utilities Corporation
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 Intervenors of Record

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