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BY EMAIL

September 11, 2014

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

EB-2013-0416 Hydro One Networks' 2015 - 2019 Distribution Custom Rate Application – Undertaking Responses

Please find enclosed responses to undertakings provided at the September 9th and September 11th Oral Hearing in the above-noted proceeding and electronic copies of the exhibits which were physically distributed during the hearing.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

cc. Intervenors

Encls.

UNDERTAKING - J1.1

Undertaking

Comparison of Exhibit A, Tab 4, Schedule 4 and Exhibit I.2.4 Staff 17

Response

Please see the attached table (Attachment 1).

Desired Outcome	Area	Measure	Overview	2010 -2013 Actuals & 2014 Forecast					Total Spend	Performance Benchmarking	Performance Projection	Cost Projection (i.e., Forecasted Costs to Achieve Outcome)					Benefits Projection (i.e., Forecasted Benefits of Achieved Outcome)					Consequences of outcome being met, exceeded or not met	Exhibit References for Costs	Page 1 of 1	
				2010	2011	2012	2013	2014	2010-2014*	(i.e. How does Hydro One's performance compare to others inside/outside the industry)	(i.e., Key Goals/Targets & Timetable for achieving them [short-, medium-, long-term])	2015-2019	2015	2016	2017	2018	2019	2015	2016	2017	2018				2019
Reduced number of vegetation-related interruptions during the 5 year plan. (Excludes Force Majeure events)	Vegetation Management	Reduction in vegetation related customer outages	Service interruptions caused by vegetation are an issue faced by most electric distribution companies. Hydro One is proposing an outcome metric against which its efforts to reduce the number of vegetation-caused outages will be evaluated.	6,116	6,113	6,953	5,791	6,300	\$ 424 M	Not Available	As Vegetation is managed to achieve an 8-year vegetation management cycle, Hydro One expects that the number of outages caused by contact of trees with the distribution system will decline.	\$ 540 M	\$ 95.4 M	\$ 117.6 M	\$ 120.3 M	\$ 107.1 M	\$ 99.9 M	6,300	6,300	6,200	6,100	6,000	Over the next five years Hydro One will make significant progress on clearing the accumulated backlog. This will help improve the long term affordability of the vegetation management program and improve vegetation-related outcomes.	C1-02-02 Table 10 Vegetation Management	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes the OM&A associated with the Hydro One Vegetation Management Program Line Clearing cost only.
Approximately 4,500 additional end-of-life poles will be replaced per year by 2019.	Pole Replacement	Poles replaced per year	Hydro One has approximately 1.6 million distribution poles in its system. Each year approximately 20,000 poles are installed, a figure that includes both new installations and end of life replacements. Poles that fail can cause customer outages.	7,518	7,282	7,452	10,720	11,000	\$ 320 M	Not Available	Given the current age and condition of the poles, Hydro One expects to replace between 11,000 and 15,000 poles per year during the 5 year plan.	\$ 530 M	\$ 88.7 M	\$ 95.1 M	\$ 105 M	\$ 115.2 M	\$ 125.8 M	11,600	12,200	13,200	14,200	15,200	The unit price is expected to increase over the plan due to the replacements of poles with more complex framing and poles in difficult to access locations. This could impact overall costs	D1-03-02 Table 5 Pole Replacements	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes Capital costs only.
Address Federal PCB regulations and ensure Hydro One's communities' environmental concerns are addressed by decreasing the number of pole top transformers containing PCBs.	PCB Line Equipment	Number of pole top transformers with PCB oil that have been replaced	The PCB line equipment capital project was selected as an area to be measured via an outcome metric because of the public safety issues pertaining to the equipment. The initiative addresses Federal PCB regulations and ensures Hydro One's communities' environmental concerns are addressed by decreasing the number of pole top transformers containing PCBs.	0	0	0	0	0	\$ 0 M	Not Available	Given the safety and environment concerns with PCB line equipment, Hydro One expects to replace up to 2200 PCB pole top transformers per year starting in 2017.	\$ 99 M	\$ 7.9 M	\$ 17.9 M	\$ 23.8 M	\$ 24.2 M	\$ 24.8 M	400	1,000	2,200	2,200	2,200	The program is being piloted to determine the most efficient manner of completing the program which is legislated. The new legislation dictates the replacement of PCB line equipment by 2025.	D1-03-02 Table 5 Lines PCB Equipment Replacements C1-02-02 Table 7 PCB Lines Equipment Inspection & Testing	Previous PCB work was performed on pad mount transformers. This program is the pilot for replacing pole mount transformers containing PCBs. The spend includes Capital and OM&A. The spend identified in Exhibit A, Tab 4, Schedule 4 identifies Capital costs only.
Reduced number of substation interruptions during the 5 year plan. (Excludes Force Majeure events and planned outages)	Substation Refurbishments	Number of substation interruptions over the five year period	Hydro One maintains 1,004 distribution and regulating station facilities, with an average expected service life of 50 years. The Company is proposing increased funding in this area to manage system reliability in the face of demographic and load requirement pressures on the system, and to mitigate against a growing wave of stations reaching expected service life simultaneously. Hydro One's distribution system has experienced a number of substation-related outages over the last five years.	190	159	144	129	155	\$ 63 M	Not Available	Hydro One expects to manage substation reliability performance in the face of demographic & load requirement pressure on the system.	\$ 203 M	\$ 34.6 M	\$ 39.0 M	\$ 40.0 M	\$ 44.5 M	\$ 45.2 M	155	155	155	155	155	An aging fleet of distribution stations where predictive test results for equipment suggest we need to accelerate renewal efforts to maintain reliability.	D1-03-02 Table 2 Station Refurbishments	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes Capital costs only.
Reduced number of distribution line equipment caused interruptions during the 5 year plan. (Excludes Force Majeure events)	Distribution Line Equipment Refurbishments	Number of distribution line equipment interruptions over the five year period	Hydro One owns over 120,000 circuit km of lines (approximately 3200 feeders). An ongoing assessment of the condition of the lines/feeders is performed by Hydro One. Small and large sustainment projects will be performed over the course of the 5-year plan to sustain the performance of the system. Hydro One's distribution system has experienced a number of line equipment-related outages over the last five years.	5,971	7,681	7,316	7,266	7,300	\$ 156 M	Not Available	Hydro One will be carrying out small and large sustainment projects over the course of the 5-year plan to improve local reliability performance.	\$ 307 M	\$ 52.1 M	\$ 58.6 M	\$ 62.4 M	\$ 66.3 M	\$ 67.5 M	7,300	7,300	7,300	7,300	7,300	Distribution system has experienced a number of line equipment-related outages over the last five years. Reliability will be effected if targets are not met.	D1-03-02 Table 5 Line Projects	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes Capital costs only.
Become a trusted partner to our customers by improving the quality of interactions and meeting their expectations regarding reliable power supply.	Customer Experience	Overall Customer Satisfaction.	An independent third-party research firm will conduct random bi-annual residential and small-business impression surveys on behalf of Hydro One.	80%	77%	78%	80%	80%	\$ 6 M	Not Available	The main goal is to move Hydro One towards a 83% customer satisfaction target in 5 years.	\$ 21 M	\$ 4.3 M	\$ 4.3 M	\$ 4.3 M	\$ 4.2 M	\$ 4.3 M	81%	82%	83%	84%	85%	All areas impacting customer experience including health and safety, environment, reliability, customer service, communications, technology, etc. will be reviewed for action to continue to meet or exceed the target.	C1-02-05 Table 5 Total Customer Experience	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes OM&A costs only.
Maintain current levels of distribution reliability, while improving customer service and satisfaction	Handling of Unplanned Outages	Percent of customers satisfied with the way Hydro One handled the unplanned outage	An independent third-party research firm will conduct random bi-annual residential and small-business impression surveys regarding Hydro One's handling of unplanned outages.	83%	81%	79%	78%	80%	\$ 811 M	Not Available	The main goal is to move Hydro One towards a 83% customer satisfaction target in 2016 & maintain to 2019.	\$ 756 M	\$ 145.3 M	\$ 149.2 M	\$ 151.9 M	\$ 153.9 M	\$ 155.7 M	80%	83%	83%	83%	83%	Exceeding the target will prove Hydro One is listening to the customers and taking the correct steps to meet their level of service expectations.	C1-02-02 Table 5 Trouble Calls C1-02-04 Table 1 Operations & Operations Support D1-03-02 Table 4 Trouble Calls & Storm Damage Response	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes OM&A and Capital costs.
Reduced number of estimated bills during the 5 year plan	Estimated Bills	Percent of estimated bills issued	Hydro One understands "estimated bills" are an issue for our customers . Therefore Hydro One proposes an outcome metric that measures the Company's success in reducing the number of estimated bills received by our customers.	23.9%	10.2%	8.5%	10.8%	6.0%	\$ 411 M	Not Available	Reducing the number of estimated bills received by the Hydro One customers.	\$ 246 M	\$ 47.6 M	\$ 51.2 M	\$ 53.8 M	\$ 51.6 M	\$ 41.4 M	5.5%	5.0%	4.5%	4.0%	3.5%	Reducing the volume of estimated bills planned or unplanned will increase customer satisfaction and trust in the Company.	C1-02-05 Table 2 Meter Reading C1-02-02 Table 9 Retail Revenue Meters & Telecom, Monitoring & Control D1-03-02 Table 6 Customer Retail Meters & Smart Meter Project	The spend identified and found in Exhibit A, Tab 4, Schedule 4 includes OM&A and Capital costs.

* NOTE: The historical spend found in Exhibit A, Tab 4, Schedule 4 is for the period of 2009 to 2013 inclusive.

UNDERTAKING - J1.2

Undertaking

TO CALCULATE WHAT EXISTING RATES WOULD GENERATE IN REVENUE FOR 2014.

Response

Forecasted 2014 Distribution Revenue under existing rates is \$1.318 billion, and is provided in Exhibit A, Tab 12, Schedule 2.

Calculated Revenue Requirement using 2014 forecasted costs would be \$1.426 billion. This forecast uses the 2014 Rate Base provided in Interrogatory Response I-6.01-14-AMPCO-36, as well as the OM&A expenditures consistent with the Q2 actuals provided in Undertaking TCJ1.13.

UNDERTAKING – J2.1

Undertaking

To calculate respective contributions from rate base additions relative to OM&A changes on a percentage basis, in the context of the aggregate increase in rates over the five years.

Response

The table below shows the amount of incremental Revenue Requirement attributable to each of the factors identified in Table 7 of Exhibit E1, Tab 1, Schedule 1.

	2011 to 2015	2015 to 2016	2016 to 2017	2017 to 2018	2018 to 2019
Change in OM&A	18%	43%	7%	-27%	-9%
Rate Base Growth	94%	45%	80%	111%	89%
Change in Cost of Debt	-11%	6%	10%	16%	22%
Change in Cost of Equity	1%	6%	11%	4%	0%
Tax - Timing Differences and Other	-1%	1%	-6%	-6%	-1%
External Revenue	0%	-1%	-2%	2%	-1%
Other	0%	0%	0%	0%	0%
Total Change	100%	100%	100%	100%	100%

UNDERTAKING – J2.2

Undertaking

To update the December 2013 table to facilitate comparison of what the minister indicated in then and what is known today.

Response

	Total Bill Impact Dx Unsmoothed	
	December	May
2014	0.7%	0.8%
2015	4.0%	3.5%
2016	2.4%	2.4%
2017	1.2%	0.9%
2018	1.0%	0.7%
2019	1.0%	0.9%
6 Yr Avg	1.7%	1.5%
5 Yr Avg	1.9%	1.7%

	Total Bill Impact Dx Smoothed	
	December	May
2014	0.7%	0.8%
2015	2.4%	2.1%
2016	2.4%	2.1%
2017	2.4%	2.1%
2018	2.4%	2.1%
2019	2.4%	2.1%
6 Yr Avg	2.1%	1.9%
5 Yr Avg	2.4%	2.1%

UNDERTAKING – J2.3

Undertaking

To translate the productivity initiatives into an X factor

Response

Following the steps outlined below, we have translated the productivity savings described in this application into an X-factor of 0.85%.

To determine the equivalent productivity factor, we match our filed “total period savings” value with the calculated savings using a revenue requirement build based on an increase due to inflation and a decrease based on the productivity factor.

1. Calculation of Filed “Total Period Savings” for the Distribution Business.

- We filed annual savings projected through the filing period.
- Taking 2014 as the base year, we calculated the incremental savings from 2014 to 2015. The incremental savings from one year to the next continue through each future year.
- By summing up the annual savings allocated to the Distribution Business for each set of yearly incremental saving, we calculate a “total period savings” value. We calculated this total period savings as \$184,500,000.

This is our goal seeking result to match when determining the equivalent productivity factor.

2. Calculation of Equivalent “Total Period Savings” value for the Distribution Business.

- The starting point for the exercise is the 2014 Revenue Requirement. This is the hypothetical Revenue Requirement that was provided by Ms. Frank at the start of Day 2 of the Oral Hearing.
- Productivity factor (variable) is multiplied by the 2014 Revenue Requirement to determine the 2015 savings.
- The OEB’s inflation factor (1.7%¹) is multiplied by the 2014 Revenue Requirement to determine the pre-savings 2015 Revenue Requirement.

¹ *EB-2010-0379 Report of the Board Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors* (Issued on November 21, 2013 and as corrected on December 4, 2013), page 11.

- 1 • Subtracting the 2015 savings from that value gives the 2015 Revenue
- 2 Requirement.
- 3 • These three steps are performed for each subsequent year through 2019.
- 4 • Then the incremental savings from each year are summed as in the calculation of
- 5 the Filed value.
- 6
- 7 3. Calculation of the Equivalent Productivity Factor.
- 8
- 9 • Through an iterative process the productivity factor variable was adjusted until
- 10 the Filed and the Calculated total period savings values match.
- 11 • The result is 0.85%

UNDERTAKING – J2.4

Undertaking

To provide a description of how an earning sharing mechanism could be done, if required by the Board.

Response

An earning sharing mechanism could be done by following the steps below in a chronological order.

Rate Smoothing Rider:

1. Upon the issuance of its final Decision in this application, the Board will approve the revenue requirement for each year as well as the amounts of revenue to be deferred to future years to achieve smoothed rate increases through the test years period;
2. A rate smoothing rider will be set up so that the revenues collected from customers are reduced in 2015, 2016 and 2017, and increased in 2018 and 2019. The rider amounts will be determined based on the Board-approved amount (Step 1) and will not be updated during the term of the test years period;

Board-approved ROE/Allowed Return:

3. ROE will be updated for each test year in accordance with the OEB's Cost of Capital Report. Hydro One will use the Board-issued ROE based on the latest market forecast in the fall of the preceding year as part of the Draft Rate Order for the following test year;
4. The Draft Rate Order (Step 3) will show the return on equity that Hydro One is allowed to earn for the following test year, assuming no revenue is being deferred to a future period (i.e. unsmoothed basis);

Actual ROE/return:

5. On April 30 of each year, Hydro One will submit to the Board the financial results for the preceding year according to the OEB's Electricity Reporting and Record Keeping Requirements ("RRR");
6. As part of the RRR filing, Hydro One will calculate the actual regulated ROE on a deemed basis using the Board's model consistent with Section 2.1.5.6 of the RRR filing requirements. Note that this is not the GAAP ROE calculated from the financial statements.
7. The actual ROE calculated in Step 6 will be on an unsmoothed basis, as the Board's model includes the uncollected revenue being deferred as noted in Step 1 in the net income calculation as accrued revenue. It does not reflect Hydro One's return on a cash basis.
8. The unsmoothed actual ROE (Step 6) will be used to compare with the Board-approved ROE calculated in Step 3 to determine if Hydro One has over-earned or under-earned for that year.

- 1 9. The amount of under-earning or over-earning can be determined by comparing
- 2 the net income calculated using the Board's model (Step 6) with the allowed
- 3 return calculated in Step 4. However, this net income figure does not reflect the
- 4 fact that Hydro One is under-collecting from its customers in the earlier years and
- 5 over-collecting in the later years as a result of rate smoothing as noted in Steps 1
- 6 and 2.

UNDERTAKING –J2.5

Undertaking

To factor in the OPG application in the bill impact table.

Response

As per page 57, Section 2.11.12 of the Board's filing requirements, the bill impact from Hydro One Distribution's requested rate increase was calculated holding all other bill components constant.

This results in a 2.1% bill impact to Hydro One Distribution's Medium Density (R1) Residential rate class customers (consuming 800 kWh per month) in 2015.

Factoring in the updated commodity cost from the increase requested by OPG (Exhibit I1, Tab 1, Schedule 2 of their EB-2013-0321 filing), the combined bill impact is 4.9% in 2015 (2.1% from the Distribution delivery charge plus 2.8% from the increased Commodity charge). This analysis assumes 48.5% of energy used by consumers is supplied by OPG, and that they receive 100% of the \$0.01089 per kWh increase they are requesting (effective January 1, 2015).

Assuming OPG receives 50% of the increase they are requesting, the combined bill impact is 3.5% in 2015 (2.1% from the Distribution delivery charge plus 1.4% from the increased Commodity charge).

UNDERTAKING – J2.6

Undertaking

To provide a general understanding of drivers behind the amount of spend by the end of this quarter.

Response

The amount of spend in common costs as of the end of the second quarter above the notional half year budget is approximately \$28.5M. This is mainly split between stabilization and enhancement of the Customer Information System and allocations of other overheads. The Customer Information System stabilization and enhancements support actions being taken in support of the Customer Service Recovery program and which are also intended to enhance customer service. It is our expectation that the allocation of other overhead items based on timing will catch up and balance out by year end.

UNDERTAKING – J2.8

Undertaking

To provide the percentage of total smart-meter capital costs that are being sought to be cleared in this Application.

Response

The percentage of total smart-meter capital costs that are being sought to be cleared in this application are as follows:

Total Smart Meter In-Service Capital Costs (2009- 2014) = \$445.1 Million (A)

Total Smart Meter In-Service Capital Costs (2006 – 2014) = \$733.1 Million (B)

Percentage of Smart Meter In-Service Capital Costs (2009 – 2014) = 61% (A / B)

UNDERTAKING – J2.9

Undertaking

To provide a breakdown by major cost bucket of amounts of costs in rows 158 and 166 of the model.

Response

The following is an approximate breakdown by major cost bucket of amounts of costs in rows 158 and 166 of the Model:

	2009	2010	2011	2012	2013	2014 - Forecast
OMA Min Func						
M070 - Work Estimation	484,538	264,126	354,312	114,490	158,598	250,000
M090 - Change Management	1,239,717	675,782	906,529	0	0	0
M110 - Incremental Billing	5,528,180	3,013,468	4,042,417	0	0	0
M120 - Telecom Operations	1,788,955	975,178	1,308,153	10,155	14,068	22,175
OMA Sustainment			0	0	0	
Lines	-	0	0	2,315,390	3,207,404	3,947,292
SMNO	-	0	0	2,494,846	3,455,996	5,447,719
Leased Telecom	-	0	0	597,833	828,151	1,305,423
Total OMA Min Func	9,041,390	4,928,555	6,611,411	5,532,715	7,664,218	10,972,608
	2009	2010	2011	2012	2013	2014 - Forecast
OMA > Min Func						
M080 - Integrated Business	226,385	1,335,604	134,079	35,415	0	0
M100 - Load Control Pilot	212,631	1,254,464	1,372,353	321,535	246,199	200,000
M110 - Incremental Billing	-	0	47,877	1,520	0	0
M120 - Telecom Operations	137,248	809,724	257,202	4,921	0	0
OMA Sustainment	-					
Telecom	-	0	0	320,324	321,354	357,778
ISD related SM costs	-	0	0	1,702,907	2,411,911	2,973,996
Total OMA > Min Func	576,264	3,399,792	1,811,511	2,386,621	2,979,464	3,531,774

Row 35 of Tab 2 of the model includes meter installations for large customers (such as distributed generators, including FIT and MicroFIT customers).

UNDERTAKING – J2.10

Undertaking

To clarify amounts for short-term debt component and deemed short-term debt rate, addressing why these were adjusted in a year when cost of capital was not adjusted due to being under IRM.

Response

The Blended Debt Rate was used as the Long Term Debt Rate in the Smart Meter Models. The amounts for the short-term debt component and deemed short-term debt rate are as follows:

	Split	2009	2010	2011	2012	2013	2014
Long Term Debt	56.00%	5.72%	5.67%	5.60%	5.60%	5.00%	4.87%
Short Term Debt	4.00%	4.47%	2.07%	2.43%	2.43%	2.08%	2.11%
Blended Debt Rate	60.00%	5.64%	5.43%	5.39%	5.39%	4.81%	4.69%

Consistent with previous Board decisions on the Smart Grid distribution rate rider calculations as part of the IRM applications EB-2012-0136 and EB-2013-0141, Hydro One will apply the most recently approved cost of capital in determining the Smart Meter distribution rider calculations. Hydro One believes that this is appropriate because the new investments into the Smart Metering initiative should earn returns that are consistent with the anticipated returns during the period of the actual investment. This treatment results in a lower return than would be realized if Hydro One applied the 2011 Board approved cost of capital.

UNDERTAKING – J2.11

Undertaking

To provide the average number of metered customers in 2015 from which smart-meter costs will be recovered.

Response

The average number of metered customers in 2015 for which Hydro One proposes disposition of the Smart Meter variance account balance is shown below:

Rate Class	# of Customers
High Density Residential (UR)	209,540
Medium Density Residential (R1)	438,279
Low Density Residential (R2)	335,043
Seasonal Residential	143,666
General Service <50 (GSe)	93,508
General Service >50 (GSd)	6,113
Urban General Service <50 (UGe)	17,768
Urban General Service >50 (UGd)	1,901
Distributed Generation (DGen)	1,010
Sub-transmission (ST)	810

UNDERTAKING – J2.12

Undertaking

To clarify the proposed smart-meter Distribution rider, and to provide explanation for the difference between the models.

Response

At the request of Board Staff, Hydro One completed the OEB Model for Electricity Distributors (2015 filers) as a supplement to Exhibit TCJ1.07.

The explanations for the differences between the models are described below.

1. The OEB Model does not allow for the opening Smart Meter Variance deferral account balance to be taken into consideration (\$13.7 Million). It does not allow for previous dispositions in 2010 (\$16 Million) to be taken into consideration. This has a direct impact on the calculation of interest improvement on the balances in the two respective Models. Interest improvement as calculated by the Hydro One Model is a liability of \$0.1 Million as opposed to an asset of \$6.7 Million as calculated by the OEB Model.
2. The OEB Model calculates 2015 amounts when there should be none. Removing or adjusting for 2015 amounts has a \$65.4 Million impact on the cumulative Net Deferred Revenue Requirement calculation.
3. The OEB Model contains a default value of 1,000 for average number of metered customers by class (2015), over which the disposition of the Smart Meter Variance account balance will occur. The correct number should be 1,247,638 customers.
4. Hydro One's distribution rates application EB-2013-0416 requested the disposition of the Smart Meter Variance deferral account balance as of December 31, 2013. As part of the undertaking submission Exhibit TCJ1.07, Hydro One had updated its Smart Meter Model to include 2014 forecast numbers and these were also reflected in the OEB Smart Meter Model. It is to be noted that the resulting Revenue Requirement impact for the 2014 forecasts was not reflected and updated for in our original EB-2013-0416 distribution rates application.

As Hydro One has previously submitted, these differences between the OEB Model and the Hydro One Model have a significant impact on the proposed smart-meter Distribution rider as calculated by the OEB Model and, hence, render the OEB Model not comparable for purposes of determining the Smart Meter Variance account balance that Hydro One is seeking disposition of in its distribution rates application.

UNDERTAKING – J2.13

Undertaking

To explain the types of costs included in the common corporate capital spending category.

Response

Exhibit D1, Tab 3, Schedule 6 explains the types of costs included in Corporate Common Costs Capital spending and includes assets that are largely shared by both the Transmission and Distribution businesses. Corporate Common Costs include information technology (IT) installations such as applications software and computer equipment, buildings, office equipment, transportation and work equipment (“T&WE”), tools, and service equipment. .

Exhibit D1, Tab 3, Schedules 7 through 9 provide more detailed explanations of the types of costs included in Corporate Common Costs Capital spending.