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BY EMAIL

September 22, 2014

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

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 Oral Hearings in the above-noted proceeding and electronic copies of the exhibits which were physically distributed during the hearing. The following undertakings are being filed:

September 11, 2014 – J3.12
September 12, 2014 – J4.8
September 15, 2014 – J5.1 & J5.7
September 17, 2014 – J7.3

The following undertakings were filed during day 7 of the hearing and have now been filed using the Board's Regulatory Electronic Submission System (RESS). These are as follows:

September 15, 2014 – J5.2, J5.4 & J5.6
September 16, 2014 – J6.3

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

cc. Intervenors

Encls.

UNDERTAKING – J5.2

Undertaking

To provide a chart elucidating how much is represented by capital contribution each year.

Response

Reference is made to lines 13-21 on page 14 of the transcript for Day 5 of the Oral Hearing for this application.

The capital figures in Exhibit I, Tab 3.01, Schedule 1, Staff 38(b) were derived using the PEG Excel file posted on the Board's website, which was filed as Exhibit I, Tab 3.03, Schedule 1, Staff 60. For the reasons set out below, these figures are different than the capital expenditure figures set out in Table 1 of Exhibit D1, Tab 3, Schedule 1.

The PEG Model capital line in Exhibit I, Tab 3.01, Schedule 1, Staff 38(b) does not document capital expenditures or in-service capital additions. It appears to be some econometric approach to costing rate base.

In contrast, Exhibit D1, Tab 3, Schedule 1 reflects the detailed planning and prioritization of Hydro One's work program.

UNDERTAKING – J5.4

Undertaking

To provide the number of station refurbishment projects in the five-year period that would involve a transformer and the number of transformers that would be replaced under transformer spares and replacements.

Response

The table below provides the total number of planned transformer replacements over the five year period within the Station Refurbishment Projects and Transformer Spares and Replacement Program.

	Number of Planned Transformer Replacements over the 5 year Period
Station Refurbishment Projects	126
Transformer Spares and Replacement Program	30
Total	156

UNDERTAKING – J5.6

Undertaking

To disaggregate planned and reactive OM&A by category.

Response

The planned and reactive OM&A by Sustaining category are as follows:

Distribution (\$millions)											
<u>Sustaining</u>		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Stations (OM&A)	Planned	18.8	17.6	17.1	15.5	18.7	18.2	18.4	18.7	18.4	17.9
	Reactive	8.4	8.2	9.2	8.2	9.2	9.4	10.0	10.2	10.3	10.5
Lines (OM&A)	Planned	33.1	26.5	22.8	27.4	27.1	37.7	45.3	46.2	47.1	48.0
	Reactive	91.2	110.9	108.1	133.9	106.9	103.5	104.5	106.3	107.4	109.4
Meters (OM&A)	Planned	20.6	23.1	9.7	9.9	11.6	11.8	12.1	12.0	12.2	12.6
	Reactive	3.5	3.5	4.5	6.0	7.7	6.7	6.6	6.5	6.6	6.8
Vegetation Management (OM&A)	Planned	122.1	120.0	129.2	126.5	130.8	134.3	170.5	173.1	154.0	145.7
	Reactive	8.1	7.3	7.2	8.4	8.4	7.7	7.1	7.2	7.1	7.2

UNDERTAKING – J6.3

Undertaking

To provide a chart comparing a low consumption load profile of a seasonal customer on an annual basis compared to similar low consumption urban residential customer.

Response

The analysis was undertaken using a sample of 2012 smart meter hourly data obtained from the IESO for 58,154 Urban Residential (UR) customers and 4,842 Seasonal customers with average monthly energy consumption of 250 kWh or less.

Comparison of Monthly Energy Consumption of UR and Seasonal Customers (in kWh)

