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May 29, 2015

VIA COURIER, EMAIL AND RESS

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

Dear Ms. Walli:

Re: Hydro One Networks Inc. ("HONI")
2nd Round Interrogatories of EnWin Utilities Ltd. ("EnWin")
Board File No.: EB-2013-0421

We are counsel to the Intervenor, EnWin Utilities Ltd. ("**EnWin**"), in the above noted proceeding.

Pursuant to Procedural Order No. 5 dated May 22, 2015, please find enclosed EnWin's Interrogatories for the Applicant, HONI.

If there are any questions, please contact the undersigned.

Yours very truly,

AIRD & BERLIS LLP

Scott Stoll

SAS/bm
cc: *Applicant (HONI), Erin Henderson*
Counsel to the Applicant, Michael Engelberg (via email)
All Intervenors (via email)
EnWin Utilities Ltd., Andrew J. Sasso (via email)
Encl.

22862082.1

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Hydro One Networks Inc. for an order or orders pursuant to section 92 of the *Ontario Energy Board Act*, 1998 (as amended) granting leave to construct transmission line facilities in the Windsor-Essex Region, Ontario.

ENWIN 2nd ROUND OF INTERROGATORIES FOR THE APPLICANT, HYDRO ONE NETWORKS INC. ("HONI") (PURSUANT TO PROCEDURAL ORDER NO. 5 DATED MAY 22, 2015)

EnWin Interrogatory #1

This is a follow up to EnWin Interrogatory #1.

(a) Please confirm that the term "pool-funded" in 1(c) is a reference to the Hydro One Transmission rate base that is funded by provincially applicable uniform transmission rates.

(b) In the responses to EnWin as well as other stakeholders (for example in response to EnWin Interrogatories 1(e) and (f), a number of different costs and savings have been identified. The relationships between these costs and savings are not clear. Part of the confusion appears to stem from the treatment of the SECTR project costs and savings as discrete from other costs and savings that are closely related to the SECTR project. Please prepare a chart for each of the two alternatives Hydro One considered. The charts should take an integrated view of the regional costs and savings explicitly and implicitly tied to the build of the Leamington TS. For example, the charts should include the costs and savings at Kingsville TS, upstream transmission infrastructure, etc. The charts should identify for each line item whether the costs or savings for that line are included within the calculation of the SECTR project cost.

(c) Is it Hydro One's understanding that the distributor will book the contribution to Hydro One when the contribution is made, when the SECTR project is put into service, or some other point in time?

(d) Please confirm that the offsetting contribution to distributors from customers will be booked when the customer connects or completes the expansion.

(e) Assume there is a lag period between the distributor paying Hydro One and the distributor receiving the contribution from customers. Please confirm that during the lag period the distributor would be entitled and expected to include the contribution payment in its rate base.

(f) Please quantify the amount described in response to 1(g) as "the total cost to the distributor would be much greater than the cost of the currently proposed SECTR Project."

EnWin Interrogatory #2

This is a follow up to EnWin Interrogatory #2. In response to EnWin 2(b), Hydro One indicated that payment would be required prior to SECTR being placed into service.

(a) Please provide a table showing the expected forecasted receipt of contributions from each contributor, including but not limited to completion of the chart below.

Contributor	Load	Forecasted Contribution Amount	Anticipated Payment Date

(b) Will each of the distributors currently served and forecasted to make a contribution be required to enter into a contribution agreement with Hydro One?

(c) What would happen if Hydro One and the distributor cannot agree about the contribution?

(d) Please confirm that Hydro One intends to enter into capital contribution agreements with distributors and transmission connected consumers.

(e) Please confirm that distributors would be expected to enter into capital contribution agreements with end use consumers.

(f) Does Hydro One agree that the nature of distributors as signatories to capital contribution agreements results in low or very low risk of non-payment to Hydro One

whereas the nature of end use consumers may expose distributors to high or very high risk of non-payment to them?

(g) Does Hydro One agree that, with respect to transmission infrastructure construction projects, it is inappropriate for distributors to bear asymmetrical risk with respect to their payment obligations and their offsetting collection opportunity? If Hydro One does not agree, please explain.

(h) Does Hydro One agree that existing customers whose loads are not increasing will also bear some of the cost of the project?

(i) Does Hydro One agree that if there is insufficient load growth to pay for SECTR that the residual transmission costs associated with the transmission costs of the SECTR Project should be recovered through transmission rates rather than distribution rates? If Hydro One does not agree, please explain.

(j) Would Hydro One support a cost recovery model whereby distributors are kept whole and the costs and payments merely pass-through the distributor as they flow between the transmitter and the end use consumers? If Hydro one would not support this approach, please explain.

EnWin Interrogatory #3

This is a follow up to EnWin Interrogatory #3.

(a) Does Hydro One agree that relieving constraints on generation should provide downward pressure on the market price for electricity?

(b) If the market price for electricity is reduced, would Hydro One agree that all customers in the province see the benefit of the reduced price?

(c) In MW, how does the amount of natural gas generation that will be unlocked through the SECTR Project compare with the amount of natural gas generation that was abandoned in each of Mississauga and Oakville?