

May 29, 2015

VIA RESS AND COURIER

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Re: EB-2013-0421: Hydro One Networks' (Hydro One) Leave to Construct Supply to Essex County Transmission Reinforcement (SECTR) Project (Project).

Topics for Technical Conference Clarification.


Procedural Order No. 5 herein directs parties who wish to clarify the interrogatory responses from HONI on Phase 2 of this proceeding to file their questions today.

While E3 Coalition is continuing to review the interrogatory responses from Hydro One and develop particular questions for clarification thereon, we thought it would assist Board Staff and the parties in the interim to indicate which topic areas we anticipate seeking clarification on at the upcoming Technical Conference. Based on our work to date, we anticipate seeking clarification on the following topic areas:

1. The total currently proposed cost impacts for each of the E3 Coalition members, and their customers, of Hydro One's proposed SECTR project cost allocation, including both direct allocations and increases in transmission rates.
2. Tracing of the flow of the proposed cost allocations and other cost impacts starting from the total proposed project costs, through the macro allocation as between transmission (pools) and distribution level costs, and down to the current proposed allocations to each of the impacted distributors.
3. A reconciliation between the current cost allocations for each of the E3 Coalition members, and their customers, as compared to the initial cost implications reflected in the prefiled evidence. Included in this topic is the desire for clarification of the causes for the differences from the pre-filed cost allocation to the current cost allocation, and a better understanding of the sensitivities in the proposed cost allocation to further changes in load forecasts, customer additions or other changes.

4. Clarity on which load forecasts were used by Hydro One in deriving the current cost implications for each impacted distributor, and how those load forecasts were applied in determining the current cost implications.
5. Precisely where the anticipated customer additions which inform the cost allocation proposal are located, how that information has driven the cost allocation proposal, and the implications of changes relative to current assumptions regarding which customers materialize and where.
6. Clarification of how Hydro One's current cost allocation proposal differs from the cost allocation that would result under the "status quo" framework, and the rationale supporting such difference.

Yours truly,



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- c. Mark Danelon, E.L.K. ENERGY INC.
David Ferguson, ENTEGRUS POWERLINES INC.
Richard Dimmel, ESSEX POWERLINES CORPORATION
Mike Roger, ELENCHUS RESEARCH ASSOCIATES
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