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April 20, 2016

Our File Number: 72738

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

Dear Ms. Walli:

Re: Hydro One Networks Inc. Motion for Review and Variance of Decision by Carriers EB-2015-0141

We write further to Procedural Order No. 8 in which other parties were permitted to respond to the Carriers' submissions on why this matter should not proceed by way of written hearing. Those submissions were received on April 19, 2016.

Outlined below are Hydro One's submissions in response.

Request for Adjournment Pending Appeal

Hydro One does not believe this matter should be adjourned. The Carriers' motion to review and vary the OEB's decision in EB-2013-0416/EB-2014-0247 made March 12, 2015 was commenced on April 1, 2015, now over a year ago. The Board decision in that case established just and reasonable rates for the distribution of electricity for Hydro One for 2015, 2016, and 2017. We are now almost half-way through the rate period at issue. This proceeding has had evidentiary disclosure, interrogatories, a technical conference, a settlement conference and a second round of interrogatories recently answered by Hydro One.

Hydro One submits that it is now time to bring this matter to its final conclusion. It is entitled to the finality of decisions and finality of rates. Hydro One does not believe that any further delay is warranted or appropriate.

Intended Motion by Carriers

The Carriers have advised that they intend to proceed with a motion to compel answers to certain interrogatories which Hydro One submitted are irrelevant, outside of the scope of this proceeding, or inconsistent with the Board Order that the reciprocal agreement between Hydro One and Bell Canada need not be produced as it is irrelevant to the issues in this proceeding. Hydro One will respond to that motion in due course should it in fact proceed. Hydro One submits that that intended motion is unrelated to the manner in which this hearing proceeds.

An Oral Hearing is not necessary

The Board initially determined that this matter should proceed by way of written hearing. Hydro One agrees.

The Carriers have repeatedly requested an oral hearing. The Carriers insist that an oral hearing is necessary in order to question witnesses and "test the evidence". Hydro One disagrees.

It is important to recall that it is the Carriers who are seeking to review and vary this Board's Order of March 12, 2015. It is the Carriers who have the onus of leading evidence and establishing that the rate established was not a just and reasonable rate. It is the Carriers who could have and should have taken opportunities available to them to test whatever evidence was deemed appropriate and necessary. No further evidence is required.

To the contrary, Hydro One submits that the evidentiary record is complete. There is nothing more to be gained by further evidence. There is a very discrete issue at hand. There is a Board established methodology to establish the pole attachment rate. There is more than sufficient evidence on the record for this Board to determine the appropriate pole attachment rate based on the methodology established in 2005 and based on updated current actual information as supplied by Hydro One. Hydro One respectfully submits that there is nothing further to be tested.

Other Objections expressed by the Carriers

The Carriers continue to raise numerous objections relating to the manner in which this matter has proceeded. Hydro One submits that the Board has already dealt with these issues. The Carriers simply keep repeating the same arguments over and over again, presumably in the hopes that a different determination will be reached. Hydro One submits that the Board has already disposed of these requests by the Carriers. No further reconsideration is necessary.

Conclusion

Hydro One submits that the evidentiary record before the Board is now complete and further submits that this matter can be dealt with effectively in writing. As no further evidence is required, Hydro One is prepared to provide its closing argument in chief in writing, consider the written submissions of the Carriers and intervenors, and provide its reply argument in writing as well. An oral hearing is not necessary for this final stage of the proceeding.

The Carriers have raised a number of other procedural issues. Many of those have already been addressed and determined by the Board. Hydro One submits that no further consideration is necessary and asks that this matter finally be determined on its merits once closing arguments are complete.

We trust this is satisfactory. If the Board requires anything further, please do not hesitate to contact me.

Yours very truly, Anita M. Variacic

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c: Hydro One Intervenors