

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5393
Fax: (416) 345-5866
Joanne.Richardson@HydroOne.com

Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs



December 7, 2018

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-2018-0275 - Niagara Reinforcement Limited Partnership request for Interim Rates

On October 25, 2018, Niagara Reinforcement Limited Partnership (“NRLP”) filed a request to the Ontario Energy Board (“the Board”) under sections 78(3) and 21(7) of the *Ontario Energy Board Act, 1998* for approval of its 2019 revenue requirement to be recovered through interim rates.

The proposed assets encompassed in the revenue requirement request consist of transmission facilities formerly part of Hydro One’s Niagara Reinforcement Project (“NRP”). The NRP, as described in its Leave to Construct application, EB-2004-0273, will improve reliability, relieve transmission congestion, reduce losses, and will enhance import capability. The NRP provides common benefits to all load customers in Ontario, and consistent with the definition of Network facilities in the Transmission System Code, it was classified as a Network facility in the Leave to Construct¹, which was approved by the Board on July 8, 2005. Therefore, for the purposes of setting Ontario’s Uniform Transmission Rates (UTR), NRLP’s revenue requirement should be fully allocated to the Transmission Network Pool.

Given that NRP is a Network asset, there are no customers directly connected to NRLP’s facilities and therefore there are no charge determinants associated with including NRLP in the calculation of Ontario’s UTR.

If you require any further information, please contact me.

An electronic copy of this has been filed through the Ontario Energy Board’s Regulatory Electronic Submission System (RESS).

¹ EB-2004-0273, Exhibit B, Schedule 4, Tab 4 – pages 1-2.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson