

**Ontario Energy Board**  
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**Commission de l'énergie  
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**BY E-MAIL**

January 24, 2019

Frank D'Andrea  
Vice President, Regulatory Affairs & Chief Risk Officer  
Hydro One Networks Inc.  
7<sup>th</sup> floor, South Tower  
483 Bay Street  
Toronto ON M5G 2P5

Dear Mr. D'Andrea:

**Re: EB-2017-0182 and EB-2017-0364 Applications for leave to construct  
an electricity transmission line between Thunder Bay and Wawa,  
Ontario**

The Ontario Energy Board (OEB) is in receipt of Hydro One's letter dated January 15, 2019. In the letter, Hydro One suggests that the OEB consider requiring that NextBridge and Hydro One provide an explanation for any material changes in their costs from those provided in the hearing. The letter also raises concerns that without an explanation for any material changes, ratepayers could be harmed. For example, an applicant could shift costs from capital to OM&A.

As stated in the December 20, 2018 Decision and Order, the not-to-exceed price to be filed by January 31, 2019 is to account for all construction costs that the applicant would seek to recover from ratepayers broken out into the categories set out in Schedule E of the Decision and Order. The Decision and Order further noted that OM&A costs will be assessed for OEB approval in a subsequent proceeding, after the project is in service.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary

cc: Parties in the OEB's Combined Proceeding EB-2017-0182, EB-2017-0194 and  
EB-2017-0364