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February 4, 2019

BY EMAIL AND FILED VIA RESS

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Niagara-on-the-Lake Hydro Inc. - EB-2018-0056

We are counsel to Niagara-on-the-Lake Hydro (NOTL Hydro). We write in response to Procedural Order No. 3 about the form of hearing for the unresolved issues.

OEB Staff's letter of today's date describes the six unresolved items in this matter. NOTL Hydro submits that it is appropriate for all of the unresolved items in this proceeding to be heard in writing. As explained below, NOTL Hydro believes that there is a full and sufficient evidentiary record to support a written hearing, and does not understand that there are disputed factual items that would require an oral hearing.

Before the Settlement Conference, NOTL Hydro provided prefiled evidence and interrogatory responses (including responses to follow-up questions). Following the Settlement Conference, NOTL Hydro provided additional evidence on most of the unresolved items (capital budget – underground program costs; OM&A budget; cost of debt and clearance of group 2 accounts and LRAM). Parties took the opportunity to ask further interrogatories on the additional evidence, and NOTL Hydro provided responses. NOTL Hydro understands that intervenors have two further follow-up questions, and has confirmed to intervenor counsel that these questions will be answered in writing as soon as possible.

There are relatively few unresolved items in the case (six in total), and there is a full evidentiary record for each such item. The differences between the parties appear to be around the conclusions that should be drawn from the evidence in the case, rather than around the evidence itself. NOTL Hydro submits that in this circumstance, proceeding with a written hearing will be more efficient and cost-effective than an oral hearing. NOTL Hydro notes that all of the other participants in this proceeding (OEB Staff, SEC and VECC) are also open to this approach, and that no party requires an oral hearing.

Please contact me should you have any questions.

Yours truly,

AIRD & BERAIS LLP

David Stevens

cc: All parties registered in EB-2018-0056

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