

**PALIARE
ROLAND**

BARRISTERS

Chris G. Paliare
Ian J. Roland
Ken Rosenberg
Linda R. Rothstein
Richard P. Stephenson
Nick Coleman
Donald K. Eady
Gordon D. Capern
Lily I. Harmer
Andrew Lokan
John Monger
Odette Soriano
Andrew C. Lewis
Megan E. Shortreed
Massimo Stamino
Karen Jones
Robert A. Centa
Nini Jones
Jeffrey Larry
Kristian Borg-Olivier
Emily Lawrence
Tina H. Lie
Jean-Claude Killey
Jodi Martin
Michael Fenrick
Ren Bucholz
Jessica Latimer
Lindsay Scott
Alysha Shore
Denise Cooney
Paul J. Davis
Lauren Pearce
Elizabeth Rathbone
Daniel Rosenbluth
Glynnis Hawe
Emily Home
Hailey Bruckner
Charlotté Calon

COUNSEL
Stephen Goudge, Q.C.

COUNSEL
Ian G. Scott, Q.C., O.C.
(1934 - 2006)

February 7, 2019

Richard P. Stephenson

T 416.646.4325 Asst 416.646.7419

F 416.646.4301

E richard.stephenson@paliareroland.com

www.paliareroland.com

File 95704

VIA COURIER and RESS FILING

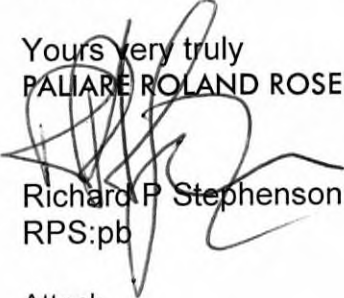
Ms. Kirstin Walli,
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor, P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli,

Re: Hydro One 2019 Transmission Rates Application (EB-2018-0130)

Attached please find the Interrogatories of the Power Workers' Union in connection with the above-noted proceedings. An electronic copy has been filed through the Board's RESS filing system, and two paper copies will follow by courier delivery.

Yours very truly
PALIARE ROLAND ROSENBERG ROTHSTEIN LLP


Richard P. Stephenson
RPS:pb

Attach.

Doc 2789083 v1

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 WELLINGTON STREET WEST 35TH FLOOR TORONTO ONTARIO M5V 3H1 T 416.646.4300

1. Ref (a): Exhibit A, Tab 4, Schedule 1, page 1 of 5

Hydro One’s application is based on a Revenue Cap Incentive Rate-Setting (“IR”) approach in which the revenue requirement for 2019 is equal to the revenue requirement in year 2018, adjusted for the impacts of Bill 2 as outlined in Exhibit A, Tab 5, Schedule 1, inflated by the Revenue Cap Index (“RCI”) set out below. The 2018 OEB approved revenue requirement reflects Hydro One’s most recent rebasing of costs.

Interrogatory

- a) Please confirm that the Revenue Cap methodology proposed in this proceeding is consistent with the methodology proposed in EB-2017-0049 (Hydro One Distribution 2018-2022 Custom IR). If not, please explain any differences.
- b) Please confirm that Board Staff, CCC, SEC, AMPCO, and the PWU agreed that the revenue cap approach was appropriate in that proceeding.
- c) Please confirm that, since there is no change to the load forecast, there is no difference in rates whether they are set with a price cap or revenue cap methodology.

2. Ref (a): Exhibit A, Tab 6, Schedule 1, Pages 1 & 2 of 25

Hydro One Transmission’s outstanding deferral and variance accounts balances are summarized in Table 1 below:

Table 1 - Transmission Summary of Regulatory Accounts Balances

(S Million)

Description	Balance as at Dec 31, 2016	Balance as at Dec. 31, 2017	Balance as at Dec. 31, 2018
Total Regulatory Accounts Seeking Disposition	(127.2)	(84.4)	(37.6)
Total Regulatory Accounts Not Seeking Disposition	16.4	82.2	93.3
Total Regulatory Accounts	(110.7)	(2.2)	55.7

Ref (b): Exhibit A, Tab 6, Schedule 2 (Excel Attachment)

Interrogatory

- a) The PWU notes there are no transactions included in the 2018 continuity schedule. Please confirm that the “Balance as at Dec. 31, 2018” in tables 1 and 2 of Tab 6 do not include debit or credit transactions for 2018.
- b) If a) is confirmed, does Hydro One plan to include these transactions in its next rates application?

3. Ref (a): Exhibit A, Tab 6, Schedule 1, page 9 of 25

This account was established upon the Settlement Agreement approved by the OEB in EB-2012-0031 relating to Hydro One Transmission’s 2013 and 2014 rates. The account tracks

the difference between the forecast and actual CDM savings and Demand Response results of the Ontario Power Authority (“OPA”)-funded, LDC-delivered programs for 2013 and 2014.

Interrogatory

- a) Does Hydro One track the difference between forecast and actual CDM savings since 2014?