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BY E-MAIL

March 14, 2019

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Hydro One Networks Inc. (Hydro One)
2019 Transmission Revenue Requirement Application
OEB File Number EB-2018-0130
OEB Staff Submission

In accordance with Procedural Order No. 1, please find attached OEB staff's submission for Hydro One's 2019 Transmission Revenue Requirement Application.

Hydro One and all intervenors have been copied on this filing.

Yours truly,

Original Signed By

Shuo Zhang

Project Advisor, Major Applications

Encl.

2019 TRANSMISSION REVENUE REQUIREMENT APPLICATION

HYDRO ONE NETWORKS INC.

EB-2018-0130

OEB STAFF SUBMISSION

MARCH 14, 2019

INTRODUCTION

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on October 26, 2018 seeking approval of its 2019 transmission revenue requirement to be used to determine the 2019 Uniform Transmission Rates (UTRs).

The proposed revenue requirement reflects a year-over-year increase of 2.6% for 2019 from the 2018 approved level.

The increase in the total bill for a Hydro One medium density residential (consuming 750 kWh/month) customer was estimated to be 0.2% in 2019. The increase in the total bill for a Hydro One general service less than 50 kW (consuming 2000 kWh/month) customer was estimated to be 0.1% in 2019. The estimated bill impact for transmission connected-customers was 0.2% in 2019 (assuming that transmission represents 7.4% of the average transmission connected customer's total bill).

There is no approved issues list for this proceeding. For the purpose of organizing this submission, OEB staff finds it necessary to make submissions on the following five items and has no other concerns with the application beyond those set out below.

1. Revenue Cap Index
2. Bill 2[1] Adjustments
3. Deferral and Variance Accounts
4. Rate Design
5. Effective Date

1. Revenue Cap Index (RCI)

Hydro One has proposed a revenue cap incentive rate (IR) setting approach to determine its 2019 transmission revenue requirement in which revenue for the 2019 test year is determined by adjusting its 2018 approved revenue requirement (adjusted for a one time amount) using the RCI. As described by Hydro One, the

[1] The *Urgent Priorities Act, 2018*.

RCI consists of an industry specific inflation factor and two custom productivity factors. Hydro One expresses the RCI as:

$$RCI = I - X$$

Where "I" is the Inflation Factor, based on a custom weighted two-factor input price index; and "X" is the Productivity Factor equal to the sum of Hydro One's Custom Industry Total Factor Productivity measure and Hydro One's Custom Productivity Stretch Factor.[2] Hydro One has proposed that the OEB adopt the RCI and associated parameters that were proposed and are being considered in the Hydro One Sault St. Marie LP's (Hydro One SSM) transmission revenue requirement application.[3] Hydro One submitted that the RCI parameters were supported by various benchmarking analyses conducted by Power System Engineering, Inc. (PSE).

Inflation Factor

The inflation factor is based on a proposed weighting of 14% labour and 86% non-labour as recommended in the PSE study. Hydro One originally proposed an inflation factor of 1.2%, but it updated this value in its interrogatory responses. Based on the most recent OEB reported input price indices, Hydro One now proposes an inflation factor of 1.4% for 2019.[4] The derivation of the inflation factor is shown in Table 1 below:

Table 1. Inflation Factor

Year	Inputs and Assumptions											
	Non-Labour GDP-IPI (FDD) - National							Labour AWE - All Employees - Ontario			Resultant Values - Annual Growth for the 2-factor IPI	
	Q1	Q2	Q3	Q4	Annual	Annual % Change	Weight	Annual	Annual % Change	Weight	Annual	Annual % Change
2016	116.5	116.4	116.9	117.5	116.825			$ 973.75			104.9	
2017	118	118.5	118.2	119	118.425	**1.4%**	**86%**	$ 992.55	**1.9%**	**14%**	**106.4**	**1.4%**

[2] Exhibit A, Tab 4, Schedule 1, page 2

[3] EB-2018-0218

[4] LPAM Interrogatory #7

Along with the proposed base X (productivity) and stretch factors, discussed below, OEB staff submits that the proposed inflation factor is acceptable for setting Hydro One's 2019 transmission revenue requirement at this time. The proposed inflation factor for electricity transmission is under consideration in Hydro One SSM's 2019 multi-year revenue cap application.[5] The formula is similar to that adopted by the OEB for electricity distribution and for OPG's prescribed nuclear and hydroelectric generation assets; it is only the weights for the labour and non-labour proportions which are altered to be more representative of the electricity transmission sector.

OEB staff submits that the inflation factor, as it would pertain to the transmission sector, to be determined by the OEB in Hydro One SSM's application should be also used for Hydro One transmission for setting the final 2019 revenue requirement. The variance between the proposed inflation factor, and what the OEB determines in the Hydro One SSM application, should be incorporated in a new variance account that will capture the difference between the revenue requirement approved as part of this proceeding and the final approved amount; this is discussed further below.

Productivity Factor

The Productivity Factor is equal to the sum of the industry total factor productivity (TFP) measure and the stretch factor. Based on the PSE study, Hydro One proposes a 0% productivity factor reflecting the sum of a 0% TFP measure and a 0% stretch factor.

Hydro One has also proposed that the rate setting parameters (inflation, productivity and stretch factors) be approved on a preliminary basis with a variance account to true up to the revenue requirement impact, if any, resulting from changes in parameters proposed in this application and those approved for Hydro One SSM.

The OEB has decided that it "will not further test the benchmarking and total factor productivity evidence filed in the Hydro One SSM proceeding in this

[5] EB-2018-0218

current Hydro One transmission proceeding."[6] The OEB requested parties to address the following questions:

- Is it appropriate to use the rate setting parameters proposed for Hydro One SSM on a preliminary basis, or should another approach be adopted?
- What should be the nature of the proposed variance account? Should it true up to the approved parameters for Hydro One SSM, true up to parameters determined in Hydro One's Custom IR proceeding or some other option?
- What additional evidence should Hydro One be required to file in its next Custom IR application with respect to the RCI parameters?

Hydro One stated that the PSE study is based on Hydro One's costs and the recommended RCI parameters are directly applicable to Hydro One.[7]

OEB staff submits that, given the simple revenue cap adjustment (inflation less productivity) that Hydro One transmission has proposed in its application and the fact that it is only for one year, it would be reasonable to apply the base X-factor and stretch-factor under consideration in Hydro One SSM's application to this Hydro One 2019 transmission revenue requirement application. As such, OEB staff submits that it is appropriate to use the parameters proposed by Hydro One SSM and its consultant, PSE, in Hydro One SSM's application at this time.

With respect to the variance account, OEB staff understands that the purpose of this account is to track the 2019 revenue requirement difference, if any, between the proposed RCI parameters and the final values approved by the OEB. OEB staff notes that an updated PSE study is expected to be filed in Hydro One's 2020-2022 Custom IR application.[8]

OEB staff submits that the applicable parameters for 2019 should be based on information that is "known or knowable" at this point in time. There is evidence of PSE, and of OEB staff's expert consultant, Pacific Economics Group LLC (PEG) on the record in the Hydro One SSM application. It was the determination of the

[6] Procedural Order No.1, January 24, 2019
[7] Staff Interrogatory #2
[8] Staff Interrogatory #2

OEB that the information, under consideration in that proceeding, would not be further tested in this proceeding.[9] However, the information is “knowable” at this time.

It is also OEB staff’s view, similar to Hydro One’s proposal, that the OEB’s decision on the RCI parameters in that case should be applicable to Hydro One’s 2019 revenue requirement RCI adjustment under consideration in this application.

OEB staff also submits that it is the evidence of PSE being considered in the current Hydro One SSM application, and the OEB’s findings in respect thereof, that should be relied on to establish the final 2019 revenue requirement for Hydro One transmission, and not any updated evidence that may be filed in Hydro One’s 2020-2022 transmission application. Customers also expect certainty and finality in rates based on the best information now available, not which will be filed, tested and determined in a future rate application.

OEB staff submits that Hydro One should calculate the difference between the interim and the final 2019 revenue requirements resulting from using an RCI of 1.4% versus the RCI that will be determined in Hydro One SSM proceeding (i.e., inclusive of any changes to the inflation, base X and stretch factors), and refund or recover the difference through an adjustment to the 2020 revenue requirement. OEB staff submits that the OEB should establish a variance account to record this amount.

Hydro One has also proposed to expand the scope of this variance account to capture any differences in Bill 2 adjustments arising from Hydro One’s Custom IR distribution rate application,[10] in the event that decision on the distribution rate application is not available prior to the proposed effective date of this application.[11] OEB staff notes that the distribution rate decision was issued on March 7, 2019. In its decision,[12] the OEB approved Hydro One’s proposed removal of Executive Leadership Team compensation pursuant to Bill 2. Therefore, OEB staff submits that it is unnecessary to use a deferral account to

[9] Procedural Order No.1, January 24, 2019

[10] EB-2017-0049

[11] Exhibit A, Tab 3, Schedule 1, page 4 of 12

[12] Decision and Order EB-2017-0049, March 7, 2019

capture any differences in Bill 2 adjustments. The Bill 2-related issue in this application becomes one of determining the appropriate adjustment that should be made to the 2019 transmission revenue requirement, to be consistent with the distribution rate decision. OEB staff makes a detailed submission with regard to Bill 2 adjustments in the following section.

Finally, with respect to evidence for Hydro One's next Custom IR application, OEB staff observes that in its interrogatory responses, Hydro One states that it intends to file an updated PSE study, in which a revised forward looking analysis for the test period reflecting the OM&A and capital spending levels of Hydro One's revised business plan will be included.[13]

The review of benchmarking and total factor productivity evidence filed in the Hydro One SSM proceeding is still ongoing. Depending on the timing of the OEB's decision in that case, OEB staff submits that Hydro One should consider the OEB's findings on the expert evidence in the Hydro One SSM case as to what, if any additional or improved evidence Hydro One should file in support of the proposed RCI parameters in its next Custom IR application.

OEB staff has the following additional views as to the extent of the potential changes that Hydro One may need to consider in preparing its evidence.

TFP is an estimate of the average annual trend in TFP of the transmission sector, and the total cost benchmarking looks at Hydro One Networks' transmission performance relative to a sample of comparable U.S. utilities. These are typically used as the <u>starting point</u> for determining base X-factors and stretch factors for a multi-year Custom IR plan.

However, in a multi-year plan, these parameters should not be determined in isolation, but in the context of the whole plan proposal. If there is a capital plan, such as a an Incremental Capital Module, or other elements such as an Earning Sharing Mechanism, it may be appropriate to make other adjustments so as to balance the risks and rewards between ratepayers and shareholders and ensure that rates set or adjusted through the plan are "just and reasonable".

[13] Staff Interrogatory #2

2. Bill 2 Adjustments

In the OEB's decision on Hydro One's 2017 and 2018 transmission application[14], the OEB reduced the level of executive compensation costs that were allowed to be recovered through rates. In compliance with the decision, Hydro One reflected a reduction in the 2018 revenue requirement of $1.9 million; reducing executive compensation from $4.1 million to $2.2 million.[15] Subsequent to the issuance of the decision in the 2017 and 2018 transmission case, Bill 2 received Royal Assent.[16] Schedule 1 of Bill 2 is the *Hydro One Accountability Act, 2018* (Hydro One Accountability Act or HOAA). Among other things, the HOAA amended section 78 of the *Ontario Energy Board Act, 1998* (OEB Act) by adding the following new subsection (5.0.2) effective August 15, 2018:

> In approving or fixing just and reasonable rates for Hydro One Limited or any of its subsidiaries, the Board shall not include any amount in respect of compensation paid to the Chief Executive Officer and executives, within the meaning of the *Hydro One Accountability Act, 2018*, of Hydro One Limited.

In this application, Hydro One has proposed to remove the remaining $2.2 million in executive compensation from its costs in compliance with the HOAA. This adjustment would result in a reduction to the approved 2018 revenue requirement of $1.04 million. Hydro One is proposing that this adjustment be made before the RCI is applied for the 2019 revenue requirement. Hydro One has stated that the proposed adjustment was made on the same basis as Hydro One's proposal in its 2018-2022 Custom IR distribution rate application.[17] Hydro One's interpretation of the HOAA was that it only applied to executives employed by Hydro One Limited (three executives), and not those employed by Hydro One Inc. (eight executives) or Hydro One Networks Inc. (20 executives). However, Hydro One voluntarily proposed that in addition to the three executives,

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[14] EB-2016-0160

[15] Exhibit I, Tab 7, Schedule 3, February 28, 2019

[16] July 25, 2018

[17] EB-2017-0049, EB-2017-0049, Evidence related to Section 78(5.0.2) of the OEB Act, filed October 26, 2018

the cost associated with the rest of the Hydro One Executive Leadership Team (ELT) (four more positions) should be excluded from the revenue requirement.[18]

In the decision issued on March 7, 2019 in the Hydro One Distribution proceeding[19], the OEB accepted Hydro One's proposal to exclude the rest of its Executive Leadership Team costs from the revenue requirement. The OEB also found that the rationale provided by Hydro One regarding the methodology used to determine the breakdown of the cost reduction between OM&A and capital is reasonable.

Based on this methodology Hydro One indicated the following reductions to the executive compensation for the 2019 transmission revenue requirement to ensure compliance with Bill 2:[20]

Table 2. Reductions to Executive Compensation

Position	**2018 Reductions $ million**
CEO, CFO Compensation	$(0.8)
Other ELT Members	$(1.4)
Total	$(2.2)
Allocated to OM&A	$(1.0)
Allocated to Capital	$(1.2)

OEB staff submits that as the methodology used to derive these amounts is consistent with the approach determined by the OEB to be reasonable in the Hydro One distribution case, the above reductions are also reasonable as is the resulting reduction in revenue requirement of $1.04 million.

The February 21, 2019 Directive

On February 21, 2019, the Management Board of Cabinet issued a Directive under the authority of the HOAA (the Directive).[21] According to its Outline, the

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[18] EB-2018-0130, Exhibit A-5-1, p.2

[19] EB-2017-0049

[20] EB-2018-0130, Exhibit I-7-3, p. 2

Directive sets out certain compensation-related requirements for the Chief Executive Officer (CEO), other executives and board of directors of Hydro One Limited and its subsidiaries, which Hydro One Limited must follow when developing its board and executive compensation framework (Compensation Framework) under the HOAA. The Directive requires Hydro One Limited to establish caps on executive compensation in the Compensation Framework – not only for CEO compensation, but also for executives in Hydro One Limited and its subsidiaries, and for the members of the board of directors. The Compensation Framework was to be filed by February 28, 2019, and received Management Board of Cabinet approval on March 8, 2019.[22]

OEB staff submits that given that the Directive makes the caps on executive and director compensation applicable to executives and directors of Hydro One Limited and its subsidiaries, there may be a need for further reductions in compensation costs in the final OEB-approved 2019 revenue requirement. In order to determine appropriate values for compensation and board of directors costs in this proceeding, OEB staff submits that information from Hydro One is required on the impact of the Directive on the amounts currently requested in those areas. OEB staff submits that Hydro One should file any further reductions in compensation costs that Hydro One considers necessary as a result of the Directive in its reply submission. This approach would be consistent with the OEB's direction to Hydro One to file the distribution-related information as part of that proceeding's Draft Rate Order process.

3. Deferral and Variance Accounts

Hydro One is requesting the OEB's approval to dispose of a credit balance of $37.6 million in its transmission regulatory accounts as at December 31, 2017, which includes forecasted interest to December 31, 2018, less amounts approved for disposition in 2018. Hydro One is not seeking disposition of a debit balance of $93.3 million in five other transmission regulatory accounts as at December 31, 2018. OEB staff takes no issue with the proposed disposition. However, OEB staff has concerns about the remaining balance in the

[22] Ministry of Energy, Northern Development and Mines News Release, March 8, 2019

Transmission Foregone Revenue Deferral Account notwithstanding that Hydro One is not proposing to dispose of the balance in this account at this time. Hydro One's Transmission Foregone Revenue Deferral Account was approved in its 2017 and 2018 rate application[23] to record the difference in revenues between interim 2017 rates and the final approved 2017 rates. The approved foregone revenue was a credit of $10.6 million, which was to be credited to customers in the 2018 UTR. In its current application, Hydro One indicated that it had booked and will be booking in the account the difference between the approved revenue and the revenue it would have received based on its position in its Motion to Review and Vary the Decision on Hydro One's 2017 and 2018 transmission revenue requirement (Review Motion) as it related to the tax savings issue in that proceeding.[24] Hydro One indicated that this was consistent with its financial statements. The balance in the account is a debit of $33.4 million as at December 31, 2018. Hydro One advised that it would not seek disposition of the account balance until the OEB's decision on the Review Motion is issued. Hydro One stated that if the OEB approves of any other mechanism other than the Foregone Revenue Deferral Account to capture the difference in question, Hydro One would make corresponding adjustments to the balance currently in the account.

OEB staff submits that the approved accounting order for the Foregone Revenue Deferral Account was only to capture revenue differences between interim and final approved 2017 rates. However, Hydro One has expanded the scope of the account to record potential differences between its approved revenues and revenues based on its position in its Review Motion. OEB staff notes that Hydro One is not requesting disposition of the account balance in this application and there is no immediate impact. However, OEB staff submits that Hydro One's expansion of the scope of the account is inconsistent with the approved accounting order. Even though Hydro One has recorded the balance in its financial statements, OEB staff notes that external financial statements are separate from its regulatory financial statements.

OEB staff also submits that the Foregone Revenue Deferral Account is not the appropriate mechanism to capture any potential impact from the decision on the

[23] EB-2016-0160, Decision and Order, November 1, 2017
[24] EB-2017-0336

Review Motion. The Foregone Revenue Deferral Account is unrelated to the Review Motion. However, even if the OEB were to consider Hydro One's expansion of the scope of the account to have been appropriate, OEB staff notes that the OEB has now issued its decision on the Review Motion,[25] and has upheld its original decision. Therefore, there would be no adjustment to be recorded with respect to the Review Motion in any event. OEB staff submits that Hydro One should remove the balance pertaining to the Review Motion from the Foregone Revenue Deferral Account.

A credit of $10.6 million pertaining to the approved foregone revenues was removed from the Foregone Revenue Deferral Account and disposed via the 2018 UTRs. OEB staff expects there to be no further balance in the account pertaining to foregone revenues after that approved disposition. Hydro One indicated that the residual balance (i.e. debit $33.4 million) in the account represents the balance it expects based on its position in the Review Motion. As discussed above, OEB staff submits that Hydro One should remove the balance pertaining to the Review Motion from the account in accordance with the Review Motion decision. OEB staff further submits that there should be a $0 balance after the removal, and the account should therefore be discontinued as there would be no further balance recorded in the account going forward.

OEB staff notes that the OEB's determination in the 2017 and 2018 transmission proceeding as to the allocation of tax savings (referred to in the 2018 to 2022 Hydro One distribution rates proceeding as the Tax Savings Determination) is still the subject of an appeal by Hydro One to the Divisional Court. The OEB made the following finding in this regard in its decision on Hydro One's 2018 to 2022 distribution rates:[26]

> The OEB will implement the ultimate outcome of any appeal of the Tax Savings Determination issue, in the event that the appeal process results in a change to the allocation of the tax savings as set out in the Tax Savings Determination.

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[25] EB-2018-0269, Decision and Order**,** March 7, 2019

[26] EB-2017-0049, Decision and Order, March 7, 2019, at p.12

OEB staff submits that Hydro One could request a variance account in the future, should it be required as a result of the outcome of the appeal. However, OEB staff submits that it is not necessary at this time to determine the steps that may be taken in the event that the appeal process results in a change to the allocation of the tax savings as set out in the Tax Savings Determination.

4. Rate Design

Transmission Rates Revenue Requirement

As discussed in items 1 and 2, Hydro One proposes to adjust its 2018 approved revenue requirement, after reflecting the Bill 2 impacts, by an RCI of 1.4% to determine the 2019 total revenue requirement. Hydro One then proposes to derive the rates revenue requirement by adjusting other revenues, regulatory accounts balance, and the low voltage switchgear credit from the total revenue requirement.

OEB staff notes that when rates are rebased in cost of service applications for electricity distributors, other revenues are deducted from the total revenue requirement to determine the base revenue requirement, from which distribution rates to recover the base revenue requirement are derived.[27] During subsequent incentive rate-setting mechanism (IRM) applications, the OEB-approved inflation minus X-factor formula is applied to distribution rates, but not to most other rates, such as specific service charges or other revenues.[28] While methodologically sound, adjusting other rates and revenue and cost streams could also be administratively cumbersome and cause confusion for some customers.

To be consistent with the IRM approach applicable to electricity distributors, OEB staff submits that it would be more appropriate if Hydro One applied the RCI after

[27] Sheet 9 (Revenue Requirement) of the OEB-issued Revenue Requirement Workform shows the distinction between and derivation of the (total) distribution revenue requirement and the base revenue requirement (net of other revenues), while sheet 13 (Rate Design) documents the derivation of the distribution rates to recover the base revenue requirement.
[28] The OEB has recently started to apply the inflation-less-productivity adjustment to pole attachment charges and to Retailer Service Charges. EB-2015-0304, *Report of the Ontario Energy Board - Energy Retailer Service Charges* (November 29, 2018) and *Report of the Ontario Energy Board - Wireline Pole Attachment Charges* (March 22, 2018)

adjusting other revenues. Further, OEB staff notes that, since Hydro One applies the RCI index to the total revenue requirement, it is in effect inflating the other revenues along with the revenue requirement to be recovered through the UTRs. By then deducting the uninflated other revenues, the revenue requirement to be recovered from the UTRs will then be inflated by more than just the RCI, percentagewise. OEB staff notes that the impact of this change would be an approximately $1.3 million reduction to the base revenue requirement. While it is unlikely to have any material impact on the UTRs, OEB staff submits that this is the methodologically sound way that revenue cap adjustments should be applied, consistent with the OEB's established rate-setting methodology for electricity distributors.

Hydro One proposes to keep other revenues, consisting of the external revenue, wholesale meter service (WMS) revenue, and export transmission service (ETS) revenue, at the 2018 approved values. OEB staff supports Hydro One's proposed treatment of other revenues. Staff notes that the largest portion of other revenues, ETS revenue, is driven by the ETS rate, which will not change until such time as another cost allocation study demonstrates that the rate is no longer be appropriate.[29] Inflating external and WMS revenues by an RCI of 1.4% will not have an impact on the UTRs.

<u>Charge Determinants</u>

OEB staff submits that it is appropriate for the charge determinants approved in the November 23, 2017 decision and order in respect of Hydro One's 2018 revenue requirement[30] to remain in place for 2019. OEB staff agrees with Hydro One that the revenue cap IR approach proposed in this application is similar to the price cap IR approach used for electricity distributors, and in these mechanistic rate setting applications, an update to the load forecast is neither required nor permitted.[31] Therefore, OEB staff submits that the proposed charge determinants as listed in Table 3 below should be approved.

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[29] EB-2016-0160, Decision and Order, November 1, 2017, page 111

[30] EB-2016-0160 Decision, 2018 Transmission Revenue Requirement and Charge Determinants

[31] Energy Probe Interrogatory #13

Table 3 – Charge Determinants[32]

Current Approved Charge Determinants	MW
Network	244,924.157
Line Connection	236,948.242
Transformation Connection	202,510.123

Revenue Requirement by Rate Pool

Hydro One originally proposed to use the approved 2018 split of the three transmission rate pools (i.e. Network, Line Connection and Transformation Connection) to allocate the 2019 revenue requirement. OEB staff questioned the appropriateness of using the same split for allocating other revenues and 2017 forgone revenue, given that different allocators were used when determining the 2018 revenue requirement.[33] In its responses to interrogatories, Hydro One revised the revenue requirement allocation by rate pool to be consistent with the approved Rate Order from Hydro One's 2017-2018 transmission revenue requirement application.[34] Staff submits that this revised revenue requirement allocation by rate pool is more appropriate.

5. Effective Date

Hydro One filed its application on October 26, 2018 seeking approval for an effective date of January 1, 2019. Hydro One stated that as this application is mechanistic in nature and will be heard in writing it is expected to require less processing time than a typical cost of service or Custom IR application.[35] OEB staff notes that for Incentive Rate-setting applications (also considered mechanistic) submitted by electricity distributors, the OEB established August 13, 2018 as the filing deadline for rates effective January 1, 2019 to ensure that a decision would be issued in time.[36] As such, OEB staff submits that an effective date of March 1, 2019 would be appropriate for this application as it was filed on

[32] Exhibit A, Tab 3, Schedule 1, Page 8 of 12
[33] EB-2016-0160, DRO Exhibit 2.0, December 4, 2017, page 1 of 1
[34] Staff Interrogatory #3
[35] SEC Interrogatory #1
[36] OEB Letter to Licensed Electricity Distributors, July 12, 2018

October 26. 2018. OEB staff also notes that Hydro One's current revenue requirement has been made interim as have the UTRs.[37]

All of which is respectfully submitted

[37] EB-2018-0130, Hydro One Networks Inc. 2019 Transmission Revenue Requirement Application, Decision and Interim Rate Order, December 20, 2018. EB-2018-0326, 2019 Uniform Transmission Rates, Decision and Interim Rate Order, December 20, 2018.