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

Tel: (416) 345-1507 Fax: (416) 345-6833 Kathleen.Burke@HydroOne.com

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Kathleen Burke

Director, Applications Delivery Regulatory Affairs

BY COURIER

July 2, 2019

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-2019-0082 - Hydro One Networks Inc. 2020-2022 Transmission Custom Incentive Rate-Setting Application – OEB's Proposed Adoption of Certain Evidence from EB-2018-0218

Hydro One Networks Inc. ("Hydro One") reviewed the Ontario Energy Board's ("OEB") letter dated June 28, 2019 in which the OEB proposes to adopt the evidence from EB-2018-0218 listed in Attachment A to the letter, which pertains to econometric analyses on productivity and total cost benchmarking by Power Systems Engineering, Inc. (PSE) and Pacific Economics Group Research LLP (PEG).

Hydro One agrees that the OEB's proposal will avoid duplication of the record and save time, effort and costs. Hydro One consents to the adoption of the evidence listed in Attachment A of the OEB's June 28 letter subject to the following two points:

- 1. Hydro One will be relying on the PSE report dated January 24, 2019 as filed in this proceeding (the "2019 PSE Report"), rather than the earlier report filed in EB-2018-0218. As noted in the OEB's June 26 letter, the 2019 PSE Report contains certain updates and changes, as identified in the 2019 PSE Report; and
- 2. That the evidence in EB-2018-0218, listed in Attachment A to the OEB's June 26 letter, be adopted only to the extent it remains relevant in this proceeding. Hydro One requests that if necessary and at the appropriate time, the parties in this proceeding be provided with an opportunity to make submission as to the relevance of any of the particular listed items of evidence in EB-2018-0218 to the current proceeding.



Please call or email me if you have questions or would like to discuss Hydro One's r
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Yours truly,

ORIGINAL SIGNED BY KATHLEEN BURKE

Kathleen Burke