



Ontario
Energy
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de l'énergie
de l'Ontario

BY EMAIL

July 31, 2019

Frank D'Andrea
Vice President, Regulatory Affairs and Chief Risk Officer
Hydro One Networks Inc.
7th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5
Frank.dandrea@HydroOne.com

and

Kraemer Coulter
Managing Director, Hydro One Remotes
Hydro One Networks Inc.
7th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5
Kraemer.coulter@HydroOne.com

Dear Messrs D'Andrea and Coulter:

**Re: Hydro One Networks Inc.
Distribution and Transmission Businesses and Hydro One Remote
Communities Inc.
Ontario Energy Board File Numbers: EB-2016-0160, EB-2017-0049, EB-
2017-0051**

On March 16, 2018 the Ontario Energy Board (OEB) issued a letter to Hydro One Networks Inc. (Hydro One) directing it to file a single application for distribution rates (including Hydro One Remote Communities Inc. (Hydro One Remotes) and transmission revenue requirement for the period 2023 to 2027. This letter acknowledges receipt of Hydro One's letter dated July 22, 2019 requesting permission to continue applying for Hydro One Remote's distribution rates on a stand alone basis rather than

as part of a combined application, so that unique circumstances of the business and its customers may be appropriately considered by the OEB.

The OEB appreciates that Hydro One Remotes will be connecting and serving a number of remote communities as part of the Northern Ontario Grid Connection Project, which may involve the filing of an application(s) that does not fit into the rate terms for distribution and transmission. Therefore, given this unique circumstance, the OEB will not require Hydro One Remotes to file its next rebasing application as part of the next Hydro One distribution and transmission application.

The OEB notes that this determination is just for this next combined application and Hydro One Remotes' next rebasing. The OEB continues to believe that at some point a combined application for the distribution (including Hydro One Remotes) and transmission businesses is appropriate so that matters such as corporate costs, taxes, pensions and benefits can be considered in a single application resulting in regulatory consistency and efficiency. The OEB expects Hydro One Remotes to examine the feasibility of a combined application for any future cost based applications.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

c. All Participants in EB-2016-0160, EB-2017-0049, EB-2017-0051