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BY EMAIL

August 29, 2019

Ms. Joanne Richardson
Director, Major Projects and Partnerships, Regulatory Affairs
Hydro One Networks Inc.
7th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5

Dear Ms. Richardson:

On October 25, 2018, Hydro One Networks Inc. (HONI) and Niagara Reinforcement Limited Partnership (NRLP), referred to here as the Applicants, filed three interrelated applications with the Ontario Energy Board (OEB):

- An application for the issuance of an electricity transmission Licence to NRLP (EB-2018-0277)
- An application for approval of the sale of transmission assets by HONI to NRLP (EB-2018-0276)
- An application for approval of a NRLP revenue requirement on an interim basis related to the transmission assets being acquired from HONI. (EB-2018-0275)

On March 1, 2019, HONI filed a letter on its own behalf and on behalf of Hydro One Indigenous Partnerships Inc. (HOIP), the General Partner of NRLP indicating that HOIP intends to update the application for an interim revenue requirement for the partial year of 2019 once the in-service date for the transmission assets is finalized. HOIP and HONI also requested that all three applications be heard concurrently. They advised that "Once we have confidence in the in-service date of the new transmission line, HONI will notify the Board to restart the applications and will also update the s.78 application request for interim rates accordingly."

The OEB issued a letter to HONI on March 15, 2019 stating that “The OEB grants the Applicants’ request, and will hold all three applications in abeyance until such time as the Applicants request that the OEB proceed with the applications or until the Applicants re-file the subject applications.”

HONI filed the updated applications on August 1, 2019 and subsequently filed a redacted version of the updated applications on August 20, 2019. HONI stated that “The Project was originally approved by the Ontario Energy Board on July 8, 2005 pursuant to EB-2004-0476 but construction was halted in 2006 until earlier this year due to a third-party land dispute. The project has now resumed construction and is expected to be completed on September 1, 2019.” HONI stated that NRLP plans to file a 5-year revenue requirement application in October 2019 under the same docket number of the interim revenue requirement application.¹

It is noted from the updated applications that HONI included in its transmission licence application a request for the OEB’s permission to use USGAAP as its accounting standard for the purposes of rate setting, regulatory accounting, and regulatory reporting, as authorized under section 74 of the *Ontario Energy Board Act*. The OEB intends to consider this request within the interim revenue requirement application instead of the transmission licence application.

The OEB is currently conducting a preliminary review of your applications. Upon completion of this review the OEB will communicate the next steps in this proceeding.

Please direct any questions relating to the interim revenue requirement application to the Case Manager, Tina Li, Project Advisor, at 416-440-8110 or tina.li@oeb.ca.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

¹ EB-2018-0275