

Hydro One Networks Inc.

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

Tel: (416) 345-5680
Cell: (416) 568-5534
frank.dandrea@HydroOne.com



Frank D'Andrea

Vice President, Regulatory Affairs & Chief Risk Officer

BY COURIER

September 5, 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' 2020-2022 Transmission Rates Application – Issues List

Attached please find Hydro One Networks Inc.'s submissions pursuant to Procedural Order No. 4 in the above noted proceeding.

An electronic copy of this has been filed through the Ontario Energy Board's Regulatory Electronic Submission System (RESS).

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea

EB-2019-0082

Hydro One Networks Inc.'s Submissions in respect of Procedural Order No. 4

1. Hydro One Networks Inc. (“Hydro One”) filed a custom incentive rate-setting application with the Ontario Energy Board (“OEB”) on March 21, 2019 for approval of its proposed transmission revenue requirement for 2020 and each year after through to 2022.
2. On August 20, 2019, OEB Staff hosted a phone call with Hydro One and intervenors to finalize the issues list pursuant to the direction in Procedural Order No. 1.
3. Environmental Defence, an intervenor to the Application, was unable to join the phone call. As a result, their prior written request to add the following issue to the issue to the issues list remained unresolved:

What is the status of Hydro One’s joint work with the IESO to explore cost effective line loss reduction opportunities and to report on those initiatives?

4. On August 22, 2019, Environmental Defence wrote to the OEB proposing to address its issue in one of two ways:
 - a. Adding a specific issue regarding transmission line losses to the issues list; or
 - b. Dealing with the issue of transmission line losses under Issue 1: “Has Hydro One responded appropriately to all relevant Ontario Energy Board (“OEB”) directions from previous proceedings?”¹ along with “confirmation that the proposed issues list allows Environmental Defence to explore the appropriateness of Hydro One’s response to the Board’s directions regarding transmission losses”.
5. On August 22, 2019, Hydro One replied advising that it agreed with Environmental Defence’s proposal that the matter of transmission line losses be dealt with under Issue 1 and confirming that this approach would, in Hydro One’s view, allow for the exploration of the appropriateness of Hydro One’s response to the OEB’s direction in EB-2016-0160 regarding transmission losses. A copy of Hydro One’s letter is included as Attachment A.
6. On August 22, 2019, the OEB issued Procedural Order No. 4 directing that submissions be made in respect of the inclusion of the line loss issue on the issues list as follows:
 - a. August 29, 2019 – Environmental Defence to make any additional submissions;
 - b. September 5, 2019 – OEB Staff, intervenors and Hydro One to file submissions;
 - c. September 12, 2019 – Environmental Defence to file reply if any
7. Environmental Defence did not make any submissions on August 29, 2019 in addition to the proposal it put forward on August 22, 2019.

¹ In the previous transmission proceeding (EB-2016-0160), the OEB directed at p. 33 that: “Hydro One should work jointly with the IESO to explore cost effective opportunities for line loss reduction. Hydro One should also explore, as part of its investment decision process, opportunities for economically reducing line losses.”

8. On September 5, OEB Staff and Power Workers' Union ("PWU") made submissions as follows:
 - a. OEB Staff agreed with Environmental Defence and Hydro One that the issue of line losses be dealt with under Issue 1; and
 - b. PWU stated that it is "more concerned about the inclusion or exclusion of the transmission line losses issue in this proceeding than whether the issue should be included as a stand-alone or addressed as part of any other issue in the issues list" and broadly described the issue of line losses.
9. Hydro One respectfully reiterates its position in its August 22 letter that Environmental Defence's proposed issue² is most appropriately addressed under Issue 1: "Has Hydro One responded appropriately to all relevant Ontario Energy Board ("OEB") directions from previous proceedings?"

² Environmental Defence's proposed issue is: "What is the status of Hydro One's joint work with the IESO to explore cost effective line loss reduction opportunities and to report on those initiatives?"

Hydro One Networks Inc.

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

Tel: (416) 345-5680
Cell: (416) 568-5534
frank.dandrea@HydroOne.com



Frank D'Andrea

Vice President, Regulatory Affairs & Chief Risk Officer

BY COURIER

August 22, 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' 2020-2022 Transmission Custom Incentive Rate-setting Application – Proposed Issues List – Response to Environmental Defence

Hydro One is in receipt of Mr. Kent Elson's response to the Ontario Energy Board (OEB) staff letter of August 20, 2019 in respect of the proposed issues list. Hydro One is in agreement with Mr. Elson's suggestion that transmission losses may be dealt with under Issue 1, and is hereby providing confirmation that the proposed issues list will allow for the exploration of the appropriateness of Hydro One's response to the Board's direction regarding transmission losses.

An additional, standalone, issue asking: "What is the status of Hydro One's joint work with the IESO to explore cost effective line loss reduction opportunities and to report on those initiatives?" is therefore not required.

Included in this response is the final proposed issues list.

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea