Hydro One Networks Inc.

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Frank D'Andrea

Vice President, Regulatory Affairs & Chief Risk Officer

BY COURIER

September 23, 2019

Ms. Kirsten Walli 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., Application for 2020-2022 Transmission Rates – Decision on Confidentiality

In the Ontario Energy Board's (OEB) letter dated September 11, 2019, the OEB ordered Hydro One to file a non-redacted version of the total cost of the transmission-related work performed by BCG for Hydro One over the past five years.

Pursuant to the OEB's letter, please find enclosed the non-redacted version of interrogatory I-07-SEC-016 which provides the total cost of the transmission-related work performed by BCG.

Sincerely,

ORIGINAL SIGNED BY FRANK D'ANDREA

Frank D'Andrea Encls.

cc. EB-2019-0082 parties (electronic)

Filed: 2019-08-02 EB-2019-0082 Exhibit I Tab 07 Schedule 16 Page 1 of 2

SEC INTERROGATORY #16

1 2 3

Reference:

4 TSP-01-04-14

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Interrogatory:

With respect the BCG, Assessing Hydro One's Investment Planning Process – Final Report:

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a) Please provide a copy of the retainer agreement between BCG and Hydro One.

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b) Please provide a copy of the BGC work plan (or similar document).

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c) Please provide a summary of all *other* work BCG has done for Hydro One in the last 5 years and the total cost of that work.

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d) [p.3] Please provide a list of 'peer utilities' that BCG is comparing Hydro One to. Please provide the source o the information for these 'peer utilities'. [CHECK AGAINST APPENDIX]

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e) [p.3, Exhibit 1] Please provide the 'Benchmarked peer group performance' score for each aspect to the planning process included in the exhibit. Is the amount the average or median peer performance of the peer group.

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f) [p.9] Please explain what information BCG relied upon to review the planning processes of the peer utilities.

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g) [p.9] Who is the ISO-55000 implementation expert and 'Former Ontario Energy Board panel member' that BCG consulted and for what purpose.

Witness: Bruno Jesus

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Response:

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- a) Please refer to Attachment 1. This engagement was not subject to an RFP. Hydro One has provided this agreement and the associated work plan in confidence per the terms of the agreement.
- 6 b) Please refer to Attachment 1.
- c) Please refer to EB-2017-0049, Oral Hearing Undertakings J2.4 and J7.1. The total cost of transmission work performed by BCG over the past 5 years is approximately \$6.7 million.
- d) Please refer to Exhibit B-1-1 TSP Section 1.4 Attachment 14 Exhibit 2 on p 8 Please refer to part f) below.
- e) Benchmarked peer group scores were based on BCG subjective assessment of the peers on each of the dimensions; number is median give nature of the exercise.
- f) BCG leveraged a variety for sources, including but not limited to: Expert interviews, regulatory filings, BCG experience across utilities, and BCG experience around planning best practices across other industries.
- g) The former OEB panel member was Karen Taylor; the purpose of the interview was to align on general context for the broader regulatory environment in Ontario, given how critical it is to how a utility operates.

Witness: Bruno Jesus