



BY EMAIL

November 4, 2019

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
BoardSec@oeb.ca

Dear Ms. Long:

Re: Hydro One Networks Inc. and Orillia Power Distribution Corporation Application under sections 86(2)(b), 86(1)(a), 78, 18, 77(5), and 74 of the Ontario Energy Board Act, 1998 for relief necessary to effect Hydro One Networks Inc.'s purchase of all issued and outstanding shares of Orillia Power Distribution Corporation

Submissions from Parties on Need for Oral Hearing

Ontario Energy Board File Number: EB-2018-0270

In accordance with the letter dated October 28, 2019 requesting submissions from parties as to whether an oral hearing is required, OEB staff provides the following comments.

There has been a round of interrogatories and a technical conference in this proceeding. Despite the discovery carried out to date, OEB staff is of the view that the record contains facts and projections that remain unclear, including with respect to:

- The costs of serving Orillia Power customers under status quo scenarios
- The costs of serving Orillia Power customers under consolidation scenarios
- Details of capital plans and costs under status quo and consolidation scenarios

- Savings to be achieved through consolidation with Hydro One, both during and after the deferred rebasing period
- Allocation of costs and savings among rate classes and between existing Hydro One customers and Orillia Power customers
- Reliability for Orillia Power customers following consolidation, and
- Service quality for Orillia Power customers following consolidation

There has been significant discovery related to all of these issues, and it is not clear to OEB staff that additional process will provide more clarity. While OEB staff is prepared to proceed to written argument based on the current record, OEB staff appreciates that there may be a broader benefit to an oral hearing, including further exploration and testing of the pertinent facts, assumptions, uncertainties and risks of the proposed consolidation. OEB staff would therefore not be averse to the OEB holding an oral hearing.

Yours truly,

Original signed by

Andrew Bishop
Project Advisor, Generation & Transmission

c: All parties in EB-2018-0270