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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: Peterborough Distribution Inc., Peterborough Utility Services Inc., Hydro One Networks Inc., and 1937680 Ontario Inc.
Application for approval to amalgamate Peterborough Distribution Inc. and Peterborough Utilities Services Inc. and sell the amalgamated electricity distribution system to Hydro One Networks Inc.**

Submissions from Parties on Need for Oral Hearing

Ontario Energy Board File Number: EB-2018-0242

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 have been two rounds 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 Peterborough customers under status quo scenarios
- The costs of serving Peterborough 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 Peterborough customers
- Reliability for Peterborough customers following consolidation, and
- Service quality for Peterborough 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-2018-0242