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Our File # 339583-000278

By electronic filing

October 19, 2020

Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2701
Toronto, ON M4P 1E4

Dear Ms. Long

**Re: Hydro One Networks Inc. (“Hydro One”)
2021 Distribution Revenue Requirement Application
Board File #: EB-2020-0030**

Pursuant to Procedural Order No. 1 dated October 9, 2020, we submit the following Interrogatories for Hydro One on behalf of Canadian Manufacturers & Exporters (“CME”).

Yours very truly

A handwritten signature in blue ink, appearing to read 'Scott Pollock', is written over a light blue horizontal line.

Scott Pollock

enclosure

- c. Eryn MacKinnon (Hydro One)
EB-2020-0030 Intervenors
Alex Greco (CME)

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ONTARIO ENERGY BOARD

Hydro One Networks Inc.

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an Application by Hydro One Networks Inc. for an Order or Orders approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2021.

**INTERROGATORIES OF
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)
TO HYDRO ONE NETWORKS INC. (“HONI”)**

CME # 1

Ref: EB-2020-0030 HONI Distribution Rate Application, page 17 of 25 (PDF page 18)

At page 17 of 25 of the application, HONI stated that in 2019 ROE was 1.9% higher than the deemed ROE of 9.0% because of “weather and achieved productivity reductions, offset in part by increased operations, maintenance and administrative expenses”.

- (a) Please outline the impact of each driver that lead to outperforming the ROE.
- (b) With respect to productivity reductions, please:
 - I. Confirm that ‘productivity reductions’ are either increases in productivity, or reductions in cost, such that HONI was able to outperform its deemed ROE.
 - II. Separate the total productivity or savings achieved into each individual initiative, showing the impact of each one.
 - III. Provide a description of what was effective in the productivity initiatives, and any lessons learned that HONI will apply to other initiatives going forward.
- (c) Please describe, in detail, the increases to operations, maintenance and administrative expenses. Please include a description of what they were, why they occurred, and how HONI will try to address any of the drivers going forward.

CME # 2

Ref: EB-2020-0030 HONI Distribution Rate Application, page 17 of 25 (PDF page 18)

At page 17 of 25, HONI stated that the 2018 ESM result was a \$1.2 million credit to ratepayers.

- (a) Please provide an outline of the 2018 results in the same fashion as the 2019 results, including the components outlined in CME #1.

CME # 3

Ref: EB-2020-0030 HONI Distribution Rate Application, page 17 of 25 (PDF page 18)

At page 17 of 25, HONI stated “Hydro One is committed to adhering to the robust governance process which has been established for defining and monitoring savings across the organization.”

- (a) Please provide a brief description of the governance process, and how that impacted HONI's savings for 2018 and 2019.