October 19, 2020

Christine Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms Long:

EB-2020-0030 - Hydro One Networks Inc. – 2021 Electricity Distribution Rates – Deferral and Variance Accounts and Earnings Sharing

Please find, attached, interrogatories on behalf of the Consumers Council of Canada for Hydro One Networks Inc. pursuant to the above-referenced proceeding.

Please feel free to contact me if you have questions.

Yours truly,

Julie E. Girvan

Julie E. Girvan

CC: All parties

INTERROGATORIES FOR HYDRO ONE NETWORKS INC. – DISTRIBUTION

FROM THE CONSUMERS COUNCIL OF CANADA

RE: 2021 RATES – DEFERRAL AND VARIANCE ACCOUNTS AND EARNINGS SHARING

EB-2020-0031

CCC-1
Rate Application, p. 13
Please provide a detailed explanation as to how the DVA allocations to each rate zone (NPDI, HCHI, WHSI and HONI-Dx) were derived.

CCC-2
Rate Application, p. 17
The evidences indicates that in 2019 the achieved Return on Equity (ROE) was 1.9% higher than the deemed rate of 9% owing to weather and achieved productivity reductions, offset by increased operations, maintenance and administration expenses. Please provide a complete detailed list of all of the factors referred to and the associated amounts (savings and costs). Please explain the variances from forecast.

CCC-3
Rate Application, p. 17
HON's evidence is that it was able to achieve $4.5 million in productivity savings in 2018 and $25 million in 2019. Please provide a detailed explanation as to how these amounts were calculated. What were the projected productivity savings for each of those years?

CCC-4
Rate Application, p. 17
HON is proposing to allocate its ESM deferral account balance to rate classes in proportion to their share of the 2021 rates revenue requirement. Did HON consider other allocation methodologies? If not, why not? If so, why was the revenue requirement approach chosen?