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Our File # 339583-000278

By electronic filing

January 20, 2021

Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Long

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

This letter is submitted on behalf of Canadian Manufacturers & Exporters (“CME”) in response to Hydro One’s letter to the Board dated January 18, 2021, with respect to its objections to claimed costs in the above-noted proceeding.

In its letter of January 18, 2021, Hydro One objected to the cost claims of certain intervenors, including CME, on the basis that our submissions dealt, in large part, with the issue of how Hydro One was calculating its capital factor. Hydro One argued that CME should only be awarded half of its claimed costs on the basis that Hydro One’s capital factor was not in scope of the proceeding.

CME asks that the Board use its discretion to award CME one hundred percent of its reasonably incurred costs in this matter. While it acknowledges that the Board ultimately found that the calculation of Hydro One’s capital factor was out of scope, the calculation of Hydro One’s capital factor has, and will continue to have material impacts on CME’s members. CME raised what is, to its knowledge, a novel issue,¹ in good faith and in an effort to be of assistance to the Board.

¹ Namely, the non-cumulative calculation of a capital factor over a custom incentive ratemaking term.

Furthermore, there was no reason to think that the Board, at the time it made Procedural Order No. 1, would have reason to suspect there was a material difference in how Hydro One calculated its capital factor when compared to other utilities.

Accordingly, CME requests that the Board use its discretion to order that CME is entitled to one hundred percent of its reasonably incurred costs in this matter.

Yours very truly



Scott Pollock

- c. Frank D'Andrea (Hydro One)
EB-2020-0030 Intervenors
Alex Greco (CME)

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