



Hydro One Networks Inc.

**Application for an accounting order to establish a new
regulatory account effective May 28, 2021**

**PROCEDURAL ORDER NO. 1
AND
DECISION ON INTERIM ORDER
July 12, 2021**

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on May 28, 2021 under section 78.1 of the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, Schedule B, for an accounting order authorizing Hydro One to establish a new regulatory account, referred to as the Affiliate Transmission Projects Account (ATP Account). Hydro One has requested approval to establish the ATP Account on an interim basis and in advance of the OEB's final decision in this matter.

The OEB issued a Notice of Hearing on June 23, 2021.

Each of the Association of Major Power Consumers in Ontario (AMPCO), Energy Probe Research Foundation (Energy Probe), the School Energy Coalition (SEC), and the Power Worker's Union (PWU) applied for intervenor status. AMPCO, Energy Probe and SEC also applied for cost eligibility.

No objection was received from Hydro One.

AMPCO, Energy Probe, SEC and PWU are approved as intervenors. AMPCO, Energy Probe and SEC are eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards*. FortisOntario Inc. requested observer status and is registered to monitor the proceeding. The list of parties in this proceeding is attached as Schedule A to this Procedural Order.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Issues List

At this time, the OEB is making provision for the development of an issues list prior to the filing of written interrogatories. Hydro One, OEB staff and the intervenors shall develop and OEB staff shall file a proposed issues list for the OEB's consideration. Parties are encouraged to reach consensus on the proposed issues list. The OEB will approve an issues list prior to the filing of interrogatories.

Interrogatories

The OEB is also making provision for written interrogatories. Parties should not engage in detailed exploration of items that do not appear to be material.

Parties should consult sections 26 and 27 of the OEB's [Rules of Practice and Procedure](#) regarding required naming and numbering conventions and other matters related to interrogatories.

Interim Decision

As noted above, Hydro One has also applied for an order to establish the ATP Account on an interim basis. Hydro One states that the establishment of the account on an interim basis will allow Hydro One to begin recording costs of the three projects that are currently under development in advance of the final decision of the OEB. Hydro One requested that the interim account be effective May 28, 2021, consistent with the filing date of this application.

Hydro One states that the ATP Account will (i) capture the development costs incurred prior to the point where capitalization is appropriate, and (ii) track a project's expenditures once Hydro One's capitalization criteria have been met.

Hydro One proposes the following criteria for utilization of the ATP Account:

- i. Hydro One has or will receive a project direction from the Independent Electricity System Operator or an Order in Council or direction of the Minister of Energy in respect of Hydro One or its Transmission Licence for the development or construction of a transmission project; and
- ii. all or part of the project is expected to be owned by and included in the rate base of a new partnership, as a licenced transmitter, and will not form part of Hydro One's rate base.

Based on the above criteria, Hydro One expects the ATP Account will be used to record costs of the Waasigan Transmission Line project, the Chatham to Lakeshore Transmission Line project and the Lambton to Chatham Transmission Line project, all of which are currently under development, as well as future projects that meet the criteria.

Findings:

The OEB finds that it is acceptable, at this time, to establish the ATP Account on an interim basis to enable Hydro One to record costs as of May 28, 2021, and in advance of a final decision from the OEB. This will allow Hydro One to commence recording costs for the three projects that are already underway and for other projects that Hydro One could be directed to examine by the Ministry of Energy and/or the IESO, and which meet the criteria proposed in its application. The determination to establish the ATP Account on an interim basis is made without prejudice to the OEB's final determination regarding the establishment of the account, the mechanics of such an account or the effective date of any such account.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The ATP Account be established on an interim basis until the final determination of the application.
2. OEB staff shall e-mail Hydro One and intervenors by **July 13, 2021**, to solicit views on a draft issues list. If necessary, a meeting among OEB staff, Hydro One and intervenors will be convened on **July 15, 2021, starting at 9:30 am** for the purpose of developing a proposed issues list.
3. OEB staff shall file a proposed issues list, or, alternatively, if the parties are unable to reach consensus on the issues to include in a proposed issues list, OEB staff shall file a list that identifies the issues for which consensus was not reached, by **July 16, 2021**.
4. OEB staff and intervenors shall request any relevant information and documentation from Hydro One that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on Hydro One and all other parties by **July 27, 2021**.

5. Hydro One shall file with the OEB complete written responses to the interrogatories and serve them on all intervenors by **August 11, 2021**.
6. Any written submissions by OEB staff and intervenors shall be filed with the OEB and served on all other parties by **August 31, 2021**.
7. Hydro One shall file a written reply submission with the OEB and serve it on intervenors by **September 10, 2021**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2021-0169** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [Filing Systems page](#) on the OEB's website
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Tracy Garner at Tracy.Garner@oeb.ca and OEB Counsel, James Sidlofsky at James.Sidlofsky@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **July 12, 2021**

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

SCHEDULE A

PROCEDURAL ORDER NO. 1

HYDRO ONE NETWORKS INC.

EB-2021-0169

APPLICANT AND LIST OF INTERVENORS

JULY 12, 2021

Hydro One Networks Inc.

**Application for an Accounting Order to Establish a Regulatory Account for
Affiliate Transmission Projects**

EB-2021-0169

APPLICANT & LIST OF INTERVENORS

July 12, 2021

APPLICANT

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INTERVENORS

Rep. and Address for Service

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July 12, 2021

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Foundation**

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APPLICANT & LIST OF INTERVENORS

July 12, 2021

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School Energy Coalition

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