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Joanne Richardson Director – Major Projects and Partnerships Regulatory Affairs

BY EMAIL AND RESS

November 10, 2021

Ms. Christine E. Long Registrar Ontario Energy Board Suite 2700, 2300 Yonge Street P.O. Box 2319 Toronto, ON M4P 1E4

Dear Ms. Long:

EB-2021-0107 – Hydro One Networks Inc. Leave to Construct Application – Ansonville TS and Kirkland Lake TS A8K/A9K Refurbishment Project – Supplemental Information

At the request of Ontario Energy Board Staff, Hydro One is providing supplemental information to clarify the response to Ontario Energy Board Staff interrogatory request 3 in the aforementioned proceeding, originally filed October 29, 2021. The response to the Ontario Energy Board Staff interrogatory request was filed as Exhibit I, Tab 1, Schedule 3.

The supplemental information provided below directly addresses clarifications sought by OEB Staff to an OEB Staff interrogatory and does not materially alter the response. This supplemental information provides further clarification on the IESO's consideration of higher rating options and the IESO's final recommendation to upgrade circuits A8K and A9K to 550A.

As described in the pre-filed evidence, the A8K/A9K circuits were constructed in the 1930's and there is an urgent, non-discretionary requirement to replace end-oflife sections in the near-term. Alternative options such as replacing circuits A8K/A9K with a higher-rated transmission line than the Upgrade Option, along with broader regional reinforcements upstream and downstream of those circuits, could potentially deliver greater value to rate payers, but they are not feasible within the end-of-life replacement timeframe. Such options could take up to 10 years to plan and implement (when considering the broad scope of the plan as well as the lead time to develop and construct new circuits) and, therefore, do not meet the urgent nature of the sustainment needs. Consequently, these alternative options were not considered viable alternatives and were thus not included in the prefiled evidence.

In addition, the Upgrade Option will not preclude additional investments to maximize rate payer value in the future. Even with future potential investment in



the area, the IESO would still recommend the Upgrade Option because sensitivity analysis conducted by the IESO concluded that there remains to be a net benefit even if circuits A8K/A9K were only serving as a bridge for 9 years i.e., the time-frame until more significant transmission reinforcements that maximize rate payer value could be planned and implemented.

An electronic copy of this supplemental information has been filed using the Board's Regulatory Electronic Submission System.

Sincerely,

Joanne Richardson

cc. EB-2021-0107 Intervenors (by email only)