

November 30, 2021

RESS & EMAIL

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Christine E. Long, Registrar

Dear Ms. Long:

**Re: Hydro One Networks Inc. (“Hydro One”)
EB-2021-0110: Custom Incentive Rate-setting Application for 2023-2027
Distribution Rates and Transmission Revenue Requirement (“Application”)
Request for Confidential Treatment of Certain Information in Interrogatory
Responses**

We are counsel to Hydro One, the applicant in the above-referenced proceeding. Hydro One filed its interrogatory responses on November 29, 2021. Pursuant to Rule 10.01 of the Ontario Energy Board’s (“OEB”) *Rules of Practice and Procedure* (the “Rules”) and the OEB’s *Practice Direction on Confidential Filings* (the “Practice Direction”, collectively, the “Confidentiality Requirements”), Hydro One hereby requests the confidential treatment of certain information contained in its interrogatory responses. In particular, the requests relate to 5 interrogatory responses, and 34 documents filed as attachments to 9 different interrogatory responses.

The specific information for which Hydro One seeks confidential treatment and the rationale for the requests are set out below. **Appendix ‘A’** identifies (i) page references for the interrogatory responses and/or associated attachments that contain the information for which confidentiality is requested, and (ii) the appendix attached hereto containing the confidential, unredacted copy of each document that is the subject of this request.

Procedural Matters

Pursuant to the OEB’s Digitization Program, Hydro One is providing a public version of this letter without confidential attachments electronically through the OEB’s Regulatory Electronic Submission System. Confidential version of the documents that includes personal information will be uploaded to Torys’ Sharefile data management system and access will be granted to the OEB only. Another confidential version of the documents that excludes personal information will also be uploaded to Torys’ Sharefile data management system (in a separate folder) and access will be granted in accordance with the procedure set out in Procedural Order No. 2.

As an interim measure for efficiency, prior to the OEB making its final determination on Hydro One's request for confidential treatment, Hydro One will proceed as though its request for confidentiality has been granted. However, Hydro One reserves the right to submit that it may not be appropriate for any particular intervenor representative to have access to certain confidential information even though they have completed and signed a Declaration and Undertaking.

On a final determination, should the OEB grant Hydro One's request for confidentiality, Hydro One proposes that the OEB order the documents be disclosed, subject to any conditions the OEB may find appropriate, to only those persons that by then have already signed and filed, or that subsequently sign and file, a Declaration and Undertaking in the approved form.

In addition, consistent with section 6.2 of the Practice Direction, Hydro One requests that during oral proceedings any reference to information which the OEB has determined to be confidential, be conducted in camera to preserve its confidential nature.

In the event that Hydro One's confidentiality request is refused, in whole or in part, and Hydro One in turn requests that some or all of the information that is the subject of this request be withdrawn in accordance with section 5.1.12 of the Practice Direction, all persons in possession of the said information will be required to promptly destroy the information and confirm its destruction in accordance with the Declaration and Undertaking.

Reasons for Confidential Treatment

To facilitate the OEB's review, Hydro One has categorized the requests on the basis of its rationale for seeking confidential treatment. These are as follows:

1. Personal Information
2. Commercially Sensitive and Proprietary Information of Third Parties
3. Information Posing Security-Related Risks
4. Labour Relations and Collective Bargaining Information
5. Information related to Hydro One's Affiliates and Non-Rate Regulated Business Activities
6. Corporate Business Numbers

Hydro One's reasons for requesting confidential treatment are set out below for each of the above-listed categories.

1) Personal Information

Certain portions of the Accenture Master Services Agreement ("MSA"), included as Attachment 2 to interrogatory response B4-Energy Probe-049 contain personal information, as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31 ("FIPPA"), of persons who are not parties to the proceeding. This personal information consists of the names of Accenture staff and information about their employment history. In accordance with section 4.3 of the Practice Direction, Hydro One is not required to make a request for confidentiality of such personal information and this personal information will not be disclosed to any party in the proceeding, including a person from whom the OEB has accepted a Declaration and Undertaking.

2) Commercially Sensitive and Proprietary Information of Third Parties

Hydro One requests confidential treatment, by means of redaction, for the following types of information that have been supplied to Hydro One by third parties. This information is considered commercially sensitive and, in certain instances as indicated below, proprietary:

i. Commercially Sensitive Pricing Information

- a) Certain portions of Hydro-Québec's proposal in connection with the Accelerated Life Testing ("ALT") study, which is included as Attachment 1 to interrogatory response B3-Staff-108 (the "Proposal"). The Proposal contains confidential pricing information in connection with various service alternatives associated with the ALT study. Hydro One is advised by Hydro-Québec that disclosing this information on the public record could prejudice Hydro-Québec's competitive position in future negotiations to provide similar services to other potential clients.
- b) Certain portions of (i) expert retainer agreements, which are included as Attachments 1 to 20 to interrogatory response B1-SEC-048, (ii) the Accenture MSA and the associated amending agreement, which is included as Attachment 3 to interrogatory response B4-Energy Probe-049 (collectively, referred to as the "Accenture MSA"), and (iii) the PwC MSA including the associated Appendix A (collectively referred to as the "PwC MSA"), which are included as Attachments 4 and 5 to interrogatory response B4-Energy Probe-049. The redacted portions of the expert retainer agreements and the Accenture and PwC MSAs consist of commercially sensitive third-party rates and pricing information agreed upon by Hydro One and each of its experts and service providers through commercial negotiations. Certain redacted portions of the Accenture and PwC MSAs also contain underlying assumptions relating to the third-party pricing information. Hydro One is advised that disclosing this information on the public record could prejudice the respective economic interests and competitive positions of the third parties in future commercial negotiations to provide similar services to other potential clients.
 - o Hydro One further requests that only a public, redacted version of the Clearspring retainer agreement, filed as Attachment 8 to interrogatory response B1-SEC-048, be made available to OEB staff's consultant, Pacific Economics Group Research LLC ("PEG"). PEG and Clearspring are expert consultants in the same field and, as such, competitors. Disclosing Clearspring's pricing information and rate structure to PEG could be prejudicial to Clearspring's economic interests and impact its competitive position.
- c) Certain portions of the benchmarking report prepared by ISG, which is included as Attachment 1 to interrogatory response A-SEC-005. The ISG benchmarking report concerns the fees charged by BGIS under a Facilities Management Contract with Hydro One. The benchmarking report includes confidential third-party vendor pricing information which is commercially sensitive and, if disclosed on the public record, could prejudice BGIS' competitive position. The report also includes certain benchmarking data that, when read together with the body of the report, could be used to make deductions regarding the third-party vendor pricing information.

- d) Certain portions of the Capgemini Agreement, which is included as Attachment 1 to interrogatory response B4-Energy Probe-049. The Capgemini Agreement contains unit pricing information that is considered commercially sensitive information by Capgemini. Public disclosure of this information could significantly impact Capgemini's competitive position as well as interfere with Hydro One's future negotiating position in respect of outsourcing agreements. If unit pricing information is disclosed, benchmarks would be made available for future bidders of outsourcing contracts that involve Hydro One. This has the potential to reduce Hydro One's likelihood of receiving the lowest cost bids.
- e) ADGA's JSOC Roadmap Financial Analysis study (the "Study"), in its entirety, included as Attachment 1 to interrogatory response E-Staff-206. The Study prepared by ADGA Group Consultants Inc. contains commercially sensitive information of ADGA and Hydro One that consists of ADGA's and other third-party fees and rates, third party software licence fees agreed upon by Hydro One and its vendors through commercial negotiations and certain cost estimates. Public disclosure of this commercially sensitive information could prejudice ADGA's economic interests and competitive position, while providing an unfair advantage to its competitors.

ii. Other Commercially Sensitive and Proprietary Information

- a) Hydro-Québec's presentation slide deck titled "Meter Life Testing", in its entirety, which is included as Attachment 1 to interrogatory response B3-SEC-127. The slide deck contains Hydro-Québec's methods of analysis, calculations and results relating to the evaluation of the life expectancy of meters. Hydro One is advised by Hydro-Québec that this information is commercially sensitive and proprietary technical information that has considerable commercial value to Hydro-Québec. Public disclosure of the slide deck could prejudice Hydro-Québec's economic interests and competitive position, while providing an unfair advantage to its competitors.
- b) Utilimarc's questionnaire documents, in their entirety, which are included as Attachments 1 to 3 in response to integratory response B3-SEC-161. These documents contain fleet analytics and data requirements in connection with fleet benchmarking studies that Utilimarc performs. Hydro One is advised by Utilimarc that these documents are intellectual property of Utilimarc and contain proprietary technical information. Public disclosure of these documents could prejudice Utilimarc's competitive position and provide unfair advantage to its competitors.
- c) Certain portions of the retainer agreements for Compass Management Consulting Limited, Guidehouse Inc. (formerly known as Navigant Consulting Ltd.) and Mercer (Canada) Limited, included as Attachments 2-4, and 14 to interrogatory response B1-SEC-048 as well as the Accenture and PwC MSAs. The redacted information contains insurance coverage limit and limitation of liability cap and is considered commercially sensitive by the consultants and service providers. Hydro One is advised that public disclosure of this information would prejudice the consultants' competitive position in future negotiations to provide similar services to other potential clients.
- d) Clearspring's attachments filed in response to interrogatory A-CLS Staff-356(c), in their entirety. The attachments include proprietary data and calculations relating to Clearspring's study that was prepared for Hydro One in the current proceeding. Hydro One is advised by Clearspring that the response contains proprietary technical

information, including underlying data variables that have been processed and calculated with significant investment and time, resulting in considerable commercial value to Clearspring. Public disclosure of the data and calculations would reasonably cause significant financial and competitive harm to Clearspring. The requested confidential treatment is consistent with similar treatment afforded to other Clearspring working papers.

- e) Certain portions of the Accenture MSA contain Accenture's commercially sensitive and proprietary information that was provided in response to Hydro One's RFP for IT Staffing and Project Delivery. The Accenture MSA contains detailed information intended to demonstrate their ability to provide the requested services and consists of, among other things, descriptions of the methods, processes and procedures proposed to be utilized during the engagement. This is commercially sensitive and proprietary third-party information, the public disclosure of which could cause competitive harm to Accenture and provide unfair advantage to its competitors.

3) Information Posing Security-Related Risks

Hydro One requests confidential treatment, by means of redaction, for the following information, the disclosure of which is considered by Hydro One to pose security-related risks:

- a) certain portions of the Capgemini Agreement that include undisclosed information about third party software, its location, key personnel involved in the provision of the services under the agreement as well as information pertaining to IT architecture and applications. The Capgemini Agreement also contains security sensitive information about Hydro One's facilities and sites, their respective addresses, and whether each facility or site has remote IS/AS support. This information, if disclosed, can pose security risks to Hydro One's transmission and distribution systems.
- b) certain portions of ADGA's JSOC Roadmap Financial Analysis study that contains security sensitive information. In particular, the study contains the names of the service providers to whom Hydro One currently outsources certain cyber security functions. Public disclosure of this information can expose the utility and service providers to the risk of cyber-attacks or other malicious acts.

4) Labour Relations and Collective Bargaining Information

Hydro One requests confidential treatment, by means of redaction, for certain interrogatory responses or portions of interrogatory responses that contain sensitive labour and collective bargaining information that, if disclosed on the public record, would prejudice Hydro One's position in upcoming rounds of collective bargaining with the Power Workers' Union ("PWU"), the Society of United Professionals ("Society"), and any other unions with whom Hydro One negotiates. Sensitive labour relations and collective bargaining information is referred to in the following interrogatory responses: E-Staff-258; E-Staff-271; E-SEC-205; E-SEC-213; and E-SUP-10 (collectively referred to as the "Labour Relations Interrogatories").

The Labour Relations Interrogatories contain confidential and sensitive information relating to collective bargaining, including Hydro One's assessment of potential bargaining outcomes that may be achieved in upcoming rounds of bargaining during the rate period. These interrogatory responses also in part contain information as to how Hydro One values (from a costs or costs

savings perspective) certain types of negotiated outcomes in respect of its current collective agreements that are in force – information that would be prejudicial to it in upcoming rounds of negotiations if disclosed. Consistent with the grounds and need for confidential treatment of the Confidential Labour Relations Strategy Appendix, filed as Attachment 5 to Exhibit E-06-01 (the “Labour Relations Appendix”) – to which the information in these interrogatories also relates -- this information is confidential and would be highly prejudicial to Hydro One if disclosed to union representatives, as it could be used against the utility during upcoming rounds of negotiations and influence bargaining outcomes to Hydro One’s (and ratepayers’) detriment.

Similar to the OEB-approved treatment of the Labour Relations Appendix, Hydro One requests that any access to confidential portions of the Labour Relations Interrogatories only be given to those individuals who execute and file the OEB’s standard confidentiality Declaration and Undertaking. Further, in respect of the PWU, the Society, and any other unions, Hydro One requests: that only external counsel and/or external consultant(s) representing the unions in this proceeding be permitted to have access to the confidential portions of the Labour Relations Interrogatories and, as a condition of obtaining access, the external counsel and/or consultant be required to execute and file (i) the standard Declaration and Undertaking, and also (ii) an affidavit confirming that they are at arms-length from the union and are not (and will not be) involved in any way in collective bargaining on behalf of the union through to the end of the rate period covered by the Application. These requested protocols are consistent with those ordered by the OEB in its decision dated October 25, 2021 in respect of the Labour Relations Appendix.

5) Information Related to Hydro One’s Affiliates and Non–Rate Regulated Business Activities

Hydro One requests confidential treatment, by means of permanent redaction, for certain portions of Hydro One’s 2021-2027 Integrated Business Plan (the “Business Plan”), included as Attachment 1 to interrogatory Response A-CCC-001. The Business Plan contains (i) forward looking financial information that relates to Hydro One Limited (Hydro One’s parent company) at the aggregate level and includes financial information for Hydro One’s non-rate regulated affiliates, and (ii) information relating to Hydro One’s non-rate regulated affiliates and non–rate regulated business activities. Information relating to Hydro One’s non-rate regulated affiliates and non–rate regulated business activities is not relevant and would not assist the OEB in deciding the matters at issue in this application.

6) Corporate Business Numbers

Hydro One requests confidential treatment, by means of redaction, for certain portions of Schedules 1, 4, 9 and 13 to the 2019 Tax Return, included as Attachment 1 to interrogatory response E-Staff-286. Each page of the referenced schedules contains Hydro One’s corporate business number. This information is commercially sensitive in nature and its disclosure could expose the utility to the risk of fraud or other malicious acts.

The information described above for which Hydro One seeks confidential treatment is consistent with the types of information for which confidential treatment is contemplated in Appendix ‘A’ to the Practice Direction and for which the OEB has consistently granted confidential treatment in prior proceedings. As noted, the specific appendices containing the confidential materials described above, and references to the corresponding interrogatory responses, are set out in Appendix ‘A’.

Should the OEB require any further information or clarification as to the requests made herein, please contact the undersigned as needed.

Yours truly,

A handwritten signature in black ink, appearing to be 'CK' with a stylized flourish at the end.

Charles Keizer

cc: Hydro One
All Parties

APPENDIX 'A'

IRR	IRR Attachment	IRR/Attachment Description	Page Reference for Confidential Information	Confidential Submission Appendix	Rationale Summary Reference
B3-Staff-108	Attachment 1	Hydro-Québec's proposal re ALT Study	pp. 1-4 of 5	Appendix B	Section 2(i)(a)
E-Staff-258	N/A	Labour IRR	p. 1 of 2	Appendix C	Section 4
E-Staff-271	N/A	Labour IRR	pp. 1-2 of 2	Appendix C	Section 4
E-Staff-206	Attachment 1	JSOC Roadmap Financial Analysis Study	Entire document	Appendix D	Sections 2(i)(e) & 3(b)
E-Staff-286	Attachment 1	Schedules 1, 4, 9 and 13 to the 2019 Tax Return	pp. 1-16 of 16	Appendix E	Section 6
A-CCC-001	Attachment 1	Hydro One's 2021-2027 Integrated Business Plan	pp. 3, 5-12, 27, 30, 35-36, 44-45, 52 of 55	Appendix F	Section 5
B4-EP-0049	Attachment 1	Capgemini Agreement	pp. 265-266; 538-549, 560-564 of 1059	Appendix G1	Section 3(a)
			pp. 707-726, 739-745, 770-777, 800-801, 860 of 1059	Appendix G2	Section 2(i)(d)
	Attachment 2	Accenture MSA	See provided excerpts	Appendix G3	Section 1
			pp. 61-77 of 91	Appendix G4	Section 2(i)(b)
			pp. 16-17, 31, 84 of 91	Appendix G5	Section 2(ii)(c)
			See provided excerpts	Appendix G6	Section 2(ii)(e)
	Attachment 3	Accenture MSA – Amending Agreement	pp. 15-20, 24, 28 of 30	Appendix G7	Section 2(i)(b)
	Attachment 4	PwC MSA	pp. 17 & 19 of 24	Appendix G8	Section 2(ii)(c)
	Attachment 5	PwC MSA – Appendix A	p. 10 of 20	Appendix G9	Section 2(ii)(c)

			p. 15 of 20	Appendix G10	Section 2(i)(b)
A-SEC-005	Attachment 1	BGIS Facilities Management Benchmarking Study	pp. 16, 19, 20 of 30	Appendix H	Section 2(i)(c)
B1-SEC-048	Attachment 1	CN Utility Consulting Retainer	pp. 2 & 5 of 10	Appendix I1	Section 2(i)(b)
	Attachment 2	Compass Management Consulting Retainer	p. 2 of 9	Appendix I2	Section 2(i)(b)
			p. 5 of 9		Section 2(ii)(c)
	Attachment 3	Navigant Consulting Retainer re Poles & Stations Costing Study	pp. 2 & 3 of 9	Appendix I3	Section 2(i)(b)
			p. 5 of 9		Section 2(ii)(c)
	Attachment 4	Navigant Consulting Retainer re Smart Meter Benchmarking	pp. 2 & 3 of 10	Appendix I4	Section 2(i)(b)
			p. 5 of 10		Section 2(ii)(c)
	Attachment 5	Teshmont Consultants Retainer	pp. 2 & 3 of 10	Appendix I5	Section 2(i)(b)
	Attachment 6	Utilimarc Retainer	p. 3 of 10	Appendix I6	Section 2(i)(b)
	Attachment 7	UMS Group Retainer re Transmission Capital Execution Review	p. 3 of 9	Appendix I7	Section 2(i)(b)
	Attachment 8	Clearspring Retainer	p. 2 of 9	Appendix I8	Sections 2(i)(b) & 2(ii)(d)
	Attachment 9	Concentric Advisors Retainer	p. 3 of 11	Appendix I9	Section 2(i)(b)
	Attachment 10	Black & Veatch Canada Retainer	p. 3 of 9	Appendix I10	Section 2(i)(b)
	Attachment 11	UMS Group Retainer re Common Corporate Costs Benchmarking	pp. 2 & 3 of 9	Appendix I11	Section 2(i)(b)
Attachment 12	Alliance Consulting Group Retainer	pp. 2 & 3 of 9	Appendix I12	Section 2(i)(b)	
Attachment 13	PwC Retainer	pp. 3 & 15 of 16	Appendix I13	Section 2(i)(b)	
Attachment 14	Mercer Retainer	p. 2 of 10	Appendix I14	Section 2(i)(b)	
		p. 5 of 10		Section 2(ii)(c)	

	Attachment 15	Atrium Economics Retainer	p. 2 of 9	Appendix I15	Section 2(i)(b)
	Attachment 16	Hydro-Québec Retainer	pp. 2 & 6 of 6	Appendix I16	Section 2(i)(b)
	Attachment 17	EPRI Retainer	p. 1 of 5	Appendix I17	Section 2(i)(b)
	Attachment 18	Gartner Canada Retainer	p. 3 of 20	Appendix I18	Section 2(i)(b)
	Attachment 19	Guidehouse Retainer re Lead/Lag Study	p. 20 & 26 of 29	Appendix I19	Section 2(i)(b)
	Attachment 20	Innovative Research Group Retainer	p. 2-5, 7-8, 16 of 16	Appendix I20	Section 2(i)(b)
B3-SEC-127	Attachment 1	Hydro-Québec's presentation slide deck titled "Meter Life Testing"	Entire document	Appendix J	Section 2(ii)(a)
B4-SEC-161	Attachments 1-3	Utilimarc's questionnaire documents	Entire documents	Appendix K1-3	Section 2(ii)(b)
E-SEC-205	N/A	Labour IRR	p. 2 of 2	Appendix C	Section 4
E-SEC-213	N/A	Labour IRR	p. 2 of 2	Appendix C	Section 4
E-SUP-10	N/A	Labour IRR	p. 2 of 3	Appendix C	Section 4

Copies of Appendices B to K have been filed confidentially in accordance with the *Practice Direction on Confidential Filings*