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Jeffrey Smith

Director, Regulatory Compliance

BY EMAIL AND RESS

March 14, 2022

Ms. Nancy Marconi
Acting Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2018-0278 - Activity and Program-Based Benchmarking – Extension Request

This letter is in response to the Ontario Energy Board’s (“the Board”) letter dated February 25, 2022, which was headlined “*Update on Activity and Program-based Benchmarking: Enhancements Initiative (EB-2018-0278)*”. In that letter, the Board requested that all Licensed and Rate-regulated Electricity Distributors including Hydro One Networks Inc. (“HONI”) and Hydro One Remote Communities (“Remotes”) submit certain historical data to the Ontario Energy Board (“the Board”) by March 14, 2022.

Remotes is an integrated generation and distribution company with unique financing and operations. The Board previously recognized that Remotes is not directly comparable to other Ontario Electricity Distributors. In its decision in EB-2014-0084, the Board stated, “*Hydro One Remotes is excluded from the Board’s benchmarking analysis because of its unique circumstances*”. Given the incomparability of its cost structure, Remotes is unable to provide updated, consistent information that aligns with the Board’s request.

HONI has been reviewing the request. Attached to this letter is a copy of the spreadsheet template previously provided by the Board. In that file, HONI has completed Item (3) regarding the total quantity of certain pieces of equipment currently in-service. At this time, HONI is unable to reliably complete Items (1) and (2), which relate to the historical asset additions and the corresponding 2020 financial values contained in the Uniform System of Accounts (USoA). An exact timing as to the availability of reliable data for these items is not clear.

HONI is committed to working through the details and cooperating with the Board to provide the data it needs to complete this initiative. HONI appreciates the Board's understanding in this matter. HONI will continue to update the Board and make available these data as completed in conjunction with the myriad other activities to complete the larger, 2021 Regulatory Reporting and Record-Keeping (RRR) submission.

If there are any questions or requests, please contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to be "Jeffrey Smith". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jeffrey Smith