



Hydro One Networks Inc.

**Application for electricity transmission and distribution
rates and other charges for the period from January 1,
2023 to December 31, 2027**

DECISION ON CONFIDENTIALITY REQUESTS AND PROCEDURAL ORDER NO. 5

April 14, 2022

Hydro One Networks Inc. (Hydro One) filed an application dated August 5, 2021, with the Ontario Energy Board (OEB) under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that it charges for electricity transmission and distribution, beginning January 1, 2023 and for each following year through to December 31, 2027. The OEB placed this proceeding in abeyance as of February 4, 2022¹ after Hydro One advised the OEB that it was unable to proceed with the settlement conference scheduled to begin on February 7, 2022 and requested that the conference be postponed. This is discussed in greater detail below.

This Decision and Procedural Order establishes the procedural steps for addressing Hydro One's application update filed on March 31, 2022 and its additional update filed on April 8, 2022. It also addresses two matters related to confidentiality: (i) Hydro One's requests, dated November 30, 2021, January 5, 2022, and February 7, 2022, for the confidential treatment of interrogatory and undertaking responses, or certain portions thereof; and (ii) OEB staff requests, dated January 12 and 19, 2022, for the confidential treatment of evidence filed by Pacific Economics Group Research LLC (PEG).

Application Update

Hydro One filed a letter, dated February 4, 2022, advising that it was unable to proceed with the scheduled settlement conference and requested that the conference be postponed. Hydro One stated that it was unable to enter meaningful discussions at the settlement conference due to the need to update its application to reflect material changes in capital and OM&A expenditures. The material changes, as characterized by

¹ Decision and Procedural Order No. 4 on Settlement Conference Adjournment / February 18, 2022.

Hydro One, were a result of unprecedented inflationary pressures being incurred and expected to be incurred throughout 2022 and into the proposed rate period.

The OEB received letters from intervenors commenting on Hydro One's request to postpone the settlement conference. In response, Hydro One filed a reply addressing intervenor comments, and other procedural matters.

In its Decision and Procedural Order No. 4 on Settlement Conference Adjournment, the OEB postponed the settlement conference indefinitely and placed the application in abeyance, effective February 4, 2022, until Hydro One filed the amended application and the OEB issued a new procedural schedule (i.e., this Procedural Order). In placing the application in abeyance, the OEB stated that the application's performance standard (decision metric date) would be extended by the total number of calendar days associated with Hydro One's extension request as well as any subsequent necessary procedural steps up to the resumption of the settlement conference. Therefore, the total delay that would extend the decision metric date would include not only the time required for the new evidence to be filed and to establish the next procedural steps, but also any time required to test the new evidence and for parties to be able to resume the next step on the original schedule (i.e., the settlement conference).² The OEB also required Hydro One to update exhibits and any interrogatory and undertaking responses materially affected by the update.

Hydro One filed an update to its application on March 31, 2022, which included, among other things, an inflation update and revised load forecast. In the letter accompanying the application update, Hydro One indicated that it would file additional evidence regarding 2021 actuals for capital, in-service additions, and OM&A. That additional evidence was filed by Hydro One on April 8, 2022.

By letter dated April 1, 2022, Hydro One addressed the exchange of expert evidence between Hydro One's benchmarking expert, Clearspring Energy Advisors (Clearspring), and OEB staff's expert, PEG. In its letter, Hydro One noted that Clearspring had disagreements with PEG's analyses, studies, and recommendations, and wished to respond to them. Hydro One requested the opportunity to be able to reply to PEG's evidence and proposed, as contemplated under Rule 13A.04 of the OEB's *Rules of Practice and Procedure*, that Clearspring and PEG confer to try and narrow issues and identify points of agreement and disagreement between them. Hydro One also proposed that following the meeting, Clearspring and PEG would prepare and file a joint statement with the OEB identifying points of agreement and disagreement as well as

² Decision and Procedural Order No. 4 on Settlement Conference Adjournment / February 18, 2022 / p. 6.

the portions of their respective reports that they would continue to rely on – contingent upon the points that remain at issue between the experts.

Findings

The OEB has considered the updated evidence filed by Hydro One and correspondence of the parties in establishing procedural steps addressing the application update. The OEB is also concerned about ensuring an efficient, transparent, and fair proceeding.

In this Decision and Procedural Order, the OEB is providing for further submissions on certain aspects of Hydro One's confidentiality request, providing for discovery on Hydro One's application update, and establishing a schedule of procedural steps through to the end of the settlement conference. As stated in previous procedural orders, the OEB will not require a blue page update from Hydro One at this time. However, the OEB reiterates its expectation that Hydro One will provide the most up-to-date financial information at each step of the process.

To ensure clarity for parties, these matters are discussed in greater detail below.

Interrogatories on Application Update

The OEB is providing for written interrogatories on Hydro One's application update. Parties are to only file interrogatories pertaining to the evidence filed by Hydro One on March 31, 2022 and April 8, 2022. Such interrogatories are not to be used as an opportunity for further exploration and questioning of evidence previously filed in this proceeding.

OEB staff and intervenors shall file any interrogatories pertaining to the application update by May 2, 2022, while Hydro One shall provide complete written responses by May 16, 2022.

Parties are reminded to abide by the numbering conventions outlined in [Procedural Order No. 1](#), and the naming conventions outlined in OEB staff's [letter of October 25, 2021](#). Parties are to continue using exhibits as the reference for naming interrogatories and the numbering for each interrogatory should be continuous.

Technical Conference

A technical conference will be held to provide for clarification on interrogatory responses related to the application update. In preparation for the transcribed technical conference, the OEB will require parties to file a description of the specific areas on which they will focus and an estimate of time required for each area of focus. This will

allow a technical conference schedule to be developed. Parties may also wish to file specific questions in advance.

The technical conference will start on May 31, 2022 and continue until June 2, 2022, if necessary.

Joint Report on Meeting on Expert Evidence

The OEB directs that the last report produced by Clearspring and referred to in Hydro One's April 1, 2022 letter be placed on the record of this proceeding forthwith. The OEB directs Clearspring and PEG to confer with each other for the purposes of, among others, narrowing issues, and identifying the points on which their views differ or are in agreement. The OEB expects that Clearspring and PEG will make their own arrangements to meet.

The OEB emphasizes that Clearspring and PEG are to meet with the objective of narrowing issues and producing a joint report. The joint report shall outline the key issues, and points of agreement and disagreement on those issues, and identify the portions of their respective reports on which Clearspring and PEG will continue to rely.

The joint report is to be filed with the OEB by June 23, 2022.

Interrogatories on Joint Report

The OEB is providing for written interrogatories on the joint report. Hydro One, OEB staff and intervenors shall file any interrogatories pertaining to the joint report by July 7, 2022, while Clearspring and PEG shall provide complete written responses by July 21, 2022.

For interrogatories on the joint report, the OEB will be using 'JR' as the reference for naming interrogatories. The numbering for each interrogatory should be continuous. As an example, OEB staff's fifth interrogatory on the joint report would be titled 'JR-Staff-5'.

Settlement Conference

A settlement conference will be held from August 15 to August 18, 2022. Before 4:45 p.m. on the final day of the settlement conference (August 18, 2022), OEB staff will file a letter with the OEB (the settlement progress letter) indicating, based on OEB staff's canvassing of the parties, whether parties believe that a full, or substantial but incomplete, settlement is achievable if additional time is granted.

The OEB will evaluate whether there is value in the settlement conference continuing based on the settlement progress letter. If there is the prospect of a full, or substantial but incomplete, settlement, the OEB may provide for the settlement conference to proceed on August 19, 2022 and beyond that date. However, if parties do not believe that a full, or substantial but incomplete, settlement is likely, the OEB may end the settlement conference on August 18, 2022 and proceed to an oral hearing.

Other Matters

Schedule A to this Decision and Procedural Order illustrates impacts to the remainder of the hearing schedule depending on the progress and outcome of the settlement conference. Procedural steps in Schedule A that occur after the filing of the settlement progress letter should be viewed as illustrative.

The OEB notes that the precise dates, or need, for an oral hearing will not be known until after the conclusion of the settlement conference. However, if an oral hearing is required, it will likely be held during the September to October 2022 period. The OEB expects Hydro One and intervenors to plan accordingly.

As discussed above, in its Decision and Procedural Order No. 4 on Settlement Conference Adjournment, the OEB placed the application in abeyance, effective February 4, 2022. Further, the OEB noted that:

...while the abeyance period will only be for the time that it takes Hydro One to file its amended application, the total delay that will extend the OEB's target decision metric date will include not only the time required for the new evidence to be filed and to establish those next procedural steps, but also any time required to test the new evidence and for parties to be able to resume the next step on the original schedule (i.e., the settlement conference).³

The OEB confirms that the application is no longer in abeyance, effective April 14, 2022. However, the total delay, which will extend the OEB's performance standard (decision metric date), will encompass the period from February 4, 2022 (when the application was placed in abeyance) to the new August 15, 2022 start date for the settlement conference, or such other start date for the settlement conference that may be established in the event of further modifications to the procedural schedule.

³ Decision and Procedural Order No. 4 on Settlement Conference Adjournment / February 18, 2022 / p. 6.

DECISION ON CONFIDENTIALITY – INTERROGATORY / UNDERTAKING RESPONSES AND EXPERT EVIDENCE

This section of the Decision and Procedural Order provides the OEB's decision regarding Hydro One's requests, dated November 30, 2021, January 5, 2022, and February 7, 2022, for the confidential treatment of interrogatory and undertaking responses, or certain portions thereof. This decision also addresses the OEB staff requests, dated January 12 and 19, 2022, for the confidential treatment of evidence filed by PEG.

November 30, 2021 Confidentiality Request Letter

Pursuant to Procedural Order No. 1, Hydro One provided responses to interrogatories filed by intervenors and OEB staff. By letter dated November 30, 2021, Hydro One requested confidential treatment of a number of interrogatory responses, or certain portions thereof. The OEB issued an interim decision⁴ (December 2021 Decision) that addressed some of the requests contained in Hydro One's November 30, 2021 letter, including:

- Treatment of names and years of experience of staff contained in the Accenture Master Services Agreement (MSA)
- Pricing information of third-party consultants
- Labour relations and collective bargaining information contained in E-Staff-258, E-Staff-271, E-SEC-205, E-SEC-213, and E-SEC-010

The OEB noted in the December 2021 Decision that it would address the proposed redactions in Hydro One's 2021-2027 Integrated Business Plan at a later date. The current Decision does not address matters that were previously determined by the OEB in the December 2021 Decision. The references to appendices below correspond to the requests made by Hydro One in its November 30, 2021 letter that remain outstanding.

1. *Appendix B: Confidential Hydro Québec Proposal Regarding the Accelerated Life Testing Study*

Hydro One requested the confidential treatment of certain portions of Hydro Québec's proposal in connection with the Accelerated Life Testing (ALT) study – included as Attachment 1 to B3-Staff-108. Hydro One stated that redacted portions of the proposal

⁴ Interim Decision on Confidentiality – Accenture Master Services Agreement, Labour Relations and Collective Bargaining Information and 2021-2027 Integrated Business Plan / December 10, 2021.

contain confidential pricing information in connection with various service alternatives associated with the ALT study. As a result, disclosure of such information could prejudice Hydro Québec's competitive position in future negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the pricing information in Hydro Québec's proposed ALT study is commercially sensitive, the disclosure of which could prejudice Hydro Québec's competitive position. This information shall remain redacted.

2. Appendix D: Joint Security Operations Centre Roadmap Financial Analysis Study

Hydro One sought confidential treatment, in its entirety, of ADGA Group Consultants Inc.'s (ADGA) Joint Security Operations Centre (JSOC) Roadmap Financial Analysis study included as Attachment 1 to E-Staff-206. Hydro One stated that the JSOC Roadmap Financial Analysis study contains commercially sensitive information of ADGA and Hydro One consisting of: (i) ADGA's and other third-party fees / rates; (ii) third party software licence fees agreed upon by Hydro One and its vendors through commercial negotiations; and (iii) certain cost estimates. Disclosure of such information, as noted by Hydro One, could prejudice ADGA's economic interests and competitive position, while providing an unfair advantage to its competitors.

Hydro One also noted that certain portions of the JSOC Roadmap Financial Analysis study contain security sensitive information – such as the names of service providers to whom Hydro One currently outsources certain cyber security functions. Hydro One stated that the disclosure of such information could expose it and service providers to the risk of cyber-attacks or other malicious acts.

Findings

The OEB finds that the information contained in ADGA's JSOC Roadmap Financial Analysis study contains commercially sensitive information, the disclosure of which could adversely affect ADGA's competitive position as well expose Hydro One and its service providers to the risk of cyber-attacks or other malicious acts. This document shall remain redacted in its entirety.

3. Appendix E: Schedules 1, 4, 9 and 13 to the 2019 Tax Return

For Attachment 1 to E-Staff-286, Hydro One requested the confidential treatment of certain portions of Schedules 1, 4, 9 and 13 to the 2019 Tax Return. Hydro One noted that each page of the referenced schedules contains Hydro One's corporate business

number – information that is commercially sensitive. As such, Hydro One stated that the disclosure of such information could expose it to the risk of fraud or other malicious acts.

Findings

The OEB finds that Hydro One’s corporate business number, included in various schedules of its 2019 Tax Return, is commercially sensitive, the disclosure of which could expose Hydro One to the risk of fraud and other malicious acts. This information shall remain redacted.

4. Appendix F: Hydro One’s 2021-2027 Integrated Business Plan

Hydro One requested permanent redaction of certain portions of its 2021-2027 Integrated Business Plan included as Attachment 1 to A-CCC-001. Hydro One stated that the 2021-2027 Integrated Business Plan contains: (i) forward looking financial information that relates to Hydro One Limited⁵ 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. Hydro One stated that information pertaining to its non-rate regulated affiliates and non-rate regulated business activities is not relevant and would not assist the OEB in deciding the matters in this proceeding.

Findings

In its December 2021 Decision, the OEB determined that Hydro One’s 2021-2027 Integrated Business Plan shall be made available to parties that sign the OEB’s Declaration and Undertaking.

Hydro One had requested that certain portions of this document be “permanently redacted”. This term is not a defined term in the OEB’s *Practice Direction on Confidential Filings*, although the updated version of the Practice Direction issued on December 17, 2021 addresses the redaction of information that is not relevant to a proceeding. Hydro One’s reason for this request is that the redacted information “is not relevant and would not assist the OEB in deciding the matters at issue in this application.”

⁵ Hydro One’s parent company.

The OEB is seeking submissions from the parties on the relevance of the redacted information in the 2021-2027 Integrated Business Plan to this proceeding. More specifically, the OEB is seeking submissions on the following two questions:

1. Is some or all of the redacted information relevant to this proceeding, and if so, which information and why?
2. If some of the information is relevant to this proceeding, should this information be confidential and why?

The OEB reiterates that it will maintain this information in confidence at this time. In accordance with section 11.1.4 of the Practice Direction, if the OEB determines that the redacted information is relevant, any claims of personal information or confidentiality that have been asserted over the same information will be considered before deciding whether the information will be filed on the public record.

5. Appendix G1: Capgemini Agreement

For Attachment 1 to B4-Energy Probe-049, Hydro One requested that certain portions of the Capgemini Agreement be treated as confidential. Hydro One stated that the redacted portions include undisclosed information about third party software, its location, key personnel involved in the provision of the services under the agreement, and information regarding IT architecture and applications. Further, Hydro One noted that the Capgemini Agreement also contains security sensitive information about Hydro One's facilities / sites, their respective addresses, and whether each facility / site has remote IS/AS support. Hydro One stated that if such information were to be disclosed, it could pose security risks to Hydro One's transmission and distribution systems.

Findings

The OEB finds that the redacted information included in the Capgemini Agreement, if disclosed, can pose security risks to Hydro One's transmission and distribution systems. This information shall remain redacted.

6. Appendix G2: Capgemini Agreement

Hydro One also requested the confidential treatment of certain portions of the Capgemini Agreement (Attachment 1 to B4-Energy Probe-049) as they contain commercially sensitive information related to unit pricing. Hydro One stated that disclosure of such information could significantly impact Capgemini's competitive position and interfere with Hydro One's future negotiating position in respect of

outsourcing agreements. Hydro One noted that if unit pricing information were disclosed, benchmarks would be made available for future bidders of outsourcing contracts that involved Hydro One. This could potentially reduce Hydro One's likelihood of receiving lowest cost bids.

Findings

The OEB finds that the redacted portions of the Capgemini Agreement contain unit pricing information, the disclosure of which could impact Capgemini's competitive position as well as Hydro One's future negotiating position for similar agreements. This information shall remain redacted.

7. Appendix G4: Accenture MSA

For the Accenture MSA, included as Attachment 2 to B4-Energy Probe-049, Hydro One stated that the redacted portions consist of commercially sensitive third-party rates and pricing information. Hydro One also noted that certain portions of the Accenture MSA contain underlying assumptions relating to third-party pricing information. Hydro One noted that disclosure of such information could prejudice the economic interests of Accenture in future commercial negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted portions of the Accenture MSA contain pricing information and liability limits, the disclosure of which could prejudice Accenture's competitive position. This information shall remain redacted with the exception of some information that Hydro One labelled "confidential & personal information". The OEB finds that employee names and years of experience are not considered "personal information". This information shall be placed on the public record. However, information related to pay rates is considered commercially sensitive and shall remain redacted.

Hydro One shall file a revised version of Appendix G4 with the OEB where the employee names and years of experience are not redacted, while information related to pay rates, pricing information and liability limits shall be redacted.

8. Appendix G5: Accenture MSA

Hydro One requested that certain portions of information provided in the Accenture MSA (Attachment 2 to B4-Energy Probe-049) be treated as confidential as they contain insurance coverage limits and limitation of liability caps – information that is commercially sensitive. Hydro One stated that disclosure of such information would

prejudice Accenture's competitive position in future negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information, which includes negotiated insurance coverage limits and liability caps, is commercially sensitive, the disclosure of which could prejudice the consultant's competitive position and future negotiations. This information shall remain redacted.

9. Appendix G6: Accenture MSA

Hydro One stated that certain portions of the Accenture MSA (Attachment 2 to B4-Energy Probe-049) contain Accenture's commercially sensitive and proprietary information that was provided in response to Hydro One's request for proposal (RFP) for IT Staff and Project Delivery. Specifically, the Accenture MSA contains information that was intended to demonstrate Accenture's 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. As a result, disclosure of such information could cause competitive harm to Accenture and provide an unfair advantage to its competitors.

Findings

The OEB finds that the redacted information in this Appendix, which relates to Accenture's response to Hydro One's RFP for IT services⁶, is commercially sensitive and proprietary, the disclosure of which could cause competitive harm to Accenture and provide an unfair advantage to its competitors. This information shall remain redacted.

However, the OEB finds that the redacted information in this Appendix which contains the names, years of experience and skill sets of Accenture resources is neither confidential nor personal and shall be placed on the public record.

Hydro One shall file a revised version of Appendix G6 with the OEB based on the above findings.

⁶ Pp. 92-202 (Appendix H) of the Accenture MSA.

10. Appendix G7: Accenture MSA – Amending Agreement

For the Accenture MSA Amending Agreement, included as Attachment 3 to B4-Energy Probe-049, Hydro One stated that the redacted portions consist of commercially sensitive third-party rates and pricing information. In addition, Hydro One also noted that certain portions contain underlying assumptions relating to third-party pricing information. Hydro One stated that disclosure of such information could prejudice the economic interests of Accenture in future commercial negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information related to the Accenture MSA Amending Agreement contains commercially sensitive third-party pricing information, the disclosure of which could prejudice the economic interests and competitive positions of the third parties in future commercial negotiations. This information shall remain redacted.

11. Appendix G8: PricewaterhouseCoopers MSA

Hydro One requested that certain portions of information provided in the PricewaterhouseCoopers (PwC) MSA (Attachment 4 to B4-Energy Probe-049) be treated as confidential as they contain insurance coverage limits and limitation of liability cap – information that is commercially sensitive. Hydro One stated that disclosure of such information could prejudice PwC’s competitive position in future negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information, which includes negotiated insurance coverage limits and liability caps, is commercially sensitive, the disclosure of which could prejudice the consultant’s competitive position and future negotiations. This information shall remain redacted.

12. Appendix G9: PwC MSA – Appendix A

Hydro One requested that certain portions of information provided on p. 10 of the PwC MSA – Appendix A (Attachment 5 to B4-Energy Probe-049) be treated as confidential as they contain insurance coverage limits and limitation of liability caps – information that is commercially sensitive. Hydro One stated that disclosure of such information could prejudice PwC’s competitive position in future negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information on p. 10 of the PwC MSA – Appendix A, which includes insurance coverage limits and liability caps, is commercially sensitive, the disclosure of which could prejudice the consultant’s competitive position and future negotiations. The information shall remain redacted.

13. Appendix G10: PwC MSA – Appendix A

For p. 15 of the PwC MSA – Appendix A (Attachment 5 to B4-Energy Probe-049), Hydro One stated that the redacted portions consist of commercially sensitive third-party rates and pricing information. Hydro One also noted that certain portions contain underlying assumptions relating to third-party pricing information. As a result, disclosure of such information could prejudice the economic interests of PwC in future commercial negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information on p. 15 of the PwC MSA – Appendix A contains commercially sensitive pricing information, the disclosure of which could impact PwC’s competitive position. This information shall remain redacted.

14. Appendix H: BGIS Global Integrated Solutions Canada LP Facilities Management Benchmarking Study

Hydro One requested the confidential treatment of certain portions of the benchmarking report prepared by Information Services Group Inc. (ISG) included as Attachment 1 to A-SEC-005. Hydro One noted that the ISG benchmarking report contains the fees charged by BGIS Global Integrated Solutions Canada LP (BGIS) under a Facilities Management Contract with Hydro One and third-party vendor pricing information. Further, Hydro One stated that the report includes certain benchmarking data that, when read together with the body of the report, could be used to make deductions regarding third-party vendor pricing information. Hydro One submitted that the disclosure of such information could prejudice BGIS’s competitive position.

Findings

The OEB finds that the redacted portions of the ISG benchmarking report prepared for Hydro One includes commercially sensitive third-party pricing information, the disclosure of which could prejudice BGIS’s competitive position. BGIS is under a Facilities Management Contract with Hydro One. This information shall remain redacted.

15. Appendices I1 to I20: Expert Retainer Agreements

In Attachments 1-20 of B1-SEC-048, Hydro One requested the confidential treatment of certain portions of the information provided. Hydro One stated that the redacted portions contain commercially sensitive third-party rates and pricing information agreed upon by Hydro One and each of its experts and service providers through commercial negotiations. Hydro One submitted that the disclosure of such information could prejudice the economic interests and competitive positions of the third parties in future commercial negotiations to provide similar services to other potential clients.

Further to the request for the redaction of commercially sensitive third-party rates and pricing information, Hydro One also requested that certain portions of information provided in Attachments 2-4 and 14 of B1-SEC-048 be treated as confidential. Hydro One noted that such redacted information contains insurance coverage limits and limitation of liability caps. Hydro One stated that disclosure of such information could prejudice the consultants' competitive positions in future negotiations to provide similar services to other potential clients.

Findings

The OEB finds that the redacted information in these Appendices, which contain retainer agreements with a number of vendors (CN Utility Consulting, Compass Management Consulting, Navigant Consulting, Teshmont, Utilimarc, UMS Group, Clearspring, Concentric Advisors, Black & Veatch Canada, Alliance Consulting Group, PwC, Mercer, Atrium Economics, Hydro Québec, EPRI, Gartner Canada, Guidehouse Canada, Innovative Research Group) contain commercially sensitive pricing information, insurance coverage limits and limitation of liability caps, the disclosure of which could prejudice the competitive interest of these vendors. This information shall remain redacted.

16. Appendix J: Hydro Québec's Presentation Slide Deck Titled "Meter Life Testing"

For Attachment 1 to B3-SEC-127, Hydro One sought confidential treatment of the Hydro Québec presentation slide deck entitled "Meter Life Testing", in its entirety. Hydro One stated that the deck contains Hydro Québec's methods of analysis, calculations, and results regarding the evaluation of meter life expectancies. Such information was further characterized to be commercially sensitive and proprietary technical information of considerable commercial value to Hydro Québec. As a result, Hydro One stated that disclosure of such information could prejudice Hydro Québec's economic interests and competitive position and provide an unfair advantage to its competitors.

Findings

The OEB finds that the Hydro Québec slide deck entitled “Meter Life Testing” contains commercially sensitive and proprietary technical information, the disclosure of which could prejudice Hydro Québec’s competitive position and economic interest. This document shall remain redacted in its entirety.

17. Appendix K: Utilimarc’s Questionnaire Documents

Hydro One requested that Utilimarc’s questionnaire documents, included as Attachments 1-3 to B4-SEC-161, be redacted in their entirety due to being the intellectual property of Utilimarc and containing proprietary technical information. The information contained in the documents pertains to fleet analytics and data requirements associated with fleet benchmarking studies undertaken by Utilimarc. Hydro One submitted that the disclosure of such information could prejudice Utilimarc’s competitive position and provide an unfair advantage to its competitors.

Findings

The OEB finds that the information in this Appendix does not contain commercially sensitive information that could adversely impact Utilimarc’s competitive position. The redacted information appears to be instructions (with accompanying templates) outlining the information requested by Utilimarc. Given the nature of the information that was requested, the OEB finds that it is not commercially sensitive. This information shall be placed on the public record.

Hydro One shall file a revised version of Appendix K with the OEB where the entire document is unredacted.

January 5, 2022 Confidentiality Request Letter

On January 5, 2022, Hydro One filed its responses to the undertakings given at the Technical Conference held on December 13-17, 2021. Accompanying its responses, Hydro One filed a letter requesting the confidential treatment of certain portions of its responses to Undertakings JT2.08 and JT4.25, Attachment 1.

1. Undertaking JT2.08

Hydro One requested confidential treatment of portions of its Distribution Standards Manual as they contain commercial and technical information that is proprietary to Hydro One. Hydro One noted that such excerpts contain procedures, engineering specifications, and technical instructions relating to the design and modification of

distribution plant that it owns and operates. Further, Hydro One provided context on how the standards were developed with significant investment, time, and resources, and noted that comparable standards are available commercially from other parties, but at a material cost. As a result, Hydro One argued that disclosure of such information would prejudice its economic interests and provide an unfair benefit to other parties, such as distribution utilities and service providers.

Findings

The OEB finds that the redacted information in Hydro One's Distribution Standards Manual contains commercially sensitive and proprietary information of Hydro One, the disclosure of which could prejudice Hydro One's economic interests. This information shall remain redacted.

2. Undertaking JT4.25, Attachment 1

Hydro One requested confidential treatment, by means of permanent redaction, for certain portions of its 2021 Team Scorecard. Hydro One submitted that the 2021 Team Scorecard contains non-public financial information related to Hydro One Limited at the aggregate level and financial information for Hydro One's non-rate regulated affiliates. Hydro One argued that information related to its non-rate regulated affiliates is not relevant and would not assist the OEB in deciding matters in this proceeding. Hydro One also noted that it considers the redacted information contained in the 2021 Team Scorecard to be presumptively confidential, as contemplated in the *Practice Direction on Confidential Filings*⁷, as it is non-public financial information of unregulated affiliates engaged in competitive business activities.

Findings

The OEB finds that the redacted information in the 2021 Team Scorecard (2022 forecast Net Income for Hydro One Limited as confirmed by Hydro One) is relevant to this proceeding in that it is part of a scorecard that contributes to the determination of executive compensation for Hydro One. However, the OEB will treat this information as confidential until such time that Hydro One places the information on the public record of this proceeding. When the 2021 Scorecard achievements have been determined, Hydro One shall file an unredacted copy. Until then, this information shall remain redacted.

⁷ Practice Direction on Confidential Filings / Appendix B / Category 5.

January 12 and 19, 2022 Confidentiality Request Letters

On January 12, 2022, OEB staff filed working papers developed by an expert it retained for this proceeding, PEG. In the letter accompanying the working papers, OEB staff requested confidential treatment of the working papers developed by PEG, in their entirety. OEB staff stated that such treatment was required as PEG's working papers are: (i) derived in large part from and contain data from Clearspring⁸ – information previously granted confidential treatment in this proceeding; and (ii) contain data and program code that PEG has developed, or that PEG has acquired from commercial third-party vendors which may be under agreements for public non-disclosure and would have commercial value to economic consultants who are competitors of PEG.

By letter dated January 19, 2022, OEB staff informed the OEB that PEG had provided additional working papers that supported PEG productivity trend results and outlined further detail on substation data processing. OEB staff requested that the additional working papers be treated under the same confidentiality claim as that made by OEB staff in its January 12, 2022 letter.

Findings

OEB staff requested confidential treatment for the PEG working papers in a January 12, 2022 letter and for additional PEG working papers in a January 19, 2022 letter. In addressing Hydro One's request for confidentiality for its expert, Clearspring's working papers, the OEB approved the request and stated "The OEB further finds that the working papers filed by any party shall be treated as confidential and only provided to parties who sign the OEB's Declaration and Undertaking".⁹ The OEB extends the same treatment for PEG's working papers.

February 7, 2022 Confidentiality Request Letter

The issue of confidentiality of Hydro One's updated responses to Technical Conference Undertakings JT5.10 and JT5.13 was discussed during the Motions Hearing held on January 19, 2022. Hydro One filed updated responses to the two undertakings on February 4, 2022. By letter dated February 7, 2022, Hydro One requested the confidential treatment of certain portions of its responses provided in Undertakings JT5.10 and JT5.13. Hydro One stated that the redacted portions contain information

⁸ The expert retained by Hydro One for this proceeding.

⁹ Decision on Blue Page Update, Confidentiality Request and Reply on Expert Evidence and Procedural Order No. 1 / October 25, 2021 / p. 15.

relating to upcoming rounds of collective bargaining, including assumptions regarding potential bargaining outcomes. Hydro One noted that the information is confidential and, if disclosed to union representatives, could be used against Hydro One during upcoming rounds of negotiations and influence bargaining outcomes.

Hydro One stated that the redacted information contained in Undertakings JT5.10 and JT5.13 was consistent with the grounds and need for confidential treatment of the Confidential Labour Relations Strategy Appendix¹⁰ and responses¹¹ to certain labour-related interrogatories. Further, Hydro One requested that access to the confidential portions of the Undertakings JT5.10 and JT5.13 only be provided to individuals who execute and file the OEB's Declaration and Undertaking. However, in respect of the Power Workers' Union (PWU), Society of United Professionals (Society), and any other unions, that access only be provided to external counsel and / or external consultant(s) representing the unions if they have executed and filed: (i) the Declaration and Undertaking; and (ii) an affidavit confirming that they are at arm's 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.

Findings

The OEB finds that these labour-related undertaking responses identified by Hydro One shall be treated on the same basis as provided for in the OEB's Decision on Blue Page Update, Confidentiality Request and Reply on Expert Evidence and Procedural Order No. 2, issued on October 25, 2021. Access to the redacted information shall only be provided to those who were entitled to access the Confidential Labour Relations Strategy Appendix that was addressed in that decision.

The OEB finds that the redacted portions of these updated undertaking responses contain specific labour relations strategy and objectives associated with Hydro One's upcoming negotiations with the unions. Disclosure of such information could prejudice Hydro One's position in these negotiations. Access to the unredacted versions of these undertaking responses shall be provided to individuals who sign the OEB's Declaration and Undertaking. Furthermore, in respect of parties representing the PWU, Society and any other unions, the OEB reconfirms the following:

- Only external counsel and external consultants representing the unions in this proceeding shall be permitted to have access to the undertaking responses.

¹⁰ Exhibit E / Tab 6 / Schedule 1 / Attachment 5.

¹¹ E-Staff-258; E-Staff-271; E-SEC-205; E-SEC-213; and E-SUP-010.

- Each external consultant representing a union shall be required to execute and file an affidavit or sworn declaration confirming that the individual is at arm's length from the union and is 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 (up to December 31, 2027).
- Each external counsel representing a union shall be required to execute and file an affidavit or sworn declaration confirming that the individual is at arm's length from the union and is 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 (up to December 31, 2027).

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

The abeyance period for this application, which started February 4, 2022, shall end on the date of this Decision and Procedural Order (April 14, 2022).

Interrogatories on Application Update

1. OEB staff and intervenors shall request any relevant information and documentation from Hydro One with respect to its March 31, 2022 and April 8, 2022 application updates that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties, by **May 2, 2022**.
2. Hydro One shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by **May 16, 2022**.

Technical Conference

3. A transcribed technical conference will be held on **May 31, 2022** starting at 9:30 a.m. If necessary, the technical conference will continue to **June 2, 2022**. OEB staff and intervenors shall file with the OEB, and provide to Hydro One, a description of the specific areas they will focus on at the technical conference, and time estimates by **May 24, 2022**. This event will likely be conducted virtually. Further information on how to connect to the event will be communicated to parties closer to the date.

4. Hydro One shall file with the OEB complete responses to all undertakings from the technical conference, and serve them on all intervenors and OEB staff, by **June 16, 2022**.

Joint Report on Meeting on Expert Evidence

5. Hydro One shall immediately file the last report produced by Clearspring Energy Advisors and referred to in Hydro One's letter of April 1, 2022 on the record of this proceeding.
6. Pacific Economics Group Research LLC and Clearspring Energy Advisors shall confer with each other for the purposes of, among others, narrowing issues, and identifying the points on which their views differ or are in agreement. The OEB expects that Pacific Economics Group Research LLC and Clearspring Energy Advisors will make their own arrangements to meet. Pacific Economics Group Research LLC and Clearspring Energy Advisors shall prepare a joint report outlining the key issues, and points of agreement and disagreement on those issues, and identify the portions of their respective reports on which they will continue to rely. The joint report will be filed with the OEB by **June 23, 2022**.

Interrogatories on Joint Report

7. Hydro One, OEB staff and intervenors shall request any relevant information and documentation from Pacific Economics Group Research LLC and Clearspring Energy Advisors with respect to the joint report by written interrogatories filed with the OEB and served on all parties by **July 7, 2022**.
8. Pacific Economics Group Research LLC and Clearspring Energy Advisors shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors, OEB staff and Hydro One by **July 21, 2022**.

Settlement Conference

9. A settlement conference will be convened on **August 15, 2022** starting at 9:30 a.m. The settlement conference is currently scheduled to end on **August 18, 2022** (subject to the OEB's determination on the value of additional settlement time based on the substance of the settlement progress letter). This event will likely be conducted virtually. Further information on how to connect to the event will be communicated to parties closer to the date.

10. OEB staff shall file a settlement progress letter with the OEB by **August 18, 2022**. The settlement progress letter will indicate if parties believe that a full, or substantial but incomplete, settlement is achievable if additional time is granted.

Confidentiality Requests

11. Subject to the exceptions and conditions described in the findings above, Hydro One's requests for confidential treatment are granted. Hydro One shall provide individuals that have signed and filed a Declaration and Undertaking with the non-redacted, confidential versions of the documents described above for which confidential treatment has been granted, in accordance with the findings above. Consistent with Procedural Order No. 2, only external counsel and external consultants representing the PWU, Society, and any other unions in this proceeding shall be permitted to have access to labour-related information, and only where they have signed and filed: (i) a Declaration and Undertaking; and (ii) an affidavit confirming that they are at arm's 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.
12. Hydro One shall refile a revised version of Appendix G4, Appendix G6, and Appendix K, in accordance with the findings above.
13. The redacted information in the 2021 Team Scorecard (provided in Undertaking JT4.25, Attachment 1) shall be treated as confidential until the 2021 Team Scorecard achievements have been determined, following which, Hydro One shall file an unredacted copy on the record.
14. OEB staff and intervenors wishing to make submissions on the relevance of the redacted information in the 2021-2027 Integrated Business Plan shall file such submissions with the OEB and deliver them to Hydro One and all other parties on or before **May 9, 2022**. Specifically, the OEB is seeking submissions on the following two questions:
- i. Is some or all of the redacted information relevant to this proceeding, and if so, which information and why?
 - ii. If some of the information is relevant to this proceeding, should this relevant information be confidential and why, or why not?
15. If Hydro One wishes to respond to the submissions of OEB staff and intervenors, it shall file such submissions with the OEB and deliver them to intervenors on or before **May 24, 2022**.

16. OEB staff's request for the confidential treatment, in their entirety, of the PEG working papers filed on January 12 and 19, 2022, is granted.

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-2021-0110** 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 Managers, Martin Davies at Martin.Davies@oeb.ca and 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, **April 14, 2022**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

Schedule A

Hydro One Networks Inc.

EB-2021-0110

Illustrative Hearing Schedule

Illustrative Hearing Schedule

Procedural Steps	No Settlement	Partial Settlement
Interrogatories on Update Due	Monday, May 2, 2022	
Responses to Interrogatories on Update Due	Monday, May 16, 2022	
Technical Conference Begins	Tuesday, May 31, 2022	
Technical Conference Ends	Thursday, June 2, 2022	
Technical Conference Undertakings Due	Thursday, June 16, 2022	
Joint Report on Meeting on Expert Evidence Due	June 23, 2022	
Interrogatories on Joint Report Due	Thursday, July 7, 2022	
Responses to Interrogatories on Joint Report Due	Thursday, July 21, 2022	
Settlement Conference Begins	Monday, August 15, 2022	
Settlement Conference Ends	Thursday, August 18, 2022	
Settlement Progress Letter Filed	Thursday, August 18, 2022	
Settlement Proposal Filed where complete or partial settlement, (or Hydro One letter indicating no settlement)	Friday, August 19, 2022 (Hydro One letter confirming no settlement)	Monday, August 31, 2022 (settlement proposal)
OEB Staff Submission on Settlement Proposal Due	-	Monday, September 12, 2022

Oral Hearing Begins	Tuesday, September 6, 2022	Monday, September 26, 2022
Oral Hearing Ends	Monday, October 3, 2022	Tuesday, October 11, 2022
Hydro One Argument-in-Chief Due	Monday, October 17, 2022	Friday, October 21, 2022
OEB Staff Submission Due	Monday, November 7, 2022	Friday, November 11, 2022
Intervenor Submission Due	Monday, November 14, 2022	Friday, November 18, 2022
Hydro One Written Reply Submission Due	Monday, December 5, 2022	Thursday, December 8, 2022
<i>Holiday Timeout (December 17, 2022 to January 7, 2023)</i>		
Decision Issued	Tuesday, March 28, 2023	Tuesday, March 28, 2023
Draft Rate Order and Tariff Sheets Due	Tuesday, April 18, 2023	Tuesday, April 18, 2023
Intervenor and OEB Staff Comments on Draft Rate Order and Tariff Sheets Due	Tuesday, May 9, 2023	Tuesday, May 9, 2023
Hydro One Response to Comments on Draft Rate Order and Tariff Sheets Due	Tuesday, May 30, 2023	Tuesday, May 30, 2023
Issue Final Rate Order and Tariff Sheets	Tuesday, June 20, 2023	Tuesday, June 20, 2023