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May 2, 2022

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario M4P 1E4

Attention: Nancy Marconi, Board Registrar

Dear Ms. Marconi:

**Re: Ontario Sustainable Energy Association's Interrogatories on Application Update
Hydro One Networks Inc.'s Custom IR Application (2023-2027)
Board File No. EB-2021-0110**

Please see attached OSEA's interrogatories in the above-noted matter pursuant to the Ontario Energy Board's Decision on Confidentiality Requests and Procedural Order No. 5 dated April 14, 2022.

Yours truly,

Raeya Jackiw

cc: Dan Goldberger, OSEA
Travis Lusney, Power Advisory LLC

Document #: 2148591

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act*, 1998,
S.O. 1998, c. 15, Sch. B, as amended;

AND IN THE MATTER OF the Ontario Energy Board's
Proceeding on Hydro One Networks Inc.'s Application for
Electricity Transmission and Distribution Rates and Other
Charges for the Period from January 1, 2023 to
December 31, 2027

INTERROGATORIES OF ONTARIO SUSTAINABLE ENERGY ASSOCIATION ("OSEA") ON UPDATED EVIDENCE

May 2, 2022

B-OSEA-1

Reference: Exhibit B-3-1, Section 3.0, ISD D-SS-01

Preamble: Hydro One intends to spend \$478.2 million on system upgrades driven by load growth. OSEA is interested in understanding the update to the capital expenditures in D-SS-01 based on the updated information and changes to Hydro One's business case for alternative solutions including CDM.

Questions:

- a) Please provide an update to the table on page 1 of 24 under D-SS-01.
- b) Please provide an update to the table in Appendix A starting on page 17 of 24 for Description of Investments.
- c) If no update to the table in Appendix A is available please explain why an update was not necessary, with supporting references to Hydro One's updated evidence (e.g., overall spending adjustments).
- d) For each project listed in Appendix A, please provide an update to potential alternative solutions that could address the supply needs based on the broader changes justified by the updated evidence. Specifically, OSEA is interested in the potential for non-wires alternatives such as CDM to cost-effectively meet these supply needs.

B-OSEA-2

Reference: Exhibit B-3-1, Section 3.0, ISD D-SS-04

Preamble: Hydro One intends to spend \$177.3 million on energy storage solutions, and specifically, implementing battery storage solutions. OSEA is interested in the projected economic impacts of inflationary pressures and supply chain disruptions.

Questions:

- a) Please provide an update to the table on page 1 of 10 under D-SS-04.
- b) Please provide an update to table 2 – total investment costs on page 8 of 10 under D-SS-04.
- c) If no update is available please explain why an update was not necessary, with supporting references to Hydro One’s updated evidence (e.g., overall spending adjustments).

D-OSEA-3

Reference: Exhibit D-3-1, Exhibit D-4-1, Exhibit D-5-1

Preamble: The inflationary pressures Hydro One has used to justify the updated evidence will have an impact on economic growth and load forecast. OSEA is interested on the impact to load forecast and CDM activities.

Questions:

- a) Please provide an update to the consensus forecast provided in Appendix A of D-3-1 (page 4 of 4).
- b) Please provide an update to the load forecast provided in Table 1: Hydro One’s 2023-2027 Load Forecast from the inflationary pressures used to justify additional evidence.
- c) Please provide an update for Table 3 on page 17 of 50 for Load Forecast Before and After Embedded Generation and CDM.
- d) Please provide an update to Table 4: One Standard Deviation Uncertainty Bands for Hydro One Transmission’s Charge Determinants on page 19 of 50.
- e) Please provide an update for Table 4 of CDM Impact on Hydro One Distribution Load in D-5-1 page 7 of 40.
- f) Please provide an update for Table 5 of Hydro One Load Forecast Before and After Deducting CDM Impact on in D-5-1 page 18 of 40.

- g) Please provide an update for Table 6: One Standard Deviation Uncertainty Bands for Hydro One Distribution Load in D-5-1 page 19 of 40.
- h) Please explain in detail with examples how the inflationary pressures would impact the methodology outlined Appendix B: Annual Econometric Model of D-4-1.
- i) Please explain in detail and with examples how the inflationary pressures would impact the methodology outlined Appendix C: End-Use Model of D-4-1.
- j) Please explain in detail and with examples how the inflationary pressures would impact the methodology outlined Appendix B: Monthly Econometric Model of D-5-1.
- k) Please explain in detail and with examples how the inflationary pressures would impact the methodology outlined Appendix B: Annual Econometric Model of D-5-1.
- l) Please explain in detail and with examples how the inflationary pressures would impact the methodology outlined Appendix C: End-Use Model of D-5-1.
- m) If no update is available for a), b) and c) above, please explain why an update was not necessary and why the load forecast is not impacted by changes in inflation for Hydro One customers and potential future customers. Please provide commentary including supporting references to Hydro One's updated evidence and Hydro One's load forecast methodology.
- n) Please provide a description of how the updated evidence impacts CDM activities and investments.