



March 24, 2022

Eryn Mackinnon
Senior Regulatory Coordinator – Regulatory Affairs
Hydro One Networks Inc.
483 Bay Street, 7th Floor South Tower
Toronto ON M5G 2P5
regulatory@HydroOne.com

NOTICE OF HEARING AND PROCEDURAL ORDER NO. 1

**Re: Hydro One Networks Inc. (Hydro One)
Application for an Accounting Order to establish a sub-account pertaining to the deferral of capital contributions payable to Hydro One from Toronto Hydro Electric System Limited
OEB File Number: EB-2022-0101**

Application

On February 24, 2022, Hydro One filed an application with the Ontario Energy Board (OEB) under section 78 of the *Ontario Energy Board Act, 1998*, for an Accounting Order to establish a sub-account pertaining to the deferral of capital contributions payable to Hydro One by Toronto Hydro-Electric System Limited (Toronto Hydro).

Hydro One states that Toronto Hydro has requested to defer payments to Hydro One of a portion of Toronto Hydro's capital contribution (estimated to be approximately \$9.1 million) associated with the Copeland Municipal Transmission Station Connection Project for a period of five years, as allowed by section 6.3.19 of the Transmission System Code.

Hydro One states that the sub-account will track and record the deferred receipts of capital contributions from Toronto Hydro associated with the Copeland Municipal Transmission Station Connection Project for a period of five years. The sub-account will also track the differential on interest payments made on the outstanding capital contribution balance between the OEB-approved Construction Work in Progress rate and Hydro One's OEB-approved Weighted Average Cost of Capital.

In this application, Hydro One proposes to establish the following sub-accounts:

- Account 1508, Other Regulatory Assets – Sub-Account THESL Project Capital Contributions
- Account 1508, Other Regulatory Assets – Sub-Account THESL Project Capital Contribution, Contra-account
- Account 1508, Other Regulatory Assets – Sub-Account THESL Project Capital Contribution Recovery Differential Account

Hydro One is also seeking approval to use what it refers to as a Loan Methodology. Hydro One states that the methodology will result in Hydro One recognizing in its rate base an amount equal to the total project cost less the total capital contribution.

Hydro One states that the requested sub-account and loan methodology are similar to that approved by the OEB in relation to Hydro One's Barrie Area Transmission Upgrade project¹.

The OEB is convening a hearing to consider Hydro One's application and has assigned File No. **EB-2022-0101** to this application. This Notice of Hearing and Procedural Order provides for procedural steps in the OEB's review of Hydro One's application.

To access Hydro One's application please select the file number EB-2022-0101 on the OEB website: www.oeb.ca/notice. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

Service of Notice and Procedural Order No. 1

Hydro One is directed:

1. To immediately serve this Notice and Procedural Order, the application and the evidence on:
 - Toronto Hydro
 - All intervenors of record in Hydro One's 2023-2027 Joint Distribution and Transmission Rates Application, EB-2021-0110
2. To post a copy of this Notice and Procedural Order, the application and the evidence and any amendments thereto on Hydro One's website.

¹ EB-2018-0117

3. To complete service by **March 29, 2022**, and to file with the OEB an affidavit confirming service, immediately thereafter. If Hydro One is unable to complete the steps noted in paragraphs 1 and 2 by **March 29, 2022**, it must notify the Registrar immediately at Registrar@oeb.ca.

Request for intervenor status and cost eligibility

Any party that wishes to participate as an intervenor in this proceeding should apply for intervenor status by **April 8, 2022**. For information on how to apply for intervenor status, please refer to the OEB's [Rules of Practice and Procedure](#) and the OEB's [Practice Direction on Cost Awards](#).

Hydro One requested that the OEB consider adjudicating this application without a hearing. The OEB intends to proceed with a written hearing in this matter. If you think an oral hearing is needed, you can write to the OEB to explain why by **April 8, 2022**.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

1. Hydro One shall serve this Notice and Procedural Order, the application and the evidence on Toronto Hydro and all intervenors of record in its 2023-2027 Joint Distribution and Transmission Rates Application, EB-2021-0110, by **March 29, 2022**.
2. If intervenors or OEB staff seek information from Hydro One that is in addition to the evidence filed with the OEB and that is relevant to the hearing, they shall request the information by means of written interrogatories filed with the OEB and delivered to all parties by **April 22, 2022**.
3. Hydro One shall file with the OEB complete written responses to all interrogatories and serve them on all parties by **May 4, 2022**.
4. Any written submissions from OEB staff and intervenors, shall be filed with the OEB and served on all parties by **May 18, 2022**.
5. Any written reply submissions from Hydro One shall be filed with the OEB and served on intervenors by **June 1, 2022**.

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-2022-0101** 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 [File documents online 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.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

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 Manager, Musab Qureshi at musab.queshi@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, March 24, 2022

ONTARIO ENERGY BOARD

By delegation, before: Nancy Marconi

Nancy Marconi
Registrar