

1 **Wirebury Connections Inc. INTERROGATORY #12**

2
3 **Interrogatory**

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5 In its evidence, Networks refers to a number of credit rating reviews

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7 Reference: p.12, L5-21

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9 Please provide full text copies of the credit rating reviews referred to in this section of
10 Hydro One's evidence and any others that it received within the same timeframe. To
11 what extent did these ratings refer to the certainty of cash flows from existing customers
12 through regulated rates as compared to the potential cash flows from new customers?
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15 **Response**

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17 The reports referred to in the section of Prefiled Evidence (ie. p. 12, L5-21) have been
18 provided in Networks' Exhibit J8-11-4.
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20 The ratings consider stability of cash flows, and did not distinguish cash flows from
21 existing customers through regulated rates compared to potential cash flows from new
22 customers. However, the fundamental nature of the utility service territory as a
23 monopoly is embedded in the credit rating agencies' view regarding the stability of cash
24 flows and the recovery of costs incurred to construct assets.
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