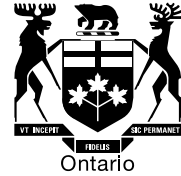


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BY E-MAIL

March 9, 2018

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: B2M Limited Partnership (B2M LP)
2018 Transmission Revenue Requirement Update
OEB Staff Interrogatories
OEB File No. EB-2017-0380**

In accordance with Procedural Order No. 1, please find attached OEB staff's interrogatories in the above noted proceeding.

B2M LP's responses to interrogatories are due by March 23, 2018.

Yours truly,

Original Signed By

Shuo Zhang
Advisor, Major Applications

Attach.

OEB Staff Interrogatories
2018 Transmission Revenue Requirement Update
B2M Limited Partnership (B2M LP)
EB-2017-0380
March 9, 2018

Exhibit 1.5 – Income Tax
1.5-Staff-1

In the Decision and Order for B2M LP's 2015-2019 Transmission Revenue Requirement Application¹, the Ontario Energy Board (OEB) approved income tax for B2M LP of \$0.4 million for 2018. In this application, B2M LP has recalculated the income tax, resulting in an increase to \$0.5 million.

- a) In the Decision and Order for B2M LP's 2017 Revenue Requirement Update Application², the OEB approved the revision of the income tax proxy for impacts directly related to updates of cost of capital parameters. In that application the return on equity (ROE) decreased by \$1.9 million and the income tax decreased correspondingly. In this application there is also a \$1.9 million decrease in the return on equity compared to OEB approved amount reflecting the updated cost of capital. Please provide justification for increasing the income tax from \$0.4 million to \$0.5 million as opposed to decreasing it.

Exhibit 1.5 – Income Tax
1.5-Staff-2

Please indicate whether B2M LP incurred a departure tax and/or recognized deferred tax benefits as a result of Hydro One's 2015 Initial Public Offering (IPO). If so, please provide the amounts related to each.

- a) If the response to the above is no, then please also explain why B2M LP would not have been subject to a deemed disposition and reacquisition of its assets at Fair Market Value triggered by Hydro One's change in tax status as a result of its 2015 IPO.

¹ Decision and Order, EB-2015-0026, December 29, 2015

² Decision and Order, EB-2016-0349, June 08, 2017.

Exhibit 1.5 – Income Tax

1.5-Staff-3

In the Decision and Order for B2M LP's 2017 Revenue Requirement Application³, the OEB noted that the impact of the loss carry forward should be included in the tax proxy calculation.

- a) Please indicate whether B2M LP included the impact of the loss carry forward in the tax proxy calculation. If so, please provide the detailed calculation. If not, please update the tax calculation.

³ Decision and Order, EB-2016-0349, June 08, 2017, page 6.