



EB-2014-0357

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF a motion by the Ontario
Energy Board to approve an order setting Uniform
Transmission Rates for the transmission of electricity for
2015.

BEFORE: Ken Quesnelle
Vice Chair and Presiding Member

RATE ORDER
2015 UNIFORM ELECTRICITY TRANSMISSION RATES
January 08, 2015

The Ontario Energy Board (“the Board”) established the EB-2014-0357 proceeding on its own motion to issue the 2015 Uniform Transmission Rates (UTR) as these rates are generated with the inputs of five Ontario transmitters.

Hydro One’s EB-2014-0140 Draft Rate Order (DRO), submitted on December 9, 2014, included the consolidated information from the five transmitters and also contained an amended revenue allocation formula in the UTR to reflect the fact that the B2M LP assets are entirely in the network pool. Board staff and intervenors were provided an opportunity to comment on the DRO and the allocation factors. The IESO confirmed its ability to implement the revised allocation formula. The London Property Management Association and Board staff agreed with the DRO as filed.

The Board finds that Hydro One's DRO document appropriately reflects the Board's Decisions for all of the other Ontario Transmitters in the 2015 DRO with the exception of Great Lakes Power Transmission (GLPT) as the Board's decision on the 2015 GLPT rate application had not yet been issued. In the attached Rate Order, the Board has updated the GLPT information to account for the December 18, 2014 decision in the EB-2014-0238 proceeding.

This Order incorporates the Board Findings in the most recent approved revenue requirements and pool load forecasts for each of the other Ontario transmitters: Five Nations Energy Inc., Canadian Niagara Power Inc., Great Lakes Power Transmission Inc., Hydro One Networks Inc. and B2M Limited Partnership as shown below:

- Five Nations Energy Inc. (EB-2009-0387) issued December 9, 2010;
- Canadian Niagara Power Inc. (EB-2001-0034) issued December 11, 2001 and declared interim on December 18, 2014 under EB-2014-0204.
- Great Lakes Power Transmission Inc. (EB-2014-0238) 2015 Revenue Requirement issued December 18, 2014;
- Hydro One Networks Inc. (EB-2014-0140) 2015 Revenue Requirement issued on January 8, 2015; and
- B2M Limited Partnership (EB-2014-0330), as submitted on December 4, 2015 and now approved as interim by the Board on December 11, 2014.

The Board finds it appropriate to issue a final Rate Order approving the 2015 Uniform Transmission Rates.

THE BOARD ORDERS THAT:

1. The final revenue requirements by rate pool and the uniform electricity transmission rates and revenue allocators for rates effective January 1, 2015 as shown in Appendix A are approved.
2. The 2015 Ontario Uniform Transmission Rate Schedules, attached as Appendix B, are approved.

ISSUED at Toronto, January 8, 2015

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A to

Rate Order

Uniform Transmission Rates and Revenue Disbursement Allocators

Board File No: EB-2014-0357

Dated: January 8, 2015

Ontario Uniform Transmission Rates

Uniform Transmission Rates and Revenue Disbursement Allocators
 (for Period January 1, 2015 to December 31, 2015)

Transmitter	Revenue Requirement (\$)			
	Network	Line Connection	Transformation Connection	Total
FNEI	\$3,761,177	\$857,719	\$1,708,192	\$6,327,089
CNPI (interim)	\$2,741,895	\$625,277	\$1,245,271	\$4,612,443
GLPT	\$23,958,268	\$5,463,574	\$10,880,989	\$40,302,831
HIN	\$878,027,045	\$200,230,084	\$398,768,505	\$1,477,025,634
B2M LP (interim)	\$40,550,724	\$0	\$0	\$40,550,724
All Transmitters	\$949,039,110	\$207,176,655	\$412,602,957	\$1,568,818,721

Transmitter	Total Annual Charge Determinants (MW)			
	Network	Line Connection	Transformation Connection	
FNEI	187.120	213.460	76.190	
CNPI	583.420	668.600	668.600	
GLPT	3,489.236	2,725.624	626.252	
HIN	246,888.000	238,332.000	204,816.000	
B2M LP	0.000	0.000	0.000	
All Transmitters	251,147.776	241,939.684	206,187.042	

Transmitter	Uniform Rates and Revenue Allocators			
	Network	Line Connection	Transformation Connection	
Uniform Transmission Rates (\$/kW-Month)	3.78	0.86	2.00	
FNEI Allocation Factor	0.00396	0.00414	0.00414	
CNPI Allocation Factor	0.00289	0.00302	0.00302	
GLPT Allocation Factor	0.02524	0.02637	0.02637	
HIN Allocation Factor	0.92518	0.96647	0.96647	
B2MLP Allocation Factor	0.04273	0.00000	0.00000	
Total of Allocation Factors	1.0000	1.0000	1.0000	

Note 1: FNEI Rates Revenue Requirement and Charge Determinants per Board Decision and Order on EB-2009-0387 dated December 9, 2010.

Note 2: CNPI Rates Revenue Requirement and Charge Determinants per Board Decision on RP-2001-0034 dated December 11, 2001. Set as Interim on December 18, 2014 under EB-2014-0204.

Note 3: GLPT Rates Revenue Requirement and Charge Determinants per Board Decision on Settlement Agreement for EB-2014-0238 Decision and Order dated December 18, 2014.

Note 4: HIN Rates Revenue Requirement per Oral Board Decision on Settlement Agreement for EB-2014-0140 dated December 2, 2014. Rate Order approved January 8, 2015.

Note 5: B2M LP Interim 2015 Revenue Requirement per Exhibit A - Revised in EB-2014-0330 dated December 4, 2014. OEB Interim approval on December 11, 2014.

Note 6: Calculated data in shaded cells.

Appendix B to

Rate Order

2015 Ontario Uniform Transmission Rate Schedules

Board File No: EB-2014-0140

Dated: January 8, 2015

2015 ONTARIO UNIFORM TRANSMISSION RATE SCHEDULES

EB-2014-0357

The rate schedules contained herein shall be effective January 1, 2015

Issued: January 8, 2015
Ontario Energy Board

TRANSMISSION RATE SCHEDULES

TERMS AND CONDITIONS

(A) APPLICABILITY The rate schedules contained herein pertain to the transmission service applicable to:

- The provision of Provincial Transmission Service (PTS) to the Transmission Customers who are defined as the entities that withdraw electricity directly from the transmission system in the province of Ontario.
- The provision of Export Transmission Service (ETS) to electricity market participants that export electricity to points outside Ontario utilizing the transmission system in the province of Ontario. The Rate Schedule ETS applies to the wholesale market participants who utilize the Export Service in accordance with the Market Rules of the Ontario Electricity Market, referred to hereafter as Market Rules. These rate schedules do not apply to the distribution services provided by any distributors in Ontario, nor to the purchase of energy, hourly uplift, ancillary services or any other charges that may be applicable in electricity markets administered by the Independent Electricity System Operator (IESO) of Ontario.

(B) TRANSMISSION SYSTEM CODE The transmission service provided under these rate schedules is in accordance with the Transmission System Code (Code) issued by the Ontario Energy Board (OEB). The Code sets out the requirements, standards, terms and conditions of the transmitter's obligation to offer to connect to, and maintain the operation of, the transmission system. The Code also sets out the requirements, standards, terms and conditions under which a Transmission Customer may connect to, and remain connected to, the transmission system. The Code stipulates that a transmitter shall connect new customers, and continue to offer transmission services to existing customers, subject to a Connection Agreement between the customer and a transmitter.

(C) TRANSMISSION DELIVERY POINT The Transmission Delivery Point is defined as the transformation station, owned by a transmission company or by the Transmission Customer, which steps down the voltage from above 50 kV to below 50 kV and which connects the customer to the transmission system. The demand registered by two or more meters at any one delivery point shall be aggregated for the purpose of assessing transmission charges at that delivery point if the corresponding distribution feeders from that delivery point, or the plants taking power from that delivery point, are owned by the same entity within the meaning of Ontario's *Business Corporations Act*. The billing demand supplied from the transmission system shall be adjusted for losses, as appropriate, to the Transmission Point of Settlement, which shall be the high voltage side of the transformer that steps down the voltage from above 50 kV to below 50 kV.

(D) TRANSMISSION SERVICE POOLS The transmission facilities owned by the licenced transmission companies are categorized into three functional pools. The transmission lines that are used for the common benefit of all customers are categorized as Network Lines and the corresponding terminating facilities are Network Stations. These facilities make up the Network Pool. The transformation station facilities that step down the voltage from above 50 kV to below 50 kV are categorized as the Transformation Connection Pool. Other electrical facilities (i.e. that are neither Network nor Transformation) are categorized as the Line Connection Pool. All PTS customers incur charges based on the Network Service Rate (PTS-N) of Rate Schedule PTS.

EFFECTIVE DATE:
January 1, 2015

BOARD ORDER:
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REPLACING BOARD ORDER:
EB-2012-0031
January 9, 2014

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Transmission Rate Schedule

TRANSMISSION RATE SCHEDULES

The PTS customers that utilize transformation connection assets owned by a licenced transmission company also incur charges based on the Transformation Connection Service Rate (PTS-T). The customer demand supplied from a transmission delivery point will not incur transformation connection service charges if a customer fully owns all transformation connection assets associated with that transmission delivery point. The PTS customers that utilize lines owned by a licenced transmission company to connect to Network Station(s) also incur charges based on the Line Connection Service Rate (PTS-L). The customer demand supplied from a transmission delivery point will not incur line connection service charges if a customer fully owns all line connection assets connecting that delivery point to a Network Station. Similarly, the customer demand will not incur line connection service charges for demand at a transmission delivery point located at a Network Station.

(E) MARKET RULES The IESO will provide transmission service utilizing the facilities owned by the licenced transmission companies in Ontario in accordance with the Market Rules. The Market Rules and appropriate Market Manuals define the procedures and processes under which the transmission service is provided in real or operating time (on an hourly basis) as well as service billing and settlement processes for transmission service charges based on rate schedules contained herein.

(F) METERING REQUIREMENTS In accordance with the Market Rules and the Transmission System Code, the transmission service charges payable by Transmission Customers shall be collected by the IESO. The IESO will utilize Registered Wholesale Meters and a Metering Registry in order to calculate the monthly transmission service charges payable by the Transmission Customers. Every Transmission Customer shall ensure that each metering installation in respect of which the customer has an obligation to pay transmission service charges

arising from the Rate Schedule PTS shall satisfy the Wholesale Metering requirements and associated obligations specified in Chapter 6 of the Market Rules, including the appendices therein, whether or not the subject meter installation is required for settlement purposes in the IESO-administered energy market. A meter installation required for the settlement of charges in the IESO-administered energy market may be used for the settlement of transmission service charges. The Transmission Customer shall provide to the IESO data required to maintain the information for the Registered Wholesale Meters and the Metering Registry pertaining to the metering installations with respect to which the Transmission Customers have an obligation to pay transmission charges in accordance with Rate Schedule PTS. The Metering Registry for metering installations required for the calculation of transmission charges shall be maintained in accordance with Chapter 6 of the Market Rules. The Transmission Customers, or Transmission Customer Agents if designated by the Transmission Customers, associated with each Transmission Delivery Point will be identified as Metered Market Participants within the IESO's Metering Registry. The metering data recorded in the Metering Registry shall be used as the basis for the calculation of transmission charges on the settlement statement for the Transmission Customers identified as the Metered Market Participants for each Transmission Delivery Point. The Metering Registry for metering installations required for calculation of transmission charges shall also indicate whether or not the demand associated with specific Transmission Delivery Point(s) to which a Transmission Customer is connected attracts Line and/or Transformation Connection Service Charges. This information shall be consistent with the Connection Agreement between the Transmission Customer and the licenced Transmission Company that connects the customer to the IESO-Controlled Grid.

(G) EMBEDDED GENERATION The Transmission Customers shall ensure conformance of Registered Wholesale Meters in accordance with Chapter 6 of Market Rules, including

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TRANSMISSION RATE SCHEDULES

Metering Registry obligations, with respect to metering installations for embedded generation that is located behind the metering installation that measures the net demand taken from the transmission system if (a) the required approvals for such generation are obtained after October 30, 1998; and (b) the generator unit rating is 2 MW or higher for renewable generation and 1 MW or higher for non-renewable generation; and (c) the Transmission Delivery Point through which the generator is connected to the transmission system attracts Line or Transformation Connection Service charges. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. Accordingly, the distributors that are Transmission Customers shall ensure that connection agreements between them and the generators, load customers, and embedded distributors connected to their distribution system have provisions requiring the Transmission Customer to satisfy the requirements for Registered Wholesale Meters and Metering Registry for such embedded generation even if the subject embedded generator(s) do not participate in the IESO-administered energy markets.

the same metering installation is also used to satisfy the requirement for energy transactions in the IESO-administered market. •The Transmission Customer shall provide the Metering Registry information for the metering installation at the embedded connection point, including all embedded generation and load connected to that point, in accordance with the requirements described in Section (F) above so that the IESO can calculate the monthly transmission service charges payable by the Transmission Customer.

(H) EMBEDDED CONNECTION POINT In accordance with Chapter 6 of the Market Rules, the IESO may permit a Metered Market Participant, as defined in the Market Rules, to register a metering installation that is located at the embedded connection point for the purpose of recording transactions in the IESO-administered markets. (The Market Rules define an embedded connection point as a point of connection between load or generation facility and distribution system). In special situations, a metering installation at the embedded connection point that is used to settle energy market charges may also be used to settle transmission service charges, if there is no metering installation at the point of connection of a distribution feeder to the Transmission Delivery Point. In above situations: •The Transmission Customer may utilize the metering installation at the embedded connection point, including all embedded generation and load connected to that point, to satisfy the requirements described in Section (F) above provided that

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RATE SCHEDULE: PTS	PROVINCIAL TRANSMISSION SERVICE
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APPLICABILITY:

The Provincial Transmission Service (PTS) is applicable to all Transmission Customers in Ontario who own facilities that are directly connected to the transmission system in Ontario and that withdraw electricity from this system.

	<u>Monthly Rate (\$ per kW)</u>
Network Service Rate (PTS-N): \$ Per kW of Network Billing Demand ^{1,2}	3.78
Line Connection Service Rate (PTS-L): \$ Per kW of Line Connection Billing Demand ^{1,3}	0.86
Transformation Connection Service Rate (PTS-T): \$ Per kW of Transformation Connection Billing Demand ^{1,3,4}	2.00

The rates quoted above shall be subject to adjustments with the approval of the Ontario Energy Board.

Notes:

1 The demand (MW) for the purpose of this rate schedule is measured as the energy consumed during the clock hour, on a "Per Transmission Delivery Point" basis. The billing demand supplied from the transmission system shall be adjusted for losses, as appropriate, to the Transmission Point of Settlement, which shall be the high voltage side of the transformer that steps down the voltage from above 50 kV to below 50 kV at the Transmission Delivery Point.

2. The Network Service Billing Demand is defined as the higher of (a) customer coincident peak demand (MW) in the hour of the month when the total hourly demand of all PTS customers is highest for the month, and (b) 85 % of the customer peak demand in any hour during the peak period 7 AM to 7 PM (local time) on weekdays, excluding the holidays as defined by IESO. The peak period hours will be between 0700 hours to 1900 hours Eastern Standard Time during winter (i.e. during standard time) and 0600 hours to 1800 hours Eastern Standard Time during summer (i.e. during daylight savings time), in conformance with the meter time standard used by the IMO settlement systems.

3. The Billing Demand for Line and Transformation Connection Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss-adjusted demand supplied from the transmission system plus (b) the demand that is supplied by embedded generation for which the required government approvals are obtained after October 30, 1998 and which have installed capacity of 2MW or more for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for losses.

4. The Transformation Connection rate includes recovery for OEB approved Low Voltage Switchgear compensation for Toronto Hydro Electric System Limited and Hydro Ottawa Limited.

TERMS AND CONDITIONS OF SERVICE:

The attached Terms and Conditions pertaining to the Transmission Rate Schedules, the relevant provisions of the Transmission System Code, in particular the Connection Agreement as per Appendix 1 of the Transmission System Code, and the Market Rules for the Ontario Electricity Market shall apply, as contemplated therein, to services provided under this Rate Schedule.

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RATE SCHEDULE: ETS	EXPORT TRANSMISSION SERVICE
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APPLICABILITY:

The Export Transmission Service is applicable for the use of the transmission system in Ontario to deliver electrical energy to locations external to the Province of Ontario, irrespective of whether this energy is supplied from generating sources within or outside Ontario.

Export Transmission Service Rate (ETS):

Hourly Rate
\$1.85 / MWh

The ETS rate shall be applied to the export transactions in the Interchange Schedule Data as per the Market Rules for Ontario’s Electricity Market. The ETS rate shall be subject to adjustments with the approval of the Ontario Energy Board.

TERMS AND CONDITIONS OF SERVICE:

The attached Terms and Conditions pertaining to the Transmission Rate Schedules, the relevant provisions of the Transmission System Code and the Market Rules for the Ontario Electricity Market shall apply, as contemplated therein, to service provided under this Rate Schedule.

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