



**EB-2010-0291**

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

**AND IN THE MATTER OF** an Application by Great Lakes  
Power Transmission Inc. on behalf of Great Lakes Power  
Transmission LP seeking changes to the uniform provincial  
transmission rates for 2011 and 2012;

**BEFORE:** Paula Conboy  
Presiding Member

Ken Quesnelle  
Member

## **DECISION AND ORDER**

### **2012 TRANSMISSION REVENUE REQUIREMENT**

Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP ("GLPT" or the "Applicant") has filed an Application with the Ontario Energy Board (the "Board") on September 29, 2010 under section 78 of the *Ontario Energy Board Act, 1998*, 1998 S.O. c.15, (Schedule B). GLPT is seeking Board approval for updated Uniform Transmission Rates ("UTR") to permit GLPT recovery of its forecasted revenue requirement for 2011 and for 2012. The Board has assigned the application Board file number EB-2010-0291.

In accordance with the Board's direction in Procedural Order No.1, GLPT and three intervenors, Schools Energy Coalition ("SEC"), Vulnerable Energy Consumers Coalition ("VECC") and Energy Probe Research Foundation ("Energy Probe") participated in a

Settlement Conference on January 13, 2011 with the assistance of a facilitator. As a result of the Settlement Conference, the parties prepared a Settlement Proposal and filed it with the Board on January 21, 2011.

On February 2, 2011, the Board issued its Decision and Order and Accounting Order, accepting the Settlement Agreement, and in regard to the 2012 revenue requirement, the Board stated in part that:

*“the 2012 Transmission Revenue Requirement is subject to change based on an adjustment that will be implemented with respect to the Cost of Capital as set out in Section 2.2 and Section 2.3 of the Approved Settlement, for the Cost of Debt and Cost of Equity, respectively”.*

On November 10, 2011, the Board issued Cost of Capital Parameter Updates for 2012 Cost of Service Applications for Rates Effective January 1, 2012 (the “January 1, 2012 Cost of Capital Update”).

### **2012 Cost of Capital Update and GLPT’s Revised 2012 Revenue Requirement**

On November 17, 2011, GLPT filed with the Board a revised 2012 Revenue Requirement Work Form to reflect the January 1, 2012 Cost of Capital Update. The revised 2012 Transmission Revenue Requirement for GLPT is calculated to be \$36,060,024 to replace the previous amount of \$36,372,546.

### **Update of the Uniform Transmission Rates (“UTR”) – Effective, January 1, 2012**

The Board notes that Hydro One Networks Inc. and GLPT will be requesting that the UTR effective January 1, 2012, be adjusted to allow recovery of their respective Board approved 2012 revenue requirements. For GLPT, the Board approved revenue requirement is based on further adjustments to the revised 2012 revenue requirement attributable to various deferral account dispositions.

GLPT calculated the adjusted 2012 revenue requirement to be \$35,247,808 after allowing for pertinent dispositions of certain deferral accounts, as shown in Appendix B of the November 17, 2011 filing.

On December 2, 2011 the Board issued Procedural Order No. 3 inviting comments from intervenors in regard to GLPT's revised 2012 revenue requirement and the further adjustments noted above for the effective January 1, 2011 UTR.

No objections by intervenors or Board staff were filed by the deadline of December 16, 2011. The Board, upon reviewing the evidence, is satisfied that the calculations in GLPT's November 17, 2011 filing are correct, showing that GLPT's revised 2012 revenue requirement is \$36,060,024 and that the adjusted calculations for recovery in the January 1, 2012 UTR is \$35,247,808.

**THE BOARD ORDERS THAT:**

1. For Great Lakes Power Transmission LP, the revised revenue requirement for 2012 of \$36,060,024 is approved, to reflect the Board's November 10, 2011 Cost of Capital Parameter Updates.
2. For Great Lakes Power Transmission LP, the adjusted revised revenue requirement of \$35,247,808 is approved for inclusion in the January 1, 2012 Uniform Transmission Rate update, to reflect certain deferral account dispositions, as outlined in Appendix B of the November 17, 2011 filing.

**DATED** at Toronto on December 19, 2011

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary