



EB-2012-0300

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 2013 and
2014.

PROCEDURAL ORDER NO. 2

December 3, 2012

Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP ("GLPT") filed an application with the Ontario Energy Board (the "Board") on June 29, 2012 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B). GLPT is seeking Board approval for updated provincial transmission rates for 2013 and 2014 so as to permit GLPT to recover its forecasted revenue requirement for 2013 and for 2014.

On November 1, 2012, the Board issued its Decision on the Proposed Settlement Agreement and Accounting Order that was filed by the parties to this proceeding on October 18, 2012 ("Decision and Order"), accepting the Settlement Agreement, and in regard to the 2013 revenue requirement, the Board stated in part that:

"As a result of the approved settlement, the 2013 Transmission Revenue Requirement is set at \$38,379,200. This rate will be adjusted to include future updates to the Board's Cost of Capital parameters for the rate year beginning January 1, 2013."

On November 15, 2012, the Board issued Cost of Capital Parameter Updates for 2013 Cost of Service Applications for Rates Effective January 1, 2013 (the “Cost of Capital Update”).

2013 Cost of Capital Update and GLPT’s Revised 2013 Revenue Requirement

On November 26, 2012, GLPT filed with the Board a revised 2013 Revenue Requirement Work Form to reflect the Cost of Capital Update. The revised 2013 Transmission Revenue Requirement for GLPT is calculated to be \$38,101,553 to replace the amount of \$38,379,200 determined in the Decision and Order.

Update of the Uniform Transmission Rates (“UTR”) – Effective, January 1, 2013

Periodically the Board approves revision of the effective UTR transmission rates to commence on a certain date. To that end the approved revenue requirement and charge determinants that are effective on that certain date are used for the four licensed transmitters - Hydro One Networks Inc. (“Hydro One”), GLPT, Canadian Niagara Power Inc., and Five Nations Energy Inc.

Both Hydro One and GLPT are now in the process of revising their Board approved 2013 revenue requirements, which were both conditioned to be revised to reflect certain adjustments including the Cost of Capital Update.

Accordingly, it was anticipated that Hydro One and GLPT would request that the UTR effective January 1, 2013, be adjusted to allow them recovery of their respective 2013 revenue requirements, each of which would be subject to further adjustments attributable to various deferral account dispositions.

To that end, Board staff requested filing of the account balances and appropriate 2013 disposition for certain deferral accounts. GLPT responded by including as Appendix C to its November 26, 2012 filing, the account balances and appropriate 2013 disposition for these deferral accounts as prescribed in the Board’s Decision On Proposed Settlement Agreement And Accounting Order dated November 1, 2012. As shown in the noted Appendix C, a disposition in 2013 of \$745,186 to the benefit of the ratepayers would further reduce GLPT’s 2013 revenue requirement from \$38,101,553 down to \$ 37,356,367.

For the purpose of seeking intervenor submissions, the Board requires that GLPT circulate to all intervenors in this proceeding, the above-noted November 26, 2012 filing, covering the revised 2013 Revenue Requirement Work Form.

The Board invites comments from intervenors in regard to the adjusted GLPT revenue requirement intended to be used in the revised UTR effective January 1, 2013. The adjusted 2013 revenue requirement is calculated to be \$ \$ 37,356,367.

THE BOARD ORDERS THAT:

1. The Applicant shall deliver the November 26, 2012 filing containing revisions to its 2013 revenue requirement and the proposed adjusted 2013 revenue requirement for the January 1, 2013 Uniform Transmission Rates to the intervenors no later than **Friday, December 7, 2012**.
2. Intervenors or Board staff who wish to make submissions in regard to the revised 2013 revenue requirement or the adjusted 2013 revenue requirement for use in the January 1, 2013 Uniform Transmission Rates should do so no later than **Monday, December 17, 2012**.

All filings to the Board must quote the file number, EB-2012-0300, be made through the Board's web portal at: www.pes.ontarioenergyboard.ca/eservice/, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at: www.ontarioenergyboard.ca/OEB/Industry. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

DATED at Toronto, December 3, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary