



**Ontario Energy Board  
Commission de l'énergie de l'Ontario**

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**DECISION AND ORDER**

**EB-2016-0258**

**2472883 ONTARIO LIMITED ON BEHALF OF  
WATAYNIKANEYAP POWER LP**

**Electricity Transmission Licence Amendment**

*Further to Ministerial Directive*

**BY DELEGATION, BEFORE: Peter Fraser**

Vice President, Consumer Protection and  
Industry Performance

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**September 1, 2016**

## BACKGROUND

Under section 28.6.1(1) of the *Ontario Energy Board Act, 1998* (OEB Act), the Minister of Energy (Minister) may issue directives to the Ontario Energy Board (OEB) requiring the OEB to take such steps as are specified in the directive relating to the construction, expansion or re-enforcement of transmission systems.

Sections 28.6(2) and 28.6(3) of the OEB Act apply with necessary modifications in respect of directives issued under section 28.6.1. As stated in section 28.6(2) of the OEB Act, such a directive may among other things require the OEB to amend the licence conditions of a transmitter to require the transmitter to take the actions specified in the directive in relation to its transmission system, including enhancing, re-enforcing or expanding that system. In accordance with section 28.6(3) of the OEB Act, such a directive may specify whether the OEB is to hold a hearing for the purposes of giving effect to the directive.

Under cover of a letter dated July 29, 2016, the OEB received a directive issued by the Minister under section 28.6.1(1) of the OEB Act (Transmission Directive). The Transmission Directive was approved by Order in Council No. 1158/2016 dated July 20, 2016. The Transmission Directive requires the OEB to amend, without a hearing, the transmission licence of 2472883 Ontario Limited on behalf of Wataynikaneyap Power LP (Wataynikaneyap Power LP ) to require it to develop and seek approvals for certain transmission projects to connect the following sixteen named remote First Nation communities to the provincial electricity grid: Sandy Lake, Poplar Hill, Deer Lake, North Spirit Lake, Kee-Way-Win, Kingfisher, Wawakapewin, Kasabonika Lake, Wunnumin, Wapekeka, Kitchenuhmaykoosib Inninuwug, Bearskin Lake, Muskrat Dam Lake, Sachigo Lake, North Caribou Lake, and Pikangikum (collectively, Remote Communities). The Transmission Directive and Order in Council No. 1158/2016 are available on the OEB's website.

## THE TRANSMISSION DIRECTIVE

The Transmission Directive requires the OEB to amend the conditions of Wataynikaneyap Power LP's electricity transmission licence to require it to proceed to do the following related to the expansion of the transmission system to connect the Remote Communities to the provincial electricity grid:

- (i) Develop and seek approvals for a transmission line, which shall be composed of a new 230 kV line originating at a point between Ignace and Dryden and terminating in Pickle Lake (the "Line to Pickle Lake"). The development of the Line to Pickle Lake shall accord with the scope recommended by the Independent Electricity System Operator.
- (ii) Develop and seek approvals for the transmission lines extending north from Red Lake and Pickle Lake required to connect the Remote Communities to the provincial electricity grid. The development of these transmission lines shall accord with the scope supported by the Independent Electricity System Operator.

In accordance with the Transmission Directive, the OEB is required to amend Wataynikaneyap Power LP's electricity transmission licence as set out above without a hearing.

Wataynikaneyap Power LP's electricity transmission licence currently has a term of 5 years and states that it will become effective on the earlier of two dates, one of which is the date on which the OEB is satisfied that the licensee has been selected by appropriate authorities as a developer of transmission assets in Ontario. The Transmission Directive, when considered with section 97.1 of the OEB Act, serves that purpose. Wataynikaneyap Power LP's licence will also be amended to have today's date as the effective date, and to have a term of 20 years.

Schedule 1 of Wataynikaneyap Power LP's electricity transmission licence currently states that the schedule will be completed at such time as the licence takes effect. Given the above, schedule 1 of Wataynikaneyap Power LP's licence will also be amended to include a reference to the transmission projects identified in the Transmission Directive.

Given the requirement that the transmission projects identified in the Transmission Directive accord with the scope recommended or supported, as applicable, by the Independent Electricity System Operator (IESO), the OEB has by letter dated September 1, 2016 asked the IESO to provide a report detailing its recommended scope for the Line to Pickle Lake and its supported scope for the transmission lines to connect the Remote Communities to the provincial electricity grid. A copy of that letter is attached to this Decision and Order as Appendix A. The OEB expects Wataynikaneyap Power LP to cooperate with and assist the IESO as the IESO may reasonably require for purposes of the preparation of the IESO's report.

The Transmission Directive also requires the OEB to require Wataynikaneyap Power LP to provide the OEB with such reporting as the OEB may consider appropriate with respect to budget, timing and risks relating to the transmission projects that are identified in the Transmission Directive. The OEB will address the matter of reporting requirements at a later date.

**IT IS ORDERED THAT:**

1. Wataynikaneyap Power LP's electricity transmission licence is amended to include the following new condition:

Effective September 1, 2016, the Licensee shall proceed to do the following related to expansion of the transmission system to connect the Remote Communities to the provincial electricity grid:

- (a) Develop and seek approvals for a transmission line, which shall be composed of a new 230 kV line originating at a point between Ignace and Dryden and terminating in Pickle Lake (the "Line to Pickle Lake"). The development of the Line to Pickle Lake shall accord with the scope recommended by the IESO.
  - (b) Develop and seek approvals for the transmission lines extending north from Red Lake and Pickle Lake required to connect the Remote Communities to the provincial electricity grid. The development of these transmission lines shall accord with the scope supported by the IESO.
  - (c) For the purposes of this paragraph 13.1 and Schedule 1, the Remote Communities are: Sandy Lake, Poplar Hill, Deer Lake, North Spirit Lake, Kee-Way-Win, Kingfisher, Wawakapewin, Kasabonika Lake, Wunnumin, Wapekeka, Kitchenuhmaykoosib Inninuwug, Bearskin Lake, Muskrat Dam Lake, Sachigo Lake, North Caribou Lake, and Pikangikum.
2. Wataynikaneyap Power LP's electricity transmission licence is amended to have an effective date of September 1, 2016 and a term of 20 years.
  3. Schedule 1 of Wataynikaneyap Power LP's electricity transmission licence is amended to include the facilities described in paragraph 1 above.

**DATED** at Toronto September 1, 2016

**ONTARIO ENERGY BOARD**

*Original Signed By*

Peter Fraser  
Vice President, Consumer Protection and Industry Performance

**Appendix A  
to**

**Decision and order dated September 1, 2016  
EB-2016-0258**

**Letter to the Independent Electricity Operator**

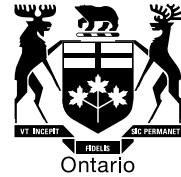
**[See separate document attached]**

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Rosemarie T. Leclair  
Chair & CEO

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Rosemarie T. Leclair  
Présidente et Directrice Générale



## BY E-MAIL AND WEB POSTING

September 1, 2016

Mr. Bruce Campbell  
President & Chief Executive Officer  
Independent Electricity System Operator  
120 Adelaide Street West, Suite 1600  
Toronto, Ontario M5H 1T1

Dear Mr. Campbell,

In a letter dated July 29, 2016, the Minister of Energy informed the Ontario Energy Board (OEB) that under the authority of section 96.1(1) of the *Ontario Energy Board Act, 1998* (OEB Act) the Lieutenant Governor in Council had made an order identifying as priority projects the construction of electricity transmission lines to Pickle Lake and extending north from Red Lake and Pickle Lake to facilitate the connection of certain named remote communities to the provincial electricity grid. The Order in Council is dated July 20, 2016.

Under cover of a second letter also dated July 29, 2016, the Minister of Energy provided the OEB with a Directive issued under section 28.6.1 of the OEB Act and approved by the Lieutenant Governor in Council requiring the OEB to amend the transmission licence issued to Wataynikaneyap Power LP to require it to develop and seek approvals for a) the construction of a new 230 kV line to Pickle Lake (the Pickle Lake project) and b) the construction of transmission lines extending north from Red Lake and Pickle Lake required to connect certain named remote First Nation communities to the provincial electricity grid (the Transmission Extension projects).

As noted in the Minister's Directive, the development of the Pickle Lake project shall be in accordance with the scope recommended by the Independent Electricity System Operator (IESO) and the development of the Transmission Extension project shall be in accordance with the scope supported by the IESO.

Given the Minister's requirement, the OEB requests a report from the IESO that details both its recommended scope for the Pickle Lake project as well as the IESO-supported scope for the Transmission Extension projects.

By reason of section 96.1 of the OEB Act, the OEB will not undertake a "needs" assessment as part of a leave to construct review of the transmission lines comprising the Pickle Lake project and the Transmission Extension projects. I would ask that the preparation of the IESO's report take into account that, although the OEB will not be assessing "need" for the project, it will still examine cost related issues as it conducts its leave to construct review, and in doing so will consider the interests of consumers with respect to price, reliability and quality of service. The OEB would also appreciate any input from the IESO that will aid in the OEB's determination of reporting requirements that may be appropriate for Wataynikaneyap Power LP with respect to budget, timing, and risks in relation to the projects in question.

It is the OEB's expectation that, when the time comes, the IESO will participate in the OEB's leave to construct process(es) relating to the Pickle Lake project and the Transmission Extension projects, and may be required to provide additional information at that time.

Please advise the OEB by September 9, 2016 of when the IESO expects to be in a position to provide its report. The OEB is aware that the IESO has already produced reports and analysis on regional electricity system needs in Northwestern Ontario, including planning for the connection of remote communities. If planning for certain projects, such as the Pickle Lake project, is further advanced relative to the planning for others, the OEB will accept the report in phases so that information that is available is provided in a timely manner. If the IESO adopts this approach, its first report should include a planned schedule for subsequent updates.

The Minister's letters, the Orders in Council and the Minister's Directive will be posted shortly on the OEB's website.

Yours truly,



Rosemarie T. Leclair  
Chair & CEO





# Electricity Transmission Licence

## ET-2015-0264

### 2472883 Ontario Limited on behalf of Wataynikaneyap Power LP

Valid Until  
August 31, 2036

*Original signed by*

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**Peter Fraser**

**Vice President, Consumer Protection and Industry Performance  
Ontario Energy Board**

**Date of Issuance: November 19, 2015**

**Date of Last Amendment: September 1, 2016**

**Effective Date: September 1, 2016**

Ontario Energy Board  
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**LIST OF AMENDMENTS**

<b>Board File No.</b>	<b>Date of Amendment</b>
EB-2016-0258	September 1, 2016

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**2472883 Ontario Limited on behalf of Wataynikaneyap Power LP  
Electricity Transmission Licence ET-2015-0264**

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## 1 Definitions

In this Licence:

“**Accounting Procedures Handbook**” means the handbook, approved by the Board which specifies the accounting records, accounting principles and accounting separation standards to be followed by the Licensee;

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**Affiliate Relationships Code for Electricity Distributors and Transmitters**” means the code, approved by the Board which, among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

“**Board**” means the Ontario Energy Board;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**Licensee**” means 2472883 Ontario Limited on behalf of Wataynikaneyap Power LP

“**Market Rules**” means the rules made under section 32 of the Electricity Act;

“**Performance Standards**” means the performance targets for the distribution and connection activities of the Licensee as established by the Board in accordance with section 83 of the Act;

“**Rate Order**” means an Order or Orders of the Board establishing rates the Licensee is permitted to charge;

“**transmission services**” means services related to the transmission of electricity and the services the Board has required transmitters to carry out for which a charge or rate has been established in the Rate Order;

“**Transmission System Code**” means the code approved by the Board and in effect at the relevant time, which, among other things, establishes the obligations of a transmitter with respect to the services and terms of service to be offered to customers and provides minimum technical operating standards of transmission systems;

“**wholesaler**” means a person that purchases electricity or ancillary services in the IESO administered markets or directly from a generator or, a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person other than a consumer.

## **2 Interpretation**

- 2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of the Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

## **3 Authorization**

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence to own and operate a transmission system consisting of the facilities described in Schedule 1 of this Licence, including all associated transmission equipment.

## **4 Obligation to Comply with Legislation, Regulations and Market Rules**

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

## **5 Obligation to Comply with Codes**

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the Licensee are set out in Schedule 2 of this Licence. The following Codes apply to this Licence:
- a) the Affiliate Relationships Code for Electricity Distributors and Transmitters; and
  - b) the Transmission System Code.
- 5.2 The Licensee shall:
- a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
  - b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

## **6 Requirement to Enter into an Operating Agreement**

- 6.1 The Licensee shall enter into an agreement ("Operating Agreement") with the IESO providing for the direction by the IESO of the operation of the Licensee's transmission system. Following a request made by the IESO, the Licensee and the IESO shall enter into an Operating Agreement

within a period of 90 business days, unless extended with leave of the Board. The Operating Agreement shall be filed with the Board within ten (10) business days of its completion.

- 6.2 Where there is a dispute that cannot be resolved between the parties with respect to any of the terms and conditions of the Operating Agreement, the IESO or the Licensee may apply to the Board to determine the matter.

## **7 Obligation to Provide Non-discriminatory Access**

- 7.1 The Licensee shall, upon the request of a consumer, generator, distributor or retailer, provide such consumer, generator, distributor or retailer, as the case may be, with access to the Licensee's transmission system and shall convey electricity on behalf of such consumer, generator, distributor or retailer in accordance with the terms of this Licence, the Transmission System Code and the Market Rules.

## **8 Obligation to Connect**

- 8.1 If a request is made for connection to the Licensee's transmission system or for a change in the capacity of an existing connection, the Licensee shall respond to the request within 30 business days.
- 8.2 The Licensee shall process connection requests in accordance with published connection procedures and participate with the customer in the IESO's Connection Assessment and approval process in accordance with the Market Rules, its Rate Order(s) and the Transmission System Code.
- 8.3 An offer of connection shall be consistent with the terms of this Licence, the Market Rules, the Rate Order, and the Transmission System Code.
- 8.4 The terms of such offer to connect shall be fair and reasonable.
- 8.5 The Licensee shall not refuse to make an offer to connect unless it is permitted to do so by the Act or any Codes, standards or rules to which the Licensee is obligated to comply with as a condition of this Licence.

## **9 Obligation to Maintain System Integrity**

- 9.1 The Licensee shall maintain its transmission system to the standards established in the Transmission System Code and Market Rules, and have regard to any other recognized industry operating or planning standards required by the Board.

## **10 Transmission Rates and Charges**

- 10.1 The Licensee shall not charge for the connection of customers or the transmission of electricity except in accordance with the Licensee's Rate Order(s) as approved by the Board and the Transmission System Code

**11 Separation of Business Activities**

- 11.1 The Licensee shall keep financial records associated with transmitting electricity separate from its financial records associated with distributing electricity or other activities in accordance with the Accounting Procedures Handbook and as otherwise required by the Board.

**12 Expansion of Transmission System**

- 12.1 The Licensee shall not construct, expand or reinforce an electricity transmission system or make an interconnection except in accordance with the Act and Regulations, the Transmission System Code and the Market Rules.

**13 Expansion and Upgrading of Transmission System Further to Ministerial Directive**

- 13.1 Effective September 1, 2016, the Licensee shall proceed to do the following related to expansion of the transmission system to connect the Remote Communities to the provincial electricity grid:
- a) Develop and seek approvals for a transmission line, which shall be composed of a new 230 kV line originating at a point between Ignace and Dryden and terminating in Pickle Lake (the "Line to Pickle Lake"). The development of the Line to Pickle Lake shall accord with the scope recommended by the IESO.
  - b) Develop and seek approvals for the transmission lines extending north from Red Lake and Pickle Lake required to connect the Remote Communities to the provincial electricity grid. The development of these transmission lines shall accord with the scope supported by the IESO.
  - c) For the purposes of this paragraph 13.1 and Schedule 1, the Remote Communities are: Sandy Lake, Poplar Hill, Deer Lake, North Spirit Lake, Kee-Way-Win, Kingfisher, Wawakapewin, Kasabonika Lake, Wunnumin, Wapekeka, Kitchenuhmaykoosib Inninuwug, Bearskin Lake, Muskrat Dam Lake, Sachigo Lake, North Caribou Lake, and Pikangikum.

**14 Provision of Information to the Board**

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 13.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) business days past the date upon which such change occurs.

**15 Restrictions on Provision of Information**

- 15.1 The Licensee shall not use information regarding a consumer, retailer, wholesaler or generator, obtained for one purpose for any other purpose without the written consent of the consumer, retailer, wholesaler or generator.
- 15.2 The Licensee shall not disclose information regarding a consumer, retailer, wholesaler or generator to any other party without the written consent of the consumer, retailer, wholesaler or generator, except where such information is required to be disclosed:



- a) to comply with any legislative or regulatory requirements, including the conditions of this Licence;
- b) for billing, settlement or market operations purposes;
- c) for law enforcement purposes; or
- d) to a debt collection agency for the processing of past due accounts of the consumer, retailer, wholesaler or generator.

15.3 Information regarding consumers, retailers, wholesalers or generators may be disclosed where the information has been sufficiently aggregated such that their particular information cannot reasonably be identified.

15.4 The Licensee shall inform consumers, retailers, wholesalers and generators of the conditions under which their information may be released to a third party without their consent.

15.5 If the Licensee discloses information under this section, the Licensee shall ensure that the information is not be used for any other purpose except the purpose for which it was disclosed.

## **16 Term of Licence**

16.1 This Licence shall take effect on September 1, 2016 and expire on August 31, 2036. The term of this Licence may be extended by the Board.

## **17 Transfer of Licence**

17.1 In accordance with subsection 18(2) of the Act, this Licence is not transferable or assignable without leave of the Board.

## **18 Amendment of Licence**

18.1 The Board may amend this Licence in accordance with section 74 of the Act or section 38 of the Electricity Act.

## **19 Fees and Assessments**

19.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

## **20 Communication**

20.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.

20.2 All official communication relating to this Licence shall be in writing.

20.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

- a) when delivered in person to the addressee by hand, by registered mail or by courier;

- b) ten (10) business days after the date of posting if the communication is sent by regular mail; and
- c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

**21 Copies of the Licence**

21.1 The Licensee shall:

- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

**SCHEDULE 1 SPECIFICATION OF TRANSMISSION FACILITIES**

This Schedule specifies the facilities over which the Licensee is authorized to transmit electricity in accordance with paragraph 3 of this Licence.

- a) A new 230 kV line originating at a point between Ignace and Dryden and terminating in Pickle Lake (the "Line to Pickle Lake").
- b) Transmission lines extending north from Red Lake and Pickle Lake required to connect the Remote Communities (as defined in paragraph 13.1 of this Licence) to the provincial electricity grid.

As stated in paragraph 13.1 of this Licence, the development of the Line to Pickle Lake must accord with the scope recommended by the IESO and the development of the transmission lines referred to in paragraph (b) above must accord with the scope supported by the IESO. This Schedule will be updated to reflect a more detailed description of the facilities on the date upon which the Board amends schedule 1 of this licence to specify with greater precision the facilities to be owned and/or operated by the Licensee.

**SCHEDULE 2 LIST OF CODE EXEMPTIONS**

This Schedule specifies any specific Code requirements from which the Licensee has been exempted.