



Application by Wataynikaneyap Power GP Inc. on behalf of Wataynikaneyap Power LP (Wataynikaneyap Power) for Establishment of a Deferral Account and for an Amendment to Wataynikaneyap Power's Distribution Licence

NOTICE OF HEARING AND PROCEDURAL ORDER NO. 1

October 26, 2018

**To: Wataynikaneyap Power
Hydro One Networks Inc. (HONI)
Hydro One Remote Communities Inc. (HORCI)
Independent Electricity System Operator (IESO)
Pikangikum First Nation
All Other Interested Parties**

The Application

Request for a Deferral Account

Wataynikaneyap Power has applied to the Ontario Energy Board (OEB) under subsection 78(2) of the *Ontario Energy Board Act, 1998* (the Act) for approval to establish a deferral account for the purposes of recording and facilitating the future recovery of costs relating to the operation of Wataynikaneyap Power's distribution system, which is being constructed between Red Lake and the Pikangikum First Nation Reserve and is expected to go into service on November 23, 2018.

Wataynikaneyap Power proposes to record costs it incurs in respect of the distribution system from the date the system goes into service until such time as the system is incorporated into and becomes part of Wataynikaneyap Power's transmission system, which is the subject of a separate application for leave to construct currently before the OEB (EB-2018-0190)¹ and will be the subject of a future transmission rate application. Wataynikaneyap Power's application states that all or substantially all of the capital costs

¹ The IESO and HORCI are the only intervenors in that proceeding.

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of developing and constructing the distribution system are being paid for through funding from the federal government. Wataynikaneyap Power proposes to use the deferral account to record the operating, maintenance and administration costs for the system, as well as any capital costs that may be incurred after the in-service date which are not paid for by the federal funding. The recoverability of the costs recorded in the account would be subject to a prudency review by the OEB in a future proceeding.

Request for Code Exemptions

In addition, Wataynikaneyap Power has also requested an amendment to its electricity distribution licence, pursuant to subsection 74(1) of the Act, to provide for certain exemptions from the Retail Settlement Code. According to Wataynikaneyap Power's application, the exemptions are warranted because Wataynikaneyap Power will be both an embedded distributor in relation to HONI and a host distributor to its sole customer HORCI. The exemptions would allow for all costs other than Wataynikaneyap Power's own distribution rates to be settled directly between HONI and HORCI, as if HORCI were directly connected to HONI's distribution system.

As Wataynikaneyap Power's request for Code exemptions may affect HONI, HORCI and the IESO, the OEB invites those parties to advise the OEB if they have any concerns by filing written comments by the deadline set out below.

How to See the Application

To see a copy of the application together with any related documents, go to the OEB's [website](#) and enter the case number EB-2018-0267 in the "Search RDS for a case" box. A copy can also be seen at the OEB's office at the address indicated below.

Manner of Hearing

Wataynikaneyap Power has requested a written hearing. The OEB intends to proceed with this application by way of a written hearing. Due to the nature of the relief requested, the OEB is of the view that allowing for written comments from interested parties will be sufficient to enable the OEB to decide Wataynikaneyap Power's application; there is no need to make provision for interested parties to file interrogatories or evidence. Accordingly, the OEB does not intend to make provision for interested parties to seek cost awards.

IT IS THEREFORE ORDERED THAT:

1. If an interested party thinks an oral hearing is needed, it may write to the OEB (with a copy to Wataynikaneyap Power) to explain why, by **November 1, 2018**.
2. Unless the OEB is satisfied that there is good reason for holding an oral hearing, the matter will be heard in writing in accordance with the following schedule:
 - HONI, HORCI, and the IESO, as well as OEB staff and any other interested party, may file written comments on the application (with a copy to Wataynikaneyap Power) by **November 9, 2018**.
 - Wataynikaneyap Power may file a written response to the comments (with a copy to interested parties who commented) by **November 16, 2018**.

All written comments sent to the OEB will be placed on the public record, which means that the comments will be available for viewing at the OEB's offices and will be placed on the OEB's website. If the comments are from a private citizen, then, before placing the written submission on the public record, the OEB will remove any personal (i.e., not business) contact information from the submission (e.g., the address, phone number, and e-mail address of the individual). However, the name of the individual and the content of the submission will become part of the public record.

How to File Documents with the OEB

All written submissions filed with the OEB must quote file number **EB-2018-0267** and clearly state the sender's name, postal address, telephone number and e-mail address. If possible, submissions should be in searchable PDF format and submitted through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice/>. All submissions 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. Submissions should be copied to the OEB case manager, Alex Share, at alex.share@oeb.ca, and OEB counsel, Ian Richler, at ian.richler@oeb.ca.

Need More Information?

Any questions about this Notice should be directed to Alex Share at alex.share@oeb.ca or 416-440-7648 (toll free: 1-888-632-6273).

IMPORTANT

IF YOU DO NOT FILE AN OBJECTION TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING A SUBMISSION IN ACCORDANCE WITH THIS NOTICE, THE OEB MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THIS PROCEEDING.

DATED at Toronto, October 26, 2018

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Attachment: Appendix "A"

Appendix “A”

Addresses

OEB:

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