



**Upper Canada Transmission, Inc. (operating as  
NextBridge Infrastructure LP)**

**Application for approval of electricity transmission  
revenue requirements for the period from April 1, 2022  
to December 31, 2031**

**DECISION ON ISSUES LIST  
February 9, 2021**

Upper Canada Transmission, Inc. (operating as NextBridge Infrastructure LP) (NextBridge) filed a custom incentive rate-setting application with the Ontario Energy Board (OEB) on November 4, 2020, under section 78 of the *Ontario Energy Board Act, 1998* seeking approval of rates that NextBridge will charge for electricity transmission, beginning April 1, 2022 and for each following year through to December 31, 2031.

A Notice of Hearing was issued on November 24, 2020. Procedural Order (PO) No. 1 established a list of parties to this proceeding. PO No. 2 provided for certain procedural matters in this proceeding, including the filing of a proposed issues list for the OEB's consideration.

On February 5, 2021, OEB staff filed a proposed issues list which had been agreed to by all parties.

**Findings**

The OEB has reviewed the proposed issues list and approves it for the purposes of this proceeding. A copy of the approved issues list is attached to this Decision as Schedule A.

**DATED** at Toronto, February 9, 2021

**ONTARIO ENERGY BOARD**

*Original signed by*

Christine E. Long  
Registrar

**SCHEDULE A**

**APPROVED ISSUES LIST**

**UPPER CANADA TRANSMISSION, INC. (OPERATING AS NEXTBRIDGE  
INFRASTRUCTURE LP)**

**EB-2020-0150**

**FEBRUARY 9, 2021**

## **APPROVED ISSUES LIST**

**EB-2020-0150**

### **Upper Canada Transmission, Inc. (operating as NextBridge Infrastructure LP)**

#### **1. GENERAL**

- Has NextBridge responded appropriately to all relevant OEB directions from previous proceedings?
- Are all elements of the proposed revenue requirement and their associated total bill impacts reasonable?
- Is the proposed effective date of April 1, 2022 and proposed timing for inclusion in the UTRs appropriate?

#### **2. REVENUE CAP APPLICATION**

- Is the proposed Incentive Rate methodology appropriate?
- Are the proposed inflation factor and the proposed productivity factor appropriate?
- Are the proposed annual updates appropriate?
- Should there be an earnings sharing mechanism? If so, how should it be implemented?
- Is the proposed 9 year and 9-month length of the IRM plan appropriate?

#### **3. TRANSMISSION SYSTEM PLAN**

- Have investment planning processes been appropriately carried out?
- Does the 2021-2031 Transmission System Plan adequately address the condition of the transmission system assets?

#### **4. PERFORMANCE**

- Is the proposed monitoring and reporting of performance adequate?

5. OPERATIONS, MAINTENANCE, & ADMINISTRATION Costs

- Are the proposed spending levels for OM&A appropriate, including consideration of factors such as system reliability and asset condition?
- Are the amounts proposed to be included in the revenue requirement for income taxes appropriate?
- Is the proposed depreciation expense appropriate?
- Are the services to be provided by third-parties, and their associated costs, appropriate?

6. RATE BASE & COST of CAPITAL

- Are the \$737 M construction costs and \$5.3M Phase Shift costs prudent for recovery?
- Are the amounts proposed for rate base appropriate?
- Is the proposed cost of capital, including the current forecast of long-term debt and the proposed 2023 update of the cost of long-term debt, appropriate?
- Is NextBridge's response to COVID-19 appropriate? Is NextBridge's proposed treatment of COVID-19 related costs appropriate?

7. DEFERRAL & VARIANCE ACCOUNTS

- Are the proposed deferral and variance accounts, and the proposed scope and timing for disposition of these accounts appropriate?

8. COST ALLOCATION

- Is the proposed cost allocation appropriate?