



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

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# **REVENUE REQUIREMENT AND CHARGE DETERMINANT ORDER**

**EB-2021-0134**

## **WATAYNIKANEYAP POWER LP**

**Application for 2022 electricity transmission rates and other  
charges**

**BEFORE: Emad Elsayed**  
Presiding Commissioner

**Robert Dodds**  
Commissioner

**Allison Duff**  
Commissioner

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**December 2, 2021**



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## 1 OVERVIEW

Wataynikaneyap Power LP (WPLP) filed an application with the Ontario Energy Board (OEB) requesting approval of its 2022 electricity transmission revenue requirement and associated rates. The OEB-approved Settlement Proposal<sup>1</sup> reflected a complete settlement between WPLP, OEB staff and Hydro One Remote Communities Inc. (HORCI) on all issues included on the approved Issues List.<sup>2</sup> The Settlement Proposal required the revenue requirement to be updated with the OEB-approved 2022 cost of capital parameters.<sup>3</sup>

The OEB has reviewed WPLP's draft revenue requirement and charge determinant order<sup>4</sup> (Draft Order) and is satisfied that it reflects the OEB's Decision and Order issued on September 30, 2021. Through this Revenue Requirement and Charge Determinant Order, the OEB approves WPLP's Draft Order proposed 2022 revenue requirement of \$41,992,091 for the period from April 1, 2022 to December 31, 2022.

The \$41,992,091<sup>5</sup> revenue requirement consists of two components:

1. \$20,477,862 recovered through the Uniform Transmission Rates (UTR) Network pool, effective April 1, 2022.
2. \$21,514,230 recovered through a fixed monthly charge, effective May 1, 2022. The fixed monthly charge is \$2,689,279 and is applied to HORCI.

The OEB sets rates for rate-regulated electricity transmitters in Ontario by setting a revenue requirement for each transmitter. Transmitter revenue requirements are incorporated into the UTRs and recovered from ratepayers.

The OEB accepts WPLP's presentation of bill impacts. The total bill impact for a typical residential customer consuming 700 kWh per month is an average increase of \$0.22 per month. The total bill impact for a typical General Service (GS < 50 kW) customer consuming 2,000 kWh per month is an average increase of \$0.57 per month.<sup>6</sup>

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<sup>1</sup> Settlement Proposal / September 3, 2021

<sup>2</sup> The OEB approved issues list as provided through the Decision on Issues List dated June 25, 2021.

<sup>3</sup> Cost of capital parameters are values for the Return on Equity and the deemed Long-Term and Short-Term debt rates for use in cost-based applications as determined by the OEB.

<sup>4</sup> Draft Order / November 16, 2021

<sup>5</sup> Difference due to rounding

<sup>6</sup> Draft Order / November 16, 2021 / Table 10

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## 2 PROCESS

In accordance with the process set out in the Settlement Proposal, WPLP was required to file a Draft Order twenty days after the OEB issued its 2022 cost of capital parameters, complete with detailed calculations and supporting material, including:<sup>7</sup>

- Revised 2022 electricity transmission revenue requirement and fixed charges to HORCI for transmission service
- Total bill impacts to customers on average and for a typical residential customer and for a typical General Service customer
- All other requirements specified by the OEB in its Decision and Order for inclusion in the Draft Order

On November 16, 2021, WPLP filed the Draft Order pursuant to the Decision and Order.

OEB staff submitted comments on the Draft Order on November 23, 2021. In summary, OEB staff did not have concerns with the detailed calculations and supporting material provided by WPLP in the Draft Order. No other intervenors submitted comments.

WPLP filed a letter on November 24, 2021 advising that it does not intend to file any further comments on the Draft Order or in response to the OEB staff comments.

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<sup>7</sup> 2022 Cost of Capital Parameter Letter, October 28, 2021

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## 3 REVENUE REQUIREMENT

### 3.1 Revised 2022 transmission revenue requirement

WPLP filed its revised annual and prorated 2022 transmission revenue requirement. No parties raised issues with the calculation of the rates.

#### Findings

The OEB finds that the 2022 transmission revenue requirement in the Draft Order accurately reflects the 2022 cost of capital parameters, is consistent with the approved Settlement Proposal as well as the Decision and Order and is, therefore, approved as filed.

### 3.2 Charge determinant

The WPLP's charge determinant forecast is 10.851 MW, allocated to the network rate pool only.<sup>8</sup> No parties took issue with WPLP's proposed load forecast.

#### Findings

The OEB finds that the 2022 charge determinant in the Draft Order is consistent with the approved Settlement Proposal as well as the Decision and Order and is, therefore, approved as filed.

### 3.3 Bill Impacts

WPLP presented updated bill impacts on residential, general service and transmission-connected customers. No parties took issue with the updated bill impacts

#### Findings

The OEB finds that the updated bill impacts in the Draft Order are reasonable, consistent with the approved Settlement Proposal as well as the Decision and Order and are, therefore, approved as filed.

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<sup>8</sup> Exhibit K / Tab 1 / Schedule 1 / p. 14

## 4 ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The OEB approves \$20,477,862 of WPLP's total 2022 transmission revenue requirement and charge determinant of 10.851 MW, to be included in the calculation of the UTRs, effective April 1, 2022.
2. The OEB approves \$21,514,230 of WPLP's total 2022 transmission revenue requirement to be a fixed monthly charge of \$2,689,279 applied to Hydro One Remote Communities Inc., effective May 1, 2022.
3. WPLP shall pay the OEB's costs of and incidental to this proceeding upon receipt of the OEB's invoice.

**DATED** at Toronto December 2, 2021

**ONTARIO ENERGY BOARD**

*Original Signed By*

Christine E. Long  
Registrar