



Wataynikaneyap Power LP

Application for 2023 electricity transmission rates and other charges

PROCEDURAL ORDER NO. 2, DECISION ON CONFIDENTIALITY AND OTHER MATTERS September 2, 2022

Wataynikaneyap Power LP (WPLP) filed a cost of service application with the Ontario Energy Board (OEB) on July 6, 2022 under section 78 of the *Ontario Energy Board Act*, 1998, seeking approval to establish electricity transmission rates effective January 1, 2023 and to charge Hydro One Remote Communities Inc. (Hydro One Remotes) a fixed charge effective January 1, 2023.

In Procedural Order No. 1, issued on August 18, 2022, the OEB directed WPLP, the intervenors and OEB staff to jointly develop a proposed issues list. Procedural Order No. 1 also made provision for submissions on WPLP's confidentiality request of Exhibit F-3-1 Appendix A – Korn Ferry Report for Wataynikaneyap Power LP, 2022 Compensation Review (Report). Procedural Order No. 1 also made provision for a settlement conference.

Issues List

OEB staff filed a proposed issues list on August 26, 2022 and indicated that all parties had agreed on it.

Findings

The OEB approves the proposed issues list as filed. A copy of the approved issues list is attached as Schedule A.

WPLP's Confidentiality Requests

In WPLP's July 6, 2022 letter, it requested confidential treatment of certain benchmarking and compensation information in the Report.

OEB staff filed a submission regarding the confidentiality request on August 24, 2022 and WPLP filed a reply submission on August 31, 2022.

a) Benchmarking Information

WPLP has requested confidentiality treatment of the list of comparator organizations used for benchmarking purposes in the Report (page 8).

OEB staff's submission noted that, as set out in the [Practice Direction on Confidential Filings](#), the presence of a third-party confidentiality agreement is not a sufficient reason to grant confidential treatment¹ and other applicants were ordered to produce similar information in other proceedings. OEB staff argued that WPLP has not established that the disclosure of such information would prejudice the third party's competitive position or result in financial or economic loss.

In WPLP's reply submission, WPLP withdrew its request for confidential treatment of the benchmarking information and indicated that upon receipt of OEB's decision on confidentiality, it would file an updated copy of the Report on the public record.

Findings

WPLP withdrew the confidentiality request for this information in its reply submission. Therefore, there is no reason for the OEB to make a finding on this item.

This information shall be placed on the public record.

b) Compensation Information

WPLP has also requested confidential treatment of its average base salaries and average total cash compensation information outlined in the Report (pages 6 and 7).

OEB staff's submission did not object to WPLP's request for confidential treatment of its employee compensation information. WPLP's reply submission reiterated WPLP's request for confidential treatment of its employee compensation information.

Findings

The OEB finds that the redacted WPLP internal compensation data relative to market median is commercially sensitive since disclosure of the information could adversely

¹ Practice Direction on Confidential Filings, p. 4, Section 5

impact WPLP's competitive position in the labour market and may not sufficiently protect the identity of individual employees in some job levels.

This information shall remain redacted.

In its July 6, 2022 letter, WPLP also proposed to provide access to confidential and unredacted versions of the compensation cost information to those individuals from whom the OEB accepts a Declaration and Undertaking, with the exception of an Ontario utility or a utility services company. The only two intervenors in this application are Ontario utilities - Hydro One Networks Inc. and Hydro One Remotes. Neither intervenor has indicated that they wish to seek access to WPLP's compensation information. As a result, the OEB does not find it necessary to make a provision to access WPLP's compensation cost information. The OEB also views it appropriate not to provide access to any of the intervenors in light of the concerns that internal compensation data may not sufficiently protect the identity of individual employees in some job levels.

Settlement Conference

Findings

Given that this proceeding has only two utilities approved as intervenors with no representation from ratepayer groups, and pursuant to the [Practice Direction on Settlement Conferences](#)², the OEB has decided to make OEB staff a party to the settlement conference and any resulting settlement proposal.

As a result, some of the steps in Procedural Order No. 1 are being revised.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The issues list attached as Schedule A is approved.
2. Wataynikaneyap Power LP shall file a revised public version of the Report.
3. The OEB is revising the tentative date for Wataynikaneyap Power LP to present to the OEB any settlement proposal to November 21, 2022.

² Practice Direction on Settlement Conferences, p. 5, Section 11

4. All procedural dates set out in Procedural Order No. 1 remain unchanged, with the exception of item 3 above and the deletion of the step requiring OEB staff to make a submission on any settlement proposal.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2022-0149** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Price at Michael.Price@oeb.ca and OEB staff counsel Ian Richler at Ian.Richler@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **September 2, 2022**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
APPROVED ISSUES LIST
WATAYNIKANEYAP POWER LP
EB-2022-0149
SEPTEMBER 2, 2022

APPROVED ISSUES LIST

EB-2022-0149

Wataynikaneyap Power LP (WPLP)

1. GENERAL

- Has WPLP 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 January 1, 2023 and proposed timing for inclusion in the UTRs and Hydro One Remotes Communities Inc. (HORCI) billings appropriate?

2. RATE BASE

- Are the amounts proposed for rate base appropriate?

3. PERFORMANCE

- Is the proposed approach to monitoring and OEB reporting of WPLP's transmission system performance adequate (once in service)?

4. OPERATING REVENUE

- Are the proposed load and revenue forecasts appropriate?

5. OPERATING COSTS

- Are the proposed spending levels for OM&A in 2023 appropriate, including consideration of factors such as system reliability, asset condition and benchmarking studies for OM&A spending levels and compensation costs?
- 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. COST OF CAPITAL & CAPITAL STRUCTURE

- Is the proposed capital structure appropriate?
- Is the proposed cost of capital, including updates appropriate?

7. DEFERRAL & VARIANCE ACCOUNTS

- Are the proposed amounts, disposition, continuance and discontinuance of existing deferral and variance accounts appropriate?
- Are WPLP's COVID-19 related costs and their proposed treatment appropriate?

8. COST ALLOCATION

- Is the proposed cost allocation appropriate?