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September 26, 2022

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi,

RE: EB-2021-0243 – Export Transmission Service Rate – Additional Submissions of the London Property Management Association

On behalf of the London Property Management Association ("LPMA") I have reviewed the submissions of the other parties in this proceeding and have no significant additional submissions to make.

However, LPMA would like to emphasize that its original submissions dated September 6, 2022, dealt with two issues of importance that have been raised by other parties in their submissions.

The first issue deals with whether or not all transmitters should share in the ETS revenue, which in turn, results in a higher ETS rate. In particular, on page 7 of the LPMA submission under the heading of **ETS Revenues to HONI or All Transmitters,** LPMA noted its support for lower ETS rates based on the revenues generated being allocated to HONI only, as is the current case. It is the view of LPMA that the OEB could use this status quo approach as to which transmitters receive this revenue to help mitigate any impact on export volumes. Under the 80% curtailment model, this would reduce the ultimate ETS rate from $5.42/MWh to $5.03/MWh.

The second issue deals with a phase in of any ETS rate increase approved by the OEB. LPMA dealt with this issue on page 8 of its original submission under the heading of **Phase In of ETS Rate Increases**, and was in response to the OEB staff submission on its phase in proposal. In its submission, LPMA stated that it *"suggests that the ETS rate should be increased to $2.50/MWh for 2023 and then increased by $0.50/MWh in subsequent year. This would result in a $5.00/MWh charge in 2028, which would likely be a rebasing year for HONI at which time a new ETS rate could be determined through the cost allocation methodology."*

Having had the opportunity to review the submissions of other parties, LPMA believes that a more appropriate phase in of the ETS rate would be to set it at $2.00/MWh for 2023, and then increase it by $0.50/MWh each year in 2024 through 2027, resulting in a $4.00/MWh in 2027. This would have less of an impact on 2023 export volumes while providing certainty to ETS rate increases for the following four years. The expected HONI rebasing application for 2028 rates would then determine, through both the revenue requirement and the allocation of costs, the appropriate ETS rate for 2028, which may also require a phase in over a period of time.

Yours very truly,

Randy Aiken

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c.c. All Parties to EB-2021-0243