

# **Electricity Transmission Licence**

## ET-2015-0264

# Wataynikaneyap Power GP Inc. on behalf of Wataynikaneyap Power LP

Valid Until August 31, 2036

**Brian Hewson** 

Vice President, Consumer Protection & Industry Performance

**Ontario Energy Board** 

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## **LIST OF AMENDMENTS**

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EB-2016-0258	September 1, 2016
EB-2018-0190	April 1, 2019
EB-2020-0142	August 13, 2020
EB-2022-0199	August 5, 2022
EB-2022-0330	April 6, 2023

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#### 1 Definitions

In this Licence:

"Accounting Procedures Handbook" means the handbook, approved by the Board which specifies the accounting records, accounting principles and accounting separation standards to be followed by the Licensee;

"Act" means the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Schedule B;

"Affiliate Relationships Code for Electricity Distributors and Transmitters" means the code, approved by the Board which, among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

"Board" means the Ontario Energy Board;

"Electricity Act" means the Electricity Act, 1998, S.O. 1998, c. 15, Schedule A;

"Licensee" means Wataynikaneyap Power GP Inc. on behalf of Wataynikaneyap Power LP

"Market Rules" means the rules made under section 32 of the Electricity Act;

"Performance Standards" means the performance targets for the distribution and connection activities of the Licensee as established by the Board in accordance with section 83 of the Act;

"Rate Order" means an Order or Orders of the Board establishing rates the Licensee is permitted to charge;

"transmission services" means services related to the transmission of electricity and the services the Board has required transmitters to carry out for which a charge or rate has been established in the Rate Order;

"Transmission System Code" means the code approved by the Board and in effect at the relevant time, which, among other things, establishes the obligations of a transmitter with respect to the services and terms of service to be offered to customers and provides minimum technical operating standards of transmission systems;

"wholesaler" means a person that purchases electricity or ancillary services in the IESO administered markets or directly from a generator or, a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person other than a consumer.

#### 2 Interpretation

2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of the Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

#### 3 Authorization

3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence to own and operate a transmission system consisting of the facilities described in Schedule 1 of this Licence, including all associated transmission equipment.

#### 4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

#### 5 Obligation to Comply with Codes

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the Licensee are set out in Schedule 2 of this Licence. The following Codes apply to this Licence:
  - a) the Affiliate Relationships Code for Electricity Distributors and Transmitters; and
  - b) the Transmission System Code.

#### 5.2 The Licensee shall:

- a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

#### 6 Requirement to Enter into an Operating Agreement

6.1 The Licensee shall enter into an agreement ("Operating Agreement") with the IESO providing for the direction by the IESO of the operation of the Licensee's transmission system. Following a request made by the IESO, the Licensee and the IESO shall enter into an Operating Agreement

- within a period of 90 business days, unless extended with leave of the Board. The Operating Agreement shall be filed with the Board within ten (10) business days of its completion.
- Where there is a dispute that cannot be resolved between the parties with respect to any of the terms and conditions of the Operating Agreement, the IESO or the Licensee may apply to the Board to determine the matter.

#### 7 Obligation to Provide Non-discriminatory Access

7.1 The Licensee shall, upon the request of a consumer, generator, distributor or retailer, provide such consumer, generator, distributor or retailer, as the case may be, with access to the Licensee's transmission system and shall convey electricity on behalf of such consumer, generator, distributor or retailer in accordance with the terms of this Licence, the Transmission System Code and the Market Rules.

#### 8 Obligation to Connect

- 8.1 If a request is made for connection to the Licensee's transmission system or for a change in the capacity of an existing connection, the Licensee shall respond to the request within 30 business days.
- The Licensee shall process connection requests in accordance with published connection procedures and participate with the customer in the IESO's Connection Assessment and approval process in accordance with the Market Rules, its Rate Order(s) and the Transmission System Code.
- 8.3 An offer of connection shall be consistent with the terms of this Licence, the Market Rules, the Rate Order, and the Transmission System Code.
- 8.4 The terms of such offer to connect shall be fair and reasonable.
- 8.5 The Licensee shall not refuse to make an offer to connect unless it is permitted to do so by the Act or any Codes, standards or rules to which the Licensee is obligated to comply with as a condition of this Licence.

#### 9 Obligation to Maintain System Integrity

9.1 The Licensee shall maintain its transmission system to the standards established in the Transmission System Code and Market Rules, and have regard to any other recognized industry operating or planning standards required by the Board.

#### 10 Transmission Rates and Charges

10.1 The Licensee shall not charge for the connection of customers or the transmission of electricity except in accordance with the Licensee's Rate Order(s) as approved by the Board and the Transmission System Code.

#### 11 Separation of Business Activities

11.1 The Licensee shall keep financial records associated with transmitting electricity separate from its financial records associated with distributing electricity or other activities in accordance with the Accounting Procedures Handbook and as otherwise required by the Board.

#### 12 Expansion of Transmission System

12.1 The Licensee shall not construct, expand or reinforce an electricity transmission system or make an interconnection except in accordance with the Act and Regulations, the Transmission System Code and the Market Rules.

#### 13 Expansion and Upgrading of Transmission System Further to Ministerial Directive

- 13.1 Effective September 1, 2016, the Licensee shall proceed to do the following related to expansion of the transmission system to connect the Remote Communities to the provincial electricity grid:
  - a) Develop and seek approvals for a transmission line, which shall be composed of a new 230 kV line originating at a point between Ignace and Dryden and terminating in Pickle Lake (the "Line to Pickle Lake"). The development of the Line to Pickle Lake shall accord with the scope recommended by the IESO.
  - b) Develop and seek approvals for the transmission lines extending north from Red Lake and Pickle Lake required to connect the Remote Communities to the provincial electricity grid. The development of these transmission lines shall accord with the scope supported by the IESO.
  - c) For the purposes of this paragraph 13.1 and Schedule 1, the Remote Communities are: Sandy Lake, Poplar Hill, Deer Lake, North Spirit Lake, Kee-Way-Win, Kingfisher, Wawakapewin, Kasabonika Lake, Wunnumin, Wapekeka, Kitchenuhmaykoosib Inninuwug, Bearskin Lake, Muskrat Dam Lake, Sachigo Lake, North Caribou Lake, and Pikangikum.

#### 14 Provision of Information to the Board

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 13.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) business days past the date upon which such change occurs.

#### 15 Restrictions on Provision of Information

- 15.1 The Licensee shall not use information regarding a consumer, retailer, wholesaler or generator, obtained for one purpose for any other purpose without the written consent of the consumer, retailer, wholesaler or generator.
- 15.2 The Licensee shall not disclose information regarding a consumer, retailer, wholesaler or generator to any other party without the written consent of the consumer, retailer, wholesaler or generator, except where such information is required to be disclosed:

- a) to comply with any legislative or regulatory requirements, including the conditions of this Licence;
- b) for billing, settlement or market operations purposes;
- c) for law enforcement purposes; or
- d) to a debt collection agency for the processing of past due accounts of the consumer, retailer, wholesaler or generator.
- 15.3 Information regarding consumers, retailers, wholesalers or generators may be disclosed where the information has been sufficiently aggregated such that their particular information cannot reasonably be identified.
- 15.4 The Licensee shall inform consumers, retailers, wholesalers and generators of the conditions under which their information may be released to a third party without their consent.
- 15.5 If the Licensee discloses information under this section, the Licensee shall ensure that the information is not be used for any other purpose except the purpose for which it was disclosed.

#### 16 Term of Licence

16.1 This Licence shall take effect on September 1, 2016 and expire on August 31, 2036. The term of this Licence may be extended by the Board.

#### 17 Transfer of Licence

17.1 In accordance with subsection 18(2) of the Act, this Licence is not transferable or assignable without leave of the Board.

#### 18 Amendment of Licence

18.1 The Board may amend this Licence in accordance with section 74 of the Act or section 38 of the Electricity Act.

#### 19 Fees and Assessments

19.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

#### 20 Communication

- 20.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 20.2 All official communication relating to this Licence shall be in writing.
- 20.3 All written communication is to be regarded as having been given by the sender and received by the addressee:
  - a) when delivered in person to the addressee by hand, by registered mail or by courier;

- b) ten (10) business days after the date of posting if the communication is sent by regular mail; and
- c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

#### 21 Copies of the Licence

#### 21.1 The Licensee shall:

- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

#### SCHEDULE 1 Specification of Transmission Facilities

The Licensee's transmission facilities consist of:

- a) a 230 kV line, approximately 303 km in length, from Wataynikaneyap SS (near Dinorwic) to Wataynikaneyap TS (in Pickle Lake), including associated stations and ancillary equipment;
- b) 115 kV, 44 kV and 25 kV lines, approximately 890 km in total length, from Wataynikaneyap TS (in Pickle Lake) north to an eastern branch connected to distribution systems serving customers in (1) Wunnumin Lake First Nation, (2) Kingfisher Lake First Nation, (3) Wawakapewin First Nation, (4) Kasabonika Lake First Nation, (5) Wapekeka First Nation, (6) Kitchenuhmaykoosib Inninuwug First Nation, and to a western branch connected to distribution systems serving customers in (7) North Caribou Lake First Nation, (8) Muskrat Dam First Nation, (9) Bearskin Lake First Nation, and (10) Sachigo Lake First Nation, including associated stations and ancillary equipment; and
- c) 115 kV and 25 kV lines, approximately 531 km in total length, from Red Lake TS (near Red Lake) north to distribution systems serving customers in (1) Pikangikum First Nation, (2) Poplar Hill First Nation, (3) Deer Lake First Nation, (4) Sandy Lake First Nation, (5) North Spirit Lake First Nation, and (6) Keewaywin First Nation, including associated stations and ancillary equipment,

all of which has been determined by the Board in EB-2018-0190 to accord with the scope recommended by the IESO and the scope supported by the IESO, as applicable, pursuant to section 13.1 of this Licence. Notwithstanding that their voltage is below 50 kV, the 44 kV and 25 kV segments of the Licensee's transmission facilities have been deemed to be transmission facilities pursuant to section 84(b) of the *Ontario Energy Board Act, 1998* by an order of the Board in EB-2018-0190.

#### SCHEDULE 2 List of Code Exemptions

- 1. The Licensee is exempted from the following sections of the Transmission System Code, but only in relation to the transmission lines extending north from Red Lake and Pickle Lake as described in section 13.1(b) of this Licence:
  - a) All sections relating to connection procedures, including but not limited to 6.1.8, 6.2 and 6.4; and
  - b) All sections relating to customer capital contributions in respect of connection facilities, cost responsibility, including but not limited to 6.1.2, 6.3.1, 6.5.2 and 6.9.
- 2. The exemptions from the Transmission System Code referred to in section 1 of this Schedule are subject to the following conditions:
  - a) The exemptions expire on the date on which all of the facilities listed in Schedule 1 are placed in service, or December 31, 2024, whichever is earlier;
  - b) The Customer Connection Procedures approved by the OEB on April 6, 2023 shall be effective on the later of September 1, 2024 and the date on which all of the facilities listed in Schedule 1 are placed in service;
  - c) The Licensee's Customer Connection Procedures shall either comply with section 6.1.3 of the Transmission System Code, or shall be accompanied by an application to the OEB requesting specific exemptions of an ongoing nature from the Transmission System Code; and
  - d) In the event that the Licensee receives one or more connection requests unrelated to the connection of the customers listed in Schedule 1 in advance of the OEB's approval of the Licensee's Customer Connection Procedures, then the Licensee shall seek further direction from the OEB with respect to the connection request(s).
- 3. The Licensee is exempt from Sections 3.1.1 through 3.1.4, inclusive, of the Electricity Reporting and Record Keeping Requirements. This exemption applies in respect of the 2019 to 2024 reporting periods. The Licensee shall commence reporting under Sections 3.1.1 through 3.1.4 of the Electricity Reporting and Record Keeping Requirements in 2026 in respect of the 2025 reporting period.
- 4. The Licensee may, for the purpose of entering a connection agreement with Hydro One Remote Communities Inc. for the purpose of connecting the First Nations communities listed in Schedule 1, modify the standard form of connection agreement for load customers set out in Appendix 1 (Version A) of the Transmission System Code in the manner approved on a final basis in the Decision and Order of the Board dated April 6, 2023 (EB-2022-0330).
- 5. The Licensee is exempt from section 6.2 of the Transmission System Code, but only to the extent required to:
  - a) assign available capacity to Hydro One Remote Communities Inc. in respect of connecting the First Nations communities listed in Schedule 1 on a priority basis over other load customer connections. The Licensee shall notify the OEB when the last of the First Nations communities listed in Schedule 1 has been connected through Hydro One

Remote Communities Inc., so that the OEB may consider whether the exemption set out in this Paragraph 5(a) should remain in place at that time; and

b) assign available capacity to Hydro One Remote Communities Inc. in respect of connecting First Nations communities based on load forecasts rather than historical demand.