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May 12, 2023

RESS, EMAIL & COURIER

Ontario Energy Board P.O. Box 2319 27th Floor, 2300 Yonge Street Toronto, ON M4P 1E4

Attention: Nancy Marconi, Registrar

Dear Ms. Marconi:

Re: Wataynikaneyap Power LP – 2022 Performance Report (EB-2021-0134)

In the Ontario Energy Board's Decision and Order in the above-referenced proceeding, dated September 30, 2021, it approved a Settlement Proposal under which Wataynikaneyap Power LP (WPLP) agreed to report on certain interim performance metrics for portions of its transmission system that have gone into service while construction continues on the remainder of its system. In response to this commitment, WPLP is pleased to provide its *2022 Performance Report* for the Wataynikaneyap Transmission Project. Please note that copies have been filed on RESS and provided to all parties to the approved Settlement Proposal in EB-2021-0134.

Yours truly Jonathan Myers

Enclosure

cc: Ms. Margaret Kenequanash, WPLP Mr. Duane Fecteau, WPLP Mr. Charles Keizer, Torys LLP Hydro One Remote Communities Inc.

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ONTARIO ENERGY BOARD

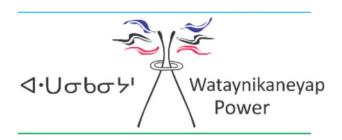
IN THE MATTER OF the *Ontario Energy Board Act, 1998,* C.S.O. 1998, c.15 (Sched. B);

AND IN THE MATTER OF an Application by Wataynikaneyap Power GP Inc. on behalf of Wataynikaneyap Power LP ("WPLP"), for an Order or Orders made pursuant to section 78 of the Act, approving or fixing just and reasonable rates for the transmission of electricity.

WATAYNIKANEYAP POWER LP

2022 Performance Report

May 12, 2023



1. Introduction

On August 13, 2020, the OEB issued a Decision and Order approving WPLP's request for temporary exemptions from many of the OEB's Electricity Reporting and Record Keeping Requirements (RRR), on the basis that such requirements were either not applicable, or would provide limited value to the OEB, for the period during which WPLP's transmission system is under construction.¹ The OEB subsequently extended the WPLP's temporary RRR exemptions by one-year, such that the majority of WPLP's RRR reporting will commence in 2026, for the 2025 reporting period.²

In WPLP's inaugural rate application (EB-2021-0134), parties to the OEB-approved Settlement Proposal³ agreed that WPLP would report on several interim performance metrics, as follows:

"in respect of the Line to Pickle Lake and the portions of the Remote Connection Lines that will be placed into service in 2022, WPLP will monitor performance on the basis of the following reliability metrics without establishing performance targets and report to the OEB on such performance, based on data as at Year End 2022, to be provided in approximately April 2023 consistent with the timing of (but not pursuant to) the OEB's RRR reporting requirements:

- Total Recordable Injuries Frequency Rate ("TRIFR") # of recordable injuries per 200,000 hours worked, using Canadian Electricity Association definition of "recordable injuries";
- Recordable Injuries (# of recordable injuries per year, using Canadian Electricity Association definition of "recordable injuries");
- Violations of NERC FAC-003-4 Vegetation Compliance Standard (in respect of the Line to Pickle Lake portion of the transmission system only);
- OM&A cost per kilometre of line and OM&A cost per station;
- Average system availability;
- Transmission System Average Interruption Duration Index (T-SAIDI); and
- Transmission System Average Interruption Frequency Index (T-SAIFI).

Accordingly, this 2022 Performance Report addresses the metrics listed above, organized by category:

Section 2 - Safety Performance

Section 3 - NERC FAC-003-4 Compliance

- Section 4 OM&A Unit Cost Summary
- Section 5 Transmission System Reliability

¹ EB-2020-0142 & EB-2020-0143, Decision and Order.

² EB-2022-0330, Decision and Order dated April 6, 2023.

³ EB-2021-0134, Decision and Order dated September 30, 2021, Schedule A, p. 13 of 59.

2. Safety Performance

The Settlement Agreement from EB-2021-0134 includes the following safety-related performance metrics:

- Recordable Injuries, calculated as the number of recordable injuries per year, using the Canadian Electricity Association definition of "recordable injuries"
- Total Recordable Injuries Frequency Rate (TRIFR), calculated as the number of recordable injuries per 200,000 hours worked using the Canadian Electricity Association definition of "recordable injuries"

The Canadian Electricity Association definition of "recordable injuries" is any occupational injury/illness that results in an employee experiencing:

- a) Fatality;
- b) Lost-time injury
- c) Medical treatment injury;
- d) Restricted work;
- e) Other injury/illness (not captured above), which has:
 - (i) Significant occupational injury/illness; or
 - (ii) Loss of consciousness

The table below provide these metrics in relation to WPLP's operation of the Line to Pickle Lake and those portions of the Remote Connection Lines that were in service in 2022.

Metric	2022 Result
Recordable Injuries	0
TRIFR	0

3. NERC FAC-003-4 Compliance

The Settlement Agreement from EB-2021-0134 requires WPLP to report on:

• Violations of NERC FAC-003-4 Vegetation Compliance Standard (in respect of the Line to Pickle Lake portion of the transmission system only)

The NERC FAC-003-4 Vegetation Compliance Standard applies to vegetation management on certain categories of transmission line rights of way to minimize encroachment from vegetation and prevent vegetation-related outages that could lead to cascading failure.

For the purpose of this reporting requirement, WPLP considers a "violation of NERC FAC-003-4" to be a situation where an encroachment of vegetation in proximity to the Line to Pickle Lake results in an outage reporting requirement, pursuant to IESO reporting requirements under the Ontario Reliability Compliance Program.

WPLP confirms that there were no violations of the NERC FAC-003-4 standard in respect of the Line to Pickle Lake portion of its transmission system because WPLP did not experience any vegetation-related outages in 2022, nor did it observe any vegetation encroachments during any inspections of the Line to Pickle Lake.

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4. OM&A Unit Cost Summary

The Settlement Agreement from EB-2021-0134 requires WPLP to report on:

• OM&A cost per kilometer of line and OM&A cost per station.

The calculation of these cost metrics is provided in the table below, based on assets in-service at year-end 2022. WPLP notes that it's OM&A costs currently reflect a combination of direct O&M costs, plus a portion of overhead costs that are currently allocated between capital and OM&A costs.⁴ Due to the timing and frequency of significant additions to in-service assets during the construction period, the cost allocation method applied during the construction period, and the lag between assets being placed in service and ramping up various O&M programs related to those assets, the OM&A unit costs listed below should not be considered indicative of WPLP's expected long-term cost performance.

	2022
Total OM&A (Audited)	\$3,956,504
Km of Transmission Line	688.3
# of Substations	6
OM&A Cost per kilometre of line	\$5,748
OM&A Cost per station	\$659,417

⁴ Please refer to Exhibit F of WPLP's various transmission rate applications for additional discussion of WPLP's OM&A costs.

5. Transmission System Reliability

The Settlement Agreement from EB-2021-0134 includes the following transmission system reliability metrics:

- Transmission System Average Interruption Duration Index (T-SAIDI), calculated as the average duration of sustained interruptions per transmission delivery point.
- Transmission System Average Interruption Frequency Index (T-SAIFI), calculated as the average number of sustained interruptions per transmission delivery point.
- Average System Availability, calculated as the percentage of time that supply is available to the average transmission delivery point.

WPLP's 2022 performance for these three reliability metrics is summarized in the table below. The single largest driver of reliability performance in 2022 was planned outages related to construction. Two planned outages, with an average duration of 12.5 hours, were required for voltage conversion activity to prepare for the conversion of WPLP's Pikangikum System from 44 kV (supplied from Hydro One's Red Lake TS since 2018) to 115 kV (supply from WPLP's Red Lake SS beginning in 2023).

All Causes:		
T-SAIFI	4.67	
T-SAIDI (minutes)	1662.2	
Average System Availability	99.6837%	
Excluding Loss-of-Supply:		
T-SAIFI	3.67	
T-SAIDI (minutes)	1626.8	
Average System Availability	99.6905%	
Excluding Loss-of-Supply and Planned Outages:		
T-SAIFI	1.67	
T-SAIDI (minutes)	121.3	
Average System Availability	99.9769%	