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BY EMAIL AND RESS

July 17, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2023-0129 – B2M Limited Partnership (B2M LP) – Application for 2024 Transmission Revenue Requirement

Pursuant to section 78 of the *Ontario Energy Board Act, 1998* and the Ontario Energy Board's Decision and Order in EB-2019-0178, enclosed is B2M LP's annual Revenue Cap IR Application (the Application) in support of its request for transmission revenue requirement effective January 1, 2024.

An electronic copy of the Application has been submitted, by Hydro One Networks Inc. on behalf of B2M LP, using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Burke". The signature is written in a cursive, flowing style.

Kathleen Burke

EXHIBIT LIST

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A	2	1		Application
A	2	1	1	Certification of Evidence
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A	3	1		Summary of OEB Directives and Compliance with Prior OEB Decisions
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APPLICATION

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

AND IN THE MATTER OF an Application by B2M Limited Partnership by its general partner, Hydro One Indigenous Partnerships Inc., for an Order or Orders made pursuant to section 78 of the *Ontario Energy Board Act, 1998* approving rates and other charges for the transmission of electricity to be effective January 1, 2024.

- 13 1. The applicant, B2M Limited Partnership (B2M LP), is an Ontario limited partnership
14 with a general partner and two limited partners. The partnership interests are held
15 by:
- 16 a. Hydro One Indigenous Partnerships Inc. (HOIP), that serves as the general
17 partner and holds a 0.1% interest in B2M LP;
 - 18 b. Hydro One Networks Inc. (HONI), a limited partner that holds a 65.7%
19 interest in B2M LP; and,
 - 20 c. Saugeen Ojibway Nation Finance Corporation (SONFC), a limited partner
21 that holds a 34.2% interest in B2M LP. SONFC is a corporation owned
22 equally by, and the Nominee of, the Chippewas of Saugeen First Nation and
23 Chippewas of Nawash First Nation.
- 24
- 25 2. B2M LP has its head office in Woodstock, Ontario. B2M LP is licensed by the
26 Ontario Energy Board (the OEB or the Board), under licence number ET-2013-
27 0078, to transmit electricity and carry on the business of owning and operating
28 transmission facilities related to the Bruce to Milton Project in southwestern Ontario,
29 specifically transmission circuits B560V, terminating near Bruce A TS and Milton
30 SS, and B561M terminating near Bruce B SS and Milton SS.

- 1 3. In the OEB's Decision and Order for B2M LP's Revenue Cap Incentive Rate-setting
2 (IR) Application (EB-2019-0178), the OEB approved the proposed Revenue Cap IR
3 methodology and determined that this framework would be used to determine B2M
4 LP's transmission revenue requirement for the years 2021 through 2024 inclusive.¹
5
- 6 4. This is an Application for B2M LP's 2024 transmission revenue requirement
7 determined formulaically, using the Revenue Cap IR methodology approved in EB-
8 2019-0178.
9
- 10 5. B2M LP hereby applies to the OEB for an Order approving a total rates revenue
11 requirement of \$36,395,939 for 2024, to be effective on January 1, 2024, along with
12 an amendment to the 2024 Uniform Transmission Rates (UTRs) to allow for
13 recovery of this amount; and other items or amounts that may be requested by B2M
14 LP in the course of this proceeding, and as may be granted by the OEB.
15
- 16 6. B2M LP is not requesting approval to disburse any deferral and variance account
17 balances in this Application.
18
- 19 7. Approval of the B2M LP's 2024 rates revenue requirement results in an increase in
20 the total bill of 0.015% or \$0.02 per month for a typical Hydro One medium density
21 residential (R1) customer consuming 750 kWh monthly, and an increase in total bill
22 of 0.010% or \$0.04 per month for a typical Hydro One General Service Energy less
23 than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly. More
24 information regarding the monthly bill impacts may be found in Exhibit A-4-1.
25
- 26 8. In preparing this Application, B2M LP has been guided by the OEB's *Filing*
27 *Requirements for Electricity Transmission Applications*.

¹ Decision and Order, EB-2019-0178, B2M Limited Partnership, Application for approval of electricity transmission revenue requirements for the period commencing January 1, 2020, and for each following year through to December 31, 2024, January 16, 2020, pp.20-21.

1 9. The written evidence filed with the OEB may be amended from time to time prior to
2 the OEB's final decision on the Application.

3
4 **NOTICE AND FORM OF HEARING REQUESTED**

5 10. The Application may be viewed on the internet at the following address:
6 <https://b2mlp.ca/regulatory/>.

7
8 11. The persons affected by this Application are all persons affected by Ontario's UTRs.
9 It is impractical to set out their names and addresses because they are too
10 numerous.

11
12 12. B2M LP requests, in accordance with sections 6(4) and 21(4)(b) of the *Ontario*
13 *Energy Board Act, 1998*, that this Application be disposed of without a hearing, and
14 hereby provides its consent to same. B2M LP submits that in accordance with the
15 requirements of section 21(4)(b) of the *Ontario Energy Board Act, 1998*, no person
16 will be adversely affected in a material way by the outcome of this proceeding.

17
18 **PROPOSED EFFECTIVE DATE**

19 13. B2M LP requests that the OEB's rate Order be effective January 1, 2024. In order to
20 address the possibility that the requested rate Order cannot be made effective by
21 that time, B2M LP requests an interim rate Order making its current transmission
22 revenue requirement and charges effective on an interim basis as of January 1,
23 2024, and approval of a Transmission Foregone Revenue Deferral Account to
24 recover any differences between the interim rates and final rates effective January
25 1, 2024, based on the OEB's Decision and Order herein.

26
27 **CONTACT INFORMATION**

28 14. B2M LP requests that a copy of all documents filed with the OEB by each party to
29 this Application be served on the Applicant and the Applicant's counsel, as follows:

1 **a) For the Applicant:**
2 Ms. Carla Molina
3 Senior Regulatory Coordinator – Regulatory Affairs
4 Hydro One Networks Inc.

5
6 Mailing Address: 7th Floor, South Tower
7 483 Bay Street
8 Toronto, Ontario M5G 2P5
9 Telephone: (416) 345-5317
10 Fax: (416) 345-5866
11 Email: Regulatory@HydroOne.com

12
13 **b) The Applicant's Counsel:**
14 Ms. Raman Dhillon
15 Senior Legal Counsel
16 Hydro One Networks Inc.

17
18 Mailing Address: 8th Floor, South Tower
19 483 Bay Street
20 Toronto, Ontario M5G 2P5
21 Telephone: (416) 859-0942
22 Fax: (416) 345-6972
23 Email: Raman.Dhillon@HydroOne.com

24
25 **DATED** at Toronto, Ontario, this 17th day of July, 2023.

26
27 By its counsel,

28
29 

30
31 _____
Raman Dhillon

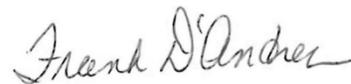
1 **CERTIFICATION OF EVIDENCE**

2
3 TO: ONTARIO ENERGY BOARD
4

5
6 The undersigned, Frank D'Andrea, being Hydro One's Vice-President, Regulatory
7 Affairs, hereby certifies for and on behalf of B2M LP that:

- 8
- 9 1. Hydro One Indigenous Partnerships Inc. (HOIP), on behalf of B2M LP, has
10 engaged Hydro One Networks Inc. to prepare and submit this Application;
 - 11
 - 12 2. I am a senior officer of Hydro One;
 - 13
 - 14 3. This certificate is given pursuant to Chapter 1 of the OEB's *Filing Requirements*
15 *for Electricity Transmission Applications*;
 - 16
 - 17 4. The evidence submitted herein is accurate, consistent and complete to the best
18 of my knowledge; and
 - 19
 - 20 5. The evidence submitted does not contain any personal information filed herein
21 (as that phrase is defined in the *Freedom of Information and Protection of*
22 *Privacy Act*), that is not otherwise redacted in accordance with rule 9A of the
23 OEB's *Rules of Practice and Procedure*.
 - 24

25
26 DATED this 17th day of July, 2023.

27
28 

29
30

FRANK D'ANDREA

1 **CERTIFICATION OF DEFERRAL AND VARIANCE ACCOUNT**
2 **BALANCES**

3
4 TO: ONTARIO ENERGY BOARD
5

6
7 The undersigned, Chris Lopez, being Hydro One's EVP, Chief Financial and Regulatory
8 Officer, hereby certifies for and on behalf of B2M LP that:

- 9
10 1. This certificate is given pursuant to Chapter 1 of the OEB's *Filing Requirements*
11 *for Electricity Transmission Applications*; and
12
13 2. Hydro One has the appropriate processes and internal controls for the
14 preparation, review, verification and oversight of all deferral and variance
15 accounts.

16
17 DATED this 17th day of July, 2023.

18
19 

20
21 _____
CHRIS LOPEZ

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APPLICATION SUMMARY

1.0 INTRODUCTION

This Exhibit describes B2M LP's 2024 transmission revenue requirement application (the Application).

The 2024 transmission base revenue requirement of \$36,395,939 has been determined formulaically, using the Revenue Cap IR methodology approved in EB-2019-0178. The proposed 2024 rates revenue requirement is the same as the proposed 2024 base revenue requirement as outlined in Section 4.1.

B2M LP is requesting that the OEB approve the 2024 rates revenue requirement to be effective on January 1, 2024.

Approval of the 2024 rates revenue requirement results in an increase in the total bill of 0.015% or \$0.02 per month for a typical Hydro One medium density residential (R1) customer consuming 750 kWh monthly, and an increase in total bill of 0.010% or \$0.04 per month for a typical Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer consuming 2,000 kWh monthly. More information regarding the monthly bill impacts may be found below in Section 4.2.

2.0 REVENUE CAP INDEX ADJUSTMENT

In the OEB's Decision for B2M LP's Revenue Cap IR Application (EB-2019-0178), the OEB approved the Revenue Cap IR methodology for adjusting B2M LP's transmission revenue requirement for the years 2021 to 2024, inclusive.¹

¹ Decision and Order, EB-2019-0178, B2M Limited Partnership, Application for approval of electricity transmission revenue requirements for the period commencing Jan. 1, 2020, and for each following year through to Dec. 31, 2024, January 16, 2020, p 3 & Schedule A pp 6-7, 12-13.

1 The approved formula for the Revenue Cap IR for the test year t+1 is equal to the
2 revenue in year t inflated by the Revenue Cap Index (RCI) set out below as:

$$RCI = I - X - SCAF$$

3
4
5 Where:

6 "I" is the Inflation Factor, based on a transmission industry specific weighted two-
7 factor input price index;

8 "X" is the Productivity Factor, which includes a Stretch Factor; and

9 "SCAF" is the Settlement Capital Adjustment Factor, which was approved by the
10 OEB to be equal to 0.6%.

11
12 In accordance with the OEB's Decision and Order for B2M LP's Revenue Cap IR
13 Application (EB-2019-0178), only the Inflation Factor will be updated annually. On June
14 29, 2023, the OEB released the Inflation Factor to be used by electricity transmitters for
15 2024 rate applications beginning January 1, 2024. This Application reflects the 5.4%
16 Inflation Factor calculated by the OEB for electricity transmitters.²

17
18 Consistent with the OEB's Decision and Order in EB-2019-0178, the OEB-approved
19 settlement capital adjustment factor (SCAF) of 0.6% and productivity factor of 0.0% will
20 not be updated annually over the 2021 to 2024 period.³ Table 1 summarizes the
21 approved components of the RCI for 2024.

22
23 **Table 1 - 2024 Revenue Cap Index (RCI) by Component (%)**

Revenue Cap Index by Component (%)	2024
Inflation Factor (I)	5.40
Productivity Factor (X)	0.00
Settlement Capital Adjustment Factor (SCAF)	(0.60)
Total Revenue Cap Index (RCI = I – X – SCAF)	4.80

² OEB Letter, 2024 Inflation Parameters, June 29, 2023.

³ Decision and Order, EB-2019-0178, B2M Limited Partnership, Application for approval of electricity transmission revenue requirements for the period commencing Jan. 1, 2020, and for each following year through to Dec. 31, 2024, January 16, 2020, p 3 & Schedule A pp 6-7, 12-13.

1 The 2024 base revenue requirement is calculated as shown in Table 2 below.

2

3

Table 2 - 2024 Base Revenue Requirement

Year	Formula	Base Revenue Requirement
2023	OEB-approved B2M LP 2023 base revenue requirement ^[1]	\$34,728,950
2024	2024 base revenue requirement = 2023 base revenue requirement x 2024 RCI ^[2]	\$36,395,939

^[1] As per Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

^[2] 2024 RCI as per Table 1.

4

5 **3.0 DEFERRAL AND VARIANCE ACCOUNTS**

6 B2M LP is not requesting approval to disburse any deferral and variance account
7 balances in this Application.

8

9 **4.0 RATES**

10

11 **4.1 RATES REVENUE REQUIREMENT BY RATE POOL**

12 As indicated in Section 3.0, B2M LP is not requesting approval to disburse any deferral
13 and variance account balances. Therefore, the proposed 2024 rates revenue
14 requirement for B2M LP is the same as the proposed 2024 base revenue requirement of
15 \$36,395,939 as shown in Table 3 below.

16

17 B2M LP does not have charge determinants for setting Uniform Transmission Rates
18 (UTRs) as it does not have any customer delivery points supplied directly from its
19 assets. Therefore, as previously approved by the OEB⁴, the B2M LP revenue
20 requirement is allocated to the provincial Network rate pool only, as all its assets serve
21 the transmission network, with no transformation or individual customer services.

⁴ Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update, June 1, 2023.

1

Table 3 - 2024 Rates Revenue Requirement by Rate Pool

	Network	Line Connection	Transformation Connection	UTR Revenue Requirement
2024 Base Revenue Requirement ^[1]	\$36,395,939	-	-	\$36,395,939
2024 Deferral & Variance Accounts Disposition ^[2]	-	-	-	-
2024 Rates Revenue Requirement	\$36,395,939	-	-	\$36,395,939

^[1] As per Table 2.

^[2] As per Section 3.0.

2

3 **4.2 BILL IMPACTS**

4 An update to the estimated average transmission cost as a percentage of the total bill for
 5 a transmission-connected customer is presented in Table 4 below.

6

7 **Table 4 - Estimated Transmission Cost as a Percentage of Total Electricity Market Costs**

	Cost Component	¢/kWh	Source
A	Commodity	9.99	IESO Monthly Market Report December 2022
B	Wholesale Market Service Charges	0.59	IESO Monthly Market Report December 2022
C	Wholesale Transmission Charges	1.42	IESO Monthly Market Report December 2022
D	Total Monthly Cost for Tx-Connected Customers	12.00	D=A+B+C
E	<i>Transmission as % of Total Cost for Tx-Connected Customers</i>	<i>11.8%</i>	E=C/D

8

9 B2M LP's proposed 2024 rates revenue requirement represents a 4.8% increase from
 10 the approved 2023 rates revenue requirement⁵. B2M LP's rates revenue requirement
 11 represents 1.7% of the total revenue requirement across all transmitters.⁶ As such, B2M
 12 LP's proposed 2024 rates revenue requirement results in a net impact of 0.08% on
 13 average transmission rates. A summary of the average bill impacts, as a result of the
 14 proposed 2024 rates revenue requirement relative to the approved 2023 rates revenue

⁵ Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

⁶ B2M LP's rates revenue requirement divided by all transmitters' rates revenue requirement (\$34,728,950 / \$2,051,862,091 = 1.7%) as per Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

1 requirement, is presented in Table 5 below for transmission-connected customers and
 2 Table 6 for distribution-connected customers.

3
 4 **Table 5 - Average Bill Impacts on Transmission-Connected Customers**

	2023^[1]	2024^[2]
Rates Revenue Requirement	\$34,728,950	\$36,395,939
% Change in Rates Revenue Requirement over prior year		4.8%
% Impact of load forecast change		0.0%
Net Impact on Average Transmission Rates ^[3]		0.08%
Transmission as a % of Tx-connected customer's Total Bill		11.8%
Estimated Average Transmission Customer Bill Impact		0.010%

^[1] The 2023 rates revenue requirement as per Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

^[2] The 2024 rates revenue requirement as per Table 3.

^[3] The calculation of net impact on transmission rates accounts for B2M LP's 2023 rates revenue requirement as 1.7% of the total rates revenue requirement across all transmitters (1.7% x 4.8% = 0.08%) as per Decision and Rate Order, EB-2023-0101 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

5
 6 As discussed in Section 4.1, B2M LP's rates revenue requirement is wholly allocated to
 7 the Network rate pool. Subsequently, the total bill impact for a typical Hydro One
 8 medium density residential (R1) customer consuming 750 kWh monthly, and for a typical
 9 Hydro One General Service Energy less than 50 kW (GSe < 50 kW) customer
 10 consuming 2,000 kWh monthly is determined based on the forecast increase in the
 11 customer's Network Retail Transmission Service Rates (RTSR-N), which reflects the
 12 proposed changes to the current UTRs⁷, as detailed in Table 6 below⁸.

13
 14 The proposed 2024 rates revenue requirement results in an increase in the total bill of
 15 0.015% or \$0.02 per month for a typical Hydro One medium density residential (R1)
 16 customer consuming 750 kWh monthly, and an increase in the total bill of 0.010% or
 17 \$0.04 per month for a typical Hydro One General Service Energy less than 50 kW (GSe
 18 < 50 kW) customer consuming 2,000 kWh monthly.

⁷ Hydro One's current 2023 RTSRs are based on the 2022 UTRs as per Decision and Rate Order, EB-2022-0084, 2022 Uniform Transmission Rates Update, April 7, 2022.

⁸ Table 6 is structured to provide the additional supporting calculations requested by the OEB in B2M LP's application for 2023 transmission revenue requirement (EB-2022-0190, Exhibit I-1-3, Table 3).

1 **Table 6 - 2024 Total Bill Impacts for Distribution-Connected Customers**

	Calculation	2022	2023	2024
B2M LP's Rates Revenue Requirement ^[1]	A	\$33,652,083	\$34,728,950	\$36,395,939
% Change in B2M LP's Rates Revenue Requirement for Impact on RTSRs ^[2]	$B = \frac{A_{2024}}{A_{2022}} - 1$			8.15%
B2M LP's 2023 Revenue Requirement as % of Total Network UTR Revenue Requirement ^[3]	C			2.727%
B2M LP's Net Impact on 2024 RTSRs	$D = B * C$			0.22%
	Calculation	Typical Medium Density (HONI R1) Residential Customer Consuming 750 kWh per Month	Typical General Service Energy less than 50 kW (HONI GSe < 50kW) Customer Consuming 2,000 kWh per Month	
Total bill as of Jul 1, 2023 ^[4]	E	\$136.13	\$424.76	
2023 RTSR Network Charge ^[5]	F	\$8.958	\$19.290	
2023 RTSR Connection Charge ^[6]	G	\$6.214	\$14.248	
2023 Total RTSR Charge	$H = F + G$	\$15.172	\$33.538	
2024 Estimated Change in RTSR Network Charge ^[7]	$I = D * F$	\$0.020	\$0.043	
2024 Estimated Total RTSR Charge	$J = H + I$	\$15.192	\$33.580	
2024 Increase as a % of Total bill	$K = I / E$	0.015%	0.010%	

^[1] B2M LP's 2022 rates revenue requirement as per Decision and Rate Order, EB-2022-0084, 2022 Uniform Transmission Rates Update, April 7, 2022; the 2023 rates revenue requirement as per Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update, June 1, 2023; and the 2024 rates revenue requirement as per Table 3.

^[2] Impact on RTSRs represents the change in revenue requirement relative to 2022, as Hydro One's currently approved 2023 RTSRs are based on the UTRs effective April 1, 2022, as per Decision and Rate Order, EB-2022-0084, 2022 Uniform Transmission Rates Update, April 7, 2022.

^[3] Represents B2M LP's currently approved revenue allocator based on the approved Total 2023 UTR Network Revenue Requirement of \$1,273,478,574 as per Decision and Rate Order, EB-2023-0101, 2023 Uniform Transmission Rates Update-Schedule A, June 1, 2023.

^[4] Total bill including HST, based on time-of-use commodity price effective November 1, 2022 and distribution rates effective July 1, 2023 approved per Hydro One's Distribution Rate Order, EB-2021-0110, November 29, 2022, with 11.7% Ontario Energy Rebate (effective November 1, 2022), \$0.42 Smart Meter Entity Charge (effective January 1, 2023) and Distribution Rate Protection cap of \$39.49 (effective July 1, 2023).

^[5] Represents the approved 2023 RTSR Network charge (\$/kWh) multiplied by the monthly consumption (i.e. 750kWh/month HONI R1 or 2,000 kWh/month HONI GSe <50kW), multiplied by the 2023 approved loss factor; based on distribution rates effective January 1, 2023 approved as per Decision and Rate Order, EB-2021-0110, November 29, 2022.

^[6] Represents the approved 2023 RTSR Connection charge (\$/kWh) multiplied by the monthly consumption (i.e. 750kWh/month HONI R1 or 2,000 kWh/month HONI GSe <50kW), multiplied by the 2023 approved loss factor; based on distribution rates effective January 1, 2023 approved as per Decision and Rate Order, EB-2021-0110, November 29, 2022.

^[7] B2M LP's rates revenue requirement is wholly allocated to the Network rate pool. Subsequently, B2M LP's rates revenue requirement impacts RTSR-N, and not RTSR-C.