



Upper Canada Transmission 2, Inc.

**Application for electricity transmission rate changes
beginning January 1, 2024**

**DECISION ON ISSUES LIST
December 8, 2023**

Upper Canada Transmission 2, Inc. (Upper Canada Transmission) filed an application with the Ontario Energy Board (OEB) on October 10, 2023 under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval to change the rates that it charges for electricity transmission, effective January 1, 2024.

On November 28, 2023, the OEB issued Procedural Order No. 1 that, among other things, made provision for parties to develop a proposed Issues List for the OEB's consideration.

OEB staff filed a proposed Issues List on December 5, 2023, and indicated that the parties had agreed on it. In addition, OEB staff's letter requested that the OEB waive the requirement under Rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that interrogatories correspond to the issues list as parties may want to file interrogatories according to the exhibit numbers in the application.

Findings

The OEB has reviewed the proposed Issues List and approves it for the purposes of this proceeding. The OEB has also considered the request to file interrogatories according to exhibit numbers and approves that request as well for this proceeding.

The OEB may update the Issues List as necessary to further define the scope of the proceeding.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The issues list attached as Schedule A is approved.

DATED at Toronto, December 8, 2023

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
APPROVED ISSUES LIST
UPPER CANADA TRANSMISSION 2, INC.
EB-2023-0298
DECEMBER 8, 2023

APPROVED ISSUES LIST

EB-2023-0298

Upper Canada Transmission 2, Inc. (UCT 2)

1. GENERAL
 - a) Has UCT 2 responded appropriately to all relevant OEB directions from previous proceedings?
 - b) Are all elements of the proposed revenue requirement and their associated total bill impacts reasonable?
 - c) Is the proposed effective date of January 1, 2024 and proposed timing for inclusion in the UTR appropriate?
2. REVENUE REQUIREMENT
 - a) Is UCT 2's proposed 2024 revenue requirement appropriate?
 - b) Are the calculations and amounts used to calculate income taxes and depreciation expense included in UCT 2's proposed 2024 revenue requirement appropriate?
3. RATE BASE & COST OF CAPITAL
 - a) Are the proposed rate base addition amounts appropriate?
 - b) Is the proposed cost of capital, including the current long-term debt and short-term debt, appropriate?
4. DEFERRAL & VARIANCE ACCOUNTS
 - a) Are the proposed amounts for disposition of existing deferral and variance accounts appropriate?
 - b) Are UCT 2's COVID-19 related costs and their proposed treatment appropriate?
 - c) Are UCT 2's CCVA capital costs and their proposed treatment appropriate?
 - d) Is the proposed new debt rate variance account appropriate?