

EB-2024-0176

Wataynikaneyap Power LP

Application for 2025 electricity transmission rates and other charges

PROCEDURAL ORDER NO. 2 AND DECISION ON ISSUES LIST AND CONFIDENTIALITY REQUEST

August 28, 2024

Wataynikaneyap Power LP (WPLP) filed a cost of service application with the Ontario Energy Board (OEB) on June 28, 2024, under section 78 of the *Ontario Energy Board Act*, 1998, seeking approval to change its electricity transmission rates and the fixed charge payable by Hydro One Remote Communities Inc. effective January 1, 2025.

A Notice of Hearing was issued on July 22, 2024. The OEB did not receive any intervention requests.

Issues List

In Procedural Order No. 1, issued on August 16, 2024, the OEB directed WPLP and OEB staff to develop an issues list.

OEB staff filed a proposed issues list on August 23, 2024, and indicated that OEB staff and WPLP had agreed on it.

The OEB approves the proposed issues list as filed. A copy of the approved issues list is attached as Schedule A.

Confidentiality Request

WPLP filed a letter dated June 28, 2024, requesting confidential treatment for certain information contained in the application (in Exhibit C-2-1) that relates directly to issues which are the subject of ongoing commercial discussions with its contractor in relation to the EPC contract pursuant to which WPLP's transmission system has been constructed. OEB staff did not object to WPLP's confidentiality request.

The OEB approves WPLP's confidentiality request.

Settlement Conference

The OEB is making provision for a settlement conference. Given that this proceeding has no intervenors, and pursuant to the <u>Practice Direction on Settlement Conferences</u>, OEB staff will be a party to the settlement conference and any resulting settlement proposal.

THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. The issues list attached as Schedule A is approved.
- 2. A settlement conference between OEB staff and WPLP will be convened on **October 17, 2024**, starting at 9:30 a.m. If necessary, the settlement conference will continue on **October 18, 2024**. This will be a virtual event and information on how to participate will be provided in advance of the conference.
- 3. **Within 48 hours** of the conclusion of the settlement conference, WPLP shall file a letter informing the OEB of the status of the settlement discussions including whether a tentative agreement had been reached or if WPLP and OEB staff propose to continue the settlement discussions.
- 4. If there is no settlement proposal arising from the settlement conference, WPLP shall file a statement to that effect with the OEB by **October 28, 2024**. In that event, WPLP and OEB staff shall file and serve on each other by **November 4, 2024**, any submissions on which issues should be heard in writing, and for which issues the OEB should hold an oral hearing.
- 5. If there is a settlement proposal arising from the settlement conference, it shall be filed with the OEB on or before **November 7, 2024**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any unsettled issues, indicating with reasons whether WPLP and/or OEB staff believe those issues should be dealt with by way of oral or written hearing.

Parties are responsible for ensuring that any documents they file with the OEB, such as evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2024-0176** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online filing portal</u>.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Katherine Wang, at Katherine.Wang@oeb.ca and OEB Counsel, lan Richler, at lan.Richler@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, August 28, 2024

ONTARIO ENERGY BOARD

Nancy Marconi Registrar

SCHEDULE A APPROVED ISSUES LIST WATAYNIKANEYAP POWER LP EB-2024-0176 AUGUST 28, 2024

APPROVED ISSUES LIST

EB-2024-0176

Wataynikaneyap Power LP (WPLP)

1. GENERAL

- Has WPLP responded appropriately to all relevant OEB directions from previous proceedings?
- Are all elements of the proposed revenue requirement and their associated total bill impacts reasonable?
- Is the proposed effective date of January 1, 2025 and proposed timing for inclusion in the UTRs and Hydro One Remotes Communities Inc. (HORCI) billings appropriate?

2. RATE BASE

• Are the amounts proposed for rate base appropriate?

PERFORMANCE

• Is the proposed approach to monitoring and OEB reporting of WPLP's transmission system performance adequate?

4. OPERATING REVENUE

Are the proposed load and revenue forecasts appropriate?

OPERATING COSTS

- Are the proposed spending levels for OM&A in 2025 appropriate, including consideration of factors such as system reliability and asset condition?
- Are the amounts proposed to be included in the revenue requirement for income taxes appropriate?
- Is the proposed depreciation expense appropriate?
- Are the services to be provided by third parties, and their associated costs, appropriate?

6. COST OF CAPITAL & CAPITAL STRUCTURE

- Is the proposed capital structure appropriate?
- Is the proposed cost of capital, including updates appropriate?

7. DEFERRAL & VARIANCE ACCOUNTS

- Are the proposed amounts, disposition, continuance and discontinuance of existing deferral and variance accounts appropriate?
- Are the proposed modifications to existing deferral and variance accounts appropriate?
- Are the proposed new deferral and variance accounts appropriate, if any?
- Are WPLP's COVID-19 related costs and their proposed treatment appropriate?

8. COST ALLOCATION

Is the proposed cost allocation appropriate?