

BY E-MAIL

September 5, 2025

Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ritchie Murray:

**Re: Five Nations Energy Inc (FNEI)
Application for 2026-2030 Electricity Transmission Rates
Ontario Energy Board (OEB) File Number: EB-2025-0129**

In accordance with Procedural Order No. 1, OEB staff advises that it has reached an agreement with FNEI regarding an issues list for FNEI's 2026-2030 electricity transmission rates application. The proposed issues list is attached.

Yours truly,

Original Signed By

Jeffrey Sauer
Senior Advisor, Generation & Transmission

Encl.

cc: FNEI

PROPOSED ISSUES LIST

EB-2025-0129

Five Nations Energy Inc (FNEI)

A. GENERAL

1. Has Five Nations Energy Inc (FNEI) responded appropriately to all relevant Ontario Energy Board (OEB) directions from previous proceedings, including but not limited to:

- 1.1 The OEB's directions regarding FNEI's reserve funds?
- 1.2 The OEB's directions regarding FNEI's annual reporting and record keeping requirements and presentation in the current application related to its use of revenues in excess of costs to meet other non-transmission related corporate objects (i.e. funding community projects)?

2. Are all elements of the proposed revenue requirement and their associated total bill impacts reasonable?

3. Is the proposed effective date appropriate?

B. REVENUE REQUIREMENT FRAMEWORK

4. Is FNEI's proposed revenue requirement framework (including, but not limited to, its proposals related to inflation, productivity, and stretch factors, Z-Factor claims and any other mechanisms) appropriate?

5. Is the proposal to mitigate significant earning above the regulatory net income supported by the approved return on equity appropriate?

C. TRANSMISSION SYSTEM PLAN

6. Are the proposed capital expenditures and in-service additions arising from the Transmission System Plan appropriate?

D. PERFORMANCE

7. Is the proposed monitoring and reporting of performance adequate?

E. OPERATIONS MAINTENANCE & ADMINISTRATION COSTS

8. Are the proposed OM&A expenditures appropriate?

9. Is the proposed depreciation expense appropriate?

F. RATE BASE & COST OF CAPITAL, AND REVENUE REQUIREMENT

10. Are the amounts proposed for rate base reasonable?

11. Is the proposed working capital allowance appropriate?
12. Is the proposed cost of capital (interest on long-term and short-term debt, return on equity) and capital structure appropriate?
13. Have the impacts associated with the decommissioning of the DeBeers Victor Mine been appropriately reflected in the proposed revenue requirement?
14. Is the proposed calculation of the revenue requirement appropriate?
15. Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

G. DEFERRAL/VARIANCE ACCOUNTS

16. Are the proposed deferral accounts appropriate?

H. COST ALLOCATION

17. Are the proposed charge determinants and cost allocation appropriate?

I. OTHER REVENUE

18. Is the proposed forecast for Other Revenue appropriate?