



Ontario
Energy
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DECISION AND ORDER

EB-2025-0148

NIAGARA REINFORCEMENT LIMITED PARTNERSHIP

**One-Time Update Application – 2026-2029 Transmission Revenue
Requirement**

BEFORE: Anthony Zlahtic
Presiding Commissioner

October 2, 2025



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1 OVERVIEW

Niagara Reinforcement Limited Partnership's (NRLP) application for 2026-2029 transmission revenue requirements and the requested amendment to the Accounting Order for Account 1592 is approved for the reasons set out below. The OEB is disposing of this proceeding without a hearing, pursuant to section 21(4)(b) of the *Ontario Energy Board Act, 1998* (OEB Act). The OEB has determined that no person will be adversely affected in a material way by the outcome of the proceeding, and NRLP has consented to the disposition of the proceeding without a hearing. The OEB granted NRLP's request by way of a letter dated August 19, 2025.

As a result of the OEB's findings in this Decision and Order, NRLP's total revenue requirement for the 2026-2029 period will decrease from \$35.6 million to \$35.4 million, benefiting transmission customers. Overall, customer bills between 2026-2029 will be lower than those projected under the previously approved revenue requirement.

2 CONTEXT AND PROCESS

NRLP is a partnership among Hydro One Networks Inc. (Hydro One), Hydro One Indigenous Partnerships Inc., Six Nations of the Grand River Development Corporation, and the Mississaugas of the Credit First Nation.

NRLP is an OEB-licensed and rate-regulated transmitter that owns a 76km 230kV double circuit transmission line which connects the Allanburg TS to the Middleport TS. All power transported using NRLP's assets is delivered to the final customer by another transmitter and thus is included in another transmitter's load forecast. The revenue requirement is allocated to the provincial Network rate pool.

The OEB sets rates for rate-regulated electricity transmitters in Ontario by setting the revenue requirement for each transmitter. These individual transmission revenue requirements are incorporated into the Uniform Transmission Rates (UTRs) that are recovered from ratepayers across the province.

In the OEB's Decision on the Settlement Proposal and Order regarding NRLP's 2025-2029 Revenue Requirement Application, the OEB approved the revenue requirement framework which includes a one-time update application in 2025 to update the cost of NRLP's long-term debt based on actual issuances in 2025 and to update the revenue requirement for each of 2026-2029.¹

NRLP filed this application to update the the cost of long-term debt based on actual issuances in 2025 on June 19, 2025, and requested that the application be disposed of without a hearing pursuant to section 21(4)(b) of the *OEB Act*. There will be no further updates to the revenue requirements in this rate period. Additionally, NRLP is requesting approval of an amendment to the Accounting Order for Account 1592 in accordance with the Final Rate Order of Chatham x Lakeshore Limited Partnership's 2025-2029 rates application.

NRLP's application was supported by pre-filed written evidence. OEB staff filed clarification questions about NRLP's evidence on July 14, 2025, and NRLP filed its responses on July 22, 2025. The OEB issued a letter on August 19, 2025, stating that it had determined that no person would be adversely affected by the outcome of this proceeding and that the proceeding would be disposed of without a hearing.

¹ Decision and Order, EB-2024-0117, pp. 6

3 DISPOSITION OF THE PROCEEDING WITHOUT A HEARING

In a letter dated August 19, 2025, the OEB determined that it will dispose of this proceeding without a hearing pursuant to its powers under section 21(4)(b) of the *Ontario Energy Board Act, 1998* as requested by NRLP.

Based on the evidence provided, the OEB determined that no person will be adversely affected in a material way by the outcome of the proceeding, because the change proposed by NRLP to its revenue requirement:

- a) represents a reduction to its 2026-2029 OEB-approved revenue requirement;
and
- b) will not affect customer bills in a material way

NRLP's proposed 2026-2029 total revenue requirement represents a 0.57% reduction compared to its previous OEB-approved 2026-2029 total revenue requirement.² Overall, customer bills will be lower than those projected under the previously approved revenue requirement.

Similarly, the OEB has determined that the requested amendment to the terms of the accounting order will not adversely affect customers in a material way.

² EB-2024-0117, Revenue Requirement and Charge Determinant Rate Order, December 17, 2024, pp. 3

4 REVENUE REQUIREMENT UPDATE AND BILL IMPACTS

NRLP has incorporated changes resulting from the update to the long-term debt rate into its proposed 2026, 2027, 2028 and 2029 revenue requirements, in accordance with the Decision and Order for NRLP's 2025-2029 Revenue Requirement Application.³ The 2026 weighted average long-term debt rate assumed in the Draft Revenue Requirement and Charge Determinant Order was 3.13%.⁴ As a result of actual long-term debt issuances in February 2025, the updated 2026 weighted average long-term debt rate is 3.04%. This rate will remain fixed for the remainder of the rate period. Details on the long-term debt instruments that support NRLP's application are provided at Schedule A to this decision and order.

Table 1 below shows the change to the cost of long-term debt based on this update and Table 2 shows the updated revenue requirement based on this change.

Table 1: Change to the Cost of Long-Term Debt

	2026	2027	2028	2029
EB-2024-0117 Long-Term Debt Cost	\$ 1,899,831	\$ 1,871,119	\$ 1,842,407	\$ 1,813,695
Updated Long-Term Debt Cost	\$ 1,847,476	\$ 1,819,556	\$ 1,791,635	\$ 1,763,714
Change to Long-Term Debt Cost	\$ (52,355)	\$ (51,564)	\$ (50,772)	\$ (49,981)

Table 2: Updated Base Revenue Requirement

	2026	2027	2028	2029
EB-2024-0117 Revenue Requirement	\$ 8,845,287	\$ 8,725,681	\$ 8,706,836	\$ 9,368,691
Change to Long-Term Debt Cost	\$ (52,355)	\$ (51,564)	\$ (50,772)	\$ (49,981)
Updated Base Revenue Requirement	\$ 8,792,932	\$ 8,674,117	\$ 8,656,063	\$ 9,318,710

³ Decision and Order, EB-2024-0117, pp. 6

⁴ EB-2024-0117, Draft Revenue Requirement and Charge Determinant Order, November 28, 2024, Attachment 2, pp. 2.

NRLP's revenue requirement is allocated entirely to the Network rate pool, as all the assets owned by NRLP serve the transmission network with no transformation or individual customer services.

The change to the long-term debt rate results in an average decrease in revenue requirement of 0.57% from the previously approved revenue requirement for the 2026-2029 period.

Tables 3 and 4 show the bill impacts that this change will have over the 2026-2029 term on a typical Hydro One medium density residential (R1) customer consuming 750 kWh monthly and a typical Hydro One General Service Energy less than 50 kW (GSe< 50 kW) customer consuming 2,000 kWh monthly, respectively, when compared to the previously approved values in NRLP's Draft Revenue Requirement and Charge Determinant Order for 2025-2029 revenue requirements.⁵

Table 3: Typical Hydro One Medium Density Residential (R1) Customer Consuming 750 kWh Monthly Bill Impact Change

	2026	2027	2028	2029
EB-2024-0117 Total Bill Impact	0.003%	0.001%	0%	0.003%
Updated Total Bill Impact After Long-Term Debt Rate Change	0.002%	-0.001%	0%	0.003%

Table 4: Typical Hydro One General Service Energy less than 50 kW (GSe< 50 kW) customer consuming 2,000 kWh Monthly Bill Impact Change

	2026	2027	2028	2029
EB-2024-0117 Total Bill Impact	0.002%	0%	0%	0.002%
Updated Total Bill Impact After Long-Term Debt Rate Change	0.002%	0%	0%	0.002%

Findings

The OEB finds that NRLP, pursuant to the refinancing of its long-term debt in 2025, has updated its cost of long-term debt in accordance with the Decision and Order for NRLP's 2025-2029 Revenue Requirement Application. This will update and set the

⁵ Draft Revenue Requirement and Charge Determinant Order, EB-2024-0117, November 28, 2024, pp. 3.

revenue requirements, effective January 1 of each year, for each of 2026, 2027, 2028 and 2029.

The OEB finds that the reduction in the revenue requirement proposed by NRLP for the period 2026 to 2029 and the corresponding bill impacts are reasonable.

5 ACCOUNTING ORDER AMENDMENT

In its Final Order on Chatham x Lakeshore Limited Partnership's (CLLP) Application for approval of electricity transmission revenue requirements from January 1, 2025 to December 31, 2029, the OEB acknowledged in its findings that NRLP will amend the Accounting Order for Account 1592 to reflect changes in Capital Cost Allowance (CCA) rules, aligning with the OEB-approved CLLP Accounting Order.⁶

NRLP will continue using the tax rate and rule changes variance account, with modifications, to track impacts on revenue requirements from legislative or regulatory tax changes for 2026–2029. Effective January 1, 2026, this will be recorded in Account 1592 – PILs and Tax Variances. A sub-account will specifically track CCA rule changes, and interest will be calculated monthly on the account balance using OEB-set rates.

Findings

The OEB approves NRLP's proposed amendment to the Accounting Order for Account 1592 – Tax Rate and Rule Changes Variance Account as filed.

⁶ EB-2024-0216, Final Order, Chatham x Lakeshore Limited Partnership, February 6, 2025, p 2

6 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Niagara Reinforcement Limited Partnership's 2026 revenue requirement of \$8,792,932 is approved with an effective date of January 1, 2026. NRLP's resultant revenue requirement will be included in the OEB's determination of the 2026 Uniform Transmission Rates for Ontario.
2. Niagara Reinforcement Limited Partnership's 2027 revenue requirement of \$8,674,117 is approved with an effective date of January 1, 2026. NRLP's resultant revenue requirement will be included in the OEB's determination of the 2027 Uniform Transmission Rates for Ontario.
3. Niagara Reinforcement Limited Partnership's 2028 revenue requirement of \$8,656,063 is approved with an effective date of January 1, 2026. NRLP's resultant revenue requirement will be included in the OEB's determination of the 2028 Uniform Transmission Rates for Ontario.
4. Niagara Reinforcement Limited Partnership's 2029 revenue requirement of \$9,318,710 is approved with an effective date of January 1, 2026. NRLP's resultant revenue requirement will be included in the OEB's determination of the 2029 Uniform Transmission Rates for Ontario.
5. NRLP's proposed amendment to the Accounting Order for Account 1592 – Tax Rate and Rule Changes Variance Account is approved as filed.

DATED at Toronto October 2, 2025

ONTARIO ENERGY BOARD

Ritchie Murray
Acting Registrar

SCHEDULE A
DECISION AND ORDER
NIAGARA REINFORCEMENT LIMITED PARTNERSHIP
EB-2025-0148
OCTOBER 2, 2025

Year ending December 31

Note 1 - All debt is 3rd party issued debt with fixed rates