



EB-2012-0300

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 Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP seeking changes to the uniform provincial transmission rates for 2013 and 2014.

BEFORE: Paula Conboy
Presiding Member

Ellen Fry
Member

**DECISION AND ORDER
2014 TRANSMISSION REVENUE REQUIREMENT
December 19, 2013**

Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP ("GLPT") filed an application with the Ontario Energy Board (the "Board") on June 29, 2012 under section 78 of the Ontario Energy Board Act 1998. The application was for an order of the Board approving just and reasonable rates and other service charges for the transmission of electricity, effective on January 1, 2013 and January 1, 2014.

All four licensed transmitters in Ontario - Hydro One Networks Inc. ("Hydro One"), GLPT, Canadian Niagara Power Inc. and Five Nations Energy Inc. charge a Uniform Transmission Rate ("UTR"). The Board approves the revenue requirements and charge determinants of the individual transmitters and uses them to calculate the UTR.

On November 1, 2012, the Board issued its Decision on GLPT's Proposed Settlement Agreement and Accounting Order. The 2013 and 2014 GLPT revenue requirements approved by the Board in that Decision will be used to calculate January 1, 2013, and January 1, 2014 UTR. In its Decision, the Board indicated that GLPT's two revenue requirements would be adjusted to include future updates to the Board's Cost of Capital parameters for the rate years beginning January 1, 2013, and January 1, 2014 respectively. The Board also approved disposition of the balances in all deferral accounts covered by the application, except the deferral account related to the Comstock claim, over a three year period beginning January 2013.

GLPT's approved revenue requirement was adjusted to incorporate the Board's approved 2013 Cost of Capital on December 20, 2012. GLPT's adjusted 2013 revenue requirement of \$37,356,367 was approved for inclusion in the January 1, 2013 UTR.

In addition to adjusting the revenue requirement to reflect updated cost of capital parameters, the December 20, 2012 Decision and Order provided for adjustments attributable to various deferral account dispositions. GLPT had originally applied for disposition of the balances in the deferral accounts in a one year period beginning January 1, 2013. GLPT filed updated account balances and disposition amounts for use in the 2013 UTR to reflect the fact that the Board approved the disposition over three years rather than over one year. These updated amounts were approved by the Board on December 20, 2012 and included in the noted January 1, 2013 UTR.

On November 27, 2013, GLPT filed with the Board a proposal to revise its 2014 revenue requirement, to reflect the Board's approved Cost of Capital Parameter Update which was issued on November 25, 2013, as well as updated deferral account balances and disposition amounts for use in the 2014 UTR. GLPT has applied for a disposition in 2014 of \$748,608 to the benefit of the ratepayers. GLPT's proposal concerning the updated cost of capital parameters and deferral account disposition would together reduce GLPT's 2014 revenue requirement level of \$38,731,104 to \$ 37,982,496.

On December 9, 2013, the Board issued Procedural Order No. 3 allowing for parties who wish to file submission in regard to GLPT's proposal or its impact on GLPT's 2014 revenue requirements to do so by December 16, 2013.

Energy Probe filed a submission indicating that its review finds that GLPT's proposed

November 27, 2013 material conforms to the Board Decision and updated 2014 Cost of Capital. The Board approves GLPT's revised 2014 revenue requirement of \$37,982,496.

THE BOARD ORDERS THAT:

1. The adjusted revised revenue requirement for Great Lakes Power Transmission LP of \$37,982,496 is approved for inclusion in the January 1, 2014 Uniform Transmission Rates.

DATED at Toronto, December 19, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary