



RP-2001-0034
RP-2001-0035
RP-2001-0036
RP-1999-0044

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O.1998, c.15, Schedule B;

AND IN THE MATTER OF an Applications by Great Lakes
Power Limited, Canadian Niagara Power Inc., and Five
Nations Energy Inc., for an Order or Orders approving just
and reasonable rates; and

AND IN THE MATTER OF approvals granted by the
Board in the RP-1999-0044 proceeding.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

INTERIM DECISION AND ORDER

Under section 78 of the *Ontario Energy Board Act*, 1998 (“the Act”) a transmitter may only charge for the transmission of electricity in accordance with an order of the Ontario Energy Board (“the Board”). The Board decided to establish uniform pooled (wholesale) rates effective upon market opening for electricity transmission services in the IMO-controlled grid and to establish these rates by means of a two-phase process: the first phase would determine the revenue requirement and load forecast for each transmitter (except for Hydro One Networks Inc., whose currently approved revenue requirement and load forecast will remain unchanged), while the second phase of the process would determine the uniform transmission rates by way of a joint application process involving

Hydro One Networks Inc. (“H1N”) and any applicants seeking Board approved wholesale transmission rates.

On May 29, 2001, the Board informed Canadian Niagara Power Inc. (“CNPI”), Great Lakes Power Limited (“GLPL”), and Five Nations Energy Inc. (“FNEI”) of: (i) the requirement that transmitters must have their rates approved by the Board; (ii) the Board’s intention to proceed by way of the two-phase process and the methodology to be employed in the determination of the pooled rates; and (iii) the filing guidelines to assist the transmitters in making application for Board approval of their revenue requirements and load forecasts. The Board’s May 29 communication also invited GLPL, CNPI, and FNEI to make application for approval of their revenue requirements and load forecasts.

The Board received applications for phase one of the process from GLPL (RP-2001-0035), CNPI (RP-2001-0034), and FNEI (RP-2001-0036).

On December 11, 2001, the Board issued decisions approving load forecasts and revenue requirements for GLPL, CNPI, and FNEI.

On December 13, 2001, the Board received a submission from H1N which specified the transmission rates and revenue allocators that had been agreed to by H1N, GLPL, CNPI, and FNEI, noting that they were consistent with both the Board’s phase one decisions and the filing guidelines.

The Board accepts the proposed rates and revenue allocators on an interim basis and makes the following observations:

- the phase one approval granted to FNEI was on an interim basis, subject to review in a process set out in the Board’s Interim Decision and Procedural Order No. 3 under docket number RP-2001-0036.
- Each transmitter participating in a transmission service pool must be fully compliant with all Board, IMO, and other regulatory requirements prior to market opening.

THE BOARD ORDERS:

1. The interim rates and revenue allocators set out in Appendix "A" of this Order are hereby approved effective upon subsection 26(1) of the *Electricity Act, 1998*, coming into force.

ISSUED at Toronto, December 17, 2001.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

APPENDIX "A"

RP-2001-0034
RP-2001-0035
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RP-2000-0044

DECEMBER 17, 2001

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

CANADIAN NIAGARA POWER INC. (CNPI)
RP-2001-0034
GREAT LAKES POWER LIMITED (GLPL)
RP-2001-0035
FIVE NATIONS ENERGY INC. (FNEI)
RP-2001-0036
HYDRO ONE NETWORKS INC. (H1N)
RP-1999-0044

Wholesale Pooled Transmission Rates and Pool Revenue Allocators
Effective upon the date that subsection 26(1)
of the *Electricity Act, 1998* comes into force.

Provincial (Uniform) Rates

Network (\$/kW-Month) 2.84
 Line Connection (\$/kW-Month) 0.83
 Transformation Connection (\$/kW-Month) 1.50

Revenue Allocators

	Network	Line Connection	Transformation Connection	
CNPI Allocation Factor	0.00376	0.00376	0.00376	0.00376
GLPL Allocation Factor	0.01925	0.01925	0.01925	0.01925
FNEI Allocation Factor	0.00503	0.00503	0.00503	0.00503
H1N Allocation Factor	0.97195	0.97195	0.97195	0.97195