

**BY E-MAIL**

December 5, 2023

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: Upper Canada Transmission 2, Inc. (UCT 2)  
Application for 2024 Electricity Transmission Rates  
OEB File Number: EB-2023-0298**

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Upper Canada Transmission 2, Inc.'s 2024 electricity transmission rates application. The proposed issues list is attached.

Further, parties are requesting that the OEB waive the requirement under rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that the interrogatories correspond to the issues list. Parties are requesting that they may file interrogatories according to the exhibit numbers in the application. Parties believe this approach is more efficient and likely less costly.

Yours truly,

Michael Price  
Senior Advisor, Generation & Transmission

Encl.

cc: Parties to EB-2023-0298

**PROPOSED ISSUES LIST**

**EB-2023-0298**

**Upper Canada Transmission 2, Inc. (UCT 2)**

1. GENERAL
  - a) Has UCT 2 responded appropriately to all relevant OEB directions from previous proceedings?
  - b) Are all elements of the proposed revenue requirement and their associated total bill impacts reasonable?
  - c) Is the proposed effective date of January 1, 2024 and proposed timing for inclusion in the UTR appropriate?
  
2. REVENUE REQUIREMENT
  - a) Is UCT 2's proposed 2024 revenue requirement appropriate?
  - b) Are the calculations and amounts used to calculate income taxes and depreciation expense included in UCT 2's proposed 2024 revenue requirement appropriate?
  
3. RATE BASE & COST OF CAPITAL
  - a) Are the proposed rate base addition amounts appropriate?
  - b) Is the proposed cost of capital, including the current long-term debt and short-term debt, appropriate?
  
4. DEFERRAL & VARIANCE ACCOUNTS
  - a) Are the proposed amounts for disposition of existing deferral and variance accounts appropriate?
  - b) Are UCT 2's COVID-19 related costs and their proposed treatment appropriate?
  - c) Are UCT 2's CCVA capital costs and their proposed treatment appropriate?
  - d) Is the proposed new debt rate variance accounts appropriate?