

Exhibit 6:

Revenue Requirement and Revenue Deficiency or Sufficiency



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ATTACHMENTS

- 39 Attachment 6-1: Revenue Requirement Workform
- 40 Attachment 6-2: 2023 Corporate Tax Return
- 41 Attachment 6-3: 2023 Audited Financial Statements (April 2024)

6.1 REVENUE DEFICIENCY

6.1.1 Overview

The information in this Exhibit supports and summarizes Oshawa Power's request in this Application for a revenue requirement increase for the 2026 Test Year based on its revenue deficiency for 2026, relative to that computed by applying its 2026 load forecast to 2025 electricity distribution rates and the proposed rates for 2026 Test Year. Oshawa Power requires this increase in order to:

- provide necessary cash flow to support its capital and operating budgets for 2026 as described in Exhibits 2 and 4;
- continue to provide a safe, reliable supply of electricity to the customers it serves; and
- allow it to earn a fair return on the cost of its financial capital in a manner consistent with the OEB's 2025 Decision and Order on Cost of Capital & Other Matters (2025 Cost of Capital Decision) issued on March 27, 2025, and as provided in Exhibit 5.

Oshawa Power has provided detailed calculations supporting its 2026 revenue deficiencies in the Revenue Requirement Work Form (RRWF), which accompanies this Application as Attachment 6-1, and has been populated with data corresponding to other Exhibits within this Application.

As required by the Chapter 2 Filing Requirements, Oshawa Power has included the following information in this Exhibit, excluding energy costs (i.e. cost of power and associated costs) and revenues, and unregulated costs and revenues:

- **Determination of Net Income:** see section 6.1.3, Table 6-1
- **Statement of Rate Base:** see section 6.1.4, Table 6-2
- **Actual Return on Rate Base:** see section 6.1.5, Table 6-3, which includes:
 - **Indicated Rate of Return**
 - **Requested Rate of Return**
- **Deficiency or Sufficiency in Revenue:** see section 6.1.6
- **Gross Deficiency in Revenue:** see section 6.1.6

1 The calculations on which this revenue deficiency was determined are discussed below,
2 followed by summary of the drivers.

3 **6.1.2 Revenue Requirement**

4 Oshawa Power's revenue requirement is comprised of the following components:

- 5 • Operations, Maintenance, and Administration Expenses;
- 6 • Amortization Expense;
- 7 • PILs; and
- 8 • Return on Rate Base (Debt Interest Expense + Return on Equity).

9 Oshawa Power derives its service revenue requirement through: i) distribution rates
10 charged to its customers; and ii) other revenues. Other revenues comprise: OEB-
11 approved specific service charges; late payment charges; and other miscellaneous
12 sources. These other revenues, described in detail in section 6.3, are treated as offsets
13 against Oshawa Power's service revenue requirement, the net amount of which
14 represents the base revenue requirement upon which class-specific distribution rates are
15 calculated.

16 **6.1.3 Determination of Net Utility Income**

17 Oshawa Power's 2026 net income at required rates is \$6,622,513 as shown in Table 6-1
18 below. For more information, see tab 5 of the RRWF.

1

Table 6-1: Net Income

Description	2026 Test Year
Distribution Revenue	\$ 38,848,892
Other Revenue	\$ 3,478,107
Total Revenue	\$ 42,326,999
OM&A	\$ 22,271,990
Depreciation	\$ 9,467,348
Property Taxes	\$ 164,562
Deemed Interest	\$ 3,800,586
Total Expenses	\$ 35,704,486
Utility Income Before Income Taxes	\$ 6,622,513
Income Taxes	\$ -
Utility Net Income	\$ 6,622,513

2 **6.1.4 Statement of Rate Base**

3 Oshawa Power's Rate Base is calculated based on Oshawa Power's deemed capital
4 structure, and is summarized for the 2026 Test Year in Table 6-2 below. See Exhibit 2,
5 section 2.1 for more information.

6

Table 6-2: 2026 Rate Base

Rate Base Component	2026 Test Year
Net Fixed Assets (average)	\$ 172,160,974
Working Capital Allowance	\$ 11,797,711
Rate Base	\$ 183,958,685

7 **6.1.5 Actual Return on Rate Base**

8 The indicated rate of return with existing rates and required rates for the 2026 Test Year
9 are shown below, based on a capital structure of 60% debt and 40% equity in alignment
10 with the 2025 Cost of Capital Decision. See Exhibit 5, section 5.2 for more information.

1

Table 6-3: Return on Rate Base for Existing and Required Rates

Description	2026 Test Year Existing Rates	2026 Test Year Required Rates
Rate Base	\$ 183,958,685	\$ 183,958,685
Return on Debt	3.44%	3.44%
Interest Expense	\$ 3,800,586	\$ 3,800,586
Return on Equity	9.00%	9.00%
Utility Net Income	\$ (47,643)	\$ 6,622,513
Total Return on Rate Base	\$ 3,752,943	\$ 10,423,099
Rate of Return on Rate Base	2.04%	5.67%

2 **6.1.6 Revenue Deficiency**

3 There have been no changes in methodologies in calculating revenue deficiency and
4 cost drivers since the Oshawa Power's last Cost of Service application (EB-2020-0048).
5 Oshawa Power's revenue deficiency, calculated net of electricity price differentials
6 captured in the Retail Settlement Variance Accounts, is detailed by item in Table 6-4.

7

Table 6-4: 2026 Revenue Deficiency

Description	2026 Test Year Existing Rates	2026 Test Year Required Rates
Revenue:		
Revenue Deficiency		\$6,670,156
Distribution Revenue	\$32,178,736	\$32,178,736
Other Operating Revenue Offsets	\$3,478,107	\$3,478,107
Total Revenue	\$35,656,843	\$42,326,999
Costs and Expenses:		
Administrative & General, Billing & Collecting	\$16,819,338	\$16,819,338
Operations & Maintenance	\$5,352,859	\$5,352,859
Property Taxes	\$164,562	\$164,562
Donations-LEAP	\$99,793	\$99,793
Amortization/Depreciation	\$9,467,348	\$9,467,348
Deemed Interest Expense	\$3,800,586	\$3,800,586
Total Cost and Expenses	\$35,704,486	\$35,704,486
Utility Income Before Income Taxes	(\$47,643)	\$6,622,513
Income Taxes:		
Tax Adjustments to Accounting Income	(\$6,622,513)	(\$6,622,513)
Taxable Income	(\$6,670,156)	\$0
Income Tax on Taxable Income	\$0	\$0
Income Tax Credits	\$0	\$0
Utility Net Income	(\$47,643)	\$6,622,513
Actual Return on Rate Base:		
Utility Rate Base	\$183,958,685	\$183,958,685
Interest Expense	\$3,800,586	\$3,800,586
Net Income	(\$47,643)	\$6,622,513
Total Actual Return on Rate Base	\$3,752,943	\$10,423,099
Actual Return on Rate Base	2.04%	5.67%
Required Return on Rate Base:		
Utility Rate Base	\$183,958,685	\$183,958,685
Return on Debt (weighted)	3.44%	3.44%
Return on Equity	9.00%	9.00%
Deemed Interest Expense	\$3,800,586	\$3,800,586
Return on Equity	\$6,622,513	\$6,622,513
Total Return	\$10,423,099	\$10,423,099
Requested Rate of Return on Rate Base	5.67%	5.67%
Revenue Deficiency/(Sufficiency):		
Revenue Deficiency/(Sufficiency)	\$6,670,156	\$ -
Gross Revenue Deficiency/(Sufficiency)	\$6,670,156	

6.1.7 Cost Drivers of Revenue Deficiency

Table 6-5 below summarises the movement in revenue requirement from 2021 Approved to the 2026 Test Year, and the resulting revenue deficiency. The 2022-2025 IRM increase column reflects the cumulative annual increases in each IRM decision from 2022 to 2025.¹

Table 6-5: Drivers of Revenue Deficiency 2026

<u>Revenue Deficiency Drivers</u>	2021 OEB Approved	2022-2025 IRM (15.6% Increase)	2026 Proposed	Changes 2026 Proposed vs 2021
	A	B	C	D = C - B
<u>Rate Base Calculation</u>				
Fixed Assets Opening Balance	\$133,293,239		\$167,647,493	
Fixed Assets Closing Balance	\$139,840,294		\$176,674,454	
Average Fixed Asset Balance for Year	\$136,566,767		\$172,160,974	
Working Capital Allowance	\$10,185,335		\$11,797,711	
Rate Base	\$146,752,101		\$183,958,685	
Regulated Rate of Return	5.28%		5.67%	
Regulated Return on Capital	\$7,742,576		\$10,423,099	
<u>Revenue Requirement</u>				
Return on Rate Base (from above)	\$7,742,576	\$8,953,123	\$10,423,099	\$1,469,976
OM&A Expenses	\$13,866,092	\$16,034,046	\$22,271,990	\$6,237,943
Amortization	\$6,190,747	\$7,158,666	\$9,467,348	\$2,308,682
Taxes	\$152,097	\$175,877	\$164,562	(\$11,315)
Service Revenue Requirement	\$27,951,512	\$32,321,713	\$42,326,999	\$10,005,286
Revenue Offsets	(\$1,296,999)	(\$1,499,784)	(\$3,478,107)	(\$1,978,323)
Base Revenue Requirement	\$26,654,513	\$30,821,929	\$38,848,892	\$8,026,963

The primary drivers behind the deficiency in 2026 are:

- The cumulative capital investments made in the years 2022 to 2026 increasing the Rate Base from \$146.8 million approved for 2021 to \$184.0 million in the 2026 Test Year, plus the associated amortization expense. Further detail related to these increases in rate base are included in Exhibit 2, section 2.1 of this Application;
- The increase in OM&A of \$6.2 million, details of which are summarised in Exhibit 4 of this Application; and

¹ EB-2021-0051 (3.15%), EB-2022-0057 (3.55%), EB-2023-0046 (4.65%), EB-2024-0049 (3.45%).
15.6% = (1+3.15%) * (1+3.55%) * (1+4.65%) * (1+3.45%) - 1

- An increase in revenue offsets of \$2.0 million, principally due to the shift of deferred revenue amortization from an amortization offset to other revenues, which has a corresponding increase to amortization expense, and an increase in interest income. Further details are included in section 6.3 of this Exhibit.

6.2 TAXES OR PAYMENTS IN LIEU OF TAXES (PILs) AND PROPERTY TAXES

6.2.1 Income Taxes or PILs

Oshawa Power is subject to the payment of Payments in Lieu of Taxes (PILs) on its taxable income, as calculated in accordance with Section 93 of the Electricity Act, 1998 (Ontario), as amended. Oshawa Power is exempt from income taxes under both the Income Tax Act (Canada) and the Corporations Tax Act (Ontario).

For the 2026 Test Year, Oshawa Power's PILs payable are projected to be **\$0**.

Table 6-6 below summarizes the actual PILs amounts from 2021 to 2023, and the projected PILs for 2024 (historical year), 2025 (Bridge Year), and 2026 (Test Year) for regulatory rate-setting purposes.

Table 6-6: PILs Payable 2021 – 2026

Year	PILS
2021 Actuals	\$0
2022 Actuals	\$59,564
2023 Actuals	\$0
2024 Projected	\$0
2025 Bridge Year	\$0
2026 Test Year	\$0

The projected PILs amount of \$0 for 2024 is primarily the result of timing differences between the depreciation of capital assets for accounting purposes and the Capital Cost Allowance (CCA) used for income tax purposes. These differences are driven by Oshawa Power's high levels of capital investment and the application of the Accelerated Investment Incentive Property (AIIP) measures, introduced on April 8, 2019, under Canadian Bill C-97.

1 In line with the guidance provided in the OEB's Accounting Procedures Handbook (APH),
2 Oshawa Power has applied these tax measures appropriately. As a result, for tax
3 purposes, the CCA significantly exceeds accounting depreciation, leading to lower
4 taxable income and consequently a reduction in the effective PILs payable, well below
5 what would otherwise be calculated using the combined federal and Ontario statutory
6 rates applied to regulatory income before PILs.

7 The \$0 PILs projection for 2026 is largely attributed to the availability of non-capital loss
8 carry forwards from 2025 and earlier taxation years. These losses were primarily
9 generated by the same timing differences in asset depreciation between accounting and
10 tax treatment discussed above.

11 A full version of the Income Tax/PILs model is included in this Application as a standalone
12 excel document.

13 Oshawa Power's 2023 Corporate Tax Return is included as Attachment 6-2. The 2023
14 Audited Financial Statements issued in April 2024 are included as Attachment 6-3. These
15 Statements included an arithmetic error in Other Comprehensive Income that did not have
16 a tax impact; the error has been addressed in the 2024 Audited Financial Statements
17 (Attachment 1-13).

18 Oshawa Power has not yet filed its 2024 Corporate Income Tax Return. Once the return
19 is filed, the 2024 income tax projection will be updated using actual information from the
20 T2 return. Any required adjustments to the 2024 Bridge Year and 2025 Test Year Income
21 Tax/PILs models will be made accordingly. If these updates impact the current rate
22 application, the revised information will be incorporated and submitted during the
23 interrogatory phase.

24 Tables 6-7 and 6-8 below provide detailed summaries of PILs calculations, including
25 adjustments to taxable income, for the years 2021 through 2026.

Table 6-7: Tax Calculations 2021 – 2023

Description		2021 Actuals	2022 Actuals	2023 Actuals
<i>Net Income Before Taxes (Return on Equity)</i>		5,067	5,225	6,093
Tax Adjustments to Accounting Income		(4,857)	(4,652)	(7,100)
Non-capital losses of other years		0	0	0
Regulatory Taxable Income	A	\$210	\$573	\$(1,007)
Ontario Income Tax Rate	B	11.50%	11.50%	11.50%
<i>Ontario Basic Income Tax</i>	C = A * B	\$24	\$66	\$0
Ontario Small Business Threshold	D	\$500	\$500	\$500
Rate reduction (not applicable)	E	0.00%	0.00%	0.00%
<i>Ontario Small business credit</i>	F = D * E	\$0	\$0	\$0
<i>CMT & Other Adjustments</i>	G	\$137	\$84	\$91
<i>Ontario Income tax incl. CMT</i>	J = C + F + G	\$161	\$150	\$91
Combined Tax Rate and PILs				
Effective Ontario Tax Rate (ex CMT)	K = C / A	11.50%	11.50%	0.00%
Federal tax rate	L	15.00%	15.00%	15.00%
Combined tax rate	M = K + L	26.50%	26.50%	15.00%
Total Income Taxes (ex CMT)	N = A * M (If +)	\$56	\$152	\$0
Investment Tax Credits	O	\$31	\$65	\$0
Miscellaneous Tax Credits	P	\$40	\$28	\$11
Total Tax Credits	Q = O + P	\$71	\$92	\$11
Corporate PILs/Income Tax Expense for Year	R = N - Q (If +)	\$0	\$60	\$0

Tax Adjustments to Accounting Income

Additions:			
Amortization of tangible assets	8,000	8,109	8,294
Amortization of MIFRS PP&E Deferral Account	0	0	0
Amortization of intangible assets	0	0	0
Loss on disposal of assets	264	89	0
Charitable donations	2	3	1
Scientific research expenditures deducted	325	100	51
Non-deductible meals and entertainment exp	0	0	0
Reserves from FS - balance at end of year	12,885	12,923	12,815
ITC's recorded for accounting (PY Reversal)	0	0	0
Non-deductible penalties	0	0	0
ITC's and other	2,160	1,418	2,685
Total Additions	23,636	22,642	23,845
Deductions:			
Capital cost allowance from Schedule 8	10,850	11,398	12,887
Scientific research expenses claimed in year	277	70	0
Reserves from FS - Bal at beginning of year	12,836	12,885	12,923
Interest capitalized for accounting deducted for tax	134	109	298
Other Deductions	4,396	2,832	4,837
Total Deductions	28,493	27,294	30,945
Tax Adjustments to Accounting Income	(4,857)	(4,652)	(7,100)

1

Table 6-8: Tax Calculations 2024 – 2026

Description		2024 Actuals	2025 Bridge Year	2026 Test Year
Net Income Before Taxes (Return on Equity)		3,753	3,326	6,623
Tax Adjustments to Accounting Income		(4,590)	(6,267)	(5,275)
Non-capital losses of other years		0	0	(1,348)
Regulatory Taxable Income	A	<u>\$(836)</u>	<u>\$(2,941)</u>	<u>\$(0)</u>
Ontario Income Tax Rate	B	11.50%	11.50%	11.50%
Ontario Basic Income Tax	C = A * B	\$0	\$0	\$0
Ontario Small Business Threshold	D	\$500	\$500	\$500
Rate reduction (not applicable)	E	0.00%	0.00%	0.00%
Ontario Small business credit	F = D * E	\$0	\$0	\$0
CMT & Other Adjustments	G	\$101	\$90	\$0
Ontario Income tax incl. CMT	J = C + F + G	<u>\$101</u>	<u>\$90</u>	<u>\$0</u>
Combined Tax Rate and PILs				
Effective Ontario Tax Rate (ex CMT)	K = C / A	0.00%	0.00%	0.00%
Federal tax rate	L	15.00%	15.00%	15.00%
Combined tax rate	M = K + L	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>
Total Income Taxes (ex CMT)	N = A * M (If +)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Investment Tax Credits	O	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Miscellaneous Tax Credits	P	<u>\$11</u>	<u>\$11</u>	<u>\$11</u>
Total Tax Credits	Q = O + P	<u>\$11</u>	<u>\$11</u>	<u>\$11</u>
Corporate PILs/Income Tax Expense for Year	R = N - Q (If +)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Additions:			
Amortization of tangible assets	8,508	9,391	9,926
Amortization of MIFRS PP&E Deferral Account	0	0	0
Amortization of intangible assets	0	0	0
Loss on disposal of assets	221	157	157
Charitable donations	1	1	1
Scientific research expenditures deducted	51	51	51
Non-deductible meals and entertainment exp	0	0	0
Reserves from FS - balance at end of year	12,793	12,793	12,793
ITC's recorded for accounting (PY Reversal)	0	0	0
Non-deductible penalties	0	0	0
ITC's and other	4,903	2,394	3,268
Total Additions	26,477	24,786	26,195
Deductions:			
Capital cost allowance from Schedule 8	10,243	12,647	12,104
Scientific research expenses claimed in year	0	0	0
Reserves from FS - Bal at beginning of year	12,815	12,793	12,793
Interest capitalized for accounting deducted for tax	373	310	318
Other Deductions	7,636	5,302	6,255
Total Deductions	31,066	31,053	31,470
Tax Adjustments to Accounting Income	(4,590)	(6,267)	(5,275)

6.2.2 Accelerated CCA

In 2019, the OEB issued a letter directing regulated utilities to record the impact of accelerated CCA rule changes – introduced in Bill C-97 – to the 1592 PILs and Tax Variance Account. This requirement applies to the period from November 21, 2018, until the effective date of a utility's next cost-based rate order.

Bill C-97 introduced the Accelerated Investment Incentive Program, which allows for enhanced CCA deductions on eligible property in the year of acquisition.

In accordance with this directive:

- Oshawa Power recorded 2019 CCA AIIP Savings of (\$125,774) consisting of principal and forecast interest, which was approved for disposition as per Oshawa Power's 2021 Cost of Service Decision and Rate Order (EB-2020-0048).
- Oshawa Power has recorded 2020 CCA AIIP Savings of (\$449,209). A credit balance of \$(522,809) consisting of principal and forecast interest has been requested for disposition in this Application.
- Oshawa Power has forecast 2024 CCA AIIP Expense of \$123,667 based upon the preliminary 2024 Tax Return following AIIP phase-out rules. Oshawa Power is requesting disposition of a debit balance of \$134,086 consisting of principal and forecast interest in this Application.
- Oshawa Power has forecast 2025 CCA AIIP Expense of \$269,627 for the 2025 Bridge Year following AIIP phase-out rules. Oshawa Power is requesting disposition of a debit balance of \$278,471 consisting of principal and forecast interest in this Application.

Tables 6-9 to 6-11 provide detailed calculations of CCA for each from 2021 through 2026.

1 **Table 6-9: CCA Calculations 2021 – 2022 Actuals**

2021 Actuals

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIIIP	Adj for 50% Rule or AIIIP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	28,997,762							4%	1,159,910	27,837,852
8	Office & Other Equipment	1,225,558		(116,881)					20%	221,735	886,941
10	Rolling Stock, Computer Hardware	849,794							30%	254,938	594,856
10.1	Chevrolet Volt	1,080							30%	324	756
12	Computer Software	0	226,037						100%	226,037	0
13	Leasehold Improvements	66,146	459,238				459,238			184,476	340,908
42	Fibre Optics	10,770							12%	1,292	9,477
45	Computer Hardware - Accelerated	53							45%	24	29
45.1	Computer Hardware (pre 2007)	25							55%	11	14
47	Transmission/Dist'n Equipment	87,060,133	11,259,067		45,839		11,259,067	5,606,614	8%	8,310,398	89,962,963
50	Gen. Purpose DP equip/SW	111,772	520,143				520,143	260,072	55%	490,593	141,322
Total		118,323,093	12,464,485	(116,881)	45,839	0	12,238,448	5,866,686		10,849,739	119,775,119

2022 Actuals

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIIIP	Adj for 50% Rule or AIIIP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	27,837,852							4%	1,113,514	26,724,338
8	Office & Other Equipment	886,941	303,480		1,813	303,480			20%	480,506	708,103
10	Rolling Stock, Computer Hardware	594,856	438,284			438,284			30%	616,741	416,399
10.1	Chevrolet Volt	756							30%	227	529
12	Computer Software	0	26,657			26,657			100%	26,657	0
13	Leasehold Improvements	340,908	155,379			155,379				157,902	338,384
42	Fibre Optics	9,477							12%	1,137	8,340
45	Computer Hardware - Accelerated	29							45%	13	16
45.1	Computer Hardware (pre 2007)	14							55%	6	9
47	Transmission/Dist'n Equipment	89,962,963	9,817,838		6,815		9,817,838	4,905,512	8%	8,374,360	91,399,626
50	Gen. Purpose DP equip/SW	141,322	549,188			549,188			55%	626,915	63,595
Total		119,775,119	11,290,826	0	8,628	1,472,988	9,817,838	4,905,512		11,397,978	119,659,339

1 **Table 6-10: CCA Calculations 2023 – 2024 Actual**

2023 Actuals

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIIIP	Adj for 50% Rule or AIIIP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	26,724,338		(6,377,600)					4%	813,870	19,532,868
8	Office & Other Equipment	708,103	246,137		2,509	246,137			20%	387,255	564,475
10	Rolling Stock, Computer Hardware	416,399	767,520		138,500	767,520			30%	850,890	194,529
10.1	Chevrolet Volt	529							30%	159	371
12	Computer Software	0	997,537			149,002	848,535		100%	997,537	0
13	Leasehold Improvements	338,384	328,161				328,161			155,740	510,806
42	Fibre Optics	8,340							12%	1,001	7,339
45	Computer Hardware - Accelerated	16							45%	7	9
45.1	Computer Hardware (pre 2007)	9							55%	5	4
47	Transmission/Dist'n Equipment	91,399,626	16,634,050				16,634,050	8,317,025	8%	9,308,056	98,725,620
50	Gen. Purpose DP equip/SW	63,595	337,341			337,341			55%	372,318	28,618
Total		119,659,339	19,310,746	(6,377,600)	141,009	1,500,000	17,810,746	8,317,025		12,886,837	119,564,639

2024 Actuals

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIIIP	Adj for 50% Rule or AIIIP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	19,532,868							4%	781,315	18,751,554
8	Office & Other Equipment	564,475	168,527				168,527		20%	146,600	586,401
10	Rolling Stock, Computer Hardware	194,529	60,978		40,000		60,978		30%	64,652	150,855
10.1	Chevrolet Volt	371							30%	111	259
12	Computer Software	0	513,101				513,101		100%	513,101	0
13	Leasehold Improvements	510,806								188,556	322,250
42	Fibre Optics	7,339							12%	881	6,458
45	Computer Hardware - Accelerated	9							45%	4	5
45.1	Computer Hardware (pre 2007)	4							55%	2	2
47	Transmission/Dist'n Equipment	98,725,620	7,648,206				7,648,206		8%	8,509,906	97,863,920
50	Gen. Purpose DP equip/SW	28,618	40,261				40,261		55%	37,883	30,995
Total		119,564,639	8,431,072	0	40,000	0	8,431,072	0		10,243,011	117,712,700

1

Table 6-11: CCA Calculations 2025 Bridge & 2026 Test Year

2025 Bridge Year

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIPP	Adj for 50% Rule or AIPP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	18,751,554							4%	750,062	18,001,491
8	Office & Other Equipment	586,401	351,406				351,406		20%	187,561	750,246
10	Rolling Stock, Computer Hardware	150,855	681,000				681,000		30%	249,556	582,298
10.1	Chevrolet Volt	259					0		30%	78	182
12	Computer Software	0	2,171,200				2,171,200		100%	2,171,200	0
13	Leasehold Improvements	322,250	50,000				50,000			147,632	224,619
42	Fibre Optics	6,458							12%	775	5,683
45	Computer Hardware - Accelerated	5							45%	2	3
45.1	Computer Hardware (pre 2007)	2							55%	1	1
47	Transmission/Dist'n Equipment	97,863,920	16,180,500				16,180,500		8%	9,123,554	104,920,866
50	Gen. Purpose DP equip/SW	30,995							55%	17,047	13,948
Total		117,712,700	19,434,106	0	0	0	19,434,106	0		12,647,469	124,499,337

2026 Test Year

CCA Class	Description	UCC Opening Balance	Additions	Adjustments	Proceeds of Disposition	Immediate Expensing	Additions that are AIPP	Adj for 50% Rule or AIPP	CCA Rate	CCA	UCC Closing Balance
1	Buildings, Distr Equipment	18,001,491					0		4%	720,060	17,281,432
8	Office & Other Equipment	750,246	432,323				432,323		20%	236,514	946,055
10	Rolling Stock, Computer Hardware	582,298	812,400				812,400		30%	418,410	976,289
10.1	Chevrolet Volt	182					0		30%	54	127
12	Computer Software	0	802,500				802,500		100%	802,500	0
13	Leasehold Improvements	224,619	100,000				100,000			101,170	223,448
42	Fibre Optics	5,683					0		12%	682	5,001
45	Computer Hardware - Accelerated	3					0		45%	1	1
45.1	Computer Hardware (pre 2007)	1					0		55%	0	0
47	Transmission/Dist'n Equipment	104,920,866	17,789,219				17,789,219		8%	9,816,807	112,893,278
50	Gen. Purpose DP equip/SW	13,948					0		55%	7,671	6,277
Total		124,499,337	19,936,442	0	0	0	19,936,442	0		12,103,869	132,331,909

Oshawa Power requests approval to dispose of a credit balance of (\$110,253) including forecast interest to December 31, 2025 for Account 1592 PILs and Tax Variance – Sub-account CCA Changes. Oshawa Power is not proposing a mechanism to smooth the tax impacts over the five-year IRM term.

6.2.3 Tax Credits, Additions and Deductions

Tax Credits

The tax credits included in the PILs model for test year are based on the Ontario Co-operative Education Tax Credit (CETC), which provides tax relief to employers who hire students enrolled in eligible co-operative education programs at recognized post-secondary institutions.

The total tax credit amount of \$11,356 included in the PILs model has been determined based on historical staffing patterns and past claims under the CETC program. This estimate reflects a reasonable expectation of future tax credits that the Organization is likely to realize, based on consistent past practice.

This amount is deducted from the income tax provision in the PILs model in accordance with regulatory requirements and ensures accurate reflection of Oshawa Power's tax position. Refer to 2026 PILs Work Form, tab "T0 PILs, Tax Provision Test".

Other Additions and Deductions

As part of this Application, Oshawa Power has included adjustments under Other Additions and Deductions in the PILs model to align accounting income with taxable income in accordance with the Income Tax Act. These adjustments are necessary to reflect timing and treatment differences between financial reporting and tax legislation and are consistent with historical filing practices. The calculations are documented in the 2026 PILs Work Form, tab "T1 Sch taxable income test."

Other Additions include amounts that are not deductible for tax purposes but are recorded as expenses in accounting. These include the recapture of SR&ED expenditures based on historical claims, interest expensed on capital leases, and capital contributions received. These items are added back to accounting income to reflect their

appropriate tax treatment.

Other Deductions represent amounts that are deductible for tax but not expensed for accounting purposes. These include interest capitalized for accounting but deducted for tax, capital lease payments, amortization of interest, capital contributions recognized as deferred revenue, and amortization of financing fees. These deductions reduce taxable income in accordance with the provisions of the Income Tax Act.

6.2.4 Other Taxes

Oshawa Power remits property taxes to the City of Oshawa for its Head Office administrative and operations facility, and also on its transformer substations. The actual property taxes paid for the 2021-2024 period and the forecast property taxes for the 2025 Bridge Year and the 2026 Test Year are presented in Table 6-12 below. Property tax expense in the amount \$164,562 for the 2026 Test Year has been included in Account 6105 reflecting the continued upward trend experienced over the 2021 to 2024 period.

Table 6-12: Property Taxes 2021-2026

Year	Property Taxes
2021 Actuals	\$148,295
2022 Actuals	\$149,974
2023 Actuals	\$145,622
2024 Actuals	\$155,853
2025 Bridge Year	\$160,548
2026 Test Year	\$164,562

6.2.5 Non-Recoverable and Disallowed Expenses

There are no expenses of this nature by Oshawa Power. As such, no non-recoverable or disallowed expenses have been included in the regulatory tax calculation.

6.3 OTHER REVENUE

6.3.1 Overview

Other Revenue include Specific Service charges, Late Payment charges, Other Operating Revenues, and Other Income or Deductions. In this Application, Oshawa Power forecast the 2026 Test Year amount of \$3,478,107.

Specific service charges revenues in the 2026 Test Year were forecast with consideration of specific service charges included in the proposed tariff of rates and charges. The revenues or costs (including interest) associated with deferral accounts, variance accounts and regulatory assets are included in Account 4405 for 2021 to 2024 historical years, but were not included for the 2025 Bridge and 2026 Test Years. Proposed Other Revenue for the 2025 Bridge Year and the 2026 Test Year has been calculated based on historical experience, other than the exception noted regarding interest on deferral and variance accounts. Oshawa Power does not have any discrete customer groups that may be materially impacted by the changes to other rates, and charges.

Table 6-13 below provides Oshawa Power's 2021 to 2024 actuals and 2025 to 2026 forecast Other Revenues.

Table 6-13: Other Operating Revenue (Appendix 2-H)

USoA #	USoA Description	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Bridge Year	2026 Test Year
4084	Service Transaction Requests (STR) Revenues	(\$323)	(\$335)	(\$301)	(\$557)	-	-
4086	SSS Administration Revenue	(\$197,555)	(\$176,374)	(\$177,325)	(\$181,186)	(\$190,549)	(\$193,629)
4210	Rent from Electric Property	(\$386,841)	(\$392,024)	(\$407,058)	(\$410,723)	(\$402,120)	(\$371,104)
4225	Late Payment Charges	(\$275,233)	(\$431,812)	(\$485,496)	(\$525,619)	(\$413,700)	(\$416,050)
4235	Miscellaneous Service Revenues	(\$740,012)	(\$474,807)	(\$656,666)	(\$540,230)	(\$409,142)	(\$411,466)
4245	Government and Other Assistance Directly Credited to Income	(\$1,196,433)	(\$1,288,832)	(\$1,286,519)	(\$1,399,017)	(\$1,498,681)	(\$1,566,840)
4305	Regulatory Debits	-	-	-	\$358,887	\$371,269	-
4325	Revenues from Merchandise	(\$412,824)	(\$393,805)	(\$1,212,719)	(\$116,201)	(\$240,000)	(\$240,000)
4330	Costs and Expenses of Merchandising	\$407,511	\$357,198	\$1,001,559	\$91,747	\$230,000	\$230,000
4355	Gain on Disposition of Utility and Other Property	(\$36,568)	(\$8,628)	(\$141,010)	(\$40,000)	-	(\$57,911)
4360	Loss on Disposition of Utility and Other Property	\$300,873	\$88,717	\$80,220	\$261,110	-	-
4375	Revenues from Non Rate-Regulated Utility Operations	(\$2,935,165)	(\$729,057)	(\$67,349)	\$833,428	-	-
4380	Expenses of Non Rate-Regulated Utility Operations	\$2,936,701	\$968,203	\$72,360	(\$833,428)	-	-
4390	Miscellaneous Non-Operating Income	(\$127,539)	(\$85,772)	(\$85,735)	(\$114,918)	(\$25,000)	(\$25,142)
4405	Interest and Dividend Income	(\$109,764)	(\$451,943)	(\$880,544)	(\$528,861)	(\$423,559)	(\$425,965)
	Miscellaneous Service Revenues	(\$740,012)	(\$474,807)	(\$656,666)	(\$540,230)	(\$409,142)	(\$411,466)
	Late Payment Charges	(\$275,233)	(\$431,812)	(\$485,496)	(\$525,619)	(\$413,700)	(\$416,050)
	Other Operating Revenues	(\$1,781,152)	(\$1,857,566)	(\$1,871,203)	(\$1,991,484)	(\$2,091,350)	(\$2,131,573)
	Other Income or Deductions	\$23,225	(\$255,086)	(\$1,233,218)	(\$88,235)	(\$87,289)	(\$519,018)
	Total	(\$2,773,173)	(\$3,019,271)	(\$4,246,583)	(\$3,145,569)	(\$3,001,481)	(\$3,478,107)

Tables 6-14 and 6-15 provide account summary breakdown for Other Operating Revenues.

Table 6-14: Other Operating Revenue (4210)

4210 - Rent from Electric Property	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Bridge Year	2026 Test Year
Pole Rental - OPUCS	(\$57,272)	(\$58,696)	(\$58,699)	(\$60,196)	(\$58,699)	(\$53,485)
Duct Rental - OPUCS	(\$25,723)	(\$26,276)	(\$27,642)	(\$29,268)	(\$29,268)	(\$29,268)
Pole Rental - Non-Affiliates	(\$303,846)	(\$307,053)	(\$320,717)	(\$321,259)	(\$314,153)	(\$288,350)
Total	(\$386,841)	(\$392,024)	(\$407,058)	(\$410,723)	(\$402,120)	(\$371,104)

Oshawa Power charges market rates for Pole or Duct space rented by its affiliate Oshawa PUC Services Inc. (OPUCS, which includes Durham Broadband) as well as to non-affiliates. The rental revenue from both affiliate and non-affiliate is recorded in Account 4210. Oshawa Power also recognizes revenue differences from the prevailing rate approved by the OEB and the charge incorporated into Oshawa Power's base distribution rates in this account. A reconciliation of the pole and duct rental revenue from its affiliate can be found in Exhibit 4, in section 4.5 on Shared Services.

Oshawa Power confirms that transfer pricing and allocation of cost methods do not result in cross-subsidization between regulated and non-regulated lines of business and in compliance with article 340 of the APH.

Table 6-15: Other Operating Revenue (4245)

4245 - Government and Other Assistance Directly Credited to Income	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Bridge Year	2026 Test Year
Deferred contributions recognized as revenue	(\$1,196,433)	(\$1,288,832)	(\$1,286,519)	(\$1,399,017)	(\$1,498,681)	(\$1,566,840)

Effective on the date of IFRS adoption, customer contributions are no longer recorded in Account 1995 Contributions & Grants, and will now be recorded in Account 2440, Deferred Revenues.

Reported amortization amounts in Account 4245 – Government and Other Assistance Directly Credited to Income for years 2021 to 2023 in the Tables 6-13 and 6-15 above were reported in Account 5705 for those years. Oshawa Power identified during preparation of this Application that it had been reporting the deferred contributions in Account 1995 as opposed to 2440 and recording amortization in Account 5705 as opposed to 4245 as recommended by the APH for RRR 2.1.7 Trial Balance reporting purposes. Oshawa Power is preparing RRR revision requests to be submitted in order to

reallocate these balances to the appropriate accounts. Oshawa Power's audited financial statements have correctly reflected the balances of these above mentioned accounts.

The year-over-year change in the amortization of capital contributions is primarily driven by the capital contributions received from developers and the projects closed during the year. Amortization is calculated over the expected life of the projects funded by these contributions, resulting in variations in amortization in subsequent years.

Table 6-16 provides account summary breakdown for Other Income or Deductions (4375 and 4380).

Table 6-16: Revenue & Expense from Non Rate-Regulated Utility Operations

4375 - Revenues from Non Rate-Regulated Utility Operations & 4380 - Expenses of Non Rate-Regulated Utility Operations	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Bridge Year	2026 Test Year
4375 - Revenues from Non Rate-Regulated Utility Operations	(\$2,935,165)	(\$729,057)	(\$67,349)	\$833,428	-	-
4380 - Expenses of Non Rate-Regulated Utility Operations	\$2,936,701	\$968,203	\$72,360	(\$833,428)	-	-
Total	\$1,536	\$239,146	\$5,011	-	-	-

For historical years from 2021 to 2024, Oshawa Power has been recording only revenue and expenses related to the CDM programs in Accounts 4375 and 4380. In 2022, a net expense of \$239,146 was recognized. The majority of this net expense in the amount of \$206,022 relates to programs managed by a third-party contractor hired to run the Residential New Construction, Homes Assistance and High Performance New Construction Programs on behalf of Oshawa Power during the Conservation First Framework. In addition, a net expense in the amount of \$35,135 can be attributed to Small Business Lightning Program. The total net expense represents the expenses incurred or incentives paid to customers under the Conservation First Framework that were not recoverable from IESO.

6.3.2 Variance Analysis of Other Revenue

The following Tables 6-17 to 6-21 provide comparison of actual revenues for historical years to forecast revenues for Bridge and Test Years, including explanations for significant variances in year-over-year comparisons.

1

Table 6-17: 2021 Actual vs 2022 Actual

USoA #	USoA Description	2021 Actual	2022 Actual	Variance 2021 vs 2022 (Actuals)
4084	Service Transaction Requests (STR) Revenues	(\$323)	(\$335)	\$12
4086	SSS Administration Revenue	(\$197,555)	(\$176,374)	(\$21,181)
4210	Rent from Electric Property	(\$386,841)	(\$392,024)	\$5,183
4225	Late Payment Charges	(\$275,233)	(\$431,812)	\$156,579
4235	Miscellaneous Service Revenues	(\$740,012)	(\$474,807)	(\$265,206)
4245	Government and Other Assistance Directly Credited to Income	(\$1,196,433)	(\$1,288,832)	\$92,399
4305	Regulatory Debits	-	-	-
4325	Revenues from Merchandise	(\$412,824)	(\$393,805)	(\$19,019)
4330	Costs and Expenses of Merchandising	\$407,511	\$357,198	\$50,313
4355	Gain on Disposition of Utility and Other Property	(\$36,568)	(\$8,628)	(\$27,940)
4360	Loss on Disposition of Utility and Other Property	\$300,873	\$88,717	\$212,156
4375	Revenues from Non Rate-Regulated Utility Operations	(\$2,935,165)	(\$729,057)	(\$2,206,108)
4380	Expenses of Non Rate-Regulated Utility Operations	\$2,936,701	\$968,203	\$1,968,498
4390	Miscellaneous Non-Operating Income	(\$127,539)	(\$85,772)	(\$41,767)
4405	Interest and Dividend Income	(\$109,764)	(\$451,943)	\$342,179
Total		(\$2,773,173)	(\$3,019,271)	\$246,098

- 2 Late Payment Charges revenue (4225) have increased by 49% for Residential
3 customers and 83% for other customers in 2022 from 2021.
- 4 Miscellaneous Service Revenues (4235) were lower in 2022 by \$265,206 primarily
5 driven by fewer number of jobs relating to enhancement revenue in 2022 being
6 performed compared to the prior year.
- 7 Interest and Dividend Income (4405) increased \$342,179 or 312% due to higher interest
8 income earned driven by rise in interest rates seen throughout the year combined with
9 an overall higher bank balance.
- 10 Reduction in Loss on Disposition of Utility and Other Property (4360) was driven by an
11 increase in age of replaced assets combined with timing of projects.

1

Table 6-18: 2022 Actual vs 2023 Actual

USoA #	USoA Description	2022 Actual	2023 Actual	Variance 2022 vs 2023 (Actuals)
4084	Service Transaction Requests (STR) Revenues	(\$335)	(\$301)	(\$34)
4086	SSS Administration Revenue	(\$176,374)	(\$177,325)	\$952
4210	Rent from Electric Property	(\$392,024)	(\$407,058)	\$15,033
4225	Late Payment Charges	(\$431,812)	(\$485,496)	\$53,683
4235	Miscellaneous Service Revenues	(\$474,807)	(\$656,666)	\$181,860
4245	Government and Other Assistance Directly Credited to Income	(\$1,288,832)	(\$1,286,519)	(\$2,313)
4305	Regulatory Debits	-	-	-
4325	Revenues from Merchandise	(\$393,805)	(\$1,212,719)	\$818,914
4330	Costs and Expenses of Merchandising	\$357,198	\$1,001,559	(\$644,361)
4355	Gain on Disposition of Utility and Other Property	(\$8,628)	(\$141,010)	\$132,381
4360	Loss on Disposition of Utility and Other Property	\$88,717	\$80,220	\$8,497
4375	Revenues from Non Rate-Regulated Utility Operations	(\$729,057)	(\$67,349)	(\$661,708)
4380	Expenses of Non Rate-Regulated Utility Operations	\$968,203	\$72,360	\$895,843
4390	Miscellaneous Non-Operating Income	(\$85,772)	(\$85,735)	(\$37)
4405	Interest and Dividend Income	(\$451,943)	(\$880,544)	\$428,601
Total		(\$3,019,271)	(\$4,246,583)	\$1,227,313

- 2 Miscellaneous Service Revenues (4235) increased \$181,860 compared to the prior
3 year, driven by an increase in enhancement revenue projects.
4 Interest and Dividend Income (4405) increased \$428,601 due to higher interest income,
5 driven by higher interest rate observed throughout 2023 than in 2022.
6 Gain on Disposition of Utility and Other Property (4355) was \$132,381 higher than prior
7 year, driven by the sale of fully depreciated vehicles.

8

Table 6-19: 2023 Actual vs 2024 Actual

USoA #	USoA Description	2023 Actual	2024 Actual	Variance 2023 vs 2024 (Actuals)
4084	Service Transaction Requests (STR) Revenues	(\$301)	(\$557)	\$256
4086	SSS Administration Revenue	(\$177,325)	(\$181,186)	\$3,861
4210	Rent from Electric Property	(\$407,058)	(\$410,723)	\$3,666
4225	Late Payment Charges	(\$485,496)	(\$525,619)	\$40,123
4235	Miscellaneous Service Revenues	(\$656,666)	(\$540,230)	(\$116,436)
4245	Government and Other Assistance Directly Credited to Income	(\$1,286,519)	(\$1,399,017)	\$112,498
4305	Regulatory Debits	-	\$358,887	(\$358,887)
4325	Revenues from Merchandise	(\$1,212,719)	(\$116,201)	(\$1,096,518)
4330	Costs and Expenses of Merchandising	\$1,001,559	\$91,747	\$909,812
4355	Gain on Disposition of Utility and Other Property	(\$141,010)	(\$40,000)	(\$101,010)
4360	Loss on Disposition of Utility and Other Property	\$80,220	\$261,110	(\$180,891)
4375	Revenues from Non Rate-Regulated Utility Operations	(\$67,349)	\$833,428	(\$900,777)
4380	Expenses of Non Rate-Regulated Utility Operations	\$72,360	(\$833,428)	\$905,787
4390	Miscellaneous Non-Operating Income	(\$85,735)	(\$114,918)	\$29,183
4405	Interest and Dividend Income	(\$880,544)	(\$528,861)	(\$351,683)
Total		(\$4,246,583)	(\$3,145,569)	(\$1,101,015)

Regulatory Debits (4305) of \$358,887 in 2024 arose from the OEB Decision and Order Getting Ontario Connected Act (GOCA) accounting guidance (EB-2023-0143). This amount represents the Locates revenue requirement from the last Cost of Service application, adjusted to annual IRM inflation in 2024.

Miscellaneous Service Revenues (4235) decreased \$116,436 compared to prior year, driven by timing of enhancement revenue projects and partially offset by a rise in residential reconnection charge.

Interest and Dividend Income (4405) decreased \$351,683 due to a combination of falling interest rates throughout the year and lower average bank balance in 2024.

Gain on Disposition of Utility and Other Property (4355) was \$101,010 lower than in prior year. In 2023, two fully depreciated vehicles were disposed of resulting in higher gains than in 2024. Loss on Disposition of Utility and Other Property (4360) was \$180,891 higher in 2024 driven by timing of projects.

Table 6-20: 2024 Actual vs 2025 Bridge Year

USoA #	USoA Description	2024 Actual	2025 Bridge Year	Variance 2024 Actual vs 2025 Bridge Year
4084	Service Transaction Requests (STR) Revenues	(\$557)	-	(\$557)
4086	SSS Administration Revenue	(\$181,186)	(\$190,549)	\$9,363
4210	Rent from Electric Property	(\$410,723)	(\$402,120)	(\$8,604)
4225	Late Payment Charges	(\$525,619)	(\$413,700)	(\$111,919)
4235	Miscellaneous Service Revenues	(\$540,230)	(\$409,142)	(\$131,088)
4245	Government and Other Assistance Directly Credited to Income	(\$1,399,017)	(\$1,498,681)	\$99,664
4305	Regulatory Debits	\$358,887	\$371,269	(\$12,382)
4325	Revenues from Merchandise	(\$116,201)	(\$240,000)	\$123,799
4330	Costs and Expenses of Merchandising	\$91,747	\$230,000	(\$138,253)
4355	Gain on Disposition of Utility and Other Property	(\$40,000)	-	(\$40,000)
4360	Loss on Disposition of Utility and Other Property	\$261,110	-	\$261,110
4375	Revenues from Non Rate-Regulated Utility Operations	\$833,428	-	\$833,428
4380	Expenses of Non Rate-Regulated Utility Operations	(\$833,428)	-	(\$833,428)
4390	Miscellaneous Non-Operating Income	(\$114,918)	(\$25,000)	(\$89,918)
4405	Interest and Dividend Income	(\$528,861)	(\$423,559)	(\$105,303)
Total		(\$3,145,569)	(\$3,001,481)	(\$144,087)

Miscellaneous Service Revenues (4235) are forecast to be \$131,088 lower than 2024, mainly driven by an increase in collection efforts in 2025 reducing reconnection charges.

Late Payment Charges (4225) are also forecast to decrease by \$111,919 compared to the prior year as a result of the increased in collection efforts.

Interest and Dividend Income (4405) are forecast to decrease by \$105,303 due to forecast reduction in interest earned on bank balances as a result of declining interest rate seen in prior year.

Loss on Disposition of Utility and Other Property (4360) are forecast to be \$261,110 lower as assets disposed of are anticipated to be mostly depreciated and any loss would be offset by Gain on Disposition of Utility and Other Property (4355).

Table 6-21: 2025 Bridge Year vs 2026 Test Year

USoA #	USoA Description	2025 Bridge Year	2026 Test Year	Variance 2025 Bridge Year vs 2026 Test Year
4084	Service Transaction Requests (STR) Revenues	-	-	-
4086	SSS Administration Revenue	(\$190,549)	(\$193,629)	\$3,080
4210	Rent from Electric Property	(\$402,120)	(\$371,104)	(\$31,016)
4225	Late Payment Charges	(\$413,700)	(\$416,050)	\$2,350
4235	Miscellaneous Service Revenues	(\$409,142)	(\$411,466)	\$2,324
4245	Government and Other Assistance Directly Credited to Income	(\$1,498,681)	(\$1,566,840)	\$68,159
4305	Regulatory Debits	\$371,269	-	\$371,269
4325	Revenues from Merchandise	(\$240,000)	(\$240,000)	-
4330	Costs and Expenses of Merchandising	\$230,000	\$230,000	-
4355	Gain on Disposition of Utility and Other Property	-	(\$57,911)	\$57,911
4360	Loss on Disposition of Utility and Other Property	-	-	-
4375	Revenues from Non Rate-Regulated Utility Operations	-	-	-
4380	Expenses of Non Rate-Regulated Utility Operations	-	-	-
4390	Miscellaneous Non-Operating Income	(\$25,000)	(\$25,142)	\$142
4405	Interest and Dividend Income	(\$423,559)	(\$425,965)	\$2,406
Total		(\$3,001,481)	(\$3,478,107)	\$476,625

No Locates revenue requirement has been forecast in Regulatory Debits Account 4305 for the 2026 Test Year. The accounting treatment for Locates as a result of the GOCA Accounting Guidance is captured for the years 2024 and 2025. The full cost of Locates has been reflected in OM&A costs for the 2026 Test Year.