Ontario Energy Board | Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2024-0021

ERTH POWER CORPORATION

Application for rates and other charges to be effective May 1, 2025

BEFORE: **Fred Cass**
Presiding Commissioner

Pankaj Sardana
Commissioner

Vinay Sharma
Commissioner

July 8, 2025

1. OVERVIEW

ERTH Power Corporation (ERTH Power) filed an application with the Ontario Energy Board (OEB) for an adjustment to its electricity distribution rates, effective May 1, 2025. The application was based on the OEB's Price Cap Incentive Rate-setting (Price Cap IR) option. ERTH Power included in its application a request for incremental capital funding for the purchase of property, design, construction, and furnishing of a new administrative and operational facility (New Facility).

On April 24, 2025, the OEB issued a Partial Decision and Rate Order addressing the Price Cap IR portion of the application.[1] In this Decision and Order, the OEB addresses ERTH Power's request for incremental capital funding for the New Facility.

The OEB accepts that ERTH Power's proposed New Facility satisfies the materiality, need, and means tests, as well as the prudence criterion. However, the OEB finds it appropriate to reduce the incremental capital funding by 11% to account for the portion of the facility allocated to ERTH Power's unregulated affiliate, resulting in an adjusted approved capital funding amount of approximately $29.5 million. For clarity, the 11% reduction in capital funding applies during the ICM period as explained further in the OEB's findings in this matter.

[1] EB-2024-0021, Partial Decision and Rate Order for rates effective from May 1, 2025

2. CONTEXT AND PROCESS

ERTH Power filed its application on October 11, 2024, under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 (Incentive Rate-Setting Applications) of the OEB's *Filing Requirements for Electricity Distribution Rate Applications* (Filing Requirements). The application was based on the Price Cap IR option. The application also includes a request for incremental funding to support the purchase of property, design, construction, and furnishing of a new administrative and operational facility.

ERTH Power serves approximately 24,400 mostly residential and commercial electricity customers in Port Stanley, Aylmer, Belmont, Ingersoll, Thamesford, Otterville, Norwich, Burgessville, Beachville, Embro, Tavistock, Mitchell, Dublin, Clinton, and Goderich.

Notice of the application was issued on October 29, 2024. The Vulnerable Energy Consumers Coalition (VECC) and School Energy Coalition (SEC) requested intervenor status and cost eligibility. The OEB approved VECC and SEC as intervenors and found them eligible for cost awards.

The application was supported by pre-filed written evidence, Incremental Capital Module (ICM) models and Rate Generator Models for both rate zones.[2] As required during the proceeding, ERTH Power updated and clarified the evidence.

ERTH Power responded to interrogatories from OEB staff, VECC and SEC. On February 6, 2025, a technical conference was convened. On March 20 and 21, 2025 a settlement conference was held which solely addressed the ICM request. Following the conclusion of the settlement conference, ERTH Power advised the OEB, by letter dated March 21, 2025, that no settlement had been reached.

In Procedural Order No. 6, issued on April 10, 2025, the OEB determined that the ICM component of ERTH Power's application would be considered through a written hearing. ERTH Power submitted its Argument-in-Chief for its ICM request on April 22, 2025, while OEB staff, VECC and SEC filed their submissions on April 28, 2025. ERTH Power filed its reply submission on May 12, 2025.

[2] ERTH Power maintains two separate rate zones referred to as the Main Rate Zone and Goderich Rate Zone following the OEB's approval of the amalgamation between ERTH Power Corporation and the former West Coast Huron Energy Inc. (EB-2018-0082).

3. INCREMENTAL CAPITAL MODULE

The OEB's ICM policy[3] was established to address the treatment of a distributor's capital investment needs that arise during a Price Cap IR rate-setting plan, and which needs are incremental to a calculated materiality threshold. To qualify for ICM funding, a distributor must satisfy the OEB's well-established eligibility criteria of materiality, need and prudence.[4]

There are three elements to the materiality criterion: the application must satisfy the materiality threshold; the distributor must demonstrate that the project is not a minor expenditure in comparison to its overall capital budget; and the incremental funding must have a significant influence on the distributor's operations.

The need criterion requires a distributor to pass a "means" test. Furthermore, the requested amounts must be based on discrete projects, should be directly related to the claimed driver, and must be clearly outside of the base upon which distribution rates were derived.

For the prudence criterion, a distributor must establish that the incremental capital amount it proposes to incur is prudent.

The Half-Year Rule

For ICM-related capital additions, the ICM policy allows for a full-year's depreciation, capital cost allowance, and return on capital, for all years of a Price Cap IR plan, other than in the final year prior to rebasing.[5] In the final year prior to rebasing, the half-year rule is used for calculation of the depreciation and return on capital, and associated taxes or payments in lieu of taxes (PILs) are treated as if it was the first year that an asset enters service.[6] In its application, ERTH Power stated that the Half-Year Rule does not apply as the New Facility's in-service year (2025) does not align with the final year of its Incentive Rate-setting Mechanism (IRM) term (2027).[7]

[3] The OEB's policy for the funding of incremental capital is set out in the *Report of the Board New Policy Options for the Funding of Capital Investments: The Advanced Capital Module*, September 18, 2014 (Funding of Capital Report) and the subsequent *Report of the OEB New Policy Options for the Funding of Capital Investments: Supplemental Report* (Supplemental Report) (collectively referred to as the ICM policy).
[4] Funding of Capital Report, p. 17.
[5] Supplemental Report pp. 7-11. When the half-year rule is applied, only half of the annual depreciation and CCA is allowed for depreciation and tax/PILs purposes. This ensures that the distributor recovers only a half-year of return on depreciation and capital as per the intent of the half-year rule.
[6] Funding of Capital Report, p. 23
[7] ERTH Power 2025 ICM Application, October 11, 2024, p. 42

The ICM Request

ERTH Power's ICM request for the New Facility is for capital expenditures totaling $33.2 million.[8] The New Facility will serve as ERTH Power's new headquarters, replacing existing rented facilities which no longer meet ERTH Power's needs. ERTH Power will continue to rent an operations centre in Goderich, as well as half of the space it currently rents in Aylmer for storage and construction staging.

The incremental funding request represents an incremental revenue requirement of $2.24 million for the Main Rate Zone and $0.50 million for the Goderich Rate Zone. The corresponding monthly bill impacts for a typical residential customer consuming 750 kWh per month would be $6.40 (4.66%) in the Main Rate Zone and $6.30 (4.64%) in the Goderich Rate Zone.[9]

ICM Criteria

Materiality

To satisfy the materiality requirement in the ICM policy, a distributor's application must meet three criteria. The application must first satisfy the materiality threshold formula which serves to define the level of capital expenditures that a distributor should be able to manage within current rates. This test provides that any incremental capital amounts approved for recovery must fit within the total eligible incremental capital amount. Second, the distributor must show that the project is not a minor expenditure when compared to its overall capital budget. Finally, the incremental funding must have a significant influence on the distributor's operations.OEB staff and intervenors agreed that ERTH Power satisfied the OEB's ICM eligibility criterion of materiality.

<u>Materiality Threshold</u>

The OEB uses the materiality threshold formula which considers both the growth of the utility and the inflationary increase since the last rebasing year[10] to determine the maximum eligible incremental capital amount.[11]

ERTH Power's ICM model for the Main Rate Zone produced a materiality threshold of $4.20 million and maximum eligible incremental capital amount of $27.24 million.[12] For

[8] ERTH Power Argument-in-Chief, April 22, 2025, p. 7
[9] ERTH Power Argument-in-Chief, April 22, 2025, p. 28
[10] Erie Thames Powerlines Corporation last filed a cost of service application for rates effective May 1, 2018 (EB-2017-0038), and West Coast Huron Energy Inc. last filed a cost of service application for rates effective 2013 (EB-2012-0175). ERTH Power is in a deferred rebasing period since amalgamating.
[11] Chapter 3 Filing Requirements, section 3.3.2.2
[12] ERTH Power Argument-in-Chief, April 22, 2025, pp. 12-13

the Goderich Rate Zone, the ICM model produced a materiality threshold of $0.88 million and a maximum eligible incremental capital amount of $6.34 million.[13]

ERTH Power stated that the New Facility's $33.2 million cost is above the materiality thresholds for both its Main and Goderich rate zones, and well within the total maximum eligible incremental capital amount of $33.59 million.[14] OEB staff, VECC, and SEC agreed that the New Facility meets the OEB's ICM materiality threshold test.

Findings

The OEB finds that ERTH Power's New Facility satisfies the ICM materiality threshold. In its application, ERTH Power provided materiality threshold calculations, and on the basis of these calculations, its evidence was that the New Facility forecast capital cost is within the total maximum incremental capital amount. SEC agreed that ERTH Power's evidence demonstrated that 100% of the cost of the New Facility is eligible for incremental funding under the threshold test, though SEC and VECC both recommended reductions to the recoverable amount on the basis of prudence.[15] OEB staff recommended a lower ICM capital amount of $28 million based on its prudence assessment.[16] The prudence criterion is discussed later in this Decision and Order.

<u>Project-Specific Materiality Threshold</u>

The project-specific materiality threshold criterion states that minor expenditures in comparison to the overall capital budget should be considered ineligible for Advanced Capital Module or ICM treatment, and a certain degree of project expenditure over and above the OEB-defined threshold calculation is expected to be absorbed within the total capital budget.[17]

ERTH Power stated that the ICM project is "6.1 times all other capital expenditures planned for 2025 and 7.5 times ERTH Power's average actual capital expenditures over the 2018 to 2023 period."[18] As a result, ERTH Power stated that the New Facility meets the project-specific materiality test.

All parties and OEB staff submitted that the ICM request also passes the project-specific materiality test, as the New Facility cost is substantially greater than both ERTH Power's planned 2025 capital expenditures and its historical average capital spending.

---

[13] *Ibid.*
[14] *Ibid.*
[15] SEC Submission, April 28, 2025, p. 3
[16] OEB Staff Submission, April 28, 2025, p. 2
[17] Funding of Capital Report, p. 17
[18] ERTH Power Argument-in-Chief, April 22, 2025, p. 14

Findings

The OEB finds that ERTH Power's proposed ICM project satisfies the project-specific materiality threshold. As noted in submissions by both ERTH Power and OEB staff, the proposed ICM project is a sizeable multiple of ERTH Power's typical overall capital expenditure amount.

Significant Influence on Operations

The ICM policy provides that any amount being requested for ICM funding must clearly have a significant influence on the distributor's operations.[19] ERTH Power stated that the New Facility will have a significant influence on the operations of the distributor now and in the future, with respect to the impact of the New Facility on the working environment for employees.

Parties noted that the project's size and scale were seen as significant. OEB staff agreed that the New Facility will have a significant influence on the way in which ERTH Power will operate. However, OEB staff highlighted that the test is not whether the working environment will change for ERTH Power's staff, but rather, whether the amount being requested will have a significant impact on ERTH Power's operations. OEB staff stated the project is not a minor expenditure and that the financial impact of the facility, reflected in an annual revenue requirement of $2.74 million, is significant enough to influence ERTH Power's operations. In addition, OEB staff submitted that if construction of the New Facility were to proceed without additional funding, ERTH Power would be required to make decisions regarding its financial operations, such as reducing funding for existing programs or planning for a reduced return on equity (ROE). As a result, OEB staff agreed that the proposed amount clearly has a significant influence on the operation of the distributor.[20]

Findings

The OEB finds that the significant influence on operations element of the materiality criterion has been satisfied. If ERTH Power were to proceed with construction of the project without ICM funding, there would be a significant influence on operations, given that, for each of ERTH Power's two rate zones, the revenue requirement impact of the project is clearly significant in relation to overall OEB-approved revenue requirement.

[19] Funding of Capital Report, p. 17
[20] OEB Staff Submission, April 28, 2025, p. 3

Need

To satisfy the need requirement in the ICM policy, a distributor's application must pass the Means Test; amounts must be based on discrete projects and should be directly related to the claimed driver; and the amounts must be clearly outside of the base upon which the rates were derived.[21]

OEB staff and intervenors agreed that ERTH Power satisfied the OEB's ICM eligibility criterion of need.

Means Test

Under the Means Test, if a distributor's regulated ROE exceeds 300 basis points above the deemed ROE embedded in the distributor's rates, then funding for any incremental capital project will be disallowed. ERTH Power indicated that it did not exceed the 300 basis points threshold as its 2023 actual ROE was 9.32%, only 30 basis points above its deemed ROE of 9.02%.[22]

All parties and OEB staff acknowledged that ERTH Power passed the Means Test.[23]

Findings

The OEB finds that the proposed ICM project satisfies the OEB's Means Test, as ERTH Power's most recent actual ROE (2023) did not exceed its deemed ROE by 300 basis points or more and, indeed, ERTH Power has not exceeded its deemed ROE by 300 basis points or more in any year since 2020.

Discrete Project

The ICM policy originally provided that incremental capital funding is for discrete projects. This criterion was expanded in 2022 beyond discrete projects to also cover ongoing capital programs in certain circumstances, but those extended considerations are not relevant to this ICM request.[24] ERTH Power stated that the ICM project is a discrete capital project based on its one-time nature.[25]

The New Facility was accepted by OEB staff and the intervenors as a discrete project.

[21] Funding of Capital Report, p. 17
[22] ERTH Power Argument-in-Chief, April 22, 2025, p. 15
[23] OEB Staff Submission, p. 4, VECC Submission, p. 4, and SEC Submission, p. 2
[24] See Letter of the OEB - Incremental Capital Modules During Extended Deferred Rebasing Periods, February 10, 2022, p. 1
[25] ERTH Power 2025 IRM Application, Appendix A, p. 40

Findings

The OEB finds that ERTH Power's proposal for the purchase of property, design, construction, and furnishing of a new administrative and operational facility is a discrete project that satisfies this element of the need criterion.

Directly Related to the Claimed Driver

ERTH Power currently rents its facilities, including its headquarters at the Bell Street property (Bell Street Property) and a satellite operations centre in Aylmer, Ontario (Aylmer Property).[26] ERTH Power stated that its two currently leased facilities do not meet the distributor's operational requirements. According to ERTH Power, the Bell Street Property suffers from numerous deficiencies, including a deteriorating structure, limited space, inadequate storage and training facilities, multiple electric service connections hampering fleet electrification, poor security in the control room, substandard server room conditions, and a lack of inclusive amenities. The Aylmer Property, again according to ERTH Power, is remote, suffers from high staff turnover, limited oversight, inadequate amenities, and persistent maintenance issues.[27]
OEB staff agreed that the New Facility is directly linked to these operational drivers. VECC reached similar conclusions, focusing particularly on the operational, workforce and safety implications. SEC also agreed, referencing ERTH Power's explanation that the Bell Street Property and Aylmer Property no longer met the utility's needs.

Findings

The OEB finds that the ICM funding request is directly related to the drivers identified by ERTH Power. The facilities currently rented by ERTH Power are no longer adequate to meet the utility's needs and the proposed ICM project will address challenges faced by ERTH Power due to limitations and issues relating to the existing facilities.

Outside of Base Upon Which Rates Were Derived

ERTH Power stated that the New Facility is not part of an ongoing capital program and is not funded through rates.[28]

OEB staff and intervenors agreed that the New Facility is not funded through existing distribution rates.

[26] ERTH Power Argument-in-Chief, April 22, 2025, p. 5
[27] EB-2024-0021, 2025 ICM Application, pp. 11-17
[28] ERTH Power 2025 IRM Application, Appendix A, p. 41

Findings

The OEB finds that the amounts for which ERTH Power seeks ICM funding are outside the base upon which rates were derived. Construction of the new administrative and operational facility was not part of any capital expenditure plan relied on for the purposes of deriving ERTH Power's rates and the funding needed for the cost of the project is beyond expected levels provided by base rates.

Prudence

The ICM policy states that the amounts to be incurred must be prudent. This means that the distributor's decision to incur the amounts must represent the most cost-effective option (not necessarily the least initial cost) for ratepayers.[29]

Overview

In its application, ERTH Power stated that the costs associated with its New Facility were prudent and reasonable, supported by benchmarking evidence.[30] OEB staff, VECC and SEC all provided detailed submissions regarding the prudence of the New Facility's costs. OEB staff agreed that the decision to construct the New Facility to serve as a main office was prudent. However, OEB staff submitted that it was not convinced that the cost of the New Facility, or the proposal to include operations, maintenance and administration (OM&A) variances resulting from an ICM request, was appropriate.[31] OEB staff recommended a reduction in capital costs based on benchmarking results and a further reduction related to space occupied by affiliates. This led to OEB staff proposing a final cost of $28 million for the New Facility.[32]

VECC submitted that ERTH Power's forecast of $33.2 million for the New Facility did not meet the OEB's prudence criteria. VECC made its determination based on the benchmarking results, inadequate decision making and option analysis process, and lack of customer engagement.[33] VECC proposed a capital cost reduction of approximately $10 million, resulting in a revised total cost of around $23 million for the New Facility, citing benchmarking adjustments and the exclusion of affiliate-related costs.[34]

[29] Funding of Capital Report, p. 17
[30] EB-2024-0021, 2025 ICM Application, p. 29
[31] OEB Staff Submission, April 28, 2025, p. 5
[32] OEB Staff Submission, April 28, 2025, pp. 5, 6 and 15
[33] VECC Submission, April 28, 2025, p. 5
[34] VECC Submission, April 28, 2025, p. 8

SEC also expressed concerns regarding prudence and questioned ERTH Power's decision-making process, benchmarking analysis, and the allocation of space to affiliates. It also proposed a capital cost reduction of approximately $10 million, lowering the revised cost of the New Facility to around $23 million.[35]

OEB staff, VECC, and SEC each provided submissions addressing various aspects of the New Facility's prudence, as outlined in the sections below.

Benchmarking

OEB staff, SEC and VECC took issue with the proposed cost per square foot of the New Facility. OEB staff submitted that the benchmarking methodology used by ERTH Power selectively focuses on the footprint of the New Facility while ignoring the broader operational space and resource deployment across multiple sites. OEB staff stated that this leads to distorted metrics, such as facility size per employee or per customer, by using total employees or customers rather than only those served from the new site.

OEB staff also raised concerns about inconsistencies in the per-square-foot cost data between the initial application and the Argument-in-Chief, and requested that ERTH Power explain the inconsistencies.[36] OEB staff recalculated the per-square-foot costs based on the data presented in ERTH Power's Argument-in-Chief, stating that the New Facility's cost per square foot should be $655/ft² rather than the $590/ft² stated in the Argument-in-Chief, and for the Conventional Energy Option, $620/ft² instead of the $540/ft² previously indicated.[37] OEB staff concluded that ERTH Power's New Facility is more expensive on a per-square-foot basis than all comparators and proposed that any ICM-eligible expenditures should be capped at a level no greater than one standard deviation above the benchmark median, resulting in total reduction of $1.7 million.[38]

VECC argued that ERTH Power's benchmarking data clearly demonstrated that the New Facility's costs are higher than comparable projects.[39] VECC supported disallowing any portion of the costs that exceed the average of recently approved ICM project benchmarks, recommending a capital cost reduction of $7 million. In VECC's view, expenditures above these adjusted benchmark values are not prudent and should not be passed on to ratepayers.[40]

[35] SEC Submission, April 28, 2025, p. 8
[36] OEB Staff Submission, April 28, 2025, p. 7
[37] OEB Staff Submission, April 28, 2025, p. 7-8
[38] OEB Staff Submission, April 28, 2025, pp. 15-16
[39] VECC Submission, April 28, 2025, p. 5
[40] VECC Submission, April 28, 2025, pp. 6-8

SEC cited the Handbook for Utility Rate Applications and prior OEB precedent to argue that benchmarking is a legitimate and necessary tool to assess reasonableness. It maintained that ERTH Power's New Facility is between 28.5% to 35.5% more expensive per square foot than peer comparators – even when using ERTH Power's own numbers – and therefore unjustified. SEC further disputed ERTH Power's claim that the New Facility included adequate cost-control measures and argued that benchmarking clearly demonstrated that costs were excessive.[41] SEC submitted that the OEB should not approve capital costs for the New Facility that exceed the established benchmark. It further noted that, based on a cost-per-square-foot analysis, the appropriate capital cost would be $24.5 million – representing a reduction of approximately $7 million, or 22%. SEC supported the inclusion of solar panels and a heat pump, estimating a reasonable total cost for the New Facility at approximately $26.2 million.[42]

In its reply submission, ERTH Power stated that its cost comparisons were based on OEB-approved – not actual – facility costs.[43] In response to OEB staff's concerns regarding inconsistencies in the per-square-foot cost data between the initial application and the Argument-in-Chief, ERTH Power explained that the discrepancies stemmed from two key updates: (1) revised cost estimates for the New Facility, and (2) updated assumptions for the conventional energy comparator. ERTH Power further clarified that the revised figures also reflected the use of the total facility square footage (57,170 ft²), as outlined in its updated response to interrogatory SEC-13.[44]

ERTH Power took issue with the exclusion of affiliate-used space from OEB staff's benchmarking recalculations, stating that the capital costs of the building reflect total construction, regardless of space allocations. ERTH Power also argued that the shared services provided by affiliate staff justify the inclusion of total square footage in the cost-per-foot metric.[45] ERTH Power submitted that OEB staff's proposal to reject costs exceeding one standard deviation above the median benchmark – capped at $586/ft² – lacked any cited authority to justify the threshold. ERTH Power also noted that the benchmark was based on an inflated cost estimate, as it excluded space occupied by affiliates. When corrected, the cost of ERTH Power's conventional energy option is 6.78% below the proposed benchmark.[46]

[41] SEC Submission, April 28, 2025, pp. 4-6
[42] *Ibid.*
[43] ERTH Power Reply Argument, May 12, 2025, p. 8
[44] ERTH Power Reply Argument, May 12, 2025, p. 13
[45] *Ibid.*
[46] VECC Submission, April 28, 2025, p. 16

ERTH Power criticized SEC's reliance on a strict average without acknowledging the contextual factors unique to its New Facility. In response to SEC's reference to the OEB's decision in EB-2018-0028, ERTH Power noted that SEC highlighted the OEB's use of benchmarking evidence to reduce approved costs to the average of comparator facilities on a per-square-foot basis. ERTH Power submitted, however, that the reduction in that case was driven by the OEB's concerns regarding the reliability of the utility's cost estimates, rather than being applied reflexively. ERTH Power emphasized that, in contrast, it had provided detailed, transparent, and iterative cost estimates, supported by benchmarking data, third-party validation, and project-specific cost reductions. ERTH Power submitted that applying a similar downward adjustment in this case was neither necessary nor appropriate.[47]

ERTH Power also noted that the OEB decisions referenced by SEC – specifically EB-2017-0049 and EB-2019-0082 – involved applications from Hydro One Networks Inc. (Hydro One), where the OEB imposed reductions due to ongoing and unresolved concerns about Hydro One's high compensation levels. ERTH Power submitted that these cases are fundamentally different from facility benchmarking. Unlike compensation benchmarking, which follows a consistent regulatory approach to address entrenched cost structures affecting rates, the evaluation of New Facility costs is inherently more variable and context-specific. The purpose of facility cost assessments is not to enforce uniformity, but to determine whether the capital expenditure is prudent and justified in light of the project's particular circumstances. ERTH Power submitted that the New Facility's costs are reasonable, rendering a median-based adjustment unsuitable.[48]

ERTH Power submitted that VECC did not cite any authority for reducing costs to a benchmark median. ERTH Power contended that its benchmarking figures placed the New Facility within, or just slightly above, an accepted range and therefore met the prudence threshold under the ICM policy.[49]

Findings

The final submissions in this proceeding reveal a considerable difference of opinion as between ERTH Power, on the one hand, and OEB staff and intervenors on the other, regarding the appropriate approach to be taken to benchmarking of building costs.

The OEB understands, and has given careful consideration to, the arguments of OEB staff and intervenors about the prudence of the overall capital cost of the New Facility.

[47] ERTH Power Reply Argument, May 12, 2025, p. 15
[48] ERTH Power Reply Argument, May 12, 2025, p. 16
[49] ERTH Power Reply Argument, May 12, 2025, p. 17

However, the OEB finds that when the overall cost, inclusive of energy system costs, is benchmarked against OEB-approved costs for comparator facilities, the evidence does not support a conclusion that the forecast cost falls outside a reasonable range. Subject to its findings below regarding space allocated to affiliates, the OEB finds that the project satisfies the prudence criterion.

Space Allocated to Affiliates

OEB staff, VECC and SEC all submitted that a portion of the costs of the New Facility related to affiliate use – calculated at either 11% (OEB staff) or 11.5% (SEC and VECC) – should be excluded from ERTH Power's ICM request and instead allocated to its shareholders. OEB staff stated this approach aligns with OEB precedent, such as that in an ICM application filed by Brantford Power Inc., [50] where affiliate or excess space costs were removed from rate base to protect ratepayers.[51]

VECC and SEC also noted that the 11.5% allocation is consistent with ERTH Power's business plan and benchmarking.[52] SEC submitted that the 11.5% affiliate allocation represents the appropriate fully allocated apportionment of the building between the regulated business and the unregulated affiliates.[53] SEC also argued that ERTH Power's proposed lease rate and the amount of space allocated to affiliates may contravene the *Affiliate Relationships Code for Electricity Distributors and Transmitters* (ARC) which mandates that charges to affiliates must reflect either market value or fully-allocated costs. Although ERTH Power states its proposed rate of $25/ft² exceeds the fully-allocated cost of $21.52/ft², SEC submitted that the methodology used to calculate that cost appeared flawed and significantly understated the true value, falling short of ARC requirements.[54] In addition, SEC referenced an Enersource Hydro Mississauga Inc. (Enersource) proceeding, where the OEB rejected the inclusion of leased space exceeding the utility's operational needs and ordered its removal from rate base.[55]

In its reply regarding space allocated to unregulated businesses, ERTH Power maintained that the square footage figure that the parties used for benchmarking (6,546 ft²) was preliminary and not contractually finalized, and that its rental plans are governed by a compliant commercial lease consistent with the ARC.[56] It cited a recent OEB compliance audit (February 18, 2025) confirming ARC compliance. ERTH Power also stated that the allocated share will vary over time and proposed to use actual forecast

[50] EB-2019-0022
[51] OEB Staff Submission, April 28, 2025, p. 16
[52] VECC Submission, April 28, p. 7 and SEC submission, April 28, 2025, p. 7
[53] SEC Submission, April 28, 2025, pp. 7-8
[54] SEC Submission, April 28, 2025, p. 7
[55] *Ibid.*
[56] ERTH Power Reply Argument, May 12, 2025, pp. 20-22

rental income of $46,950 per year as a direct offset to the revenue requirement.[57] In addition, ERTH Power distinguished its situation from the Enersource proceeding referenced by SEC as it emphasized its intent to lease space to its affiliate and ensure rental income benefits ratepayers through a deferral account.[58]

Findings

OEB staff submitted that the total costs for the New Facility for ERTH Power should be reduced by 11% to exclude costs for the portion of the New Facility that will be rented to the affiliate (ERTH Corporation). SEC and VECC made similar submissions and said that the reduction should be 11.5%.

ERTH Power objected to the percentage cost reductions put forward by OEB staff and intervenors because, these figures were derived from the assumption that 6,546 square feet of the total 57,170 square feet of the building will be exclusively used by ERTH affiliates. ERTH Power said that “the accurate and up-to-date evidence” on this issue is that ERTH Power expected $46,950 in rental income from its affiliates annually.[59]

The ”accurate and up-to-date evidence” relied on by ERTH Power is based on information provided at the Technical Conference.[60] Following the Technical Conference, ERTH Power provided a response to an undertaking in which it presented the allocation of building space to the regulated and unregulated businesses. This undertaking response clearly shows a direct allocation of 89% of space to the regulated business and 11% to unregulated businesses, as well as the same proportionate allocation of common space (i.e., 89/11) to the regulated business and the unregulated businesses, respectively.[61]

The undertaking response also said that the values presented in it were prepared prior to the finalization of any rental agreement and did not necessarily reflect the final square footage that will be rented at the facility. But the onus is on ERTH Power to provide evidence in support of its application and, if the 89/11 ratio is not the appropriate allocator, then ERTH Power could have and should have provided updated evidence on the expected allocation of building space, together with an explanation of any differences from the evidence supporting an 89/11 allocation.

[57] ERTH Power Reply Argument, May 12, 2025, p. 19
[58] ERTH Power Reply Argument, May 12, 2025, p. 21
[59] ERTH Power Reply Argument, May 12, 2025, p. 20, para. 57.
[60] Technical Conference transcript, p. 81.
[61] Undertaking Response JT1.9.

Further, if ERTH Power's reference to evidence about $46,950 in annual rental income from its affiliate is intended to suggest that expectations of affiliate usage of space in the New Facility have been reduced, this then begs the question of whether 57,170 square feet can still be seen as an accurate indication of the total amount of space that is actually needed. ERTH Power said that the business plan for the New Facility was "underpinned" by an assumption that 6,546 square feet in a 57,170 square foot building would be allocated to unregulated businesses. Had ERTH Power updated its evidence to reduce the unregulated business space allocation that underpinned the business plan, then it would also have been necessary for the updated evidence to address whether it is reasonable to continue to plan for a building that is 57,170 square feet in total.

Based on the evidence in this proceeding, the OEB finds it reasonable to expect that 11% of the new building will be used by an affiliate. But the OEB will not at this time make a finding that 11% of the new building costs must be entirely disallowed from inclusion in rate base. Rather, the OEB accepts as reasonable the alternative submission made by OEB staff regarding the treatment of facility costs in this ICM application. Specifically, the OEB disallows 11% of the New Facility costs for the purposes of the ICM period only and leaves the excluded costs to be given further consideration in ERTH Power's next rebasing application. In the next rebasing application, ERTH Power shall file evidence with a detailed accounting of all relevant aspects of affiliate usage of the new building, including the allocation of space and the treatment of rents, OM&A costs and affiliate transactions.

Allocation of Cost Between Rate Zones

No party raised concerns regarding the proposed allocation of costs between ERTH Power's rate zones which assigns 81% of the costs to the Main Rate Zone and 19% to the Goderich Rate Zone. OEB staff supported ERTH Power's proposed method of allocating the New Facility costs based on the proportion of capital expenditures incurred in each rate zone over the 2018–2023 period.[62] This approach, in OEB staff's view, was a reasonable approach that is straightforward to apply and results in similar allocation outcomes to alternative approaches that were explored during interrogatories.

[62] OEB Staff Submission, April 28, 2025, p. 14

Findings

The OEB finds that the cost of the New Facility for the purposes of the ICM period is 89% of $33.2 million, or $29.5 million. The cost allocated to each rate zone is $23.93 million (81%) to the Main Rate Zone and $5.61 million (19%) to the Goderich Rate Zone.

Incremental Operations, Maintenance and Administration Costs, and Savings

In its application, ERTH Power proposed to establish three DVAs to track and record avoided rent, incremental OM&A costs associated with the New Facility, and rental income from the affiliates.[63] OEB staff, VECC and SEC were not supportive of the creation of DVAs to capture these variances.

OEB staff recommended that OM&A variances should not be included in the ICM request, in keeping with ICM policy, and referenced the OEB's current consultation on the ICM policy. OEB staff expressed concern with establishing a DVA for detailed cost tracking of facility cost differences that did not include all changes in facilities costs since the last rebasings of ERTH Power's predecessor corporations, for example, the closure of the Mitchell and Clinton offices. OEB staff suggested that the existing Earnings Sharing Mechanism resulting from ERTH Power's deferred rebasing period was the appropriate mechanism to address OM&A variances.[64]

VECC submitted that since ERTH Power will save $225,640 in rent by consolidating its Bell Street Property and Aylmer Property leases – costs currently included in base rates – customers should not be required to pay for both the New Facility and the vacated ones. VECC recommended that the rental savings be used to offset the approved ICM revenue requirement instead of using a DVA. VECC noted its preference for offsetting the ICM revenue requirement because a DVA to capture avoided rent would have a lag in time from when ERTH Power's customers receive the benefits of the rent savings, compared to when they begin to pay for the New Facility.[65]

SEC took the same position as VECC, highlighting a timing mismatch between when customers begin paying for the New Facility and when they receive credit for the associated offsetting revenue. SEC recommended that the portion of the building that exceeds the regulated utility's requirements and is being used by affiliates should be removed from rate base and from the approved ICM.[66] SEC also referenced the

63 ERTH Power Argument-in-Chief, April 22, 2025, pp. 31-30
64 OEB Staff Submission, April 28, 2025, pp. 11-12
65 VECC Submission, April 28, 2025, p. 8-9
66 SEC Submission, April 28, 2025, p. 7

Enersource Decision and Order[67] where the OEB rejected the inclusion of rent for space exceeding the utility's needs and required its removal from the rate base.

In its reply, ERTH Power maintained its position that its three proposed DVAs were appropriate mechanisms to return savings and credit rental income to customers. However, ERTH Power noted that, in light of the submissions from OEB staff, SEC and VECC, it would be agreeable to a temporary reduction to the approved ICM revenue requirement in the amount equivalent to the amounts that would have otherwise been recorded in the ERTH Avoided Rent Deferral Account, plus the amounts that would have otherwise been recorded in the Rental Income Deferral Account (on account of affiliate rental income). ERTH Power noted that its acceptance of this proposal was on the basis that it is not a prudence disallowance, but rather an alternative approach to fairly return savings and credit rental income to customers until rebasing.[68] ERTH Power indicated that this adjustment would result in approximately a 10% reduction in the revenue requirement, lowering it from the proposed $2.74 million to $2.47 million. The capital expenditure for the New Facility would also decrease by 10%, reducing the proposed amount from $33.2 million to $29.9 million.[69]

Findings

The OEB does not accept the proposal to establish DVAs to capture avoided rent, rental income and incremental OM&A associated with ERTH Power's use of the new building for administrative and operational purposes.

At this time, ERTH Power is in a deferred rebasing period. Changes during the deferred rebasing period that impact costs embedded in rates will be addressed in the context of a future rebasing application. An Earnings Sharing Mechanism will apply until the rebasing application. While the OEB has initiated a consultation to support a review of its ICM policy, the OEB's current policy is that an ICM application is not a mechanism to deal with changes to OM&A costs such as those that are before the OEB in this proceeding. Whether current ICM policy should be changed is most appropriately considered in the context of the consultation and the OEB does not accept that the circumstances of this case are such as to justify a departure from current policy.

<u>Energy Systems</u>

ERTH Power incorporated energy-efficient technologies, specifically a solar PV system (solar) and a ground-source heat pump (heat pump) as part of the New Facility's design. OEB staff and SEC supported the inclusion of energy-efficient technologies as

[67] Decision and Order (EB-2012-0033), December 13, 2012, p. 18
[68] ERTH Power Reply Argument, May 12, 2025, pp. 18-19
[69] *Ibid.*

part of the New Facility's design.[70] OEB staff raised concerns about the estimated payback period, suggesting it could be longer if financing or ROE costs were factored in, however, acknowledged that these energy system investments are expected to deliver long-term benefits to ERTH Power's customers.[71] VECC raised no objections to the inclusion of solar and heat pump costs.[72]

In its reply, ERTH Power noted that the energy systems are expected to deliver long-term value to customers, operational savings, and environmental benefits aligned with provincial energy policy objectives.[73]

Findings

The OEB accepts ERTH Power's proposal to include, as part of facility design and cost, energy systems that have higher initial capital costs than conventional heating and power systems. Although the payback period for the solar panels proposed by ERTH Power may prove to be longer than estimated, it can reasonably be expected that, over time, customers of ERTH Power's customers will benefit from the investment in these energy systems.

<u>Decision Making and Options Analysis</u>

SEC and VECC's submissions noted concerns regarding ERTH Power's approach to planning and justifying the development of the New Facility. VECC submitted that ERTH Power appeared to favor constructing a new building early in the process, without conducting a thorough and transparent evaluation of alternative solutions. VECC noted that although ERTH Power's CEO advised against pursuing the purchase in the October 2022 ERTH Power Board meeting, a resolution was passed in the same meeting to develop a business plan in 2023 for a new facility for ERTH Power's Hub and continue to explore options for said facility. VECC highlighted that by the time the Board was formally presented with the 385 Thomas Street option in February 2023, the land had already been purchased, suggesting that key decisions were made before a comprehensive analysis was completed. Furthermore, VECC noted that only one lease alternative was considered and dismissed without clear documentation and no detailed cost-benefit analysis was conducted with respect to consolidation of the current facilities into the New Facility. VECC also criticized the Business Plan, completed in November 2023 by Utilis Consulting Inc., in that it merely documented decisions already made

---

[70] OEB Staff Submission, p. 6 and SEC submission, p. 6
[71] OEB Staff Submission, April 28, 2025, p. 6
[72] VECC submission, April 28, 2025, p. 8
[73] ERTH Power Reply Argument, May 12, 2025, p. 6

rather than guiding them. VECC submitted that the sole-sourcing of POW Engineering for the New Facility's design, without evaluating other firms or design options, raises concerns about whether the chosen approach is the most cost-effective or appropriate.[74]

SEC took the same position as VECC but added that the whole process lacked transparency and proper engagement with customers. SEC submitted that ERTH Power did not seriously consider other options like keeping multiple facilities or deciding who should own the property. SEC also criticized the consultants ERTH Power used, stating that the consultants were brought in to justify past decisions rather than help make new ones. SEC was concerned that customers were not consulted, even though the New Facility could lead to an approximately 16-17% increase in distribution rates.[75]

ERTH Power disagreed with SEC and VECC, stating its decision-making was careful and based on what it knew at each stage. ERTH Power explained that the offer on the new property was part of a flexible process (conditional offer) and that it kept looking at other options through 2023.[76] ERTH Power noted that it would still use parts of the old sites and that the New Facility was needed for safety, staff retention, and operational efficiency.[77] ERTH Power also addressed its hiring POW Engineering by stating that the firm had relevant experience and helped reduce costs.[78] ERTH Power emphasized that it worked with POW Engineering to identify cost-saving adjustments throughout the design process. Furthermore, ERTH Power stated that the business plan developed by Utilis Consulting Inc. was not a post-hoc justification, but a structured and comprehensive consolidation of findings, alternatives, and cost comparisons made throughout the planning and decision-making process for the New Facility. ERTH Power asserted that the New Facility design is functional, cost-effective, and grounded in operational realities, not theoretical possibilities.[79]

Findings

The OEB has considered the arguments of SEC and VECC about ERTH Power's prudence and decision-making process concerning the building of the New Facility. SEC submitted that ERTH Power failed to adequately assess alternatives before proceeding with its decision to acquire land and pursue construction of a single New Facility.[80] VECC similarly asserted a lack of consideration of other alternatives and

[74] VECC Submission, April 28, 2025, pp. 6-7
[75] SEC Submission, April 28, 2025, pp. 3-4
[76] ERTH Power Reply Argument, May 12, 2025, p. 9
[77] ERTH Power Reply Argument, May 12, 2025, p. 10
[78] ERTH Power Reply Argument, May 12, 2025, p. 12
[79] ERTH Power Reply Argument, May 12, 2025, p. 11
[80] SEC Submission, April 28, 2025, p. 3

options as well as a lack of customer engagement.[81] ERTH Power, in its reply submission, argued that, even with a conditional offer on the proposed land, it continued to analyze other options and alternatives including leasing single or multiple sites. ERTH Power argued that the decision to consolidate was not just about space, but about improving operational effectiveness and workforce management.

The OEB accepts ERTH Power's argument that the conditional offer on the land of February 2023 did not prevent the applicant from carrying on its due diligence in evaluating other options. The New Facility has met all the other OEB criteria as mentioned above. While ERTH Power might have done more to support the prudence of its cost, the ultimate decision to build the New Facility at the proposed site is expected to meet the needs of ERTH Power and provide overall operational benefits.

Both SEC and VECC commented on the lack of customer engagement. In its reply, ERTH Power noted that it relied on consultation with shareholders as a proxy for customer engagement, since shareholders comprise Council members elected by the customers. The OEB finds an inherent flaw with ERTH Power's argument, in that ERTH Power should have directly consulted with customers. ERTH Power should make note of its responsibility to its customers whose views cannot be substituted by those of elected Council members when acting as shareholders of ERTH Power.

<u>In-service Date</u>

ERTH Power stated that the in-service date of the New Facility will be November 24, 2025 and proposed rate riders effective May 1, 2025.

VECC submitted that the most recent construction schedule provided by ERTH Power showed that if there were no scheduling delays, the occupancy review will occur between December 15, 2025 to January 2, 2026. Based on this information, VECC submitted that the OEB approve rate riders reflecting an in-service date of January 1, 2026.[82]

SEC submitted that the OEB should deviate from its policy for ICMs projects and how they are treated as going in-service due to the unique situation, given the timing of the in-service date and the rate impact. SEC proposed that the OEB should allow recovery that reflects the late in-service date by creating two rate riders: one rate rider to be effective May 1, 2025 and reflect no more than one-twelfth of the incremental revenue

[81] VECC Submission, April 28, 2025, p. 6
[82] VECC Submission, April 28, 2025, p. 9

(to reflect one month in service), and a second to be effective May 1, 2026 reflecting the New Facility being in service for a full year.[83]

ERTH Power maintained that using the IRM test year as the recovery start date is appropriate and consistent with OEB methodology, and that any adjustments can be made at rebasing.[84]

Findings

The OEB finds that the ICM rate riders will take effect on January 1, 2026.

The submissions of SEC and VECC about the in-service date for the New Facility relied on evidence provided by ERTH Power regarding the construction schedule for the project. SEC relied on the schedule filed by ERTH Power with its interrogatory responses, which shows expected project completion at the end of December, 2025; VECC relied on the schedule filed by ERTH Power with its responses to Technical Conference undertakings, which shows a finish date of January 2, 2026 for “Closeout, Inspections, Occupancy Review”.

In light of this evidence, SEC and VECC both argued against the implementation of ICM riders to be effective as of May 1, 2025. In its reply, ERTH Power did not take issue with the submissions by SEC and VECC about the evidence which indicates that, even assuming no unexpected delays, the New Facility will not be in service until essentially the end of 2025. ERTH Power argued in reply that its proposal follows the OEB’s standard ICM policy and there is no basis to depart from the OEB’s established approach where ICM recovery is aligned with the IRM test year.

An argument similar to that made by ERTH Power in reply was addressed by the OEB in its EB-2019-0022/EB-2019-0031 Decision and Rate Order. In EB-2019-0022, Brantford Power Inc. made an application which included an ICM request in respect of a new facility. Brantford Power argued that a January 1, 2020 effective date for its proposed ICM rate riders was appropriate and in accordance with OEB policy because January 1, 2020 was aligned with the start of the 2020 rate year.

The OEB did not accept this argument by Brantford Power. The OEB said that the ICM mechanism was established to provide funding for in-service assets, not construction work in progress. The OEB found that, if rates were made effective January 1, 2020, funding would be provided as if construction was completed and the building was fully in-service on December 31, 2019, while Brantford Power had stated that administration staff would be moving into the building in Q1 of 2020. Given these considerations, the

[83] SEC Submission, April 28, 2025, p. 10
[84] ERTH Power Reply Argument, May 12, 2025, p. 23

OEB found it reasonable for the ICM rate riders to be effective and implemented on March 1, 2020.

In the circumstances of this case, where the evidence indicates that, even assuming no unexpected delays, the New Facility will not be in service until the end of 2025, the OEB finds it reasonable for the ICM rate riders to be effective and implemented on January 1, 2026.

External Funding

VECC acknowledged that ERTH Power retained Power Advisory LLP to identify federal, provincial, and municipal funding sources. This engagement resulted in a report overviewing funding amount, eligibility requirements, and the process required to secure funding (Funding Report). The Funding Report also noted that ERTH Power may be eligible for federal funding for certain distributed energy resources. VECC recommended that the OEB require ERTH Power to report back at its next rebasing on the actions it took to secure this external funding and the results. VECC also noted that ERTH Power indicated that to the extent it receives any grant or other funding, it would be accounted for as part of the ICM true-up when the New Facility is added to rate base.[85]

SEC also took a similar position to that of VECC regarding external funding. However, SEC submitted at its next rebasing, ERTH Power should demonstrate it made best efforts to pursue available external funding.[86]

ERTH Power, in its reply, did not oppose the submissions from VECC and SEC. ERTH Power reiterated its commitment to reflecting any funding received as part of the ICM true-up at its next rebasing application, but also agreed to provide an update at the next rebasing on steps taken to secure external funding and the results of such efforts.[87]

Findings

The OEB notes that ERTH Power provided evidence about a number of opportunities for external funding and indicated that any third party external funding will be reflected in the ICM true-up. The OEB expects ERTH Power to follow up at its next rebasing application with evidence about its efforts to pursue these funding opportunities and the outcome of its efforts.

---

[85] VECC Submission, April 28, 2025, pp. 9-10
[86] SEC Submission, April 28, 2025, pp. 10-11
[87] ERTH Power Reply Argument, May 12, 2025, pp. 6-7

Capital Cost Allowance (CCA) Deductions

ERTH Power sought to minimize the PILs impact in the ICM model by not fully applying CCA to its energy and mechanical systems.[88] OEB staff, VECC, and SEC all rejected this approach, arguing that full CCA should be applied in the ICM calculation, consistent with current policy. Any broader change, they argued, should occur through a generic ICM policy review, not in this proceeding.

OEB staff, VECC, and SEC all opposed ERTH Power's proposal to claim a reduced CCA in its ICM calculation for the New Facility, arguing that it leads to an unjustified increase in revenue requirement and violates standard tax treatment expectation. OEB staff emphasized that the utility's deferral of $413,000 in CCA deductions results in a $0 PILs expense, effectively shifting tax benefits to future ratepayers and raising concerns about intergenerational inequity.[89]

VECC and SEC similarly criticized the proposal, with VECC highlighting the immediate ratepayer impact[90] and SEC underscoring that ERTH Power's reliance on the E.L.K. Energy Inc. case as precedent is misplaced,[91] given ERTH Power's relatively strong financial position and lack of tax losses. Further, OEB staff, SEC and VECC recommended that ERTH Power apply the full CCA to reduce the 2025 ICM funding request.

In its reply, ERTH Power submitted its approach as a prudent measure to avoid overstated negative PILs in the ICM model, which could otherwise lead to underfunding of the New Facility. ERTH Power maintained that its proposal ensures no artificial PILs distortion during the IRM term and preserves future tax benefits through a higher undepreciated capital cost ultimately benefiting ratepayers at its next rebasing in 2028.[92]

Findings

The OEB does not accept ERTH Power's proposal to defer claiming a portion of the CCA deductions that will be available as a result of the construction of the New Facility.

As noted in the submissions of OEB staff and intervenors, ERTH Power's customers will bear significant costs to fund the construction of the New Facility. These submissions

[88] ERTH Power Argument-in-Chief, April 22, 2025, p. 10
[89] OEB Staff Submission, April 28, p. 17
[90] VECC Submission, April 28, 2025, p. 9
[91] SEC Submission, April 28, p. 9
[92] ERTH Power Reply Argument, May 12, 2025, pp. 22-23

raised concerns about ERTH Power preserving the benefit of CCA deductions for the future when customers will be bearing significant costs during the ICM period.[93]

ERTH Power's reply submission addressed in some detail the points made by OEB staff and intervenors about the proposed treatment of CCA,[94] but what was missing was a meaningful response to submissions about the implications of the proposed treatment of CCA for the customers of ERTH Power who will be funding the ICM project until rebasing. From the perspective of these customers, concerns arise about an intergenerational mismatch of costs and benefits: ERTH Power proposes a partial deferral of CCA deductions until rebasing in 2028 while customers will bear significant costs prior to rebasing to fund the New Facility. Given the absence of any explanation from ERTH Power that directly addresses concerns about an intergenerational mismatch of costs and benefits, the OEB finds that ERTH Power should apply the full available CCA in calculating ICM revenue requirements.

[93] OEB Staff Submission, April 28, 2025, p. 17 and VECC Submission, April 28, 2025, p. 9
[94] ERTH Power Reply Argument, May 12, 2025, pp. 22-23.

4. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. ERTH Power Corporation shall file with the OEB and forward to intervenors a Draft Rate Order with a proposed Tariff of Rates and Charges for each rate zone attached that reflects the OEB's findings in this Decision and Order, no later than **July 22, 2025**. ERTH Power Corporation shall also file revised ICM models, based on the revised ICM funding. ERTH Power Corporation shall also file customer rate impacts and detailed information in support of the calculation of final rates in the Draft Rate Order.

2. Intervenors and OEB staff shall file any comments on the Draft Rate Order with the OEB, and forward them to ERTH Power Corporation, no later than **August 5, 2025**.

3. ERTH Power Corporation shall file with the OEB and forward to intervenors, responses to any comments on its Draft Rate Order no later than **August 19, 2025**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2024-0021** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the OEB's online filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the Regulatory Electronic Submission System (RESS) Document Guidelines found at the File documents online page on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet set up an account, or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.

- Cost claims are filed through the OEB's online filing portal. Please visit the File documents online page of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the Practice Direction on Cost Awards.

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Urooj Iqbal at Urooj.Iqbal@oeb.ca, and OEB Counsel, James Sidlofsky at James.Sidlofsky@oeb.ca.

Email: registrar@oeb.ca
Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, July 8, 2025

ONTARIO ENERGY BOARD

Ritchie
Murray

Digitally signed by Ritchie
Murray
Date: 2025.07.08
16:16:19 -04'00'

Ritchie Murray
Acting Registrar