



Hydro One Networks Inc.

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BY EMAIL AND RESS

July 16, 2025

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2025-0208 – Status Report on Operations of Cat Lake and Extension of Interim License

Please find enclosed the Status Report on Operations of Cat Lake as of June 30, 2025.

Hydro One Networks Inc. kindly requests an extension of the term of the interim license that is currently expiring on July 31, 2025.

Should you have any questions, please contact Liana Urquhart at (705) 740-4363 or via email at RegulatoryAffairs@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Flannery", with a horizontal line extending to the right.

Andrew Flannery on behalf of Pasquale Catalano

STATUS REPORT ON OPERATIONS OF CAT LAKE

Hydro One Networks Inc. ("Hydro One") is providing this update to the Ontario Energy Board ("the OEB") in advance of the expiry of the current Interim Distribution Licence for Cat Lake Public Utility ("Cat Lake") on July 31, 2025.

In its Decision and Order dated July 21, 2006 ("the Order")¹, the OEB deemed as distribution assets all the transmission voltage assets owned by Cat Lake and issued a three-month interim distribution licence to Hydro One. In the same Order, the OEB ordered Hydro One to take possession and control of the deemed distribution assets owned by Cat Lake and the distribution assets in the Cat Lake community owned by the Ontario Electricity Financial Corporation ("OEFC"). Hydro One assumed possession and control of the assets covered by the Order at 12:01 a.m. on August 14, 2006. The Board has subsequently amended the interim electricity distribution licence ED-2006-0181, and most recently extended it for a six-month term on January 31, 2025 (EB-2025-0056).

As previously detailed, Hydro One and Hydro One Remotes are continuing to work through various transfer issues with Cat Lake and additional stakeholders. Hydro One has intended to file an application to enable it to purchase certain transmission assets from Cat Lake Power ("the Contemplated Agreement"). As part of the Contemplated Agreement, it would be proposed that the distribution service for the Cat Lake community be included in Hydro One Remotes Communities' service territory. Despite on-going efforts, the timing of the transaction is still uncertain.

This progress report updates the report that Hydro One filed on January 15, 2025. It covers Cat Lake activities to date and provides financial results until June 30, 2025.

Tracking of Cost

As directed, Hydro One records the revenues from the customers in the Cat Lake community and the costs of operation and maintenance of the system. The energy costs, OM&A costs and capital costs are recorded separately. As of June 30, 2025, the total costs recorded since taking possession and control are as follows:

Cumulative Costs incurred by Hydro One for Cat Lake

Capital:	\$3,517,679
OM&A	\$11,759,697
Cost of Energy:	\$9,801,683
Interest Cost:	\$2,787,495
Total	\$27,866,553

¹ (ED-2006-0181)

Tracking of Revenue

As of June 30, 2025, Hydro One has cumulatively collected the following amounts from Cat Lake customers (rounded to the nearest dollar):

September to December 2006	\$29,787
January to December 2007	\$477,319
January to December 2008	\$477,751
January to December 2009	\$437,198
January to December 2010	\$446,712
January to December 2011	\$488,469
January to December 2012	\$566,363
January to December 2013	\$298,490
January to December 2014	\$234,072
January to December 2015	\$488,254
January to December 2016	\$312,226
January to December 2017	\$576,204
January to December 2018	\$265,595
January to December 2019	\$384,240
January to December 2020	\$435,450
January to December 2021	\$570,334
January to December 2022	\$427,940
January to December 2023	\$365,586
January to December 2024	\$415,767
January to June 30, 2025	\$281,492
Total	\$7,979,248

Bills have been issued to customers monthly, with the most recent bills in the reporting period issued in June 2025. The total outstanding invoiced amount at that time was approximately **\$6,686,181**. This amount includes HST, arrears, and late payment charges where applicable. The issued bills aging categories, by amount, are as follows:

Current (0-39 days)	\$255,990
Overdue (40-69 days)	\$133,759
Overdue (70-89 days)	\$138,122
Overdue (90+ days)	\$6,158,311
Total	\$6,686,181

Our next biannual update will include further consideration on how to address the aging bills.

Regulatory Assets account balance

As of June 30, 2025, the balance in the deferral account related to Cat Lake is **\$19,887,304.**

Operations

- Crew replenished their inventory while the ice road was in
- Responded to trouble calls
- The in-service date for the replacement of failed voltage regulators has been revised to September 1, 2025

Planned Work and Further Reporting

Hydro One continues to operate Cat Lake and manage issues associated with its operations.

There is no planned work to report at this time.

Hydro One will continue to inform the OEB of any significant issues, solicit advice and guidance as needed, and provide information in support of the OEB's review of the Cat Lake situation.