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August 29, 2025

RESS & Email

Ontario Energy Board
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

Attention: Ritchie Murray, Acting Registrar

Dear Mr. Murray:

Re: **Upper Canada Transmission 2, Inc. (East-West Tie Limited Partnership)**
Application for 2026 Electricity Transmission Rates
OEB File Number: EB-2025-0243 – Response to Request for Information

We are counsel to Upper Canada Transmission 2, Inc. ("UCT2"). Please see attached UCT2 response to the Ontario Energy Board staff questions.

Please contact the undersigned should you have any further questions or concerns.

Yours truly,

McCarthy Tétrault LLP

Gordon M. Nettleton
Partner | Associé

OEB Staff Interrogatory – 1

Staff Question-1

Ref.: Exhibit A / Tab 2 / Page 3

Preamble

Table Ex.A.T2.3 provides RTSR included in 2025 Bill and the Estimated 2026 Monthly RTSR for two types of customers.

Questions(s)

a. Please provide the supporting calculations for the RTSR included in 2025 Bill and the Estimated 2026 Monthly RTSR for the Typical Medium Density (HONI R1) Residential Customer and the Typical General Service Energy (HONI GSe) Customer.

Response

a) The 2025 RTSR calculation is based on typical volumes applied to the RTSRs and loss factors in Hydro One Network Inc.'s 2025 tariff schedule. The calculation is summarized in Table 1.

Table 1 – 2025 RTSRs

Description	Residential	GSe	Calculation	Reference
Typical kWh	750	2,000	A	Typical Customer Volumes
Loss Factor	1.076	1.096	B	HONI Rate Order, Dec. 19, 2024, Page 28
Loss-Adjusted kWh	807	2,192	C = A x B	*Calculated*
Retail Transmission Rate – Network ($/kWh)	$0.0128	$0.0101	D	HONI Rate Order, Dec. 19, 2024, Pages 3 & 6
Retail Transmission Rate – Line and Transformation Connection ($/kWh)	$0.0092	$0.0078	E	
RTSR - Network Charges	$10.33	$22.14	F = C x D	*Calculated*
RTSR - Line and Transformation Charges	$7.42	$17.10	G = C x E	*Calculated*
RTSR - Total	**$17.75**	**$39.24**	**H = F + G**	***Calculated***

The escalation of Network RTSRs is based on the impact of UCT 2's 2026 revenue requirement increase on the 2025 Network RTSR. This calculation is provided in Table 2.

Table 2 – Network RTSR Escalation

Description	Amount	Calculation	Reference
2025 Network Pool Rate ($/kW)	$6.37	I	2025 UTR (EB-2024-0244)
2025 Network Revenue Requirement	$1,497,313,973	J	2025 UTR (EB-2024-0244)
UCT 2 2025 Revenue Requirement	$75,681,985	K	2025 UTR (EB-2024-0244)
UCT 2 2026 Revenue Requirement	$76,968,578	L	UCT 2 Application, Exhibit A, Tab 1, Page 3
Revenue Requirement Increase	$1,286,593	M = L - K	*Calculated*
2026 Network Revenue Requirement	$1,498,600,566	N = J + M	*Calculated*
2026 Network Pool Rate	$6.38	O = I x (N / J)	*Calculated (rounded)*
Network Escalation	100.15699%	P = O / I	*Calculated*

The 2026 RTSRs are calculated by applying the forecast Network escalation rate from Table 2 to the 2025 RTSRs from Table 1. This calculation is provided in Table 3.

Table 3 – 2026 RTSRs

Description	Residential	GSe	Calculation
Typical kWh	750	2,000	Q = A
Loss Factor	1.076	1.096	R = B
Loss-Adjusted kWh	807	2,192	S = Q x R
Retail Transmission Rate – Network ($/kWh)	$0.01282	$0.01012	T = D x P
Retail Transmission Rate – Line and Transformation Connection ($/kWh)	$0.0092	$0.0078	U = E
RTSR - Network Charges	$10.35	$22.17	V = S x T
RTSR - Line and Transformation Charges	$7.42	$17.10	W = S x U
RTSR - Total	**$17.77**	**$39.27**	**X = V + W**