



**E.L.K. Energy Inc.**

**Application for electricity distribution rates and other  
charges effective May 1, 2025**

**PROCEDURAL ORDER NO. 6  
September 15, 2025**

E.L.K. Energy Inc. (E.L.K. Energy) filed an incentive rate-setting mechanism application with the Ontario Energy Board (OEB) on October 28, 2024, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to its electricity distribution rates to be effective May 1, 2025. E.L.K. Energy also requested disposition of its Group 1 Deferral and Variance Account (DVA) balances from 2016 to 2023 and a single Group 2 account over a four-year period.

A Partial Decision and Order on Phase 1 was issued on August 28, 2025. This Procedural Order No. 6 commences Phase 2 of the proceeding.

**Phase 2 of the Proceeding**

In its Partial Decision and Order issued on August 28, 2025, the OEB addressed E.L.K. Energy's request to approve its Price Cap Incentive Rate-setting adjustment, Retail Transmission Service Rates, disposition of Group 1 DVA balances – excluding Accounts 1550, 1588 and 1589 – and disposition of a Group 2 DVA balance.

In Phase 2, the OEB will consider the disposition of Accounts 1550, 1588, and 1589.

**Global Adjustment Analysis Workform**

On May 2, 2025, E.L.K. Energy updated its Global Adjustment (GA) Analysis Workforms<sup>1</sup>. E.L.K. Energy also identified that the large balances in Account 1588 from 2016 to 2022 resulted in failing to meet the reasonability test in the updated workform. The primary driver of the large Account 1588 balances was previously attributed by E.L.K. Energy to 28 MWh of unbilled electricity by Hydro One Networks Inc. (Hydro One) during that period, amounting to an approximate cost of \$3 million.<sup>2</sup>

---

<sup>1</sup> Supplemental Interrogatory Responses to OEB staff-1 c), May 2, 2025

<sup>2</sup> Interrogatory Responses, Staff-10, January 27, 2025

However, in a [letter](#) dated August 1, 2025, E.L.K. Energy indicated that it had completed internal investigations and engaged directly with Hydro One and the Independent Electricity System Operator (IESO) regarding the 28 MWh of unbilled electricity. Hydro One confirmed that the August 2020 billing system update was not the cause of underbilling, and the IESO confirmed that E.L.K. Energy's wholesale metering installation was correctly registered, accurately measures, and allocates energy. E.L.K. Energy concluded that since no errors were found in the balances, the OEB should approve the disposition of Accounts 1588 and 1589.

The information provided in E.L.K. Energy's August 1 letter is inconsistent with the explanation previously provided in the GA Analysis Workforms filed as part of the supplemental interrogatory process, where the large balances in Account 1588 were attributed to the unbilled electricity. Accordingly, the OEB directs E.L.K. Energy to file a revised GA Analysis Workform that includes an updated Account 1588 tab for the years 2017 to 2020. As part of this filing, if the Account 1588 balance exceeds the 1% reasonability threshold, E.L.K. Energy should also provide detailed itemized explanations for each year where the Account 1588 balance exceeds the 1% reasonability threshold.<sup>3</sup>

### Issues Day

The OEB is establishing a Phase 2 Issues Day for parties including OEB staff to discuss the evidence regarding Accounts 1550, 1588, and 1589. The Issues Day will be an untranscribed meeting to facilitate open discussion among the parties and OEB staff. Parties and OEB staff are expected to use this opportunity to clarify outstanding issues regarding Accounts 1550, 1588, and 1589, and discuss what, if any, additional evidence needs to be placed on the record of this proceeding. In assessing the need for additional evidence, parties should consider the information necessary to support the filing of any submissions for the OEB's consideration.

In Phase 2, parties may refer to any evidence filed in Phase 1.

### Cost Award Eligibility

All intervenors<sup>4</sup> in Phase 1 are accepted as intervenors in Phase 2. In addition, SEC and VECC are eligible for cost awards in Phase 2 of this proceeding.

---

<sup>3</sup> The table in Note 8 of the [Commodity Accounts Analysis Workform](#) (formerly "GA Analysis Workform") is to be used to provide the itemized reconciling items.

<sup>4</sup> IESO, School Energy Coalition (SEC), and Vulnerable Energy Consumers Coalition (VECC)

The OEB is making provision for the following related to this proceeding. Further procedural orders may be issued by the OEB.

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. E.L.K. Energy shall file an updated GA Analysis Workform with the OEB and serve it on all other parties by **September 22, 2025**.
2. An Issues Day among the parties will be convened on **October 2, 2025**, starting at 9:30 am. This will be a virtual event and information on how to participate will be provided in advance.
3. E.L.K. Energy shall file any additional information regarding Accounts 1550, 1588, and 1589 arising from the Issues Day with the OEB and serve it on all other parties by **October 9, 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-2024-0015** 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](mailto: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, Harshleen Kaur at [Harshleen.Kaur@oeb.ca](mailto:Harshleen.Kaur@oeb.ca) and OEB Counsel, Lawren Murray at [Lawren.Murray@oeb.ca](mailto:Lawren.Murray@oeb.ca).

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto, **September 15, 2025**

**ONTARIO ENERGY BOARD**

Ritchie Murray  
Acting Registrar