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October 10, 2025  
EB-2025-0014

Ontario Energy Board  
2300 Yonge Street  
27th Floor  
Toronto, ON M4P 1E4

Attn: Ritchie Murray, Acting Registrar

Dear Mr. Murray:

Re: EB-2025-0014 – Oshawa Power 2026 Rates – SEC Motion Follow Up

Pursuant to the letter by School Energy Coalition (SEC) filed October 2, 2025, please find enclosed the additional information that we agreed to provide in response to SEC's motion filed on August 18, 2025 and heard by the Commissioners on September 29, 2025.

1. With respect to IRR 4-SEC-169, please find attached an anonymized cost allocation model used to allocate costs between affiliates for shared services and corporate costs for the 2024 to 2026 period. The model for the 2025 to 2026 period provides a breakdown of staff time (%) per affiliate for shared employees as forecast by department heads for shared employees, and the resulting allocated costs (\$) per affiliate by department. The 2024 costs and allocations reflect data from Dayforce. The fully allocated costs of these services to affiliates include labour benefits (e.g. CPP, EI, medical, sick leave, vacation, pension, WSIB, employer health tax), rent, software costs, insurance and training. See excel attachment OPUCN Cost Allocation Model\_20251010. The market pricing methodology is provided in Appendix A of this letter for shared services noted as market rate in Exhibit 4, section 4.5, Shared Services and Corporate Cost Allocation.
2. With respect to IRR 1-SEC/Staff/CCMBC-7(b), please see the Risk Register for Oshawa Power in excel attachment OPUCN Risk Register\_20251010. Note that the risks pertaining to affiliates have been removed because they are not relevant to this proceeding.
3. With respect to IRR 1-SEC/Staff/CCC/PP/CCMBC/VECC-9(a), (f), (g), and (h), the updated bill impact of the consolidated administrative and operational facility is estimated to be \$4.45/month for a typical residential customer, based on an incremental revenue requirement of \$4,611,695 in 2027. These figures are based on an updated estimate of total cost calculated as the sum of the A.W. Hooker

Class B construction cost estimate provided in the confidential version of the Exhibit 1 interrogatory responses (IRR Attachment 1-2), the actual cost of the land, as well as actual and forecast soft costs. In addition to the updates made to reflect the new total cost, the updated bill impact and revenue requirement reflect revisions to the initial assumptions used to estimate the residential bill impact in the Customer Engagement Survey, specifically, the materiality threshold calculation and not using the half year rule. Based on the updated bill impact and revenue requirement shown above, Oshawa Power is forecasting to remain in Cohort II once the consolidated administrative and operational facility goes into service in 2027.

Oshawa Power requests that the Commissioners rule on the unresolved aspects of the motion as detailed in SEC's October 2, 2025 letter at their convenience.

Sincerely,  
Valerie Bennett

*Valerie Bennett*

Director, Regulatory & Commercial Affairs  
Oshawa Power

Cc: Jay Shepherd, SEC (by email)  
Parties to proceeding EB-2025-0014 (by email)

Appendix A: Market Pricing Methodology

Excel Attachments:

OPUCN Cost Allocation Model\_20251010  
OPUCN Risk Register\_20251010

## Appendix A: Market Pricing Methodology

For metering and collection services provided by 2825407 Ontario Inc. to Oshawa Power, the fee was benchmarked against the fees paid to the previous service provider in 2023 as shown below. These fees have not been increased since 2023 so remain the same in the 2025 Bridge and 2026 Test Years.

Service Provider	Service Description	Bill Rate	Bill Type
Previous Service Provider	Field Service Representative (FSR) with Vehicle – Standard Business Day	\$492.67	Flat Per Day/Requested FSR Per Hour
	FSR with Vehicle – Overtime (>8-hour business day)	\$86.22	Per Hour
2825407 Ontario Inc.	FSR with Vehicle – Standard Business Day	\$492.00	Flat Per Day/Requested FSR Per Hour
	FSR with Vehicle – Overtime (>8-hour business day)	\$86.22	Per Hour

For Joint Use Pole Rental and Duct Fibre Optic Rental services provided by Oshawa Power to Oshawa PUC Services Inc. (OPUCS), the fee was determined per below:

- For pole rental, Oshawa Power charges OPUCS based on the Annual Distribution Pole Attachment Charge published by the OEB in June 2025, with a 2026 inflation factor of 3.70%, as noted in IRR 8-VECC-209.
- As for duct rental, Oshawa Power at the commencement of services in 2010 charged OPUCS \$6.58 per metre per cable for 2010 and charges for subsequent years are based on the formula below:

$$R_t = R_{t-1} \left[ 1 + \frac{CPI_{t-1} - CPI_{t-2}}{CPI_{t-2}} \right]$$

Where:

- $R_t$  is the fee for the next year
- $R_{t-1}$  is the fee for the current year
- $CPI_{t-1}$  is the Consumer Price Index for Ontario for January of the current year
- $CPI_{t-2}$  is the Consumer Price Index for Ontario for January of the previous year

The above pole and duct rental fees are consistent with the fees charged to attachers by other distributors, and Oshawa Power applies the same pole and duct rental fees to all its non-affiliated attachers.