



2026 IRM APPLICATION

EB-2025-0013

Submitted on: October 27th, 2025

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IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O.

1998, c.15, (Schedule B); **AND IN THE MATTER OF** an

Application by Ottawa River Power Corporation to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable distribution rates and other service charges to be effective
May 1, 2026.

1. Applicant

NAME: Ottawa River Power Corporation

ADDRESS: 283 Pembroke Street West, Box 1087, Pembroke ON K8A 6Y6

CONTACTS: Justin Allen – President & Chief Executive Officer
jallen@orpowercorp.com

Jeffrey Roy – Chief Financial Officer
jroy@orpowercorp.com

Tel: (613) 732-3687
Fax: (613) 732-9838

INTERNET ADDRESS: www.orpowercorp.com

2. Application

Ottawa River Power Corporation (“ORPC”) hereby applies to the Ontario Energy Board (the “Board”) for approval of its 2026 Distribution Rate Adjustments effective May 1, 2026. ORPC applies for an Order or Orders approving the proposed distribution rates and other charges as set out in Appendix B of this Application as just and reasonable rates and charges pursuant to Section 78 of the OEB Act.

ORPC has followed the Board’s *Filing Requirements for Electricity Distribution Rate Applications Filed in 2025 for 2026 Rate Applications – Chapter 3 Incentive Rate-Setting Applications* dated June 19, 2025.

ORPC confirms that the billing determinants used in the model are from most recent reported RRR filings. The utility reviewed both the existing “Tariff Sheets” and billing determinants in the pre-populated worksheets and confirms that they are accurate.

In the preparation of this application, ORPC used the 2026 IRM Rate Generator issued on July 17th, 2025. The rate and other adjustments being applied for and as calculated through the use of the above models include a Price Cap Incentive Rate-Setting (“Price Cap IR”) option to adjust its 2026 rates. The model also adjusts Retail Transmission Service Rates in accordance with Board Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates revised on June 28, 2012 and Low Voltage Service Rates in accordance with the instructions issued on July 18th, 2024.

Along with revisions to its distribution rates, ORPC also seeks approval of the following matters:

- Continuance of the Specific Services charges and Loss Factors;
- Continuance of the MicroFit monthly charge;
- Continuance of the Smart Meter Entity charge based on the rate prescribed in the letter issued by the OEB on September 8th, 2022; and
- Adjustments to the Power Purchase True-Up rate to continue to pass Global Adjustment (“GA”) savings resulting from amendment 116/23 to Regulation 429/04 to customers as the savings are incurred.

3. Excess Dead-Band Earnings

ORPC is seeking an adjustment to its base rates through Price Cap IR. The utility achieved a Regulatory Return on Equity of 4.50% in 2024 which is outside the +/- 3% deadband on the deemed ROE of 8.66%.

The utility identified and reported to the OEB, via application EB-2025-0209, a formula error that excluded its OEB-approved Incremental Capital Module (“ICM”) from its rate base established in its 2022 Cost of Service application. The recalculated figures in the application demonstrate that had the rate base been correctly calculated, ORPC would have achieved a Return on Equity of 6.51% in 2024

which is within the deadband. ORPC expects earnings to remain lower than the deemed ROE in 2025 due to the ICM exclusion from rate base.

ORPC requests that it be permitted to adjust its rates through Price Cap IR given that its earnings are lower than anticipated and can be justified.

4. Scope of Application

The Scope of this application under the Incentive Rate-Setting Mechanism for the 2026 rate year includes:

- 2026 IRM Rate Generator
- 2026 Commodity Accounts Analysis Workform
- Proposed 2026 Tariff of Rates and Charges
- Customer Bill Impacts

The scope of this application outside the Incentive Rate-Setting Mechanism for the 2026 rate year includes the 2026 Power Purchase True-Up Model.

5. Current Tariff Sheets

The Tariff of Rate and Charges for rates currently in effect are presented in Appendix A.

6. Proposed Tariff Sheets

The Tariff of Rates and Charges proposed in this Application are presented in Appendix B.

7. Effective Date

ORPC requests an effective date of May 1, 2026 for the Proposed Tariff of Rates and Charges. In the event that the Board is unable to provide a Decision and Order in this Application for implementation by the Applicant as of May 1, 2026, ORPC requests that the Board issue an Interim Rate Order declaring

the current Distribution Rates and Specific Service Charges as interim until the decided implementation date of the approved 2026 distribution rates. If the effective date does not coincide with the Board's decided implementation date for 2026 distribution rates and charges, ORPC requests to be permitted to recover the incremental revenue from the effective date to the implementation date.

8. Form of Hearing Request

ORPC requests pursuant to Section 32.01 of the Board's Rules of Practice and Procedure, that this application be disposed of by way of a written hearing.

9. Notice of Application

ORPC attests that the utility, its shareholders and all its customer classes will be affected by the outcome of this application. ORPC will make the application and the evidence, and any amendments thereto, available for public review at ORPC's office and in a prominent place on its website at www.orpowercorp.com.

10. Company Profile

ORPC serves the urban communities of the City of Pembroke, the Township of Whitewater (Beachburg only), the Town of Mississippi Mills (Almonte Ward only) and the Township of Killaloe, Hagarty & Richards (Killaloe only).

ORPC has 510 kilometers of lines comprised of 366 kilometers of overhead lines and 144 kilometers of underground lines. ORPC's distribution plant includes twelve substations: nine at 4.16 KV and three at 12.4 KV. Eight substations are in the City of Pembroke and four substations are located in the Town of Almonte. ORPC has 13 sub-transmission transformers and approximately 1600 distribution transformers.

At the end of 2024, ORPC had 11,805 customers comprised of 88% residential customers and 12% commercial customers including small businesses and industry. The balance of the utility's customer base is comprised of Sentinel Lighting, Street Lights and Unmetered Scattered Load.

ORPC has no customers designated as wholesale market participants and has two Class A customers.

ORPC last filed for a Cost-of-Service application in 2021 for rates that became effective on May 1, 2022 (EB-2021-0052) and is anticipating filing its next Cost of Service application in August 2026 for rates effective May 1, 2027.

11. Price Cap Adjustment

As per Board policy (Chapter 3), distribution rates are to be adjusted according to the Price Cap model presented through the Board's Rate Generator model. The calculation would be based on the annual percentage change in the GDP-IPI index.

In accordance with the Report of the Board: Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors, ORPC has used an assigned Stretch Factor Group I to calculate its Price Cap. The following table shows ORPC's factor to its Price Cap Adjustment.

Price Cap Parameters

Stretch Factor Group	I
Price Escalator	3.70%
Stretch Factor Value	0.00%
Productivity Factor	0.00%
Price Cap Index	3.70%

While the price factor adjustment under this application would apply to the fixed and volumetric distribution rates for ORPC, it would not affect the following:

- Rate adders and riders

- Low voltage service charges
- Retail Transmission Service Rates
- Wholesale Market Service Rate
- Rural Rate Protection Charge
- Standard Supply Service – Administrative Charge
- MicroFIT Service Charge
- Specific Service Charges
- Transformation and Primary Metering Allowances
- Smart Metering Entity Charge
- Power Purchased True-Up Rate

12. Revenue to Cost Ratio Adjustments

ORPC is not proposing to adjust its revenue to cost ratios in this proceeding as its revenue to cost ratios were adjusted and set as part of the 2022 Cost of Service application and will be reviewed and potentially adjusted as part of its next Cost of Service application.

13. RTSR Adjustments

ORPC is applying for an adjustment of its Retail Transmission Service Rates (RTSR) based on a comparison of historical transmission costs adjusted for new Uniform Transmission Rates (UTR) levels and revenues generated from existing RTSRs. This approach is expected to minimize variances in Accounts 1584 and 1586.

OPRC used the RTSR Adjustment Worksheets embedded in the IRM Model, to determine the proposed adjustments to the RTSR approved in the 2025 IRM application. The Loss Factor applied to the metered kWh is the actual Board-approved 2022 Loss Factor.

The proposed adjustments of the RTSR are shown in the table below and the detailed calculations can be found in the 2026 IRM Model filed in conjunction with this application.

ORPC utilized Hydro One’s proposed 2026 RTSR rates in application EB-2025-0030 filed on August 29th, 2025, as a finalized rate order is not currently unavailable. ORPC therefore requests that the 2026 Hydro One and Evolgen rates be adjusted if new Hydro One RTSR rates are approved prior to the release of the Decision and Rate Order of ORPC’s IRM application.

Proposed Network Service Rate

Rate Class	Unit	Current Network Service Rate	Proposed Network Service Rate
Residential Service	\$/kWh	0.0099	0.0097
General Service Less Than 50 kW Service	\$/kWh	0.0089	0.0087
General Service 50 To 4,999 kW Service	\$/kW	3.6956	3.6026
General Service 50 To 4,999 kW Service – EV	\$/kW		0.6124
Sentinel Lighting Service	\$/kW	2.8010	2.7305
Street Lighting Service	\$/kW	2.7872	2.7170
Unmetered Scattered Load Service	\$/kWh	0.0089	0.0087

Proposed Line and Transformation Connection Service Rate

Rate Class	Unit	Current Line and Connection Service Rate	Proposed Line and Connection Service Rate
Residential Service	\$/kWh	0.0080	0.0077
General Service Less Than 50 kW Service	\$/kWh	0.0071	0.0069
General Service 50 To 4,999 kW Service	\$/kW	2.8617	2.7639
General Service 50 To 4,999 kW Service – EV	\$/kW		0.4699
Sentinel Lighting Service	\$/kWh	2.2592	2.1820
Street Lighting Service	\$/kW	2.2126	2.1370
Unmetered Scattered Load Service	\$/kW	0.0071	0.0069

14. Low Voltage Service Rate Adjustments

ORPC is applying for an adjustment of its Low Voltage Service Rates based on a comparison of historical low voltage costs adjusted for new low voltage charge levels and revenues generated from existing low voltage service rates. This approach is expected to minimize variances in Account 1550. The actual low voltage costs incurred over the previous 5 years is as follows:

Year	Costs Incurred
2020	\$492,089
2021	\$622,986
2022	\$729,469
2023	\$576,481
2024	\$701,317

All year over year variances are directly associated with rate increases and decreases by Hydro One.

OPRC used the Low Voltage Service Rate Adjustment Worksheets embedded in the IRM Model, to determine the proposed adjustments to the low voltage service rates approved in the 2025 IRM application. The Loss Factor applied to the metered kWh is the actual Board-approved 2022 Loss Factor. The proposed adjustments of the low voltage service rates are shown in the table below and the detailed calculations can be found in the 2026 IRM Model filed in conjunction with this application.

Proposed Low Voltage Service Rate

Rate Class	Unit	Current Low Voltage Service Rate	Proposed Low Voltage Service Rate
Residential Service	\$/kWh	0.0032	0.0039
General Service Less Than 50 kW Service	\$/kWh	0.0028	0.0035
General Service 50 To 4,999 kW Service	\$/kW	1.0829	1.3427
Sentinel Lighting Service	\$/kW	0.8549	1.0600
Street Lighting Service	\$/kW	0.8372	1.0382
Unmetered Scattered Load Service	\$/kWh	0.0028	0.0035

15. Deferral and Variance Account Continuity Schedule

ORPC has completed the Board Staff's 2026 IRM Rate Generator – Tab 3. Continuity Schedule and the threshold test at Tab 4 shows a claim per kWh of \$0.0001. The Report of Board on Electricity Distributors' Deferral and Variance Account Review Report provides that during the IRM plan term, the distributor's Group 1 audited account balances will be reviewed and disposed if the pre-set disposition threshold of \$0.001 per kWh (debit or credit) is exceeded unless otherwise elected by the

distributor. This amount is far below the established threshold and ORPC is therefore not requesting disposition of Group 1 account balances at this time.

Accounts 1588 and 1589 principal adjustments include reversals of 2024 principal adjustments, unbilled to actual revenue differences and a true-up of GA charges based on actual non-RPP volumes. Details on the principal adjustments can be found in ORPC's 2026 Commodity Accounts Analysis Workform. No other adjustments were presented for the Group 1 accounts.

All interest recorded on carrying charges are calculated using simple interest applied to the monthly balance and are recorded in separate sub-accounts.

16.RSVA Power – Account 1588

ORPC's Account 1588 is composed of electricity purchased from Hydro One, embedded generators and Microfits and energy revenue from the customer for each class of customer.

Electricity from Hydro One and Evolgen is purchased at the DAM OZP rate whereas electricity purchased from the Mississippi River Power Corporation (MRPC) and Enerdu Power Systems embedded generators and Microfits are purchased at contracted rates. All purchases are recorded in Account 4705. ORPC records the difference between the contracted rates and the weighted average price on any amounts paid to MRPC, Enerdu and Microfits from Hydro One on each of its monthly settlements with Hydro One and these recoveries are recorded in Account 4705.

Customers are charged at time-of-use, tiered, ultra-low overnight, weighted average (WAP) or the Hourly Ontario Energy Price (HOEP) and the charges are recorded in Account 4006, 4010, 4015, 4025, 4030 or 4035. The weighted average rate is calculated based on the HOEP multiplied by the Net System load for the given hour. On each settlement with Hydro One, the WAP data is extracted from the customer information system. The dollar amount of WAP charged to each customer class is then allocated between the RPP Blocks, time-of-use and ultra-low overnight pricing based on consumption in each class. The difference between the price charged to the customer and the WAP represents the GA portion of RPP prices which is reported in ORPC's Hydro One settlement. Items

remaining in Account 1588 include differences between the hourly weighted average price paid for electricity and the billing period weighted average price charged to customers and differences between actual line losses as compared to the total loss factor. ORPC also allocates the RPP portion of GA to account 1588. This is calculated by determining the proportion of non-RPP to RPP usage on total usage and reallocation the RPP portion of GA paid to Hydro One, adjusted for generation received, to account 1588.

The 2024 balance in the DVA Continuity Schedule does not match the RRR filing as ORPC did not include the principal adjustment entries for unbilled to actual revenue differences and the true-up of GA Charges based on actual non-RPP volumes prior to 2025.

17.RSVA Global Adjustment – Account 1589

ORPC has two Class A customers with the first enrolled in 2019 and the second in 2025. These accounts are reviewed annually for eligibility and annual adjustments to the power factor are communicated to the customer. For its Class B customers, ORPC reviews the general service accounts on an annual basis to determine which customers are eligible for the RPP. Accounts are also reviewed at the time that an account changes ownership. Any billing adjustments are done as part of the next billing period.

ORPC uses the GA 1st estimate rate posted on the IESO website for the settlement month. The variance between the estimate and the actual GA rate is recorded and reflected in RSVA GA 1589 on a monthly basis.

ORPC's account 1589 is composed of the non-RPP portion of GA paid to Hydro One net of the generator payment and the GA charged to customers.

The non-RPP portion of GA paid on electricity provided from Hydro One is recorded in Account 4707 whereas the RPP portion is recorded in account 4705. When ORPC settles with Hydro One for GA purposes, the billed kWhrs in a given month are extracted from the customer information system and the RPP data is subtracted to obtain the non-RPP volume related to billed GA. ORPC then multiplies the total GA paid to Hydro One by the proportion of RPP usage to total usage to determine

the amount of GA to reallocate to RPP customers within 4705. For non-RPP usage, ORPC multiplies the volume by the GA actual rate for the applicable usage month to calculate the actual value of the GA that would have been charged to customers had the actual GA rate for the month been used and the actual GA amount is settled with Hydro One on a monthly basis. True-ups, if any, are recorded in subsequent months. ORPC estimates usage using the most accurate GA rate available (second estimate or actual) for any unbilled kWhs.

ORPC receives a monthly generator payment from Hydro One for electricity, if any, that was over-generated by Mississippi River Power Corporation – an embedded generator – directly into the Hydro One grid. The GA credit received on the generator payment is recorded and netted against the GA paid to Hydro One and subsequently split between 4705 and 4707 based on the proportion of RPP to non-RPP customer usage.

The 2024 balance in the DVA Continuity Schedule does not match the RRR filing as ORPC did not include the principal adjustment entries for unbilled to actual revenue differences and the true-up of GA Charges based on actual non-RPP volumes prior to 2025.

18. Adjustments to Deferral and Variance Accounts

ORPC did not perform any adjustments to balances previously disposed on a final basis in its 2025 IRM application.

19. Deferral and Variance Account Disposition Rate Riders

ORPC is not proposing any rate riders in regard to disposition of accounts 1550, 1551, 1580, 1584, 1586, 1588 and 1589 at this time. All listed accounts were last disposed on a final basis up to December 31st, 2023.

20.Implementation of Guidance Regarding Accounts 1588 and 1589

The company can confirm its compliance with guidance from the OEB issued on February 21, 2019.

21.Specific Service Charge and Loss Factors

ORPC is applying to continue the current Specific Service Charges, and Loss Factors as approved by the Board (EB-2021-0052).

22.Disposition of LRAMVA

ORPC disposed of the balance in 1568 up to 2020 in its Cost of Service application for rates effective May 1st, 2022 and up to April 30th, 2022 in its IRM application for rates effective May 1, 2025. ORPC is therefore not requesting any LRAMVA disposition at this time.

23.Tax Change

The IRM model indicates that the utility is subject to a tax rate change from its Cost of Service application in 2022 to the 2026 rate. The model indicates a tax sharing amount of \$(3,399) which did not produce a rate rider in any of the rate classes based on the allocated tax sharing. As such, per Filing Requirements and pending approval by the OEB of this proceeding, ORPC will transfer the tax sharing amount into account 1595 for disposition at a later date.

24.ICM / Z-Factor

ORPC is not applying for any recovery of Incremental Capital or Z-Factor in this proceeding.

25.Commodity Accounts Analysis Work Form

ORPC has completed the Commodity Accounts Analysis Work Form for 2026. The company has presented the 2024 fiscal year in its analyses. The workform calculates the expected GA variance between billed consumption and consumption adjusted for unbilled revenues. The total expected

variance is then reconciled against the changes in the general ledger and any difference greater than + or – 1% must be explained. The variances were calculated at 0.1% which is within the threshold and therefore no further explanation is required.

The workform also compares the actual calculated loss factor against the board-approved loss factor for secondary metered customers and any difference greater than + or – 1% must be explained. The annual difference for 2024 was calculated at 0.66% which is within the threshold and therefore no further explanation is required.

Finally, the Commodity Accounts Analysis Work Form compares the total activity within account 1588 – RSVA Power against the balance in account 4705 – Power Purchased and expects that the account 1588 as a percentage of account 4705 should be within 1%. Any difference greater than + or – 1% must be explained. ORPC achieved a percentage of -0.8% for 2024 which is within the threshold and therefore no further explanation is required.

26.Account 1595 Analysis

ORPC is not seeking disposition of residual balances in Account 1595 sub-accounts as the result of \$0.0001 is far below the established threshold and ORPC is not requesting disposition at this time.

27.Wholesale Market Charge Account 1580

ORPC is an embedded distributor and is not charged CBR for its Class B customers. ORPC is charged CBR on its Class A customers but no balance pertaining to these customers exists in account 1580 at December 31, 2024.

28.Power Purchased True-Up Rate

ORPC receives a portion of its electricity supply from the Waltham Generating Station (“Waltham”) located in the province of Quebec which is owned by Brookfield Renewable Trading and Marketing LP (“Brookfield”) and invoiced by Evolgen Trading and Marketing LP (“Evolugen”). This long-

standing arrangement was most recently approved by the Board through Decision and Order EB-2021-0063.

Historically, ORPC has paid GA on the volumes of electricity purchased from Waltham. On June 2, 2023, the Electricity Act was amended to exempt GA charges for customers who consume electricity supplied from outside Ontario using private transmission lines. The amendments came into effect July 1, 2023. Electricity purchased from Waltham is supplied from Quebec with a private transmission line resulting in ORPC no longer paying GA for those purchases as of July 1st.

Electricity supply costs paid by ORPC's ratepayers continue to include GA, either explicitly as GA charges for non-RPP customers or within time of use or tiered rates for RPP customers. ORPC's payments to Brookfield as set out in the power purchase agreement include an Avoided GA component in which ORPC pays to Evolugen based on 50% of GA costs avoided by purchasing from Waltham. Therefore, the amendment to the Electricity Act increases the cost of electricity purchased from Waltham.

An illustrative example of the change for the price of energy purchased from Waltham is provided in Figure 1 below. ORPC is embedded within Hydro One Distribution and accordingly makes GA payments to Hydro One.

Figure 1 – Power Purchased True-Up



* Avoided GA

ORPC retained Elenchus Research Associates (“Elenchus”) to assist in the creation of rate mechanisms to:

- Refund the overcollection of GA from ratepayers since July 1, 2023;
- Collect increased electricity costs of Waltham purchases since July 1, 2023;
- Pass GA savings to ratepayers on a go-forward basis so ORPC does not overcollect GA; and
- Collect increased electricity costs on a go-forward basis so ratepayers pay incremental supply costs as they are incurred by ORPC.

ORPC’s proposed model and rates were approved on an interim basis in its previous application (EB-2023-0047). The model has been updated to reflect the most current figures. A summary of the proposed 2026 Power Purchased True-Up is provided below.

Proposed Power Purchased True-Up Balance

	Amount
Forecast net GA Savings	\$1,122,582
Variance from 2024	\$191,429
Disposition of 2024 Overcollection	\$442,131
Power Purchased True-Up-2026 Balance	\$1,756,323

The forecast GA savings and net savings owned to customers is provided below.

Forecast Net GA Savings

	Amount	Unit	Description	Row
Forecast Waltham Volumes	37,538,265	kWh	2021-2024 Average Waltham Volumes	A
Forecast GA	\$0.0598	\$/kWh	Oct. 2025 RPP Report	B
Total Forecast GA Savings	\$2,245,164	\$	Total savings	C = A * B
Forecast net GA Savings	\$1,122,582	\$	Total savings * 50%	D = C * 50%

A variance between the Forecast Power Purchased True-Up Balance and actual amounts credited to customers in 2024 has been incorporated into the true-up rate calculation beginning this year. This is summarized in the tables below.

2024 Variance Summary

	Customer Volumes (kWh)	Rate (\$/kWh)	Credited to Customers	GA Savings	Purchased Power Adjustment	Variance
	A	B	C = A * B	D	E = D / 2	F = E - C
May	13,573,289	\$(0.0070)	\$(95,013)	\$317,035	\$(158,517)	\$(63,504)
June	14,254,114	\$(0.0070)	\$(99,779)	\$360,890	\$(180,445)	\$(80,666)
July	16,291,439	\$(0.0070)	\$(114,040)	\$330,148	\$(165,074)	\$(51,034)
August	15,097,971	\$(0.0070)	\$(105,686)	\$250,814	\$(125,407)	\$(19,721)
September	13,424,902	\$(0.0070)	\$(93,974)	\$392,934	\$(196,467)	\$(102,493)
October	13,403,433	\$(0.0070)	\$(93,824)	\$230,181	\$(115,091)	\$(21,266)
November	14,249,902	\$(0.0070)	\$(99,749)	\$73,918	\$(36,959)	\$62,790
December	18,074,305	\$(0.0070)	\$(126,520)	\$60,553	\$(30,276)	\$96,244
Total	118,369,355		\$(828,585)	\$2,016,472	\$(1,008,236)	\$(179,651)

Variance from 2024

	Amount	Unit	Description	Row
2024 Actual Volumes (May to Dec)	118,369,335	kWh	Volumes credit applied to	A
2024 Power Purchased True-Up Rate	-\$0.0070	\$/kWh	Rate credited	B
Amount Credited to Customers	\$828,585	\$	Total credited	C = A * -B
2024 Actual GA Savings on Waltham Energy	\$2,016,472	\$	Actual May to Dec 2024 GA Savings	D
Customer Share	\$1,008,236	\$	Actual Savings * 50%	E = D * 50%
Variance	\$179,651	\$	Variance to Credit Customers	F = E - C
2024 Interest on Variance	\$6,110	\$	Interest on May-Dec 2024 amounts	G
2025 Interest on Variance	\$5,668	\$	Interest on 2024 Year-End Balance	H
Total Variance	\$191,429	\$	Total Variance to Credit Customers	I = F + G + H

ORPC collected GA from ratepayers from January to April 2024 before the Power Purchase True-Up Rate was initially effective May 1, 2024. Details of the 2024 Overcollection are provided in the following table.

2024 Overcollection Summary

		GA Savings	Purchased Power Adjustment	Customer Share	Cumulative Credit	Interest %	Interest \$
		A	B = A / 2	C = A / 2	D	E	F = D * E
2024	January	\$87,568	\$(43,784)	\$(43,784)	\$(43,784)	0.46%	\$-
	February	\$142,971	\$(71,485)	\$(71,485)	\$(115,269)	0.46%	\$(200)
	March	\$255,343	\$(127,672)	\$(127,672)	\$(242,941)	0.46%	\$(527)
	April	\$341,532	\$(170,766)	\$(170,766)	\$(413,707)	0.46%	\$(1,111)
	Total	\$827,414	\$(413,707)	\$(413,707)			\$(15,554)

Disposition of 2024 Overcollection

	Amount	Unit	Description	Row
2024 GA Savings (January to April)	\$827,414	\$	<i>Actual 2024 Overcollection</i>	A
Customer Share	\$413,707	\$	<i>Overcollection * 50%</i>	B = A * 50%
2024 Interest on Overcollection	\$15,554	\$	<i>Interest on July-Dec 2024 amounts</i>	C
2025 Interest on Overcollection	\$13,052	\$	<i>Interest on 2024 year-end balance</i>	D
Disposition of 2024 Overcollection	\$ 442,313	\$	<i>Overcollection to be credited to customers</i>	E = B + C + D

A summary of the proposed 2026 Power Purchased True-Up rate is provided below.

Proposed Power Purchased True-Up Rate Calculation

	Amount	Row
Forecast net GA Savings	\$1,122,582	A
Variance from 2024	\$191,429	B
Disposition of 2024 Overcollection	\$442,313	C = A * B
Power Purchased True-Up-2026 Balance	\$1,756,323	D = A + B + C
Forecast 2026 customer kWh volumes (<i>Actual 2024 kWh volumes</i>)	182,078,136	E
Power Purchased True-Up-2026 Rate	\$(0.0096)	F = -D / E

ORPC proposes the following adjusted rates effective May 1, 2026, subject to updates to the forecast 2025 GA when the October 2025 RPP Report is available:

Proposed Power Purchased True-Up Rate

Rate Class	Unit	Proposed Power Purchased True-Up Rate
Residential Service	\$/kWh	\$(0.0096)
General Service Less Than 50 kW Service	\$/kWh	\$(0.0096)
General Service 50 To 4,999 kW Service	\$/kWh	\$(0.0096)
Sentinel Lighting Service	\$/kWh	\$(0.0096)
Street Lighting Service	\$/kWh	\$(0.0096)
Unmetered Scattered Load Service	\$/kWh	\$(0.0096)

29.2022 Rate Base Correction Deferral Account and Recovery

Following a review of its 2022 Cost of Service application, ORPC identified a formula error that excluded its OEB-approved Incremental Capital Module (“ICM”) from its rate base. A detailed analysis of the Chapter 2 Filing Requirements, Revenue Requirement, PILs, and Cost Allocation workforms confirmed that the Gross Fixed Assets included in the rate base were understated by \$2,059,754—the gross asset value of ORPC’s approved ICM project.

ORPC filed application EB-2025-0209 on June 27th, 2025, requesting the establishment of a deferral account to accumulate the annual revenue requirement impact of the error effective from May 1, 2022 to the effective date of ORPC’s next rebasing application, currently scheduled for May 1, 2027.

On October 3rd, 2025, ORPC filed a settlement proposal where all parties (ORPC and intervenors VECC and SEC) agreed to the following in full settlement of the Application:

- a) ORPC will not recover the annual impact of the 2022 COS Error for the 2022 to 2025 rate years.
- b) For the rate year beginning May 1, 2026 and until its next cost of service application, ORPC will be entitled to track \$144,392 each rate year in the 2022 Rate Base Correction Deferral Account (the “RBC Account”) in relation to the Error. The account will not attract interest.
- c) ORPC will be entitled to recover \$144,392 for each year that is tracked in the RBC Account from ratepayers pursuant to b) above.

- d) ORPC will be entitled to implement a rate rider beginning May 1, 2026, calculated to recover \$144,392 over a one-year period. Billing determinants will be based on the 2022 Board-approved Customer and Load Forecast per the 2022 Revenue Requirement Workform. The rider will persist until the effective date of rates in ORPC's next cost of service application. The rider will be implemented in conjunction with ORPC's IRM application for 2026 rates (EB-2026-0013). The rider revenue will be recorded as an offset to the annual impact amount of the 2022 COS Error tracked in the RBC Account. The allocation of the revenue to be recovered through the rider will be based on the Allocated Class Revenue Requirement per the revised Revenue Requirement Workform. There will be no true-up of the proposed variance account balances, and no transfer to Account 1595.

On October 17th, 2025, OEB Staff filed a submission largely in support of the provisions included in the settlement proposal specifically noting that "the RBC Account serves as an equivalent account to Account 1595 because the "approved" \$144,392 is transferred to the account starting in May 2026 by 12 monthly equal-amount debit entries and the debit balances are to be drawn down by the rate rider collections over one year period from ratepayers (credit entries over one year)" and that "ORPC should bring the residual balance during its next rebasing application for visibility and transparency."

Appendix B of the settlement proposal proposes the following rates to each customer rate class:

Ottawa River Power Corporation						
EB-2025-0209						
Appendix B						
Rate Rider Recovery Period (in months)		12				
Recovery Amount (\$)		\$ 144,392				
Rate Class	Base	Base Amount per 2022 Board-Approved RRWF	Recalculated Allocated Class Revenue Requirement per initial application Appendix J - 11. Cost Allocation	Deferral/Variance Account Allocation (\$)	Monthly Account Rate Rider	
RESIDENTIAL SERVICE CLASSIFICATION	#	10,191	66.14%	\$ 95,505	\$ 0.78	/customer
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	30,190,015	15.82%	\$ 22,839	\$ 0.0008	/kWh
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	219,896	15.35%	\$ 22,159	\$ 0.1008	/kW
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	492	0.27%	\$ 386	\$ 0.7853	/kW
STREET LIGHTING SERVICE CLASSIFICATION	kW	3,103	2.20%	\$ 3,183	\$ 1.0257	/kW
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	609,268	0.22%	\$ 320	\$ 0.0005	/kWh

The accounting order states that all monthly Service and Distribution Volumetric Rate Charges to customers are to be accumulated by way of monthly credit entries in USofA account 4080 "Distribution Services Revenue" with offsetting debit entries to USofA 1508 "Other Regulatory Assets", sub-account Lost Revenues. When bills are issued to customers, the balance in USofA 1508 will be drawn down via credit to the remaining balance with an offsetting debit to 1100 "Accounts Receivable".

Subject to a Board Decision and Order on application EB-2025-0209, ORPC has included the proposed rates above in this IRM application.

30. Bill Impacts

The table below shows the proposed bill impacts as calculated at Sheet 21 of the IRM model.

Bill Impacts by Sub-Total

RATE CLASSES / CATEGORIES (eg: Residential TOU, Residential Retailer)	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		\$	%	\$	%	\$	%	\$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kWh	\$ 1.84	6.4%	\$ 1.84	7.1%	\$ 1.45	3.6%	\$ 1.45	1.2%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	kWh	\$ 0.39	0.6%	\$ (0.01)	0.0%	\$ (0.84)	-1.0%	\$ (0.84)	-0.3%
GENERAL SERVICE 50 to 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	kW	\$ 33.13	4.9%	\$ 61.97	20.4%	\$ 33.54	2.6%	\$ 37.91	0.4%
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	kW	\$ 4.27	10.0%	\$ 2.65	6.0%	\$ 2.20	3.7%	\$ 2.20	3.3%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	kW	\$ 43.41	3.9%	\$ 42.92	3.9%	\$ 42.77	3.8%	\$ 48.33	3.5%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	kWh	\$ 1.18	4.0%	\$ 1.13	4.0%	\$ 1.05	3.4%	\$ 1.05	2.1%
RESIDENTIAL SERVICE CLASSIFICATION - Non-RPP (Retailer)	kWh	\$ 1.84	6.4%	\$ 2.59	9.6%	\$ 2.20	5.4%	\$ 2.49	1.3%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	kWh	\$ 1.84	6.4%	\$ 1.84	6.6%	\$ 1.69	5.1%	\$ 1.69	2.7%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - Non-RPP (Retail)	kWh	\$ (0.03)	0.0%	\$ 2.70	3.6%	\$ 1.28	1.0%	\$ 1.44	0.2%

The 10th percentile was calculated in the following manner:

- 1) The utility produced a report which included *Residential Customer Number* and their *Monthly Consumptions*.
- 2) The report was then sorted by lowest to highest consumption.
- 3) The utility then calculates the 10th percentile threshold as being 285 kWh.
- 4) The report filtered out customers that had less than 12 months of consumption and those that used less than 50 kWh per month.

As instructed by Board Staff, the bill impacts presented are calculated based on the *dollar change in Sub-Total C – Delivery* divided by *total bill before tax and before the Ontario Energy Rebate*.

With the exception of the Residential and GS<50 which use the typical 750 and 2000 kWh/month respectively, the other classes were calculated using a monthly average consumption.

ORPC has completed the transition to fully fixed residential distribution service rates and therefore a 10th percentile calculation and mitigation plan is not required. However, the 10th percentile was still presented for comparative purposes.

31.Certification

In accordance with filing requirements for Electricity Distribution Rate Applications, I hereby certify that, to the best of my knowledge, the information and evidence contained in this application are accurate, complete and consistent with filing requirements. I also certify that ORPC has robust processes and internal controls in place for the preparation, review, verification and oversight of all account balances being requested for disposition. I further certify that the documents filed in support of this application do not include any personal information in accordance with rule 9A of the Ontario Energy Board's Rules of Practice and Procedure.



Jeffrey Roy

Chief Financial Officer

Ottawa River Power Corporation

283 Pembroke Street West, Pembroke ON K8A 6Y6

The following are appended to and form part of this Application:

Appendix A	Current Tariff Sheet
Appendix B	Proposed Tariff Sheet