



November 20, 2025

BY RESS

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Mr. Murray:

**Re: Festival Hydro Inc. ("FHI")
Reply Submission
2026 IRM Application
OEB File No: EB-2025-0039**

In accordance with Procedural Order No. 2 in the above-referenced proceeding, FHI is submitting its reply submission. FHI has submitted this document through the Regulatory Electronic Submissions system.

If you have any questions or concerns with respect to this submission, please do not hesitate to contact Megan Gooding at mgooding@festivalhydro.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Alyson Conrad". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Alyson Conrad
Chief Financial Officer
Festival Hydro Inc.

EB-2025-0039

Application for Rates Effective January 1, 2026

Submissions of
Festival Hydro Inc.
November 20, 2025

Introduction

On November 19, 2025, OEB Staff provided its submission on the above-reference proceeding.

OEB Staff had no concerns with Festival Hydro (FHI)'s proposed Price Cap Adjustment, adjustments to its Retail Transmission Service Rates, nor the adjustments to its Low Voltage Service rates.

OEB Staff made detailed submissions on the following:

- Disposition of Group 1 DVA Balance; and
- Correction of Rate Rider Calculations for Previously Disposed Group 1 DVA Balance on a final basis.

Disposition of Group 1 DVA Balance

OEB Staff had no concerns with the proposed disposition of the \$3,348,686 debit balance, including interest to December 31, 2025, on a final basis for Group 1 accounts – which includes Accounts 1588 and 1589. FHI confirms that in future rate applications it will:

1. Provide a sufficient explanation in the pre-filed Application and evidence for any process changes that affect the calculation or disposition of DVA balances; and
2. Ensure thorough and accurate responses to interrogatories, particularly where billing determinants, account balances, or process changes are involved, and maintain consistency between pre-filed evidence and interrogatory responses.

Correction of Rate Rider Calculations for Previously

In this Application, FHI acknowledged that the DVA and GA rate riders approved in the 2024 IRM proceeding were not correctly calculated, resulting in a net debit amount of \$158,079. OEB Staff agreed with FHI's deriving the amounts for rate rider calculation correction using the rate riders approved in the Final Decision and Rate Order, dated December 14, 2023. OEB Staff also agreed with FHI's plan to record the adjustment in Account 1595 (2024) and dispose of the residual balance in 2030. Further, OEB Staff accepted FHI's clarification regarding the transition customers. FHI's confirms OEB Staff's understanding that the error was limited to the OEB Staff interrogatory response and did not affect billing or calculations.

FHI is seeking to recover amounts from a previous rate period have already been disposed of on a final basis. OEB Staff submitted that it is appropriate in this case to allow for retroactive recovery.

FHI agrees with the submissions made by OEB Staff and has no further comments.

All of which is respectfully submitted.