



Wellington North Power Inc.

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ESA # 7012854

December 19, 2025

Ontario Energy Board
Attention: OEB Registrar
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear OEB Registrar:

Re: OEB File: EB-2025-0003
2026 Price Cap IR Distribution Rate Application
Applicant's Responses to OEB Staff Questions

On December 16, 2025, Wellington North Power Inc. (WNP) received questions from OEB Staff regarding the utility's 2026 IRM Rate Application (EB-2025-0003). Please find enclosed the Applicant's responses to OEB Staff questions.

An electronic copy of this letter has been filed on the Board's web portal as well as an updated IRM Rate Generator model.

Should the Board have questions regarding this matter please do not hesitate to contact me.

Respectfully submitted,

Richard Bucknall

Richard Bucknall
Regulatory Manager

Wellington North Power Inc.

c.c. Harshleen Kaur, Advisor, Incentive Rate-Setting Mechanism, Operations Decision Support (OEB)

Wellington North Power Inc. (WNP).

**2026 Price Cap Index for Electricity Distribution Rates
Using the Incentive Rate Setting Method.**

EB-2025-0003

Applicant's responses to OEB staff questions.

Wellington North Power Inc. (WNP) confirms that documents and information filed with the OEB, including responses to OEB staff questions and any other supporting documentation, does not include personal information.

Staff Question-1

Ref. 1: Wellington North Power_IRM_App_20251028, Sections 15.8.9 and 15.8.10

Ref. 2: Chapter 3 Incentive Rate-Setting Applications, June 19, 2025, p. 15

Preamble:

In Ref. 1, Wellington North Power has requested for disposition of Account 1595 for the rate years 2021 and 2022.

As per Ref. 2,

“For May 1 rate year – If 2021 rate riders expire on the following year April 30, 2022, the balance of sub-account 1595 (2021) is eligible to be disposed after the account balance as of December 31, 2024 which is two years after the rate riders’ expiration has been audited. Therefore, sub-account 1595 (2021) would be eligible for disposition in the 2026 rate year.”

Since the rate rider for Account 1595 (2021) and Account 1595 (2022) expired on April 30, 2023, the rate riders for both rate years would be eligible for disposition in the 2027 rate application.

Question(s):

- a) Please provide an updated Rate Generator Model without including the disposition of Account 1595 (2021) and Account 1595 (2022).

Wellington North Power (WNP) Response:

- a) Wellington North Power Inc (WNP) has updated the Rate Generator model by removing the disposition amounts for Account 1595 (2021) and Account 1595 (2022).

Staff Question-2

Ref. 1: Wellington North Power_2026-IRM-Rate-Generator-Model_V1_20251028, Tab 3 Continuity Schedule

Ref. 2: Dec_Rate Order_Wellington North Power_2024 IRM_20240321, Table 7.1

Preamble:

In Ref. 1, Cell BE36 has a value of (356,689) and Cell BJ36 has a value of 0.

Snapshot (Ref. 1):

| | | 2024 | | | | | |
|--|----------------|--------------------------------------|--|--|--|--------------------------------|--------------------------------------|
| Account Descriptions | Account Number | OEB-Approved Disposition during 2024 | Principal Adjustments ¹ during 2024 | Closing Principal Balance as of Dec 31, 2024 | Opening Interest Amounts as of Jan 1, 2024 | Interest Jan 1 to Dec 31, 2024 | OEB-Approved Disposition during 2024 |
| Group 1 Accounts | | | | | | | |
| LV Variance Account | 1550 | (9,548) | 0 | (31,589) | 2,738 | (2,777) | (606) |
| Smart Metering Entity Charge Variance Account | 1551 | (11,266) | 0 | (12,831) | (911) | (792) | (898) |
| RSVA - Wholesale Market Service Charge ⁶ | 1580 | 233,446 | 0 | (153,406) | 14,108 | (605) | 18,883 |
| Variance WMS – Sub-account CBR Class A ⁸ | 1580 | 0 | 0 | 0 | 0 | 0 | 0 |
| Variance WMS – Sub-account CBR Class B ⁵ | 1580 | (5,915) | 0 | 27,824 | (658) | (290) | (528) |
| RSVA - Retail Transmission Network Charge | 1584 | 70,928 | 0 | 121,392 | 8,461 | 7,110 | 6,150 |
| RSVA - Retail Transmission Connection Charge | 1586 | 28,831 | 0 | 122,749 | 5,465 | 6,193 | 2,649 |
| RSVA - Power ⁴ | 1588 | 19,948 | 0 | 68,650 | 5,405 | 1,793 | 2,635 |
| RSVA - Global Adjustment ⁴ | 1589 | 2,868 | (174) | 49,040 | (1,833) | 5,753 | (888) |
| Disposition and Recovery/Refund of Regulatory Balances (2021) ³ | 1595 | 0 | 0 | (48,053) | 1,163 | 2,472 | 0 |
| Disposition and Recovery/Refund of Regulatory Balances (2022) ³ | 1595 | 0 | 0 | (35,964) | 1,711 | (1,850) | 0 |
| Disposition and Recovery/Refund of Regulatory Balances (2023) ³ | 1595 | 0 | 0 | (47,666) | 8,806 | (547) | 0 |
| Disposition and Recovery/Refund of Regulatory Balances (2024) ³ | 1595 | (356,689) | 0 | 120,670 | 0 | 6,765 | 0 |

In Ref. 2, the Principal Balance and Interest Balance approved by the OEB are \$329,292 and \$27,397 respectively.

Question(s):

- a) Please update the values in Ref. 1 to reflect the values for the Principal and Interest Balances respectively as per Ref. 2.

Wellington North Power (WNP) Response:

- a) WNP has updated the Rate Generator model for Account 1595 (2024) inputting **(\$329,292)** in cell BE36 and **(\$27,397)** in cell BJ36 for OEB-Approved Disposition during 2024 for Principal and Interest amounts respectively.

Staff Question-3

**Ref. 1: Wellington North Power_2026-IRM-Rate-Generator-Model_V1_20251028, Tab 3
Continuity Schedule**

Preamble:

On December 10, 2025, the OEB published the 2026 Quarter 1 prescribed accounting interest rates applicable to the carrying charges of deferral, variance and construction work in progress (CWIP) accounts of natural gas utilities, electricity distributors and other rate-regulated entities.

Question(s):

- a) Please update Tab 3 (Continuity Schedule) to reflect the Q1 2026 OEB-prescribed interest rate of 2.55%.

Wellington North Power (WNP) Response:

- a) WNP has updated the Rate Generator model using the OEB prescribed interest rate of 2.55%. The Applicant has used 2.55% to calculate the interest amounts inputted into the "Projected Interest from Jan 1, 2026 to Apr 30, 2026 on Dec 31, 2024 balance" in column 'BR' of the Rate Generator Model.

As a result of the updates to the Rate Generator model arising from OEB Staff Questions 1 and 3, the Total Group 1 Balance for disposition has increased from \$62,769 to \$146,600. Consequently, the Threshold Test has been met as per worksheet "4. Billing Det. For Def.Var" of the Rate Generator model:

| | |
|---|-----------|
| Threshold Test | |
| Total Claim (including Account 1568) | \$146,600 |
| Total Claim for Threshold Test (All Group 1 Accounts) | \$146,600 |
| Threshold Test (Total claim per kWh) ² | \$0.0013 |
| Currently, the threshold test has been met and the default is that Group 1 account balances will be disposed. If you are requesting not to dispose of the Group 1 account balances, please select NO and provide detailed reasons in the manager's summary. | |
| YES | |

Staff Question-4

Ref. 1: Wellington North Power_2026-IRM-Rate-Generator-Model_20251216, Tabs 18 and 21

Preamble:

On October 17, 2025, the OEB issued a letter regarding updated Regulated Price Plan (RPP) prices effective as of November 1, 2025. Also, effective November 1, 2025, the Ontario Government's Ontario Electricity Rebate (OER) was changed to 23.5%. The OEB also set the rates for Rural or Remote Electricity Rate Protection (RRRP) and Capacity Based Recovery (CBR) billed to Class B Customers on December 11, 2025.

OEB staff has updated Wellington North Power's Rate Generator Model with the updated RRRP, CBR billed to Class B Customers, RPP and OER values as follows:

| Regulatory Charges | | | |
|--|--------|-----------------|-----------------|
| Effective Date of Regulatory Charges | | January 1, 2025 | January 1, 2026 |
| Wholesale Market Service Rate (WMS) - not including CBR | \$/kWh | 0.0041 | 0.0041 |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 | 0.0006 |
| Rural or Remote Electricity Rate Protection Charge (RRRP) | \$/kWh | 0.0015 | 0.0006 |

Time-of-Use RPP Prices and Percentages

| As of | November 1, 2025 | | |
|----------|------------------|--------|-----|
| Off-Peak | \$/kWh | 0.0980 | 64% |
| Mid-Peak | \$/kWh | 0.1570 | 18% |
| On-Peak | \$/kWh | 0.2030 | 18% |

Ontario Electricity Rebate (OER)

| | | |
|----------------------------------|----|--------|
| Ontario Electricity Rebate (OER) | \$ | 23.50% |
|----------------------------------|----|--------|

Question(s):

- a) Please confirm the accuracy of the Rate Generator Model updates.

Wellington North Power (WNP) Response:

- a) WNP has reviewed the updates made by OEB Staff in the Rate Generator, namely the updated Regulated Price Plan (RPP) prices and Ontario Electricity Rebate effective as of November 1, 2025 as well as the Regulatory Charges effective January 1, 2026. The Applicant confirms these updates are accurate and correct.

Due updates in the Rate Generator model as described in the responses to OEB Staff questions, WNP has filed an updated "Proposed 2026 Tariff of Rates and Charges" schedule on the OEB's online portal.