

Wasaga Distribution Inc. (WDI)
EB-2025-0005
December 29, 2025

Please note, Wasaga Distribution Inc. (WDI) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, 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*.

Staff Question-1

Reference 1: *2026 IRM Rate Generator Model Excel, "Continuity Schedule" tab 3, "Opening Principal & Interest Amounts as of Jan 1, 2024"*

Reference 2: *2025 IRM Rate Generator Model Excel, "Continuity Schedule" tab 3, "Closing Principal & Interest Balances as of Dec 31, 2023"*

Preamble:

In the above references, there is a slight discrepancy between the 2023 Closing Principal and Interest amounts and the 2024 Opening Principal and Interest amounts.

The COVID-19 Emergency Account (1509) is included in the 2025 Rate Generator Model and not in the 2026 Rate Generator Model.

Question(s):

- a. Please provide an explanation for the discrepancy and update the values if necessary.

WDI Response:

- a. WDI inquired with OEB staff regarding whether the 2026 IRM Rate Generator Model Excel, "Continuity Schedule" tab 3 should be updated to include the COVID-19 Emergency Account (1509). OEB staff responded to WDI advising that this was not necessary, referencing WDI's 2024 Cost-of-Service Application and stating "In 2024 COS, it states Wasaga was allowed to transfer the remaining balance of Covid to Account 1595-2024 and requests disposition in the later time. Account 1595-2024 is not eligible for disposition in 2026 rate application per CH2 filing requirements (section 2.9.1.3)." Therefore, no updates to the values are necessary.

Staff Question-2

Reference: *2026 IRM Rate Generator Model Excel, "Continuity Schedule" tab 3, column BR*

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.

Column BR description reads "Project Interest from Jan 1, 2025 to Apr 30, 2025..."

Question(s):

- a. Please confirm that Tab 3 (Continuity Schedule), column BR, reflects the Quarter 1 2026 OEB prescribed interest rate of 2.55%. If not, please update Tab 3, as necessary.
- b. Please update the description for column BR to reflect the years accordingly. It should read "...Jan 1, 2026 to Apr 30, 2026..."

WDI Response:

- a. WDI confirms that Tab 3 (Continuity Schedule), column BR, reflects the Quarter 1 2026 OEB prescribed rate of 2.55%.
- b. WDI is unable to update the description for column BR as this is a protected spreadsheet that requires a password to make such changes.

Staff Question-3

Reference: *2026 IRM Rate Generator Model Excel, "STS Tax Change" tab 8*

Preamble:

The above reference has values \$24,235,106 and \$400,964 as the OEB-Approved Rate Base and OEB-Approved Regulatory Taxable Income, respectively. The 2024 Revenue Requirement Workform has these values as the Settlement Agreement values, while the Board Decision values are \$22,696,962 and \$344,152 respectively.

Question(s):

- a. Please provide an explanation for using the Settlement Agreement values instead of the OEB Approved values and update the Rate Generator Model, if necessary.

WDI Response:

- a. WDI has updated the 2026 IRM Rate Generator Model Excel, "STS Tax Change" tab 8 to the OEB-approved values. WDI notes that although the OEB-approved values in WDI's 2024 Cost-of-Service Application reduced the Rate Base from \$24,235,106 to \$22,696,962 and Regulatory Taxable Income \$400,964 to \$344,152, the combined effective tax rate remained unchanged at 17.29%. Therefore, WDI has used 17.29% in the 2026 IRM Rate Generator Model Excel, "STS Tax Change" tab 8.

Staff Question-4

Reference 1: *2026 IRM Manager Summary, 5. Retail Transmission Service Rates, page 13*

Reference 2: *2026 IRM Rate Generator Model Excel, "RTSR – UTRs & Sub-Tx" tab 11*

Preamble:

In Reference 1, WDI states that "*WDI understands Board staff will update WDI's 2026 RTSR worksheet rates in the 2026 IRM Rate Generator model to incorporate UTR adjustments approved for 2026.*"

On October 9, 2025, the OEB communicated the preliminary Uniform Transmission Rate (UTRs) and proposed Hydro One Sub-Transmission Rates, EB-2025-0232. OEB staff has updated the 2026 IRM Rate Generator Model.

Question(s):

- a. Please review and confirm that OEB staff correctly updated the UTR and Hydro One Sub-Transmission Rates.

WDI Response:

- a. WDI confirms the OEB staff correctly updated the UTR and Hydro One Sub-Transmission Rates.

Staff Question-5

Reference: *2026 IRM Rate Generator Model Excel, "Regulatory Charges" tab 18, RRRP and WMS Rates effective January 1, 2026.*

Preamble:

As per its Decision and Order, dated December 11, 2025, EB-2025-0299, the OEB set the Rural or Remote Electricity Rate Protection (RRRP) and Wholesale Market Services (WMS) charges, effective January 1, 2026.

OEB staff has updated the RRRP and CBR charges in the 2026 IRM Rate Generator Model to reflect the values established, as per above Reference.

Question(s):

- a. Please review and confirm that OEB staff correctly updated the RRRP and CBR charges.

WDI Response:

- a) WDI confirms that the OEB staff correctly updated the RRRP and CBR charges.

Staff Question-6

Reference: *2026 IRM Commodity Accounts Analysis Workform, GA 2024 tab*

Preamble:

In the GA 2024 tab of the Commodity Accounts Analysis Workform, columns G and H for Unbilled Loss Adjusted Consumption are not used.

Note 4(a) of the GA 2024 tab of the Commodity Accounts Analysis Workform indicates that distributors are to provide an explanation if columns G and H for unbilled consumption are not used in the Analysis of GA table.

Question(s):

- a. Please provide an explanation for not using columns G and H and update the Commodity Accounts Analysis Workform, accordingly.

WDI Response:

- a) Columns G and H were not used because Non-RPP customers are billed on a same-month consumption basis. Consumption used within a given calendar month is billed within that same month, and therefore there is no timing difference between consumption and billing that would give rise to unbilled consumption.