

January 9, 2026
Ritchie Murray, Acting Registrar
Ontario Energy Board
P.O. Box 2319 27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Attention: Ritchie Murray, Acting Registrar
Regarding: EB-2025-0013 – Interrogatory Responses to Ottawa River Power Corporation
2026 Incentive Rate-Setting Mechanism Applications for rates effective May 1, 2026 (the
“Application”)

Dear Mr. Murray,

Ottawa River Power Corporation respectfully submits their interrogatory responses to OEB Staff questions. ORPC also provides updated and alternate versions of the following models:

- ORPC_2026_IRM_Rate_Generator_Model_20260109
- ORPC_2026_Commodity_Accounts_Analysis_Workform_20260109

ORPC confirms that the responses do not include any personal information, as identified in the certification requirements for personal information in Chapter 1 of the filing requirements.



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**OEB Staff Interrogatory Responses
Ottawa River Power Corporation
EB-2025-0013**

Please note, Ottawa River Power Corporation (ORPC) 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

Ref 1: Rate Generator Model, November 11, 2025, Tab 18, Regulatory Charges,

Preamble:

On October 17, 2025, the OEB published the electricity prices under the Regulated Price Plan (RPP), including the Winter Time-of-Use (TOU) prices and the Ontario Energy Rebate (OER) effective November 1, 2025. In addition, on December 11, 2025, the OEB set the updated rates for the Rural or Remote Electricity Rate Protection (RRRP), Wholesale Market Service (WMS), and Capacity Based Recovery (CBR) rates effective January 1, 2026.

Question(s):

- a. OEB staff has updated the TOU prices, OER, RRRP, and CBR rates in Tab 18 (Regulatory Charges) of the Rate Generator Model. Please confirm the accuracy of the updates and that they are correctly reflected throughout the model.

Response:

- a. ORPC confirms the accuracy of the TOU, OER, RRRP and CBR rates in Tab 18 and has provided an updated IRM Rate Generator Model that reflects the updates throughout the model.

Staff Question-2

Ref 1: Rate Generator Model, November 11, 2025, Tab 3, Continuity Schedule, Column BR,

Preamble:

On September 11, 2025 and December 10, 2025, the OEB published the Q4 2025 and Q1 2026 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, Columns BQ and BR (Continuity Schedule) to reflect the Q4 2025 and Q1 2026 OEB-prescribed interest rates of 2.91% and 2.55%.

Response:

- a. ORPC has provided an updated IRM Rate Generator Model with the requested changes.

Staff Question-3

Ref 1: Rate Generator Model, November 11, 2025, Tab 3, Column BQ

Preamble:

OEB staff observes that the projected interest calculation formula in Reference 1 uses different principal amounts for 2025. For the first four months of 2025, it refers to cell BG (Closing Principal Balance as of Dec 31, 2024), while remaining months refer to cell BO (Closing Principal Balances as of Dec 31, 2023 Adjusted for Disposition during 2025).

Question(s):

- a. Please explain why different principal amounts were used to calculate the projected interest for 2025.
- b. If this was an error or oversight, please update the calculation accordingly.

Response:

- a. ORPC confirms that this was an oversight.

- b. An updated IRM Rate Generator Model has been provided with the revised calculation.

Staff Question-4

Ref 1: Manager's Summary, October 27, 2025, pages 21-22

Ref 2: Rate Generator Model, November 11, 2025, Tab 19, Additional Rates

Ref 3: EB-2025-0209, Decision and Order, November 20, 2025

Preamble:

In this application, ORPC provided a table of monthly rate riders for each rate class, based on the settlement proposal of the proceeding EB-2025-0209 to recover lost revenue due to an error that excluded an approved Incremental Capital Module (ICM) from its rate base. On November 20, 2025, the OEB issued its Decision and Order on the EB-2025-0209 proceeding.

Question(s):

- a. Please confirm if the rate riders in Reference 2 reflect the approved amounts based on the OEB's Decision and Order in EB-2025-0209. If not, please update using the amounts approved by the OEB.

Response:

- a. ORPC confirms that the rate riders in Reference 2 reflect the approved amounts in the OEB's Decision and Order in EB-2025-0209.

Staff Question-5

Ref 1: Rate Generator Model, November 11, 2025, Tab 16.1, LV Expense

Question(s):

- a. OEB staff observes that the following LV charges apply only from July to December:

- Rider Disposition Group 1 Def/Var Acct (2024-NONWMP)
- Rider Disposition Group 1 Def/Var Acct (2024)
- Rate Rider Disposition of Account 1595 charges

Please explain why these charges are applied only from July to December.

- b. OEB staff notes that the *LV charge - Rider Disposition of Group2 Def/Var Acct – Vol* is applied twice at different rates. Please explain whether the charges are the same or different. If the same, please explain why it cannot be combined into a single rate.

Response:

- a. These charges are only applied from July to December as Hydro One's EB-2023-0030 Rate Applicable was issued a Partial Decision and Rate Order on December 14, 2023 for rates effective January 1, 2024 with the full Decision and Rate Order issued on June 13, 2024 for rates effective July 1, 2024.
- b. The charges are different and are listed separately in its invoices from Hydro One.

Staff Question-6

Ref 1: Rate Generator Model, November 11, 2025, Tab 11, RTSR – UTRs & Sub-Tx
Ref 2: EB-2025-0232, 2026 Preliminary Uniform Transmission Rates and Hydro One Sub-Transmission Rates, October 9, 2025

Question(s):

- a. OEB staff has updated the preliminary UTRs in Tab 11 of the Rate Generator Model for 2026 based on the OEB letter dated October 9, 2025 (Reference 2). Please confirm the accuracy of the updates and that they are correctly reflected throughout the model.

Response:

- a. ORPC has further updated the Hydro One Sub-Transmission Rates to reflect the EB-2025-0030 Decision and Order issued by the OEB on December 23, 2025. ORPC has provided an update IRM Rate Generator Model that reflects the updates throughout the model.

Staff Question-7

Ref 1: Rate Generator Model, November 11, 2025, Tab 10, RTSR Current Rates

Question(s):

- a. OEB staff observes that ORPC did not forecast Electric Vehicle (EV) loads for 2026. Please confirm the following:
 - i. Does ORPC plan to offer Electric Vehicle Charging Rate (EVC Rate) to eligible customers beginning 2026?
 - ii. Does ORPC expect any customers to qualify for the EVC Rate in 2026?

Response:

- a.
 - i. ORPC intends to offer the EVC Rate to eligible customers beginning in 2026.
 - ii. ORPC does not presently expect any customers to qualify for the EVC Rate in 2026.

Staff Question-8

Ref 1: EB-2024-0050, 2025 Decision and Rate Order, March 20, 2025, p. 10

Ref 2: Manager's Summary, October 27, 2025, pp. 12 & 13

Ref 3: Commodity Accounts Analysis Workform, October 27, 2025

Ref 4: OEB Letter, Adjustments to Correct for Errors in Electricity Distributor "Pass-Through" Variance Accounts After Disposition, October 31, 2019

Preamble:

In ORPC's 2025 Decision and Rate Order, the OEB approved Accounts 1588 and 1589 balances on a final basis, relating to variances in the 2018 to 2023 calendar years.

In Tab GA 2024 of the Commodity Accounts Analysis Workform, ORPC stated that an Account 1589 debit principal adjustment of \$993,757 reflected a "prior period principal adjustments misallocation recognized in 1589 and moved to 1588 in 2025."

An Account 1589 debit principal adjustment of \$993,757 and an Account 1588 credit principal adjustment of \$993,757 was shown in tab Principal Adjustments of the Commodity Accounts Analysis Workform. The Manager's Summary also referenced a statement that certain principal adjustments reflected "a true-up of GA Charges based on actual non-RPP volumes prior to 2025."

However, in its Manager's Summary, ORPC stated that it "did not perform any adjustments to balances previously disposed on a final basis in its 2025 IRM application."

OEB staff notes that ORPC has not specifically addressed the OEB's October 31, 2019 letter, regarding adjustments to correct for errors after disposition. For example, the OEB outlined four factors that it may consider in determining on a case by-case basis, whether to make a retroactive adjustment based on the particular circumstances of each case.

Question(s):

- a. Please provide more information regarding the Account 1589 debit principal adjustment of \$993,757 and Account 1588 credit principal adjustment of \$993,757 on a high-level basis, including the calendar years and rate years impacted, as well as where balances in prior DVA continuity schedules were impacted (tab and cell references).
- b. Please confirm that ORPC is requesting approval to adjust balances previously approved on a final basis, with ORPC's proposed reclassification of an Account 1589 debit principal adjustment of \$993,757 and an Account 1588 credit principal adjustment of \$993,757.
- c. If no, please explain further.
- d. If yes, please explain further why ORPC is of the view that it is not making any adjustments to balances previously disposed on a final basis (as noted in its Manager's Summary).
- e. If yes, please describe how ORPC has satisfied the OEB's concerns noted in the OEB's October 31, 2019 letter, regarding adjustments to correct for errors after disposition.

Response:

- a. This represents the True-up of GA Charges required for the 2024 fiscal year only. The entry was not recorded in 2024 and was recorded in 2025.
- b. ORPC is not requesting approval to adjust balances previously approved on a final basis.

- c. The adjustment pertains to the 2024 calendar year and does not pertain to balances previously approved on a final basis (2023 and prior).
- d. N/A
- e. N/A

Staff Question-9

Ref 1: Commodity Accounts Analysis Workform, October 27, 2025

Ref 2: EB-2024-0050, 2025 Decision and Rate Order, March 20, 2025, p. 15

Ref 3: Manager's Summary, October 27, 2025, p. 20

Preamble:

The following questions relate to ORPC's Power Purchased True-Up Rates and the impact of some of the proposed principal adjustments presented on the Commodity Accounts Analysis Workform.

An Account 1589 debit principal adjustment of \$993,757 and an Account 1588 credit principal adjustment of \$993,757 was shown in tab Principal Adjustments of the Commodity Accounts Analysis Workform.

The OEB approved the following Power Purchased True-Up Rates rates on a final basis in the 2025 Decision and Rate Order:

- i. A credit of \$0.0070 per kWh which was previously approved by the OEB in the 2024 Decision and Rate Order to be refunded to all of ORPC's customers on an interim basis, effective May 1, 2024
- ii. A credit of \$0.0107 per kWh which was to be refunded to all of ORPC's customers, effective May 1, 2025

A credit of \$0.0096 per kWh is proposed in the current proceeding to be refunded to all of ORPC's customers on a final basis, effective May 1, 2026.

Question(s):

- a. Please provide more information and explain whether the Account 1589 debit principal adjustment of \$993,757 and Account 1588 credit principal adjustment of \$993,757 impacts the following:

- i. The following Power Purchased True-Up rates that were approved on a final basis in the 2025 Decision and Rate Order:
 - A credit of \$0.0070 per kWh previously approved by the OEB in the 2024 Decision and Rate Order to be refunded to all of ORPC's customers on an interim basis, effective May 1, 2024
 - A credit of \$0.0107 per kWh which was to be refunded to all of ORPC's customers, effective May 1, 2025
- ii. A Power Purchased True-Up credit of \$0.0096 per kWh proposed in the current proceeding to be refunded to all of ORPC's customers on a final basis, effective May 1, 2026

Response:

- a.
 - i. ORPC confirms that the principal adjustments of \$993,757 do not impact the credits to customers for the credits effective May 1, 2024 nor May 1, 2025.
 - ii. ORPC confirms that the principal adjustments of \$993,757 do not impact the proposed credit to customers effective May 1, 2026.

Staff Question-10

Ref 1: EB-2023-0047, 2024 Decision and Rate Order, April 9, 2024, p. 12

Ref 2: OEB Letter, Adjustments to Correct for Errors in Electricity Distributor "Pass-Through" Variance Accounts After Disposition, October 31, 2019

Ref 3: EB-2024-0050, 2025 Decision and Rate Order, March 20, 2025, p. 9

Ref 4: Commodity Accounts Analysis Workform, October 27, 2025

Ref 5: Manager's Summary, October 27, 2025, pp. 10-12

Preamble:

In its 2024 IRM decision, the OEB required ORPC to undertake a detailed review of its Accounts 1588 and 1589 balances before filing its next rate application. The internal review was related to variances in the 2018 to 2023 calendar years. In the 2024 IRM decision, the Accounts 1588 and 1589 balances relating to variances in the 2018 through 2022 years were approved on an interim basis.

In the 2025 rates proceeding, ORPC confirmed that it had conducted this detailed review, with no adjustments proposed to the balances previously disposed on an interim basis. In ORPC's 2025 Decision and Rate Order, the OEB approved Accounts 1588

and 1589 balances on a final basis, relating to variances in the 2018 to 2023 calendar years.

In Tab GA 2024 of the Commodity Accounts Analysis Workform, ORPC stated that an Account 1589 debit principal adjustment of \$993,757 reflected a “prior period principal adjustments misallocation recognized in 1589 and moved to 1588 in 2025.”

An Account 1589 debit principal adjustment of \$993,757 and an Account 1588 credit principal adjustment of \$993,757 was shown in tab Principal Adjustments of the Commodity Accounts Analysis Workform.

ORPC stated in the current proceeding that its DVA threshold test in Tab 4 of the 2026 IRM Rate Generator Model shows a claim per kWh of \$0.0001, which is below the OEB’s established threshold of \$0.001 per kWh. ORPC stated that as a result, ORPC is not requesting disposition of Group 1 account balances at this time.

Question(s):

- a. Please explain why ORPC has recorded a “prior period principal adjustments misallocation” between Accounts 1588 and 1589 and presented these adjustments in the current proceeding, given its statements in the 2025 rates proceeding. In the 2025 rate proceeding, ORPC confirmed that it had conducted a detailed review of Accounts 1588 and 1589, with no adjustments proposed to the reviewed balances (i.e., relating to variances in the 2018 to 2023 calendar years).
- b. Please explain whether ORPC would support the OEB disposing of the December 31, 2024 Group 1 DVA balances in the current proceeding, even if the OEB determines that the threshold of \$0.001 per kWh has not been met.

Response:

- a. The adjustment pertains to the 2024 calendar year and did not pertain to the detailed review of the 2018 to 2023 calendar years.
- b. ORPC would support the disposition of December 31, 2024 even if the threshold has not been met.

Staff Question-11

Ref 1: Commodity Accounts Analysis Workform, October 27, 2025

Preamble:

OEB staff observes that Note 7a of Tab Account 1588 of the Commodity Accounts Analysis Workform has not been completed.

Question(s):

- a. Please complete Note 7a of Tab Account 1588 of the Commodity Accounts Analysis Workform.
- b. Please explain any material amounts recorded in Note 7a on a high-level basis.

Response:

- a. ORPC has completed Note 7a in the provided updated Commodity Accounts Analysis Workform. Please note that ORPC did not originally complete this workform as the form states to complete for each year where Account 1588 as a % of Account 4705 is greater than +/- 1% of that year's cost of power purchased. The percentage for 2024 was -0/8% which is below +/- 1%.
- b. The explanations have been provided in Note 7a of the updated Commodity Accounts Analysis Workform.

Staff Question-12

Ref 1: EB-2024-0050, 2025 Decision and Rate Order, March 20, 2025, p. 15

Ref 2: Manager's Summary, October 27, 2025, p. 24

Preamble:

In ORPC's 2025 rates decision, the OEB noted that, regarding the accuracy of the model for the purpose of generating the proposed Power Purchased True-Up Rate for 2026, the OEB expected ORPC to confirm the accuracy of the model for that purpose when it files its application for 2026 rates.

In the Manager's Summary for the current application, ORPC's Chief Financial Officer certified that, to the best of his knowledge, the information and evidence contained in the 2026 rate application are accurate, complete and consistent with filing requirements. He also certified that ORPC has a robust processes and internal controls in place for the preparation, review, verification and oversight of all account balances being requested for disposition.

Question(s):

- a. Please confirm the accuracy of the model for the purpose of generating the proposed Power Purchased True-Up Rate for 2026.
- b. If not confirmed, please explain.

Response:

- a. ORPC confirms the accuracy of the model for the purpose of generation the Power Purchased True-Up Rate for 2026.
- b. N/A