

Halton Hills Hydro Inc.
EB-2025-0034
January 8, 2026

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Staff Question-1

Ref: Rate Generator Model, Tab 3, Continuity Schedule

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 (Continuity Schedule) as necessary to reflect the Q4 2025 and Q1 2026 OEB-prescribed interest rates of 2.91% and 2.55%.

Staff Question-2

Ref: Rate Generator Model, Tab 18, Regulatory Charges

Preamble:

On December 11, 2025, the OEB set the rates for the Rural or Remote Electricity Rate Protection (RRRP), Wholesale Market Service (WMS), and Capacity Based Recovery (CBR) rates.

Question(s):

- a. OEB staff has updated the RRRP and CBR rates in Tab 18 (Regulatory Charges) of the Rate Generator Model. Please confirm the accuracy of the updates and if there are no issues with the model.

Staff Question-3

Ref 1: Chapter 3 Filing Requirements, June 19, 2025, Section 3.2.6, p. 9

Ref 2: Rate Generator Model, Tab 3, Continuity Schedule, Column AS

Ref 3: EB-2023-0026, March 21, 2024, Rate Generator Model, Tab 3, Continuity Schedule, Column BG

Ref 4: EB-2023-0026, March 21, 2024, Rate Generator Model, Tab 3, Continuity Schedule, cells BG32 & BL32

Ref 5: Rate Generator Model, Tab 3, Continuity Schedule, cells AS31 & AX31

Preamble:

Chapter 3 of the Filing Requirements states that the opening principal and opening interest amounts for Group 1 balances shown in the DVA continuity schedule must reconcile with the last applicable balances approved on a final basis. OEB staff notes that the OEB last approved the final disposition of HHHI Group 1 balances as of December 31, 2022 in its 2024 IRM proceeding (EB-2023-0026).

OEB staff observes that the opening principal balances as of January 1, 2023 for Accounts 1588 and 1588 in Reference 2 do not match the closing principal balances ending as of December 31, 2022 in Reference 4.

Question(s):

- Please explain and reconcile the discrepancies of the 2023 opening balances in Accounts 1588 and 1589.

Reference 2

Account Descriptions	Account Number	Opening Principal Amounts as of Jan 1, 2023
Group 1 Accounts		
LV Variance Account	1550	437,681
Smart Metering Entity Charge Variance Account	1551	(79,519)
RSVA - Wholesale Market Service Charge ⁵	1580	1,343,510
Variance WMS – Sub-account CBR Class A ⁵	1580	0
Variance WMS – Sub-account CBR Class B ⁵	1580	(106,628)
RSVA - Retail Transmission Network Charge	1584	1,181,640
RSVA - Retail Transmission Connection Charge	1586	176,982
RSVA - Power ⁴	1588	(771,539)
RSVA - Global Adjustment ⁴	1589	10,375

Reference 3

Account Descriptions	Account Number	Closing Principal Balance as of Dec 31, 2022
Group 1 Accounts		
LV Variance Account	1550	437,681
Smart Metering Entity Charge Variance Account	1551	(79,519)
RSVA - Wholesale Market Service Charge ⁵	1580	1,343,511
Variance WMS – Sub-account CBR Class A ⁵	1580	0
Variance WMS – Sub-account CBR Class B ⁵	1580	(106,628)
RSVA - Retail Transmission Network Charge	1584	1,181,640
RSVA - Retail Transmission Connection Charge	1586	176,982
RSVA - Power ⁴	1588	(1,439,694)
RSVA - Global Adjustment ⁴	1589	678,528

- b. Please explain why HHHI did not include the Disposition and Recovery/Refund of Regulatory Balances 1595 (2018) closing balances (Reference 4) to the opening balances in Reference 5.

Staff Question-4

Ref 1: Rate Generator Model, Tab 3, Continuity Schedule

Ref 2: EB-2023-0026, March 21, 2024, Decision and Order, p. 9

Ref 3: EB-2022-0036, March 23, 2023, Decision and Order, pp. 10-13

Question(s):

- a. Please explain why HHHI did not include the amounts in the Disposition and Recovery/Refund of Regulatory Balances (2018), that was approved in HHHI's 2024 IRM proceeding (Reference 2), in the OEB-Approved Disposition during 2024 column for both the principal (cell BE31) and interest (cell BJ31) balances.
- b. Please explain why HHHI did not include the amounts in the Disposition and Recovery/Refund of Regulatory Balances (2016), that was approved in HHHI's 2023 IRM proceeding (Reference 3), in the OEB-Approved Disposition during 2023 column for both the principal (cell AU31) and interest (cell AZ31) balances.

Staff Question-5

Ref: Rate Generator Model, Tab 3, Continuity Schedule, Column BF

Question(s):

- a. Please explain the principal adjustments made in 2024 for Account 1595 Disposition and Recovery/Refund of Regulatory Balances (2023 & 2024).

Staff Question-6

Ref 1: Commodity Accounts Analysis Workform, Note 8

Ref 2: EB-2023-0026, November 13, 2023, GA Analysis Workform, Note 9

Question(s):

- a. Please explain why the principal adjustments of -\$554,961 in Account 1588 and \$554,961 in Account 1589, which refers to Unposted 2019 CT 148 Trueup (Reference 2), are not reflected in Reference 1.

Staff Question-7

Ref 1: Manager's Summary, pp. 9-10

Ref 2: Commodity Accounts Analysis Workform, Account 1588

Preamble:

HHHI states in Reference 1 that the annual Account 1588 balance relative to the cost of power is 1.1%. HHHI also notes an out of period GA adjustment on an IESO invoice in 2023 and a \$357,824 out of period adjustment reconciling item that brings the discrepancy of Account 1588 relative to the cost of power to 0.0%. OEB staff observes that the discrepancy of 1.1% and the out of period adjustments are not reflected in Reference 2.

Question(s):

- a. Please explain and reconcile the statements in Reference 1 with the Commodity Accounts Analysis Workform in Reference 2.

Staff Question-8

Ref: Rate Generator Model, Tab 10, RTSR Current Rates

Question(s):

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

Staff Question-9

Ref 1: Rate Generator Model, Tab 11, RTSR – UTRs & Sub-Tx

Ref 2: EB-2025-0030, Decision and Order, December 23, 2025

Preamble

On December 23, 2025, the OEB issued its Rate Order for Hydro One Networks Inc.'s Custom IR application. Included in the Rate Order were new Sub-Transmission Rates for 2026.

Question(s):

- a. OEB staff has updated Hydro One's Sub-Transmission rates in Reference 1. Please confirm the accuracy of the updates and that they are correctly reflected throughout the model.

Staff Question-10

Ref: Rate Generator Model, Tab 4, Billing Det. For Def-Var

Question(s):

- a. Please provide and confirm the basis of the allocation in the 1595 Recovery Proportion (2019 and pre-2019) column in Reference 1.