



January 26, 2026

via RESS

Mr. Ritchie Murray, Acting Registrar  
Ontario Energy Board  
P.O. Box 2319  
Suite 2700, 2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Mr. Murray:

**Re: Elexicon Energy Inc. – Revised Draft Rate Order  
2026 IRM Distribution Rate Application  
OEB File No: EB-2025-0046**

On January 21<sup>st</sup>, Elexicon Energy Inc (“Elexicon”) filed its Draft Rate Order and supporting materials per the Decision and Order dated January 15, 2025 (“the Decision”), with a proposed Tariff of Rates and Charges that reflects the Ontario Energy Board’s (“OEB’s”) findings in the Decision. Subsequently, on January 23 and January 26, OEB Staff requested certain changes to the materials filed to address the adjustment to carrying charges applied to the Group 2 balances. Elexicon had calculated interest on a declining balance up to the sunset date of December 31, 2027 to align with the two-year disposition period approved by the OEB. However, OEB staff has asked that carrying charges only be applied to the balance up to the start of the effective date of the rider, December 31, 2025, noting that interest incurred on the balance after the start date will be tracked in a sub-account of Account 1595 and will follow the OEB’s prescribed disposition timing. Elexicon has recalculated the Group 2 disposition rate riders accordingly.

To address feedback from OEB staff, Elexicon is submitting a revised DRO electronically through the Board’s web portal (“RESS”), including the following files, which provide detailed information as to how Elexicon calculated the final rates.

- Excel files to support the IRM application
  - i. Updated EE\_VRZ\_2026\_IRM Rate Generator Model\*
  - ii. Updated EE\_WRZ\_2026\_IRM Rate Generator Model\*
  - iii. Updated EE\_2026 Group 2 Continuity Schedule\*
  - iv. Updated VRZ\_2026\_Sandy Beach\_ACM\_ICM\*
  - v. EE Foregone Revenue Estimate



Updated Excel files are indicated by “\*” above. Elexicon used the IRM Rate Generator Models provided by OEB staff on January 23, 2026, for the Veridian and Whitby Rate Zones. These models reflect the current 2026 Uniform Transmission Rates, Hydro One Sub-Transmission rates and regulatory charges.

In accordance with the Decision, the Draft Rate Order reflects:

1. Group 2 Deferral and Variance Accounts
  - VRZ and WRZ:
    - Updated balance for the Rate Rider for Disposition of Group 2 (Distribution Revenue-related - “DR”) (2026) to remove the disposition amount associated with Account 1508 - Getting Ontario Connected Act Variance Account.
    - Updated disposition period for the Rate Rider for Disposition of Group 2 (Distribution Revenue-related) (2026) and the Rate Rider for Disposition of Group 2 (Other Income - “OI”) (2026) from one year to two years.
  - VRZ:
    - Eliminate the Rate Rider for Account 1575 (2026) to remove the disposition amount associated with Account 1575 – IFRS–CGAAP Transitional PP&E.
  - WRZ:
    - Updated balance for the Rate Rider for Disposition of Group 2 (Distribution Revenue-related - “DR”) (2026) to remove the disposition amount associated with Account 1508 - Estimated Useful Life.
2. Incremental Capital Module
  - Sandy Beach Station project (VRZ)
    - Reflection of the \$3.15 million reduction to the Sandy Beach Station capital amount in the 2026 project revenue requirement, with corresponding adjustments to the associated rate riders.
  - Belleville DESN 2 project (VRZ)
    - Elimination of the associated rate riders to reflect non-approval of incremental capital funding for this project.
3. Forgone Revenue and Adjustment to Additional Rate Riders Reflecting February 1 Implementation
  - Estimated forgone revenue and the fixed and volumetric rate riders for base distribution rates.
  - Estimated forgone revenue and the fixed and volumetric rate riders for the Rate Rider for Recovery of Incremental Capital (2026).
  - For one-year approved disposition amounts, adjusted the disposition period to reflect the one-month delay in implementation.  
This includes:
    - Rate Riders for Disposition of Group 1 Accounts (VRZ)



- Rate Rider for Application of Tax Change (2026) (WRZ)
  - Rate Rider for Prospective LRAMVA Disposition (2026) (VRZ and WRZ)
- For approved disposition amounts, moving from a one year to a two-year period, update to the disposition period to reflect the one-month delay in implementation and sunset date from December 31, 2026 to December 31, 2027. This includes:
  - Rate Riders for Disposition of Group 2 (DR related) (2026)
  - Rate Riders for Disposition of Group 2 (OI) (2026)

The above changes have been incorporated into both the updated IRM Models and the supporting schedules, as summarized below:

- **VRZ and WRZ IRM Models** have been updated to reflect all Group 1 adjustments (excluding the LRAMVA rate rider). Some of the updates required OEB staff to modify the IRM Models to enable the necessary changes, specifically:
  - VRZ - Tab 6.2 (CBR B): Adjustment of the disposition period from 12 months to 11 months and update to the sunset date from November 30, 2026 to December 31, 2026.
  - WRZ - Tab 9 (Shared Tax Rate Rider): Updates to reflect the required disposition changes.
  - VRZ and WRZ – Tab 19 (Additional Rates): New fields added to enable entry of distinct charge descriptions for forgone revenue rate riders.
- The **Updated EE\_2026 Group 2 Continuity Schedule** reflects the two-year Group 2 disposition period.
- The **Updated VRZ\_2026\_Sandy Beach\_ACM\_ICM** has been updated to incorporate the change in the eligible incremental capital for the Sandy Beach project and revised revenue requirement.
- The **EE Foregone Revenue Estimate** attachment provides calculations for forgone revenue related to base distribution rates, and the Rate Rider for Recovery of Incremental Capital (2026). The attachment also recalculates the Rate Rider for Prospective LRAMVA Disposition (2026) to be recovered over an 11-month period.

#### 1. Group 2 Deferral and Variance Accounts - UPDATED

Ellexicon has updated the Group 2 balances in accordance with the Decision, in which the OEB approved Ellexicon's Group 2 deferral and variance account (DVA) proposals with the exception of certain Group 2 accounts. Table 1 below summarizes the Decision impacts on Ellexicon's Group 2 disposition amounts and revised balances provided in the attached Updated EE\_2026 Group 2 Continuity Schedule. Table 1: Group 2 Deferral and Variance Account Balances



Description	Group 2 Rate Rider*	Proposed	Proposed	DRO	DRO
		VRZ	WRZ	VRZ	WRZ
1508 – IFRS Transition Costs	DR	\$575,840	-	\$575,840	-
1508 – OEB Cost Assessments	DR	\$2,031,407	\$438,867	\$2,031,407	\$438,867
1508 – Collection of Account Variance	OI	\$7,640,327	-	\$7,640,327	-
1508 – Pole Attachments	OI	-\$2,953,344	-\$702,370	-\$2,953,344	-\$702,370
1508 – Getting Ontario Connected Act Variance	DR	\$595,482	\$220,247	Not Approved	Not Approved
1508 – LEAP EFA Funding	DR	\$185,933	-	\$185,933	
1508 – Estimate Useful Life	DR	-	\$1,073,505	-	Not Approved
1518 – Retail Cost Variance Account – Retail	OI	\$553,760	\$133,229	\$553,760	\$133,229
1518 – Retail Cost Variance Account – STR	OI	\$99,522	\$29,385	\$99,523	\$29,385
1555 – Stranded Meters	DR	-\$29,458	-\$7,903	-\$29,458	-\$7,903
1575 – IFRS-CGAAP Transitional PP&E	Acc't 1575	\$5,346,309	-	Not Approved	-
Total (net) Balance by Rate Zone	Total	\$14,045,778	\$1,184,960	\$8,103,987	-\$108,792
Total (net) Balance by Group 2 Rate Rider	DR	\$3,359,204	\$1,724,716	\$2,763,721	\$430,964
Total (net) Balance by Group 2 Rate Rider	OI	\$5,340,265	-\$539,756	\$5,340,265	-\$539,756
Total (net) Balance by Group 2 Rate Rider	Acc't 1575	\$5,346,309	-	Eliminated	-

\* "DR" represents Distribution Revenue-related accounts and "OI" represents Other Revenue-related accounts

The resulting Group 2 rate riders for the approved accounts are provided below. The corresponding draft rate riders for Distribution Revenue and Other Income have been updated to reflect the revised account balances shown in Table 1 and the extension of the recovery period from 12 months to 23 months, consistent with the one-month implementation delay (January 1, 2026 to February 1, 2026) and the transition from a one-year to a two-year disposition period, with expiry on December 31, 2027.



Table 2: Rate Riders for Disposition of Group 2 Deferral and Variance Accounts

Veridian Rate Zone 2026 DVA Riders (Group 2 Distribution Revenue-related)							
Rate Class	Unit	As Filed			Draft Rate Order		
		Service Charge (Fixed \$/month)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)	Service Charge (Fixed)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	Cust	0.90	-	-	0.39	-	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	Cust	0.81	-	-	0.35	-	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	-	0.0012	-	-	0.0005	-
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	-	-	0.5362	-	-	0.2302
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	-	-	0.5396	-	-	0.2316
LARGE USE SERVICE CLASSIFICATION	kW	-	-	0.7259	-	-	0.3116
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-	0.0012	-	-	0.0005	-
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-	-	0.4474	-	-	0.1920
STREET LIGHTING SERVICE CLASSIFICATION	kW	-	-	0.4474	-	-	0.1921
Veridian Rate Zone 2026 DVA Riders (Group 2 Other Income)							
Rate Class	Unit	As Filed			Draft Rate Order		
		Service Charge (Fixed \$/month)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)	Service Charge (Fixed)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	Cust	2.56	-	-	1.34	-	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	Cust	4.35	-	-	2.27	-	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	-	0.0021	-	-	0.0011	-
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	-	-	0.3260	-	-	0.1701
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	-	-	0.2713	-	-	0.1415
LARGE USE SERVICE CLASSIFICATION	kW	-	-	0.2987	-	-	0.1558
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-	0.0035	-	-	0.0018	-
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-	-	2.8066	-	-	1.4643
STREET LIGHTING SERVICE CLASSIFICATION	kW	-	-	1.2060	-	-	0.6292



Whitby Rate Zone 2026 DVA Riders (Group 2 Distribution Revenue-related)							
Rate Class	Unit	As Filed			Draft Rate Order		
		Service Charge (Fixed \$/month)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)	Service Charge (Fixed)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)
RESIDENTIAL	kWh	1.42	-	-	0.18	-	-
GENERAL SERVICE LESS THAN 50 kW	kWh	-	0.0019	-	-	0.0002	-
GENERAL SERVICE 50 TO 2,999 KW	kW	-	-	0.8193	-	-	0.1068
UNMETERED SCATTERED LOAD	kWh	-	0.0019	-	-	0.0002	-
SENTINEL LIGHTING	kW	-	-	0.7501	-	-	0.0978
STREET LIGHTING	kW	-	-	0.6689	-	-	0.0872
Whitby Rate Zone 2026 DVA Riders (Group 2 Other Income)							
Rate Class	Unit	As Filed			Draft Rate Order		
		Service Charge (Fixed \$/month)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)	Service Charge (Fixed)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)
RESIDENTIAL	kWh	-0.60	-	-	-0.31	-	-
GENERAL SERVICE LESS THAN 50 kW	kWh	-	-0.0007	-	-	-0.0004	-
GENERAL SERVICE 50 TO 2,999 KW	kW	-	-	-0.1383	-	-	-0.0722
UNMETERED SCATTERED LOAD	kWh	-	-0.0013	-	-	-0.0007	-
SENTINEL LIGHTING	kW	-	-	-1.2052	-	-	-0.6288
STREET LIGHTING	kW	-	-	-1.2264	-	-	-0.6398

## 2. Incremental Capital Module

The Decision approves incremental capital funding of \$6.55M, representing a \$3.15M reduction from the proposed Sandy Beach Station capital amount of \$9.70M. This adjustment reduces the 2026 incremental revenue requirement for the project from \$405,577 to \$273,870.<sup>1</sup> A summary of the allocation of the updated 2026 incremental revenue requirement to the rate classes and

<sup>1</sup> Ellexicon notes the ICM model, using the revised capital expenditure amount of \$6.55M and factoring in the half-year rule, produced a revenue requirement of \$273,870, which is a reduction of \$131,707 from the initially requested amount of \$405,577. Ellexicon was unable to reproduce the revenue requirement reduction amount of \$190,349 cited in the decision using the ICM model.



the resulting rate riders is provided in Tables 3 and 4, respectively. Detailed calculations are included in the accompanying file Updated VRZ\_2026\_Sandy Beach\_ACM\_ICM.

The Decision does not approve the 2026 incremental capital funding for the Belleville DESN 2 project. As a result, no associated rate riders have been established.

Table 3: Incremental Revenue Requirement for the Sandy Beach Station Project (2026)

Rate Class	Total 2026 Incremental Revenue Requirement by Rate Class	
	As Filed	Draft Rate Order
RESIDENTIAL SERVICE CLASSIFICATION	\$ 263,404	\$ 177,866
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	\$ 6,344	\$ 4,284
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	\$ 49,353	\$ 33,326
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	\$ 62,000	\$ 41,866
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	\$ 5,589	\$ 3,774
LARGE USE SERVICE CLASSIFICATION	\$ 14,867	\$ 10,039
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	\$ 1,018	\$ 687
SENTINEL LIGHTING SERVICE CLASSIFICATION	\$ 150	\$ 101
STREET LIGHTING SERVICE CLASSIFICATION	\$ 2,852	\$ 1,926
Total 2026 Incremental Revenue Requirement (Sandy Beach Station Project)	\$ 405,577	\$ 273,870



Table 4: Rate Riders for the Recovery of Incremental Capital (2026)

Veridian Rate Zone 2026 DVA Riders (Sandy Beach Station Project)							
Rate Class	Unit for Volumetric Rate	As Filed			Draft Rate Order		
		Service Charge (\$/month)	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)	Service Charge	Volumetric Rate (\$/kWh)	Volumetric Rate (\$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	-	0.19	-	-	0.13	-	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	-	0.34	-	-	0.23	-	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.12	0.0001	-	0.08	0.0001	-
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	0.77	-	0.0237	0.52	-	0.0160
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	40.39	-	0.0150	27.27	-	0.0101
LARGE USE SERVICE CLASSIFICATION	kW	60.67	-	0.0212	40.97	-	0.0143
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	0.05	0.0001	-	0.03	0.0001	-
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	0.03	-	0.0977	0.02	-	0.0660
STREET LIGHTING SERVICE CLASSIFICATION	kW	0.01	-	0.0267	0.00	-	0.0180

3. Forgone Revenue and Adjustment to Additional Rate Riders Reflecting February 1 Implementation

The Decision approves an effective date of January 1, 2026, with an implementation date of February 1, 2026. In accordance with the Decision, Elexicon has included an estimate of forgone revenue in this Draft Rate Order. As noted above, forgone revenue has been estimated for both base distribution rates and the Rate Rider for Recovery of Incremental Capital (2026).

For base distribution rates, the total estimated forgone revenue reflects the difference between the interim 2026 rates and the approved 2026 rates, applied to charge determinants for a one-month period to account for the implementation delay from January 1 to February 1. The one-month charge determinants were derived using the average monthly 2024 annual charge determinants.

Similarly, the forgone revenue related to the Rate Rider for the Recovery of Incremental Capital (2026) reflects one month of revenue that would have been recovered based on the revised rate riders shown in Table 4, applied to charge determinants for a one-month period.

The estimated forgone revenue is \$196,579.65 for VRZ and \$83,977.46 for WRZ for base distribution rates, and \$23,708.26 for the Rate Rider for the Recovery of Incremental Capital (2026). A summary of the associated rate riders for VRZ and WRZ is provided in Table 5, and



detailed calculations are included in the attached file EE Forgone Revenue Estimate. The resulting rate riders will be applied over the period from February 1, 2026, to December 31, 2026.

Table 5: Rate Riders for the Recovery of 2026 Forgone Revenue

<b>Veridian Rate Zone 2026 DVA Riders (Forgone Revenue)</b>					
Rate Class	Unit for Volumetric Rates	Base Distribution Rates		Rate Rider for Recovery of Incremental Capital (2026)	
		Service Charge (\$/month)	Volumetric Rate (\$/kWh or \$/kW)	Service Charge (\$/month)	Volumetric Rate (\$/kWh or \$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	Cust	0.10	-	0.01	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	Cust	0.18	-	0.02	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.06	0.0001	0.01	0.0000
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	0.41	0.0125	0.05	0.0015
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	21.34	0.0079	2.48	0.0009
LARGE USE SERVICE CLASSIFICATION	kW	32.05	0.0112	3.72	0.0013
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	0.03	0.0001	0.00	0.0000
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	0.02	0.0516	0.00	0.0060
STREET LIGHTING SERVICE CLASSIFICATION	kW	-	0.0141	-	0.0016
<b>Whitby Rate Zone 2026 DVA Riders (Forgone Revenue)</b>					
Rate Class	Unit	Base Distribution Rates			
		Service Charge (\$/month)	Volumetric Rate (\$/kWh or \$/kW)		
RESIDENTIAL SERVICE CLASSIFICATION	kWh	0.12	-		
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.10	0.0001		
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	0.74	0.0147		
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	0.04	0.0001		
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	0.02	0.0567		
STREET LIGHTING SERVICE CLASSIFICATION	kW	0.01	0.0248		

This application includes a Group 1 final disposition in 2026 for the VRZ only, as the WRZ total claim does not exceed the OEB's disposition threshold. To reflect the February 1 implementation date, the rate riders for the disposition of the Group 1 DVA balances and Global Adjustment and CBR-Class B Accounts have been updated for recovery over an 11-month



disposition period rather than 12 months. A summary of these rate riders is presented in Tables 5 and 6, respectively. Detailed calculations are included in the attached updated IRM Model for VRZ.

Similarly, the Rate Rider for Prospective LRAMVA Disposition for both rate zones and the Rate Rider for Application of Tax Change in the WRZ, have been updated and are summarized in Tables 7 and 8, respectively. Detailed calculations supporting the updates to the Prospective LRAMVA Disposition and Application of Tax Change are included in the attached excel files EE Forgone Revenue Estimate and the updated IRM Model for WRZ, respectively.

Table 5 - Rate Riders for the Disposition of Group 1 Deferral/Variance Accounts

Veridian Rate Zone 2026 DVA Riders (Group 1 Accounts, excluding Global Adjustment and CBR-Class B Accounts)					
Rate Class	Unit	As Filed		Draft Rate Order	
		Deferral/Variance Account Rate Rider (\$/kWh or \$/kW)	Deferral/Variance Account Rate Rider for Non-WMP (\$/kWh or \$/kW)	Deferral/Variance Account Rate Rider (\$/kWh or \$/kW)	Deferral/Variance Account Rate Rider for Non-WMP (\$/kWh or \$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	kWh	-0.0014	-	-0.0016	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	kWh	-0.0015	-	-0.0016	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	-0.0012	-	-0.0013	-
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	0.5164	-1.0171	0.5633	-1.1095
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	-0.5106	-	-0.5570	-
LARGE USE SERVICE CLASSIFICATION	kW	0.7019	-1.3536	0.7657	-1.4767
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-0.0012	-	-0.0013	-
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-0.4277	-	-0.4666	-
STREET LIGHTING SERVICE CLASSIFICATION	kW	-0.3891	-	-0.4245	-



Table 6 - Rate Riders for the Disposition of Global Adjustment and CBR-Class B Accounts

Veridian Rate Zone 2026 DVA Riders (Global Adjustment and CBR-Class B Accounts)					
Rate Class	Unit for CBR-Class B Rate Rider	As Filed		Draft Rate Order	
		Global Adjustment Rate Rider (\$/kWh)	CBR-Class B Rate Rider (\$/kWh or \$/kW)	Global Adjustment Rate Rider (\$/kWh)	CBR-Class B Rate Rider (\$/kWh or \$/kW)
RESIDENTIAL SERVICE CLASSIFICATION	kWh	0.0091	0.0006	0.0099	0.0006
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	kWh	0.0091	0.0006	0.0099	0.0006
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.0091	0.0006	0.0099	0.0006
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	0.0091	0.2388	0.0099	0.2605
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	0.0091	0.2315	0.0099	0.2526
LARGE USE SERVICE CLASSIFICATION	kW	-	-	-	-
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	0.0091	0.0006	0.0099	0.0006
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	0.0091	0.2093	0.0099	0.2283
STREET LIGHTING SERVICE CLASSIFICATION	kW	0.0091	0.2097	0.0099	0.2288

Table 7: Rate Riders for Prospective LRAMVA and Application of Tax Change Disposition

Veridian Rate Zone 2026 DVA Riders (Prospective LRAMVA)			
Rate Class	Unit	As Filed	Draft Rate Order
		Prospective LRAMVA Rate Rider	Prospective LRAMVA Rate Rider
RESIDENTIAL SERVICE CLASSIFICATION	kWh	-	-
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	kWh	-	-
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.0003	0.0003
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	kW	0.1489	0.1624
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	kW	0.0976	0.1065
LARGE USE SERVICE CLASSIFICATION	kW	0.2219	0.2421
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-	-
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-	-
STREET LIGHTING SERVICE CLASSIFICATION	kW	3.0890	3.3699



<b>Whitby Rate Zone 2026 DVA Riders (Prospective LRAMVA and Application of Tax Change)</b>					
Rate Class	Unit	As Filed		Draft Rate Order	
		Prospective LRAMVA Rate Rider	Application of Tax Change	Prospective LRAMVA Rate Rider	Application of Tax Change
RESIDENTIAL SERVICE CLASSIFICATION	Cust	-	-0.06	-	-0.06
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	kWh	0.0004	-0.0001	0.0004	-0.0001
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	kW	0.2429	-0.0130	0.2650	-0.0142
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	kWh	-	-0.0002	-	-0.0002
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	-	-0.0955	-	-0.1042
STREET LIGHTING SERVICE CLASSIFICATION	kW	9.7184	-0.0826	10.6019	-0.0902



4. Final Bill Impacts - UPDATED

Final bill impacts that reflect the Draft Rate Order for the Veridian Rate Zone (“VRZ”) and Whitby Rate Zone (“WRZ”) are provided in Tables 8 and 9, respectively. Details are included in the corresponding updated IRM models attached to this Draft Rate Order.

Table 8: VRZ 2026 Final Bill Impacts

Customer Class	A Distribution Charges (excluding pass through)		B Distribution Charges (including pass through)		C Delivery (including Sub-Total B)		Total Bill with ICM & Group 2 Rate Riders	
	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
RESIDENTIAL SERVICE CLASSIFICATION	\$1.71	5.0%	\$2.30	5.7%	\$2.85	5.2%	\$2.55	1.8%
SEASONAL RESIDENTIAL SERVICE CLASSIFICATION	\$2.75	4.4%	\$4.37	6.4%	\$4.92	5.9%	\$4.40	2.9%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	\$3.45	5.1%	\$4.25	5.1%	\$5.72	4.8%	\$5.12	1.5%
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION	\$617.13	9.1%	\$4,724.43	61.5%	\$5,189.74	25.9%	\$5,864.41	7.3%
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION	\$1,730.99	9.2%	\$18,424.19	86.0%	\$19,807.39	34.0%	\$22,382.35	7.5%
LARGE USE SERVICE CLASSIFICATION	\$3,676.99	9.4%	\$(98.37)	-0.2%	\$2,253.07	2.1%	\$2,545.97	0.4%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	\$1.05	5.2%	\$1.60	6.7%	\$1.97	5.9%	\$1.76	2.0%
SENTINEL LIGHTING SERVICE CLASSIFICATION	\$1.11	4.7%	\$2.34	8.8%	\$2.54	8.0%	\$2.27	3.0%
STREET LIGHTING SERVICE CLASSIFICATION	\$1,016.89	5.7%	\$5,651.51	31.2%	\$5,855.53	24.8%	\$6,616.75	7.7%



Table 9: WRZ Final Bill Impacts

Customer Class	A Distribution Charges (excluding pass through)		B Distribution Charges (including pass through)		C Delivery (including Sub-Total B)		Total Bill with ICM & Group 2 Rate Riders	
	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change	\$ Change	% Change
RESIDENTIAL SERVICE CLASSIFICATION - RPP	\$1.57	4.1%	\$1.26	2.9%	\$0.95	1.5%	\$0.85	0.6%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP	\$1.97	2.4%	\$1.17	1.2%	\$0.54	0.4%	\$0.49	0.1%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION - Non-RPP (Other)	\$12.04	1.5%	\$4.82	0.6%	\$(8.26)	-0.5%	\$(9.33)	-0.1%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	\$1.18	3.9%	\$0.83	2.4%	\$0.67	1.5%	\$0.60	0.6%
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	\$1.01	4.0%	\$0.38	1.4%	\$0.28	0.9%	\$0.25	0.5%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	\$(4,351.07)	-9.5%	\$(4,821.96)	-10.5%	\$(4,894.75)	-9.7%	\$(5,531.07)	-5.6%

5. Tariff Schedules for Draft Rate Order

The tariff schedules produced in the attached updated IRM Models required adjustments. Therefore, revised tariff schedules for each rate zone have been prepared and appended to this letter. These schedules incorporate the following changes relative to those generated by the IRM Models:

- Updated header to state: “Effective January 1, 2026; Implementation February 1, 2026”
- The VRZ IRM Model set an expiry date of November 30, 2026 on the updated Rate Riders for the Global Adjustment and the Disposition of Deferral/Variance Accounts (2026) (Group 1). These have been corrected to December 31, 2026 to align with the approved recovery period.

6. Other Matters

In its initial application, Elexicon requested that it be allowed to update the ICM riders to reflect the full-year rule and apply for any forgone revenue in 2026, if its request for early rebasing was not approved for its 2027 rates.<sup>2</sup> Elexicon requests further clarity from the OEB regarding this

<sup>2</sup> EB-2025-0046, 2026 IRM Application: Appendix A – ICM Summary, paragraph 66 on page 22 of 24.



request in the Final Rate Order, and notes that no parties objected to this request in their submissions.

Elexicon notes that provision of this DRO in accordance with the OEB's direction in the Decision does not indicate acceptance of the Decision nor prejudice its ability to exercise any rights it may have under the OEB's Rules of Practice and Procedure.

Elexicon's primary contact for this application is Erin Stevens, Director, Regulatory Affairs. Please contact Erin by e-mail at [estevens@elexiconenergy.com](mailto:estevens@elexiconenergy.com) if you have any questions.

Sincerely,

DocuSigned by:  
  
98D248B1E5D0417

**Stephen Vetsis**  
Vice President Regulatory Affairs and Stakeholder Relations  
Elexicon Energy Inc.

cc: David Martinello, Harshleen Kaur, John Vellone