innpower

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January 27, 2026

Via e-mail

Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Registrar@oeb.ca

Dear Ritchie Murray:

Re: Letter advising of InnPower Corporation's Intent to Rebase Rates Effective Jan 1, 2027

This letter serves to notify the Ontario Energy Board (the "OEB") that InnPower Corporation ("InnPower") intends to file an application in the second quarter of this year to rebase its rates effective January 1, 2027. InnPower is currently in the third year of its five-year Incentive Rate term as per the OEB Decision in EB-2023-0033.

InnPower is one of Ontario's fastest-growing electricity distributors with an average growth rate of 4.8% annually over the past five years. InnPower serves approximately 24,000 customers across a 292-square-kilometre territory in Innisfil and South Barrie. Our utility operates over 10,000 poles, more than 1,000 kilometres of line, and 10 distribution stations. InnPower has accelerated capital expansion as ongoing system renewal and rapid residential, commercial, and industrial development have required a near-continuous buildout of new infrastructure to support expansions. Customer growth across all classes continues to increase system demand and planning requirements, reflecting the area's position as a major Provincial growth corridor. Growth demands are stemming from many areas including intensification areas, further expanding of greenfield developments, the planned GO Transit Metrolinx hub, the Innisfil Transit Oriented Community ("TOC") referred to as the Orbit, in addition to significant commercial and industrial development including the planned Northern Transformer Corporation manufacturing facility, and the development of the new Gateway Casino property. This growth will generate an increase in long-term load, requiring proactive expansion of distribution capacity, station upgrades, and feeder reinforcement to support one of Ontario's most dynamic development environments.

The financial consequences of these and other growth challenges have impacted InnPower's ability to earn the allowable return on equity (ROE). The 2025 unaudited ROE has fallen below the 300-basis points early rebasing threshold identified by the OEB. InnPower forecasts this low profitability trend to also be reflected in the 2026, 2027, and 2028 results based on current growth planned. If InnPower is not able to rebase, the negative financial trend will be further exacerbated in the coming years as the utility must continue to invest to support our customers and invest in the grid to address the substantive growth it is experiencing.

We trust this letter serves as sufficient notice to the OEB of our intention to rebase early. Our formal application will include comprehensive documentation and evidence detailing the evolving business conditions and the challenges currently impacting our utility.

Should you have any questions or require further clarification, please contact me.

Sincerely,

Wayde Putnam

Wayde Putnam, CPA, CA
Chief Financial Officer