



**BY EMAIL and RESS**

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February 12, 2026  
Our File: EB20250297

**Attn: Ritchie Murray, Acting Registrar**

Dear Mr. Murray:

**Re: EB-2025-0297 – Ontario Power Generation 2027-2031 – Pre-Hearing Conference**

We are counsel to the School Energy Coalition (“SEC”). Pursuant to Procedural Order No.1, below are SEC’s view on certain matters that the OEB has sought comment on in advance of the Pre-Hearing Conference.

***Issues List***

SEC has had an opportunity to review the Draft Issues List included in Schedule C to the Procedural Order and has three proposed revisions.

First, currently OPG Issue 10.3 “Are the balances for recovery and the proposed disposition amounts in each of the deferral and variance accounts appropriate?”, has been mapped to proposed Issues 1 and 2 that relate to the overall reasonableness of the hydroelectric and nuclear rate payments and overall bill impacts. SEC believes the issue of disposition of balances in the deferral and variance account should be a separate issue included as part of the ‘Deferral and Variance Account’ category of issues. Review of deferral and variance account balances, especially the number, magnitude, and complexity of OPG’s, should be a separate issue.

Second, SEC proposes the additional issue related to compensation costs, specifically: “Are the test period human resource related costs (including wages, salaries, payments under contractual work arrangements, benefits, incentive payments, overtime, FTEs and pension and other post-employment benefit costs) appropriate?” The OEB has mapped this issue (OPG Issue 7.6) to the nuclear and hydroelectric OM&A issues (23-25). SEC believes a standalone issue is more appropriate, since compensation costs are cross-cutting, impacting all aspects of both the OM&A and capital budgets.

The issue of compensation costs has been a matter of significant attention by the OEB in almost every OPG payments amount proceeding and warrant a separate issue.<sup>1</sup>

Third, SEC proposes a small change to the wording of Issue 25: "~~Is~~ Are the ~~allocation~~ of corporate costs, centrally held costs, and asset service fees and the allocation, to (1) OPG's nuclear business, (2) OPG's hydroelectric business, and (3) DNNP LP, appropriate?" SEC proposes this small change to reflect that the issue to be decided is not simply the allocation of the costs amongst the business segments, but also the quantum of the costs themselves.

### **Evidence**

At this time SEC is not proposing to file any evidence.

### **Process**

SEC has reviewed the draft letter of the Consumers Council of Canada and endorses many of the comments regarding the ability to efficiently and rigorously review an application of this size and complexity within the 355-day standard. This will almost certainly be the largest application the OEB has ever adjudicated and includes review of some of the largest capital projects in the country. Additionally, OPG's hydroelectric business has not rebased in over a decade. OPG is seeking approval to recover approximately \$36Bn from ratepayers over the five-year rate term (~\$7.2Bn annually). This request is an order of magnitude larger than what the 'Cost-Based >\$500M Revenue Requirement' performance standard was designed to accommodate.

While SEC is not proposing specific changes to the schedule at this time, we believe the overall schedule should account for the likelihood that additional time will be needed throughout the proceeding to ensure parties can properly review the evidence and sufficiently prepare for each step, to best represent their clients and assist the OEB. SEC understands that OPG will likely want to maintain the existing timeline given the potential impact on its proposed January 1, 2027 effective date. However, SEC believes these need not be linked. The OEB can appropriately adjudicate the reasonableness of a January 1, 2027 effective date based on the expectations at the time of filing, rather than on any schedule changes arising from the Pre-Hearing Conference, along with any other relevant considerations.

Additionally, in SEC's experience, a number of steps will inherently require additional time. For example, SEC believes the Technical Conference is likely to take more than 5 days<sup>2</sup>, and the Settlement Conference will take significantly longer than the seven calendar days (5 business days) set out in the Illustrative Process Timeline.

Finally, we request that the OEB remain flexible in adjusting the schedule as matters unfold. As the OEB is aware, there are a number of other major multi-year applications<sup>3</sup> that will be adjudicated on similar timelines this year, and many intervenors, including SEC, are involved in those proceedings. Resources are already stretched and the progress of those applications may need to be

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<sup>1</sup> A stand-alone issue using similar wording was included in the last OPG payment amount proceeding Issues List. See [Decision on Issues List \(EB-2020-0290\), May 20, 2021](#), Schedule A, Issue 9.1

<sup>2</sup> The Technical Conference in EB-2020-0290 lasted four days, and the scope of that proceeding was significantly smaller, as base hydroelectric payment amounts were not considered due to the then applicable regulatory freeze.

<sup>3</sup> Alectra Utilities 2027-2031 Custom IR (EB-2025-0252), Elexicon Energy Inc. 2027-2031 Custom IR (EB-2025-0312), and Enbridge Gas Inc. 2027-2030 DSM Plan (EB-2025-0295)



accommodated in this proceeding's schedule, and vice versa. We ask the OEB to take this into account as it adjudicates this matter.

Yours very truly,  
**Shepherd Rubenstein P.C.**

Mark Rubenstein

cc: Brian McKay, SEC (by email)  
Applicant and intervenors (by email)