

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-1**

4

5                   Reference:

6                   Exhibit 1, Tab 5, Schedule 1, page 19, Table 8

7

8                   a) For purposes of setting the approved rates for 2028-2031, will the Other Revenue forecast for  
9                   2028-2031 used in the Application to determine each year's Base Distribution revenue be updated  
10                  to reflect the Retail Service Charges and Pole Attachment charges approved for those years or are  
11                  the forecast values shown in Table 8 being proposed for final approval in this application?

12

13

14

15                  **RESPONSE:**

16

17                  Elexicon proposes that the other revenues forecast from 2028-2031 in this application will form the  
18                  basis of determining rates in future years. Elexicon is not proposing any updates to other revenue  
19                  over the Custom IR term.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-2**

4

5                   Reference Exhibit 1, Tab 2, Schedule 1, page 38

6

7                   “Elexicon also made revisions to its Plan given the cloud-based nature its ERP solution. Upon  
8                   further assessment of the Dx NEXT project, the implementation costs were determined to be  
9                   OM&A expenses and not capitalizable.”

10

11                   “Elexicon’s draft plan included some high-level costing assumptions which were updated for the  
12                   final plan.”

13

14                   a) Were these changes made after the conclusion of the customer engagements?

15

16

17

18

19                   **RESPONSE:**

20                   a) Yes, the changes were made after the conclusion of customer engagement.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-3**

4

5

6                   Reference: Exhibit 1, Tab 3, Schedule 1A, page 7

7

8                   a) Please provide a redline version of Elexicon’s Conditions of Service which show the changes  
9                   summarized in Table 1.

10

11

12                   **RESPONSE:**

13

14                   a) Please see Attachment 1 to this response.



## CONDITIONS OF SERVICE

EFFECTIVE ~~May 27,~~

~~2024~~ November 1, 2025

## PREFACE

The Distribution System Code (DSC) is a code of conduct for Electricity Distributors licensed by the Ontario Energy Board (OEB) to operate within defined areas of the province. The DSC requires that every distributor produce its own Conditions of Service document. The purpose of this document is to provide a means for communicating the types and level of service available to the Customers within Elexicon's service territory. The DSC requires that the Conditions of Service be readily available for review by the public. The most recent version of the document must be provided to the OEB who will retain it on file for the purpose of facilitating dispute resolutions in the event that a dispute cannot be resolved between the Customer and Elexicon Energy Inc.

Elexicon has followed the Conditions of Service template appended to the DSC along with expanding the contents to encompass local characteristics and other specific requirements.

SECTION 1 - **(Introduction)** and SECTION 2 - **(Distribution Activities (General))** reference services and requirements that are common to all Customer Classes. This section covers items such as Rates, Billing, Hours of Work, Emergency Response, Power Quality, Available Voltages, etc.

SECTION 3 - **(Customer Specific)** references services and corresponding requirements, which are specific to individual Customer Classes. This section covers items such as Service Entrance Requirements, Delineation of Ownership, Special Contracts, etc.

### NOTE:

PRINTED COPIES OF THIS DOCUMENT MAY NOT BE THE LATEST. THE MOST CURRENT VERSION IS LOCATED ON THE ELEXICON WEBSITE. (~~[www.elexiconenergy.com](http://www.elexiconenergy.com)~~)([www.elexiconenergy.com](http://www.elexiconenergy.com))

**Revision History**

|            |  |                         |
|------------|--|-------------------------|
| <u>1.0</u> | <u>Original Elxicon Document</u>   | <u>October 19, 2020</u> |
| <u>2.0</u> | <u>Addition of Appendix B – Electric Vehicle Charging Connection Procedure</u> | <u>May 27, 2024</u>     |
| <u>3.0</u> | <u>2025 Updates</u>  | <u>November 1, 2025</u> |

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## SECTION 1 - INTRODUCTION

### 1.1 Identification of Distributor and Service Area

Ellexicon Energy Inc. (Ellexicon) is a Corporation incorporated under the laws of the Province of Ontario to distribute electricity, and is licensed by the Ontario Energy Board (OEB), Licence No. ED-2019-0128 (Distribution Licence) to supply electricity to Customers as described in the Distribution Licence.

Ellexicon may only operate distribution facilities within its Licensed Territory as defined in its Distribution Licence. Additionally, there are requirements imposed on Ellexicon by the various codes referred to in the Distribution Licence and by the *Electricity Act, 1998* and the *Ontario Energy Board Act, 1998*.

Ellexicon operates the following distribution systems within service areas generally defined as noted below. Note that due to development activity, additions to the service area are made from time to time and is subject to change with the OEB's approval. Customers are encouraged to contact Ellexicon to confirm service responsibility, or to enquire about service in areas not specifically listed.

- City of Belleville
- City of Pickering
- Municipality of Clarington – (Bowmanville, Newcastle, Orono)
- Municipality of Port Hope
- Town of Ajax
- Town of Gravenhurst
- Town of Port Perry
- Town of Whitby
- Township of Brock – (Beaverton, Cannington, Sunderland)
- Township of Uxbridge

Maps illustrating the service areas are contained within Ellexicon's Distribution Licence which is available on its website [www.ellexiconenergy.com](http://www.ellexiconenergy.com).

Nothing contained in these Conditions of Service or in any contract for the supply of electricity by Ellexicon will prejudice or affect any rights, privileges, or powers vested in Ellexicon by law under any Act of the Legislature of Ontario or the Parliament of Canada, or any regulations thereunder.

### 1.2 Related Codes and Governing Laws

Ellexicon is limited in its scope of operation by the following codes and regulations:

1. Electricity Act, 1998
2. Ontario Energy Board Act, 1998
3. Distribution Licence
4. Affiliate Relationship Code
5. Transmission System Code
6. Distribution System Code
7. Retail Settlement Code
8. Standard Service Supply Code
9. Relevant Rate Order

In the event of a conflict between this document and the Distribution Licence or regulatory codes issued by the OEB, or the *Ontario Energy Board Act, 1998* and the *Electricity Act, 1998*, the provisions of the

*Ontario Energy Board Act, 1998* and the *Electricity Act, 1998*, the Distribution Licence and associated regulatory codes shall prevail. If there is a conflict between a Connection Agreement with a Customer and this Conditions of Service, this Conditions of Service will govern.

When planning and designing for electricity service, Customers and their agents must refer to applicable Provincial and Canadian Electrical Codes, and other applicable federal, provincial and municipal laws, regulations, codes and by-laws to ensure compliance with their requirements. Without limiting the foregoing, the work will be conducted in accordance with the requirements of the latest edition of the Ontario Occupational Health and Safety Act (OHS), the regulations for construction projects under the OHS, the harmonized Electrical Utility Safety Rules of the Infrastructure Health & Safety Association's (IHSA) rulebook, and applicable traffic safety and control requirements.

### **13 Interpretation**

Within this Conditions of Service document, unless the context otherwise requires:

- a) Headings, paragraph numbers and underlining are for convenience only and do not affect the interpretation of the Conditions of Service;
- b) Words referring to the singular include the plural and vice versa;
- c) Words referring to a gender include any gender;
- d) Unless otherwise defined in this document, words and phrases shall have the meaning ascribed to them in the *Ontario Energy Board Act* or the *Electricity Act*, as the case may be;
- e) A reference to a document includes any amendment or supplement to, or any replacement of, that document;
- f) An event that is required to occur on or by a stipulated day which is a holiday may occur on or by the next business day.

### **14 Amendments and Changes**

The provisions of this Conditions of Service document and any amendments made from time to time shall form part of any contract made between Elexicon and any connected Customer, Retailer or Generator. This Conditions of Service document supersedes any previous Conditions of Service, oral or written, of Elexicon or any of its predecessors as of its effective date.

In the event of changes to this Conditions of Service document, Elexicon may issue a notice on, or with the Customer's bill or on the Elexicon website. The public notice will include a proposed timeline for implementation of the new Conditions of Service and a means by which public comment may be provided.

A current copy of this document is filed with the OEB as is required by the Distribution System Code.

The Customer is responsible for contacting Elexicon to ensure that the Customer has the latest version, or to obtain the current version of this Conditions of Service document. Elexicon may charge a reasonable fee for any additional copies required by the Customer. The current version of the document is also posted on the Elexicon website and can be downloaded from [www.elexiconenergy.com](http://www.elexiconenergy.com).

## 15 Contact Information

Ellexicon Energy Inc.  
55 Taunton Road East  
Ajax, Ontario, L1T 3V3

Main Office: 905-427-9870 or 1-888-445-2881  
Customer Care: 905-420-8440 or 1-888-420-0070  
Email: [customercare@ellexiconenergy.com](mailto:customercare@ellexiconenergy.com)

Normal Business Hours: 8:30 am – 4:30 pm

Emergency Contact [Numbers](#)

~~Whitby: 1-844-278-1432 All Other Locations: Number: 1-866-579-6819~~

## 16 Customer Rights

Ellexicon shall only be liable to a Customer and a Customer shall only be liable to Ellexicon for any damages that arise directly out of the willful misconduct or negligence of:

1. Ellexicon in providing distribution services to the Customer;
2. The Customer in being connected to Ellexicon's distribution system; or
3. Ellexicon or the Customer in meeting their respective obligations under this Conditions of Service, their licenses and any other applicable law.

Notwithstanding the above, neither Ellexicon nor the Customer will be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any said liability, loss or damages arise in contract, tort or otherwise.

The Customer will indemnify and hold harmless Ellexicon, its directors, officers, employees and agents from any claims made by any third parties in connection with the construction and installation of a generator by or on the behalf of the Customer or the embedded generator.

## 17 Ellexicon Distributor Rights

In order to allow Ellexicon to practically, and orderly manage its role as the licensed distributor, and in order to be fair and equitable to all Customers, Ellexicon has the right to, and will enforce the provisions of this Conditions of Service, as permitted by this document and Ellexicon's Distribution Licence. Some general conditions which Customers must follow are noted below.

### 1.7.1 Access to Customer Property

Ellexicon shall have access to the Customer's property in accordance with Section 40 of the *Electricity Act, 1998*. [Ellexicon may, at reasonable times, enter land on which its distribution system is located,](#)

[\(a\) to inspect, maintain, repair, alter, remove, replace or disconnect wires or other facilities used to distribute electricity; or](#)

[\(b\) to install, inspect, read, calibrate, maintain, repair, alter, remove or replace a meter.](#)

Customers shall permit, provide and maintain unobstructed access for Ellexicon's employees and agents to Ellexicon's equipment that is located on the Customer's property.

Elxicon's employees and agents will exercise reasonable care to limit damage to the Customer's property that might occur as a result of accessing its equipment for maintenance and repair activities. In so far as is practicable, Elxicon will restore the property to its original condition, and provide compensation for any damages caused by the entry. However, if unobstructed access is not adequately provided to Elxicon's equipment, Elxicon will not be responsible to repair or replace landscaping features, asphalt or paved areas or structures that might be disturbed in the course of making repairs to its equipment on the Customer's property and will assume no risk nor be liable for damages arising from the presence of its equipment on the Customer's property.

### **1.7.2 Safety of Equipment**

The Customer shall comply with the Electrical Safety Authority (ESA) as per the latest revision of the Ontario Electrical Safety Code, to ensure that equipment is installed, properly identified and connected for metering and operation purposes and will take whatever steps necessary to correct any deficiencies in a timely fashion. If the Customer does not take such action within a reasonable time, Elxicon may disconnect the supply of power to the Customer as outlined in Section 2.2.

The Customer shall not build, plant or maintain or cause to be built, planted or maintained, any structure, tree, shrub or landscaping that, in the sole opinion of Elxicon, would or could obstruct the running of distribution lines, endanger the equipment of Elxicon, interfere with the proper and safe operation of Elxicon's facilities, or adversely affect compliance with any applicable legislation.

The Customer shall not use or interfere with the facilities of Elxicon except in accordance with a written agreement with Elxicon. The Customer must also grant Elxicon the right to seal against unauthorized access, any point where a connection may be made on the line side of the metering equipment.

Elxicon will report to ESA any unattended or uncorrected electrical deficiencies or substandard clearances involving Customer-owned equipment which may come to its attention through the normal course of Elxicon's business. Where in the opinion of Elxicon, the deficiency or substandard clearance is of a nature to constitute an immediate threat to Elxicon's equipment, its distribution system, or to public safety, Elxicon reserves the right to disconnect the service or otherwise remove the threat without prior notice. Elxicon will not be liable to the Customer for any damages arising as a result thereof. Elxicon's policies and procedures with respect to the disconnection process are further described in Section 2.2.

Elxicon will request the immediate cessation of, or alteration of, procedures for any work practice or work procedure which in its sole opinion violates the limits of approach to Elxicon's equipment and/or constitutes a threat to Elxicon's equipment or system. Failing a satisfactory response from the constructor involved, or in the event the perceived violation is of a material nature, Elxicon will report the incident to the Ministry of Labour out of due regard for worker safety, public safety, and Elxicon's distribution system security.

### **1.7.3 Operating Control**

The Customer will provide a convenient and safe place, satisfactory to Elxicon, for installing, maintaining and operating its equipment in, on, or about the Customer's premises. Elxicon assumes no risk and will not be liable for damages resulting from the presence of its equipment on the Customer's premises or approaches thereto, or action, omission or occurrence beyond its control, or negligence or willful misconduct of any persons over whom Elxicon has no control.

Unless an employee or an agent of Elxicon, or other person lawfully entitled to do so, no person shall remove, replace, alter, repair, inspect or tamper with Elxicon's equipment.

Elexicon Energy's Conditions of Service

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The distribution equipment used to connect the Customer has been designed based on good engineering and operating practices and the information provided by the Customer in its application and subsequent correspondence with Elexicon. Deviations outside of the limits imposed by this equipment may result in a disconnection of the Customer's property from Elexicon's distribution system to ensure the safety, reliability and integrity of Elexicon's equipment.

Customers will be required to pay the cost of repairs or replacement of Elexicon's equipment, regardless of whether on public or private lands, which has been damaged or lost by the direct or indirect act or omission of the Customer or its agents.

The physical location on a Customer's premises where a distributor's responsibility for operational control of equipment is defined in the Distribution System Code as the Operational Demarcation Point. The Operational Demarcation Point for different Customer classes and connection types is generally defined in Appendix A-1. Elexicon will in its sole right, define the Operational Demarcation Point for unique connections at the time the connection is made and will endeavour to identify that point by suitable signage on the equipment itself.

#### **1.7.4 Repairs of Defective Customer Electrical Equipment**

The Customer will be required to repair or replace any equipment owned by the Customer that may affect the integrity or reliability of Elexicon's electrical distribution system. If the Customer does not take such action within a reasonable time, Elexicon may disconnect the supply of power to the Customer. Elexicon's policies and procedures with respect to the disconnection process are further described in Section 2.2.

#### **1.7.5 Repairs of Customer's Physical Structures**

Depending on the Ownership Demarcation Point, the Customer must use an Elexicon approved contractor and the Customer is responsible for providing, maintaining, repairing and replacing, in a location and condition satisfactory to Elexicon all of the civil infrastructure on private property that Elexicon deems necessary to supply electrical service to the Customer. This will include but is not limited to underground duct banks, cable chambers, cable pull rooms, transformer rooms, transformer vaults, transformer pads, tap boxes, hand wells, and junction boxes to house Elexicon's connection equipment.

CivilAny civil infrastructure on private property that has the potential to affect Elexicon equipment (which may include civil infrastructure beyond the examples noted above) must be inspected and accepted by Elexicon and the ESA.

The Customer will inspect its civil infrastructures at regular intervals and where structural defects are noted, will make appropriate repairs as required. Where structural defects to Customer-owned civil infrastructures are identified as a result of Elexicon's inspections, Elexicon will notify the Customer and provide a reasonable amount of time for the Customer to correct the defects. If the Customer does not make corrections within a reasonable time, Elexicon may carry out the repairs at the Customer's expense. In so doing, Elexicon will not be liable to the Customer for any damages other than any damages caused by the entry that cannot be repaired.

#### **1.7.6 Automatic Reclosing Equipment**

Elexicon installs the facilities for the automatic reclosing of its circuit breakers in order to safeguard and protect its electrical distribution system. Elexicon may change the reclosing time of these reclosing facilities to meet electrical distribution system conditions without notice and on an as necessary basis.

The Customer will be responsible for providing, at their expense:

- (a) adequate protective equipment for any Customer-owned electrical apparatus and equipment which may be adversely affected by these reclosing facilities; and
- (b) such equipment as may be required for the proper reconnection of any Customer-owned apparatus and equipment, without adversely affecting the proper functioning of the reclosing facilities.

#### **1.7.7 Preventative Maintenance Programs**

Elexicon has in place a variety of programs to help reduce the number of power interruptions and other system disturbances, and to assist the public in conducting work near or around Elexicon's electrical distribution system equipment.

### **1.7.7.1 Tree Trimming**

Elexicon will:

- regularly trim trees and shrub growth away from its overhead system wires and equipment on a cyclic basis;
- trim around all secondary services on the road allowance at no cost;

Customers are to contact Elexicon regarding any tree that appears to be interfering with an Elexicon power line. Elexicon staff will investigate and have the tree trimmed if necessary.

### **1.7.7.2 Underground Cable Locating**

If the Customer will be exposing underground primary cables, charges may apply at Elexicon's discretion for the isolation. If isolation is not practical, then charges may apply for an Elexicon representative to stand by during the Customer's work.

### **1.7.7.3 Planned Interruptions**

From time-to-time Elexicon will find it necessary to interrupt the electrical supply to Customers to allow for the performance of work on its electrical distribution system, or to prevent or eliminate electrical hazards to others. Elexicon will minimize such interruptions as much as practical. When interruptions are necessary, reasonable notice will be provided, and where practical, arrangements may be made with the Customer to minimize any inconvenience.

Notice cannot be given where work is of an emergency nature involving risk of personal injury or damage to equipment or property. Further details provided in Section 2.3.2.3.

### **1.7.7.4 Residential Customer Isolations**

The Customer has the right to have the electric service to their premises disconnected for the purpose of maintenance or upgrade/modification through a proper request to Elexicon given with sufficient advanced notice. Customers will receive one (1) free power interruption per year (rolling twelve months) during normal working hours. Charges may apply at all other times or for additional requests. Elexicon will normally provide one electrical service to each Customer's location at a nominal service voltage.

For the period of the isolation, the Customer will still be required to pay all fixed monthly charges applicable to the service.

### **1.7.8 Safety**

Elexicon has a comprehensive set of safety policies and work practices that their staff is required to comply with in the performance of their work. These policies and practices may limit Elexicon's response to Customer trouble calls under adverse weather conditions. Elexicon reserves the right, in its sole discretion, to suspend repairs to its system until safe working conditions for its staff can be assured. Elexicon's service territory encompasses areas in which travel over water or ice is necessary to reach Customer premises. Elexicon will not permit its staff to travel over water except during daylight hours and in relatively calm conditions. It also imposes restrictions on travel over ice during freeze up and spring thaw or during any period that ice conditions might be unsafe. Customers in water bound locations should be prepared for delays in Elexicon's response to trouble calls.

### 1.7.9 Ownership of Distribution Transformers

Except in the case of legacy arrangements under which the Customer owns its transformation facilities and is receiving a transformer ownership allowance:

- Elexicon shall maintain ownership of all distribution voltage transformers with the high voltage rating of 27.6kV and below regardless of location.
- Elexicon will not own transformers located in Customer-owned substations with the high voltage rating of 44kV.

### 1.7.10 Number of Services to a Property

In general and as more particularly discussed in Section 3- Customer Specific provisions of these Conditions of Service, Elexicon will normally allow/provide only one electrical service to a property. For definition purposes a property is a single parcel of land that has been approved by the Municipality's building department and that has one municipal address. This applies to both new services and those considered for upgrade by the Customer. In circumstances where more than one service is installed to a single property, and any of the services are to be upgraded, the upgraded service will replace all of the existing services.

At the sole discretion of Elexicon the following exceptions may be considered where more than one service may be allowed to a property:

- Large properties where the provision of only one service may be impractical due to the size of the property and/or the distance between facilities located on the property; or
- Commercial, industrial and institutional properties where a second service from another supply point may be required to provide the property an alternate supply rather than a radial supply.
- Commercial or residential properties with multiple individual units where responsibility for establishing an electricity account for service is the responsibility of the unit occupant.

With the exception of an OEB-licensed unit sub-meter provider, Customers may not split or divide the electricity service behind Elexicon's meter to supply separate services (residential or commercial).

### 1.7.11 Ability to Transfer Arrears from One Account to Another

Elexicon shall have the right to transfer arrears for distribution services, electricity supplied, or other services provided by Elexicon from one account in a Customer(s) name to any other account in that same Customer(s) name irrespective of the rate classification or whether either account is in the name of other person(s) in addition to the Customer.

### 1.7.12 Miscellaneous

Electrical energy purchased from Elexicon may not be resold by any Customer to a third party. In the case of multi-tenant buildings with bulk metering, the account holder is the Customer and the consumer must pay the total cost of electrical energy consumed in the building. In the cases of multi-tenant buildings with individual metering, the owner shall provide Elexicon a valid floor plan listing unit identifications.

## 18 Disputes

In the event that a dispute occurs, Elexicon will follow the terms and conditions outlined in Section [1610](#)

of ~~its Distribution Licence~~ the DSC to resolve disputes.

For disputes related to power quality issues, Elexicon will follow the process established in the Ontario Energy Board's Guide to Addressing Electricity Distribution Power Quality Issues.

### **1.8.1 Dispute Resolution Process**

In the event that a dispute occurs, Customers are encouraged first to contact the employee or person at Elexicon who provided the service to try to resolve the dispute directly. If no resolution is obtained, Customers should call the Elexicon Customer Care Centre at 905-420-8440 or toll free at 1-888-420- 0070. A Customer Care Representative will try to help resolve the dispute. However, if that is not possible the dispute will be escalated to the appropriate level within Elexicon.

In the event that Elexicon cannot resolve the issue to a Customer's understanding, Customers may submit a formal written complaint. A formal written complaint will be recorded and acted on in accordance with the provisions of ~~Elexicon's Distribution Licence~~, Section 1610 of the DSC. For the purpose of formal complaint record keeping, a complaint must:

- Relate to service provided by Elexicon;
- Be received in writing, either by email or hard copy; and
- Contain an expression of dissatisfaction, or a formal complaint against a party.

Eligible complainants include all consumers and market participants that rely on the services of Elexicon. These include, but are not limited to electricity consumers, land developers, electricity Retailers, embedded generators and embedded distributors.

Elexicon is not responsible for handling complaints directed to Retailers. For those complaints, Customers may speak to their Retailer or the Ontario Energy Board.

## SECTION 2 - DISTRIBUTION ACTIVITIES (GENERAL)

### 2.1 Connections

Under section 28 of the *Electricity Act*, Elexicon has the obligation to either connect or to make an Offer to Connect any building that lies along any of the lines of Elexicon's distribution system.

Further to Section 3.1.4 of the DSC, Elexicon defines a Basic Connection for a Residential Customer (based on a 120/240V service size  $\leq 200A$ ) to include the supply and installation of overhead distribution transformation capacity, or an equivalent credit for transformation equipment and up to 30m of overhead conductor, or an equivalent credit for underground secondary service cable. Refer to Appendix A-2 for a description of applicable fixed and variable connection charges for Customers.

Elexicon Energy will not energize nor will it assume ownership of secondary cables (as defined in Section 2.3.4) that have been installed in the ground but not energized for a period of five (5) years or more.

#### **Required Information**

The Customer or its authorized representative shall consult with Elexicon concerning the availability of supply, supply voltage, service location, metering and any other details. These requirements are separate from and in addition to those of the ESA. Elexicon will complete a Customer Service Layout/Offer to Connect and confirm, in writing, the characteristics of the available electrical supply and will designate the location of the supply point and metering equipment to the Customer and identify the Operational and Ownership Demarcation Points.

The Customer or its authorized representative shall apply for new, upgraded or temporary electric service in writing by submitting a completed 'Service Request Form'. This form is available on Elexicon's website. The Customer is required to provide Elexicon with sufficient information and lead time in order to ensure:

- a) the timely provision of supply to new and upgraded premises; and/or
- b) the availability of adequate capacity for additional loads to be connected in existing premises.

#### **Connection Agreement**

Elexicon in its discretion may require a Customer, generator or embedded distributor to enter into a Connection Agreement with Elexicon including terms and conditions in addition to those expressed in this Conditions of Service document and as provided for in the DSC.

#### **2.1.1 Building that Lies Along**

##### **Definition**

For the purpose of this Conditions of Service document, "lies along" means a Customer's property or parcel of land that is directly adjacent to or abuts onto the public road allowance where Elexicon has distribution facilities of the appropriate voltage and capacity. Refer to Appendix A-2 for a description of applicable fixed and variable connection charges.

##### **Conditions**

Under the terms of the DSC, Elexicon has the obligation to connect (under Section 28 of the *Electricity Act, 1998*) a building or facility that "lies along" its distribution line, provided:

- a) the building can be connected to Elexicon's distribution system without an expansion or enhancement; and
- b) the service installation meets the conditions listed in this Conditions of Service document.

The location of the Customer's service entrance equipment will be subject to the approval of Elexicon and ESA.

### **2.1.2 Expansions/Offer to Connect**

If an expansion to Elexicon's distribution system is needed in order to connect a Customer who requests connection, Elexicon will make an Offer to Connect in accordance with the DSC to construct the expansion and to charge the Customer, unless the Customer has been denied connection for the reasons specified in this Conditions of Service document, Section 2.1.3. Refer to Appendix A-2 for a description of applicable fixed and variable connection charges.

#### **Offer to Connect**

In the Offer to Connect, Elexicon will detail the scope of the work, which items are subject to alternative bid, associated fees and the requirements to undertake the work related to the expansion.

#### **Economic Evaluation Model (EEM)**

Elexicon will perform an Economic Evaluation for Distribution System Expansion to determine whether the future revenue from the Customer will recover for the capital and ongoing maintenance cost of the expansion project. (Refer to methodology and assumptions in the DSC, Appendix B).

Elexicon will complete an Economic Evaluation and if the net present value over the revenue horizon period (including the effect of taxes) is positive, no capital contribution will be required from the Customer. If the net present value over the revenue horizon period (including the effect of taxes) is negative, a capital contribution will be required from the Customer. Elexicon will still require the Customer to ~~post security~~ provide an expansion deposit as outlined in the Offer to Connect. The expansion deposit covers both the forecast risk (the risk associated with whether the projected revenue for the expansion will materialize as forecasted) and the asset risk (the risk associated with ensuring that the expansion is constructed, that it is completed to the proper design and technical standards and specifications, and that the facilities operate properly when energized) related to the expansion.

#### **Alternative Bid**

Elexicon is required by the DSC to allow Customers to seek an alternative bid for the work that is eligible for alternative bid. This applies to the construction of new distribution facilities where a capital contribution is required and the construction does not involve physical contact with the distributor's existing distribution system.

At the same time that an Offer to Connect is issued to the Customer, Elexicon will issue an "Alternative Bid" which outlines the requirements and associated fees should the Customer choose to proceed with an alternative bid for the "~~contestable works~~ Eligible for Alternative Bid Work" as outlined in the Offer to Connect.

If the Customer chooses to utilize an alternative bid, the Customer shall only use qualified contractors for the work that is eligible for alternative bid provided that the Customer agrees to transfer the expansion facilities that are constructed under the alternative bid option to Elexicon upon completion.

#### **Bypass Compensation**

Elexicon shall require bypass compensation from a Customer with a non-coincident peak demand that meets or exceeds 5MW, if:

- a) the Customer disconnects its load facility from Elexicon's distribution system and connects that facility to a generation facility or to another load facility that is not owned by Elexicon such that Elexicon will no longer receive revenues in relation to that disconnected facility; or
- b) the Customer, while retaining its connection to Elexicon's system, also connects its load facility to a

generation facility or to another load facility that is not owned by Elexicon such that the Customer reduces its load served directly by Elexicon's distribution system, and Elexicon's rate revenues in relation to that facility will be reduced.

Elexicon shall calculate bypass compensation using the methodology outlined in Section 3.5.3 of the Distribution System Code.

Elexicon shall not require bypass compensation from any Customer:

- a) when a load Customer provides its own facility to serve new load or transfers new load to the facility of another person;
- b) for any reduction in a Customer's existing load served by Elexicon's distribution system that the Customer has demonstrated to the reasonable satisfaction of Elexicon (such as by means of an energy study or audit) has resulted from embedded renewable generation, energy conservation, energy efficiency or load management activities; or
- c) where an Elexicon-owned asset has been overloaded and a Customer transfers the overload to its own facility or to the facility of another person.

#### **Unforecasted Customer Connections to Expansions**

Unforecasted customers that connect to an expansion of Elexicon's distribution system during the initial contributor's customer connection horizon may be required under section 3.2.27 of the DSC to pay a capital contribution that would be passed on by Elexicon to the initial contributor. Elexicon will follow all applicable rules in the DSC related to such contributions.

#### **Upstream Transmission Connections**

Where Elexicon has been required to provide a capital contribution to a transmitter under the Transmission System Code for the purpose of a new or modified transmitter-owned connection facility and the new or modified transmitter-owned connection facility also meets the needs of an embedded distributor and/or load Customer with a non-coincident peak demand that is equal to or greater than 5 MW, Elexicon shall require a capital contribution from all beneficiaries that contributed to the need for the new or modified transmitter-owned connection facility based on their respective incremental capacity requirements and the total project cost. Elexicon shall request that the transmitter, who owns the connection facility calculate the capital contribution amount for each beneficiary using the methodology and inputs described in Appendix 5 of the Transmission System Code.

#### **2.1.3 Connection Denial**

The following outlines circumstances where Elexicon is not obligated to connect a Customer:

- Contravention of the Laws of Canada or the Province of Ontario including the Ontario Electrical Safety Code.
- The Customer does not have the requisite approval(s) of the ESA for the connection.
- Violation of conditions in Elexicon's Distribution Licence.
- Materially adverse effect on the reliability or safety of the electrical distribution system as determined by Elexicon.
- Imposition of an unsafe worker situation beyond normal risks inherent in the operation of the electrical distribution system.
- Material decrease in the efficiency of Elexicon's electrical distribution system.
- Materially adverse effect on the quality of distribution services received by an existing connection.
- Outstanding payments owed to Elexicon for past and/or present distribution services within its service territory.

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- ~~Dedicated communications acceptable to Elexicon for a MIST meter (Metering Inside the Settlement Timeframe Meter), which is the responsibility of the Customer to connect and maintain, is not available.~~
- Installation and design does not meet Elexicon's requirements.
- ~~Violation of any other conditions identified in Elexicon's Conditions of Service document.~~

#### 2.1.4 Inspections Before Connection

The Customer's electrical installation shall be inspected and have a valid "Connection Authorization" from the ESA prior to connection of the Customer's service to Elexicon's distribution system. Services that have been disconnected for upgrades, repairs, metering tampering or have been left out of service for a period of six (6) months or longer must also be inspected by ESA and have a valid "Connection Authorization" received prior to reconnection.

The Customer's electrical installation in relation to Elexicon's supply facilities must be approved and conform to Elexicon's specifications for underground and overhead services. The installation of metering equipment and related metering facilities must be approved by Elexicon prior to the installation. Inspections during the installation will be conducted by Elexicon in accordance with the Offer to Connect and/or Service Layout and/or Specifications and Standards.

#### 2.1.5 Relocation of Plant

Where a Customer requests the relocation of an Elexicon-owned asset, Elexicon shall recover from that Customer the cost of relocating that asset, except to the extent recovery is limited under law.

Where an Elexicon-owned asset is relocated in the absence of a Customer request, Elexicon shall bear the cost of relocating that asset.

Elexicon will accommodate a request to relocate assets (i.e. pole, anchor, down guy, etc.):

1. If it does not cause any undesirable affect to the reliability of the electrical distribution system;
2. If the relocation of the asset results in the replacement of the asset on any property not owned by the party requesting the relocation, the said party shall negotiate an easement with the landowner to the satisfaction of Elexicon.
3. If the location of the asset is in compliance with Elexicon's specifications.

Elexicon is not obligated to relocate the asset in the event that a reasonable alternative is not available.

Elexicon's standard construction is overhead wooden poles on public roadways and underground for new residential developments. On occasion, Elexicon receives requests from Customers/stakeholders to either relocate an existing overhead asset underground or place a proposed overhead asset underground.

All these requests are carefully considered in light of the provisions of our Conditions of Service as well as the technical and financial feasibility of carrying out such work.

For example, as part of a road reconstruction project, if the Road Authorities wish to relocate an existing Elexicon overhead asset to underground, they will pay the cost sharing portion of the relocation as if it were an overhead rebuild plus the incremental cost difference between overhead and underground.

For all relocation works which are not part of the road (i.e. relocation due to the installation of sidewalks, multi-use paths, etc.), the Road Authority pays the full cost for the relocation of Elexicon's assets.

#### 2.1.6 Easements

The Customer shall provide the necessary easements duly recorded and registered in the original deeds of the properties, as may be required for the installation, operation and maintenance of the electrical distribution plant. A copy of the easement shall be forwarded to Elexicon before final acceptance. Easements shall be granted in the name of Elexicon prior to energization. The costs associated with obtaining or releasing the easement(s) are the responsibility of the Customer.

### 2.1.7 Contracts

All Customers must enter into a contract for service with Elexicon prior to the energization of the electrical service to the Customer's building or premise. Residential subdivision developers will be required to sign an agreement.

#### **Contract for New or Upgraded Service**

Elexicon will only connect a Customer's building or premise for a new or modified service upon receipt by Elexicon of the following:

- a) a completed and signed contract for service in a form acceptable to Elexicon;
- b) payment of any applicable connection fee;
- c) an inspection and approval (Connection Authorization) by the ESA of the electrical equipment for the new or modified service; and
- d) a completed and signed Connection Agreement as requested or required pursuant to Section 2.1 Expansions/Offer to Connect (as part of this Condition of Service).

#### **Implied Contracts**

In all cases, notwithstanding the absence of a written contract, Elexicon has an implied contract with any Customer that is connected to Elexicon's distribution system and receives distribution services from Elexicon. The terms of the implied contract are consistent with this Conditions of Service document, the OEB's Rate Handbook, Elexicon's rate schedules, Elexicon's Distribution License~~License~~, and the DSC, as amended from time to time.

~~A Customer who takes or uses electricity delivered and/or supplied by Elexicon shall be liable for payment of such electricity in accordance with any relevant OEB codes or guidance. Liability for payment will exist, even in the absence of a signed contract. The connection of the Customer and the Customer's use of Elexicon's distribution service will be evidence of the Customer's willingness and intention to pay for the connection and all applicable rates and charges authorized by the OEB in respect of service to the Customer and acceptance of the terms of Elexicon's contract. Any implied contract for the supply of electricity by Elexicon shall be binding upon the heirs, administrators, executors, successors or assignees of the Customer who took and/or used the electricity supplied by Elexicon.~~

Failure to contract for service by a new occupant of the building or premise previously occupied by the Customer may result in the disconnection of service after ~~five (5) business days~~ an attempt by Elexicon to contact the new occupant. Elexicon will not be held responsible for any damages incurred as the result of electrical service being disconnected or reconnected due to the failure to contract for service.

#### **Special Contracts**

Elexicon will advise the Customer in advance of the connection if a special contract is required. Special contracts that are customized in accordance with the service requested by the Customer include, but are

not necessarily limited to, the following:

- a) Generation;
- b) Construction sites;
- c) Mobile facilities;
- d) Special occasions, events, etc.

In all cases of special contracts the terms and conditions of all regulations, conditions and charges as established by Elexicon shall apply to the Customer connection unless specifically noted in the special contract.

In certain circumstances, a connection and/or operating agreement may also be required between Elexicon and the Customer.

### **Opening and Closing of Accounts**

A Customer who wishes to open or close an account for the supply of electricity by Elexicon shall notify Elexicon by written request (including requests submitted by facsimile or email), through Elexicon's website or other means acceptable to Elexicon.

Until Elexicon receives such written notice from the Customer or its authorized representative, the Customer shall be responsible for payment to Elexicon for the supply of electricity to the building or premises. In the event a Customer wishes to close an account where a Retailer is involved, such closing shall be governed by any applicable regulatory code such as, but not limited to, the Retail Settlement Code.

In order to ensure Elexicon is able to provide accurate billing to the account holder, it may be necessary to confirm ownership or tenancy prior to completion of the account set-up process. Failure to comply may result in electrical service being disconnected.

## **2.2 Disconnection**

Elexicon has the right ~~and obligation~~ to disconnect a Customer under, but not limited to, the following circumstances:

- Adverse effect on the reliability and safety of the electrical distribution system.
- Imposition of an unsafe working situation beyond normal risks inherent in the operation of the electrical distribution system.
- Access to the meter or other Elexicon equipment is restricted by the Customer.
- Decrease in the efficiency of Elexicon's electrical distribution system.
- Adverse effect on the quality of distribution services received by an existing connection.
- Inability of Elexicon to perform planned inspections, maintenance or access metering data issues.
- Failure of the consumer or Customer to comply with a directive of Elexicon that Elexicon makes for the purposes of meeting its licence obligations.
- Disturbances to the electrical distribution supply caused by Customer equipment.
- Outstanding payments owed to Elexicon including but not limited to security deposits.
- Any contravention of the laws of Canada, Ontario or the local municipality, including the Ontario's Electrical Safety Code.
- Energy diversion, ~~or fraud, or abuse~~ or theft of power.
- Meter tampering or causing damage to Elexicon equipment.

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- Fraud committed against Elexicon A new occupant of the building or premise has not contracted for service.
- By order of the ESA or any other authority with jurisdiction.
- ~~Any other conditions identified in Elexicon's Conditions of Service document.~~

Note that in many circumstances, reconnection may require the approval of the ESA. Elexicon will not exercise its rights to disconnect unreasonably and will not and cannot disconnect a service when and where prevented from doing so by an Act or Regulation of Canada or the Province of Ontario.

Services disconnected as a result of energy diversion, ~~fraud, abuse~~tampering or theft of power on the part of the Customer, may not be reconnected until the Customer rectifies the condition and provides full payment to Elexicon including all costs incurred by Elexicon arising from unauthorized energy use, including inspections, repair costs, and the cost of disconnection and reconnection.

### 2.2.1 Non-Payment Disconnection Policies

Any outstanding payments owing to Elexicon may be subject to a collection process and possible disconnection of service. If a bill is not paid by the due date, a late payment penalty will be applied and a reminder notice will be issued. Should the bill remain outstanding, a disconnection notice will be issued.

Disconnection notices sent to Customers will contain prescribed information such as:

- the earliest and the latest date disconnection may occur;
- the forms of payment a Customer may use;
- information regarding the availability of a Board-prescribed arrears management program;
- the sources of obtaining additional assistance for eligible low-income Customers;
- that disconnection may take place whether or not the Customer is at the premise;
- the charge to reconnect service should a Customer be disconnected.

Residential Customers who have provided documentation from a physician that disconnection will pose a significant health risk to the Customer, the Customer's spouse, dependent family member or other person that regularly resides with the Customer, will be disconnected for non-payment ~~when within 14 days once the sixty (60) days from the date on which the disconnection notice is received by the Customer period~~ when within 14 days once the sixty (60) days from the date on which the disconnection notice is received by the Customer period has elapsed.

For all other cases, Residential Customers will be disconnected for non-payment ~~when within 14 days once the fourteen (14) days from the date on which the disconnection day notice is received by the Customer period~~ when within 14 days once the fourteen (14) days from the date on which the disconnection day notice is received by the Customer period has elapsed.

Disconnection notices for multi-unit buildings will be posted in a conspicuous place on or in the building.

Elexicon will suspend any disconnection action for a period of twenty-one (21) days if notified by a social service agency or government agency that it is assessing a Residential Customer for the purposes of determining whether the Customer is eligible to receive assistance from the Low-Income Emergency Assistance Program (LEAP), provided such notification is made within ~~ten (10)~~ fourteen (14) days from the date on which the disconnection notice is received by the Customer.

If satisfactory payment arrangements have not been made, disconnection will take place within the period outlined in the disconnection notice. At least forty-eight (48) hours prior to the scheduled disconnection, Elexicon will make reasonable efforts to contact Residential Customers.

Prior to disconnecting a service for non-payment, Elexicon shall provide the Fire Safety Notice of the Office

of the Fire Marshall and any other public safety notices or information bulletins issued by public safety authorities and provided to Elexicon, which provide information to consumers respecting dangers associated with the disconnection of electricity.

Disconnection does not relieve the Customer of the liability for arrears or fixed monthly charges.

A service disconnected for less than six (6) months will be reconnected within two (2) business days following satisfactory payment of the balance, or if the Customer qualifies, entering into a Board prescribed arrears management plan (Residential Customers). Reconnection charges (see [www.elexiconenergy.com](http://www.elexiconenergy.com) for a list of specific service charges) and any additional security deposit (if deemed necessary) will be placed on the Customer's account. Upon request, Elexicon will make reasonable payment arrangements with Residential Customers who are unable to pay the reconnection charge in one lump sum. Qualified low-income Customers are exempt from paying a reconnection fee -as well as the security deposit.

No payments will be accepted after hours and no reconnections will occur after business hours. The Customer or an adult representative must be present at the time the service is reconnected. In limited circumstances, a Customer may be able to provide verbal authorization for reconnection without being at the property. ~~If a scheduled appointment has been arranged with the Customer (or their representative) and the Customer is not present when Elexicon arrives for the scheduled appointment, the reconnection charge may be applied to the account for the missed visit as well as for the secondary appointment scheduled.~~

Elexicon shall not be liable for any damage associated with or related to the disconnection or the limitation of services. This includes damage to the Customer or the Customer's premises and any business or other losses suffered by the Customer as a result of the disconnection.

In instances where a tenant has vacated a property, the landlord must contact Elexicon to indicate whether they will be placing the service in their name or would like the service disconnected. If there is no sign up by either the landlord or new tenant, Elexicon will disconnect the service and a reconnection charge may apply when reconnected.

#### **2.2.1.1 Disconnection Process for Reasons Other than Non-Payment**

Subject to Elexicon's rights in Section 2.2.3 below, Elexicon will provide notice of disconnection to the Customer for reasons other than non-payment by personal service, phone, and prepaid mail or by posting notice on the property in a conspicuous place. If the Customer does not remedy the situation that gave rise to Elexicon's right to disconnect the Customer from the distribution system within the time period specified by Elexicon in the notice, Elexicon may disconnect the Customer from the distribution system or interrupt the distribution of electricity to the Customer on or after the date specified in the notice.

#### **2.2.1.2 Immediate Disconnection without Notice**

Elexicon may immediately interrupt a Customer, without notice, in accordance with a court order for emergency, safety or system reliability reasons.

#### **2.2.1.3 Liability for Disconnection**

Disconnection does not relieve the Customer of the liability for arrears or minimum bills.

Under no circumstances will Elexicon be liable for any damage resulting from, associated with, or related to the disconnection or the limitation of distribution of electricity, including damage to the Customer or the Customer's premises and any business or other losses suffered by the Customer as a result of the disconnection, except for any damages caused by the entry that cannot be repaired.

#### 2.2.1.4 Reconnection

Where the reason for the disconnection has been remedied to Elexicon's satisfaction and the Customer requests reconnection of the distribution service, Elexicon shall reconnect the Customer. All costs including inspections associated with the reconnection shall be paid for by the Customer prior to reconnection of the service.

Under any of the following circumstances, Elexicon requires that the Customer obtain the approval of the ESA prior to Elexicon reconnecting the service:

- a) where Elexicon has reason to believe that the wiring may have been damaged or altered;
- b) where service was disconnected for modification of Customer wiring;
- c) where service has been disconnected for a period of six (6) months or longer;
- d) where the service was disconnected as a result of an adverse effect on the reliability and safety of the distribution system;
- e) where it is a requirement of the Electrical Safety Code; or
- f) where Elexicon has reason to believe there was meter tampering or abusedamage to Elexicon equipment causing a potential safety concern.

#### 2.2.1.5 Reconnection Related Charges

Unless specified elsewhere in these Conditions of Service, a charge shall apply in cases where it is necessary for Elexicon to reconnect service. Please visit [www.elexiconenergy.com](http://www.elexiconenergy.com) for a list of specific service charges.

#### 2.2.1.6 Unauthorized Energy Use

Pursuant to Section 4.3.1 of the DSC, Elexicon is permitted to use its discretion in taking action to mitigate unauthorized energy use. As such, Elexicon reserves the right to disconnect the distribution of electricity to a Customer, without notice, for causes including energy diversion, ~~fraud~~, tampering or abuse~~theft of power~~ on the part of the Customer. Such service shall not be reconnected until the Customer rectifies the condition and pays all uncollected charges, including late payment charges, and costs incurred by Elexicon arising from unauthorized energy use, including inspections and repair costs, and the cost of disconnection and reconnection.

#### 2.2.2 Primary Isolation for Customer Maintenance

Isolation of a primary service for a Customer falls under the jurisdiction of Elexicon. Isolations will be provided by Elexicon for all high voltage supplied Customers requesting disconnection from Elexicon's high voltage supply.

Customers and/or contractors requesting a scheduled outage will provide Elexicon with a \$2,000 deposit, and actual costs incurred will be charged unless otherwise specified in Appendix A-2. Standard rates will apply during normal scheduling hours and overtime rates will apply outside of normal scheduling hours and holidays. Normal business hours for isolations are weekdays, Monday to Friday, between 8:00 a.m. to 2:00 p.m.

Isolation requests are subject to Elexicon's availability. Submitting a request does not guarantee an appointment. Once the request and required items are received by Elexicon, an Elexicon representative will contact the Customer to review the details of the request and confirm the appointment date and time.

In scheduling an outage, the Customer or contractor must be aware of the following conditions:

1. A valid ESA Connection Authorization is required to reconnect a Customer which has been disconnected via a scheduled outage;
2. The ESA requires the contractor to obtain an Application for Inspection prior to the scheduled inspection (Tel 1-877-372-7233);
3. A dedicated Elexicon crew will be assigned to the scheduled outage. Arrangements can be made to have this crew stay at the project location, however, extra service costs will be applicable and charged to the Customer;
4. For maintenance isolations, a minimum of two (2) weeks' notice is recommended to schedule an outage (online form available at [www.elexiconenergy.com](http://www.elexiconenergy.com)). Longer lead times may apply for non-maintenance work (i.e. upgrading or changing Customer-owned equipment). The Customer is to contact Elexicon's Engineering department to review required items and timelines;
5. The Customer/contractor is responsible to operate Customer-owned equipment. Elexicon will not operate Customer-owned equipment;
6. The Customer/contractor is responsible to inspect and clean primary metering unit(s) where applicable;
7. If the Customer/contractor is cancelling the scheduled outage, the Customer/contractor must advise Elexicon prior to the outage with a minimum of two (2) business days' notice;
8. The Customer/contractor is responsible for providing their grounds.

Upon completion of the work, it is imperative that the contractor be on site at the scheduled time and coordinates their work activity to minimize any delays in restoration of power.

### **2.2.3 Secondary Isolation**

Isolations of a secondary service for a Customer fall under the jurisdiction of Elexicon. Customers requiring a secondary isolation are to complete and submit an isolation request. The online form is available at [www.elexiconenergy.com](http://www.elexiconenergy.com).

Refer to Appendix A-2, Standard Charges for Various Services.

### **2.2.4 Service Removal**

Where a Customer or property owner requests, or Elexicon requires at its own discretion the physical removal of distribution service, Elexicon will remove Elexicon-owned delivery equipment, without limitation, power lines, transformer and meter. If reconnection is requested, the Customer will incur a cost to install appropriate delivery equipment on the basis that the connection requested by the Customer is a new connection to the Elexicon distribution system, and the Customer and Elexicon shall follow the steps and processes for new connections set out in this Conditions of Service.

## **2.3 Load Control Devices**

Elexicon may, at its own discretion, install a load control device at a location in lieu of disconnection.

Elexicon shall not be liable for any damage associated with or related to the limitation of services. This includes damage to the Customer or the Customer's premises or assets and any business or other losses suffered by the Customer as a result of the interruptions, except for physical damage to facilities unrelated to the limitation of services arising directly from Elexicon's entry on the Customer's property.

Where Exelion installs a load control device, Exelion will provide written notice to the Customer explaining how the device operates along with other relevant information.

A load control device will be removed within two (2) business days once the situation that gave rise to the installation of such device has been resolved to Exelion's satisfaction. A Customer may request, in writing, for continued use of a load control device.

## **2.3.2.4 Conveyance of Electricity**

### **2.3.12.4.1 Limitations on the Guarantee of Supply**

Exelion will practice reasonable diligence to supply and maintain Customers with regular and uninterrupted supply of power within the limits of the Standard Voltage Offerings outlined in Section 2.3.4 and Section 2.3.5. Exelion does not guarantee a constant power supply or unvaried frequency or voltage and will not be liable for any damages that may occur. Exelion will not be responsible for any variations to the supply caused by external forces.

Customers will be responsible for providing their own back up or standby facilities, if normal supply limitations are not acceptable. Customers requiring a three-phase supply should install protective control devices to minimize the effect of momentary power interruptions and avoid damage to equipment that may be caused by the interruption of one phase or non-simultaneous switching of phases.

Exelion may be required to interrupt the Customer's power supply on occasion for emergency repairs, or during construction or maintenance. Exelion shall have access to a property in accordance with the provisions of "Powers of Entry" as described in section 40 of the *Electricity Act, 1998* and any successor Acts thereto.

Where submarine cable is used, Exelion may not be able to restore interrupted supply where access or safety concerns are present in non-optimal situations such as seasonal weather. Customers impacted will be notified, and power will be restored when conditions permit.

## **2.4.2 Power Quality**

### **2.4.2.1 Power Quality Investigations**

Exelion will respond and take reasonable action to investigate Customer power quality complaints in accordance with the OEB's Guide for Addressing Electricity Distribution Power Quality Issues and forward the results of the investigation to the Customer.

If the source of the power quality problem appears to be caused by the Customer, Exelion may seek reimbursement for the time and cost spent to investigate the complaint.

Exelion's power supply may become unreliable, intermittent or interrupted under any of the following conditions, namely:

- Problems in the bulk electricity supply system;
- Tree contacts;
- Lightning;
- Defective equipment;
- Adverse weather;
- Adverse environment;
- Human element;

- Foreign interference (i.e. animals, vehicles, dig-ins, etc.).

If the source of the power quality problem is Elexicon's power supply, Elexicon shall take appropriate actions to resolve the situation at Elexicon's expense. Elexicon will comply with appropriate industry standards and good utility practice.

#### **2.4.2.2 Power Quality Customer Obligations**

If the operation of the Customer's equipment causes disturbance to the electrical supply of other Customers or the general distribution of supply, Elexicon reserves the right to disconnect the Customer's service. Customers shall consider grounding or filtering applications to remove any disturbances in the electrical distribution system in accordance with applicable codes and regulations. The Customer must cease any operation of equipment causing disturbances until repairs are completed. Elexicon follows recommended guidelines in the latest revision of IEEE 519, Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems. This standard outlines the acceptable limits of disturbance to the electrical distribution systems and specifies a 5% voltage distortion and 3% on individual frequencies. Any costs associated with correcting the disturbance problem will be the responsibility of the Customer.

It is the Customer's responsibility to ensure that the unbalanced load current due to single-phase loads shall not exceed 15% on each phase, unless approved by Elexicon.

If a power quality investigation is required, it is the Customer's responsibility to provide Elexicon any information required during the investigation. This may include equipment information, testing, maintenance records and access to equipment for power monitoring.

#### **2.4.2.3 Interruption Notification**

Elexicon will attempt to provide Customers with reasonable notice of any planned power interruptions to the electrical distribution system, including the duration of the outage and frequency. Elexicon will attempt to provide Customers with reasonable notice prior to interrupting power, wherever possible.

When contacted by the Customer, Elexicon will attempt to provide Customers with information regarding interruptions to the electrical distribution system during unplanned and storm related outages.

During significant unplanned outages due to storms or emergencies, Elexicon will attempt to inform Customers of the outage including the duration and the potential number of customers affected. Methods of communication may include, but are not limited to, news releases, social media, the Elexicon website and/or Elexicon's Interactive Voice Response (IVR) system.

Customers who require an uninterrupted source of power for life support equipment must provide their own equipment for these purposes. The Customer is also responsible to supply and maintain their equipment for electrical operation of a life support system.

#### **2.4.3 Electrical Disturbances**

Elexicon will comply with good utility practices in managing the power quality of the electrical distribution system. Elexicon shall practice reasonable diligence in maintaining voltage levels in accordance with the latest revision of CAN3-C235-83 Preferred Voltage Levels for AC Systems, 0 to 50,000V.

Customers shall ensure their equipment does not cause any disturbances such as harmonics, spikes or sags that might interfere with the operation of Customer equipment or the overall operation of the

Elexicon distribution system. Customer's motors and appliances must be of an approved design and be operated so that the quality of service to other Customers will not be adversely affected. Elexicon will investigate the cause of any disturbance. Customers who are responsible for disturbances to the system will be responsible to rectify the situation at the Customer's expense. Elexicon reserves the right to disconnect the Customer's service should this disturbance be severe enough or no action is being taken by the Customer to remove the disturbance.

#### **2.4.4 Standard Voltage Offerings**

Elexicon will provide only one supply voltage to a Customer or building. All new three-phase service installations must be 4-wire to the main switch. The switchgear provided by the Customer shall be capable of interrupting the following MVA short circuit capacities:

- a) 4.16 kV – 150 MVA
- b) 8.32 kV – 300 MVA
- c) 12.48 kV – 450 MVA
- d) 13.80 kV - 500 MVA
- e) 27.6 kV - 1000 MVA
- f) 44.0 kV - 1500 MVA

The primary voltage to be used will be determined by Elexicon. Depending on the voltages of the lines readily available at the Customer's location, the preferred primary voltage will be one of the following:

- 4.16/2.4kV grounded wye, three-phase, 4-wire;
- 8.32/4.8 kV grounded wye, three-phase, 4-wire;
- 12.48/7.2kV grounded wye, three-phase, 4-wire;
- 13.8/8kV grounded wye, three-phase, 4-wire;
- 27.6/16kV grounded wye, three-phase, 4-wire;
- 44kV effectively grounded wye, three-phase, 3-wire.

Note: In certain limited areas, Elexicon continues to operate 8.32/4.8kV or 4.16/2.4kV systems. These areas will be converted to either 27.6kV or 13.8kV systems as above. Customers requesting a connection in these areas will be given special consideration in each case to determine the most cost effective way of supplying immediate service requirements while respecting the need to make a future conversion.

Elexicon has the following secondary voltages available to Customers:

- a) 120/240V, single phase, 3-wire
- b) 120/208V, three phase, 4-wire
- c) 347/600V, three phase, 4-wire

Elexicon may provide transformer capacity up to:

| CSA    | *Transformer Maximum Capacity (kVA) | Primary Voltage (kV) | Secondary Voltage (V) | Notes |
|--------|-------------------------------------|----------------------|-----------------------|-------|
| C227.4 | 300                                 | 4.16                 | 600                   |       |
| C227.4 | 300                                 | 4.16                 | 208                   |       |
| C227.4 | 500                                 | 8.32                 | 600                   |       |
| C227.4 | 500                                 | 8.32                 | 208                   |       |

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|--------|------|---------------|-----|--------------------------|
| C227.4 | 750  | 12.47 or 13.8 | 600 | supplied from MS <10 MVA |
| C227.4 | 750  | 12.47 or 13.8 | 208 | supplied from MS <10 MVA |
| C227.4 | 1500 | 12.47 or 13.8 | 600 | supplied from MS >10 MVA |
| C227.4 | 3000 | 27.6          | 600 |                          |

\*All transformers 5-legged shell design.

Note: Elexicon may permit a maximum of 8/phase 1000 MCM copper cable runs. Transformer sizing, primary and secondary voltage will be at the sole discretion of Elexicon. Demand loads in excess of the transformer capacities noted above, will be determined upon application to Elexicon. A Customer- owned transformer may accommodate such loads.

#### **2.4.5 Voltage Guidelines**

Elexicon supplies and maintains service to its Customers as per the latest revision of CAN3-C235, Preferred Voltage Levels for AC Systems 0 to 50,000V.

When voltages are outside the acceptable limits for normal operating conditions but within the acceptable limits for extreme operating conditions, improvement or corrective action shall be taken on a planned and program basis, but not necessarily on an emergency basis. When voltages lie outside the acceptable limits for extreme operating conditions, improvement or corrective action will be taken on an emergency basis. The urgency for such action will depend on factors such as the location and nature of load or circuit involved and the extent to which limits are exceeded.

#### **2.4.6 Backup Generators**

Customers with portable or permanently connected emergency generation equipment shall comply with the latest revision of the Ontario Electrical Safety Code and, in particular, shall ensure that Customer equipment does not back feed on Elexicon's electrical distribution system. Backup generators are not allowed to synchronize with Elexicon distribution system in any circumstances.

Customers with permanently connected emergency generation equipment shall notify Elexicon regarding the presence of such equipment.

#### **2.4.7 Metering**

Elexicon will supply, install, own, and maintain all meters, instrument transformers, ancillary devices, and secondary wiring required for revenue metering, except for a Customer with an embedded generation facility. An embedded generation Customer must pay for the compliant metering and installation of generation facilities but Elexicon will assume ownership and maintenance in accordance with Elexicon's requirements. All metering devices are subject to approval and inspection by Measurement Canada.

Metered Market Participants ([MMPs](#)) in the Independent Electricity System Operator ("IESO") administered wholesale market must meet or exceed all IESO metering requirements. [MMPs must own and maintain their metering equipment.](#)

##### **2.4.7.1 General**

The Customer agrees to provide and maintain convenient and safe space either inside a building or outside on the premises as Elexicon will decide, free of charge or rent, for Elexicon's meters and that the properly authorized servants, agents and workers of Elexicon together with all necessary tools, equipment and materials, will at all reasonable hours have free access to the premises for the purpose of reading,

examining, repairing or removing the meters and further agrees that no one who is not a servant or agent of Elexicon or otherwise lawfully entitled to do so, will be permitted to remove, inspect or tamper with any of the said equipment of Elexicon. Space provided by the Customer for Elexicon's meters and associated equipment will not have an alarmed door and/or security system hindering access.

Residential and commercial multi-unit buildings shall provide for individual metering of all units at one or more central locations. Alternatively, bulk metering of all complexes will be allowed. Refer to Appendix A-2 Standard Charges for Various Services. A meter type summary is available upon request.

Where current transformers are required, Elexicon will outline the technical requirements to be followed for such installations.

The Customer will make provision for Elexicon meters and metering equipment, as determined in consultation with Elexicon. This will involve one or several of the following:

- Approved meter sockets;
- Approved lockable meter cabinets;
- Approved lockable meter compartments in the Customer's metal enclosed switchgear;
- A meter room with outside access where all multiple-unit metering is aggregated.

Contact Elexicon for the latest technical data and compatible suppliers/manufacturers.

Metering is always on the low voltage side (secondary side) of the service. In exceptional cases, high voltage metering may be considered and additional Customer charges would apply.

#### **2.4.7.1.1 Residential**

The location of a Customer's meter base shall be in compliance with Elexicon specifications.

Meter bases shall be located on the same side of the house where the secondary service enters the property line. Installations are to have a minimum 1.2m unobstructed clearance from the meter base. Any exceptions to this rule must be approved by Elexicon prior to the installation and will be completed at the Customer's expense.

No equipment, other than that provided and installed by Elexicon, may be installed in any part of the Elexicon metering workspace.

In all cases, the main service entering a residence must be protected by means of one main switch which will interrupt all electrical power entering the building.

#### **2.4.7.1.2 General Services**

Specially constructed metering units or enclosures may be permitted for outdoor use upon written application for use and approval by Elexicon.

Deduction type metering is not allowed.

#### **General Service Secondary Metering**

In all cases general service secondary metering will be protected by a main switch immediately preceding the meter and will have a position for sealing and padlocking of the handle in the cover or door in the "off" position. The top of the main switch and the meter socket will not be more than 1.8m above the

finished floor. Meter sockets may be used on 100A and 200A, three phase, 4-wire services.

For main switch rating greater than 200A, the Customer must provide and maintain:

- a) A lockable metal enclosed metering cabinet with a removable steel back plate; or
- b) A lockable metal enclosed switchboard compartment for instrument transformers of suitable dimensions.

Line and load entry points must be at opposite ends of a metering cabinet. For all services exceeding 800A, the Customer will provide a metal enclosed switchboard. Where low voltage switchgear is accepted, the final layout and components must be approved by Elexicon's engineering and metering departments prior to the ordering of equipment. In such cases, a separate metering cabinet shall be provided in addition to the instrument transformer compartment. The meter cabinet will be located to Elexicon's satisfaction and will be as close as possible to the instrument transformer compartment. The meter cabinet will be connected to the instrument transformer compartment by a 32mm continuous rigid conduit (25mm conduit may be used for single phase) not exceeding 15m in actual length.

### **Meter Rooms**

The Customer shall supply and maintain a meter room of sufficient size to accommodate the service entrance equipment and meter facilities. It is recommended that the Customer provide extra space in the meter room so that at least one-third of the Customers supplied through self-contained meters initially can be accommodated with metering cabinets due to load increases.

The metering room will be provided with adequate illumination and a 120 volt convenience receptacle. The meter room shall not be used for storage or contain equipment foreign to the electrical installation within the designated clear space area. A minimum 1.2m clear working space shall be maintained in front of metering equipment at all times. Each individual metered service shall be clearly and permanently identified by the Customer with address and unit number. All switches, breakers and cabinets associated with any particular service must also be identified.

### **Elexicon Access to Meter Rooms**

The meter room shall be readily accessible to Elexicon at all hours to permit meter reading and maintenance of equipment. Exterior access to the meter room shall be available to avoid any conflicts if meter readings are required outside regular business hours.

Where Elexicon requires the metering installation to be located outdoors or in a dedicated meter room with direct outdoor access, the Customer will be required to supply and install a locking device suitable to Elexicon along with an entrance key for use by Elexicon prior to connection.

The Customer may be required to provide a suitable location for Elexicon to install an onsite "key box" to facilitate meter reading.

### **2.4.7.2 Typical Metering Requirements**

The following outlines typical metering requirements for various service sizes:

| Type of Service Entrance | Voltage of Service | Size of Service | Type of Meter Base                      |
|--------------------------|--------------------|-----------------|---|
| Main Switch              | 120/240V           | 200A Max.       | Four Jaw Meter Base                     |
| Main Switch              | 120/240V           | 400A Max.       | Transformer Type<br>Five Jaw Meter Base |
| Main Switch              | 120/208V           | 200A Max.       | Five Jaw Meter Base                     |

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|             |              |                   |                               |
|-------------|--------------|-------------------|-------------------------------|
| Main Switch | 120/208V     | 200A Max.         | Seven Jaw Meter Base          |
| Main Switch | 120/208V     | Over 200A         | 48" x 48" x 12" Meter Cabinet |
| Main Switch | 347/600V     | 200A Max.         | Seven Jaw Meter Base          |
| Main Switch | 347/600V     | Over 200A         | 48" x 48" x 12" Meter Cabinet |
| Switchgear  | All Voltages | All Service Sizes | 36" x 36" x 12" Meter Cabinet |

Where switchgear is required, the Customer shall provide Elexicon with the name and manufacturer of the switchgear as well as shop drawings for approval. Elexicon will supply the metering transformers to the electrician for installation on the bus during manufacturing. The owner shall supply an Elexicon approved lockable meter cabinet with removable back panel and mount it adjacent to the switchgear and join it to the switchgear with a 32mm continuous rigid conduit (1¼ inch inside diameter) complete with fish wire.

In all cases where switchgear and metering cabinets are required, the Customer must deliver the back panel to Elexicon a minimum of two (2) weeks prior to ESA connection authorization.

Where outdoor or remote installations are approved by Elexicon the Owner is to supply and install an outdoor cabinet (CSA, Type 3R), Hammond #C3RMC363612 complete with pad lockable "L" style handle or equivalent upon Elexicon approval.

For all services exceeding 200A, the Customer shall provide and maintain an active dedicated cell or telephone line in conduit, to the meter location.

#### **2.4.7.3 Metering Requirements for Generating Facilities**

Elexicon requires that an Embedded Retail Generator whose embedded generation facility has a gross nameplate capacity of more than 10MW, install IESO compliant metering. Any Customer that causes Elexicon to attract Gross Load Billing from the transmitter, (existing load meets or exceeds 1MW for non-renewable, 2MW for renewable or as otherwise defined by Hydro One's tariff), shall also have IESO compliant metering.

Elexicon also requires that a net metered generator and an Embedded Retail Generator whose embedded generation facility has a gross nameplate capacity of 10MW or less install such metering as may reasonably be required having regard to:

- a) the meter data requirements necessary to enable the distributor to settle amounts owing to or from the Embedded Retail Generator; and
- b) the type of generation facility or generation technology of the embedded generation facility.

Elexicon shall meter a Customer with an embedded generation facility, other than an Embedded Retail Generator or a net metered generator, in the same manner as Elexicon's other load customers.

#### **2.4.7.4 Interval Metering**

Elexicon shall install a MIST meter on any new installation that is forecast by Elexicon to have a monthly average peak demand during a calendar year of over 50kW.

Elexicon shall provide an interval meter within a reasonable period of time to any Customer who submits a written request for such meter installation, either directly or through an authorized party, in accordance

with the Retail Settlement Code, subject to the following conditions:

- a) The Customer that requests interval metering shall compensate Elexicon for all incremental costs associated with that meter, including the capital cost of the interval meter, installation costs associated with the interval meter, ongoing maintenance (including allowance for meter failure), verification and re-verification of the meter, installation and ongoing provision of communication line or communication link with the Customer's meter, and cost of metering made redundant by the Customer requesting interval metering;
- b) Elexicon shall determine whether the meter will be a MIST or MOST meter, subject to the requirements of the DSC.

Customer requests for metering equipment other than Elexicon's default provision will be considered at the sole discretion of Elexicon, and where such requests are met, the Customer shall bear all incremental upfront and ongoing costs associated with said metering equipment.

#### **2.4.7.5 Meter Reading**

Elexicon shall have access to the Customer's property and metering equipment for meter reading purposes. If a reading cannot be obtained, the Customer's bill will be estimated according to historical consumption values for a limited timeframe before the disconnection process will be initiated. At Elexicon's request, the Customer will be required to provide access to the premises for meter reading purposes. Elexicon will not read Customer-owned sub-metering.

#### **2.4.7.6 Final Meter Reading**

The Customer shall notify Elexicon in the event that a service is no longer required. The Customer shall provide reasonable notice (minimum of five (5) business days) of the termination date to allow Elexicon to arrange for a final meter reading. It is the responsibility of the Customer to inform Elexicon of any changes to the closing/moving date.

A Customer who does not notify Elexicon of a service termination is responsible for the electricity service to the date notification is provided to Elexicon plus up to five (5) business days to allow time for the final meter read.

The Customer must provide access to Elexicon or its agents for the purpose of a final meter reading. If the reading is not obtained the Customer shall pay a sum based on estimated demand and/or energy consumption for electricity used since the last meter reading.

#### **2.4.7.7 Faulty Registration of Meters**

The metering of electricity usage for the purpose of billing is governed by the federal *Electricity and Gas Inspection Act* and associated regulations under the jurisdiction of Measurement Canada. Elexicon's meters shall comply with the requirements and specifications outlined by the associated regulations in the above Act. In the event of incorrect electricity usage registration, Elexicon will adjust the Customer's account in accordance with the provisions in the Retail Settlement Code.

#### **2.4.7.8 Meter Dispute Testing**

Measurement Canada has jurisdiction, under the *Electricity and Gas Inspection Act*, in a dispute between Elexicon and its Customer where the condition or registration of a meter or meters is in question. Elexicon will inform Customers of the assistance provided by Measurement Canada in dispute investigations.

Meter dispute testing is typically the last step in a multi-stage process between the Customer and Elexicon. The process typically begins with a Customer bill enquiry, the object of which is to validate that the bill

calculations, charges and bill determinants are accurate. The process may include any or all of the following steps, as required: collection of problem details from the Customer; analysis of billing details including calculation of charges and appropriateness of meter readings; comparison of estimated readings with past usage; obtaining a check meter reading; provision of information to assist the Customer's understanding of and confidence in the bills; and a field visit to the Customer premises to verify meter reading, meter data and test meter operation. If the Customer requests validation from Measurement Canada, Measurement Canada will verify the accuracy of the meter, metering installation and billing. The Customer will be responsible to cover the costs associated with the investigation if the dispute is dismissed by Measurement Canada.

#### **2.4.7.9 Meter Change Outs**

The Customer agrees to provide and maintain convenient and safe space either inside a building or outside on the premises as Elexicon will decide, free of charge or rent, for Elexicon's meters and that the properly authorized servants, agents and workers of Elexicon together with all necessary tools, equipment and materials, will at all reasonable hours have free access to the premises for the purpose of reading, examining, repairing or removing the meters and further agrees that no one who is not a servant or agent of Elexicon Energy or otherwise lawfully entitled to do so, will be permitted to remove, inspect or tamper with any of the said equipment of Elexicon. Space provided by the Customer for Elexicon meters and associated equipment will not have an alarmed door, and/or a security system hindering access.

Meters are changed out according to Measurement Canada standards and policies. Elexicon shall have access to the Customer's property. Customers shall permit, provide and maintain access to metering equipment for Elexicon use.

## **2.4.2.5 Tariffs and Charges**

### **2.4.2.5.1 Service Connections**

Appendix A-1 contains information pertaining to Operational and Ownership Demarcation Points.

Appendix A-2 outlines the rates that have been established for providing the Customer with a connection to the electrical distribution system.

### **2.4.2.5.2 Energy Supply**

Energy will be conveyed by Elexicon for use by the Customer in accordance with the provisions, rules and regulations laid out in the Retail Settlement Code and the Standard Service Supply Code, or as mandated through Legislation or Regulations issued by the Ministry of Energy.

#### **2.4.2.5.2.1 Standard Supply Service (SSS)**

All existing Elexicon Customers are Standard Supply Service (SSS) Customers until Elexicon is informed of their switch to a Retailer. In this case, a Service Transaction Request (STR) must be made by the Customer or the Customer's authorized Retailer, as directed per the Retail Settlement Code.

#### **2.4.2.5.2.2 Retailer Supply**

Customers transferring from SSS to a Retailer shall comply with the STR requirements as outlined in Sections 10.5 through 10.5.6 of the Retail Settlement Code. STRs shall contain information as set out in

Section 10.3. Elexicon may, at its discretion, refuse to process an STR for a Customer to switch to a Retailer if that Customer is in arrears on payment to Elexicon.

#### 2.4.2.32.5.2.3 Wheeling of Energy

All Customers considering delivery of electricity through the Elexicon distribution system are required to contact Elexicon for technical requirements and applicable rates.

#### 2.4.32.5.3 Security Deposits

To minimize Elexicon's exposure to bad debt, a security deposit may be collected for Residential and General Service Customers. Whenever required by Elexicon including, but not limited to, as a condition of supplying or continuing to supply distribution services, Customers shall provide and maintain security in an amount that Elexicon deems necessary and reasonable. Elexicon will not discriminate among Customers with similar risk profiles or risk related factors except where expressly permitted under the Distribution System Code.

Except for consumers or Customers who meet the security deposit waiver conditions described below, all consumers or Customers are required to provide an account security deposit to Elexicon which, at the Customer's election, must be in the form of:

- a. Cash, cheque or money order, or, if approved by Elexicon, Visa or MasterCard (for a fee), internet banking or telebanking; or
- b. for Non-residential consumers or Customers, an automatically renewing irrevocable commercial letter of credit from a bank defined in the *Bank Act* (Canada), S.C. 1991, c.46.

Note: Elexicon will not accept third party guarantees.

The amount of the account security deposit will be based on the billing factor times the estimated average bill during the most recent twelve (12) months. The billing factor is 2.5 for monthly billed consumers or Customers.

Where there is no established historical electricity consumption information for the service premises, the deposit will be based on a reasonable estimate using information from a like property used for similar purposes for Non-residential Customers. The security deposit for Residential Customers, with no historical usage, will be calculated using the billing factor of 2.5 times the estimated average bill using the OEB average residential consumption.

If requested by the Customer, the Customer will be permitted to pay the security deposit in equal installments over a maximum of four (4) months for Non-residential Customers or over a period of six (6) months for Residential Customers (including where a new security deposit is required due to Elexicon having to apply the existing security deposit against amounts owing).

Payment of security deposits identified as a condition of service or continuing service will be enforced by Elexicon through collection activities for amounts due, up to and including disconnection of electrical service.

The security deposit may be waived based on the following criteria:

- a) The Customer has a good payment history based on the most recent Customer history with some portion in the most recent twenty-four (24) months, unless, during the relevant minimum time period set out below, the Customer has:
  - i. received more than one disconnection notice from Elexicon;
  - ii. more than one cheque given to Elexicon by the Customer has been returned for insufficient

funds;

- iii. more than one pre-authorized payment to Elxicon has been returned for insufficient funds; or
- iv. a disconnect/collect trip has occurred or Elxicon had to apply a security deposit to offset amounts owed by a Residential Customer in accordance with section 2.4.26A of the Distribution System Code and required the Customer to repay the security deposit in accordance with section 2.4.26B of the Distribution System Code.

The minimum time period for good payment history is as follows:

- Residential = 1 year
- Non-residential <50kW demand rate class = 3 years
- All other classes = 7 years

OR

- b) The Customer provides a letter from another electricity or gas distributor in Canada confirming a good payment history from a similar property. The letter must contain information consistent with the good payment criteria described in this document.

OR

- c) The Customer provides a satisfactory credit check at their expense from one of the following companies: Equifax, TransUnion, or Dunn & Bradstreet. The decision as to whether the credit check is satisfactory is within Elxicon's sole discretion. The minimum acceptable Equifax Credit Score for Residential Customers is 700 or greater.

OR

- d) Residential account deposits may be waived where the Customer enrolls in Elxicon's variable pre-authorized payment plan (VPAP) or equal pre-authorized payment plan (EPAP), provided that a deposit will be required if either of the pre-authorized payment plans are cancelled. Effective March 1, 2020, Residential Customers who enroll in Elxicon's Equal Payment Plan (EPP), may have their security deposit waived similar to the EPAP and VPAP plans.

~~OR~~

- ~~e) The Customer is a bulk metered residential condominium as defined in the *Condominium Act, 1998* and has provided Elxicon with a signed declaration attesting to their legal status as a residential condominium corporation.~~

OR

- ~~f)e~~ The Residential Customer has received LEAP emergency financial assistance within the past two (2) years; is receiving assistance under the Ontario Energy Support Program (OESP); or have been qualified as low-income by a social agency.

OR

- ~~g)f~~ If the Customer is listed with a Retailer who provides Retailer Consolidated billing.

For the purposes of forms of payment and good payment history, a Customer that is a bulk-metered residential condominium as defined in the *Condominium Act, 1998* that has provided Elxicon with a

signed declaration attesting to their legal status as a residential condominium corporation will be treated as a Residential Customer.

The security deposit may be reduced for Non-residential Customers with 50kW or greater demand, based on the following criteria.

Where the Customer has a credit rating from a recognized credit rating agency, (Dominion Bond Rating Service, Standard & Poor's or Moody's) the maximum amount of deposit required will be reduced as follows:

| <b>Credit Rating</b><br><i>(using Standards and Poor's Terminology)</i> | <b>Allowable Reduction</b><br><b>in</b><br><b>Security Deposit</b> |
|---|--|
| AAA- and above or equivalent  | 100%   |
| AA-, AA, AA+ or equivalent  | 95%  |
| A-, From A, A+ to below AA or equivalent                                | 85%  |
| BBB-, From BBB, BBB+ to below A or equivalent                           | 75%  |
| Below BBB- or equivalent  | 0%   |

Equivalent ratings from other bond rating agencies would apply for the same reductions.

For Customers with a monthly peak demand greater than or equal to 5000kW, a minimum of 50% of the required deposit will be held until service is terminated with Elexicon.

In the above case, the commodity price used to calculate the deposit shall be the same as the price used by the IESO for the purpose of determining maximum net exposures and prudential support obligations for market participants other than distributors, low-volume Customers and designated Customers.

Upon closure of the Customer's account with Elexicon including a Customer move from SSS to a competitive Retailer where the Retailer is performing the billing function (Retailer consolidated billing), for all accounts types, Elexicon may use the security deposit to set off other amounts owing by the Customer to Elexicon. The balance of the security deposit plus accumulated interest, after all amounts owing are paid, will be returned to the Customer within six (6) weeks of the closure of the account.

#### **Methods of Enforcement**

Payment of security deposits identified as a condition of service or continuing service will be enforced by Elexicon through collection activities for amounts due, up to and including disconnection of electrical service.

#### **2.4.3.12.5.3.1 Interest Payments**

Interest will accrue monthly on security deposits made by way of cheque or other payment forms commencing upon receipt of the total deposit. The interest rate will be at the Prime Business Rate as published on the Bank of Canada website, less two (2%) percent to a minimum of zero (0%) percent. Interest will be applied directly to the account and be refunded at a minimum on an annual basis.

#### **2.4.3.22.5.3.2 Security Deposit Reviews/Adjustments**

Elexicon will undertake an annual review of all security deposit requirements for each consumer or Customer.

Where it is determined that all or part of the deposit is no longer required, the account will be credited

with the amount of the deposit plus accumulated interest that has not already been applied to the account.

Where it is determined that a deposit is now required or needs to be adjusted upward, the amount of the deposit will be added to the next regular bill and is payable by the due date of that bill. Residential Customers shall be permitted, upon request, to pay the adjusted amount in equal installments paid over a period of at least six (6) months. Commercial Customers, upon request, shall be permitted to pay the adjusted amount in equal installments paid over a period of at least four (4) months. Payment arrangements that are satisfactory to Elexicon may be made.

Any Customer ~~who for whom a security deposit is granted an exemption~~waived under the criteria outlined in Section 2.4.3 ~~will have this exemption retracted in the event of~~may be required to pay a security deposit if:

- a) Two (2) NSF payments returned in a one (1) year period.
- b) The delivery of more than one (1) notice of disconnection of service for non-payment.
- c) The service has been disconnected for non-payment.
- d) Any Customer who returns from a Retailer who cannot demonstrate good payment history.

A Customer may, no earlier than twelve (12) months after payment of the security deposit or the making of a prior demand for review, demand in writing that Elexicon will undertake a review to determine whether the entire amount of the security deposit is to be returned to the Customer as the Customer is now in a position that it would be exempt from paying a security deposit had it not already paid a security deposit or whether the amount of the security deposit is to be adjusted based on a re- calculation of the maximum amount of the security deposit. Where a Residential Customer has paid a security deposit in installments, the Customer shall not be entitled to request a review of the security deposit until twelve (12) months after the first installment was paid.

Where a Customer other than a Residential Customer has a payment history with more than one disconnection notice in a relevant twelve (12) month period, Elexicon will use the Customer's highest actual or estimated monthly load for the most recent twelve (12) consecutive months within the past two (2) years to recalculate the maximum amount of the security deposit.

Where Elexicon determines in conducting a review that some or all of the security deposit is to be returned to the Customer, Elexicon will promptly return the amount to the Customer by crediting the Customer's account. If a Customer requests the deposit credit returned, Elexicon will issue a refund cheque, or if applicable, credit the Customer's bank account.

Where a Customer is moving outside of the Elexicon's service area, or changing from Standard Supply Service to a Competitive Retailer providing Retailer-Consolidated billing, the deposit will be applied to the final bill and any credit issued in the form of a cheque within six (6) weeks of the date of the final bill.

#### **2.4.42.5.4 Billing**

All Customers of Elexicon are billed on a monthly basis. Under certain circumstances, a Customer may receive a bill that spans a different timeframe for such reasons as service upgrades, account re-classifications, etc.

Bills are sent by regular mail or are available through Elexicon's e-billing solutions. Bills for the use of electrical energy and services may be based on either a metered rate or a flat rate, as determined by Elexicon.

Elexicon will bill for SSS Customers. SSS Customers may discuss the charges shown on their bill by

contacting Elexicon (contact information is provided on the bill).

Customers enrolled with a Retailer may be billed by Elexicon depending on the billing option determined by the Retailer, in accordance with the Retail Settlement Code. Customers enrolled with a Retailer may discuss the electricity charges shown on their bill by contacting their Retailer.

#### **2.4.4.12.5.4.1 Customer Reclassification**

Elexicon will review all Non-residential Customers once per calendar year to determine whether the Customer should be assigned to another rate class based on their kWh usage and average demand over a twelve (12) month period. A review may also occur if a Customer's demand falls outside the classification's limits for five (5) consecutive months, in accordance with the Retail Settlement Code.

#### **2.4.4.22.5.4.2 Customer-Owned Transformer Allowance**

Where Elexicon does not provide step-down transformation facilities from either distribution or sub-transmission voltage to the Customer's utilization voltage or where service is supplied directly to a Customer's high voltage equipment without the necessity of any step-down transformation, the Customer's monthly bill shall be adjusted by an allowance, or in some cases, annual adjustments may be made. The approved transformer allowance is available on Elexicon's website and on its Tariff of Rates and Charges.

#### **2.4.52.5.5 Payments**

Customers may pay their electricity bills using any of the following methods:

- Cheque or money order at ~~any of~~ Elexicon's main office drop box ~~locations listed on the website;~~
- Cheque or money order to Elexicon by mail ;
- Canadian financial institution;
- Internet banking services;
- Telephone banking;
- Third party credit card service (for a processing fee).

Elexicon also offers three (3) forms of pre-authorized payments:

- Equal Pre-Authorized Payment Plan (EPAP)
- Variable Pre-Authorized Payment Plan (VPAP)
- Equal Payment Plan (EPP), available to low-income Customers. Effective March 1, 2020, EPP will be available to eligible Residential and low volume commercial Customers (GS<50kW).

Please note that Elexicon does not accept cash payments.

#### **2.4.5.12.5.5.1 Equal Pre-Authorized Payment Plan (EPAP)**

An Equal Pre-Authorized Payment Plan is available to all Standard Supply Service Customers and Retailer-enrolled Customers on Distributor Consolidated billing. To help smooth electricity costs over the year, the plan bills an equal portion (1/12<sup>th</sup>) of the previous year's charges per bill period and then reconciles the balance owing. The Equal Pre-Authorized Payment Plan withdraws the same amount from your bank account every month on a regular recurring date. Customers can choose a withdrawal date between the 1<sup>st</sup> and 28<sup>th</sup> of the month. Customers on an Equal Pre-Authorized Payment Plan are reviewed semi-annually and annually. Amounts are adjusted to reflect historic usage.

An Equal Payment Plan (EPP) is available to low-income Customers. The program works the same way

as the EPAP except the pre-authorized automatic withdrawal from a bank account is not required. Effective March 1, 2020, an EPP is available to residential and eligible low-volume commercial (GS<50kW) Customers.

#### **2.4.5.22.5.5.2 Variable Pre-Authorized Payment Plan (VPAP)**

Elexicon offers a Variable Pre-Authorized Payment Plan where the actual billed amount will be automatically deducted from the Customer's bank account on the due date (or next business day) indicated on the electricity bill. The Customer will continue to receive monthly statements showing meter readings, energy consumption, payments and charges to date.

#### **2.4.5.32.5.5.3 Late Payment Charges**

Bills are payable in full by the due date, otherwise late payment charges will apply. A late payment charge of 1.5% per month (effective annual rate of 19.56% per annum or 0.04896% compounded daily rate) will be applied on all overdue accounts. Where a Customer makes a partial payment on or before the due date, the late payment charge will apply only to the outstanding amount on the electricity bill at the due date.

Outstanding bills are subject to the collection process and may ultimately lead to the service being disconnected or, at the discretion of Elexicon service being limited. Discontinuance of service does not relieve the Customer of the liability for arrears. Service shall be restored once satisfactory payment has been made.

#### **2.4.5.42.5.5.4 Payment by Building Owner**

The owner of a building is responsible for paying for the supply of electricity by Elexicon to the owner's building in accordance with any relevant OEB code or guideline, except in the case of multi-tenant buildings with individual meters where the occupants have contracted for supply with Elexicon.

A building owner wishing to terminate the supply of electricity to its building must notify Elexicon in writing. Until Elexicon receives such written notice from the building owner, the building owner or the occupant(s), as applicable, shall be responsible for payment to Elexicon for the supply of electricity to such building. Elexicon may refuse to terminate the supply of electricity to an owner's building when there are occupant(s) in the building (i.e.g. during certain periods of the winter).

If billing responsibility resides with the owner and there is a unit occupied by a tenant, any applicable Vital Services By-Law of the Municipality will be enforced.

In circumstances when a Customer's account has been disconnected for non-payment for a period longer than six (6) months, Elexicon will attempt to notify the Customer by registered mail and if there has been no contact, Elexicon will physically remove its assets (meter, transformer, conductor, if available).

Elexicon will not terminate the supply of electricity when requested by a building owner for the purpose of evicting a Tenant contracted with Elexicon for the supply of electricity.

#### **2.52.6 Customer Information**

Elexicon Energy's Privacy Policy Statement describes how and why Elexicon Energy collects, uses, discloses, handles, and protects the personal information of its Customers. It also addresses the reasons why personal information is collected, used, or disclosed, how the information is safeguarded, and outlines the individuals' rights with respect to this information.

Chapter 11 of the Retail Settlement Code specifies the rights of consumers and Retailers to access current

and historical usage information and related data and the obligations of Elexicon in providing access to such information.

In general, Elexicon will not disclose specific information about a Customer unless the release of information has been authorized by that particular Customer or unless necessary for compliance with Market Rules or any Board approved code or standard.

Elexicon will not disclose Customer information to a third party without the consent of the Customer in writing, except where Customer information is required to be disclosed, as follows:

- (a) for billing or market operation purposes;
- (b) for law enforcement purposes;
- (c) for the purpose of complying with a legal requirement; or,
- (d) for the processing of and/or collection of past due accounts.

Customers have the obligation to provide Elexicon with information that is true, complete, and correct. The information is used to manage Customer accounts, assess credit history and provide for account security. Elexicon may verify the accuracy of all information provided and may obtain additional credit information from a credit-reporting agency as required.

Elexicon will provide a Customer with twenty-four (24) months, where available, of historical usage information, information about their meter configuration, and payment information. Such information can be released to the Customer or any third party designated in writing by the Customer. A charge to the Customer for historical data may apply.

Requests by Retailers for historical data (as outlined in Chapter 11 of the Retail Settlement Code) that is provided through the Electronic Business Transaction (EBT) system will be honoured free of charge up to two (2) times per year. Elexicon will charge a fee for any additional requests. A request is considered delivery of data to a single party.

When requested by the Customer, Elexicon will provide a list of Retailers who retail electricity in Elexicon's service area and who have service agreements in effect with Elexicon.

## SECTION 3 - CUSTOMER SPECIFIC

Elxicon will maintain services installed by Elxicon and/or an approved contractor, using approved materials, unless specifically documented otherwise to the Customer.

There shall only be one (1) supply service per site. In circumstances where two (2) existing services have been installed and one service is to be upgraded, the upgraded service will replace both of the existing services.

If any repair of the service conductor on the Customer's property is required and Elxicon is responsible for such repairs, Elxicon shall only reinstate with sand, gravel, soil and asphalt patch. It shall be the Customer's responsibility to repair/replace vegetation (i.e. shrubs, trees, lawn, gardens etc.) and surface structures (i.e. fences, patios, decks, porches etc.).

In all circumstances where the service conductor is installed as a "non-standard" installation, Elxicon will not be responsible for any replacement or repairs of residential or surface structures such as concrete porches, patios, fences etc.

For commercial, industrial and residential services including upgrades the Customer shall complete and/or provide the following to Elxicon in advance of the commencement of installation:

- a) Application for Service and request for Customer Service Layout/Offer to Connect;
- b) Required in-service date;
- c) Requested Service Entrance capacity and voltage rating of the service entrance equipment;
- d) Contract for service.

### 3.1 Residential

This section applies to a single residential Customer in detached, semi-detached or freehold townhouse dwelling units. Energy is supplied to Residential Customers as single phase, 3-wire, 60 Hertz, having a nominal voltage of 120/240 volts up to a maximum of 200A per dwelling unit.

#### Site Information

The following information is required before any electrical service information can be provided:

- a) Civic addresses;
- b) Customer billing information (name, address, telephone number);
- c) Expected energization date;
- d) Amperage of the service; and
- e) Other items as required which may include a site plan (to scale) – illustrating the building(s) with respect to existing and proposed property lines, other buildings, streets, driveways and the location of other services, gas, telephone, water and cable.

#### Metering

Elxicon will specify the supply point and meter base location for all residential services.

Elxicon's standard for meter base locations is ~~shall be~~ located on the non-driveway side of the house where the secondary service enters the property line. Secondary services must not be installed under driveways or any part of the residential structure, (i.e. any area where future secondary cable replacement is inaccessible and may cause damage to the property owner's driveway or porch for replacement of such).

The Customer shall supply and install an approved meter socket and service entrance conduit in compliance with Exlexicon's specifications and the Ontario Electrical Safety Code.

**Inspection**

The electrical installation from the inside of the home to the point of demarcation shall be inspected and approved by the ESA. This inspection is required from the ESA and a valid ESA Connection Authorization shall be provided to Exlexicon prior to site energization.

**Servicing Costs**

Exlexicon has defined a basic connection for a single residential Customer and will recover the cost of this basic connection fee as part of its revenue requirement. The cost of the basic connection is called the Basic Connection Allowance (BCA). Refer to Appendix A-2 for various associated costs. Any requirements above the BCA will be charged to the Customer as a variable connection charge.

The standard allowance for overhead secondary services is 30m of overhead secondary conductor. The Customer is responsible for the additional cost, if the requirements exceed the 30m allowance.

The standard allowance for underground secondary services is 6m of underground secondary conductor. The Customer is responsible for the additional cost, if the requirements exceed the 6m allowance.

**3.1.1 Residential Point of Demarcation**

Refer to Appendix A-1 for the Demarcation Point Summary.

**Secondary Residential Operational Demarcation Point**

For residential underground secondary services, the point of demarcation for operational control is all switching devices on the Customer's property (switch, meter, etc.). For residential overhead secondary services, the point of demarcation for operational control is the drip loop connection at the weather head.

**Secondary Residential Ownership Demarcation Point**

The ownership demarcation point for existing Customers and new Customers for secondary overhead and underground residential services is the point of connection to the Exlexicon distribution system.

**Primary Residential Service Operational Demarcation Point**

For residential underground and overhead primary services, the point of demarcation for operational control is all switching devices on the Customer's property that includes the primary switch, transformer and meter.

**Primary Residential Service Ownership Demarcation Point**

The ownership demarcation point for existing Customers and new Customers for primary overhead and underground residential services is the point of connection to the Exlexicon distribution system.

**3.1.2 Residential Underground Subdivisions**

For new residential subdivisions or multi-unit developments with municipal streets which are classified as an expansion, Exlexicon will provide the Customer with an Offer to Connect. In the Offer to Connect, Exlexicon will detail the scope of the work, what portion is subject to alternative bid, associated fees and the requirements to undertake the work related to the expansion. All new subdivisions will be serviced underground.

For secondary service installations that are not installed under the subdivision Offer to Connect with the developer and Exlexicon, the builder must contact Exlexicon for the installation of underground secondary services specifications and associated costs.

### 3.1.3 Privately Owned Residential Complexes

Privately owned residential complexes that are situated on private lands and private roadways will be classified as a connection. The Customer will enter into a Connection Agreement with Elexicon.

In all cases, all of the electrical service must be constructed to Elexicon's Standards and in compliance with the Ontario Electrical Safety Code, applicable laws, regulations and codes.

The Customer will be responsible for all maintenance and repairs of the electrical plant up to the ownership demarcation point as outlined in the Connection Agreement.

### 3.1.4 Residential Service – Infill

For a single residential infill service, the Customer must complete an Application for Service. The BCA for a residential service will apply. The Customer is responsible for all associated costs exceeding the BCA as outlined on the Customer Service Layout/Offer to Connect.

## 3.2 General Service (~~Below 50kW~~)

The following section pertains to any general services. Elexicon will determine the point of supply to the Customer's property and will provide one (1) electrical supply per property.

### Site Information

The following information must be provided to Elexicon before any electrical service information can be provided:

- a) Site plan (to scale) – illustrating the building(s) with respect to existing and proposed property lines, other buildings, streets, driveways and the location of other services, gas, telephone, water and cable;
- b) Civic addresses;
- c) Customer billing information (name, address, telephone);
- d) Expected energization date;
- e) Amperage of service;
- f) Secondary voltage(s);
- g) Location of service entrance;
- h) Estimated initial kilowatt demand and maximum demand;
- i) Single line diagram showing provision for metering facilities and a listing of significant loads (lighting, motors, cooling, heating, welders, etc.);
- j) Customer Load Summary (if applicable – see <http://www.elexiconenergy.com>); and
- k) Electrical room layout showing metering equipment location.

### Metering

Elexicon will approve the demarcation point and meter base location.

The Customer shall supply and install facilities to house Elexicon's metering equipment. The metering equipment shall be in compliance with Elexicon's specifications.

### Inspection

The electrical installation shall be inspected and approved by the ESA. This inspection is required from the ESA and a valid ESA Connection Authorization shall be provided to Elexicon prior to site energization.

**Servicing Costs**

The Customer is responsible for both the basic and variable connections fees. Ellexicon has defined the associated fees in Appendix A-2.

**3.2.1 General Service below 50kW Point of Demarcation**

**Secondary General Service below 50kW Operational Demarcation Point**

The operational demarcation point for overhead and underground secondary services below 50kW are the switching devices including the meter and main switch.

**Secondary General Service below 50kW Ownership Demarcation Point**

The ownership demarcation point for overhead and underground secondary services below 50kW is the point of connection to Ellexicon's distribution system.

**Primary General Service below 50kW Operational Demarcation Point**

For primary overhead and underground general services below 50kW, the point of demarcation for operational control is all switching devices on the Customer's property including the primary switch, transformer and meter.

**Primary General Service below 50kW Ownership Demarcation Point**

The ownership demarcation point for existing Customers and new Customers for primary overhead and underground general services below 50kW is the point of connection to Ellexicon's distribution system.

Refer to Appendix A-1 for the Demarcation Point Summary.

**3.2.2 General Service (from 50kW to 500kW)**

**General Service (From 50kW to 500kW) Point of Demarcation**

**Secondary General Service from 50kW to 500kW Operational Demarcation Point**

The operational demarcation point for overhead and underground secondary services above 50kW are the switching devices including the meter and main switch.

**Secondary General Service from 50kW to 500kW Ownership Demarcation Point**

The ownership demarcation point for overhead and underground secondary services above 50kW is the point of connection to Ellexicon's distribution system.

**Primary General Service from 50kW to 500kW Operational Demarcation Point**

For primary overhead and underground general services above 50kW, the point of demarcation for operational control is all switching devices on the Customer's property including the primary switch, transformer, meter and main switch.

**Primary General Service from 50kW to 500kW Ownership Demarcation Point**

The ownership demarcation point for existing Customers and new Customers for primary overhead and underground general services above 50kW is the point of connection to Ellexicon's distribution system.

Refer to Appendix A-1 for the Demarcation Point Summary.

**3.2.3 General Service (Greater than 500kW up to 3000kW)**

**General Service from 500kW to 3000kW Point of Demarcation**

The operational demarcation point for a general service between 500kW and 3000kW is all switching devices including the load-interrupter switch, main secondary disconnect switch and meter. The Customer will own and maintain the electrical service equipment up to the point of demarcation.

### **3.3 General Service – Customer-owned Transformation (over 3000kW)**

This section refers to the supply of electrical energy to general service Customers with continuous or momentary electrical loads as determined by Elexicon that exceeds 3000kVA.

Service shall be provided as follows:

- a) The ownership demarcation point shall be located at the supply terminals of the Customer's main primary disconnect switch or at a suitable sectionalizing point, as determined by Elexicon.
- b) The operational demarcation point shall be the Customer's main primary disconnect switch, which shall be under the operating control of Elexicon.
- c) The Customer's main primary disconnect switch shall be located on the Customer's and/or owner's property/pole or on Elexicon's pole, at the sole discretion of Elexicon. It shall be protected by suitable surge arresters on its supply side, where required by Elexicon.
- d) The Customer's main disconnecting switch shall be load break type and the type (overhead or underground) and rating shall be approved by Elexicon.
- e) Elexicon shall own and be responsible for the supply, installation and maintenance of primary wires/cables terminations up to the ownership demarcation point. The Customer shall be responsible for all civil structures and conduits carrying Elexicon owned assets on private property.
- f) The Customer shall supply, install and maintain all poles, primary wires/cables, terminations and conduits on the load side of the ownership demarcation point.

#### **3.3.1 Transformation**

Customers within this classification shall provide, own and be responsible for transformation facilities from high voltage to low voltage for all transformers at the Customer's premises and, as such, shall construct, maintain and operate said transformation facilities in accordance with the requirements of the Ontario Electrical Safety Code.

Customer-owned transformers connected to Elexicon's distribution system shall be new and built in accordance with CSA Standard CAN/CSA–C88–M90 Power Transformers and Reactors latest edition. As a general guideline, these transformers shall meet CSA C802 standard specifications with respect to impedances and efficiencies.

The Customer and/or owner must submit the following for review and approval by Elexicon before purchasing and installing their transformation assets:

- a) specification of the transformer including but not limited to kVA capacity, short-circuit rating, manufacturer's performance curves, primary and secondary voltages, configuration, tap positions and bushing design, core and winding construction details, cable termination details, basic impulse levels, insulation class, operating temperature and cooling details;
- b) any non-standard loading conditions (i.e. harmonic loading etc.);
- c) all certified factory and field acceptance test results including but not limited to resistance measurements, no-load loss at rated voltage, exciting current at rated voltage, impedance and load loss, applied potential tests, induced potential tests, polarity and phase relation tests, ratio test, low frequency test and chopped wave and full wave impulse tests (losses shall be corrected to 85°C);
- d) a coordination study, which demonstrates co-coordinated protection between Elexicon's over-current protection installed at the point of primary supply (where applicable), the transformer's (or substation's) high-voltage over-current protection and the transformer's (or substation's) low-voltage over-current protection;

- e) one set of as-built nameplate and outline drawings of the transformer and any high-voltage (and where applicable, medium-voltage) switchgear; and
- f) one set of design and as-built site plan of the transformer station showing the equipment layout, proposed primary connections, grounding and fence details, where applicable.

Elexicon may provide transformation for this class of Customer if the load is distributed at several locations within the property and is fed from a single delivery point (i.e. malls and commercial developments with multiple buildings). The transformers shall be located on native soil suitable for grounding to meet existing Elexicon standards for step and touch potential and shall be looped together (if possible) at the primary voltage and shall not be interconnected at the secondary voltage.

### 3.3.2 Location of Service Equipment

The location of the supply point, primary cables, transformer, and metering will be established through consultation with Elexicon for both new and upgraded services. Failure to comply may result in relocation of the service at the Customer's expense.

### 3.3.3 Access

Refer to section 1.7.1.

### 3.3.4 Inspection

The electrical installation shall be inspected and approved by the ESA. This inspection is required from the ESA and a valid ESA Connection Authorization shall be provided to Elexicon prior to site energization.

## 3.4 ~~Embedded Generation and Distributed Energy Storage Resources~~

If the Customer is intending to operate ~~its a distributed energy resource or DER (e.g. generator or energy storage device)~~ in parallel with Elexicon's system, the Customer is required to contact Elexicon. In these cases, Elexicon will provide assistance to ensure that the ~~generation or energy storage DER~~ equipment is installed in a proper and safe manner, and in accordance with all applicable codes, standards, regulations, laws and insurance requirements. In all of these cases, Customers will need to coordinate the installation and approval of the ~~electric power generator or energy storage device DER~~ with the Electrical Safety Authority (ESA). Elexicon will provide Customers with the appropriate contact information for this purpose.

[DER classifications are set out in the OEB's Distribution Energy Resources Connection Procedures \(DERCP\) as shown in the table below:](#)

| <u><a href="#">DER Size</a></u> | <u><a href="#">Description</a></u>  |
|---------------------------------|---|
| <u><a href="#">Micro</a></u>    | <u><a href="#">≤10kW</a></u>  |
| <u><a href="#">Small</a></u>    | <u><a href="#">(a) ≤ 500 kW connected on distribution system voltage &lt; 15 kV</a></u><br><u><a href="#">(b) ≤ 1 MW connected on distribution system voltage ≥ 15 kV</a></u> |

| <u>DER Size</u>  | <u>Description</u>  |
|------------------|---|
| <u>Mid-Sized</u> | <u>(a) ≤ 10 MW but &gt; 500 kW connected on distribution system voltage &lt; 15 kV</u><br><u>(b) &gt; 1 MW but ≤ 10 MW connected on distribution system voltage ≥ 15 kV</u> |
| <u>Large</u>     | <u>&gt; 10 MW</u>   |

Regardless of the size of the DER, before considering a DER installation, Customers should contact Elexicon to determine whether there is capacity to accommodate a DER at the location. Some areas of our system may have restricted capacity and may not be able to connect DERs to the system at the location. For more information on potential capacity availability, please visit Elexicon's capacity map on its website.

Customers should complete a Preliminary Consultation Information Request (PCIR) form and e-mail it to [dservices@elexiconenergy.com](mailto:dservices@elexiconenergy.com). We encourage you to complete this preliminary request as it will give you additional information on connection details and available capacity.

Elexicon will respond to a completed PCIR within 15 days with a Preliminary Consultation Report (PCR). This report will update Customers on the sufficiency of capacity likely available at the location, whether any changes to infrastructure (e.g. new line expansion, transformer upgrade) is required and if any impact assessment studies will need to be done. The PCR will also include information that Customers will need for the next step in the process.

It is important to note that the PCR is a snapshot in time and does not reserve capacity for a project, capacity is only reserved upon the execution of an offer to connect.

### 3.4.1 Net Metered Generators

Elexicon's Net Metering program is available to any Elexicon Customer who generates electricity primarily for their own use from a renewable energy source as defined in O. Reg. 541/05.

Elexicon will calculate the bill of an eligible generator participating in the Net Metering program in accordance with O. Reg. 541/05 of the *Ontario Energy Board Act, 1998*.

Customers planning to interconnect their net metering generator with Elexicon's distribution system are required to submit the Application for Operation of Customer-Owned Generation (Part 1) and Net Metering Connection Agreement. Customers are required to pay an application fee (refer to Appendix A-2). Applications and agreements are available at [www.elexiconenergy.com](http://www.elexiconenergy.com).

For more information, visit the Government of Ontario's website: <https://www.ontario.ca/page/save-your-energy-bill-net-metering>.

### 3.4.13.4.2 Connection of Micro-Generators-Embedded Generation Facilities (10kW and Less)

Once the Customer has received the Preliminary Consultation Report from Elexicon indicating the project can proceed, the Customer will need to complete the following documents provided by Elexicon in order

**Elexicon Energy’s Conditions of Service**

to move forward with the project:

- Application to connect embedded generation facility
- Micro-generation agreement
- Single-line diagram

The application, agreement and sample single-line diagram are available on Elexicon’s website.

**3.4.3 Connection of Embedded Generation Facilities (above 10kW)**

**Small, Mid-Sized and Large DER Connections**

Small, mid-sized or large DER connections require a Connection Impact Assessment (CIA). A CIA is a more detailed assessment of the project and its feasibility, technical specifications needed and any potential impacts the project could have on the distribution grid. Additional studies may also be required and will be noted in the PCR response. For generators that exceed 500kW of nameplate capacity, a CIA may also be required by the transmitter (Hydro One) and all associated costs will be borne by the DER Customer.

The CIA application package includes:

- The CIA Form – completed and signed
  - Emergency Backup Generator Declaration
- A signed Study Agreement
- Full payment for required studies by cheque made out to “Elexicon Energy Inc.”
- Single line diagram
- A construction schedule
- GIS map (not required for existing customers where connecting behind their existing metering connection point)

As Elexicon has developed a streamlined process for Customers planning to install generation or energy storage less than 10kW.

Customers planning to interconnect their micro-generator or energy storage with Elexicon’s distribution system are required to submit the Application for Operation of Customer-Owned Generation (Part 1) and Connection Agreement for Micro-Generation <10kW. Customers are required to pay an application fee (refer to Appendix A 2). Please contact Elexicon for additional information. Applications and agreements are available at <http://www.elexiconenergy.com>.

Generators or Energy Storage these projects are in excess of 10 kW, all technical documents, including the CIA form, must be signed and sealed by a licensed Ontario Professional Engineer.

Once Elexicon receives the CIA application package, Elexicon will review within 14 days to ensure it is complete and, if complete, confirm whether the capacity that was available at the PCR stage is still available (note: capacity is not reserved until the CIA is completed). This also starts the timeframe for our completion of the CIA within:

| <u>DER Size</u>  | <u>Timing</u>   |
|------------------|---|
| <u>Small</u>     | <u>60 days where distribution system reinforcement or expansion is <b>not</b> required</u><br><u>90 days where distribution system reinforcement or expansion is required</u> |
| <u>Mid-sized</u> | <u>60 days</u><br><u>+ 15 days if another distributor CIA is required</u>   |

|                     |   |
|---------------------|---|
| <p><u>Large</u></p> | <p><u>90 days</u><br/> <u>+15 days if another distributor CIA is required</u></p> <p><u>Also require a System Impact Assessment to determine any impact on the IESO-administered grid</u></p> |
|---------------------|---|

After capacity has been confirmed and the CIA process is complete, the process then moves to the connection agreement phase. The agreements required includes:

- A Connection Cost Agreement (CCA), which sets out the scope of the work and an estimate of the costs to connect the project to the distribution system. If the project also requires transmission work, Exlexicon will include the costs of this work in its CCA and pay these costs to the transmitter.
- The Connection Agreement, which includes specific terms and conditions relating to connection and access to a Exlexicon's distribution system. For small and mid-sized generators, this agreement is in a form required by the Ontario Energy Board.

Once the CCA and payment have been received, Exlexicon will begin the work required to connect the DER. At the same time, the Customer or the Customer's contractor can proceed with the construction of the DER facility.

When construction is complete, the Customer will need to apply for a connection authorization from the Electrical Safety Authority (ESA). The Customer must also submit final detailed design documents to Exlexicon for review as well as the completed and signed Connection Agreement. Once Exlexicon receives the ESA authorization, Exlexicon will arrange for an inspection and connection of the DER to our distribution system.

**3.4.23.4.3 DER Not Interconnected**

The following section refers to Customers planning to install a ~~generator or energy storage~~DER for isolated operation, with no connection to Exlexicon's distribution system.

Customers with ~~generators~~DERs that are not to be interconnected with the distribution system should contact Exlexicon and provide the electrical capacity, manufacturer and name of the electrical installer.

Elexicon may request a copy of the manufacturer information. There is no formal application or fee required.

It is important that the ~~generator or energy storage~~DER be installed in accordance with applicable codes and that the operation of the ~~generator or energy storage~~DER not interfere with Elexicon's reliable supply of electric power to the Customer and other facilities.

Elexicon's services are available to Customers to assist with the review of the installation plans to ensure that the safety and reliability of Elexicon's distribution system not be affected. Refer to Appendix A-2 for application fees.

#### **~~3.4.2.13.4.3.1~~ ~~Generators and Energy Storage~~DERs Interconnected with Momentary Closed Transition Transfers**

The following section refers to Customers planning to install a ~~generator or energy storage~~DER for momentary closed transition operation, with connection to Elexicon's distribution system for less than 100ms.

Customers with ~~generators or energy storage~~DERs that are to be interconnected with the distribution system for less than 100ms (momentary closed transition transfer) are required to complete and submit the Application for Operation of Customer-Owned Generation (available at <http://www.elexiconenergy.com>) along with the corresponding application fee (refer to Appendix A-2) to Elexicon. Once the application is received, Elexicon will review the proposed ~~generator or energy storage~~DER installation.

As part of our application review process, Elexicon will examine the ability of the distribution system to accept the new ~~power generation or energy storage unit~~.DER. On certain parts of the distribution system, Elexicon may need to replace existing equipment or add some new equipment in order to accommodate ~~the~~ Customer ~~generation or energy storage~~DER. Elexicon will then incur costs beyond what is normally required to operate and maintain the system to benefit all Customers. To ensure fairness to all Customers, the Customer will need to pay for any system upgrades that will be needed. If this is the case for the planned ~~generator or energy storage~~DER installation, Elexicon will advise the Customer of the additional cost, and seek the agreement before approving the application. The Customer will be required to sign a system upgrade contract that obligates the Customer to reimburse Elexicon for any additional expense incurred. The Customer shall provide any additional information to Elexicon if required for the application process.

Customers can contact Elexicon during the review process to find out the status of the application. If the application is not approved for any reason, Elexicon will explain the reason and be available to discuss the plans with the Customer.

If the application is approved, Elexicon will confirm if there are any other requirements to be considered during the ~~generator or energy storage~~DER installation process including inspection by ESA. The Customer will be required to sign a contract (available at [www.elexiconenergy.com](http://www.elexiconenergy.com)) in which the Customer will agree to operate the ~~generator or energy storage~~DER safely, maintain the unit properly, and maintain insurance as needed.

It is important that the ~~generator or energy storage~~DER be installed in accordance with applicable codes and that the operation of the ~~generator or energy storage~~DER not interfere with Elexicon's reliable supply of electric power to the Customer and other facilities. Elexicon will make all metering arrangements and connect the ~~generation or energy storage~~DER facility to the distribution system within the timelines

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specified in the Distribution System Code.

Elexicon's services are available to Customers to assist with the review of the installation plans to ensure that the safety and reliability of Elexicon's distribution system not be affected.

For a closed transition project a Connection Impact Assessment (CIA) is not required, but Elexicon would require, as a minimum, the following prepared by the customer in a bound report format, sectioned as follows:

1. Statement of Conformance - Confirmation of Fast Transfer (<100ms) sealed by a P.Eng.;
2. Operational Narrative;
3. Single Line Diagram(s) ;
4. Commissioning Reports;
  - a. Factory Test Report;
  - b. Field Test Report;
5. Trip & Close logic;
6. Short Circuit & Co-ordination Study;
7. Electrical Safety Authority – Certificate of Inspection;
8. Elexicon Application for Operation of Customer-Owned Generation; and
9. Elexicon Connection Agreement for Momentary Closed Transition Operation.

### ~~3.4.3 Generators or Energy Storage Interconnected – Grid Parallel~~

~~Customers may wish to install their new generator or energy storage and interconnect with Elexicon's distribution system. In these cases, Customers are required to complete and submit the Application for Operation of Customer-Owned Generation (available at <http://www.elexiconenergy.com>) along with the corresponding application fee (refer to Appendix A-2) to Elexicon~~

~~Once the application is received, Elexicon will review the proposed generator or energy storage installation. The Customer shall provide any additional information to Elexicon if required for the application process. If the application is approved, Elexicon will confirm if there are any other requirements to be considered during the generator or energy storage installation process including inspection by the ESA. The Customer will be required to sign a contract (available at <http://www.elexiconenergy.com>) in which the Customer will agree to operate the generator or energy storage safely, maintain the unit properly, and maintain insurance as needed. To maintain system balance, Elexicon shall require only three phase generators/inverters to be connected to three phase services (i.e. single phase inverters will not be permitted on three phase systems).~~

~~Customers can contact Elexicon during the review process to find out the status of the application. If the application is not approved for any reason, Elexicon will explain the reason and be available to discuss the plans with the Customer.~~

~~As part of our application review process, Elexicon will examine the ability of the distribution system to accept the new power generation or energy storage unit. On certain parts of the distribution system, Elexicon may need to replace existing equipment or add some new equipment in order to accommodate Customer generation or energy storage. Elexicon will then incur costs beyond what is normally required to operate and maintain the system to benefit all Customers. To ensure fairness to all Customers, the Customer will need to pay for any system upgrades that will be needed. If this is the case for the planned generator or energy storage installation, Elexicon will advise the Customer of the additional cost, and seek the agreement before approving the application. The Customer will be required to sign a Service Layout/Offer to Connect that obligates the Customer to reimburse Elexicon for any additional expense incurred.~~

~~**3.4.43.1.1 Net Metered Generators**~~~~Elexicon's Net Metering program is available to any Elexicon Customer who generates electricity primarily for their own use from a renewable energy source as defined in O. Reg. 541/05.~~~~Elexicon will calculate the bill of an eligible generator participating in the Net Metering program in accordance with O. Reg. 541/05 of the Ontario Energy Board Act, 1998.~~~~Customers planning to interconnect their net metering generator with Elexicon's distribution system are required to submit the Application for Operation of Customer Owned Generation (Part 1) and Net Metering Connection Agreement. Customers are required to pay an application fee (refer to Appendix A-2). Applications and agreements are available at [www.elexiconenergy.com](http://www.elexiconenergy.com).~~~~For more information, visit the Government of Ontario's website: <https://www.ontario.ca/page/save-your-energy-bill-net-metering>.~~**3.5 Embedded Market Participant**

Under the "Market Rules for the Ontario Electricity Market", Chapter 2, Section 1.2.1., "No person shall participate in the IESO-administered markets or cause or permit electricity to be conveyed into, through or out of IESO-controlled grid unless that person has been authorized by the IESO to do so..."

A Customer who is an embedded market participant will meet all requirements of the OEB and the IESO related to that status and will provide initial and regular information and data to Elexicon as required by these agencies and the relevant Codes.

A Connection Agreement with Elexicon will be required.

**3.6 Embedded Distributor**

All embedded distributors within the service jurisdiction of Elexicon are required to inform Elexicon of their status in writing, thirty (30) days prior to the supply of energy from Elexicon. The terms and conditions applicable to the connection of an embedded distributor shall be included in the Connection Agreement with Elexicon.

**3.7 Unmetered Connections**

In general, all connections will be metered. However, certain types of electrical loads are not practical to meter, or the cost of metering represents an inordinate expense to both the Customer and Elexicon. A typical unmetered load in Elexicon's service territory may consist of municipally or provincially owned roadway lighting located on road allowance.

Elexicon has the sole right to determine if a load is to be classified as unmetered.

When a Customer is eligible for an unmetered service and has chosen such, Elexicon may choose to meter the load at any time and for any duration to, for example, verify or study typical usage (i.e., amount or profile) at the Customer's expense. Also, when requested by Elexicon the Customer shall undertake, at their cost, electrical usage profile studies by using either an Elexicon acceptable certified lab or acceptable in-field metering unit. The interim results and final report are to be provided to Elexicon in a format and timeframe acceptable to Elexicon otherwise the account will be set up on the full-service entrance nameplate rating, and energy consumption will be based on twenty-four (24) hours of use.

If, at any time, Elexicon determines that a meter be installed to measure electricity consumption at an existing unmetered connection, the Customer shall install all equipment necessary, as required under the appropriate rate class, in accordance with Elexicon's Conditions of Service, within sixty (60) days of receipt of notice from Elexicon or a reasonable timeframe as agreed to by Elexicon.

An unmetered Customer cannot allow other consumers to use unmetered electrical power from their system without the written consent of Elexicon.

Elexicon no longer offers new unmetered sentinel lights. This applies to any upgrades.

Elexicon will both communicate and offer to engage with unmetered load Customers in relation to any new developments that would affect unmetered load Customers. Such developments may include preparation of cost allocation studies for cost-of-service rate applications, recent load profile studies or other rate-related materials that may materially impact unmetered load Customers. At such time, Elexicon may request updated information related to a Customer's unmetered load connections.

### **3.7.1 Street Lighting**

The following section relates to the supply of power for street lighting installations. Street lighting installations shall be in accordance with the requirements of ESA.

The street light owner is responsible to submit an application to Elexicon for attachment and supply. Attachment of street lights to Elexicon owned poles and electrical supply to street lights is subject to approval by Elexicon. The street light owner is responsible for ensuring that all street light attachment works is completed by qualified personnel.

Unless otherwise specified, the service to street lights will be unmetered. Street lighting is supplied at a rate approved by the OEB (see [www.elexiconenergy.com](http://www.elexiconenergy.com) for Elexicon's Tariff of Rates and Charges). Energy consumption will be based on connected wattage information submitted by the Customer and calculated as per hours of use, subject to the approval of Elexicon.

#### **3.7.1.1 Point of Demarcation**

The Operational and Ownership Demarcation Point for street lighting systems is the point of connection to Elexicon's distribution system. The owner is responsible for the installation and maintenance of the street lighting system in accordance with ESA and Elexicon's specifications.

Re-design and inspection services are at the expense of the owner. The owner is responsible for installing, maintaining and repairing its equipment and/or facilities, including the service conductors from the supply point to the load. If for any reason a supply point and/or the pole is relocated, the owner will be contacted and informed that the service conductors must be extended at a cost to the owner to the new supply point. Where additional or new facilities must be installed to specifically serve the owner, the owner may be required to pay for the additional facilities and perpetual maintenance thereof.

#### **3.7.1.2 Service Requirements**

Elexicon will determine the service voltage and location of the electrical supply for street lighting systems.

The Customer shall provide the following information to Elexicon before any service information can be established:

- a) Number of street lights to be installed;
- b) Lamp and ballast wattage;
- c) Type of lamp (HPS/MH/LED);
- d) Drawings; and
- e) Third Party Attachment Application.

The Customer is required to notify Ellexicon in writing of any completed changes to unmetered loads that may affect load demand and energy consumption data and billing. Changes will be incorporated for billing on a go-forward basis starting from the next bill period after the changes have been communicated.

The Customer is provided a monthly statement of *Street Lighting Units in Service* from Ellexicon which facilitates reconciliation of the statement by the Customer as to the number and type of street light connections, as well as the accuracy of load demand and energy consumption. The approved statement data is used to determine the monthly bill to the Customer.

**3.7.1.3 Inspection**

The electrical installation shall be inspected and approved by the ESA. This inspection is required from the ESA and a valid ESA Connection Authorization shall be provided to Ellexicon prior to site energization.

**3.7.1.4 Servicing Costs**

Ellexicon has outlined the corresponding fees for street lighting connections in Appendix A-2.

**3.7.2 Unmetered Scattered Loads**

Unmetered loads are billed based on an estimated usage and load profile. Ellexicon has the sole right to determine if a load is to be classified as unmetered. Unmetered Customers shall not allow other Customers to use the unmetered electrical power from their system without the written consent of Ellexicon.

This service will be classed and billed as unmetered scattered load, as approved by the OEB (see [www.ellexiconenergy.com](http://www.ellexiconenergy.com) for Ellexicon's Tariff of Rates and Charges). Energy consumption will be based on connected wattage information submitted by the Customer and calculated as per hours of use.

**3.7.2.1 Point of Demarcation**

The operational and ownership demarcation point for unmetered scattered load/sentinel light is the point of connection to the Ellexicon distribution system.

Re-design and inspection services are at the expense of the Customer. The Customer is responsible for installing, maintaining and repairing its equipment and/or facilities, including the service conductors from the supply point to the load. If for any reason a supply point is relocated, the Customer will be contacted and informed that the service conductors must be extended at a cost to the Customer to the new supply point. Where additional facilities must be installed to specifically serve the Customer, the Customer may be required to pay for the additional such facilities and perpetual maintenance thereof.

**3.7.2.2 Service Requirements**

The method and location of supply will vary and will be established for each application through consultation with Ellexicon. New connections for unmetered sentinel lights are no longer available. The

\_service voltage for Unmetered Scattered Load and existing sentinel lights will be 120/240 volts, single phase, 3-wire. The Customer will provide and maintain the secondary conductor to the supply point. Elexicon will install and connect the service conductor at the supply point.

Where transformation does not exist, it will be provided and considered an expansion of the system. A capital contribution may be required.

The Customer shall provide the following information to Elexicon before any service information can be established:

- a) Number of services;
- b) Electrical specifications;
- c) Service requirements;
- d) Drawings; and
- e) Third Party Attachment Application.

The Customer is required to notify Elexicon in writing of any completed changes to unmetered loads that may affect load demand and energy consumption data and billing. These changes are entered in Elexicon's Geographic Information System (GIS) along with other relevant information. It is the data supplied by the GIS that is submitted to the Elexicon billing system to develop the monthly bill to the Customer. Changes will be incorporated for billing on a go-forward basis starting from the next bill period after the changes have been communicated. Further, it is the responsibility of the Customer to contact Elexicon as to any billing data discrepancies.

### **3.7.2.3 Inspection**

The electrical installation shall be inspected and approved by the ESA. This inspection is required from the ESA and a valid ESA Connection Authorization shall be provided to Elexicon prior to site energization.

### **3.7.2.4 Servicing Costs**

Elexicon has outlined the corresponding fees for unmetered scattered load/sentinel light connections in Appendix A-2.

## **3.8 Temporary Services**

Temporary services are typically installed for the purpose of providing construction power, power to special events, or for situations requiring power for up to, but not exceeding six (6) months. Services that are anticipated to be in place longer than six (6) months will be considered permanent and are covered under the appropriate servicing conditions.

The temporary service is defined as single phase (120/240V), not more than 200A service. Elexicon may provide for other capacity (primary or secondary) at the Customer's expense.

### **3.8.1 Service Requirements**

The location of the service supply point and details of metering shall be established through consultation with Elexicon. Failure to comply may result in modifications at the Customer's expense.

The Customer must complete an Elexicon Service Request, receive and accept an Offer to Connect/Service Layout prior to any construction to determine a supply point and associated costs. Further, the Customer contract for service and pay the necessary fees prior to any service being energized.

### 3.8.2 Overhead Temporary Service

The Customer has the responsibility to provide for the supply and installation of all facilities from the point of connection to the service entrance. Elexicon supplies the service conductors to the Customer's first point of connection.

Elexicon shall install and connect the service conductor at the supply point; however, the Customer's installation shall meet ESA's and Elexicon's service connection requirements identified in the Offer to Connect/Service Layout.

First point of attachment must be within thirty (30) metres of the supply point. Any required private poleline must be self-supported and built to comply with the requirements of the ESA.

### 3.8.3 Underground Temporary Service

The Customer has the responsibility to provide for the supply and installation of all facilities including a continuous, completely buried underground cable to be installed from the transformer to the meter base.

Elexicon shall connect the Customer's service conductor at the transformer; however, the Customer's installation shall meet ESA's and Elexicon's service connection requirements identified in the Offer to Connect/Service Layout.

### 3.8.4 Temporary Service Costs

For temporary service basic rate install/remove charges at the supply point, refer to Elexicon's Tariff of Rates (available at [www.elexiconenergy.com](http://www.elexiconenergy.com)). All costs above that of the connection and removal is the responsibility of the Customer.

The three temporary service charges identified in Elexicon's Tariff of Rates - Specific Service Charges include temporary service install & remove – overhead – no transformer, temporary service install & remove – underground – no transformer, and temporary service install & remove – overhead – with transformer.

Elexicon's basic services for each of these temporary services are:

1. Temporary service install & remove – overhead – no transformer, covers the cost for Elexicon to connect the temporary service conductor to our pole mounted transformer secondary terminals or secondary bus. Also included in this cost is the disconnection of service and recovery of Elexicon's plant.
2. Temporary service install & remove – underground – no transformer, covers the cost for Elexicon to connect the Customers temporary service conductor to our pad mounted transformer secondary terminals. Also included in this cost is the disconnection of service and recovery of Elexicon's plant.
3. Temporary service install & remove – overhead – with transformer, covers the cost for Elexicon to supply and install a single phase, pole mounted transformer (up to 50 kVA) and connect the Customer's temporary service conductor to transformer secondary terminals. Also included in this cost is the disconnection of service and recovery of Elexicon's plant.

When installation and removal charges for temporary service exceed those for basic temporary service, Elexicon will provide an estimate of the variable costs to the Customer. The Customer is required to pay a deposit in the amount of the estimated variable costs prior to the installation of the service by

Elexicon. The variable costs will include installation and removal of primary or secondary wire, transformations and metering.

The Customer is responsible for supplying and installing all pole lines required for the installation of temporary service on private property.

At the discretion of Elexicon, all temporary services may be removed or re-inspected at the end of six (6) months from date of energization. The Customer must contact Elexicon at least two (2) weeks before the anniversary of the date of energization to arrange temporary services removal, or to make other arrangements to the satisfaction of Elexicon. Any ESA inspections, and its associated costs, are the responsibility of the Customer. Further, the Customer must provide relevant ESA inspection documentation to Elexicon when so requested.

## SECTION 4 - GLOSSARY OF TERMS

**Affiliate Relationship Code (ARC)** means the code, approved by the Board and in effect at the relevant time, which among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

~~backup~~**Backup generator** means a generation facility that only operates in the absence of utility supply and has a transfer switch which isolates it from the distribution system such that "generation" cannot be paralleled to the distribution system for safety, metering, and equipment damage reasons;

**Basic Connection** has the meaning set forth in Section 2.1;

**Basic Connection Allowance** has the meaning set forth in Section 3.1;

**Board** means the Ontario Energy Board (OEB);

~~business~~**Business day** means any day that is not a Saturday, a Sunday, or a holiday;

**Conditions of Service** means the document developed by ~~a distributor~~Elexicon in accordance with Section 2.4 of the Distribution System Code that describes the operating practices and connection rules for Elexicon;

~~connection~~**Connection** means the process of installing and activating connection assets in order to distribute electricity;

**Connection Authorization** means the Connection Authorization issued by the Electrical Safety Authority;

**Connection Agreement** means an agreement entered into between a distributor and a person connected to its distribution system that delineates the conditions of the connection and delivery of electricity to or from that connection;

~~connection~~**Connection assets** means that portion of the distribution system used to connect a Customer to the existing main distribution system, and consists of the assets between the point of connection on a distributor's main distribution system and the ownership demarcation point with that Customer;

~~consumer~~**Consumer** means a person who uses, for the person's own consumption, electricity that the person did not generate;

~~contract~~**Contract** unless stated otherwise shall mean an agreement between Elexicon and the Customer for the supply of electricity or any other commodity or service that Elexicon will provide. The supply and consumption of electrical energy shall be construed as acceptance of such contract;

**CSP** means the centralized service provider engaged by the Board to administer the OESP on the Board's behalf;

**Customer** means a generator or consumer whose facilities are connected to or are intended to be connected to a distributor's distribution system. This includes developers of residential or commercial subdivisions;

~~developer~~**Developer** shall mean a person(s) owning property that new or modified electrical services are

to be installed;

~~disconnection~~**Disconnection** means a deactivation of connection assets which results in cessation of distribution services to a consumer;

~~disconnection~~**Disconnection/collection trip** is a visit to a Customer's premises by an employee or agent of the distributor to collect payment of an outstanding amount or to shut off or limit distribution of electricity to the Customer failing payment;

~~distribute~~**Distribute** with respect to electricity, means to convey electricity at voltages of 50 kilovolts or less;

**Distributed Energy Resource or DER** means, for the purposes of the DERCP, an electricity source that is connected to a distribution system for the purpose of providing energy, typically through a connection on the customer-side of an ownership demarcation point. For the purpose of the previous sentence, "sources" generate electricity (e.g. generation facilities and energy storage facilities when discharging);

**Distributed Energy Resource Connection Procedure or DERCP** means the document referred to in section 6.2 of the DSC;

**Distribution License****Licence** means Elexicon's Distribution Licence issued by the Ontario Energy Board (OEB), Licence No. ED-2019-0128;

~~distribution~~**Distribution services** means services related to the distribution of electricity and the services the Board has required distributors to carry out;

~~distribution~~**Distribution system** means a system for distributing electricity, and includes any structures, equipment or other things used for that purpose. A distribution system is comprised of the main system capable of distributing electricity to many Customers and the connection assets used to connect a Customer to the main distribution system

**Distribution System Code or DSC** means the code, approved by the OEB, and in effect at the relevant time, which, among other things, establishes the obligations of a distributor with respect to the services and terms of service to be offered to Customers and Retailers and provides minimum technical operating standards of distribution systems;

**Distributor** refers to Elexicon;

**Distributor-owned or Elexicon-owned asset** means an asset owned by a distributor other than an asset installed as part of a basic connection;

**Electric Vehicle Supply Equipment or EVSE** means electrical supply equipment that is dedicated to supplying a source of electricity for the sole purpose of charging electric vehicles;

**Electric Vehicle Charging Connection Procedures** means the document issued from time to time by the Board that sets out a procedure for the connection of EVSE and that is referred to in sections 6.1.6 and 6.1.6.1 of the DSC;

**Electricity Act** means the *Electricity Act, 1998, S.O 1998, c.15, Schedule A*;

**Electrical Safety Authority (ESA)** means the person or body designated under the Electricity Act regulations as the Electrical Safety Authority;

**Elexicon** is a distributor and is properly known as Elexicon, including its officers, employees and agents;

~~eligible~~**Eligible low-income Customer** means:

- (a) a residential electricity Customer who has been approved by the CSP for the OESP; or
- (b) a residential electricity Customer who has been approved by a LEAP Intake Agency for Emergency Financial Assistance;

~~embedded~~**Embedded distributor** means a distributor that is provided electricity by a host distributor;

~~embedded~~**Embedded generator** means a generator whose generation facility is not directly connected to the IESO- controlled grid, but rather is connected to a distribution system, and has the extended meaning given to it in section 1.9 of the Distribution System Code;

**Embedded Retail Generator** means a Customer that:

- (a) is not a wholesale market participant or a net metered generator;

- (b) owns or operates an embedded generation facility, other than an emergency backup generation facility;
- (c) sells output from the embedded generation facility to the Independent Electricity System Operator (IESO) under contract or to a distributor;

**Emergency** means any abnormal system condition that requires remedial action to prevent or limit loss of a distribution system or the supply of electricity that could adversely affect the reliability of the electricity system. In addition to the electrical context of emergency, emergency also includes prevention of loss of life or property;

~~emergency~~**Emergency backup generation facility** means a generation facility that has a transfer switch that isolates it from a distribution system;

**Emergency Financial Assistance** means emergency financial assistance under LEAP;

~~enhancement~~**Enhancement** means a modification to the main distribution system that is made to improve system operating characteristics such as reliability or power quality or to relieve system capacity constraints resulting, for example, from general load growth, but does not include a renewable enabling improvement;

**EPAP** means Equal Pre-Authorized Payment Plan;

**EPP** means Equal Payment Plan;

~~expansion~~**Expansion** means a modification or addition to the main distribution system in response to one or more requests for one or more additional Customer connections that otherwise could not be made, for example, by increasing the length of the main distribution system, and includes the modifications or additions to the main distribution system identified in section 3.2.30 of the Distribution System Code but in respect of a renewable energy generation facility excludes a renewable enabling improvement;

~~generator~~**Generation facility** means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system, and includes any structures, equipment or other things used for that purpose;

**Generator** means a person(s) who owns or operates a generation facility;

~~good~~**Good utility practice** means any of the practices, methods or acts engaged in or approved by a significant portion of the electrical utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good practices, reliability, safety and expedition. Good utility practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in North America;

~~holiday~~**Holiday** means a holiday described in section 88 of the Legislation Act, 2006, S.O. 2006, c. 21, Sched. F as well as the August Civic holiday;

~~host~~**Host distributor** means a distributor who provides electricity to an embedded distributor;

**IESO** means the Independent Electricity System Operator continued under the *Electricity Act*, 1998;

**IHSA** means Infrastructure, Health & Safety Association;

~~interval~~**Interval meter** means a meter that measures and records electricity use on an hourly or sub-hourly basis;

**Large-embedded generation facility** means an embedded generation facility with a nameplate rated capacity of more than 10 MW;

**LEAP** means the Low-Income Energy Assistance Program established by the Board;

**LEAP Intake Agency** means a social service agency, municipality or government agency that assesses a residential electricity consumer's eligibility for Emergency Financial Assistance;

**Load Control Device** means a load limiter, timed load interrupter or similar device that limits or interrupts normal electricity service;

**Market Rules** means the rules made under section 32 of the *Electricity Act*, 1998;

**Measurement Canada** means the Special Operating Agency established in August 1996 by the Electricity and Gas Inspection Act, 1980-81-82-83, c. 87, and Electricity and Gas Inspection Regulations (SOR/86-131);

~~meter~~**Meter Installation** means the meter and, if so equipped, the instrument transformers, wiring, test links, fuses, lamps, loss of potential alarms, meters, data recorders, telecommunication equipment and spin off data facilities installed to measure power past a meter point, provide remote access to the metered data and monitor the condition of the installed meter equipment;

**Micro-embedded generation facility** means an embedded generation facility with a name-plate rated capacity of 10 kW or less;

**Mid-sized embedded generation facility** means an embedded generation facility with a name-plate rated capacity of 10 MW or less and:

(a) more than 500 kW in the case of a facility connected to a less than 15 kV line; and

(b) more than 1 MW in the case of a facility connected to a 15 kV or greater line;

**MIST meter** means an interval meter from which data is obtained and validated within a designated settlement timeframe. MIST refers to "Metering Inside the Settlement Timeframe";

**MOST meter** means an interval meter from which data is only available outside of the designated settlement timeframe. MOST refers to "Metering Outside the Settlement Timeframe";

**OESP** means the Ontario Electricity Support Program established pursuant to section 79.2 of the Ontario Energy Board Act;

**Offer to Connect** has the meaning set forth in Section 2.1.2;

**OHSA** means Ontario Occupational Health and Safety Act;

**Ontario Electrical Safety Code** means the code adopted by O. Reg. 164/99 as the Electrical Safety Code;

**Ontario Energy Board (OEB)** regulates the natural gas and electricity sectors in the Province of Ontario;

**Ontario Energy Board Act** means the *Ontario Energy Board Act, 1998, S.O. 1998 c.15, Schedule B*, as amended from time to time;

**Operational Demarcation Point** means the physical location at which a distributor's responsibility for operational control of distribution equipment including connection assets ends at the Customer;

**Ownership Demarcation Point** means the physical location at which a distributor's ownership of distribution equipment including connection assets ends at the Customer;

~~rate~~**Rate** means any rate, charge or other consideration, including a penalty for late payment;

**Retail Settlement Code** means the code approved by the Board and in effect at the relevant time, which, among other things, establishes a distributor's obligations and responsibilities associated with financial settlement among Retailers and Customers and provides for tracking and facilitating Customer transfers among competitive Retailers;

**Retailer** means a person(s) who retails electricity;

**Service area**, with respect to a distributor, means the area in which Elexicon Energy Inc., is authorized by its license to distribute electricity;

**Small-embedded generation facility** means an embedded generation facility which is not a micro-embedded generation facility with a nameplate rated capacity of 500 kW or less in the case of a facility connected to a less than 15 kV line and 1MW or less in the case of a facility connected to a 15 kV or greater line;

**Standard Service Supply Code (SSS)** means the code approved by the Board. This code establishes the minimum conditions that a distributor must meet in carrying out its obligations to sell electricity under Section 29 of the *Electricity Act, 1998*;

**STR** means Service Transaction Request;

~~transmission~~**Transmission system** means a system for transmitting electricity, and includes any structures, equipment or other things used for that purpose;

**Transmission System Code (TSC)** means the code, approved by the Board, that is in force at the relevant time, which regulates the financial and information obligations of the transmitter with respect to its relationship with customers, as well as establishing the standards for connection of customers to, and expansion of a transmission system;

~~transmitter~~**Transmitter** means a person(s) who owns or operates a transmission system

**Unmetered Loads** means electricity consumption that is not metered and is billed based on estimated usage;

**Veridian Territory** or **former Veridian Territory** means any territory of Elexicon that is located in the Veridian Connections Rate Zone as defined in Elexicon Energy Inc.'s Electricity Distribution Licence (ED-2019-0128);

**VPAP** means Variable Pre-Authorized Payment Plan; and

~~wholesale~~**Wholesale market participant** means a person that sells or purchases electricity or ancillary services through the IESO-administered markets.

## **APPENDICES**

- A-1 Demarcation Point Summary: Operational and Ownership
- A-2 Standard Charges for Various Services
- B - Elexicon Energy Inc. Specific Requirements - Electric Vehicle Charging Connection Procedure

## Appendix A-1: Demarcation Point Summary: Operational and Ownership

| Type of Connection  | Reference Section | Ownership Demarcation Point*   |
|---|-------------------|--|
|   |                   | Standard Allowance   |
|   |                   | Operational Demarcation Point  |
| Residential – Low Voltage Supply  | 3.1               | Overhead - Top of Customer standpipe or mast.<br>Underground - Line side of Customer’s meter base.   |
|   |                   | 30m of overhead, 200A, low voltage wire and transformer capacity; or equivalent cost of underground service.   |
|   |                   | Line side of meter base.   |
| Residential – High Voltage Supply   | 3.1               | Overhead – Connection point of Elexicon’s lines to customer’s first point of attachment (pole, structure).<br>Underground – Supply side of customer’s high voltage switch when the transformer is owned by the customer OR secondary terminals of transformer when the transformer is owned by Elexicon. |
|   |                   | 30m of overhead, 200A, low voltage wire and transformer capacity; or equivalent cost of underground service.   |
|   |                   | Line side of meter base.   |
| Traffic Signals, Crosswalks, etc.   | 3.9.2             | Overhead - Top of Customer standpipe or mast.<br>Underground - Line side of fuse or disconnect switch in Customer’s first vault, hand-hole, or junction box.   |
|   |                   | Not Applicable.  |
|   |                   | Same as Ownership.   |
| Decorative Lights – each light supplied from uncontrolled, available, Elexicon supply lines.  | 3.9.2             | Overhead - Top of Customer standpipe or mast.<br>Underground - Line side of fuse or disconnect switch in Customer’s first vault, hand-hole, or junction box.   |
|   |                   | Not Applicable.  |
|   |                   | Same as Ownership.   |
| Decorative Lighting String – lights supplied from municipal-owned, controlled circuits, with available Elexicon supply lines. Per connection from Elexicon supply to municipal circuit. | 3.9.1             | Overhead - Top of Customer standpipe or mast.<br>Underground - Line side of fuse or disconnect switch in Customer’s first vault, hand-hole, or junction box.   |
|   |                   | Not Applicable.  |
|   |                   | Same as Ownership, subject to restrictions where circuits occupy or are attached to Elexicon equipment.  |

| Type of Connection                           | Reference Section | Ownership Demarcation Point*   |
|--|-------------------|--|
|  |                   | Standard Allowance   |
|  |                   | Operational Demarcation Point  |
| General Service – Low Voltage Supply         | 3.2, 3.3          | Overhead or Underground – Connection of Elxicon lines or transformers to customer’s first point of attachment.   |
|  |                   | Not Applicable.  |
|  |                   | Overhead - Top of Customer standpipe or mast.<br>Underground - Line side of fuse or main disconnect switch in Customer’s service entrance equipment.   |
| General Service – High Voltage Supply        | 3.2, 3.3, 3.4     | Overhead – Connection point of Elxicon’s lines to customer’s first point of attachment (pole, structure).<br>Underground – Supply side of customer’s high voltage switch when the transformer is owned by the customer OR secondary terminals of transformer when the transformer is owned by Elxicon. |
|  |                   | Not Applicable.  |
|  |                   | Load side terminals of Elxicon’s transformer(s).   |
| General Service - Customer Owned Substations | 3.5               | Load side of the Elxicon’s disconnect device.  |
|  |                   | Not Applicable.  |
|  |                   | Line side of the Customer’s main disconnect device.  |

\* The ownership demarcation point is where Elxicon owned and maintained equipment on the public right-of-way ends and the customer’s equipment on private property begins.

## Appendix A-2: Standard Charges for Various Services

A **Basic Connection** for each residential Customer (based on a 120/240V service size  $\leq 200A$ ) shall include the supply and installation of overhead distribution transformation capacity, or an equivalent credit for transformation equipment and up to 30m of overhead conductor, or an equivalent credit for underground secondary service cable. The Basic Connection Allowance is \$550.00.

**Note: Harmonized Sales Tax (HST) is not included in the charges listed below and will apply.**

**RESIDENTIAL SERVICE (OTHER THAN SUBDIVISION AGREEMENTS) - Basic Connection Allowance applicable.**

| Service Type            | Basic Connection Allowance | Variable Connection Charge   | Disconnect/Reconnect Only on a per site visit basis (Customer Requested)  |
|-------------------------|----------------------------|--|---|
| Overhead or Underground | \$550.00                   | Actual costs will apply for connection assets (excluding meter) and installation beyond Basic Connection Credit. | ESA connection authorization required for reconnection. The below charges apply to Customers in the former Veridian territory only.<br><br><b>At meter:</b><br>Business hours: \$65.00<br>After hours: \$185.00 |

**GENERAL SERVICE (INCLUDING APARTMENT BUILDINGS) - Basic Connection Allowance not applicable**

| Service Type | Basic Connection Allowance | Variable Connection Charge  | Disconnect/Reconnect Only on a per site visit basis (Customer Requested)  |
|--------------|----------------------------|---|---|
| $\leq 50kW$  | \$0.00                     | Actual costs will apply for connection assets (excluding meter) and installation. | Valid ESA Connection Authorization required for reconnection. The below charges apply to Customers in the former Veridian territory only.<br><br><b>At meter:</b><br>Business hours: \$65.00<br>After hours: \$185.00 |
| $> 50kW$     | \$0.00                     | Actual costs will apply for connection assets (excluding meter) and installation. | Valid ESA Connection Authorization required for reconnection.   |

**UNMETERED SERVICES - Basic Connection Allowance not applicable**

The Customer shall provide the service wire to the connection point.

| Service Type  | Basic Connection Allowance | Variable Connection Charge  | Disconnect/Reconnect Only on a per site visit basis (Customer Requested) |
|---|----------------------------|---|--|
| <ul style="list-style-type: none"> <li>Street lighting</li> <li>Unmetered scattered load connections</li> </ul> | \$0.00                     | Actual costs will apply for connection assets (excluding meter) and installation. | Valid ESA Connection Authorization required for reconnection.            |

**EMBEDDED GENERATOR - Basic Connection Allowance not applicable**

| Service Type                                    | Basic Connection Allowance | Variable Connection Charge  | Disconnect/Reconnect Only on a per site visit basis (Customer Requested)  |
|---|----------------------------|---|---|
| ≤10kW - Parallel operation with Elexicon system | \$0.00                     | Actual costs will apply for connection assets (excluding meter) and installation. | Valid ESA Connection Authorization required for reconnection. The below charges apply to Customers in the former Veridian territory only.<br><br><b>At meter:</b><br>Business hours: \$65.00<br>After hours: \$185.00 |
| >10kW Parallel operation with Elexicon system   | \$0.00                     | Actual costs will apply for connection assets (excluding meter) and installation. | Valid ESA Connection Authorization required for reconnection.   |

**EMBEDDED GENERATOR – Application and Connection Impact Assessment Charges**

| Service Type   | Application | *Connection Impact Assessment Charge (CIA) |
|--|-------------|--|
| ≤10kW - Parallel operation with Elexicon <del>system</del><br><a href="#">System</a> | \$500.00    | n/a  |
| >10kW - Parallel operation with Elexicon system                                      | \$1200.00   | \$5,000.00                                 |

\*Please note that for Generators that exceed 500kW of nameplate capacity, a Connection Impact Assessment (CIA) may also be undertaken by the Transmitter (Hydro One) and all associated costs will be borne by the Generator, which will be in excess of the costs shown here.

## **Appendix B**

### **Elexicon Energy Inc. Specific Requirements**

### **Electric Vehicle Charging Connection Procedure**

This appendix outlines Elexicon Energy Inc.'s (Elexicon) specific requirements related to the process for connection of non-residential Electric Vehicle Supply Equipment (EVSE) to Elexicon's distribution system.

Customers who are looking for preliminary information on potential distribution system capacity to accommodate a non-residential EVSE are encouraged to submit an [EV Preliminary Consultation Information Request](#). Please note that capacity is not reserved until a Customer has signed an Offer to Connect with Elexicon.

#### **1. Connection Request**

Customers looking to request non-residential EVSE connections should complete and submit Elexicon's [Connections and Upgrades Request](#) form.

#### **2. Basic Connection for Non-Residential Customers**

Elexicon does not have a defined basic connection allowance for non-residential connections, including EVSEs. Customers will be required to pay to Elexicon the actual costs incurred for connection assets (excluding meter) and for installation, as set out in the Offer to Connect.

#### **3. Offer to Connect: Estimate or Firm Offer**

Where a capital contribution is required further to an economic evaluation, the amount of the capital contribution included in Elexicon's initial Offer to Connect will be an estimate. A final economic evaluation will be carried out once the facilities are energized based on forecasted revenues and the actual costs incurred.

#### **4. Capital Contribution**

Elexicon will perform an initial economic evaluation for distribution system expansion to determine whether the future revenue from the Customer will recover the capital and ongoing maintenance of the expansion project.

- If the net present value over the horizon period (including the effect of taxes) is positive, no capital contribution will be required from the Customer.
- If the net present value over the revenue horizon period (including the effect of taxes) is negative, a capital contribution will be required from the customer for the full amount of the negative net present value. Elexicon will still require the Customer to provide an expansion deposit as outlined in the Offer to Connect.

If the capital contribution amount resulting from the final economic evaluation is different from the capital contribution amount in the initial economic evaluation calculation, Elexicon will credit the Customer, or obtain from the Customer, any difference between the two calculations.

## 5. Work Under the Alternative Bid Option

Elexicon allows Customers to seek an alternative bid for the work that is eligible for alternative bid (see section 3.2 of the [Distribution System Code](#) "DSC"). This only applies to the construction of new distribution facilities where a capital contribution is required and the construction does not involve physical contact with distributor's existing distribution system.

At the time that an Offer to Connect is issued to the Customer, Elexicon will include an estimate of the costs involved in performing the work that is eligible for alternative bid, which outlines the requirements and associated fees should the Customer choose to proceed with an alternative bid for the "contestable works" as outlined in the Offer to Connect.

If the Customer chooses to proceed with an alternative bid, the Customer shall only use qualified contractors for the work that is eligible for alternative bid provided that the customer agrees to transfer the expansion facilities that are constructed under the alternative bid option to Elexicon upon completion.

## 6. Expansion Deposit

In determining the expansion deposit amount, Elexicon complies with section 3.2.20 of the DSC and generally collects 100% of the present value of the projected capital costs and on-going maintenance costs of the expansion project in determining the expansion deposit amount.

## 7. Connection Agreement or Other Agreement

Customers making EVSE connections will not be required to enter into any separate connection agreement other than the Offer to Connect.

## 8. Applicable Service Conditions for Connecting New Service

The Customer's electrical installation shall be inspected and have a valid "Connection Authorization" form from the ESA prior to connection of the Customer's service to Elexicon's distribution system. Services that have been disconnected for upgrades, repairs, metering tampering or have been left out of service for a period of six (6) months or longer must also be inspected by ESA and have a valid "Connection Authorization" received prior to reconnection.

The Customer's electrical installation in relation to Elexicon's supply facilities must be approved and conform to Elexicon's specifications for underground and overhead services. The installation of metering equipment and related metering facilities must be approved by Elexicon prior to the installation. Inspections during the installation will be conducted by Elexicon in accordance with the Offer to Connect and/or Service Layout and/or Specifications and Standards.

Once all applicable service conditions are satisfied, a connection for a new service request will be completed within:

- low voltage service (<750 volts) – five (5) business days from the date the conditions were satisfied, or at such later date as agreed to between the customer and Elexicon
- high voltage service (>750 volts) – 10 business days from the date the conditions were satisfied, or at such later date as agreed to between the customer and Elexicon

For clarity, applicable service conditions to be satisfied includes:

- Any distribution system expansion facilities must be constructed and energized;
- Any high voltage connection assets to be connected or upgraded must be inspected and energized;
- Customer to set up an energy account with Elexicon's Customer Care team wherein they contract with Elexicon for electricity service;
- Customer to pay any required security deposit for the account; and
- Satisfaction of the other conditions described above in this section (e.g. that Elexicon has received the ESA Connection Authorization, etc).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3                   **INTERROGATORY 1.0-VECC-4**

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5                   Reference: Exhibit 1, Tab 3, Schedule 2, page 1 of 3 Figure 1 /@B Tab 1, Schedule 1, section 2.1

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7                   a) What is the distinction between a “Service Area” and a “Service District”?

8                   b) Please explain for which “Areas” or “Districts” Elexicon records system reliability and capital  
9                   investment data.

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14                   **RESPONSE:**

15                   a) “Service Area” refers to a specific geographic community or municipality within Elexicon’s  
16                   service territory. “Service District” refers to the broader operational grouping Elexicon uses to  
17                   organize one or more service areas for planning, and operations. Accordingly, the distinction is  
18                   that a service area is geographic, while a service district is operational.

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20                   b) Elexicon records system reliability for all its service districts, which includes Ajax/Pickering,  
21                   Whitby, Belleville, Gravenhurst, Brock and Clarington whereas capital investment plans (or  
22                   data) are organized at the Elexicon system level.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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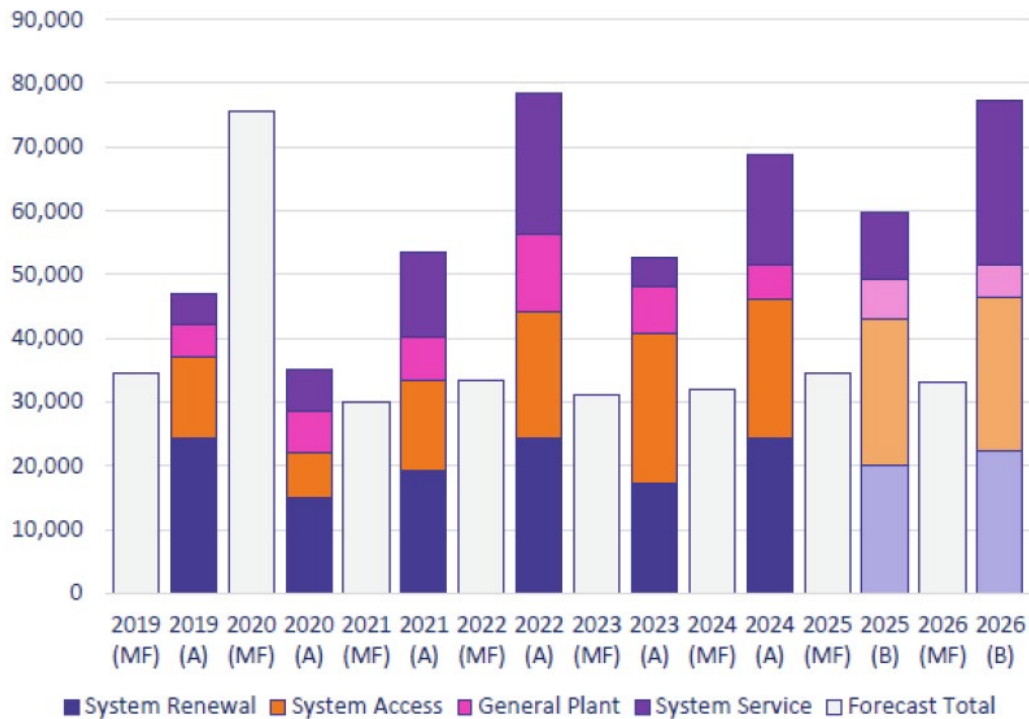
3                   **INTERROGATORY 1.0-VECC-5**

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5                   Reference: Exhibit 1, Tab 4, Schedule 1

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**Figure 3: Merger Forecast (MF) vs Actual (A) and Bridge (B) Capital Spend by Category (\$k)<sup>11</sup>**



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8

9                   a) Please provide the underlying data from which this figure is derived.

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11                   b) Please provide a revised Figure 3 which:

12

i. Shows ICM projects separately (i.e. as an additional category).

13

ii. Shows for the Merger forecast columns by the same breakdown as show for the actual columns

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(i.e., by System Renewal/Access/Service and General Plant).

1 c) Please provide the revised Figure 3s with actual 2025 results.

2

3 **RESPONSE:**

4 a) Table 1 below provides the underlying data for Figure 3 in the referenced exhibit.

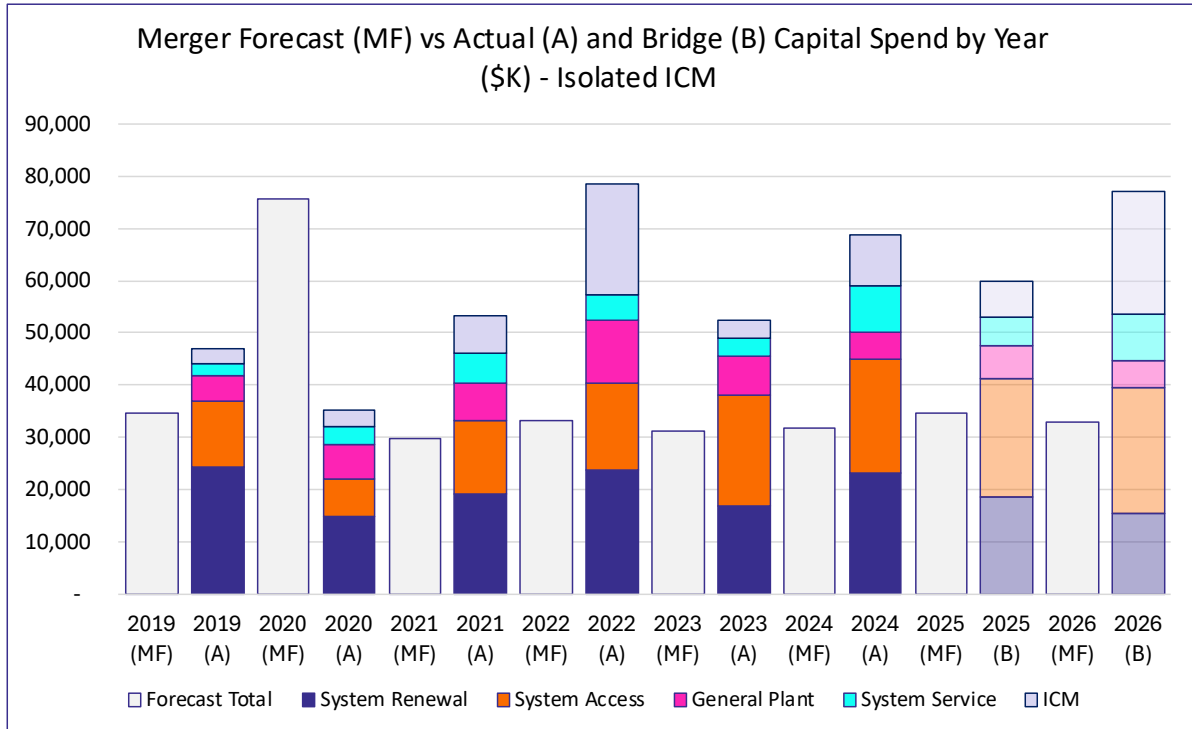
5 **Table 1: Underlying Data for Figure 3**

| Investment Category |                | Historical (\$M) |       |       |       |       | Bridge(\$M) |       |       |
|---------------------|----------------|------------------|-------|-------|-------|-------|-------------|-------|-------|
|                     |                | 2019             | 2020  | 2021  | 2022  | 2023  | 2024        | 2025  | 2026  |
| Merger Forecast     |                | 34.62            | 75.70 | 29.85 | 33.31 | 31.17 | 31.89       | 34.54 | 33.05 |
| Actuals             | System Access  | 12.67            | 7.02  | 13.94 | 19.75 | 23.43 | 21.80       | 22.83 | 24.15 |
|                     | System Renewal | 24.32            | 14.97 | 19.31 | 24.26 | 17.26 | 24.33       | 20.17 | 22.20 |
|                     | System Service | 5.04             | 6.69  | 13.14 | 22.02 | 4.53  | 17.43       | 10.61 | 25.76 |
|                     | General Plant  | 5.07             | 6.52  | 7.04  | 12.38 | 7.33  | 5.31        | 6.15  | 5.09  |

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1 b) i) Figure 3B below shows the revised Figure 3 with ICM separately.

2 **Figure 3B (Revised Figure 3 from Exhibit 1 - Tab 4 - Schedule 1): Merger Forecast with Isolated**  
 3 **ICM**



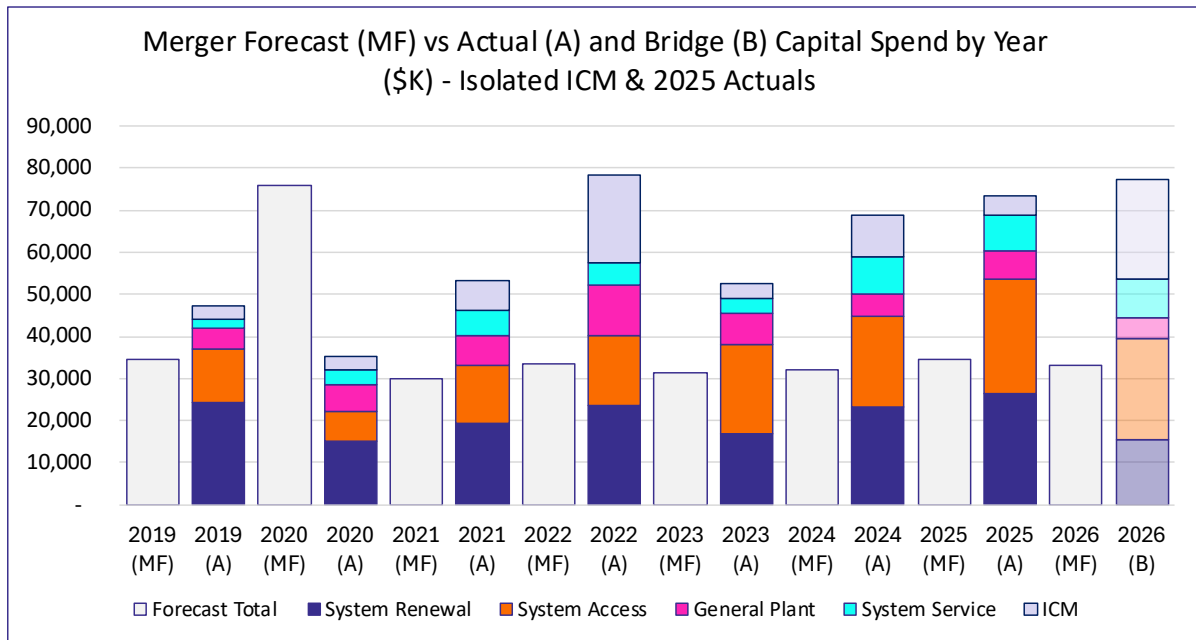
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ii) The merger forecast spend cannot be further broken down by category because the MAAD application did not provide this level of detail.

1 c) Figure 3C has Figure 3B above revised with 2025 actuals.

2 **Figure 3C (Revised Figure 3 from Exhibit 1 - Tab 4 - Schedule 1): Merger Forecast with 2025**

3 **Actuals**



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1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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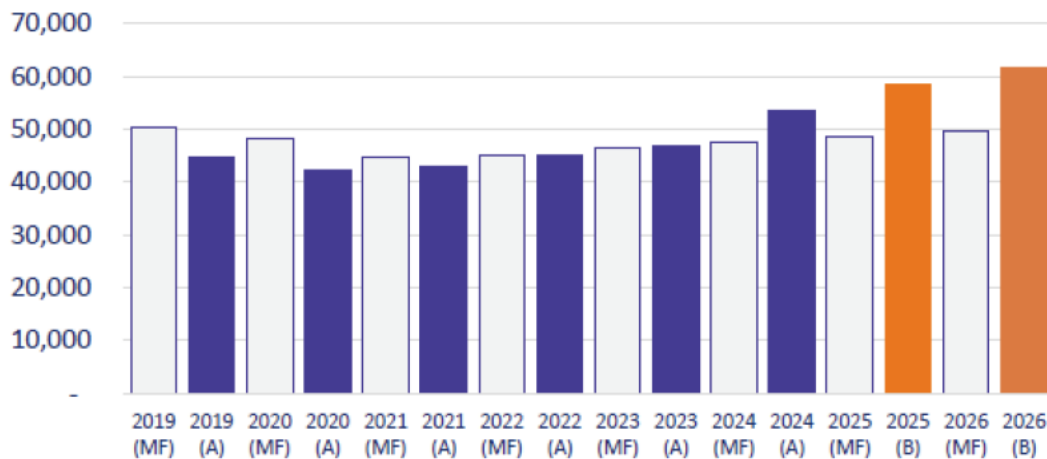
3                   **INTERROGATORY 1.0-VECC-6**

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5                   Reference: Exhibit 1, Tab 4, Schedule 1

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**Figure 12: OM&A Merger Forecast (MF) vs Actual (A) and Bridge (B) by Year (\$k)**



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9                   a) Please provide the underlying data from which this figure is derived.

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11                   b) Please provide a revised Figure 12 which shows the costs for both Merger Forecast and Actual  
12                   costs by category (i.e., Operations, Maintenance, Billing and Collecting, Community Relations and  
13                   Administrative and General).

14

15                   c) Please update the revised Figure 12s to include 2025 actual results

16

17                   **RESPONSE:**

18                   a) The data for the forecast was derived from the OM&A forecast portion available at EB-  
19                   2018-0236, Table 7, line "Total OM&A – MergeCo LDC", page 26. The actual data for the

years 2020-2026 is the same data as included in the application in OEB Appendix 2-JB. The data for 2019 provided in prefiled evidence, and referenced in Table 1 below, was based on revisions to Elexicon’s 2019 OM&A number to normalise it for a full 12 months of expenses, which resulted in a value of (k)\$44,682 as referenced in Table 1 below. This value can be reconciled with the 2019 OM&A value provided in Elexicon’s revised Appendix 2-JA, (filed as an attachment to 4-Sec-70) which cites (k)\$41,354 spent on OM&A in 2019. This revised number removed property taxes, SLA and donations from the prefiled value of \$44,682. This revised number is used in parts b) and c) of this interrogatory response for consistency.

**Table 1: Underlying Data used to support Figure 12 (\$k)**

|  | 2019          | 2020          | 2021          | 2022          | 2023          | 2024          | 2025          | 2026          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>OM&amp;A Merger Forecast</b>            | 50,226        | 48,271        | 44,587        | 45,165        | 46,298        | 47,611        | 48,524        | 49,818        |
| <b>OM&amp;A Actuals (A) and Bridge (B)</b> | 44,682<br>(A) | 42,304<br>(A) | 42,916<br>(A) | 44,918<br>(A) | 46,662<br>(A) | 53,600<br>(A) | 58,595<br>(B) | 61,811<br>(B) |

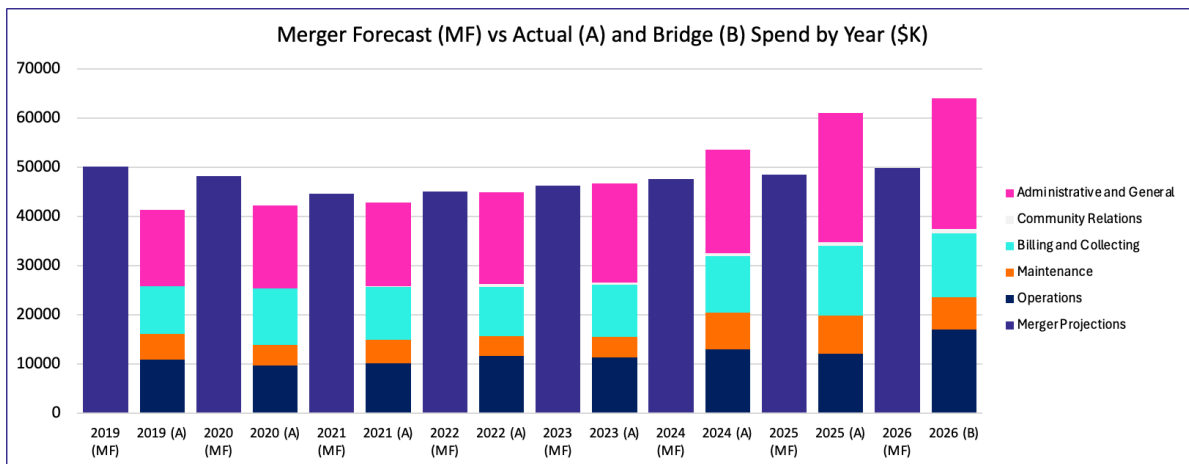
The merger forecast was developed using reasonable and prudent assumptions based on the information available at the time of the merger, and reflected operational requirements, regulatory expectations, and the anticipated scale of the combined utility known at that time. As shown in Table 1, Elexicon outperformed the merger forecast in the initial years of the deferred rebasing period. However, as outlined in Exhibit 1 – Tab 4 – Schedule 1, Elexicon’s business conditions began to materially change. The differences between forecast and actual costs primarily reflect subsequent external and mandatory cost pressures that have emerged and intensified, including Elexicon’s operating conditions (e.g. customer growth), system needs to address declining reliability and cybersecurity and regulatory requirements. These factors have driven Elexicon to develop more sophisticated customer service, governance and common corporate capabilities to support increasing scale of operational demands, a growing risk profile, compliance obligations, and customer growth and expectations.

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b) Actual costs OM&A costs by program and segment from 2019 to 2031, which correspond with the categories listed, are provided in the revised Appendix 2-JA filed as an attachment to 1-SEC-13. The merger forecast OM&A costs are not available at this level of detail. Figure 1 below includes actual OM&A broken down by category, in alignment with the revised Appendix 2-JA and inclusive of 2025 actuals and the updated 2026 bridge year forecast, plotted against the consolidated merger forecast.

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**Figure 1: Actual OM&A Costs by Program and Segment 2019-2031 Against Consolidated Merger Forecast**



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c) Figure 2 and Table 2 below provide an updated view of Figure 12, with updates for 2025 actuals and updates to the 2019 OM&A actuals figure in alignment with the revised Appendix 2-JA.

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**Figure 2: Revised Figure 12 with 2025 Actuals, Updated 2026 Bridge Forecast and Updated 2019 Number Included**

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**Table 2: Underlying Data Used to Support Revised Figure 12 with 2025 Actuals (\$k)**

| <b>Year</b>                                | <b>2019</b>   | <b>2020</b>   | <b>2021</b>   | <b>2022</b>   | <b>2023</b>   | <b>2024</b>   | <b>2025</b>   | <b>2026</b>   |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>OM&amp;A Merger Forecast</b>            | 50,226        | 48,271        | 44,587        | 45,165        | 46,298        | 47,611        | 48,524        | 49,818        |
| <b>OM&amp;A Actuals (A) and Bridge (B)</b> | 41,354<br>(A) | 42,304<br>(A) | 42,916<br>(A) | 44,918<br>(A) | 46,662<br>(A) | 53,600<br>(A) | 61,025<br>(A) | 64,091<br>(B) |

4

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-7**

4

5                   Reference: Exhibit 1, Tab 4, Schedule 1 PDF 89

6

7                   a) What is P90 Weather Corrected Base?

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10                  **RESPONSE:**

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12                  a) Please see Exhibit 2B, Tab 3, Schedule 1 pp.16-18 for details on Weather Normalization /  
13                  Correction and the various weather scenarios, including the P90 scenario.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-8**

4

5                   Reference: Exhibit 1, Tab 8, Schedule 1

6

7                   a) Please provide the 2025 Audited Financial Statements.

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12                   **RESPONSE:**

13                   a) Please refer to Attachment 1 for 2025 Elexicon Energy Audited IFRS Financial Statements.

Financial Statements of

**ELEXICON ENERGY INC.**

And Independent Auditor's Report thereon

Year ended December 31, 2025



KPMG LLP  
Bay Adelaide Centre  
333 Bay Street, Suite 4600  
Toronto, ON M5H 2S5  
Canada  
Tel 416 777 8500  
Fax 416 777 8818

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Elexicon Energy Inc.

### ***Opinion***

We have audited the financial statements of Elexicon Energy Inc. (the Entity), which comprise:

- the balance sheet as at December 31, 2025
- the statement of income and comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 25, 2026

# ELEXICON ENERGY INC.

Balance Sheet  
(In thousands of dollars)

As at December 31, 2025, with comparative information for 2024

|  | Notes        | 2025               | 2024              |
|--|--------------|--------------------|-------------------|
| <b>Assets</b>  |              |                    |                   |
| Current assets:  |              |                    |                   |
| Cash   |              | \$ 11,465          | \$ 487            |
| Accounts receivable  | 4, 13, 24(c) | 101,120            | 103,317           |
| Due from related parties   | 13           | —                  | 121               |
| Materials and supplies   |              | 10,502             | 10,800            |
| Income taxes recoverable   |              | 190                | 175               |
| Prepaid expenses   |              | 3,417              | 2,689             |
| <b>Total current assets</b>  |              | <b>126,694</b>     | <b>117,589</b>    |
| Non-current assets:  |              |                    |                   |
| Property, plant and equipment  | 5, 23        | 778,835            | 702,819           |
| Intangible assets  | 6, 23        | 15,777             | 18,874            |
| Goodwill   | 6            | 64,348             | 64,348            |
| Other assets   |              | 93                 | 115               |
| <b>Total non-current assets</b>  |              | <b>859,053</b>     | <b>786,156</b>    |
| <b>Total assets</b>  |              | <b>985,747</b>     | <b>903,745</b>    |
| Regulatory balances  | 7            | 60,426             | 53,757            |
| <b>Total assets and regulatory balances</b>                            |              | <b>\$1,046,173</b> | <b>\$ 957,502</b> |
| <b>Liabilities and Shareholder's Equity</b>                            |              |                    |                   |
| Current liabilities:   |              |                    |                   |
| Accounts payable and accrued liabilities                               |              | \$ 85,780          | \$ 76,123         |
| Short-term debt  | 10           | 17,974             | 77,126            |
| Due to related parties   | 13           | 171                | —                 |
| Deferred revenue   | 11           | 4,295              | 3,397             |
| Deferred contributions   | 15           | 5,187              | 4,441             |
| Deposits and developer obligations                                     | 12           | 13,079             | 13,458            |
| Long-term debt   | 14           | 10                 | 709               |
| Other liabilities  | 20           | 71                 | 95                |
| <b>Total current liabilities</b>                                       |              | <b>126,567</b>     | <b>175,349</b>    |
| Non-current liabilities:   |              |                    |                   |
| Long-term debt   | 10, 14       | 353,381            | 306,312           |
| Deferred contributions   | 15           | 200,590            | 180,677           |
| Employee future benefits   | 16           | 7,103              | 6,389             |
| Unrealized loss on interest rate swap derivatives                      | 24(e)        | 10,176             | 12,289            |
| Deferred tax liabilities   | 8            | 14,919             | 18,995            |
| Other liabilities  | 20           | 44                 | 115               |
| <b>Total non-current liabilities</b>                                   |              | <b>586,213</b>     | <b>524,777</b>    |
| <b>Total liabilities</b>   |              | <b>712,780</b>     | <b>700,126</b>    |
| Shareholder's equity:  |              |                    |                   |
| Share capital  | 17           | 160,948            | 98,796            |
| Contributed capital  |              | 23                 | 23                |
| Contributed surplus  |              | 77,849             | 77,849            |
| Accumulated other comprehensive income                                 |              | 244                | 2,420             |
| Retained earnings  |              | 66,727             | 63,609            |
| <b>Total shareholder's equity</b>                                      |              | <b>305,791</b>     | <b>242,697</b>    |
| <b>Total liabilities and shareholder's equity</b>                      |              | <b>1,018,571</b>   | <b>942,823</b>    |
| Regulatory balances  | 7            | 27,602             | 14,679            |
| <b>Total liabilities, shareholder's equity and regulatory balances</b> |              | <b>\$1,046,173</b> | <b>\$ 957,502</b> |

Commitments and contingencies

19

See accompanying notes to the financial statements.

On behalf of the Board,

Chair, Board of Directors



Chair, Audit and Finance Committee

# ELEXICON ENERGY INC.

Statement of Income and Comprehensive Income  
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

|  | Notes | 2025            | 2024            |
|--|-------|-----------------|-----------------|
| <b>Revenues:</b>   |       |                 |                 |
| Commodity revenue  | 21    | \$ 485,257      | \$ 464,462      |
| Distribution revenue   | 21    | 105,038         | 100,500         |
| Other income   | 21    | 8,579           | 7,325           |
|  |       | <u>598,874</u>  | <u>572,287</u>  |
| <b>Expenses:</b>   |       |                 |                 |
| Commodity cost   |       | 472,656         | 454,320         |
| Operating and maintenance  | 22    | 22,439          | 22,635          |
| Administration   | 22    | 57,200          | 38,489          |
| Depreciation and amortization  |       | 28,060          | 26,530          |
|  |       | <u>580,355</u>  | <u>541,974</u>  |
| Finance costs  | 14    | (15,932)        | (15,718)        |
| Unrealized gain/(loss) on interest rate swap derivatives             |       | 2,113           | (1,208)         |
|  |       | <u>(13,819)</u> | <u>(16,926)</u> |
| Income before income taxes   |       | 4,700           | 13,387          |
| Income tax recovery  | 8     | 3,988           | 428             |
| Net income   |       | 8,688           | 13,815          |
| Net movements in regulatory balances, net of tax:                    | 7     |                 |                 |
| Net movements in regulatory balances                                 |       | 2,550           | (3,409)         |
| Income tax on net movements in regulatory balances                   |       | (8,805)         | (2,441)         |
|  |       | <u>(6,255)</u>  | <u>(5,850)</u>  |
| Net income after net movements in regulatory balances                |       | 2,433           | 7,965           |
| Other comprehensive loss, net of tax:                                |       |                 |                 |
| Remeasurements of employee future benefits and non-vested sick leave |       | (2,176)         | (80)            |
| <b>Total comprehensive income</b>                                    |       | <b>\$ 257</b>   | <b>\$ 7,885</b> |

See accompanying notes to the financial statements.

# ELEXICON ENERGY INC.

## Statement of Changes in Equity (In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

|  | Balance,<br>December 31,<br>2024 | Common<br>shares<br>issued | Net income<br>after net<br>movements<br>in regulatory<br>balances | Other<br>comprehensive<br>loss | Dividends<br>refunded<br>(paid) | Balance,<br>December 31,<br>2025 |
|--|----------------------------------|----------------------------|---|--------------------------------|---------------------------------|----------------------------------|
| Share capital                                    | \$ 98,796                        | \$ 62,152                  | \$ –  | \$ –                           | \$ –                            | \$ 160,948                       |
| Contributed capital                              | 23                               | –                          | –   | –                              | –                               | 23                               |
| Contributed surplus                              | 77,849                           | –                          | –   | –                              | –                               | 77,849                           |
| Accumulated other<br>comprehensive income (loss) | 2,420                            | –                          | –   | (2,176)                        | –                               | 244                              |
| Retained earnings                                | 115,312                          | –                          | 2,433   | –                              | –                               | 117,745                          |
| Dividends  | (51,703)                         | –                          | –   | –                              | 685                             | (51,018)                         |
| <b>Total equity</b>                              | <b>\$ 242,697</b>                | <b>\$ 62,152</b>           | <b>\$ 2,433</b>   | <b>\$ (2,176)</b>              | <b>\$ 685</b>                   | <b>\$ 305,791</b>                |

|  | Balance,<br>December 31,<br>2023 | Common<br>shares<br>issued | Net income<br>after net<br>movements<br>in regulatory<br>balances | Other<br>comprehensive<br>loss | Dividends<br>refunded<br>(paid) | Balance,<br>December 31,<br>2024 |
|--|----------------------------------|----------------------------|---|--------------------------------|---------------------------------|----------------------------------|
| Share capital                                    | \$ 98,796                        | \$ –                       | \$ –  | \$ –                           | \$ –                            | \$ 98,796                        |
| Contributed capital                              | 23                               | –                          | –   | –                              | –                               | 23                               |
| Contributed surplus                              | 77,849                           | –                          | –   | –                              | –                               | 77,849                           |
| Accumulated other<br>comprehensive income (loss) | 2,500                            | –                          | –   | (80)                           | –                               | 2,420                            |
| Retained earnings                                | 107,347                          | –                          | 7,965   | –                              | –                               | 115,312                          |
| Dividends  | (43,697)                         | –                          | –   | –                              | (8,006)                         | (51,703)                         |
| <b>Total equity</b>                              | <b>\$ 242,818</b>                | <b>\$ –</b>                | <b>\$ 7,965</b>   | <b>\$ (80)</b>                 | <b>\$ (8,006)</b>               | <b>\$ 242,697</b>                |

See accompanying notes to the financial statements.

# ELEXICON ENERGY INC.

Statement of Cash Flows  
(In thousands of dollars)

Year ended December 31, 2025, with comparative information for 2024

|  | Notes | 2025      | 2024     |
|--|-------|-----------|----------|
| Cash provided by (used in):                                  |       |           |          |
| Operating activities:  |       |           |          |
| Net income after net movements in regulatory balances        |       | \$ 2,433  | \$ 7,965 |
| Net movements in regulatory balances                         |       | 6,255     | 5,850    |
| Adjustments:   |       |           |          |
| Depreciation and amortization                                |       | 28,060    | 26,530   |
| Amortization of deferred contributions                       |       | (4,030)   | (3,400)  |
| Loss on disposal/retirement of property, plant and equipment |       | 83        | 1,251    |
| Employee future benefits                                     |       | (1,463)   | (46)     |
| Unrealized loss (gain) on interest rate swap derivatives     |       | (2,113)   | 1,208    |
| Finance costs  |       | 15,932    | 15,718   |
| Income tax expense (recovery)                                |       | (3,988)   | (428)    |
| Other  |       | 1,319     | (181)    |
| Capital contributions received                               |       | 24,581    | 25,445   |
| Deposits and developer obligations                           | 12    | (381)     | (3,244)  |
| Income taxes paid  |       | (300)     | (473)    |
| Income taxes recovered                                       |       | 197       | 362      |
|  |       | 66,585    | 76,557   |
| Changes in operating working capital                         | 23    | 14,983    | (3,963)  |
| Net cash provided by operating activities                    |       | 81,568    | 72,594   |
| Financing activities:  |       |           |          |
| Interest received  |       | 86        | 379      |
| Repayment of short-term debt                                 |       | (59,152)  | —        |
| Repayment of long-term debt                                  |       | (293,900) | (2,708)  |
| Proceeds from short-term debt                                |       | —         | 5,200    |
| Proceeds from long-term debt                                 |       | 340,270   | 30,000   |
| Dividends refunded (paid)                                    | 18    | 685       | (8,006)  |
| Share issuance   | 17    | 62,152    | —        |
| Interest paid  |       | (16,018)  | (16,097) |
| Net cash provided by financing activities                    |       | 34,123    | 8,768    |
| Investing activities:  |       |           |          |
| Additions to property, plant and equipment                   | 23    | (96,602)  | (77,357) |
| Additions to intangible assets                               | 23    | (8,138)   | (5,043)  |
| Proceeds from disposal of property, plant and equipment      |       | 27        | 30       |
| Net cash used in investing activities                        |       | (104,713) | (82,370) |
| Increase (decrease) in cash                                  |       | 10,978    | (1,008)  |
| Cash, beginning of year                                      |       | 487       | 1,495    |
| Cash, end of year  |       | \$ 11,465 | \$ 487   |

See accompanying notes to the financial statements.

# ELEXICON ENERGY INC.

Notes to the Financial Statements  
(In thousands of dollars)

Year ended December 31, 2025

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Elexicon Energy Inc. ("EE" or the "Company") was incorporated on April 1, 2019 under the Business Corporation Act (Ontario) by amalgamation of the former entities: Veridian Connections Inc. ("Veridian") and Whitby Hydro Electric Corporation ("Whitby Hydro"). It is a wholly owned subsidiary of Elexicon Corporation (the "Corporation"). The Company is licensed by the Ontario Energy Board (the "OEB") as an electricity distributor which distributes electricity in the cities of Belleville and Pickering, the towns of Ajax, Whitby, Gravenhurst, Port Hope and Uxbridge, and the communities of Bowmanville, Newcastle, Orono, Beaverton, Cannington, Sunderland and Port Perry. The Company's registered office is located at 55 Taunton Road East, Ajax, Ontario L1T 3V3.

## 1. Basis of preparation:

### (a) Basis of accounting:

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company has evaluated the events and transactions after the balance sheet date through March 25, 2026 when the Company's financial statements were authorized for issuance by the Company's Board of Directors and identified the events and transactions which required recognition in the financial statements and/or disclosure in these notes to the financial statements.

### (b) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

### (c) Basis of measurement:

The financial statements have been prepared on the historical cost basis, except for employee future benefits and certain financial instruments that are measured at fair value.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 1. Basis of preparation (continued):

### (d) Use of judgements and estimates:

The preparation of the financial statements requires management to make estimates, judgments and assumptions: within reasonable limits of materiality and within the framework of the material accounting policies, that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the year. Due to inherent uncertainty involved in making such estimates, actual results reported in future years could differ from those estimates recorded in preparing these financial statements, including changes as a result of future decisions made by the OEB or the Minister of Energy.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following financial notes:

- (i) Note 3(b)(i) - recognition and measurement of unbilled revenue; and
- (ii) Note 3(b)(i) and note 24(c) - expected credit losses.

Management is required to make significant judgments in the area of:

- (i) Note 3(e), (f) - determination of useful lives of property, plant and equipment ("PP&E") and intangible assets;
- (ii) Note 2, 3(b)(i), and note 7 - recognition and measurement of regulatory balances;
- (iii) Note 3(k)(ii), (iii) and note 16 - measurement of employee future benefits: key actuarial assumptions;
- (iv) Note 3(m) and note 19 - recognition and measurement of provisions and contingencies; and
- (v) Note 3(l) and note 8 - recognition of deferred tax assets - availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be used.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 1. Basis of preparation (continued):

Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors that are considered to be relevant.

## 2. Regulated environment:

The Company is an electricity distributor licensed by the OEB. It is regulated by the OEB under authority of the *Ontario Energy Board Act, 1998*. The OEB is charged with the responsibility of approving or setting rates for the distribution of electricity and the responsibility of ensuring that distribution companies fulfill obligations to connect and service customers.

Electricity distribution rates:

Electricity distribution rates include both fixed monthly rates per customer and variable rates per kWh usage or kW demand. These distribution rates are subject to regulation by the OEB.

The OEB's regulatory framework for electricity distributors is designed to support the cost-effective planning and operation of the electricity distribution network and to provide an appropriate alignment between a sustainable, financially viable electricity sector and the expectations of customers for reliable service at a reasonable price.

Revenue requirement is typically established during a Cost of Service ("COS") rate application. Due to the merger between Veridian Connections and Whitby Hydro on April 1, 2019, EE is subject to a 10-year deferred rebasing period to expire in 2029. OEB policy permits utilities to end their deferred rebasing period earlier than scheduled if certain conditions are met, which provides EE the option to file a COS application prior to 2029. EE is exercising this option and has submitted a Custom Incentive Rate-setting ("CIR") application for rates that will be effective January 1, 2027 and subsequent annual rate adjustments based on a custom formula tailored for EE's funding requirements for the period commencing January 1, 2028 and ending on December 31, 2031. Prior to the merger, Veridian Connections Inc. filed a COS application in October 2013 for rates effective May 1, 2014. Whitby Hydro Electric Corporation filed a COS in January 2010 for rates effective May 1, 2010, and, through settlement, received approval for rates effective January 1, 2011.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 2. Regulated Environment (continued):

In July 2023, the OEB approved \$8,800 for an incremental capital module ("ICM") to fund EE's investment in a Smart Grid project in 2025. The OEB's funding approval was contingent on Natural Resources Canada funding of \$4,000, which in turn required project completion by March 31, 2025. The approved funding was collected through a rate rider effective April 1, 2025.

In December 2024, the OEB approved EE's annual IRM applications under the Price Cap IR process for both rate zones for changes to distribution rates effective January 1, 2025. The OEB approval included providing for other deferral and variance account dispositions.

The OEB approved IRM rate application EB-2025-0046 distribution rates for both rate zones, effective January 1, 2026, with an implementation date of February 1, 2026. The OEB approval included a rate rider for ICM funding and disposition of certain deferral and variance accounts. EE was permitted to seek foregone revenue for the period of January 1 to January 31, 2026, and has rate riders in place to collect this foregone revenue in 2026.

## 3. Material accounting policies:

### (a) Regulatory balances:

On January 30, 2014, the IASB issued an interim standard, IFRS 14, Regulatory Deferral Accounts ("IFRS 14") to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. IFRS 14 describes regulatory deferral account balances as amounts of expense or income that would not be recognized as assets or liabilities in accordance with other standards, but that qualify to be deferred in accordance with this standard because the amount is included, or is expected to be included, by the rate regulator in establishing the prices that an entity can charge to customers for rate regulated goods or services.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

These amounts arising from timing differences are recorded as regulatory debit and credit balances on the Company's balance sheet, and represent existing rights and obligations regarding cash flows expected to be recovered from or refunded to customers, based on decisions and approvals by the OEB.

The Company's regulatory debit balances represent certain amounts receivable from current and/or future customers and costs that have been deferred for accounting purposes because it is probable that they will be recovered in future rates. In addition, the Company has recorded regulatory credit balances, which represent obligations that are expected to be refunded to current and/or future customers.

#### (b) Revenue recognition:

##### (i) Electricity distribution and sale:

Revenue from the sale of electricity is recognized over time as the performance obligations are satisfied as the electricity is transferred to the customer. The value is determined on the basis of cyclical meter readings plus the estimated customer usage since the last meter reading date to the end of the year.

Revenue from the sale of electricity includes an estimate of unbilled revenue accrued in respect of electricity delivered but not yet billed at year end. Unbilled revenue is calculated based on OEB-approved rates for electricity consumption and electricity demand driven by number of days between a customer's last meter reading in the year and December 31. Actual billed revenue could differ from estimates due to energy demand, weather, line losses and changes in the composition of customer classes.

The difference between the amounts charged to customers, based on regulated rates, and the corresponding cost of electricity and non-competitive electricity service costs billed monthly by the Independent Electricity System Operator ("IESO"), is recorded as a settlement variance. In accordance with IFRS 14, the settlement variance represents future amounts to be recovered from or refunded to customers through future billing rates approved by the OEB and is presented within regulatory balances on the balance sheet and within net movements in regulatory balances, net of tax on the statement of income and comprehensive income.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

Distribution revenue is recorded based on OEB-approved distribution rates to recover the costs incurred by the Company in delivering electricity to customers. There is also a fixed rate component to distribution revenue which is a fixed monthly charge per customer. Distribution revenue also includes revenue related to collection of specific OEB-approved rate riders.

The carrying amount of accounts receivable, including unbilled revenue is measured at amortized cost and reduced through an allowance for doubtful accounts equal to the lifetime expected credit losses to be recognized at the reporting date.

(ii) Other income:

Other income, which includes revenue from electricity distribution-related services, is recognized as services are rendered. Capital contributions received from electricity customers to construct or acquire PP&E for the purpose of connecting a customer to a network fall within the scope of IFRS 15, Revenue from Contracts with Customers ("IFRS 15"). The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity. The Company has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the term of the contract with the customer.

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are not within the scope of IFRS 15. Cash contributions, received from developers are recorded as deferred contributions. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred contributions. The deferred contributions, which represents the Company's obligation to continue to provide the future customers access to the supply of electricity, is amortized to income on a straight-line basis over the shorter of the term of the contract with the customer or the life of the related PP&E.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

Government grants and the related performance incentive payments under Electricity Demand-Side Management (“eDSM”) programs are recognized as income in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received. Revenues and costs associated with eDSM programs are presented using the net basis of accounting and recorded in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

(iii) Deferred revenue:

Amounts received in advance but not yet earned in relation to the IESO supported eDSM initiatives and other unearned revenue are presented as deferred revenue (note 11).

(c) Cash and bank indebtedness:

Cash is defined as cash in bank and bank indebtedness defined as obligations paid by the Company and outstanding as at year end.

(d) Materials and supplies:

Materials and supplies, which consists of parts and supplies acquired for internal construction or consumption, are valued at the lower of cost and net realizable value. Cost is determined on a weighted moving average basis.

Any write-downs taken on materials and supplies are reversed if and when net realizable value subsequently recovers. Major spare parts and standby equipment are recorded as part of PP&E and depreciated once they are available for use.

An amount of \$nil (2024 - \$nil) was written down due to obsolescence in the year.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

#### (e) Property, plant and equipment:

PP&E purchased or constructed by the Company are recorded at cost less accumulated depreciation. Costs include contracted services, materials, labour, engineering costs, directly attributable overheads and capitalized borrowing costs during construction when applied. Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the Company and the costs can be measured reliably.

Depreciation of PP&E is charged to net income on a straight-line basis over their estimated service lives at the following annual rates:

---

|                                |               |
|--------------------------------|---------------|
| Land rights with fixed term    | 2.0%          |
| Buildings                      | 2.0% - 6.7%   |
| Distribution station equipment | 1.7% - 4.0%   |
| Distribution system            | 1.7% - 10.0%  |
| Meters                         | 4.0% - 6.7%   |
| Office equipment               | 10.0%         |
| Computer hardware              | 20.0% - 33.3% |
| Vehicle fleet                  | 6.7% - 16.7%  |
| Renewable power generation     | 4.0%          |

---

The depreciation method, useful lives, and residual values are reviewed each financial year-end with the effect of any changes in estimate being accounted for on a prospective basis. Estimated useful lives reflect the best estimate and actual lives of assets may vary from estimated useful lives.

Assets are derecognized at their carrying value upon retirement, or when no remaining economic benefits are expected from its use. The related gain or loss arising on the disposal or retirement is determined as the difference between the proceeds from sale and the carrying value of the asset and is included in net income for the related fiscal year. The cost of replacing a part of an item of PP&E is recognized as an addition to the carrying amount of the asset and the carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of PP&E assets is recognized in net income as incurred.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

(f) Intangible assets:

Intangible assets are carried at cost, net of any accumulated amortization and accumulated impairment losses.

Amortization of intangible assets is provided on a straight-line basis over the estimated service lives at the following annual rates:

---

|  |       |
|--|-------|
| Application software and intellectual property | 33.3% |
| Internally generated software                  | 20.0% |

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Software in development is not subject to amortization. The above-noted amortization rates apply to assets held within the application software and other intangible asset grouping (note 6). The amortization method, useful lives, and residual values are reviewed each financial year-end with the effect of any changes in estimate being accounted for on a prospective basis. Estimated useful lives reflect the best estimate and actual lives of assets may vary from estimated useful lives.

(g) Goodwill:

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. It is allocated from the acquisition date to the Company's rate regulated cash generating unit ("CGU") that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is measured at cost less accumulated impairment losses, if any, and not amortized. Impairment testing for goodwill is carried out at each reporting date in the context of the CGU by comparing carrying amount with its recoverable amount. The recoverable amount of an asset or CGU is the greater of an asset's or CGU's fair value less costs of disposal and its value in use.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

Impairment losses are recognized in net income. Impairment losses relating to the CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

#### (h) Financial assets/liabilities measured at amortized cost:

Accounts receivable (including unbilled revenue), cash, customer deposits, accounts payable, credit facilities, long-term debt and leases are measured at amortized cost.

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for that asset.

#### (i) Impairment of non-financial assets:

The carrying costs of non-financial assets: PP&E and finite lives intangible assets are reviewed for impairment at each reporting date to determine whether there is any indication of impairment, in which case, the asset's recoverable amount is estimated.

Goodwill and intangible assets with indefinite lives are tested for impairment annually and when circumstances indicate that the recoverable amount of an asset or CGU may be below their carrying value. The recoverable amount of an asset or CGU is the greater of its value in use and fair value less costs of disposal. The value in use calculation requires an estimate of the future cash flows expected to arise from the CGU, a suitable discount rate in order to calculate a present value as a basis for determining impairment and an estimated terminal value calculated by discounting the final year in perpetuity.

For the regulated business, the carrying costs of most of the Company's non-financial assets are included in rate base (the aggregate of approved investment in PP&E and intangible assets, excluding work in progress, less accumulated depreciation and amortization and unamortized capital contributions from customers, plus an allowance for working capital) where they earn an OEB-approved rate of return. Asset carrying values and the related return are recovered through approved rates. As a result, such assets are tested for impairment in the event that the OEB disallows recovery, in whole or in part, or if such a disallowance is judged to be probable.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

Impairment is tested at the CGU level, which is the smallest identifiable group of assets that generates independent cash flows. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount and is recognized in net income.

(j) Deposits and developer obligations:

Customer deposits are cash collections from customers to secure electricity or other services. Customer deposits in excess of unpaid account balances are refundable to individual customers upon termination of their electricity distribution services.

Developer obligations represent liabilities to fund system expansion projects. A liability is recorded upon initiation of an expansion capital project. Following completion of the capital project, the Company performs an annual review of actual connections and refunds to the developer a proportionate amount of the expansion deposit, based on the percentage of completed commitments (i.e., connections or load commitments) relative to the original contract.

(k) Employee benefits:

(i) Short-term employee benefits:

The Company provides short-term employee benefits, such as: salaries, employment insurance, short-term compensated absences, health and dental care. These benefits are recognized as the related service is rendered and is measured on an undiscounted basis. Short-term employee benefits are recognized as an expense unless they qualify for capitalization as part of the cost of an item of materials and supplies, PP&E, intangible assets or recoverable projects. A liability is recognized in respect of any unpaid short-term employee benefits for services rendered in the reporting year.

The Company recognizes a current liability for the expected cost of accumulated non-vested sick leave benefits at the end of the reporting year. The assumptions used for estimating the amount of the liability are analogous to those used in the valuation of employee future benefits.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

(ii) Multi-employer pension plan:

The Company accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan.

OMERS plan is a multi-employer defined benefit plan providing pension to employees of municipalities, local boards, public utilities and school boards. It is funded by equal contributions from participating employers and employees, as well as by investment earnings of the plan. OMERS does not track its investments by employer and actuarial assumptions are developed based on the entire plan membership on a commingled basis and, therefore, information for individual plans cannot be determined. As a result, the Company accounts for the OMERS plan as a defined contribution plan and contributions to the plan are recognized as an employee benefit expense.

(iii) Employee future benefits:

The Company provides all employees with life insurance benefits, as well as pays certain medical benefits on behalf of some of its retired employees.

The Company actuarially determines the cost of employee future benefits offered to employees. These unfunded plans are accounted for as defined benefit obligations. The Company applies the projected benefit method, prorated on service and based on management's best estimates and assumptions. Under this method, the projected employee future benefits are deemed to be earned on a pro rata basis over the years of service in the attribution year commencing at date of hire, and ending at the earliest age the employee could retire and qualify for benefits.

Remeasurements of the net benefit liability comprise actuarial gains or losses that are recognized in the balance sheet with a credit or charge to other comprehensive income or loss. Current service costs are allocated to operating, maintenance and administration expenses and to capital recognized on the balance sheet.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

#### (l) Income taxes:

The Company is currently exempt from taxes under the Income Tax Act (Canada) and the Corporations Tax Act (Ontario). Under the *Electricity Act, 1998*, the Company is required to make payments in lieu of corporate income taxes ("PILs") to the Ontario Electricity Financial Corporation. These payments are calculated in accordance with the rules for computing income and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the *Electricity Act, 1998*, and related regulations. References in these financial statements to income taxes are with respect to PILs.

The Company uses the asset and liability method of accounting for the tax effect of temporary differences between the carrying amount and the tax bases of the Company's assets and liabilities. Temporary differences arise when the realization of an asset or the settlement of a liability would give rise to either an increase or decrease in the Company's income taxes payable in the year or a later year.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates at the reporting date, expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of income and comprehensive income in the year that includes the date of enactment or substantive enactment.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the related tax benefits will be realized. Previously unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. A valuation allowance is recorded against a deferred tax asset to the extent that the Company determines that it is probable that a deferred income tax asset will not be realized in the future.

Where the Company expects the deferred taxes to be recovered from or refunded to customers as part of the rate setting process, the deferred income tax assets and liabilities result in regulatory deferral debit balances or credit balances, respectively. Deferred tax assets that are not included in the rate-setting process result in a deferred tax provision that is charged or credited to the statement of income and comprehensive income.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

#### (m) Provisions and contingencies:

A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events, not wholly within the control of the Company; or when the Company has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

The evaluation of the likelihood of the contingent events requires judgment by management as to the probability of exposure to potential gain or loss. Actual results could differ from these estimates.

#### (n) Non-derivative financial instruments:

All non-derivative financial assets are classified as loans and receivables and all non-derivative liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized costs using the effective interest method less any impairment for the financial assets, as described in notes 3(h) and 24(c).

#### (o) Derivative financial instruments:

Derivative financial instruments are measured at their fair value upon initial recognition and on each subsequent reporting date.

The Company has not elected to apply hedge accounting for its interest rate swap derivative contracts and does not enter into derivative agreements for speculative purposes. Changes in the fair value of the derivatives are recorded each year in the statement of income and comprehensive income, as described in note 24(e).

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

(p) Capital disclosures:

The Company's objectives with respect to its capital structure are to maintain effective access to capital on a long-term basis, at reasonable rates, and to deliver the appropriate financial returns. The Company's definition of capital includes shareholder's equity, short-term debt, bank indebtedness and long-term debt, less cash.

During the year, there have been no changes to how the Company assesses its capital structure.

(q) New standards and interpretations not yet adopted:

The IASB issues new standards, amendments and interpretations which do not have to be adopted in the current year. The Company is currently assessing the impact of adopting the following amendments and standards which will be effective on January 1, 2026 or later to existing accounting standards:

(i) Classification and measurement of financial assets (Amendments to IFRS 9 and IFRS 7):

The IASB has amended IFRS 9, Financial Instruments, following its post-implementation review of the classification and measurement requirements. The amendments include guidance on the classification of financial assets, including those with contingent features.

The IASB has also amended IFRS 7, Financial Instruments - Disclosure. Companies will now be required to provide additional disclosures on financial assets and financial liabilities that have certain contingent features.

(ii) Settlement by electronic payments (Amendments to IFRS 9):

Companies that recognize or derecognize financial assets or financial liabilities on the payment initiation date could see a change to their accounting following amendments to IFRS 9.

However, companies may be permitted to derecognize financial liabilities settled by an electronic payment system earlier than their settlement date, subject to certain criteria being met.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

- (iii) Annual improvements process (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7):

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. In this volume of improvements, the IASB makes minor amendments to IFRS 9 and to a further four accounting standards.

The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 ("Revenue from Contracts with Customers") over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendment on trade receivables may require some companies to change their accounting policy.

- (iv) Presentation and Disclosure in Financial Statements ("IFRS 18"):

In April 2024 the IASB issued IFRS 18, which replaces IAS 1 and introduces new requirements for presentation and disclosure in financial statements, effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. The new accounting standard introduces the following key requirements and will be applied retrospectively:

- Companies are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Companies are also required to present a newly-defined operating profit subtotal. Companies' net profit will not change.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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### 3. Material accounting policies (continued):

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all companies are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

### 4. Accounts receivable:

|                                  | 2025       | 2024       |
|----------------------------------|------------|------------|
| Energy revenue                   | \$ 49,879  | \$ 47,089  |
| Unbilled revenue                 | 52,022     | 48,749     |
| Project expenditures recoverable | 5,519      | 11,515     |
| Other                            | 100        | 739        |
|                                  | 107,520    | 108,092    |
| Less: expected credit losses     | 6,400      | 4,775      |
|                                  | \$ 101,120 | \$ 103,317 |

Accounts receivables do not contain a significant financing component, and lifetime expected credit losses ("ECLs") are recognized as the maturities are typically 12 months or less. A provision matrix is used to determine ECLs on trade receivables. The amount of credit losses recognized is based on forward looking estimates that reflect current and forecast credit conditions.

Unbilled revenue represents amounts for which the Company has a contractual right to receive cash through future billings and are unbilled at the year end.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 5. Property, plant and equipment:

PP&E balances comprise the following:

|                                 | December 31,<br>2024 | Additions         | WIP<br>transferred<br>to Service | Disposals/<br>retirements | December 31,<br>2025 |
|---------------------------------|----------------------|-------------------|----------------------------------|---------------------------|----------------------|
| <b>Cost</b>                     |                      |                   |                                  |                           |                      |
| Land                            | \$ 2,386             | \$ –              | \$ –                             | \$ –                      | \$ 2,386             |
| Land rights                     | 4,303                | –                 | –                                | –                         | 4,303                |
| Buildings                       | 33,645               | –                 | 460                              | –                         | 34,105               |
| Distribution station equipment  | 77,165               | –                 | 1,624                            | (30)                      | 78,759               |
| Distribution system             | 595,238              | 630               | 69,194                           | (681)                     | 664,381              |
| Meters                          | 30,121               | 2,144             | –                                | (122)                     | 32,143               |
| Office equipment                | 2,748                | –                 | 417                              | –                         | 3,165                |
| Computer hardware               | 13,727               | 2,479             | 4,155                            | –                         | 20,361               |
| Vehicle fleet (a)               | 17,554               | –                 | 2,805                            | (342)                     | 20,017               |
| Renewable power generation      | 1,252                | –                 | –                                | –                         | 1,252                |
| Construction in progress        | 113,862              | 97,223            | (78,655)                         | –                         | 132,430              |
|                                 | <b>\$ 892,001</b>    | <b>\$ 102,476</b> | <b>\$ –</b>                      | <b>\$ (1,175)</b>         | <b>\$ 993,302</b>    |
| <b>Accumulated Depreciation</b> |                      |                   |                                  |                           |                      |
| Land Rights                     | \$ 128               | \$ 12             | \$ –                             | \$ –                      | \$ 140               |
| Buildings                       | 15,501               | 1,355             | –                                | –                         | 16,856               |
| Distribution station equipment  | 17,268               | 2,224             | –                                | (7)                       | 19,485               |
| Distribution system             | 114,942              | 16,895            | –                                | (336)                     | 131,501              |
| Meters                          | 19,466               | 1,222             | –                                | (109)                     | 20,579               |
| Office equipment                | 2,180                | 150               | –                                | –                         | 2,330                |
| Computer hardware               | 9,458                | 2,830             | –                                | –                         | 12,288               |
| Vehicle fleet (a)               | 9,652                | 1,328             | –                                | (342)                     | 10,638               |
| Renewable power generation      | 587                  | 63                | –                                | –                         | 650                  |
|                                 | <b>\$ 189,182</b>    | <b>\$ 26,079</b>  | <b>\$ –</b>                      | <b>\$ (794)</b>           | <b>\$ 214,467</b>    |
| <b>Net book value</b>           | <b>\$ 702,819</b>    | <b>\$ 76,397</b>  | <b>\$ –</b>                      | <b>\$ (381)</b>           | <b>\$ 778,835</b>    |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 5. Property, plant and equipment (continued):

|                                 | December 31,<br>2023 | Additions        | WIP<br>transferred<br>to Service | Disposals/<br>retirements | December 31,<br>2024 |
|---------------------------------|----------------------|------------------|----------------------------------|---------------------------|----------------------|
| <b>Cost</b>                     |                      |                  |                                  |                           |                      |
| Land                            | \$ 2,386             | \$ —             | \$ —                             | \$ —                      | \$ 2,386             |
| Land rights                     | 4,303                | —                | —                                | —                         | 4,303                |
| Buildings                       | 33,032               | —                | 613                              | —                         | 33,645               |
| Distribution station equipment  | 72,834               | —                | 5,399                            | (1,068)                   | 77,165               |
| Distribution system             | 565,538              | —                | 30,838                           | (1,138)                   | 595,238              |
| Meters                          | 28,269               | 2,033            | —                                | (181)                     | 30,121               |
| Office equipment                | 2,673                | —                | 75                               | —                         | 2,748                |
| Computer hardware               | 12,141               | —                | 1,586                            | —                         | 13,727               |
| Vehicle fleet (a)               | 16,981               | —                | 877                              | (304)                     | 17,554               |
| Renewable power generation      | 1,252                | —                | —                                | —                         | 1,252                |
| Construction in progress        | 73,931               | 79,319           | (39,388)                         | —                         | 113,862              |
|                                 | <b>\$ 813,340</b>    | <b>\$ 81,352</b> | <b>\$ —</b>                      | <b>\$ (2,691)</b>         | <b>\$ 892,001</b>    |
| <b>Accumulated Depreciation</b> |                      |                  |                                  |                           |                      |
| Land rights                     | \$ 116               | \$ 12            | \$ —                             | \$ —                      | \$ 128               |
| Buildings                       | 14,112               | 1,389            | —                                | —                         | 15,501               |
| Distribution station equipment  | 15,517               | 2,173            | —                                | (422)                     | 17,268               |
| Distribution system             | 99,625               | 15,755           | —                                | (438)                     | 114,942              |
| Meters                          | 18,459               | 1,182            | —                                | (175)                     | 19,472               |
| Office equipment                | 2,041                | 139              | —                                | —                         | 2,180                |
| Computer hardware               | 7,715                | 1,743            | —                                | —                         | 9,458                |
| Vehicle fleet (a)               | 8,667                | 1,242            | —                                | (257)                     | 9,652                |
| Renewable power generation      | 531                  | 56               | —                                | —                         | 587                  |
|                                 | <b>\$ 166,783</b>    | <b>\$ 23,691</b> | <b>\$ —</b>                      | <b>\$ (1,292)</b>         | <b>\$ 189,182</b>    |
| <b>Net book value</b>           | <b>\$ 646,557</b>    | <b>\$ 57,661</b> | <b>\$ —</b>                      | <b>\$ (1,399)</b>         | <b>\$ 702,819</b>    |

(a) Includes \$1,658 (2024 - \$1,658) vehicle right-of-use assets and \$1,543 (2024 - \$1,448) accumulated amortization. Right-of-use assets related to the leased properties that do not meet the definition of investment property are presented as PP&E.

During the year, borrowing costs of \$1,979 (2024 - \$974) were capitalized to PP&E and credited to finance costs. Weighted average cost of long-term borrowings (note 14) is used for capitalizing borrowing costs as part of PP&E with an average rate of 4.49% (2024 - 4.61%).

Additions to construction in progress are net of transfers to other PP&E categories.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 6. Intangible assets and goodwill:

### (a) Intangible assets:

Intangible assets comprise the following:

|  | December 31,<br>2024 | Additions         | WIP<br>transferred<br>to Service | Disposals/<br>retirements | December 31,<br>2025 |
|--|----------------------|-------------------|----------------------------------|---------------------------|----------------------|
| <b>Cost</b>  |                      |                   |                                  |                           |                      |
| Application software and other                     | \$ 29,299            | \$ (2,479)        | \$ 7,508                         | \$ –                      | \$ 34,328            |
| Construction in progress<br>Related to application |                      |                   |                                  |                           |                      |
| Software and other                                 | 4,277                | 2,373             | (6,615)                          | –                         | 35                   |
| Capital contributions<br>(note 19(b))              | 9,441                | –                 | (893)                            | –                         | 8,548                |
|  | <u>\$ 43,017</u>     | <u>\$ (106)</u>   | <u>\$ –</u>                      | <u>\$ (31)</u>            | <u>\$ 42,911</u>     |
| <b>Accumulated amortization</b>                    |                      |                   |                                  |                           |                      |
| Application software and other                     | \$ 23,138            | \$ 2,321          | \$ –                             | \$ –                      | \$ 25,459            |
| Capital contributions<br>(note 19(b))              | 1,005                | 670               | –                                | –                         | 1,675                |
|  | <u>\$ 24,143</u>     | <u>\$ 2,991</u>   | <u>\$ –</u>                      | <u>\$ –</u>               | <u>\$ 27,134</u>     |
| <b>Net book value</b>                              | <u>\$ 18,874</u>     | <u>\$ (3,097)</u> | <u>\$ –</u>                      | <u>\$ (31)</u>            | <u>\$ 15,777</u>     |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 6. Intangible assets and goodwill (continued):

|                                       | December 31,<br>2023 | Additions    | WIP<br>transferred<br>to Service | Disposals/<br>retirements | December 31,<br>2024 |
|---------------------------------------|----------------------|--------------|----------------------------------|---------------------------|----------------------|
| <b>Cost</b>                           |                      |              |                                  |                           |                      |
| Application software and other        | \$ 25,377            | \$ –         | \$ 3,922                         | \$ –                      | \$ 29,299            |
| Construction in progress              |                      |              |                                  |                           |                      |
| Related to application                |                      |              |                                  |                           |                      |
| Software and other                    | 2,217                | 13,288       | (11,228)                         | –                         | 4,277                |
| Capital contributions<br>(note 19(b)) | 2,135                | –            | 7,306                            | –                         | 9,441                |
|                                       | \$ 29,729            | \$ 13,288    | \$ –                             | \$ –                      | \$ 43,017            |
| <b>Accumulated amortization</b>       |                      |              |                                  |                           |                      |
|                                       | December 31,<br>2023 | Amortization | WIP<br>transferred<br>to Service | Disposals/<br>retirements | December 31,<br>2024 |
| Application software and other        | \$ 20,784            | \$ 2,354     | \$ –                             | \$ –                      | \$ 23,138            |
| Capital contributions<br>(note 19(b)) | 575                  | 430          | –                                | –                         | 1,005                |
|                                       | \$ 21,359            | \$ 2,784     | \$ –                             | \$ –                      | \$ 24,143            |
| <b>Net book value</b>                 | \$ 8,370             | \$ 10,504    | \$ –                             | \$ –                      | \$ 18,874            |

No borrowing costs were capitalized on intangible assets under development in 2025 or 2024.

Application software and other includes externally acquired, as well as internally generated computer software. The remaining amortization period is between one to five years.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 6. Intangible assets and goodwill (continued):

### (b) Goodwill:

|          | December 31,<br>2024 | Additions | Impairment | December 31,<br>2025 |
|----------|----------------------|-----------|------------|----------------------|
| Goodwill | \$ 64,348            | \$ –      | \$ –       | \$ 64,348            |

### (c) Impairment test:

Goodwill with carrying amount of \$64,348 was allocated to the Company's rate regulated CGU as a result of business acquisition and amalgamation. Impairment testing was carried out for December 31, 2025, by comparing the recoverable amount with the carrying amount. The recoverable amount of this CGU is based on its value in use, determined by discounting the future cash flows to be generated from the continuing operation of the CGU. The key assumptions used in the estimation of value in use were as follows.

|                            |      |
|----------------------------|------|
| Discount rate              | 5.8% |
| Terminal value growth rate | 2.0% |

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. Revenue growth was projected based on the average growth rate, the estimated sales volume and expected price increases for the next five years.

The discount rate was a post-tax measure based on the return of equity rate issued by OEB on October 31, 2025, and the rates of long-term and short-term debts that the Company currently holds.

The terminal growth rate was determined based on management's estimate of the long-term compounded annual earnings before interest, taxes, depreciation and amortization growth rate, consistent with the assumptions that a market participant would make.

The impairment test was performed by considering the latest developments and economic conditions. The estimated recoverable amount of the CGU was determined to be higher than its carrying amount, therefore, no impairment was recorded.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 7. Regulatory balances:

Debit balances comprise the following:

|   | December 31,<br>2024 | Balances<br>arising in<br>the year | Recovery/<br>reversal | Other<br>movements | December 31,<br>2025 | Remaining<br>recovery/<br>reversal<br>period<br>(years) |
|---|----------------------|------------------------------------|-----------------------|--------------------|----------------------|---|
| Deferred taxes (a)                                | \$ 26,628            | \$ (4,788)                         | \$ -                  | \$ -               | \$ 21,840            | Note 2  |
| Collection of account (b)                         | 6,752                | 2,047                              | -                     | -                  | 8,799                | Note 1,3  |
| IFRS transitional<br>adjustments (c)              | 6,033                | (1,081)                            | -                     | -                  | 4,952                | Note 1  |
| Approved settlement<br>variances (d)              | 724                  | (51)                               | (451)                 | -                  | 222                  | 1 year  |
| Future settlement variances -<br>RSVA LV SMEC (d) | 4,783                | -                                  | -                     | (4,783)            | -                    | Note 1,3  |
| OEB cost assessment (e)                           | 2,887                | 91                                 | -                     | -                  | 2,978                | Note 1,3  |
| Estimated useful life (f)                         | 1,084                | 409                                | -                     | -                  | 1,493                | Note 1  |
| Future settlement variances -<br>RCVA (g)         | 795                  | (3)                                | -                     | -                  | 792                  | Note 1,3  |
| Locates (h)                                       | 791                  | 622                                | -                     | -                  | 1,413                | Note 1,3  |
| Cloud (i)   | 632                  | 11,771                             | -                     | -                  | 12,403               | Note 1,3  |
| One-time IFRS conversion<br>costs (j)             | 562                  | 14                                 | -                     | -                  | 576                  | Note 1,3  |
| Rate application costs (m)                        | 1,906                | 2,561                              | -                     | -                  | 4,467                | Note 1  |
| Other   | 180                  | 311                                | -                     | -                  | 491                  | Note 1,3  |
|   | \$ 53,757            | \$ 11,903                          | \$ (451)              | \$ (4,783)         | \$ 60,426            |   |

|   | December 31,<br>2023 | Balances<br>arising in<br>the year | Recovery/<br>reversal | Other<br>movements | December 31,<br>2024 | Remaining<br>recovery/<br>reversal<br>period<br>(years) |
|---|----------------------|------------------------------------|-----------------------|--------------------|----------------------|---|
| Deferred taxes (a)                        | \$ 27,115            | \$ (487)                           | \$ -                  | \$ -               | \$ 26,628            | Note 2  |
| Collection of account (b)                 | 3,812                | 2,940                              | -                     | -                  | 6,752                | Note 1,3  |
| IFRS transitional<br>adjustments (c)      | 5,006                | 1,027                              | -                     | -                  | 6,033                | Note 1  |
| Approved settlement<br>variances (d)      | 1,025                | 14,969                             | (15,270)              | -                  | 724                  | 1 year  |
| Future settlement variances -<br>RSVA (d) | 14,821               | 4,674                              | (14,712)              | -                  | 4,783                | Note 1,3  |
| OEB cost assessment (e)                   | 2,069                | 818                                | -                     | -                  | 2,887                | Note 1,3  |
| Estimated useful life (f)                 | 722                  | 362                                | -                     | -                  | 1,084                | Note 1  |
| Future settlement variances -<br>RCVA (g) | 752                  | 43                                 | -                     | -                  | 795                  | Note 1,3  |
| Locates (h)                               | 446                  | 345                                | -                     | -                  | 791                  | Note 1,3  |
| Cloud (i)                                 | -                    | 632                                | -                     | -                  | 632                  | Note 1,3  |
| One-time IFRS conversion<br>costs (j)     | 542                  | 20                                 | -                     | -                  | 562                  | Note 1,3  |
| Rate application costs (m)                | -                    | 1,906                              | -                     | -                  | 1,906                | Note 1  |
| Other                                     | -                    | 180                                | -                     | -                  | 180                  | Note 1,3  |
|   | \$ 56,310            | \$ 27,429                          | \$ (29,982)           | \$ -               | \$ 53,757            |   |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 7. Regulatory balances (continued):

Credit balances comprise the following:

|   | December 31,<br>2024 | Balances<br>arising in<br>the year | Recovery/<br>reversal | Other<br>movements | December 31,<br>2025 | Remaining<br>recovery/<br>reversal<br>period<br>(years) |
|---|----------------------|------------------------------------|-----------------------|--------------------|----------------------|---|
| Tax related variances (k)                         | \$ 8,041             | \$ 560                             | \$ –                  | \$ –               | \$ 8,601             | Note 1,3  |
| Pole attachment (l)                               | 3,555                | 617                                | –                     | –                  | 4,172                | Note 1,3  |
| Future settlement variances -<br>RSVA LV SMEC (d) | –                    | 12,519                             | (5)                   | (4,783)            | 7,731                | Note 1,3  |
| Deferred taxes (a)                                | 3,043                | 4,017                              | –                     | –                  | 7,060                | Note 2  |
| Other   | 40                   | (2)                                | –                     | –                  | 38                   | Note 1,3  |
|   | \$ 14,679            | \$ 17,711                          | \$ (5)                | \$ (4,783)         | \$ 27,602            |   |

|                           | December 31,<br>2023 | Balances<br>arising in<br>the year | Recovery/<br>reversal | Other<br>movements | December 31,<br>2024 | Remaining<br>recovery/<br>reversal<br>period<br>(years) |
|---------------------------|----------------------|------------------------------------|-----------------------|--------------------|----------------------|---|
| Tax related variances (k) | \$ 7,312             | \$ 729                             | \$ –                  | \$ –               | \$ 8,041             | Note 1,3  |
| Pole attachment (l)       | 2,945                | 610                                | –                     | –                  | 3,555                | Note 1,3  |
| Deferred taxes (a)        | 1,089                | 1,954                              | –                     | –                  | 3,043                | Note 2  |
| Other                     | 36                   | 4                                  | –                     | –                  | 40                   | Note 1,3  |
|                           | \$ 11,382            | \$ 3,297                           | \$ –                  | \$ –               | \$ 14,679            |   |

Note 1 The Company intends to seek recovery or refund in future rate applications to the OEB.

Note 2 The Company will not seek disposition of the balance since it will be reversed through timing differences in the recognition of deferred tax assets or liabilities.

Note 3 Carrying charges were added to the regulatory balances in accordance with the OEB's direction, at a rate of 3.64% for January 1, 2025, to March 31, 2025, 3.16% for April 1, 2025 to June 30, 2025 and 2.91% for July 1, 2025 to December 31, 2025.

The 'balances arising in the year' column are new additions (for both debits and credits). The 'recovery/reversal' column are amounts collected or refunded through rate riders, disposition of OEB-approved regulatory balances, or other transactions which reduce existing regulatory balances. The 'other movements' column consists of a reclassification between the regulatory debit and credit balances.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 7. Regulatory balances (continued):

Regulatory balances descriptions:

### (a) Deferred taxes:

The Company records deferred tax assets or liabilities with a corresponding regulatory tax liability or asset. The Company will not seek disposition of these balances as they will be reversed through timing differences in the recognition of deferred tax assets or liabilities.

The regulatory debit balance is the expected future electricity distribution rate increase for customers arising from timing difference in the recognition of deferred tax assets and the regulatory credit balance is the deferred tax amount reclassified under IFRS 14.

The deferred tax amount related to the expected future electricity distribution rate increase for customers was \$21,840 (2024 - \$26,628) as at December 31, 2025.

The amounts reclassified under IFRS 14 include the deferred tax liability related to regulatory balances of \$7,060 (2024 - \$3,043) as at December 31, 2025.

### (b) Collection of account:

On March 14, 2019, the OEB issued the *Notice of Amendments to Codes* regarding the non-payment of account service charges for electricity distributors in which the OEB eliminated the Collection of Account charge.

The Company requested and was approved for a new Deferral and Variance Account for Veridian Rate Zone in its 2020 IRM application (EB-2019-0252) to record the lost revenues associated with the elimination of the Collection of Account charge. EE received approval for 2026 disposition of the 2024 account balance in its 2026 EB-2025-0046 application. The remaining balance has been requested for disposition in the Company's 2027 CIR application.

### (c) IFRS transitional adjustments:

Commencing in 2014, the Company's Veridian rate zone has recorded regulatory debit balances arising from derecognition of assets under IFRS. The Whitby rate zone dealt with the derecognition of assets under IFRS in a 2019 OEB proceeding. This regulatory balance has been requested for disposition in the Company's 2027 CIR application.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 7. Regulatory balances (continued):

### (d) Settlement variances:

Approved settlement variances:

For the 2025 rate year, the OEB approved disposition of the Shared Tax Savings and residual Forgone COVID revenue. The OEB approved the tax sharing charge of \$3 for the Veridian Rate Zone, and a refund of \$50 for the Whitby Rate Zone for the period of January 1, 2025 to December 31, 2025.

Future settlement variances - RSVA LV SMEC:

The amounts in the Retail Settlement Variance Account, Low Voltage, Smart Meter Entity Charge ("RSVA LV SMEC") include the variances between the amount charged by the IESO for the operation of the markets and grid, as well as various wholesale market settlement charges and transmission charges, as compared to the amount billed to consumers based on the OEB-approved rates. This amount also includes variances between the amounts charged by Hydro One Networks Inc. ("Hydro One") for low voltage services and the amount billed to consumers based on the OEB-approved rates. For its 2025 rates, EE received approval to adjust the Retail Transmission Services Rates using the OEB's preliminary Uniform Transmission Rates effective January 1, 2025.

These settlement variances are reviewed annually and requested for disposition if the balance exceeds the OEB disposition threshold of \$0.001 per kWh (debit or credit). This regulatory balance has been requested for disposition in the Company's 2027 CIR application.

### (e) OEB cost assessment:

The Board issued guidance on February 9, 2016, permitting effective April 1, 2016 the use of Account 1508 Other Regulatory Asset – Sub Account - OEB Cost Assessment Variance to record any material differences between OEB cost assessments currently built into rates and actual cost assessments. EE requested and received approval for 2026 disposition of the 2024 account balance in its 2026 EB-2025-0046 application. The remaining balance has been requested for disposition in the Company's 2027 CIR application.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 7. Regulatory balances (continued):

(f) Estimated useful life:

In Whitby's 2019 Annual IR Application EB-2018-0079, the OEB approved the use of a new deferral Account 1508, Sub-account - Changes in Estimated Useful Lives, to record the impact of accounting changes to depreciation as a direct result of changes in estimated useful lives resulting from Whitby Hydro's annual review required under IFRS, per the depreciable asset section of IAS 16, Property, Plant and Equipment. This regulatory balance has been requested for disposition in the Company's CIR application.

(g) Future settlement variances - Retail cost variance account ("RCVA"):

The Company is recording the differences between the revenue charged to retailers and the incremental costs associated with providing the retail services. EE requested and received approval for 2026 disposition of the 2024 account balance in its 2026 EB-2025-0046 application. The remaining balance has been requested for disposition in the Company's CIR application.

(h) Locates:

In 2023, the OEB established a generic, sector-wide variance account, the Getting Ontario Connected Act (GOCA) variance account, to specifically track incremental costs of locates in 2023 and future years arising from the implementation of recent provincial legislation: Bill 93 (the *Getting Ontario Connected Act*, S.O. 2022). This regulatory balance has been requested for disposition in the Company's 2027 CIR application.

(i) Cloud:

In a letter dated November 2, 2023 the OEB established a deferral account relating to incremental cloud computing implementation costs. The generic deferral account is effective December 1, 2023 and is used to record incremental cloud computing implementation costs incurred by utilities and any related offsetting savings, if applicable. This regulatory balance has been requested for disposition in the Company's 2027 CIR application.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 7. Regulatory balances (continued):

### (j) One-time IFRS conversion costs:

In accordance with an OEB directive, a deferral account has been established for the one-time administrative costs during transition to IFRS for the Veridian rate zone. These amounts were requested and approved for final disposition in EE's 2026 EB-2025-0046 application.

### (k) Tax-related variances:

The regulatory balance relates to the revenue requirement impact of accelerated capital cost allowance deductions from the Accelerated Investment Incentive tax measure which received Royal Assent on June 21, 2019. This regulatory balance has been requested for disposition in the Company's 2027 CIR application. This regulatory balance also includes the revenue requirement impact of additional capital cost allowance deductions from the Immediate Expensing tax measure which received Royal Assent in June 2022.

### (l) Pole attachment:

On March 22, 2018 the OEB issued the Report of the Ontario Energy Board: Wireline Pole Attachment Charges (EB-2015-0304). The report established a new variance Account 1508 - Sub-Account – Pole Attachment Revenue Variance to be used for recording the incremental revenue arising from the changes to the pole attachment charge applicable to all licensed electricity distributors. EE requested and received approval for 2026 disposition of the 2024 account balance in its 2026 EB-2025-0046 application. The remaining balance has been requested for disposition in the Company's 2027 CIR application.

### (m) Rate application costs:

The regulatory balance relates to one-time rate application costs incurred by EE to prepare and defend its 2027 CIR application. The balance has been requested for disposition in the Company's 2027 CIR application.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 8. Income taxes:

The provision for income taxes differs from the amount that would have been recorded using the combined Canadian federal and Ontario statutory income tax rate. The reconciliation between the statutory and effective tax rates is provided as follows:

|   | 2025       | 2024      |
|---|------------|-----------|
| Income before income taxes                                    | \$ 4,700   | \$ 13,387 |
| Federal and Ontario statutory income tax rate                 | 26.5%      | 26.5%     |
| Provision for income taxes at statutory rate                  | \$ 1,246   | \$ 3,548  |
| Increase (decrease) resulting from:                           |            |           |
| Temporary differences expected to be recovered from customers | (4,540)    | (3,847)   |
| Under (over) provided in prior periods                        | (22)       | 73        |
| Other   | 8,133      | 2,239     |
| Income taxes recorded in regulatory balances movements        | (8,805)    | (2,441)   |
| Income tax recovery   | \$ (3,988) | \$ (428)  |
| Effective income tax rate                                     | (84.9%)    | (3.2%)    |
| Allocated:  |            |           |
| Current expense   | \$ 89      | \$ 299    |
| Deferred expense  | 4,728      | 1,714     |
| Income taxes recorded in regulatory balances movements        | (8,805)    | (2,441)   |
| Total income tax recovery                                     | \$ (3,988) | \$ (428)  |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 8. Income taxes (continued):

Deferred tax assets and liabilities arise from differences between the carrying amounts and tax bases of the Company's assets and liabilities. The tax effects of these differences are as follows:

|  | 2025        | 2024        |
|--|-------------|-------------|
| Deferred tax assets (liabilities):                   |             |             |
| Property, plant and equipment and intangible assets  | \$ (43,609) | \$ (39,070) |
| Employee future benefits                             | 2,561       | 2,304       |
| Sick leave liability                                 | 975         | 353         |
| Unrealized loss on interest rate swap derivatives    | 2,696       | 3,256       |
| Non-capital losses                                   | 21,354      | 10,627      |
| Deferred revenue and others                          | 1,104       | 3,535       |
|  | (14,919)    | (18,995)    |
| Deferred tax liabilities:                            |             |             |
| Regulatory balances                                  | 7,060       | 3,043       |
| Moved to regulatory deferral account credit balances | (7,060)     | (3,043)     |
|  | —           | —           |
| Deferred tax liabilities                             | \$ (14,919) | \$ (18,995) |

## 9. Accounts payable and accrued liabilities:

|                                 | 2025      | 2024      |
|---------------------------------|-----------|-----------|
| Cost of power accrual           | \$ 38,410 | \$ 32,518 |
| Accounts payable                | 21,011    | 17,186    |
| Accrued liabilities             | 14,363    | 13,374    |
| Customer credit balances        | 4,487     | 5,724     |
| Non-vested sick leave liability | 2,704     | 1,008     |
| Other                           | 4,805     | 6,313     |
|                                 | \$ 85,780 | \$ 76,123 |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 10. Credit facilities:

On December 30, 2025, the Corporation entered into a syndicated credit agreement with a Canadian chartered bank (the "Bank") establishing a revolving credit facility (the "Credit Facility") in the amount of \$550,000 bearing interest at fluctuating rates based on the prime rate.

The Corporation on entering into the new syndicated credit agreement settled the previous credit facilities between the Bank and the Company which included the following:

- (a) Uncommitted revolving demand credit facility. The facility is required to be no greater than \$60,000, with a letter of credit ("L/C") carve-out availability;
- (b) Committed or demand revolver facility (note 14) with a combined total no greater than \$353,645; and
- (c) Uncommitted revolving demand credit facility with a credit limit of \$5,000.

Additionally, on December 30, 2025, the Corporation and the Company entered into three loan agreements:

- (a) \$33,390 intercompany interest rate swap loan with a fixed interest rate of 5.096%;
- (b) \$220,000 intercompany interest rate swap loan with a fixed interest rate of 4.84%; and
- (c) \$86,880 intercompany promissory note with a prime rate at 4.45%.

The financial covenants for the above facilities require a Consolidated total debt to capitalization ratio not greater than 0.75 and the Company's regulated Earnings Before Interest and Taxes ("EBIT") represents no less than 80% of the Corporation's EBIT. The financial covenants are tested on a consolidated basis of the Corporation. The Corporation and the Company are compliant with all bank covenants as at December 31, 2025.

As at December 31, 2025, the Company has a restricted term deposit with interest of \$151 with a Bank for letters of credit ("L/C") for: \$100 to issue an irrevocable L/C in favour of the Ministry of Environment and \$51 L/C in favour of The Regional Municipality of Durham.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 10. Credit facilities (continued):

The Ministry of Environment requires security to ensure adequate funds are available, to effect suitable remedial action, if an event occurs resulting in a health and safety hazard to any person, or the natural environment.

The Region of Durham requires security for land site development for the Seaton TS in the City of Pickering, and it could draw on the L/C if the Company does not fulfill the obligations of the service agreement.

Short-term debt:

On September 15, 2025, a Memorandum of Understanding (“MOU”) was executed between the Corporation, Company, and four of the five municipal shareholders (the “participating shareholders”). The terms included repayment of the \$53,952 promissory notes, which were repaid by the end of 2025 (note 17).

As at December 31, 2025, the Company had a \$17,974 (2024 - \$71,926) note payable due to one of the Corporation's shareholders on demand at a fixed rate of 4.13%. The noteholder has a right to demand repayment of this note together with any accrued interest, in whole or part, with 60 days' prior written notice to the Company. As the Company does not have any unconditional right to defer settlement of this liability for at least twelve months after the reporting period, the note issued to the shareholder of \$17,974 is classified as short-term debt.

## 11. Deferred revenue:

(a) As at December 31, 2025, \$131 (2024 - \$nil) of deferred revenue represents the unearned revenue from funding received from the IESO for Ontario's 12-year eDSM Framework (2025–2036) program. It is a provincial initiative designed to enhance grid reliability and affordability by reducing electricity consumption.

(b) As at December 31, 2025, \$4,164 (2024 - \$3,397) of deferred revenue represents the balance of unearned revenue related to the ICM projects.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 12. Deposits and developer obligations:

|   | 2025             | 2024             |
|---|------------------|------------------|
| Advance payments - construction deposits  | \$ 378           | \$ 312           |
| Customer deposits                         | 5,162            | 5,351            |
| Developer obligations                     | 7,539            | 7,795            |
| <b>Deposits and developer obligations</b> | <b>\$ 13,079</b> | <b>\$ 13,458</b> |

## 13. Related party transactions:

The Company provides electricity and services to the Corporation's shareholders, the Town of Ajax, the Municipality of Clarington, the City of Pickering, the City of Belleville and the Town of Whitby (collectively, the "shareholders"). Electrical energy is sold to the Corporation's shareholders at the same prices and terms as other electricity customers consuming equivalent amounts of electricity.

Summary of transactions with the Corporation's shareholders:

|                                    | Town of<br>Ajax | Town of<br>Whitby | City of<br>Pickering | City of<br>Belleville | Municipality<br>of Clarington | Total     |
|------------------------------------|-----------------|-------------------|----------------------|-----------------------|-------------------------------|-----------|
| Electricity and services revenue   | \$ 3,494        | \$ 2,933          | \$ 3,159             | \$ 1,544              | \$ 492                        | \$ 11,622 |
| Finance costs on the notes payable | 387             | 780               | 743                  | 154                   | 164                           | 2,228     |
| Property taxes paid                | 264             | 267               | 48                   | 126                   | 40                            | 745       |

|                             | Town of<br>Ajax | Town of<br>Whitby | City of<br>Pickering | City of<br>Belleville | Municipality<br>of Clarington | Total    |
|-----------------------------|-----------------|-------------------|----------------------|-----------------------|-------------------------------|----------|
| Accounts receivable balance | \$ 831          | \$ 335            | \$ 1,003             | \$ 111                | \$ -                          | \$ 2,280 |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 13. Related party transactions (continued):

Summary of transactions with the Corporation and Elexicon Group Inc. ("EG"), an associate of the Company:

|   | 2025     | 2024   |
|---|----------|--------|
| Administrative and management services revenue (a)    | \$ 602   | \$ 331 |
| Finance costs on the notes payable to the Corporation | 1,053    | 995    |
| Dividends paid/(refunded) to the Corporation (note18) | (685)    | 8,006  |
|   |          |        |
|   | 2025     | 2024   |
| Accounts receivable/(payable) balance (b)             | \$ (171) | \$ 121 |

(a) The Company purchases or supplies administrative and management services from and to the Corporation and EG. Charges for these services are recorded at exchange amounts established and agreed to by the related parties.

(b) Without terms of repayment.

|  | 2025     | 2024     |
|--|----------|----------|
| Compensation paid to key management personnel(i) | \$ 3,113 | \$ 3,714 |

(i) Comprising the senior management team and members of the Board of Directors. The compensation includes salaries, performance pay and taxable benefits. This includes OMERS contributions of \$301 (2024 - \$345).

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 13. Related party transactions (continued):

The Company has renewable generation projects and holds interest in the following entities joint operations:

### (a) Claremont Community Centre Solar:

The Company, TREC SolarShare Co-Operative (No.1) Inc. and Solera Sustainable Energies Company Limited are parties to a joint operation agreement with an equity interest of 39%, 51% and 10%, respectively, to build, own, operate and maintain a solar generation project at Claremont Community Centre owned by the City of Pickering, located at 4941 Old Brock Road, Pickering, Ontario L1V 7E2. This project is approved under the Feed-in Tariff government program.

The joint venture started operation in July 2015. In 2025, the Company included its share of net income \$3 (2024 - \$6) in the financial statements.

In 2016, the Corporation financed the above project for an amount of \$264 for a 15-year term at an interest rate of 5.00%. An amount of \$48 (2024 - \$56) is included in the Company's long-term debt as at December 31, 2025 (note 14). The funding provided by the Corporation was in the same proportion as the equity interest.

### (b) EE, Lakefront, Solera Joint Operation:

The Company, Lakefront Utility Services Inc. and Solera Sustainable Energies Company Limited entered into a joint operation agreement with an equity interest of 42.5%, 42.5% and 15% respectively, to build, own, operate and maintain a solar generation project at the property owned by The Corporation of the Town of Cobourg, located at 739 D'Arcy Street, Cobourg, Ontario (Building 13).

The joint venture started operations in 2019. In 2025, the Company included its share of negligible loss in the other income on financial statements.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 13. Related party transactions (continued):

In 2019, the Town of Cobourg Holding Inc. financed the above project for an amount of \$202 for a 25-year term at an interest rate of 5.75%. An amount of \$73 (2024 - \$75) is included in the Company's long-term-debt as at December 31, 2025 (note 14). The funding provided by the Corporation of the Town of Cobourg was in the same proportion as the equity interest.

The Company, as a joint operator accounts for the assets, liabilities, revenue and expenses relating to its interest in the joint operations in accordance with the IFRS applicable to the particular assets, liabilities, revenue and expenses.

## 14. Long-term debt:

|  | 2025       | 2024       |
|--|------------|------------|
| Notes payable to the Corporation, maturing on December 9, 2034, at a rate of 4.58%   | \$ 13,000  | \$ 13,000  |
| Notes payable to the Corporation, maturing on December 17, 2039, at a rate equal to the OEB-deemed long-term debt rate, less 30-basis-points | —          | 10,500     |
| Loan payable to the Corporation, maturing on September 1, 2031, at a rate of 5.00%   | 48         | 56         |
| Loan payable to Town of Cobourg Holding Inc., maturing on February 1, 2044, at a rate of 5.75%   | 73         | 75         |
| Long-term debt from the Bank, maturing on November 2, 2028, at a rate of 5.096%  | —          | 33,390     |
| Long-term debt from the Bank, maturing on August 2, 2028, at a rate of 4.84%   | —          | 220,000    |
| Long-term debt from the Bank, maturing on June 29, 2026  | —          | 30,000     |
| Long-term debt payable to the Corporation, maturing on November 2, 2028, at a rate of 5.096% (note 10)                                       | 33,390     | —          |
| Long-term debt payable to the Corporation, maturing on August 2, 2028, at a rate of 4.84% (note 10)  | 220,000    | —          |
| Long-term debt payable to the Corporation, maturing on December 29, 2028 (note 10)   | 86,880     | —          |
|  | 353,391    | 307,021    |
| Less: current portion  | 10         | 709        |
|  | \$ 353,381 | \$ 306,312 |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 14. Long-term debt (continued):

Scheduled principal repayments for the next five years and thereafter as of December 31, 2025:

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|                       |    |                  |
|-----------------------|----|------------------|
| 2026                  | \$ | 10               |
| 2027                  |    | 10               |
| 2028                  |    | 340,280          |
| 2029                  |    | 12               |
| 2030                  |    | 12               |
| Thereafter            |    | 13,067           |
|                       |    | <hr/> 353,391    |
| Less: current portion |    | 10               |
|                       |    | <hr/> \$ 353,381 |

Scheduled interest payments for the next five years and thereafter as of December 31, 2025:

---

|            |    |                 |
|------------|----|-----------------|
| 2026       | \$ | 16,539          |
| 2027       |    | 16,539          |
| 2028       |    | 12,847          |
| 2029       |    | 600             |
| 2030       |    | 600             |
| Thereafter |    | 2,406           |
|            |    | <hr/> \$ 49,531 |

Expected weighted average borrowing costs:

---

|      |       |
|------|-------|
| 2026 | 4.68% |
| 2027 | 4.68% |
| 2028 | 7.01% |
| 2029 | 4.59% |
| 2030 | 4.59% |

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# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 14. Long-term debt (continued):

Finance costs related to short-term debt, long-term debt and other comprise:

|                             | 2025             | 2024             |
|-----------------------------|------------------|------------------|
| Interest on:                |                  |                  |
| Notes payable and loans     | \$ 17,223        | \$ 16,608        |
| Customer deposits and other | 774              | 463              |
|                             | <u>17,997</u>    | <u>17,071</u>    |
| Less:                       |                  |                  |
| Capitalized borrowing costs | 1,979            | 974              |
| Finance income              | 86               | 379              |
|                             | <u>2,065</u>     | <u>1,353</u>     |
|                             | <u>\$ 15,932</u> | <u>\$ 15,718</u> |

## 15. Deferred contributions:

Deferred contributions are the capital contributions received from electricity customers and developers, which have not yet been recognized into other income.

The continuity of deferred contributions is as follows:

|  | 2025              | 2024              |
|--|-------------------|-------------------|
| Deferred contributions, beginning of year  | \$ 185,118        | \$ 163,190        |
| Contributions received                     | 24,581            | 25,445            |
| Contributions amortized as other income    | (4,030)           | (3,400)           |
| Contributions removed with asset disposals | 108               | (117)             |
| Deferred contributions, end of year        | 205,777           | 185,118           |
| Less: current portion                      | 5,187             | 4,441             |
| Non-current                                | <u>\$ 200,590</u> | <u>\$ 180,677</u> |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 16. Employee future benefits:

### (a) Pensions:

During the year, the Company made contributions totaling \$4,057 (2024 - \$3,637) to OMERS. These contributions have been recognized as an operational expenditure net of the amount capitalized in assets. The expected payment for 2026 is \$4,503, representing less than 1% of the group plan contributions. As at December 31, 2025, and subject to the estimates, assumptions and valuations of OMERS, the plan obligations are 98% (2024 - 98%) funded by its assets. OMERS has a strategy to return the plan to a fully funded position. The Company is not able to assess the implications, if any, of this strategy or of the withdrawal of other participating entities from the OMERS plan on its future contributions.

### (b) Post-retirement benefits other than pension:

The Company pays certain benefits on behalf of its retired employees and recognizes these post-retirement costs in the year in which the employees render the services.

Information about the Company's non-contributory defined benefit plan to fund life insurance, health and dental care benefits and a retiree Health Care Spending Account ("HCSA"), is as follows:

|   | 2025     | 2024     |
|---|----------|----------|
| Accrued benefit liability recognized, beginning of year | \$ 6,389 | \$ 6,355 |
| Current service costs                                   | 129      | 135      |
| Interest costs  | 294      | 286      |
| Benefit payments  | (467)    | (475)    |
| Remeasurements recognized in other comprehensive income | 758      | 88       |
| Accrued benefit liability recognized, end of year       | \$ 7,103 | \$ 6,389 |

The amounts presented are based upon an actuarial valuation performed as at December 31, 2025.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 16. Employee future benefits (continued):

(c) Significant assumptions:

|   | 2025 | 2024 |
|---|------|------|
| Discount rate used                            | 4.9% | 4.7% |
| Health care costs rate increase for next year | 4.2% | 5.3% |
| Dental care costs rate increase for next year | 4.3% | 5.6% |

(d) Sensitivity analysis:

Changes in key assumptions would have had the following effect on the benefit obligation:

|                                    | Estimated value of<br>future payments | % difference |
|------------------------------------|---------------------------------------|--------------|
| Base (4.95%)                       | \$ 7,103                              | —            |
| Discount rate                      |                                       |              |
| (3.95%) or - 1.00%                 | 8,331                                 | 17%          |
| (5.95%) or +1.00%                  | 6,149                                 | (13%)        |
| Health and dental cost trend rates |                                       |              |
| - 1.00%                            | 7,702                                 | 8%           |
| +1.00%                             | 6,615                                 | (7%)         |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 17. Share capital:

The MOU of September 15, 2025, set forth certain terms and conditions of a financing strategy which was implemented inclusive of the following:

- (a) the participating shareholders agreed to suspend the payment of dividends by the Corporation to all Shareholders; subsequently the Corporation agreed to suspend the payment of dividend by the Company (note 18),
- (b) the Company repaid \$53,952 promissory notes to the Corporation (note 10), and
- (c) the Corporation purchased newly issued shares for \$62,152 from the Company.

|                         | 2025                |         | 2024                |        |
|-------------------------|---------------------|---------|---------------------|--------|
|                         | Number<br>of Shares | \$      | Number<br>of Shares | \$     |
| Authorized:             |                     |         |                     |        |
| Unlimited Common Shares |                     |         |                     |        |
| Issued and outstanding: |                     |         |                     |        |
| Beginning of the year   | 1,000               | 98,796  | 1,000               | 98,796 |
| Common Shares issued    | 124                 | 62,152  | —                   | —      |
| End of the year         | 1,124               | 160,948 | 1,000               | 98,796 |

## 18. Dividends:

Dividends and dividend advances paid in 2024 were \$8,006 and include the following:

- 2023 Q4 dividends of \$2,674
- 2024 Q1, Q2, Q3 and Q4 dividend advances of \$5,332

On March 21, 2025, the Board of Directors of the Company declared dividends of \$4,647 on the issued and outstanding Common shares in respect of the 2024 fiscal year. Dividend advances of \$5,332 were paid during 2024 and the excess of \$685 was refunded by the Corporation to the Company in 2025.

During 2025, no dividend advances were paid and a dividend suspension was initiated (note 17).

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 19. Commitments and contingencies:

### (a) Insurance claims:

The Company is a member of the Municipal Electric Association Reciprocal Insurance Exchange ("MEARIE"), which was created on January 1, 1987. A reciprocal insurance exchange may be defined as a group of persons formed for the purpose of exchanging reciprocal contracts of indemnity or inter-insurance with each other. MEARIE provides general liability insurance to member electric utilities. MEARIE also provides vehicle and property insurance to the Company.

Insurance premiums charged to each member electric utility consist of a levy per \$1 of service revenue subject to a credit or surcharge based on each electric utility's claims experience.

### (b) Contractual obligation - Hydro One Networks Inc.:

Whitby transformer station:

The Company is party to a connection and cost recovery agreement with Hydro One related to the construction by Hydro One of a transformer station designated to meet the Company's anticipated electricity load growth. Construction of the project was completed during 2007 and the Company connected to the transformer station during 2008.

To the extent that the cost of the project is not recoverable from future transformation connection revenue, the Company is obligated to pay a capital contribution equal to the difference between this revenue and the construction costs allocated to the Company. The construction costs allocated to the Company for the project are \$19,950.

Hydro One performed the final true-up in 2024 based on actual load at the end of the fifteenth anniversary of the in-service date. The shortfall of connection transformation revenue for Hydro One resulted in an accrual recorded in 2024 of \$4,062 and the Company recognized this amount as an intangible asset. This final true-up payment was made in January 2025 and there is no further obligation with respect to this agreement.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 19. Commitments and contingencies (continued):

Seaton transformer station:

The Company constructed a transformer station designated to meet the Company's anticipated electricity load growth and connected the transformer station to Hydro One's transmission system in December 2022. The Company entered into a connection and cost recovery agreement with Hydro One for the 230kV transmission supply to the transformer station. The construction costs allocated to the Company for the transmission supply project are \$10,003 and a capital contribution of \$3,244 was required due to increase in cost and lower incremental load forecast. The Company accrued \$3,244 in 2024 and recognized this amount as an intangible asset. The Company paid this capital contribution in January 2025.

To the extent that the cost of the project is not recoverable from future transformation connection revenue, the Company is obligated to pay additional capital contributions equal to the difference between this revenue and the construction costs allocated to the Company. Hydro One will perform a true-up based on actual load at the end of the fifth, tenth and fifteenth anniversary of the in-service date December 2022. These anniversary dates are in December of years 2027, 2032, and 2037 respectively.

### (c) Contractual obligation - Cloud Computing Arrangements:

The Company entered into a cloud computing arrangement in December 2024 with an established Canadian supplier for licensing and to implement an integrated technology platform solution implementing electrical utility industry leading standard operating models and business processes for a 10-year term with a cost of \$48,799 and remaining obligation as at December 31, 2025 of \$42,328.

### (d) Prudential support:

Purchasers of electricity in Ontario, through the IESO, are required to provide security to mitigate the risk of default based on their expected activity in the market. The IESO could draw on this security if the Company fails to make the payment required on a default notice issued by the IESO. The Corporation has provided a \$64,000 guarantee to the IESO on behalf of the Company.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 19. Commitments and contingencies (continued):

### (e) General claims:

From time to time, the Company is involved in various lawsuits, claims and regulatory proceedings in the normal course of business. In the opinion of management, the outcome of such matters will not have a material adverse effect on the Company's financial position and results of operations or cash flows.

## 20. Leases:

The Company is committed to lease agreements for various vehicles.

When measuring the lease liabilities for leases, the Company discounted lease payments using the implicit rate of each lease agreement with a range of 5.65% to 7.20%.

Future minimum non-cancellable lease payment obligations under finance leases are as follows:

---

|      |    |     |
|------|----|-----|
| 2026 | \$ | 71  |
| 2027 |    | 44  |
|      | \$ | 115 |

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As at December 31, 2025, a lease obligation of \$71 (2024 - \$95) is recorded as a current liability and \$44 (2024 - \$115) is recorded as a non-current liability.

The Company has also recognized \$9 (2024 - \$16) in interest costs (recognized as finance costs in the statement of income and comprehensive income and the statement of cash flows) and \$95 (2024 - \$124) in lease repayments (recognized as changes in operating working capital in the statement of cash flows).

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 21. Revenue and other income:

|  | 2025       | 2024       |
|--|------------|------------|
| Commodity revenue                      | \$ 485,257 | \$ 464,462 |
| Distribution revenue                   | 105,038    | 100,500    |
| Other income:                          |            |            |
| Late payment charges                   | \$ 1,913   | \$ 1,467   |
| Customer charges (a)                   | 744        | 779        |
| Pole rentals                           | 1,208      | 1,174      |
| Amortization of deferred contributions | 4,030      | 3,400      |
| Renewable energy                       | 130        | 145        |
| Other                                  | 554        | 360        |
|  | \$ 8,579   | \$ 7,325   |

(a) Includes reconnection/disconnection, collection and change of occupancy charges from customers.

Commodity revenue and distribution revenue by customer class are as follows:

|  | 2025       | 2024       |
|--|------------|------------|
| Residential service                      | \$ 281,736 | \$ 277,759 |
| General service                          | 285,688    | 266,868    |
| Large users                              | 22,871     | 20,335     |
| Total commodity and distribution revenue | \$ 590,295 | \$ 564,962 |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 22. Operating, maintenance and administration expenses:

|                        |                              |                | 2025      | 2024      |
|------------------------|------------------------------|----------------|-----------|-----------|
|                        | Operating and<br>maintenance | Administration | Total     | Total     |
| Salaries and benefits  | \$ 12,895                    | \$ 20,842      | \$ 33,737 | \$ 30,944 |
| External services      | 7,690                        | 32,105         | 39,795    | 27,260    |
| Materials and supplies | 1,610                        | 2              | 1,612     | 149       |
| Vehicle                | 165                          | 152            | 317       | 1,405     |
| Other                  | 79                           | 4,099          | 4,178     | 1,366     |
|                        | \$ 22,439                    | \$ 57,200      | \$ 79,639 | \$ 61,124 |

## 23. Statement of cash flows:

Changes in operating working capital provided by (used in) include the following:

|  | 2025      | 2024       |
|--|-----------|------------|
| Accounts receivable                      | \$ 2,196  | \$ (8,104) |
| Related parties                          | 291       | 419        |
| Materials and supplies                   | 297       | 1,122      |
| Prepaid expenses                         | (728)     | (354)      |
| Accounts payable and accrued liabilities | 12,028    | 4,653      |
| Deferred revenue                         | 899       | (1,699)    |
|  | \$ 14,983 | \$ (3,963) |

Reconciliation between the amount presented in the statement of cash flows and total additions to PP&E and intangible assets:

|   | 2025       | 2024      |
|---|------------|-----------|
| Purchase of PP&E, cash basis                        | \$ 96,602  | \$ 77,357 |
| Net change in accruals related to PP&E              | 5,874      | 3,995     |
| Total additions to PP&E                             | \$ 102,476 | \$ 81,352 |
| Purchase of intangible assets, cash basis           | \$ 8,138   | \$ 5,043  |
| Net change in accruals related to intangible assets | (8,244)    | 8,245     |
| Total additions to intangible assets                | \$ (106)   | \$ 13,288 |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 24. Financial instruments and risk management:

### (a) Market risk:

Market risk refers primarily to risk of loss that results from changes in commodity prices, foreign exchange rates and interest rates. The Company does not have commodity risk due to the flow-through nature of energy purchases and costs. All variances due to timing of customer billing or regulated pricing are recorded in retail settlement variance accounts and are recovered from or returned to customers in accordance with regulatory directives. The foreign exchange risk is considered not material and is limited to U.S. dollar cash holdings of \$31 (2024 - \$22) as at December 31, 2025.

### (b) Interest rate risk:

The Company enters into fixed interest rate long-term debt agreements to minimize cash flow and interest rate fluctuation exposure. In 2025, the Company novated its interest rate swap derivatives with the Bank to the Corporation. The Corporation used \$253,390 of the \$340,270 drawn on the credit facility as an underlying loan for the interest rate swap derivatives with the Bank to exchange interest rate cash flows:

(a) interest rate swap derivative agreement of \$220,000 maturing on August 2, 2028

(b) interest rate swap derivative agreement of \$33,390 maturing on November 2, 2028.

The Corporation and the Company have mirror agreements for these two interest rate swap derivative agreements.

Under these agreements, the Company and the Corporation have the periodic exchange of payments without exchanging the notional principal amount on which the payments are based. This effectively provided the Company with a fixed rate loan, which reduces the impact of fluctuating interest rates on long-term debt. The Company does not enter into any such financial instrument for speculative purposes.

In addition, the Corporation and the Company have an \$86,880 intercompany promissory note at the prime rate of 4.45%. It is estimated that a 25 basis point increase (decrease) of the prime rate, with all other variables held constant, would result in an increase (decrease) of approximately \$217 to annual finance costs.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

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## 24. Financial instruments and risk management (continued):

The Company is also exposed to fluctuations in interest rates as the regulated rate of return for the Company's distribution business is derived using a formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

### (c) Credit risk:

Financial assets create credit risk that a counterparty will fail to discharge an obligation, causing a financial loss. The Company's distribution revenue is earned on a broad base of customers. As a result, the Company did not earn a significant amount of revenue from any individual customer.

Management considers current economic and credit conditions in revising the estimates and judgments used in preparation of the ECLs provision on its accounts receivable balances. The Company applies provision rates based on recent and changing trends to customer aging balances, customer collection patterns and risk of customer default and has recorded an increase to the expected credit loss allowance of \$1,625. The impact of the OEB's moratorium on disconnections impacted the Company's ability to mitigate credit risk from customer accounts receivable balances.

The Company manages counterparty credit risk through various techniques, including limiting total exposure levels with individual counterparties consistent with the Company's policies and monitoring the financial condition of counterparties.

Management believes that the credit risk of accounts receivable is limited due to the following reasons:

- (i) There is a broad base of customers with no one customer that accounts for revenue or an accounts receivable balance in excess of 10% of the respective balance.
- (ii) The Company, as permitted by the OEB's Retail Settlement and Distribution System Code, may obtain a security deposit or L/C from customers to mitigate risk of payment default.
- (iii) The percentage of accounts receivable that is outstanding more than 90 days is approximately 8.8% (2024 - 7.7%) of the total net outstanding balance.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 24. Financial instruments and risk management (continued):

- (iv) The Company includes an amount of accounts receivable write-offs within net income for rate-setting purposes.

Expected credit risk losses:

|                       |          |
|-----------------------|----------|
| 2024                  | \$ 4,775 |
| Additional allowances | 3,195    |
| Write-offs            | (1,570)  |
|                       | 1,625    |
| 2025                  | \$ 6,400 |

Pursuant to their respective terms, accounts receivable are aged as follows as at December 31:

|  | 2025              | 2024              |
|--|-------------------|-------------------|
| Total accounts receivable                      | \$ 107,520        | \$ 108,092        |
| Less: expected credit losses                   | 6,400             | 4,775             |
| <b>Total accounts receivable, net</b>          | <b>\$ 101,120</b> | <b>\$ 103,317</b> |
| Of which:                                      |                   |                   |
| Unbilled revenue                               | \$ 52,022         | \$ 48,749         |
| Outstanding less than 30 days                  | 41,215            | 44,186            |
| Outstanding 31 days but not more than 60 days  | 3,146             | 4,990             |
| Outstanding 61 days but not more than 90 days  | 2,223             | 2,207             |
| Outstanding 91 days but not more than 120 days | 2,532             | 1,497             |
| Outstanding more than 120 days                 | 6,382             | 6,463             |
|  | 107,520           | 108,092           |
| Less: expected credit losses                   | 6,400             | 4,775             |
|  | \$ 101,120        | \$ 103,317        |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 24. Financial instruments and risk management (continued):

### (d) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has access to credit facilities and monitors cash balances daily. Short-term liquidity is provided through cash on hand, funds from operations and a revolving credit facility. Short-term liquidity is expected to be sufficient to fund normal operating requirements.

The current challenging economic climate affected by high inflation, fluctuating interest rates, geopolitical instability, and emerging climate-related risks may lead to material adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct negative impact on the Company's operating results and financial position in the future. Accordingly, the Company continues to monitor and adapt its response plan as the economic climate evolves.

The liquidity risks associated with financial commitments are as follows:

Financial commitments as of December 31, 2025:

|   | Due within<br>one year | Due between<br>one and<br>five years | Due past<br>five years |
|---|------------------------|--------------------------------------|------------------------|
| Financial liabilities:                                  |                        |                                      |                        |
| Accounts payable and accrued liabilities - undiscounted | \$ 85,780              | \$ –                                 | \$ –                   |
| Short-term debt - undiscounted (note 10)                | 17,974                 | –                                    | –                      |
| Long-term debt - undiscounted                           | 10                     | 340,314                              | 13,067                 |
| Leases - discounted                                     | 71                     | 44                                   | –                      |
|   | <u>\$ 103,835</u>      | <u>\$ 340,358</u>                    | <u>\$ 13,067</u>       |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 24. Financial instruments and risk management (continued):

Financial commitments as of December 31, 2024:

|   | Due within<br>one year | Due between<br>one and<br>five years | Due past<br>five years |
|---|------------------------|--------------------------------------|------------------------|
| Financial liabilities:                                  |                        |                                      |                        |
| Accounts payable and accrued liabilities - undiscounted | \$ 76,123              | \$ —                                 | \$ —                   |
| Short-term debt - undiscounted (note 10)                | 77,126                 | —                                    | —                      |
| Long-term debt - undiscounted                           | 709                    | 286,232                              | 20,080                 |
| Leases - discounted                                     | 95                     | 115                                  | —                      |
|   | <u>\$ 154,053</u>      | <u>\$ 286,347</u>                    | <u>\$ 20,080</u>       |

### (e) Fair values:

The Company included \$10,176 of unrealized loss (2024 - \$12,289) in its financial statements. This is the fair value, using a discounted cash flow model, of the interest rate swap derivatives which represents the amount that the Company would pay if it decided to settle its interest rate swap obligations as at December 31, 2025.

Fair value measurements recognized in the statement of income and comprehensive income are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values.

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for assets and liabilities that are not based on observable market data.

The interest rate swap derivatives are all Level 2 as at December 31, 2025. There were no transfers between levels during the year.

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 24. Financial instruments and risk management (continued):

The carrying amounts of all financial instruments, except the short-term debt and long-term debt approximate fair values due to the immediate or short-term maturity of these financial instruments.

The estimated fair values of the loans payable, including related party loans, are as follows:

| Instrument   | 2025              |                   | 2024              |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | Fair value        | Carrying value    | Fair value        | Carrying value    |
| Town of Ajax promissory note, due on demand                                    | \$ —              | \$ —              | \$ 14,060         | \$ 14,060         |
| Town of Whitby promissory note, due on demand                                  | —                 | —                 | 28,338            | 28,338            |
| City of Pickering promissory note, due on demand                               | 17,974            | 17,974            | 17,974            | 17,974            |
| City of Belleville promissory note, due on demand                              | —                 | —                 | 5,588             | 5,588             |
| City of Clarington promissory note, due on demand                              | —                 | —                 | 5,966             | 5,966             |
| Notes payable to the Corporation, maturing on December 9, 2034                 | 12,860            | 13,000            | 12,918            | 13,000            |
| Notes payable to the Corporation, maturing on December 17, 2039                | —                 | —                 | 9,133             | 10,500            |
| Loan payable to the Corporation, maturing on September 1, 2031                 | 48                | 48                | 55                | 55                |
| Loan payable to the Town of Cobourg Holding Inc., maturing on February 1, 2044 | 77                | 73                | 80                | 75                |
| Long-term debt from the Bank, maturing on November 2, 2028                     | —                 | —                 | 35,374            | 33,390            |
| Long-term debt from the Bank, maturing on August 2, 2028                       | —                 | —                 | 230,305           | 220,000           |
| Long-term debt from the Bank, maturing on June 29, 2026                        | —                 | —                 | 29,811            | 30,000            |
| Long-term debt payable to the Corporation, maturing on November 2, 2028        | 33,724            | 33,390            | —                 | —                 |
| Long-term debt payable to the Corporation, maturing on August 2, 2028          | 220,662           | 220,000           | —                 | —                 |
| Long-term debt payable to the Corporation, maturing on December 29, 2028       | 86,214            | 86,880            | —                 | —                 |
| Short-term debt  | —                 | —                 | 5,200             | 5,200             |
| <b>Total</b>   | <b>\$ 371,559</b> | <b>\$ 371,365</b> | <b>\$ 394,802</b> | <b>\$ 384,146</b> |

# ELEXICON ENERGY INC.

Notes to the Financial Statements (continued)  
(In thousands of dollars)

Year ended December 31, 2025

## 24. Financial instruments and risk management (continued):

### (f) Capital management:

The Company considers its capital structure to consist of shareholder's equity, short-term debt, long-term debt, bank indebtedness, less cash. The Company's capital structure was as follows:

|  | 2025        | 2024       |
|--|-------------|------------|
| Cash                                   | \$ (11,465) | \$ (487)   |
| Short-term debt                        | 17,974      | 77,126     |
| Long-term debt                         | 353,391     | 307,021    |
|  | 371,365     | 384,147    |
| Share capital                          | 160,948     | 98,796     |
| Retained earnings                      | 66,727      | 63,609     |
| Contributed surplus                    | 77,849      | 77,849     |
| Contributed capital                    | 23          | 23         |
| Accumulated other comprehensive income | 244         | 2,420      |
|  | 305,791     | 242,697    |
| Total capital                          | \$ 665,691  | \$ 626,357 |

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-9**

4

5                   Reference: Exhibit 1, Tab 5, Schedule 1 - Appendix A ClearSpring

6

| <b>CIR Period</b> | <b>Ellexicon Average % Difference</b> |
|-------------------|---------------------------------------|
| <b>2027-2031</b>  | <b>-13.9</b>                          |

| <b>CIR Period</b> | <b>Alectra Average % Difference</b> |
|-------------------|-------------------------------------|
| <b>2027-2031</b>  | <b>-21.5</b>                        |

7

8                   a) The first table is from ClearSpring’s Benchmarking Report of November 2025 for Ellexicon  
9                   (“Ellexicon Report”). The second from ClearSpring’s Benchmarking Report of July 2025 for Alectra  
10                   Utility- EB-2025-0252 (“Alectra Report”). In both cases ClearSpring recommends at 0.15 Stretch  
11                   factor to their clients. Please explain why the different CIR results support identical  
12                   recommendations.

13

14                   b) The OM&A-specific IPD in the Alectra Report is 0.36%, whereas it is 0.25% in the Ellexicon Report.  
15                   What is the theoretical basis (explanation) for a different input price differentials on OM&A related  
16                   costs for similar Ontario Utilities during a similar time period?

17

18                   c) “The weight on customer growth is 53.1% and the weight on system peak demand is 46.9%”.  
19                   “The weight on customer growth is 52.9% and the weight on system peak demand is 47.1%”  
20                   (Alectra Report). Why are these weights different in the two Reports?

21

22

1

2 **RESPONSE:**

3 [Response provided by Clearspring]

4 a) Clearspring stated on page 2 of our report, "The stretch factor recommendation of 0.15% is  
5 based on the Board's 4GIR stretch factor cohorts." The 4GIR cohorts applies a 0.15% stretch  
6 factor if a utility's total cost benchmarking results are between -10% and -25%. Both Alectra  
7 and Elexicon results fell in this same range.

8

9 b) The primary difference is the timing of when the Conference Board of Canada (now called  
10 Signal49) inflation forecasts were used to calculate the IPDs. From a theoretical basis, the  
11 two Company's should face similar inflationary pressures.

12

13 c) Clearspring would characterize a 0.2% difference in weights as a relatively minor difference.  
14 The reason for the slight difference is Elexicon's model had the opportunity for inflationary  
15 updates. The variables and the methodology, however, are the same between the two  
16 studies.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 1.0-VECC-10**

4

5                   Reference: Exhibit 1, Tab 5, Schedule 1 - Appendix A ClearSpring

6

7                   a) ClearSpring (and Pacific Economics) have produced a number of similar reports in proceedings  
8                   before the Board. To ClearSpring's knowledge have any of these Reports or their findings being  
9                   reviewed, discussed or analyzed in any peer reviewed academic journal? If so, please provide  
10                  those papers.

11

12

13

14                  **RESPONSE:**

15                  [Response by Clearspring]

16                  a) Clearspring is not aware of any such review, discussion, or analysis in any peer-reviewed  
17                  academic journal.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -11**

4

5                   Reference: Exhibit 2B, Tab 3, Schedule 1, pages 18-19

6                   Load Forecast Model, Additional Growth Tab

7

8                   a) Does the Additional Growth Tab set out the population forecast growth rates used for  
9                   forecasting the number Residential customers for purposes of the load forecast used in Exhibit 2B?

10

11                   b) If not, please provide the 2025-2031 forecast population growth rates used in Exhibit 2B for the  
12                   VRZ and WRZ rate zones.

13

14                   c) With respect to Commercial and Industrial (page 19), please provide the resulting forecast  
15                   commercial and industrial accounts or account growth rates for 2025-2031. If available, please  
16                   report the values for Commercial and Industrial separately.

17

18

19

20                   **RESPONSE:**

21

22                   a) No, the Additional Growth Tab is for the Revenue Load Forecast outlined in Exhibit 3, not the  
23                   System Peak Load Forecast in Exhibit 2B. Inputs to the Peak Load Forecast are provided in  
24                   Exhibit 2B, Tab 3, Schedule 1, pp. 16 to 27.

25

26                   b) The Peak Load Forecast in Exhibit 2B does not use population growth rates to forecast the  
27                   number of residential customers. For details on the residential growth used, please refer to  
28                   the response in 3-BOMA-2 part b), Table 2.

1 c) Please refer to Table 1 below. The High, Medium, and Low scenarios pertain to the Peak Load  
2 Forecast scenarios for the customer growth sub-forecast.

3

4 **Table 1: Commercial and Industrial Customer Additions 2025-2031**

|      | Commercial |        |     | Industrial |        |     |
|------|------------|--------|-----|------------|--------|-----|
|      | High       | Medium | Low | High       | Medium | Low |
| 2025 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2026 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2027 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2028 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2029 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2030 | 143        | 107    | 71  | 27         | 20     | 13  |
| 2031 | 143        | 107    | 71  | 27         | 20     | 13  |

5

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -12**

4

5                   Reference: Exhibit 2B, Tab 3, Schedule 1, page 19

6

7                   Preamble: The Application states that the Commercial & Industrial forecast incorporates  
8                   “committed connection requests for large upcoming commercial & industrial loads”:

9

10                  a) Please provide a schedule that sets out the number of committed connection requests to add  
11                  load and the total associated MWs for each year 2025-2031 as included in the load forecast  
12                  described in Exhibit 2B. (Note: As part of the response please indicate whether the values provided  
13                  for each year are incremental or cumulative)

14

15                  i. If the forecast also includes existing customers requesting an increase in capacity to serve  
16                  additional load, please separate these out from new customers and report the number of existing  
17                  customers and MWs separately.

18

19

20

21                  **RESPONSE:**

22

23                  a) The commercial and industrial load forecast presented in Exhibit 2B, Tab 3, Schedule 1, pp.  
24                  18 to 20 is primarily informed by municipal and regional growth forecasts, which capture the  
25                  majority of expected commercial and industrial load growth over the forecast period. To  
26                  avoid double-counting, committed connection requests are generally assumed to be  
27                  embedded within these growth forecasts.

28                  However, in a limited number of cases, certain known committed connection requests  
29                  represent material load additions that are not fully reflected in the broader growth inputs.

1 As a result, these commitments are included as explicit incremental additions to the peak  
2 load forecast.

3 In total, five committed connection requests are included separately in the forecast:

- 4 • Two (2) new customers, and
- 5 • Three (3) existing customers requesting additional capacity

6 The MW values shown in Table 1 represent the cumulative load additions of the new and  
7 existing committed connections included in the peak load forecast.

8

9 **Table 1: Committed Connections included in Peak Load Forecast**

| Load (MW)          | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|--------------------|------|------|------|------|------|------|------|
| New Customers      | 0    | 4    | 4    | 4    | 4    | 4    | 4    |
| Existing Customers | 4    | 10   | 12   | 14   | 14   | 14   | 14   |
| Total              | 4    | 14   | 16   | 18   | 18   | 18   | 18   |

10

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -13**

4

5                   Reference: Exhibit 2B, Tab 3, Schedule 1, pages 16-27

6

7                   Preamble:

8                   The Application states:

9

10                  “In summary, the four inputs - Weather-Normalized Baseload, high scenario Customer Growth,  
11                  high scenario Building Electrification, and medium scenario Electric Vehicles - were aggregated into  
12                  an Elexicon Scenario (described above in each input) to produce a consolidated System Peak Load  
13                  Forecast, shown in Figure 8.” (page 25)

14

15                  a) Please provide (in excel format) a schedule that sets out the annual values for each of the four  
16                  scenarios shown in Figure 8.

17                  b) Please provide a schedule (in excel format) that breaks down the annual values for the Elexicon  
18                  scenario (per Figure 8) as between:

19                  i) Weather-Normalized Baseload (per pages 16-18),

20                  ii) Customer Growth,

21                  iii) Building Electrification, and

22                  iv) Electric Vehicles. Furthermore, please breakdown:

23                  • The annual values for Customer growth as between

24                  i) Residential (per pages 18-19),

25                  ii) Commercial & Industrial due to macro-economic forecasted growth (per page 19, lines 6-15);

26                  and

27                  iii) Commercial and Industrial due to committed connection requests for large upcoming

28                  commercial & industrial loads (per page 19, lines 16-17).

29                  • The annual value for Building Electrification as between:

- 1 i) Residential and  
2 ii) Commercial (per pages 21-23).  
3 c) Please provide a schedule (in excel format) that provides a revised version of the response to  
4 part (b) where the Weather Normalized Baseload is based on Normal Weather (i.e., P50 per page  
5 17).

6

7

8

9 **RESPONSE:**

10

11 a) Please refer to the response in 2-CCC-15 part b.

12

13 b) Please refer to the attached Excel file 2.0-VECC-13(1)\_Load Forecast Scenarios, Tab b).

14

15 c) Please refer to the attached Excel file 2.0-VECC-13(1)\_Load Forecast Scenarios, Tab c).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -14**

4

5                   Reference: Exhibit 2A, Tab 1, Schedule 1, Table 3, page 7

6

7                   a) Has Table 3 been updated with respect to the updated filing of April 2, 2026 (Exhibit 10)? If so,  
8                   please provide a reference, if not please clarify that Control Centre and the Non-Wires BCA  
9                   evidence do not impact in-service rate base for the 2027-2031 years.

10

11

12                   **RESPONSE:**

13

14                   The results of the non-wires solutions benefit-cost analysis (BCA) performed on the three projects  
15                   confirm that the projects proposed by Elexicon in the Distribution System Plan remain the best  
16                   alternatives to address system needs and, therefore, there are no changes to rate base.

17

18                   Elexicon is not proposing to update capital expenditures to reflect the capitalized portion of the  
19                   revised System Control Centre costs as the difference will not have a material impact on rates.

20                   Instead, Elexicon will absorb the impact within the capital envelope proposed in the application.

## **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

### **INTERROGATORY 2.0-VECC -15**

Reference: Exhibit 2B, Tab 1, Table 11, page 22

- a) Please update Table 11 to show which “Service Area” or “Service District” the major weather event occurred in.

**RESPONSE:**

a) Please refer to the revised Table 11 below.

**Table 11 (revised): Service Districts Impacted by Major Storm Events (2020–2024)**

| Event     | Date              | Customers Affected | Service Districts Impacted                                  | Description   |
|-----------|-------------------|--------------------|---|---|
| Windstorm | July 19, 2020     | 17,989             | Ajax-Pickering, Whitby, Gravenhurst                         | <ul style="list-style-type: none"> <li>• Interruptions lasted ~7.5 hours (to restore 90% of customers)</li> <li>• Adverse weather conditions caused tree contacts, leading to widespread outages and loss of supply</li> </ul>                          |
| Windstorm | October 23, 2020  | 2,614              | Gravenhurst   | <ul style="list-style-type: none"> <li>• Interruptions lasted ~ 18 hours (to restore 90% of customers)</li> <li>• High winds caused tree contacts, downed poles, and fallen conductors, resulting in widespread outages</li> </ul>                      |
| Windstorm | November 15, 2020 | 22,892             | Ajax-Pickering, Whitby, Gravenhurst, Brock                  | <ul style="list-style-type: none"> <li>• Interruptions lasted ~9 hours (to restore 90% of customers)</li> <li>• Wind gusts reaching up to 80 km/h caused tree contacts, downed poles, and fallen conductors, resulting in widespread outages</li> </ul> |
| Windstorm | December 11, 2021 | 30,471             | Ajax-Pickering, Whitby, Clarington, Gravenhurst, Belleville | <ul style="list-style-type: none"> <li>• Interruptions lasted ~22 hours (to restore 90% of customers)</li> <li>• Winter storm with high winds caused tree contacts and damaged overhead infrastructure resulting in widespread outages</li> </ul>       |
| Windstorm | May 21, 2022      | 126,456            | All districts   | <ul style="list-style-type: none"> <li>• Interruptions lasted ~70 hours (to restore 90% of customers)</li> <li>• Derecho storm caused extensive damage to Elexicon’s infrastructure and led to prolonged power outages to customers</li> </ul>          |
| Windstorm | June 16, 2022     | 22,549             | Belleville  | <ul style="list-style-type: none"> <li>• Interruptions lasted ~26 hours (to restore 90% of customers) A severe thunderstorm passed through the region of Belleville, resulting in downed trees and conductors</li> </ul>                                |

| Event            | Date              | Customers Affected | Service Districts Impacted      | Description  |
|------------------|-------------------|--------------------|---------------------------------|--|
| Windstorm        | December 03, 2022 | 9,727              | Clarington                      | <ul style="list-style-type: none"> <li>• Interruptions lasted ~9.5 hours (to restore 90% of customers)</li> <li>• High winds resulted in loss of supply outages for customers in Newcastle</li> </ul>  |
| Wind & Snowstorm | December 23, 2022 | 52,334             | Clarington, Gravenhurst, Whitby | <ul style="list-style-type: none"> <li>• Interruptions lasted ~30 hours (to restore 90% of customers)</li> <li>• An historic winter storm including blizzards, high winds and snowfall swept through the region causing widespread outages. High winds brought down trees and power lines resulting in damage to critical infrastructure.</li> </ul> |
| Snowstorm        | January 25, 2023  | 13,330             | Ajax-Pickering, Whitby          | <ul style="list-style-type: none"> <li>• Interruptions lasted ~5 hours (to restore 90% of customers)</li> <li>• A snowstorm swept through the region with winds gusts and heavy snowfall resulting in power outages</li> </ul>   |
| Wind & Snowstorm | November 29, 2024 | 8,879              | Gravenhurst                     | <ul style="list-style-type: none"> <li>• Interruptions lasted ~100 hours (to restore 90% of customers)</li> <li>• A severe winter storm struck the Gravenhurst area bringing heavy snowfall, strong winds, and blizzard conditions</li> </ul>  |

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -16**

4

5                   Reference: Exhibit 2B, Tab 1, Schedule 1, page 29

6

7                   a) Please show the Investment Plan Objectives as a % of Total Spend 2027 to 2031 by Service Area  
8                   or Service District.

9

10

11

12                   **RESPONSE:**

13                   a) Elexicon does not categorize its capital or OM&A investment plans by service area or service  
14                   district and is unable to produce the requested information. However, within the proposed  
15                   capital investments during the 2027-2031 period, there are programs that highlight  
16                   investments specific to service area, and significant examples include:

17

18

19

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27

- Voltage & System Conversion: Port Hope, Belleville, and Pickering (north-west) are the focal areas of this investment program. See Exhibit 2B, Tab 4, Schedule 3, Appendix K for reference.
- Substation Growth: several projects in the substation growth program are needed to resolve capacity constraints. GTA East Transformer Station (TS) (Pickering, Ajax and Whitby); Uxbridge North Municipal Substation (MS) (Uxbridge); Foster MS (Belleville); Winchester West MS (Whitby); Port Hope MS (Port Hope); Bradshaw MS (Bowmanville). See Exhibit 2B, Tab 4, Schedule 3, Appendix I and I-1 for reference.
- Grid Enhancements: several feeder enhancements are planned to support the Substation Growth program investments stated above. See Exhibit 2B, Tab 4, Schedule 3, Appendix J, Page 17-18 for reference.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -17**

4

5                   Reference: Exhibit 2B, Tab 2, Schedule 2, Tables 22 , 23 and 24

6

7                   a) Please update the referenced tables to include 2025 results.

8                   b) Please provide Tables 22, 23 and 24 by “Service Area” or “District”

9

10

11

12

13

14

15                   **RESPONSE:**

16                   a) Please refer to revised Tables 22, 23, and 24 below with 2025 results. Please note that slight  
 17                   adjustments have been applied to certain 2020–2024 values in Table 22 as a result of  
 18                   refinements in calculating outage counts related to partial restorations. These adjustments do  
 19                   not impact Customer Interruption (CI) and Customer Hours of Interruption (CHI) results.

20                   **Table 22 (revised):        Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020  | 2021  | 2022 | 2023 | 2024 | 2025  | Total Outages | %     |
|------------------------|-------|-------|------|------|------|-------|---------------|-------|
| 0-Unknown/Other        | 104   | 130   | 115  | 115  | 134  | 114   | 712           | 11.7% |
| 1-Scheduled Outage     | 124   | 165   | 143  | 137  | 129  | 292   | 990           | 16.2% |
| 2-Loss of Supply       | 42    | 41    | 40   | 21   | 34   | 56    | 234           | 3.8%  |
| 3-Tree Contacts        | 88    | 101   | 101  | 76   | 134  | 206   | 706           | 11.6% |
| 4-Lightning            | 3     | 5     | 2    | 11   | 6    | 8     | 35            | 0.6%  |
| 5-Defective Equipment  | 344   | 290   | 193  | 141  | 229  | 547   | 1,744         | 28.6% |
| 6-Adverse Weather      | 27    | 41    | 79   | 14   | 25   | 58    | 244           | 4.0%  |
| 7-Adverse Environment  | 3     | 8     | 3    | 4    | 0    | 11    | 29            | 0.5%  |
| 8-Human Element        | 10    | 8     | 6    | 5    | 6    | 30    | 65            | 1.1%  |
| 9-Foreign Interference | 259   | 237   | 183  | 176  | 205  | 287   | 1,347         | 22.1% |
| Total                  | 1,004 | 1,026 | 865  | 700  | 902  | 1,609 | 6,106         | 100%  |

21

1 **Table 23 (revised): Customer Interruption Number by Cause Codes - Excluding MEDS**

| Cause Code             | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | Total Outages | %     |
|------------------------|---------|---------|---------|---------|---------|---------|---------------|-------|
| 0-Unknown/Other        | 23,143  | 55,744  | 58,730  | 68,282  | 58,865  | 40,383  | 305,147       | 17.8% |
| 1-Scheduled Outage     | 8,712   | 17,608  | 12,152  | 12,546  | 4,700   | 8,822   | 64,540        | 3.8%  |
| 2-Loss of Supply       | 69,277  | 68,892  | 88,395  | 71,932  | 82,379  | 95,455  | 476,330       | 27.9% |
| 3-Tree Contacts        | 28,842  | 22,639  | 28,935  | 13,638  | 50,726  | 71,923  | 216,703       | 12.7% |
| 4-Lightning            | 2,502   | 4,975   | 11      | 3,686   | 241     | 644     | 12,059        | 0.7%  |
| 5-Defective Equipment  | 39,049  | 54,700  | 44,699  | 51,410  | 67,814  | 64,633  | 322,305       | 18.9% |
| 6-Adverse Weather      | 5,196   | 7,553   | 19,198  | 1,144   | 9,206   | 22,345  | 64,642        | 3.8%  |
| 7-Adverse Environment  | 55      | 1,102   | 36      | 1,007   | 0       | 6,772   | 8,972         | 0.5%  |
| 8-Human Element        | 30,470  | 12,828  | 2,499   | 6,293   | 1,073   | 32,021  | 85,184        | 5.0%  |
| 9-Foreign Interference | 34,445  | 14,989  | 40,648  | 13,323  | 15,849  | 34,443  | 153,697       | 9.0%  |
| Total                  | 241,691 | 261,030 | 295,303 | 243,261 | 290,853 | 377,441 | 1,709,579     | 100%  |

2 **Table 24 (revised): Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 3 **Excluding**

| Cause Code             | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | Total Outages | %     |
|------------------------|---------|---------|---------|---------|---------|---------|---------------|-------|
| 0-Unknown/Other        | 8,456   | 23,003  | 45,390  | 29,094  | 45,526  | 18,263  | 169,733       | 7.7%  |
| 1-Scheduled Outage     | 9,169   | 19,273  | 24,805  | 29,515  | 8,444   | 22,179  | 113,385       | 5.1%  |
| 2-Loss of Supply       | 101,813 | 42,505  | 147,307 | 96,214  | 69,624  | 110,260 | 567,723       | 25.6% |
| 3-Tree Contacts        | 51,693  | 44,561  | 51,318  | 34,045  | 80,186  | 105,766 | 367,569       | 16.6% |
| 4-Lightning            | 6,162   | 171     | 13      | 10,333  | 498     | 428     | 17,606        | 0.8%  |
| 5-Defective Equipment  | 49,873  | 67,016  | 68,411  | 97,727  | 105,055 | 112,109 | 500,191       | 22.6% |
| 6-Adverse Weather      | 16,396  | 14,768  | 59,124  | 3,825   | 20,385  | 42,201  | 156,699       | 7.1%  |
| 7-Adverse Environment  | 552     | 940     | 129     | 615     | 0       | 6,269   | 8,504         | 0.4%  |
| 8-Human Element        | 53,497  | 4,755   | 8,967   | 4,957   | 1,558   | 13,978  | 87,713        | 4.0%  |
| 9-Foreign Interference | 37,125  | 26,927  | 39,847  | 33,139  | 45,358  | 44,084  | 226,479       | 10.2% |
| Total                  | 334,738 | 243,919 | 445,310 | 339,464 | 376,634 | 475,537 | 2,215,603     | 100%  |

4

1 b) Please refer to revised Tables 22, 23, and 24 below with 2025 results by Service District.

2 **Table 22A: Ajax-Pickering Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 47   | 52   | 48   | 58   | 59   | 30   | 294           | 12.9% |
| 1-Scheduled Outage     | 29   | 60   | 56   | 46   | 37   | 114  | 342           | 15.0% |
| 2-Loss of Supply       | 1    | 0    | 2    | 0    | 7    | 1    | 11            | 0.5%  |
| 3-Tree Contacts        | 31   | 37   | 34   | 17   | 47   | 75   | 241           | 10.5% |
| 4-Lightning            | 1    | 1    | 0    | 4    | 3    | 5    | 14            | 0.6%  |
| 5-Defective Equipment  | 143  | 123  | 71   | 53   | 88   | 247  | 725           | 31.7% |
| 6-Adverse Weather      | 11   | 21   | 24   | 6    | 12   | 8    | 82            | 3.6%  |
| 7-Adverse Environment  | 3    | 3    | 0    | 2    | 0    | 3    | 11            | 0.5%  |
| 8-Human Element        | 5    | 5    | 4    | 3    | 1    | 12   | 30            | 1.3%  |
| 9-Foreign Interference | 120  | 89   | 72   | 67   | 87   | 101  | 536           | 23.4% |
| Total                  | 391  | 391  | 311  | 256  | 341  | 596  | 2,286         | 100%  |

3

4 **Table 23A: Ajax-Pickering Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022    | 2023   | 2024    | 2025    | Total Outages | %     |
|------------------------|--------|--------|---------|--------|---------|---------|---------------|-------|
| 0-Unknown/Other        | 10,957 | 21,346 | 34,181  | 43,143 | 21,037  | 21,965  | 152,629       | 28.1% |
| 1-Scheduled Outage     | 4,834  | 14,200 | 6,705   | 2,555  | 1,218   | 5,515   | 35,027        | 6.4%  |
| 2-Loss of Supply       | 540    | 0      | 7,199   | 0      | 27,405  | 2,815   | 37,959        | 7.0%  |
| 3-Tree Contacts        | 17,936 | 3,773  | 7,505   | 4,367  | 12,604  | 16,040  | 62,225        | 11.4% |
| 4-Lightning            | 82     | 2      | 0       | 471    | 196     | 633     | 1,384         | 0.3%  |
| 5-Defective Equipment  | 9,152  | 17,823 | 25,314  | 17,194 | 23,674  | 39,248  | 132,405       | 24.3% |
| 6-Adverse Weather      | 464    | 4,548  | 13,589  | 618    | 6,059   | 1,454   | 26,732        | 4.9%  |
| 7-Adverse Environment  | 55     | 19     | 0       | 408    | 0       | 5,056   | 5,538         | 1.0%  |
| 8-Human Element        | 6,140  | 4,889  | 1,423   | 6,229  | 302     | 8,629   | 27,612        | 5.1%  |
| 9-Foreign Interference | 8,931  | 4,761  | 14,093  | 6,873  | 9,694   | 18,208  | 62,560        | 11.5% |
| Total                  | 59,091 | 71,361 | 110,009 | 81,858 | 102,189 | 119,563 | 544,071       | 100%  |

5

6 **Table 24A: Ajax-Pickering Customer Hours of Interruption Number (rounded) by Cause Codes**  
 7 **- Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022    | 2023   | 2024    | 2025    | Total Outages | %     |
|------------------------|--------|--------|---------|--------|---------|---------|---------------|-------|
| 0-Unknown/Other        | 4,067  | 8,859  | 15,550  | 18,336 | 21,247  | 3,001   | 71,059        | 11.9% |
| 1-Scheduled Outage     | 2,884  | 8,514  | 13,292  | 7,450  | 1,908   | 11,847  | 45,895        | 7.7%  |
| 2-Loss of Supply       | 27     | 0      | 420     | 0      | 7,993   | 94      | 8,534         | 1.4%  |
| 3-Tree Contacts        | 22,400 | 9,255  | 9,915   | 1,981  | 27,216  | 14,904  | 85,671        | 14.4% |
| 4-Lightning            | 191    | 3      | 0       | 3,209  | 377     | 405     | 4,185         | 0.7%  |
| 5-Defective Equipment  | 15,319 | 26,937 | 30,280  | 34,690 | 42,462  | 56,450  | 206,138       | 34.6% |
| 6-Adverse Weather      | 591    | 13,420 | 15,344  | 1,308  | 12,153  | 2,707   | 45,523        | 7.6%  |
| 7-Adverse Environment  | 552    | 24     | 0       | 406    | 0       | 2,282   | 3,265         | 0.5%  |
| 8-Human Element        | 362    | 3,170  | 5,929   | 4,905  | 1,133   | 6,007   | 21,507        | 3.6%  |
| 9-Foreign Interference | 9,875  | 11,623 | 10,045  | 13,285 | 34,994  | 23,678  | 103,502       | 17.4% |
| Total                  | 56,270 | 81,806 | 100,775 | 85,571 | 149,482 | 121,375 | 595,278       | 100%  |

1 **Table 22B: Belleville Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 20   | 22   | 16   | 11   | 18   | 17   | 104           | 15.1% |
| 1-Scheduled Outage     | 19   | 21   | 26   | 16   | 18   | 45   | 145           | 21.1% |
| 2-Loss of Supply       | 3    | 1    | 1    | 0    | 0    | 3    | 8             | 1.2%  |
| 3-Tree Contacts        | 5    | 11   | 7    | 2    | 3    | 8    | 36            | 5.2%  |
| 4-Lightning            | 0    | 0    | 0    | 0    | 0    | 0    | 0             | 0.0%  |
| 5-Defective Equipment  | 38   | 30   | 32   | 14   | 27   | 73   | 214           | 31.1% |
| 6-Adverse Weather      | 1    | 2    | 28   | 0    | 2    | 10   | 43            | 6.3%  |
| 7-Adverse Environment  | 0    | 2    | 0    | 0    | 0    | 1    | 3             | 0.4%  |
| 8-Human Element        | 0    | 0    | 0    | 0    | 1    | 4    | 5             | 0.7%  |
| 9-Foreign Interference | 20   | 19   | 17   | 23   | 19   | 32   | 130           | 18.9% |
| Total                  | 106  | 108  | 127  | 66   | 88   | 193  | 688           | 100%  |

2

3 **Table 23B: Belleville Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 5,205  | 10,116 | 8,556  | 7,701  | 8,469  | 883    | 40,930        | 20.4% |
| 1-Scheduled Outage     | 1,074  | 1,518  | 1,125  | 516    | 341    | 467    | 5,041         | 2.5%  |
| 2-Loss of Supply       | 17,153 | 6,242  | 13,552 | 0      | 0      | 23,429 | 60,376        | 30.1% |
| 3-Tree Contacts        | 951    | 9,646  | 180    | 349    | 4,500  | 30     | 15,656        | 7.8%  |
| 4-Lightning            | 0      | 0      | 0      | 0      | 0      | 0      | 0             | 0.0%  |
| 5-Defective Equipment  | 3,958  | 5,151  | 8,701  | 11,394 | 5,644  | 7,418  | 42,266        | 21.1% |
| 6-Adverse Weather      | 17     | 92     | 1,754  | 0      | 2,135  | 4,413  | 8,411         | 4.2%  |
| 7-Adverse Environment  | 0      | 1,000  | 0      | 0      | 0      | 2      | 1,002         | 0.5%  |
| 8-Human Element        | 0      | 0      | 0      | 0      | 1      | 8,082  | 8,083         | 4.0%  |
| 9-Foreign Interference | 7,035  | 729    | 407    | 2,336  | 2,228  | 6,206  | 18,941        | 9.4%  |
| Total                  | 35,393 | 34,494 | 34,275 | 22,296 | 23,318 | 50,930 | 200,706       | 100%  |

4

5 **Table 24B: Belleville Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 6 **Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 1,238  | 1,184  | 16,546 | 1,683  | 1,595  | 1,337  | 23,583        | 12.1% |
| 1-Scheduled Outage     | 1,185  | 703    | 2,311  | 1,097  | 986    | 1,173  | 7,455         | 3.8%  |
| 2-Loss of Supply       | 25,395 | 208    | 1,129  | 0      | 0      | 5,342  | 32,075        | 16.4% |
| 3-Tree Contacts        | 665    | 14,303 | 1,280  | 464    | 2,703  | 42     | 19,457        | 10.0% |
| 4-Lightning            | 0      | 0      | 0      | 0      | 0      | 0      | 0             | 0.0%  |
| 5-Defective Equipment  | 1,624  | 4,392  | 17,317 | 21,928 | 6,914  | 17,343 | 69,517        | 35.6% |
| 6-Adverse Weather      | 8      | 163    | 7,256  | 0      | 1,999  | 2,949  | 12,376        | 6.3%  |
| 7-Adverse Environment  | 0      | 858    | 0      | 0      | 0      | 3      | 861           | 0.4%  |
| 8-Human Element        | 0      | 0      | 0      | 0      | 1      | 3,600  | 3,601         | 1.8%  |
| 9-Foreign Interference | 7,937  | 1,150  | 587    | 4,969  | 2,112  | 9,393  | 26,148        | 13.4% |
| Total                  | 38,052 | 22,961 | 46,428 | 30,140 | 16,309 | 41,183 | 195,072       | 100%  |

7

1 **Table 24C: Whitby Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 2 **Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 10   | 13   | 19   | 16   | 16   | 21   | 95            | 9.0%  |
| 1-Scheduled Outage     | 39   | 60   | 21   | 22   | 27   | 67   | 236           | 22.3% |
| 2-Loss of Supply       | 2    | 0    | 0    | 3    | 1    | 1    | 7             | 0.7%  |
| 3-Tree Contacts        | 5    | 7    | 18   | 12   | 21   | 35   | 98            | 9.3%  |
| 4-Lightning            | 1    | 0    | 1    | 3    | 0    | 2    | 7             | 0.7%  |
| 5-Defective Equipment  | 48   | 46   | 38   | 34   | 46   | 104  | 316           | 29.9% |
| 6-Adverse Weather      | 4    | 0    | 2    | 2    | 1    | 5    | 14            | 1.3%  |
| 7-Adverse Environment  | 0    | 1    | 0    | 0    | 0    | 0    | 1             | 0.1%  |
| 8-Human Element        | 4    | 2    | 1    | 0    | 3    | 3    | 13            | 1.2%  |
| 9-Foreign Interference | 45   | 39   | 47   | 43   | 31   | 64   | 269           | 25.5% |
| Total                  | 158  | 168  | 147  | 135  | 146  | 302  | 1,056         | 100%  |

3

4 **Table 23C: Whitby Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 4,006  | 10,868 | 12,254 | 4,653  | 5,838  | 7,181  | 44,800        | 12.4% |
| 1-Scheduled Outage     | 593    | 494    | 169    | 228    | 537    | 388    | 2,409         | 0.7%  |
| 2-Loss of Supply       | 33     | 0      | 0      | 39,463 | 1,115  | 45     | 40,656        | 11.3% |
| 3-Tree Contacts        | 2,832  | 1,495  | 12,790 | 1,516  | 25,322 | 37,931 | 81,886        | 22.7% |
| 4-Lightning            | 2,419  | 0      | 1      | 1,868  | 0      | 10     | 4,298         | 1.2%  |
| 5-Defective Equipment  | 17,606 | 24,562 | 7,588  | 16,731 | 28,004 | 7,701  | 102,192       | 28.3% |
| 6-Adverse Weather      | 3,728  | 0      | 39     | 21     | 1      | 12,204 | 15,993        | 4.4%  |
| 7-Adverse Environment  | 0      | 81     | 0      | 0      | 0      | 0      | 81            | 0.0%  |
| 8-Human Element        | 6,790  | 7,938  | 38     | 0      | 63     | 14,054 | 28,883        | 8.0%  |
| 9-Foreign Interference | 12,966 | 3,333  | 14,301 | 2,045  | 1,772  | 5,402  | 39,819        | 11.0% |
| Total                  | 50,973 | 48,771 | 47,180 | 66,525 | 62,652 | 84,916 | 361,017       | 100%  |

5

6 **Table 24C: Customer Hours of Interruption Number (rounded) by Cause Codes - Excluding**  
 7 **MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 2,231  | 2,083  | 1,219  | 865    | 7,903  | 4,854  | 19,156        | 5.7%  |
| 1-Scheduled Outage     | 1,459  | 2,164  | 414    | 633    | 1,062  | 1,160  | 6,890         | 2.1%  |
| 2-Loss of Supply       | 22     | 0      | 0      | 31,519 | 19     | 36     | 31,596        | 9.4%  |
| 3-Tree Contacts        | 3,989  | 2,566  | 15,032 | 3,383  | 25,748 | 22,401 | 73,119        | 21.8% |
| 4-Lightning            | 5,966  | 0      | 2      | 3,711  | 0      | 20     | 9,698         | 2.9%  |
| 5-Defective Equipment  | 17,443 | 20,213 | 10,660 | 26,396 | 46,796 | 8,880  | 130,388       | 38.9% |
| 6-Adverse Weather      | 4,405  | 0      | 110    | 20     | 2      | 2,929  | 7,466         | 2.2%  |
| 7-Adverse Environment  | 0      | 50     | 0      | 0      | 0      | 0      | 50            | 0.0%  |
| 8-Human Element        | 2,874  | 1,583  | 13     | 0      | 60     | 2,582  | 7,112         | 2.1%  |
| 9-Foreign Interference | 15,201 | 3,658  | 17,386 | 3,899  | 4,703  | 4,929  | 49,777        | 14.8% |
| Total                  | 53,590 | 32,317 | 44,835 | 70,425 | 86,292 | 47,792 | 335,252       | 100%  |

8

1 **Table 22D: Brock Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 4    | 10   | 3    | 5    | 2    | 12   | 36            | 9.3%  |
| 1-Scheduled Outage     | 6    | 3    | 9    | 19   | 16   | 17   | 70            | 18.0% |
| 2-Loss of Supply       | 8    | 10   | 7    | 3    | 3    | 19   | 50            | 12.9% |
| 3-Tree Contacts        | 7    | 6    | 2    | 8    | 8    | 11   | 42            | 10.8% |
| 4-Lightning            | 0    | 0    | 0    | 0    | 1    | 0    | 1             | 0.3%  |
| 5-Defective Equipment  | 29   | 27   | 13   | 8    | 19   | 39   | 135           | 34.8% |
| 6-Adverse Weather      | 0    | 3    | 3    | 0    | 1    | 9    | 16            | 4.1%  |
| 7-Adverse Environment  | 0    | 0    | 2    | 0    | 0    | 0    | 2             | 0.5%  |
| 8-Human Element        | 0    | 0    | 1    | 1    | 0    | 3    | 5             | 1.3%  |
| 9-Foreign Interference | 3    | 7    | 9    | 3    | 4    | 5    | 31            | 8.0%  |
| Total                  | 57   | 66   | 49   | 47   | 54   | 115  | 388           | 100%  |

2

3 **Table 23D: Brock Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024  | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|-------|--------|---------------|-------|
| 0-Unknown/Other        | 152    | 926    | 1,556  | 352    | 569   | 4,396  | 7,951         | 8.5%  |
| 1-Scheduled Outage     | 717    | 89     | 2,044  | 3,997  | 903   | 361    | 8,111         | 8.7%  |
| 2-Loss of Supply       | 9,723  | 11,573 | 8,812  | 6,228  | 3,911 | 17,284 | 57,531        | 61.4% |
| 3-Tree Contacts        | 1,135  | 657    | 2      | 876    | 188   | 824    | 3,682         | 3.9%  |
| 4-Lightning            | 0      | 0      | 0      | 0      | 16    | 0      | 16            | 0.0%  |
| 5-Defective Equipment  | 626    | 2,509  | 232    | 335    | 540   | 1,191  | 5,433         | 5.8%  |
| 6-Adverse Weather      | 0      | 25     | 683    | 0      | 438   | 897    | 2,043         | 2.2%  |
| 7-Adverse Environment  | 0      | 0      | 28     | 0      | 0     | 0      | 28            | 0.0%  |
| 8-Human Element        | 0      | 0      | 1,038  | 14     | 0     | 275    | 1,327         | 1.4%  |
| 9-Foreign Interference | 83     | 759    | 4,652  | 16     | 533   | 1,551  | 7,594         | 8.1%  |
| Total                  | 12,436 | 16,538 | 19,047 | 11,818 | 7,098 | 26,779 | 93,716        | 100%  |

4

5 **Table 24D: Brock Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 6 **Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 48     | 1,363  | 148    | 1,248  | 55     | 2,747  | 5,609         | 3.4%  |
| 1-Scheduled Outage     | 1,489  | 117    | 5,809  | 17,311 | 2,588  | 1,386  | 28,701        | 17.4% |
| 2-Loss of Supply       | 19,686 | 7,950  | 22,166 | 4,104  | 5,822  | 8,350  | 68,078        | 41.2% |
| 3-Tree Contacts        | 4,782  | 1,940  | 23     | 3,389  | 933    | 707    | 11,774        | 7.1%  |
| 4-Lightning            | 0      | 0      | 0      | 0      | 62     | 0      | 62            | 0.0%  |
| 5-Defective Equipment  | 1,587  | 10,241 | 585    | 1,211  | 1,189  | 4,680  | 19,493        | 11.8% |
| 6-Adverse Weather      | 0      | 129    | 3,241  | 0      | 569    | 5,630  | 9,569         | 5.8%  |
| 7-Adverse Environment  | 0      | 0      | 89     | 0      | 0      | 0      | 89            | 0.1%  |
| 8-Human Element        | 0      | 0      | 3,025  | 40     | 0      | 84     | 3,149         | 1.9%  |
| 9-Foreign Interference | 492    | 6,274  | 10,248 | 27     | 763    | 986    | 18,789        | 11.4% |
| Total                  | 28,084 | 28,014 | 45,335 | 27,328 | 11,982 | 24,569 | 165,312       | 100%  |

7

1 **Table 22E: Clarington Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 10   | 14   | 6    | 10   | 13   | 11   | 64            | 8.6%  |
| 1-Scheduled Outage     | 10   | 15   | 17   | 19   | 20   | 35   | 116           | 15.7% |
| 2-Loss of Supply       | 10   | 6    | 16   | 13   | 11   | 13   | 69            | 9.3%  |
| 3-Tree Contacts        | 5    | 9    | 5    | 8    | 6    | 21   | 54            | 7.3%  |
| 4-Lightning            | 0    | 4    | 0    | 1    | 1    | 0    | 6             | 0.8%  |
| 5-Defective Equipment  | 53   | 40   | 15   | 11   | 23   | 52   | 194           | 26.2% |
| 6-Adverse Weather      | 0    | 4    | 3    | 2    | 5    | 8    | 22            | 3.0%  |
| 7-Adverse Environment  | 0    | 0    | 1    | 1    | 0    | 5    | 7             | 0.9%  |
| 8-Human Element        | 1    | 0    | 0    | 1    | 0    | 3    | 5             | 0.7%  |
| 9-Foreign Interference | 37   | 40   | 27   | 24   | 35   | 40   | 203           | 27.4% |
| Total                  | 126  | 132  | 90   | 90   | 114  | 188  | 740           | 100%  |

2

3 **Table 23E: Clarington Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 1,383  | 10,969 | 161    | 11,530 | 7,352  | 3,382  | 34,777        | 11.4% |
| 1-Scheduled Outage     | 160    | 185    | 1,161  | 4,674  | 797    | 869    | 7,846         | 2.6%  |
| 2-Loss of Supply       | 19,320 | 17,155 | 34,219 | 24,116 | 39,716 | 20,624 | 155,150       | 50.9% |
| 3-Tree Contacts        | 1,132  | 4,729  | 4,520  | 1,395  | 2,769  | 9,823  | 24,368        | 8.0%  |
| 4-Lightning            | 0      | 4,973  | 0      | 45     | 25     | 0      | 5,043         | 1.7%  |
| 5-Defective Equipment  | 6,452  | 3,027  | 1,160  | 4,277  | 8,601  | 8,234  | 31,751        | 10.4% |
| 6-Adverse Weather      | 0      | 2,568  | 11     | 396    | 385    | 1,257  | 4,617         | 1.5%  |
| 7-Adverse Environment  | 0      | 0      | 8      | 555    | 0      | 1,683  | 2,246         | 0.7%  |
| 8-Human Element        | 17,540 | 0      | 0      | 50     | 0      | 3      | 17,593        | 5.8%  |
| 9-Foreign Interference | 4,896  | 5,051  | 7,130  | 881    | 1,408  | 2,241  | 21,607        | 7.1%  |
| Total                  | 50,883 | 48,657 | 48,370 | 47,919 | 61,053 | 48,116 | 304,998       | 100%  |

4

5 **Table 24E: Clarington Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 6 **Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 276    | 737    | 275    | 1,632  | 3,384  | 1,922  | 8,227         | 2.2%  |
| 1-Scheduled Outage     | 471    | 224    | 2,241  | 1,388  | 881    | 3,213  | 8,417         | 2.3%  |
| 2-Loss of Supply       | 5,784  | 6,110  | 44,377 | 53,178 | 41,062 | 33,493 | 184,004       | 49.2% |
| 3-Tree Contacts        | 2,077  | 2,655  | 9,725  | 3,452  | 7,717  | 19,973 | 45,598        | 12.2% |
| 4-Lightning            | 0      | 168    | 0      | 193    | 48     | 0      | 410           | 0.1%  |
| 5-Defective Equipment  | 12,406 | 1,546  | 4,861  | 6,633  | 4,375  | 22,597 | 52,418        | 14.0% |
| 6-Adverse Weather      | 0      | 377    | 23     | 1,917  | 2,226  | 2,221  | 6,764         | 1.8%  |
| 7-Adverse Environment  | 0      | 0      | 39     | 133    | 0      | 3,557  | 3,729         | 1.0%  |
| 8-Human Element        | 50,261 | 0      | 0      | 13     | 0      | 6      | 50,279        | 13.5% |
| 9-Foreign Interference | 1,794  | 3,564  | 1,506  | 1,416  | 2,238  | 3,278  | 13,795        | 3.7%  |
| Total                  | 73,068 | 15,381 | 63,048 | 69,954 | 61,930 | 90,259 | 373,641       | 100%  |

1 **Table 22F: Gravenhurst Outage Numbers by Cause codes - Excluding MEDs**

| Cause Code             | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total Outages | %     |
|------------------------|------|------|------|------|------|------|---------------|-------|
| 0-Unknown/Other        | 13   | 19   | 23   | 15   | 26   | 23   | 119           | 12.6% |
| 1-Scheduled Outage     | 21   | 6    | 14   | 15   | 11   | 14   | 81            | 8.5%  |
| 2-Loss of Supply       | 18   | 24   | 14   | 2    | 12   | 19   | 89            | 9.4%  |
| 3-Tree Contacts        | 35   | 31   | 35   | 29   | 49   | 56   | 235           | 24.8% |
| 4-Lightning            | 1    | 0    | 1    | 3    | 1    | 1    | 7             | 0.7%  |
| 5-Defective Equipment  | 33   | 24   | 24   | 21   | 26   | 32   | 160           | 16.9% |
| 6-Adverse Weather      | 11   | 11   | 19   | 4    | 4    | 18   | 67            | 7.1%  |
| 7-Adverse Environment  | 0    | 2    | 0    | 1    | 0    | 2    | 5             | 0.5%  |
| 8-Human Element        | 0    | 1    | 0    | 0    | 1    | 5    | 7             | 0.7%  |
| 9-Foreign Interference | 34   | 43   | 11   | 16   | 29   | 45   | 178           | 18.8% |
| Total                  | 166  | 161  | 141  | 106  | 159  | 215  | 948           | 100%  |

2

3 **Table 23F: Gravenhurst Customer Interruption Number by Cause Codes - Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total Outages | %     |
|------------------------|--------|--------|--------|--------|--------|--------|---------------|-------|
| 0-Unknown/Other        | 1,440  | 1,519  | 2,022  | 903    | 15,600 | 2,576  | 24,060        | 11.7% |
| 1-Scheduled Outage     | 1,334  | 1,122  | 948    | 576    | 904    | 1,222  | 6,106         | 3.0%  |
| 2-Loss of Supply       | 22,508 | 33,922 | 24,613 | 2,125  | 10,232 | 31,258 | 124,658       | 60.8% |
| 3-Tree Contacts        | 4,856  | 2,339  | 3,938  | 5,135  | 5,343  | 7,275  | 28,886        | 14.1% |
| 4-Lightning            | 1      | 0      | 10     | 1,302  | 4      | 1      | 1,318         | 0.6%  |
| 5-Defective Equipment  | 1,255  | 1,628  | 1,704  | 1,479  | 1,351  | 841    | 8,258         | 4.0%  |
| 6-Adverse Weather      | 987    | 320    | 3,122  | 109    | 188    | 2,120  | 6,846         | 3.3%  |
| 7-Adverse Environment  | 0      | 2      | 0      | 44     | 0      | 31     | 77            | 0.0%  |
| 8-Human Element        | 0      | 1      | 0      | 0      | 707    | 978    | 1,686         | 0.8%  |
| 9-Foreign Interference | 534    | 356    | 65     | 1,172  | 214    | 835    | 3,176         | 1.5%  |
| Total                  | 32,915 | 41,209 | 36,422 | 12,845 | 34,543 | 47,137 | 205,071       | 100%  |

4

5 **Table 24F: Gravenhurst Customer Hours of Interruption Number (rounded) by Cause Codes -**  
 6 **Excluding MEDs**

| Cause Code             | 2020   | 2021   | 2022    | 2023   | 2024   | 2025    | Total Outages | %     |
|------------------------|--------|--------|---------|--------|--------|---------|---------------|-------|
| 0-Unknown/Other        | 596    | 8,779  | 11,652  | 5,330  | 11,341 | 4,402   | 42,099        | 7.6%  |
| 1-Scheduled Outage     | 1,681  | 7,551  | 739     | 1,636  | 1,019  | 3,400   | 16,027        | 2.9%  |
| 2-Loss of Supply       | 50,899 | 28,237 | 79,214  | 7,412  | 14,728 | 62,946  | 243,437       | 44.2% |
| 3-Tree Contacts        | 17,780 | 13,842 | 15,344  | 21,377 | 15,869 | 47,739  | 131,951       | 23.9% |
| 4-Lightning            | 5      | 0      | 12      | 3,220  | 11     | 2       | 3,251         | 0.6%  |
| 5-Defective Equipment  | 1,494  | 3,688  | 4,707   | 6,870  | 3,319  | 2,159   | 22,238        | 4.0%  |
| 6-Adverse Weather      | 11,392 | 678    | 33,150  | 581    | 3,436  | 25,765  | 75,002        | 13.6% |
| 7-Adverse Environment  | 0      | 7      | 0       | 76     | 0      | 427     | 510           | 0.1%  |
| 8-Human Element        | 0      | 2      | 0       | 0      | 365    | 1,699   | 2,066         | 0.4%  |
| 9-Foreign Interference | 1,826  | 657    | 73      | 9,544  | 549    | 1,819   | 14,468        | 2.6%  |
| Total                  | 85,674 | 63,440 | 144,890 | 56,045 | 50,638 | 150,359 | 551,048       | 100%  |

7

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -18**

4

5                   Reference: Exhibit 2B, Tab 2, Schedule 1, pages 48-

6

7                   a) Please provide the customer number of interruptions and hours interruption for Defective  
 8                   Equipment broken down by the type of defective asset for the 2020 to 2025 period.

9

10                  b) Please also provide the above Tables by “Service Area” or “District.”

11

12                  **RESPONSE:**

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14                  (a) The customer hours of interruptions and customer interruption attributable to Defective  
 15                  Equipment, disaggregated by defective equipment asset type, for the period 2020 to 2025,  
 16                  Excluding Loss of Supply (LOS) and Major Event Days (MEDs), are provided in the Table 1 and  
 17                  Table 2 below:

18

19                  **Table 1:                   Customer Hours of Interruption (rounded) by Defective Equipment Asset Type for**  
 20                  **2020-2025 – Excluding LOS and MEDs**

| Asset Type           | 2020  | 2021  | 2022  | 2023   | 2024   | 2025  | Total  |
|----------------------|-------|-------|-------|--------|--------|-------|--------|
| Defective Switches   | 2,568 | 1,284 | 1,324 | 14,616 | 26,902 | 8,153 | 54,847 |
| Defective Insulators | 4,174 | 3,548 | 2,472 | 14,421 | 284    | 2,633 | 27,532 |
| Elbow and insert     | 2,294 | 59    | 313   | 370    | 53     | 753   | 3,842  |
| Lightning Arrestor   | 535   | 4,511 | 400   | 478    | 355    | 607   | 6,885  |
| Dist. Trans. O/H     | 653   | 868   | 1,490 | 529    | 853    | 4,254 | 8,646  |
| Dist. Trans. U/G     | 1,904 | 2,223 | 2,451 | 4,339  | 3,971  | 9,487 | 24,376 |

| Asset Type                         | 2020   | 2021   | 2022   | 2023   | 2024    | 2025    | Total   |
|------------------------------------|--------|--------|--------|--------|---------|---------|---------|
| Overhead Pri. Connections/Sleeves  | 1,999  | 12,719 | 12,399 | 22,335 | 42,642  | 9,947   | 102,040 |
| Substation Equipment               | 1,298  | 81     | 22,864 | 10,969 | 6,628   | 0       | 41,840  |
| Overhead Sec. Connections          | 387    | 164    | 186    | 65     | 370     | 505     | 1,678   |
| Equipment Failure/Meter Connection | 30     | 2,412  | 0      | 0      | 43      | 14      | 2,498   |
| Underground Pri. cable failure     | 25,089 | 33,043 | 21,633 | 27,587 | 21,738  | 59,462  | 188,552 |
| Underground Sec. cable failure     | 402    | 645    | 500    | 37     | 399     | 1,179   | 3,162   |
| Equipment Failure - other          | 8,128  | 5,293  | 2,033  | 987    | 802     | 11,914  | 29,158  |
| Switchgear                         | 413    | 165    | 0      | 924    | 15      | 3,200   | 4,717   |
| Automation/SCADA/Communication     | 0      | 0      | 346    | 72     | 0       | 0       | 418     |
| Total                              | 49,873 | 67,016 | 68,411 | 97,727 | 105,055 | 112,109 | 500,191 |

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**Table 2: Customer Interruptions by Defective Equipment Asset Type for 2020-2025 – Excluding LOS and MEDs**

| Asset Type                        | 2020  | 2021   | 2022   | 2023   | 2024   | 2025  | Total  |
|-----------------------------------|-------|--------|--------|--------|--------|-------|--------|
| Defective Switches                | 4,395 | 681    | 686    | 9,515  | 37,263 | 4,031 | 56,571 |
| Defective Insulators              | 5,446 | 1,022  | 821    | 7,017  | 116    | 728   | 15,150 |
| Elbow and insert                  | 891   | 32     | 156    | 171    | 19     | 8,006 | 9,275  |
| Lightning Arrestor                | 263   | 4,471  | 204    | 131    | 265    | 7,350 | 12,684 |
| Dist. Trans. O/H                  | 207   | 243    | 472    | 145    | 476    | 1,912 | 3,455  |
| Dist. Trans. U/G                  | 1,052 | 2,369  | 754    | 2,207  | 2,272  | 6,265 | 14,919 |
| Overhead Pri. Connections/Sleeves | 1,253 | 19,324 | 7,763  | 10,031 | 12,406 | 4,845 | 55,622 |
| Substation Equipment              | 1,557 | 81     | 18,490 | 6,724  | 2,781  | 0     | 29,633 |
| Overhead Sec. Connections         | 149   | 90     | 82     | 49     | 155    | 206   | 731    |

| Asset Type                         | 2020          | 2021          | 2022          | 2023          | 2024          | 2025          | Total          |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Equipment Failure/Meter Connection | 23            | 4,382         | 0             | 0             | 2             | 8             | 4,415          |
| Underground Pri. cable failure     | 15,738        | 17,393        | 8,921         | 11,575        | 11,746        | 26,151        | 91,524         |
| Underground Sec. cable failure     | 114           | 111           | 145           | 7             | 112           | 456           | 945            |
| Equipment Failure - other          | 7,437         | 2,854         | 3,607         | 1,685         | 191           | 4,319         | 20,093         |
| Switchgear                         | 524           | 1,647         | 0             | 2,084         | 10            | 356           | 4,621          |
| Automation/SCADA/Communication     | 0             | 0             | 2,598         | 69            | 0             | 0             | 2,667          |
| <b>Total</b>                       | <b>39,049</b> | <b>54,700</b> | <b>44,699</b> | <b>51,410</b> | <b>67,814</b> | <b>64,633</b> | <b>322,305</b> |

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(b) The customer hours of interruptions and customer interruption attributed to Defective Equipment by Asset Type and Service Area for 2020-2025 – Excluding Loss of Supply (LOS) and Major Event Days (MEDs) are provided in the Tables 3 and 4 below:

**Table 3: Customer Interruptions by Defective Equipment Asset Type for 2020-2025 – Excluding LOS and MEDs**

| Asset Type           | District       | 2020  | 2021 | 2022 | 2023  | 2024   | 2025  | Total  |
|----------------------|----------------|-------|------|------|-------|--------|-------|--------|
| Defective Switches   | Ajax-Pickering | 387   | 101  | 230  | 3,523 | 10,306 | 1,107 | 15,654 |
|                      | Belleville     | 121   | 154  | 119  | 3,549 | 2,549  | 127   | 6,619  |
|                      | Brock          | 120   | 162  | 139  | 209   | 62     | 522   | 1,214  |
|                      | Clarington     | 1,135 | 8    | 142  | 0     | 5,314  | 1,747 | 8,346  |
|                      | Gravenhurst    | 977   | 256  | 39   | 476   | 254    | 418   | 2,420  |
|                      | Whitby         | 1,655 | 0    | 17   | 1,758 | 18,778 | 110   | 22,318 |
| Defective Insulators | Ajax-Pickering | 0     | 760  | 34   | 65    | 37     | 0     | 896    |
|                      | Belleville     | 1,713 | 6    | 0    | 6,344 | 0      | 0     | 8,063  |
|                      | Brock          | 253   | 253  | 0    | 0     | 39     | 450   | 995    |
|                      | Clarington     | 951   | 0    | 0    | 0     | 0      | 0     | 951    |
|                      | Gravenhurst    | 90    | 0    | 787  | 608   | 7      | 275   | 1,767  |
|                      | Whitby         | 2,439 | 3    | 0    | 0     | 33     | 3     | 2,478  |
|                      | Ajax-Pickering | 739   | 32   | 58   | 171   | 0      | 7,974 | 8,974  |

| Asset Type                           | District       | 2020 | 2021   | 2022   | 2023  | 2024  | 2025  | Total  |
|--------------------------------------|----------------|------|--------|--------|-------|-------|-------|--------|
| Elbow and insert                     | Belleville     | 0    | 0      | 42     | 0     | 0     | 0     | 42     |
|                                      | Brock          | 0    | 0      | 0      | 0     | 0     | 8     | 8      |
|                                      | Clarington     | 92   | 0      | 56     | 0     | 19    | 0     | 167    |
|                                      | Gravenhurst    | 0    | 0      | 0      | 0     | 0     | 0     | 0      |
|                                      | Whitby         | 60   | 0      | 0      | 0     | 0     | 24    | 84     |
| Lightning Arrestor                   | Ajax-Pickering | 116  | 4,400  | 5      | 0     | 6     | 7,331 | 11,858 |
|                                      | Belleville     | 0    | 0      | 0      | 0     | 0     | 0     | 0      |
|                                      | Brock          | 0    | 0      | 0      | 0     | 0     | 0     | 0      |
|                                      | Clarington     | 105  | 0      | 0      | 0     | 0     | 0     | 105    |
|                                      | Gravenhurst    | 1    | 13     | 0      | 10    | 3     | 0     | 27     |
|                                      | Whitby         | 41   | 58     | 199    | 121   | 256   | 19    | 694    |
| Dist. Trans. O/H                     | Ajax-Pickering | 47   | 27     | 29     | 9     | 44    | 107   | 263    |
|                                      | Belleville     | 83   | 79     | 186    | 40    | 0     | 30    | 418    |
|                                      | Brock          | 0    | 50     | 48     | 0     | 346   | 45    | 489    |
|                                      | Clarington     | 52   | 39     | 132    | 13    | 3     | 1,663 | 1,902  |
|                                      | Gravenhurst    | 15   | 21     | 62     | 44    | 8     | 45    | 195    |
|                                      | Whitby         | 10   | 27     | 15     | 39    | 75    | 22    | 188    |
| Dist. Trans. U/G                     | Ajax-Pickering | 946  | 942    | 423    | 2,077 | 1,184 | 6,172 | 11,744 |
|                                      | Belleville     | 9    | 5      | 19     | 82    | 1,000 | 27    | 1,142  |
|                                      | Brock          | 46   | 17     | 0      | 1     | 0     | 0     | 64     |
|                                      | Clarington     | 41   | 1,134  | 0      | 10    | 9     | 10    | 1,204  |
|                                      | Gravenhurst    | 0    | 0      | 0      | 18    | 2     | 19    | 39     |
|                                      | Whitby         | 10   | 271    | 312    | 19    | 77    | 37    | 726    |
| Overhead Primary Connections/sleeves | Ajax-Pickering | 223  | 140    | 147    | 7,573 | 2,505 | 3,157 | 13,745 |
|                                      | Belleville     | 692  | 4,212  | 6,357  | 1,288 | 2,021 | 1,455 | 16,025 |
|                                      | Brock          | 179  | 1,965  | 21     | 101   | 16    | 72    | 2,354  |
|                                      | Clarington     | 2    | 17     | 361    | 893   | 621   | 4     | 1,898  |
|                                      | Gravenhurst    | 157  | 0      | 485    | 104   | 1,003 | 61    | 1,810  |
|                                      | Whitby         | 0    | 12,990 | 392    | 72    | 6,240 | 96    | 19,790 |
|                                      | Ajax-Pickering | 0    | 81     | 10,923 | 0     | 2,781 | 0     | 13,785 |
|                                      | Belleville     | 0    | 0      | 1,129  | 0     | 0     | 0     | 1,129  |

| Asset Type                         | District       | 2020   | 2021  | 2022  | 2023  | 2024  | 2025   | Total  |
|------------------------------------|----------------|--------|-------|-------|-------|-------|--------|--------|
| Substation Equipment               | Brock          | 0      | 0     | 0     | 0     | 0     | 0      | 0      |
|                                    | Clarington     | 0      | 0     | 0     | 296   | 0     | 0      | 296    |
|                                    | Gravenhurst    | 0      | 0     | 0     | 0     | 0     | 0      | 0      |
|                                    | Whitby         | 1,557  | 0     | 6,438 | 6,428 | 0     | 0      | 14,423 |
| Overhead Sec. Connections          | Ajax-Pickering | 78     | 27    | 6     | 27    | 78    | 71     | 287    |
|                                    | Belleville     | 13     | 27    | 7     | 22    | 19    | 62     | 150    |
|                                    | Brock          | 21     | 13    | 14    | 0     | 12    | 4      | 64     |
|                                    | Clarington     | 25     | 16    | 0     | 0     | 1     | 29     | 71     |
|                                    | Gravenhurst    | 12     | 4     | 17    | 0     | 8     | 15     | 56     |
|                                    | Whitby         | 0      | 3     | 38    | 0     | 37    | 25     | 103    |
| Equipment Failure/Meter connection | Ajax-Pickering | 1      | 3     | 0     | 0     | 1     | 1      | 6      |
|                                    | Belleville     | 0      | 0     | 0     | 0     | 0     | 0      | 0      |
|                                    | Brock          | 1      | 1     | 0     | 0     | 0     | 1      | 3      |
|                                    | Clarington     | 0      | 0     | 0     | 0     | 1     | 2      | 3      |
|                                    | Gravenhurst    | 1      | 1     | 0     | 0     | 0     | 1      | 3      |
|                                    | Whitby         | 20     | 4,377 | 0     | 0     | 0     | 3      | 4,400  |
| U/G Primary cable failure          | Ajax-Pickering | 3,141  | 9,766 | 8,318 | 1,647 | 6,515 | 13,016 | 42,403 |
|                                    | Belleville     | 43     | 629   | 78    | 0     | 20    | 5,644  | 6,414  |
|                                    | Brock          | 1      | 16    | 0     | 0     | 24    | 59     | 100    |
|                                    | Clarington     | 960    | 152   | 391   | 1,421 | 2,631 | 283    | 5,838  |
|                                    | Gravenhurst    | 0      | 0     | 2     | 219   | 60    | 0      | 281    |
|                                    | Whitby         | 11,593 | 6,830 | 132   | 8,288 | 2,496 | 7,149  | 36,488 |
| U/G Sec. Cable Failure             | Ajax-Pickering | 44     | 44    | 87    | 1     | 96    | 209    | 481    |
|                                    | Belleville     | 30     | 38    | 2     | 0     | 1     | 6      | 77     |
|                                    | Brock          | 4      | 11    | 10    | 0     | 1     | 19     | 45     |
|                                    | Clarington     | 15     | 13    | 1     | 0     | 1     | 22     | 52     |
|                                    | Gravenhurst    | 1      | 2     | 1     | 0     | 1     | 5      | 10     |
|                                    | Whitby         | 20     | 3     | 44    | 6     | 12    | 195    | 280    |
|                                    | Ajax-Pickering | 3,430  | 1,500 | 2,456 | 17    | 120   | 101    | 7,624  |
|                                    | Belleville     | 1,254  | 1     | 762   | 0     | 25    | 67     | 2,109  |

| Asset Type                       | District       | 2020  | 2021  | 2022  | 2023  | 2024 | 2025  | Total |
|----------------------------------|----------------|-------|-------|-------|-------|------|-------|-------|
| Equipment Failure - other        | Brock          | 1     | 21    | 0     | 24    | 40   | 11    | 97    |
|                                  | Clarington     | 2,667 | 1     | 77    | 1,644 | 1    | 4,120 | 8,510 |
|                                  | Gravenhurst    | 1     | 1,331 | 311   | 0     | 5    | 2     | 1,650 |
|                                  | Whitby         | 84    | 0     | 1     | 0     | 0    | 18    | 103   |
| Switchgear                       | Ajax-Pickering | 0     | 0     | 0     | 2,084 | 1    | 2     | 2,087 |
|                                  | Belleville     | 0     | 0     | 0     | 0     | 9    | 0     | 9     |
|                                  | Brock          | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  | Clarington     | 407   | 1,647 | 0     | 0     | 0    | 354   | 2,408 |
|                                  | Gravenhurst    | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  | Whitby         | 117   | 0     | 0     | 0     | 0    | 0     | 117   |
| Automation/ SCADA/ Communication | Ajax-Pickering | 0     | 0     | 2,598 | 0     | 0    | 0     | 2,598 |
|                                  | Belleville     | 0     | 0     | 0     | 69    | 0    | 0     | 69    |
|                                  | Brock          | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  | Clarington     | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  | Gravenhurst    | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  | Whitby         | 0     | 0     | 0     | 0     | 0    | 0     | 0     |
|                                  |                |       |       |       |       |      |       |       |

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2 **Table 4: Customer Hours of Interruption (rounded) by Defective Equipment Asset Type for**  
 3 **2020-2025 – Excluding LOS and MEDs**

| Cause code description                 | District    | 2020  | 2021  | 2022  | 2023   | 2024   | 2025  | Total  |
|--|-------------|-------|-------|-------|--------|--------|-------|--------|
| Defective Switches                     | Ajax        | 337   | 20    | 516   | 6,839  | 20,159 | 2,686 | 30,556 |
|  | Belleville  | 158   | 235   | 177   | 5,534  | 906    | 221   | 7,233  |
|  | Brock       | 263   | 491   | 113   | 621    | 340    | 1,657 | 3,485  |
|  | Clarington  | 319   | 13    | 366   | 0      | 1,596  | 2,236 | 4,530  |
|  | Gravenhurst | 1,227 | 525   | 139   | 1,475  | 802    | 1,208 | 5,376  |
|  | Whitby      | 263   | 0     | 13    | 147    | 3,098  | 146   | 3,667  |
| Defective Insulators                   | Ajax        | 0     | 3,223 | 79    | 155    | 30     | 0     | 3,486  |
|  | Belleville  | 114   | 9     | 0     | 13,111 | 0      | 0     | 13,234 |
|  | Brock       | 443   | 312   | 0     | 0      | 177    | 2,215 | 3,148  |
|  | Clarington  | 2,754 | 0     | 0     | 0      | 0      | 0     | 2,754  |
|  | Gravenhurst | 91    | 0     | 2,393 | 1,154  | 17     | 412   | 4,068  |
|  | Whitby      | 772   | 5     | 0     | 0      | 59     | 5     | 842    |
| Elbow and insert                       | Ajax        | 2,080 | 59    | 97    | 370    | 0      | 665   | 3,270  |
|  | Belleville  | 0     | 0     | 63    | 0      | 0      | 0     | 63     |
|  | Brock       | 0     | 0     | 0     | 0      | 0      | 36    | 36     |
|  | Clarington  | 64    | 0     | 153   | 0      | 53     | 0     | 270    |
|  | Gravenhurst | 0     | 0     | 0     | 0      | 0      | 0     | 0      |
|  | Whitby      | 149   | 0     | 0     | 0      | 0      | 53    | 202    |
| Lightning Arrestor                     | Ajax        | 198   | 4,409 | 26    | 0      | 9      | 580   | 5,221  |
|  | Belleville  | 0     | 0     | 0     | 0      | 0      | 0     | 0      |
|  | Brock       | 0     | 0     | 0     | 0      | 0      | 0     | 0      |
|  | Clarington  | 252   | 0     | 0     | 0      | 0      | 0     | 252    |
|  | Gravenhurst | 2     | 19    | 0     | 185    | 4      | 0     | 210    |
|  | Whitby      | 83    | 83    | 374   | 293    | 342    | 27    | 1,202  |
| Dist. Trans. O/H                       | Ajax        | 170   | 96    | 134   | 28     | 171    | 346   | 944    |
|  | Belleville  | 177   | 166   | 373   | 158    | 0      | 77    | 950    |
|  | Brock       | 0     | 252   | 283   | 0      | 267    | 142   | 944    |
|  | Clarington  | 252   | 142   | 319   | 35     | 19     | 3,373 | 4,139  |
|  | Gravenhurst | 44    | 87    | 374   | 138    | 129    | 268   | 1,040  |
|  | Whitby      | 10    | 125   | 7     | 170    | 267    | 48    | 628    |
| Dist. Trans. U/G                       | Ajax        | 1,470 | 1,319 | 2,091 | 3,763  | 2,760  | 9,089 | 20,493 |
|  | Belleville  | 29    | 4     | 117   | 375    | 473    | 47    | 1,045  |
|  | Brock       | 107   | 55    | 0     | 7      | 0      | 0     | 169    |
|  | Clarington  | 257   | 317   | 0     | 51     | 258    | 36    | 919    |
|  | Gravenhurst | 0     | 0     | 0     | 75     | 11     | 187   | 273    |
|  | Whitby      | 41    | 529   | 243   | 68     | 468    | 128   | 1,477  |
| Overhead Primary Connections / Sleeves | Ajax        | 356   | 76    | 444   | 18,536 | 208    | 7,111 | 26,731 |
|  | Belleville  | 856   | 3,370 | 9,251 | 2,654  | 5,228  | 2,337 | 23,695 |
|  | Brock       | 683   | 8,654 | 70    | 365    | 257    | 338   | 10,367 |
|  | Clarington  | 2     | 30    | 538   | 330    | 1,869  | 4     | 2,773  |
|  | Gravenhurst | 102   | 0     | 1,475 | 288    | 1,228  | 33    | 3,126  |

| Cause code description             | District    | 2020   | 2021   | 2022   | 2023   | 2024   | 2025   | Total  |
|------------------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|
|                                    | Whitby      | 0      | 590    | 620    | 163    | 33,852 | 125    | 35,349 |
| Substation Equipment               | Ajax        | 0      | 81     | 7,862  | 0      | 6,628  | 0      | 14,571 |
|                                    | Belleville  | 0      | 0      | 5,914  | 0      | 0      | 0      | 5,914  |
|                                    | Brock       | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
|                                    | Clarington  | 0      | 0      | 0      | 518    | 0      | 0      | 518    |
|                                    | Gravenhurst | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
|                                    | Whitby      | 1,298  | 0      | 9,088  | 10,451 | 0      | 0      | 20,837 |
| Overhead Sec. Connections          | Ajax        | 171    | 48     | 42     | 41     | 201    | 194    | 697    |
|                                    | Belleville  | 17     | 27     | 13     | 24     | 46     | 65     | 192    |
|                                    | Brock       | 64     | 29     | 42     | 0      | 19     | 16     | 168    |
|                                    | Clarington  | 113    | 42     | 0      | 0      | 2      | 140    | 298    |
|                                    | Gravenhurst | 23     | 14     | 17     | 0      | 48     | 28     | 129    |
|                                    | Whitby      | 0      | 5      | 72     | 0      | 55     | 63     | 194    |
| Equipment Failure/Meter Connection | Ajax        | 2      | 4      | 0      | 0      | 5      | 4      | 14     |
|                                    | Belleville  | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
|                                    | Brock       | 1      | 2      | 0      | 0      | 0      | 3      | 6      |
|                                    | Clarington  | 0      | 0      | 0      | 0      | 38     | 3      | 41     |
|                                    | Gravenhurst | 3      | 1      | 0      | 0      | 0      | 0      | 4      |
|                                    | Whitby      | 24     | 2,406  | 0      | 0      | 0      | 4      | 2,434  |
| U/G Primary cable failure          | Ajax        | 6,502  | 15,245 | 17,884 | 3,997  | 11,337 | 35,098 | 90,063 |
|                                    | Belleville  | 125    | 168    | 269    | 0      | 197    | 14,478 | 15,237 |
|                                    | Brock       | 11     | 356    | 0      | 0      | 46     | 148    | 560    |
|                                    | Clarington  | 4,382  | 810    | 3,352  | 4,965  | 535    | 1,742  | 15,786 |
|                                    | Gravenhurst | 0      | 0      | 54     | 3,554  | 1,051  | 0      | 4,659  |
|                                    | Whitby      | 14,068 | 16,465 | 74     | 15,071 | 8,571  | 7,997  | 62,246 |
| U/G Sec. cable failure             | Ajax        | 118    | 130    | 243    | 3      | 307    | 612    | 1,414  |
|                                    | Belleville  | 104    | 411    | 5      | 0      | 2      | 22     | 544    |
|                                    | Brock       | 12     | 68     | 78     | 0      | 1      | 65     | 224    |
|                                    | Clarington  | 50     | 22     | 2      | 0      | 3      | 203    | 279    |
|                                    | Gravenhurst | 2      | 9      | 5      | 0      | 3      | 15     | 34     |
|                                    | Whitby      | 117    | 5      | 167    | 33     | 83     | 261    | 666    |
| Equipment Failure - other          | Ajax        | 3,914  | 2,228  | 517    | 35     | 645    | 62     | 7,401  |
|                                    | Belleville  | 44     | 4      | 1,134  | 0      | 48     | 96     | 1,326  |
|                                    | Brock       | 3      | 22     | 0      | 217    | 81     | 60     | 384    |
|                                    | Clarington  | 3,791  | 5      | 131    | 735    | 2      | 11,665 | 16,329 |
|                                    | Gravenhurst | 2      | 3,034  | 249    | 0      | 26     | 8      | 3,319  |
|                                    | Whitby      | 374    | 0      | 2      | 0      | 0      | 23     | 399    |
| Switchgear                         | Ajax        | 0      | 0      | 0      | 924    | 1      | 5      | 930    |
|                                    | Belleville  | 0      | 0      | 0      | 0      | 14     | 0      | 14     |
|                                    | Brock       | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
|                                    | Clarington  | 169    | 165    | 0      | 0      | 0      | 3,196  | 3,529  |

| Cause code description         | District    | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total |
|--------------------------------|-------------|------|------|------|------|------|------|-------|
|                                | Gravenhurst | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
|                                | Whitby      | 244  | 0    | 0    | 0    | 0    | 0    | 244   |
| Automation/SCADA/Communication | Ajax        | 0    | 0    | 346  | 0    | 0    | 0    | 346   |
|                                | Belleville  | 0    | 0    | 0    | 72   | 0    | 0    | 72    |
|                                | Brock       | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
|                                | Clarington  | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
|                                | Gravenhurst | 0    | 0    | 0    | 0    | 0    | 0    | 0     |
|                                | Whitby      | 0    | 0    | 0    | 0    | 0    | 0    | 0     |

1

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -19**

4

5

6                   Reference: Exhibit 2B, Tab 3, Schedule 2, Appendix A, Table 2, page 9

7

8                   a) Please provide Table 9 by individual year (2027-2031).

9

10                  **RESPONSE:**

11

12                  a) To clarify, Table 2 within the referenced exhibit is on page 9. Please see Table 2 (revised)  
 13                   below by individual year (2027-2031).

14                  **Table 1:            Table 2 (revised): 2027-2031 Grid Modernization Capital Investments by Program**

| <b>Program</b>            | <b>Technology</b>  | <b>2027<br/>(\$k)</b> | <b>2028<br/>(\$k)</b> | <b>2029<br/>(\$k)</b> | <b>2030<br/>(\$k)</b> | <b>2031<br/>(\$k)</b> | <b>Total<br/>(\$k)</b> |
|---------------------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| S2 Grid<br>Enhancements   | CFClS  | 90                    | 192                   | 410                   | 661                   | 799                   | <b>2,152</b>           |
|                           | SCADA-Enabled Switches   | 166                   | 356                   | 759                   | 1,222                 | 1,478                 | <b>3,981</b>           |
|                           | Self-Resetting Fuses   | 94                    | 202                   | 431                   | 694                   | 839                   | <b>2,259</b>           |
|                           | Reclosers  | 198                   | 423                   | 902                   | 1,453                 | 1,758                 | <b>4,734</b>           |
|                           | Station Modernization  | 1,161                 | 1,217                 | 1,385                 | 1,889                 | 1,998                 | <b>7,649</b>           |
| A4<br>Metering/AMI<br>2.0 | AMI 2.0  | 0                     | 465                   | 6,900                 | 7,058                 | 6,969                 | <b>21,392</b>          |
| P5 OT Systems             | OT Systems (Including<br>system upgrades,<br>ADMS/DERMs, OT Grid<br>Modernization) | 829                   | 1,691                 | 3,449                 | 5,277                 | 6,280                 | <b>17,525</b>          |
|                           | <b>Total</b>   | <b>2,538</b>          | <b>4,546</b>          | <b>14,235</b>         | <b>18,253</b>         | <b>20,120</b>         | <b>59,693</b>          |

15

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -20**

4

5                   Reference: Exhibit 2B, Tab 4, Schedule 1 , page 16 / Appendix 2A Excel

6

7                   a) Between 2024 and 2026 Elexicon spent only \$1.4 million on underground system renewal, yet  
8                   now proposes over \$50 million during the upcoming rate plan. Please explain how this spending  
9                   pattern is rationale capital planning.

10                  b) What specific projects were completed in 2024, 2025 and 2026 in lieu of capital spending on  
11                  underground renewal?

12                  c) Please provide the business cases that were provided to support deferred spending during the  
13                  24-26 period.

14

15

16

17                  **RESPONSE:**

18

19                  a) As shown in Exhibit 1 – Tab 4 – Schedule 1, Appendix A, Elexicon was already investing capital at  
20                  levels above what was funded in rates to try and keep up with multiple competing investment  
21                  priorities. Elexicon’s underground system renewal investments for 2024–2026 were constrained  
22                  in order to prioritize non-discretionary System Access and System Service investments required  
23                  to accommodate customer and load growth, as further detailed in Exhibit 2B, Tab 4, Schedule 3,  
24                  Appendix F, Page 35, lines 3-17. While not ideal from a capital planning perspective, the  
25                  reprioritization is necessary to meet Elexicon’s obligations regarding demand-driven system  
26                  needs associated with Elexicon being among the fastest-growing utilities in Ontario. Elexicon is  
27                  planning to increase investments within the Underground System Renewal program for the  
28                  2027–2031 period to primarily address increasing asset failure risk, reliability concerns, and  
29                  safety risks. For details on the investment drivers and needs of this program, please refer to

1 Exhibit 2B, Tab 4, Schedule 3, Appendix F, pages 16–17, underground system failure risks pages  
2 17–30, historical reliability performance on pages 30–33, and underground system safety risks  
3 on pages 33–34.

4

5 b) Elexicon had to prioritize mandatory investments within System Access, Reactive Capital and  
6 Substation Growth programs in lieu of underground system renewal investments. For more  
7 information on the summary of expenditures within the Underground System Renewal  
8 investment program, please refer to Exhibit 2B, Tab 4, Schedule 3, Appendix F, Pages 35-36. In  
9 2024, Elexicon expenditures were higher within its Substation Growth portfolio due to the true  
10 up costs incurred to Hydro One for Whitby TS DESN 1 and Seaton MTS along with higher net  
11 expenditures in the Reactive Capital program. Please refer to Exhibit 2B, Tab 4, Schedule 1 pages  
12 17-19 for 2020-2024 System Service variance analysis. In 2025, Elexicon was able to execute a  
13 limited number of unplanned projects within the Underground System Renewal program;  
14 however, higher Reactive Capital expenditures related to storm restoration limited available  
15 capital funding. In 2026, Elexicon is prioritizing investments with mandatory System Access  
16 projects including feeder expansions for Pickering Nuclear Generation and Pickering Town  
17 Centre along with Belleville DESN 2 to support customer load growth.

18

19 c) Elexicon does not develop business cases to defer work.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 2.0-VECC -21**

4

5

6                   Reference: Exhibit 2B, Tab 4, Schedule 1, pages 16-17 / Appendix 2A Excel

7                   a) What explains Elexicon spending nothing on overhead system renewal in 2026?

8

9

10

11                   **RESPONSE:**

12                   a) Elexicon does have investment planned in Overhead System Renewal in 2026 in the amount of  
13                   \$1.01M. Please see Exhibit 2B, Tab 4, Schedule 3, Appendix G, Table 8, Page 43 for details.

14                   To clarify, if the question is intended to ask why Elexicon does not have any investment planned  
15                   in Underground System Renewal in 2026, the Underground System Renewal program has no  
16                   planned investment in 2026 to prioritize mandatory System Access and System Service  
17                   investments to manage customer and load growth, as further detailed in Exhibit 2B, Tab 4,  
18                   Schedule 3, Appendix F, Page 35, lines 3-17.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -22**

4                   Reference: Exhibit 3, Appendix A, pages 49 and 70

5                   Load Forecast, Customer Count Tab

6

7                   Preamble:

8                   The Application states:

9

10                  “The (VRZ) Residential growth rate is calculated as the average of (1) the average growth rate of  
11                  municipalities in the Veridian rate zone from municipal and regional plans, (2) the Ministry of  
12                  Finance population forecasts for the region of Durham, and (3) the class’s historic growth rate.”

13

14                  “The (WRZ) Residential growth rate is calculated as the average of (1) the forecast average growth  
15                  rate of Whitby in the Envision Durham regional plan and Monitoring of Growth Rates report from  
16                  the Region of Durham, (2) the Ministry of Finance population forecasts for the region of Durham,  
17                  and (3) the class’s historic growth rate.”

18

19                  a) Why use the average of the three values as opposed using just the growth rates from the  
20                  municipal and region plans as was done for purposes of developing the load forecast used for  
21                  capacity planning in Exhibit 2B (Tab 3, Schedule 1, page 18).

22

23                  **RESPONSE:**

24                  The Exhibit 3 customer forecast is intended to reflect a median-likelihood scenario to minimize  
25                  variances between the revenue recovered from rates designed using this forecast and Elexicon’s  
26                  revenue requirements. Though fully meeting the regional growth plans forecast is considered a  
27                  possible scenario, regional household forecast growth has generally exceeded actual growth so it  
28                  was assessed that a lower Residential growth rate was more likely. The use of three growth rates  
29                  was considered appropriate to consider the projected growth rates from more than one external

1 source, the regional plans and the Ministry of Finance, as well as Elexicon's historic growth rate  
2 that specifically considers the number of customers that are Residential customers rather than  
3 households that may be in multi-unit buildings that fall within General Service rate classes. The use  
4 of a growth rate that is lower than only the regional plans is consistent with the use of a 75%  
5 adjustment to produce the Medium Growth Scenario in the capacity planning forecast (Exhibit 2B,  
6 Tab 3, Schedule 1, Page 20). The high scenario is used for planning purposes to enable Elexicon to  
7 meet all potential demand should it materialize.

8

9 The Exhibit 3 customer count forecast is updated in 3-SEC-68 Attachment 1 based on 2025 actual  
10 counts and updated regional forecasts.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC-23**

4

5                   Reference: Exhibit 3, Appendix A, page 16

6                   Exhibit 2B, Tab 3, Schedule 1, pages 18-20

7

8                   a) Please provide a schedule that compares the increase in Elexicon’s Residential customers from  
9                   2024 to 2031 as forecasted in Exhibit 3 with the increase in Elexicon’s residential customers as used  
10                  in Exhibit 2B for peak load forecasting. For purposes of the forecast per Exhibit 2B please use the  
11                  High Growth Scenario as described at page 20.

12

13

14                  **RESPONSE:**

15                  a) Please refer to the response in 3-BOMA-2, part b).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY . 3.0-VECC -24**

4                   Reference: Exhibit 3, Appendix A, pages 55 and 73

5                   Load Forecast, Customer Count Tab

6                   Exhibit 2B, Tab 3, Schedule 1, pages 18-20

7

8                   Preamble:

9                   The Application states with respect to the GS<50 class:

10                  “The Geometric mean of the annual growth from 2015 to 2024 was used to forecast the (VRZ)  
11                  growth rate from 2024 to 2031.” (page 55)

12

13                  “The Geometric mean of the annual growth from 2015 to 2024 was used to forecast the (WRZ)  
14                  customer count growth rate from 2024 to 2031.” (page 73)

15

16                  a) In the Customer Count Tab the annual growth rate used for the WRZ GS<50 class is that from  
17                  2016-2024 (not 2015-2024 as stated in Appendix A). Please reconcile.

18

19                  b) For the GS<50 class, why not use the same forecast commercial customer account growth rates  
20                  as developed and used in Exhibit 2B (Tab 3, Schedule 1, page 19)?

21

22                  c) Please provide a schedule that compares the increase in Elexicon’s GS<50 customers from 2024  
23                  to 2031 as forecasted in Exhibit 3 with the increase in Elexicon’s Commercial customers as used in  
24                  Exhibit 2B for peak load forecasting. For purposes of the forecast per Exhibit 2B please use the  
25                  High Growth Scenario as described at page 20.

26

27

28

29

1 **RESPONSE:**

2 a) In the Customer Count tab, the WRZ GS<50 kW annual growth rate was incorrectly calculated  
 3 using the 2016–2024 period, rather than 2015–2024 as stated in Appendix A. When  
 4 corrected to reflect the full 2015–2024 period, the impact on forecasted WRZ GS<50 kW  
 5 customer counts is immaterial, resulting in an increase of approximately 1–2 customers per  
 6 year. This has been corrected in the updated load forecast filed as an attachment to 3-SEC  
 7 68.

8

9 b) Please refer to the response in 3-BOMA-2, part b).

10

11 c) The forecast increase in commercial customers used in Exhibit 2B and GS < 50 kW customers  
 12 used in Exhibit 3 are provided in Table 1 below. Please note commercial customers do not  
 13 necessarily fall within the GS < 50 kW rate class. The updated 2025 count is the actual  
 14 increase in customers from 2024 to 2025.

15

16 **Table 1: Commercial Customer Annual Additions**

|      | Commercial |        |     | GS < 50 kW |                       |
|------|------------|--------|-----|------------|-----------------------|
|      | High       | Medium | Low | Pre-filed  | Updated<br>(3-SEC-69) |
| 2025 | 143        | 107    | 71  | 77         | 12                    |
| 2026 | 143        | 107    | 71  | 106        | 96                    |
| 2027 | 143        | 107    | 71  | 107        | 96                    |
| 2028 | 143        | 107    | 71  | 108        | 97                    |
| 2029 | 143        | 107    | 71  | 109        | 98                    |
| 2030 | 143        | 107    | 71  | 110        | 99                    |
| 2031 | 143        | 107    | 71  | 111        | 100                   |

17

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -25**

4

5                   Reference: Exhibit 3, Appendix A, pages 116-117

6                   Load Forecast Model, Customer Count Tab

7

8                   Preamble:

9                   The Application states:

10

11                   “The additional large loads are forecast based the anticipated volumes of committed and non-  
12                   committed connection requests. The forecast includes a pro-ration of forecast load based on an  
13                   assessment of the likelihood that each project materializes”.

14

15                   a) Please confirm that Table 126 represents the total of the values in Tables 127 to 129.

16                   b) While titled “GS 3,000 - 4,999 kW Addition Summary”, please confirm that Table 129 is the  
17                   results for the Large Use class.

18                   c) Please explain why the sum of the 2025 incremental customers shown in Tables 127 to 129 does  
19                   not equal the number of 2025 incremental customers shown in Table 126.

20                   d) Do the incremental customer numbers set out in Tables 127 to 129 (and included in the Load  
21                   Forecast Model per the Customer Count Tab, Rows 15-21 of Columns Q, W, AC, BD and BJ) include  
22                   a proration based on the likelihood of each project materializing?

23

24                   i. If not, please explain why the incremental customer additions set out in the Customer Count Tab  
25                   (prior to the ½ year adjustment) are not whole numbers and sometimes less than one (For  
26                   example, the GS50-2,999 additions for WRZ are 5.7, 3.8, 2.8, 1.7, 0.7, 0.7 and 0.3 for the years 2025  
27                   to 2031 respectively (per Column BD, Rows 15-21))

28

29                   e) Please explain why for the VRZ GS 50-2,999 class the customer counts for

1 2025-2028 set out in the Customer Count Tab in Column R, Rows 15-18 do not match those in  
2 Column R, Rows 25-28. (Note: for the VRZ GS 3,000-4,999, VRZ Large Use, the WRZ GS 50-2,999  
3 and the WRZ 3,000-4,999 classes the comparable rows do match).

4  
5  
6

7 **RESPONSE:**

8 a) Confirmed.

9

10 b) Confirmed.

11

12 c) Customer values in Tables 126 to 129 are forecast billed customer counts that include  
13 likelihood and connection timing adjustments, so the values are not round figures.  
14 Differences between Table 126 the sum of Tables 127 to 129 is due to rounding. In 2025  
15 there are 5.4 incremental GS 50 to 2,999 kW customers, 2.7 incremental GS 3,000 to 4,999  
16 kW customers, and 0.4 incremental Large Use customers for a total of 8.5 customers,  
17 rounded to 9, which is one higher than 8 customers calculated by added the rounded counts  
18 of 5, 3 and 0. In 2026 there are 11.5 incremental GS 50 to 2,999 kW customers, 5.1  
19 incremental GS 3,000 to 4,999 kW customers, and 0.7 incremental Large Use customers for  
20 a total of 17.3 customers, rounded to 17, which is one fewer than 18 customers calculated  
21 by added the rounded counts of 12, 5 and 1.

22

23 d) Confirmed, the customer counts include adjustments for the likelihood of connecting as well  
24 as a connection timing adjustment in which 25% of connections are delayed to the following  
25 year. Adjustments are described in more detail in 1-VECC-38.

26

27 e) The formulas in Column R, Rows 15-21 do not include a half-year adjustment, while the  
28 formulas in Column R, Rows 25-31 are monthly averages that implicitly include this

1 adjustment. The half-year adjustment is made to the other rate classes. This discrepancy has  
2 been corrected in the updated load forecast filed in the response to 3-SEC-68.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -26**

4

5                   Reference: Exhibit 3, Appendix A, pages 116-117

6                   Exhibit 2B, Tab 3, Schedule 1, page 19

7

8                   Preamble: Exhibit 3 states:

9                   “Ellexicon has estimated a material increase in billed loads from new customers additions beyond  
10                  what is forecast based on historical volumes and trends. The estimated loads of these customers  
11                  are added to the rate class forecasts that are produced based on historic loads as described in  
12                  Section 4.”

13

14                  “The additional large loads are forecast based the anticipated volumes of committed and non-  
15                  committed connection requests. The forecast includes a pro-ration of forecast load based on an  
16                  assessment of the likelihood that each project materializes.”

17                  Exhibit 2B states:

18

19                  “External to the macro forecasted growth, committed connection requests for large upcoming  
20                  commercial & industrial loads were also incorporated.”

21

22                  a) Please confirm that all the committed and non-committed connection requests considered by  
23                  Ellexicon for purposes of Exhibit 3 are new customer connections (per the first reference).

24

25                  b) Are there currently any committed or non-committed connection requests from existing  
26                  customers seeking to materially increase their load?

27

28                  i. If yes, please indicate the, for each year (2025-2031), the number of customers and incremental  
29                  MWs involved and how they are captured in the proposed load forecast.

1

2 c) For purposes of determining additional large loads, were the same values used for the number,  
3 the timing and the MWs of the committed connection requests in both Exhibit 2B and Exhibit 3?

4

5 i. If yes, please provide a schedule that sets out the number of committed connection requests by  
6 year (2025-2031) prior to pro-ration or ½ year adjustments.

7 ii. If not, why not? Also, please provide a schedule setting the differences by year (2025-2031) in  
8 the number of committed connection requests and associated MWs used in Exhibit 3 versus Exhibit  
9 2B prior to pro-ration or ½ year adjustments.

10

11 d) Please provide a schedule setting out number of non-committed connection requests included  
12 for purposes of Exhibit 3 prior to pro-ration or ½ year adjustments.

13

14 e) Please explain why a different approach was used for purposes of determining the number of  
15 customers adding large load in Exhibit 3 (i.e., included non-committed connection requests but  
16 pro-rated based on likelihood project materializes) versus Exhibit 2B (i.e., only committed  
17 connection requests but no proration).

18

19

20

21 **RESPONSE:**

22 a) The customer connection list includes new and existing customers.

23

24 b) Yes.

25 i. The number of existing customers increasing their loads (customer count) and the total  
26 anticipated load increases (Anticipated MW) are provided in Table 1 below. The table  
27 includes loads of customers connected in 2025 whose actual loads were materially lower  
28 than forecast, with only the remaining anticipated load included in the 2026–2031

1 forecast volumes. Customers in this table are individual projects and not incremental  
 2 customer counts used in rate design.

3

4 **Table 1: Number and Anticipated Load for Existing Customers with Connection Requests**

|                | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|----------------|------|------|------|------|------|------|
| Anticipated MW | 43.6 | 17.7 | 10.3 | 0.6  | 3.2  | 3.0  |
| Customers      | 19   | 3    | 1    | 0    | 1    | 1    |

5

6 Please see 3-VECC-38 Attachment 1, which shows how the anticipated loads are converted to  
 7 billed kW and kWh and included in the revenue load forecast.

8

9 c) No. The committed connection requests for large upcoming commercial & industrial loads cited  
 10 in Exhibit 2B - Tab 3 - Schedule 1, page 19 includes five committed customers, as described in  
 11 the response to 2-VECC-12. The additional large load customers included in the Exhibit 3 load  
 12 forecast includes 72 committed and non-committed customers. The Exhibit 3 load forecast  
 13 includes the five customers described in Exhibit 2B with the same MW and connection timing.  
 14 Table 2 below provides a comparison of the loads added in Exhibit 2B and Exhibit 3 forecasts.  
 15 Values in the table are cumulative and non-committed customers and volumes that are included  
 16 in Exhibit 3 are also included for completeness.

17

18 **Table 2: Commercial and Industrial Load and Customer Comparison**

|                                | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|--------------------------------|------|------|------|------|------|------|
| <b>Exhibit 2B</b>              |      |      |      |      |      |      |
| MW                             | 14   | 16   | 18   | 18   | 18   | 18   |
| Customers                      | 5    | 5    | 5    | 5    | 5    | 5    |
| <b>Exhibit 3 Committed</b>     |      |      |      |      |      |      |
| MW                             | 74   | 122  | 150  | 156  | 162  | 165  |
| Customers                      | 43   | 52   | 53   | 54   | 56   | 57   |
| <b>Exhibit 3 Non-Committed</b> |      |      |      |      |      |      |
| MW                             | 24   | 40   | 47   | 50   | 50   | 51   |
| Customers                      | 10   | 12   | 15   | 15   | 15   | 15   |

19

1 The growth of commercial and industrial customer loads is primarily considered in the macro-  
2 economic forecast in Exhibit 2B. The additional customers included in the table above are  
3 incorporated because they are committed loads that are considered incremental to the macro-  
4 economic forecast. Volumes in the macro-economic forecast are provided in 2-VECC-13  
5 Attachment 1. This forecast considers coincident peak loading at the feeder level so it does not  
6 reflect the sum of individual customer peak demands.

7 The Exhibit 3 load forecast is informed by a detailed review of large customer connection  
8 requests, including committed and non-committed customers, for the purpose of developing  
9 billing determinants. These potential additions are assessed based on their stage of development  
10 and likelihood of connection over the forecast period and are incorporated into the billing  
11 determinants accordingly. The economic variables are held constant in the Exhibit 3 load forecast  
12 from the end of 2025 to the end of 2029 so macro-economic factors do not increase forecasted  
13 billed volumes in this period. This was done to avoid double-counting customer and load growth.  
14 The approach to accounting for commercial and industrial load growth differs between the  
15 Exhibit 2B load forecast and Exhibit 3 load forecast because the forecasts are developed for  
16 different purposes. The Exhibit 2B load forecast is developed to forecast coincident peak  
17 demands to support capacity planning and investment decisions. The Exhibit 3 load forecast is  
18 developed to forecast billing determinants in which forecasts of the number of accounts, peak  
19 loads of individual customers, and the rate classes the anticipated loads fall in are required for  
20 ratemaking purposes.

21

22 d) Table 3 below has the number of non-committed connection requests and non-committed  
23 capacity increases used in Exhibit 3 prior to pro-ration or ½ year adjustments.

24

25

26 **Table 3: Number of non-committed connection requests and non-committed capacity**  
27 **increases used in Exhibit 3.**

|          | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|----------|------|------|------|------|------|------|
| Existing | 4    | 0    | 1    | 0    | 0    | 0    |
| New      | 6    | 2    | 2    | 0    | 0    | 0    |

1 e) Please refer to the response in 3-BOMA-2, part b).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -27**

4

5                   Reference: Exhibit 3, Appendix A, page 17

6                   Preamble: With respect to the VRZ Residential model, the Application states:

7

8                   “A time trend variable, equal to 1 in January 2015 and increasing by 1 in each subsequent month  
9                   was found to be statistically significant and is used in the model. This variable was found to be  
10                  more statistically significant than other trending variables such as economic variables and the  
11                  Residential customer count.”

12

13                  a) On what basis does Power Advisory determine that a variable’s coefficient is “statistically  
14                  significant”?

15

16                  b) Did Power Advisory test a model that included both a time trend variable and Residential  
17                  customer count?

18

19                  i. If yes, please provide the results and explain why this model was not adopted.

20                  ii. If not, please provide the results of such a model (i.e. coefficient values and statistical results).

21

22

23

24                  **RESPONSE:**

25                  a) The appropriate measure of statistical significance depends on the nature of the underlying  
26                  data. A variable is generally considered statistically significant if it has a p-value of <5%,  
27                  which corresponds to a t-ratio near or above 2.00, consistent with standard econometric  
28                  practice. However, variables with p-values between 5% and 10% are considered

1 appropriate for rate classes with a smaller number of customers, to reflect the reduced  
 2 ability to detect statistically meaningful relationships for smaller groups.

3

4 b) Yes, the Veridian Residential customer count was tested as a variable.

5 i. The results of a model including the Veridian Residential customer count is provided  
 6 below. The variable is not used because it has a counterintuitive negative coefficient  
 7 and the p-value is 21.7% and is thus not statistically significant.

8

9

**Table 1: VRZ Residential Time Trend and Customer Count Model**

| Model 1: Prais-Winsten, using observations 2015:01-2024:12 (T = 120) |             |            |         |         |
|--|-------------|------------|---------|---------|
| Dependent variable: VRZ_ResidentialkWh_No_CDM_AL                     |             |            |         |         |
| rho = 0.429216   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | 8.40E+07    | 76,949,201 | 1.09    | 0.2775  |
| HDD20  | 47,164      | 1,578      | 29.89   | 0.0000  |
| CDD16  | 275,633     | 7,417      | 37.16   | 0.0000  |
| CovHDD20   | 7,512       | 3,280      | 2.29    | 0.0239  |
| CovCDD16   | 39,897      | 16,312     | 2.45    | 0.0160  |
| Shoulder   | -3,112,060  | 509,486    | -6.11   | 0.0000  |
| MonthDays  | 1,968,604   | 198,993    | 9.89    | 0.0000  |
| Trend  | 221,148     | 71,039     | 3.11    | 0.0024  |
| VRZ_ResidentialCustomers   | -901        | 727        | -1.24   | 0.2174  |

| Statistics based on the rho-differenced data |          |                    |           |
|--|----------|--------------------|-----------|
| Sum squared resid                            | 4.87E+14 | S.E. of regression | 2,094,176 |
| R-squared                                    | 0.9782   | Adjusted R-squared | 0.9766    |
| F(7, 112)                                    | 508.09   | P-value(F)         | 0.0000    |
| rho  | -0.0222  | Durbin-Watson      | 2.0305    |

| Statistics based on the original data |            |                    |            |
|---------------------------------------|------------|--------------------|------------|
| Mean dependent var                    | 84,186,375 | S.D. dependent var | 13,585,578 |

10

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -28**

4

5                   Reference: Exhibit 3, Appendix A, page 20

6                   Preamble:

7

8                   The Application states:

9

10                  “A time trend variable, equal to 1 in January 2015 and increasing by 1 in each subsequent month  
11                  was found to be statistically significant and is used in the model. This variable was found to  
12                  be more statistically significant than other trending variables such as economic variables and the  
13                  Seasonal Residential customer count.”

14

15                  a) Did Power Advisory test a model that included both a time trend variable and Seasonal  
16                  Residential customer count?

17                  i. If yes, please provide the results and explain why this model was not adopted.

18                  ii. If not, please provide the results of such a model (i.e. coefficient values and statistical results).

19

20                  **RESPONSE:**

21                  a) Yes, the Veridian Seasonal customer count was tested as a variable.

22                  i.       The results of a model including the Veridian Seasonal customer count are provided  
23                  below. The variable is not used because it has a counterintuitive negative  
24                  coefficient and the p-value is 15.4% and is thus not statistically significant.

25

1  
2  
3

**Table 1: Results of Veridian Seasonal Model – Customer Count and Time Trend Variables**

| Model 1: Prais-Winsten, using observations 2015:01-2024:12 (T = 120) |             |            |         |         |
|--|-------------|------------|---------|---------|
| Dependent variable: VRZ_SeasonalReskWh_No_CDM_AL                     |             |            |         |         |
| rho = 0.304958   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | 3,866,396   | 3,235,701  | 1.19    | 0.2346  |
| HDD20  | 833         | 68         | 12.21   | 0.0000  |
| CDD14  | 1,960       | 226        | 8.66    | 0.0000  |
| Shoulder   | -56,902     | 20,995     | -2.71   | 0.0078  |
| Trend  | 1,869       | 635        | 2.95    | 0.0039  |
| MonthDays  | 38,143      | 8,067      | 4.73    | 0.0000  |
| CovHDD18   | 502         | 134        | 3.75    | 0.0003  |
| VRZ_SeasonalResCustomers   | -2,924      | 2,038      | -1.44   | 0.1540  |

| Statistics based on the rho-differenced data |          |                    |        |
|--|----------|--------------------|--------|
| Sum squared resid                            | 7.06E+11 | S.E. of regression | 79,382 |
| R-squared                                    | 0.8522   | Adjusted R-squared | 0.8430 |
| F(7, 112)                                    | 66.25    | P-value(F)         | 0.0000 |
| rho  | 0.0335   | Durbin-Watson      | 1.9172 |

| Statistics based on the original data |         |                    |         |
|---------------------------------------|---------|--------------------|---------|
| Mean dependent var                    | 962,777 | S.D. dependent var | 199,539 |

4

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -29**

4

5                   Reference: Exhibit 3, Appendix A, page 23

6                   Preamble: With respect to the VRZ GS<50 model, the Application states:

7

8                   “Seasonally-adjusted FTEs has been included as an indicator of economic activity. Measures for  
9                   Ontario GDP were also tested but found to be statistically less significant than Ontario FTEs. The  
10                  number of days in each month was found to be statistically significant and was used in the GS < 50  
11                  kW model. The COVID\_AM variable was found to be statistically significant and more significant  
12                  than other COVID variables. The GS < 50 kW customer count and time trend variables were not  
13                  found to be statistically significant.”

14

15                  a) Did Power Advisory test a version of the model that included the proposed variables plus a time  
16                  trend variable?

17

18                  i. If yes, please provide the model (i.e., coefficient values and statistical results).

19                  ii. If not, please provide the results of such a model (i.e. coefficient values and statistical results).

20

21                  **RESPONSE:**

22                  a) Yes, a time trend was tested as a variable.

23                         i.       The results of a model including the time trend variable are provided below. The  
24                         variable is not used because it has a counterintuitive negative coefficient and the p-  
25                         value is 16.5% and is thus not statistically significant.

26

1

2

**Table 1: Results of GS < 50 kW Model – with Time Trend Variable**

|  |             |            |         |         |
|--|-------------|------------|---------|---------|
| Model 1: Prais-Winsten, using observations 2015:01-2024:12 (T = 120) |             |            |         |         |
| Dependent variable: VRZ_GSl50kWh_No_CDM_AL                           |             |            |         |         |
| rho = 0.819037   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | -10,562,670 | 6,084,282  | -1.74   | 0.0853  |
| HDD20  | 11,108      | 458        | 24.26   | 0.0000  |
| CDD14  | 34,700      | 1,175      | 29.54   | 0.0000  |
| COVID_AM   | -2,043,713  | 717,783    | -2.85   | 0.0052  |
| ON_FTEAdj  | 2,038       | 887        | 2.30    | 0.0234  |
| MonthDays  | 475,287     | 43,927     | 10.82   | 0.0000  |
| Trend  | -18,293     | 13,083     | -1.40   | 0.1648  |

|  |          |                    |         |
|--|----------|--------------------|---------|
| Statistics based on the rho-differenced data |          |                    |         |
| Sum squared resid                            | 4.01E+13 | S.E. of regression | 595,532 |
| R-squared                                    | 0.9239   | Adjusted R-squared | 0.9198  |
| F(6, 113)                                    | 272.40   | P-value(F)         | 0.0000  |
| rho  | -0.1641  | Durbin-Watson      | 2.3227  |

|                                       |            |                    |           |
|---------------------------------------|------------|--------------------|-----------|
| Statistics based on the original data |            |                    |           |
| Mean dependent var                    | 23,857,206 | S.D. dependent var | 2,099,015 |

3

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -30**

4

5                   Reference: Exhibit 3, Appendix A, pages 3-4 and 25-28

6

7                   a) There is no reference to Power Advisory having tested the inclusion of COVID-related variables in  
8                   the VRZ GS 50-2,999 model. Were such variables tested?

9                   i. If yes, why were they excluded?

10                  ii. If not, please test and indicate if any of the COVID variables (per pages 3-4) are statistically  
11                  significant and should be included.

12

13

14                  **RESPONSE:**

15                  a) Yes the COVID variables were tested.

16                    i.       The COVID variables were tested at an early stage in the development of the load  
17                    forecast. The results of the model with the COVID variables showed higher annual  
18                    mean absolute percentage errors, particularly in the most recent years. The OEA  
19                    GDP variable was considered to reasonably account for the impacts of COVID, as  
20                    reflected in the 2020 -0.37% annual percentage error. The variables have been  
21                    retested with full 2016-2025 data and results show a statistical improvement from  
22                    including the COVID\_AM variable. Each of the COVID variables was tested and the  
23                    COVID\_AM variable has the highest statistical significance. The updated load  
24                    forecast filed as 3-SEC-68 Attachment 1 includes the COVID\_AM variable and  
25                    excludes the time trend variable that is no longer statistically significant. The  
26                    results of the regression are provided below.

27

1

2

**Table 1: Result of VRZ GS 50-2,999 Model – with COVID variables**

|  |             |            |         |         |
|--|-------------|------------|---------|---------|
| Model 1: Prais-Winsten, using observations 2016:01-2025:12 (T = 120) |             |            |         |         |
| Dependent variable: VRZ_GS50to2999kWh_No_CDM_AL                      |             |            |         |         |
| rho = 0.162284   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | -4,442,160  | 5,395,695  | -0.82   | 0.4121  |
| HDD20  | 21,774      | 1,596      | 13.64   | 0.0000  |
| CDD12  | 64,467      | 4,118      | 15.65   | 0.0000  |
| Shoulder   | 1,833,645   | 447,241    | 4.10    | 0.0001  |
| MonthDays  | 1,315,213   | 166,072    | 7.92    | 0.0000  |
| OEA_GDP  | 38.816      | 3.058      | 12.36   | 0.0000  |
| COVID_AM   | -6,065,766  | 745,554    | -8.14   | 0.0000  |

|  |          |                    |           |
|--|----------|--------------------|-----------|
| Statistics based on the rho-differenced data |          |                    |           |
| Sum squared resid                            | 2.52E+14 | S.E. of regression | 1,493,446 |
| R-squared                                    | 0.8947   | Adjusted R-squared | 0.8891    |
| F(6, 113)                                    | 154.05   | P-value(F)         | 0.0000    |
| rho  | -0.0354  | Durbin-Watson      | 2.0552    |

|                                       |            |                    |           |
|---------------------------------------|------------|--------------------|-----------|
| Statistics based on the original data |            |                    |           |
| Mean dependent var                    | 80,284,281 | S.D. dependent var | 4,483,390 |

3

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -31**

4

5                   Reference: Exhibit 3, Appendix A, page 35

6                   Preamble:

7                   With respect to the WRZ Residential kWh model, the Application states:

8

9                   “The time trend variable and number of days in the month variables were found to be statistically  
10                  significant and are used in the model. This variable was found to be more statistically significant  
11                  than other trending variables such as economic variables and the Residential customer count.”

12                  a) Did Power Advisory test a model that included both a time trend variable and Residential  
13                  customer count?

14                  i. If yes, please provide the results and explain why this model was not adopted.

15                  ii. If not, please provide the results of such a model (i.e. coefficient values and statistical results).

16

17

18                  **RESPONSE:**

19                  a) Yes, the Whitby Residential customer count was tested as a variable.

20                  i.       The results of a model including the Whitby Residential customer count are  
21                  provided below. The variable is not used because it has a counterintuitive negative  
22                  coefficient and the p-value is 57.2% and is thus not statistically significant.

23

1 **Table 1: Results from Whitby Residential Model with Time Trend and Customer Count**

2 **Variables**

| Model 1: Prais-Winsten, using observations 2015:01-2024:12 (T = 120) |             |            |         |         |
|--|-------------|------------|---------|---------|
| Dependent variable: WRZ_ResidentialkWh_No_CDM_AL                     |             |            |         |         |
| rho = 0.434924   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | 668,837     | 12,538,681 | 0.05    | 0.9576  |
| HDD18  | 14,609      | 742        | 19.68   | 0.0000  |
| CDD14  | 92,255      | 2,426      | 38.02   | 0.0000  |
| CovHDD18   | 4,492       | 1,521      | 2.95    | 0.0038  |
| CovCDD14   | 16,430      | 5,053      | 3.25    | 0.0015  |
| Shoulder   | -827,473    | 219,558    | -3.77   | 0.0003  |
| Trend  | 65,276      | 21,234     | 3.07    | 0.0027  |
| MonthDays  | 833,400     | 81,537     | 10.22   | 0.0000  |
| WRZ_ResidentialCustomers   | -184        | 325        | -0.57   | 0.5720  |

| Statistics based on the rho-differenced data |          |                    |         |
|--|----------|--------------------|---------|
| Sum squared resid                            | 8.27E+13 | S.E. of regression | 863,333 |
| R-squared                                    | 0.9830   | Adjusted R-squared | 0.9818  |
| F(7, 112)                                    | 554.14   | P-value(F)         | 0.0000  |
| rho  | -0.0333  | Durbin-Watson      | 2.0479  |

| Statistics based on the original data |            |                    |           |
|---------------------------------------|------------|--------------------|-----------|
| Mean dependent var                    | 32,553,514 | S.D. dependent var | 6,381,125 |

3

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -32**

4

5                   Reference: Exhibit 3, Appendix A, page 38

6

7                   a) With respect to the WRZ GS<50 model, did Power Advisory test a version of the model that  
8                   included the proposed variables plus a time trend variable?

9

10                  i. If yes, please provide the model (i.e., coefficient values and statistical results).

11                  ii. If not, please provide the results of such a model (i.e. coefficient values and statistical results).

12

13

14                  **RESPONSE:**

15                  a) Yes, the time trend variable was tested as a in the Whitby GS<50 kW model.

16                    i.       The results of a model including a time trend variable are provided below. The  
17                    variable is not used because it has a counterintuitive negative coefficient and the p-  
18                    value is 89.8% and is thus not statistically significant.

19

1 **Table 1: Results from Whitby GS<50 kW Model with Time Trend Variable**

|  |             |            |         |         |
|--|-------------|------------|---------|---------|
| Model 1: Prais-Winsten, using observations 2015:01-2024:12 (T = 120) |             |            |         |         |
| Dependent variable: WRZ_GSI50kWh_No_CDM_AL                           |             |            |         |         |
| rho = 0.465683   |             |            |         |         |
|  | coefficient | std. error | t-ratio | p-value |
| const  | -2,887,988  | 1,519,568  | -1.90   | 0.0599  |
| HDD20  | 3,925       | 259        | 15.14   | 0.0000  |
| CDD12  | 10,183      | 605        | 16.84   | 0.0000  |
| MonthDays  | 159,070     | 26,194     | 6.07    | 0.0000  |
| Osh_FTEAdj   | 14,706      | 6,630      | 2.22    | 0.0286  |
| COVID_AM   | -781,053    | 242,152    | -3.23   | 0.0016  |
| Fall   | 194,304     | 84,968     | 2.29    | 0.0241  |
| Trend  | -398        | 3,109      | -0.13   | 0.8983  |

|  |          |                    |         |
|--|----------|--------------------|---------|
| Statistics based on the rho-differenced data |          |                    |         |
| Sum squared resid                            | 9.37E+12 | S.E. of regression | 289,277 |
| R-squared                                    | 0.8427   | Adjusted R-squared | 0.8329  |
| F(7, 112)                                    | 78.38    | P-value(F)         | 0.0000  |
| rho  | 0.0762   | Durbin-Watson      | 1.8150  |

|                                       |           |                    |         |
|---------------------------------------|-----------|--------------------|---------|
| Statistics based on the original data |           |                    |         |
| Mean dependent var                    | 7,369,729 | S.D. dependent var | 706,680 |

2

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -33**

4

5                   Reference: Exhibit 3, Appendix A, page 47

6

7                   a) Please update Table 53 to reflect the most recent forecasts available from each of the  
 8                   referenced sources.

9

10

11                   **RESPONSE:**

12                   a) An updated version of Table 53 is provided below. The results of this table are included in  
 13                   the updated load forecast model filed as an attachment to 3-SEC-68.

14                   **Table 1:                   Economic Forecasts – Updated with Revised Inputs from Referenced Sources**

| Source<br>Report Date                           | BMO<br>27-Mar-26 | RBC<br>Dec-25 | Scotiabank<br>24-Mar-26 | TD<br>18-Mar-26 | ON Budget<br>26-Mar-26 | Average |
|---|------------------|---------------|-------------------------|-----------------|------------------------|---------|
| <b>GDP Forecast (Real GDP % Year-over-Year)</b> |                  |               |                         |                 |                        |         |
| 2025  | 1.4%             | 1.2%          | 1.2%                    | 1.4%            | 1.2%                   | 1.30%   |
| 2026  | 0.8%             | 1.1%          | 0.8%                    | 0.9%            | 1.0%                   | 0.90%   |
| 2027  | 2.2%             | 1.4%          | 1.7%                    | 1.8%            | 1.7%                   | 1.78%   |
| 2028  |                  |               |                         |                 | 1.8%                   | 1.80%   |
| 2029  |                  |               |                         |                 | 2.0%                   | 2.00%   |
| 2030  |                  |               |                         |                 |                        | 2.00%   |
| 2031  |                  |               |                         |                 |                        | 2.00%   |
| <b>FTE Forecast (% Year-over-Year)</b>          |                  |               |                         |                 |                        |         |
| 2025  | 1.0%             | 1.0%          | 1.0%                    | 1.0%            | 1.0%                   | 1.00%   |
| 2026  | 0.2%             | 0.4%          | 0.2%                    | -0.2%           | 0.5%                   | 0.15%   |
| 2027  | 0.6%             | 0.2%          | 0.9%                    | 0.5%            | 0.7%                   | 0.55%   |
| 2028  |                  |               |                         |                 | 0.8%                   | 0.80%   |
| 2029  |                  |               |                         |                 | 1.1%                   | 1.10%   |
| 2030  |                  |               |                         |                 |                        | 1.10%   |
| 2031  |                  |               |                         |                 |                        | 1.10%   |

15

| Source         | Link to Report  |
|----------------|---|
| BMO            | <a href="https://economics.bmo.com/media/filer_public/18/db/18db5b76-7708-403f-9823-365f6676176a/outlookprovincial.pdf">https://economics.bmo.com/media/filer_public/18/db/18db5b76-7708-403f-9823-365f6676176a/outlookprovincial.pdf</a>   |
| RBC            | <a href="https://www.rbc.com/en/economics/wp-content/uploads/sites/23/2025/12/Provincial-Forecast-Tables-Q4-20251.pdf">https://www.rbc.com/en/economics/wp-content/uploads/sites/23/2025/12/Provincial-Forecast-Tables-Q4-20251.pdf</a>   |
| Scotiabank     | <a href="https://www.scotiabank.com/ca/en/about/economics/economics-publications/post.other-publications.global-outlook-and-forecast-tables.scotiabank%27s-forecast-tables.2026.march-24--2026.html">https://www.scotiabank.com/ca/en/about/economics/economics-publications/post.other-publications.global-outlook-and-forecast-tables.scotiabank%27s-forecast-tables.2026.march-24--2026.html</a> |
| TD             | <a href="https://economics.td.com/provincial-economic-forecast#on">https://economics.td.com/provincial-economic-forecast#on</a>   |
| Ontario Budget | <a href="https://budget.ontario.ca/2026/chapter-2.html">https://budget.ontario.ca/2026/chapter-2.html</a>   |

1

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -34**

4

5                   Reference: Exhibit 3, Appendix A, pages 2-3

6                   Load Forecast Model, CDM Tab

7

8                   a) Please provide the sources for the data used to populate the CDM Tab - Rows 4 to 126 (actual  
9                   copies or links to references).

10

11                   i. Please indicate where in each reference the data used to populate the CDM Tab is be found  
12                   and/or how it was derived from the references.

13

14                   **RESPONSE:**

15                   a) The sources are provided as direct download links to the referenced files. The source of the  
16                   data used to populate the CDM Tab is primarily Elexicon’s 2023 LRAMVA workform  
17                   ([EE 2023 LRAMVA 20221028 filed in EB-2022-0024](https://www.rds.oeb.ca/CMWebDrawer/Record/759640/File/document)<sup>1</sup>).

18

19                   The methodology used to calculate the CDM savings reflected in the LRAMVA workform is  
20                   described in a report prepared by IndEco Strategic Consulting Inc. titled “Elexicon Energy  
21                   Inc. 2020-2028 LRAMVA” was filed in Elexicon’s 2023 IRM application ([Appendix A in EB-  
22                   2022-0024](https://www.rds.oeb.ca/CMWebDrawer/Record/752068/File/document)<sup>2</sup>).

23

24                   A modified version of the LRAMVA workform is provided as Excel file 3-VECC-  
25                   34(1)\_Adjusted 2023 LRAMVA Workform. The values populated in the CDM Tab of the

---

<sup>1</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/759640/File/document>

<sup>2</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/752068/File/document>

1 Load Forecast model are the actual and persisting CDM savings, as summarized at the  
2 bottom of each implementation year table in tab '5. 2015-2027 LRAM'.  
3 The original LRAMVA workform included only persistence data from 2015 to 2028 for  
4 programs implemented in 2015 to 2017. As a result, IESO persistence reports were used to  
5 populate the missing 2029-2031 persistence data for those programs. For programs  
6 implemented from 2018 onward, the LRAMVA workform already includes persistence  
7 value through to 2031.

8  
9 Persistence data was sourced from the Veridian rate zone persistence report was filed as  
10 ["2015 - 2017 Final Results Report Elexicon Veridian RZ 20200820" in EB-2020-0013](#)<sup>3</sup> and  
11 the Whitby rate zone persistence report was filed as ["Elexicon 2017 Final Verified Annual  
12 LDC CDM Program Results Elexicon Whitby RZ 20200807" in EB-2020-0012](#)<sup>4</sup>. Copies of  
13 the LDC Savings Persistence tabs from these filings are included in the attachment to this  
14 response for reference. Net Verified Annual Energy Savings (kWh) figures are used.

15  
16 In addition to adding 2029-2031 persistence figures, the LRAMVA model is modified by:  
17 - converting the billing determinant to kWh for all classes so the summary figures are  
18 consistently kWh  
19 - adjusting the rate class allocations to kWh savings allocations so the total allocations  
20 equal 100%, and  
21 - adding persistence savings subtotals for 2029 to 2031 at the bottom of each  
22 implementation year table.

---

<sup>3</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/684670/File/document>

<sup>4</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/683574/File/document>

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -35**

4                   Reference: Load Forecast Model, CDM-eDSM Framework Tab

5

6                   Preamble:

7                   Both the IESO's former CDM Framework and its new eDSM Framework include a Local Initiatives  
8                   Program.

9

10                  a) Has Elexicon confirmed with the IESO that there are no actual 2021-2024 CDM Framework  
11                  savings available for its service area?

12                  b) Please describe any Local Initiatives undertaken by Elexicon in 2023 and 2024 as part of the  
13                  IESO's 2021-2024 CDM Framework - Local Initiatives program and indicate the anticipated savings  
14                  (MWh) for each of the years 2023-2031.

15                  c) Please describe any Local Initiatives undertaken by Elexicon in 2025 and undertaken/planned for  
16                  2026 as part of the IESO's eDSM Framework - Local Initiatives program and indicate the anticipated  
17                  savings (MWh) for each of the years 2025-2031.

18                  d) With respect to the eDSM savings forecast for 2028-2031 (CDM-eDSM Framework Tab, Cells J4-  
19                  M18), please provide the rationale for the projected savings for each Program area.

20

21

22

23                  **RESPONSE:**

24                  a) The only service area CDM data provided by the IESO is peak load reduction at the  
25                  transmission level.

26

27                  b) The 2021-2024 Conservation and Demand Management (CDM) Framework Local Initiatives  
28                  Program was managed by the IESO, with CDM programs delivered by the IESO through the  
29                  Save on Energy brand under the framework. Elexicon was not involved with any projects

1 under the Local Initiatives program in 2023 and 2024. Elexicon's eDSM team was recently  
2 onboarded in April 2026 with a focus of promoting existing IESO programs

3

4 c) Please refer to the response in 2-Staff-37.

5

6 d) Forecast eDSM savings are allocated to each of the Veridian and Whitby rate zones based on  
7 each rate zone's share of provincial consumption at the rate class level. The allocation to  
8 each rate zone is weighted by the allocation of savings in the same or similar historic  
9 programs, as per LRAMVA workforms. For example, 2.25% of provincial Retrofit program  
10 savings are allocated to the Veridian rate zone. This is a weighted average of the Veridian  
11 GS<50 kW rate class's share of provincial GS<50 kW consumption (1.92%) times GS<50 kW's  
12 historic share of Retrofit savings within the Veridian rate zone (13.5%) plus Veridian GS>50  
13 kW rate classes' share of provincial GS>50 kW consumption (2.00%) times GS>50 kW's  
14 historic share of Retrofit savings within the Veridian rate zone (73.2%) plus the Veridian Large  
15 Use rate class's share of provincial Large Use consumption (3.98%) times the Large Use  
16 historic share of Retrofit savings within the Veridian rate zone (13.3%). This method is  
17 applied to all programs except Local Initiatives, which is based on total consumption as a  
18 share of provincial consumption, and the Energy Affordability Program which is allocated to  
19 Elexicon based on its share of dwellings in the province.

20 Detailed calculations are provided in tab 'CDM-eDSM Framework' in Exhibit 3 – Tab 1 –  
21 Schedule 1, Attachment 1, "Elexicon Load Forecast". Demand response programs, the  
22 Targeted Greenhouse program, and the First Nations Program are not allocated to  
23 Elexicon.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -36**

4                   Reference: Exhibit 3, Appendix A, pages 104-110

5                   Load Forecast Model, EV Forecast VRZ and EV Forecast WRZ Tabs

6                   Government of Canada’s new EV Strategy

7                   [https://www.canada.ca/en/innovation-science-economic-development/news/2026/02/prime-](https://www.canada.ca/en/innovation-science-economic-development/news/2026/02/prime-minister-carney-unveils-canadas-new-automotive-strategy-to-protect-jobs-and-position-our-country-as-a-global-leader-in-next-generation-vehicl.html)  
8                   [minister-carney-unveils-canadas-new-automotive-strategy-to-protect-jobs-and-position-our-](https://www.canada.ca/en/innovation-science-economic-development/news/2026/02/prime-minister-carney-unveils-canadas-new-automotive-strategy-to-protect-jobs-and-position-our-country-as-a-global-leader-in-next-generation-vehicl.html)  
9                   [country-as-a-global-leader-in-next-generation-vehicl.html](https://www.canada.ca/en/innovation-science-economic-development/news/2026/02/prime-minister-carney-unveils-canadas-new-automotive-strategy-to-protect-jobs-and-position-our-country-as-a-global-leader-in-next-generation-vehicl.html)

10

11

12                  Preamble:

13                  The Application states:

14

15                  “Electric vehicle consumption is forecast based on delayed Canada’s zero-emission vehicle sales  
16                  targets, estimated consumption per type of EV, and EV statistics from Statistics Canada.”

17

18                  a) Confirm that the EV forecast assumes EV sales reach 60% of total new vehicle sales by 2035.

19                  b) Please re-do the EV load forecast based on the 75% EV sales target in the Government of  
20                  Canada’s new EV Strategy.

21                  c) Please explain the basis for the 10% load factor assumed for EV load (per page 110).

22

23

24                  **RESPONSE:**

25                  a) Confirmed.

26

27                  b) The EV load forecast based on a 75% EV sales target by 2035 is provided below based on  
28                  load forecast updates included in 3-SEC-68 Attachment 1. Updated versions of the  
29                  corresponding tables from Exhibit 3 - Tab 1 - Schedule 1 Appendix A are also provided.

1

2 **Table 1: Veridian EV Forecast Summary (Updated Table 113)**

|                       | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2031   |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Cumulative MWh</b> |        |        |        |        |        |        |        |
| Residential           | 19,083 | 23,797 | 29,368 | 35,718 | 44,227 | 54,271 | 65,289 |
| Res. Seasonal         | 259    | 323    | 398    | 485    | 600    | 736    | 886    |
| GS<50                 | 2,500  | 3,167  | 3,911  | 4,761  | 5,901  | 7,246  | 8,728  |
| GS 50 - 2,999         | 1,205  | 1,541  | 1,904  | 2,322  | 2,878  | 3,534  | 4,260  |
| GS 3,000 - 4,999      | 164    | 216    | 267    | 325    | 405    | 498    | 603    |
| Large Use             | 31     | 45     | 56     | 70     | 87     | 106    | 129    |
| <b>Cumulative kW</b>  |        |        |        |        |        |        |        |
| GS 50 - 2,999         | 16,510 | 21,116 | 26,086 | 31,809 | 39,426 | 48,413 | 58,352 |
| GS 3,000 - 4,999      | 2,243  | 2,965  | 3,662  | 4,456  | 5,545  | 6,829  | 8,254  |
| Large Use             | 430    | 619    | 771    | 960    | 1,188  | 1,458  | 1,770  |

3

4 **Table 2: Veridian EV Forecast Summary at 75% in 2035 Target**

|                       | 2025   | 2026   | 2027   | 2028   | 2029   | 2030   | 2031   |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Cumulative MWh</b> |        |        |        |        |        |        |        |
| Residential           | 19,083 | 24,115 | 30,656 | 38,652 | 49,509 | 62,522 | 79,679 |
| Res. Seasonal         | 259    | 327    | 416    | 524    | 672    | 848    | 1,081  |
| GS<50                 | 2,500  | 3,210  | 4,082  | 5,151  | 6,603  | 8,343  | 10,641 |
| GS 50 - 2,999         | 1,205  | 1,562  | 1,987  | 2,511  | 3,219  | 4,067  | 5,189  |
| GS 3,000 - 4,999      | 164    | 219    | 279    | 352    | 453    | 574    | 734    |
| Large Use             | 31     | 46     | 59     | 75     | 96     | 121    | 155    |
| <b>Cumulative kW</b>  |        |        |        |        |        |        |        |
| GS 50 - 2,999         | 16,510 | 21,398 | 27,225 | 34,402 | 44,096 | 55,708 | 71,076 |
| GS 3,000 - 4,999      | 2,243  | 3,005  | 3,823  | 4,822  | 6,205  | 7,860  | 10,052 |
| Large Use             | 430    | 627    | 803    | 1,033  | 1,320  | 1,664  | 2,129  |

5

1 **Table 3: Whitby EV Forecast Summary (Updated Table 114)**

|                       | 2025  | 2026  | 2027   | 2028   | 2029   | 2030   | 2031   |
|-----------------------|-------|-------|--------|--------|--------|--------|--------|
| <b>Cumulative MWh</b> |       |       |        |        |        |        |        |
| Residential           | 6,452 | 8,085 | 10,219 | 12,759 | 15,985 | 19,805 | 24,009 |
| GS<50                 | 885   | 1,110 | 1,401  | 1,753  | 2,199  | 2,724  | 3,309  |
| GS 50 - 2,999         | 391   | 491   | 619    | 775    | 972    | 1,205  | 1,463  |
| GS 3,000 - 4,999      | 72    | 91    | 114    | 143    | 180    | 223    | 272    |
| <b>Cumulative kW</b>  |       |       |        |        |        |        |        |
| GS 50 - 2,999         | 5,362 | 6,724 | 8,484  | 10,616 | 13,315 | 16,501 | 20,039 |
| GS 3,000 - 4,999      | 987   | 1,240 | 1,558  | 1,960  | 2,466  | 3,058  | 3,732  |

2

3 **Table 4: Whitby EV Forecast Summary at 75% in 2035 Target**

|                       | 2025  | 2026  | 2027   | 2028   | 2029   | 2030   | 2031   |
|-----------------------|-------|-------|--------|--------|--------|--------|--------|
| <b>Cumulative MWh</b> |       |       |        |        |        |        |        |
| Residential           | 6,452 | 8,206 | 10,706 | 13,868 | 17,982 | 22,925 | 29,450 |
| GS<50                 | 885   | 1,126 | 1,467  | 1,905  | 2,471  | 3,151  | 4,052  |
| GS 50 - 2,999         | 391   | 498   | 649    | 842    | 1,093  | 1,393  | 1,792  |
| GS 3,000 - 4,999      | 72    | 92    | 119    | 155    | 202    | 258    | 333    |
| <b>Cumulative kW</b>  |       |       |        |        |        |        |        |
| GS 50 - 2,999         | 5,362 | 6,824 | 8,888  | 11,535 | 14,970 | 19,086 | 24,549 |
| GS 3,000 - 4,999      | 987   | 1,258 | 1,632  | 2,128  | 2,769  | 3,531  | 4,557  |

4

5 c) The 10% load factor used to determine incremental EV billing demand is based on  
 6 informed assessment considering a number of factors including typical EV load factors,  
 7 different types of charging, and the coincidence of charging EVs during the customer's  
 8 monthly peak demand hour. Power Advisory notes the OEB has set a load factor threshold  
 9 of 20% for EV charging stations to be eligible for the EVC Rate, though this threshold is the  
 10 upper limit.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -37**

4                   Reference: Exhibit 3, Appendix A, pages 113-114

5                   Preamble:

6                   The Application states:

7

8                   “Despite the lack of specific information of electric heating conversions, it is reasonable to expect  
9                   that there will be some incremental consumption within the GS 50-2,999 kW class. The incremental  
10                  consumption for these conversions is estimated to be equal to the average heating (HDD-related)  
11                  load of customers in the rate class.”

12

13                  a) Please provide the calculations supporting the assumed kWh/customer for electric heating for  
14                  GS 50-2,999 customers used in Tables 121 and 122.

15

16

17                  **RESPONSE:**

18                  a) The assumed kWh/customer is calculated as the historic average annual heating load for  
19                  the GS 50-2,999 kW class divided by the number of customers. The average heating load is  
20                  calculated with the load attributable to the HDD coefficient in the GS 50-2,999 kW model.

21                  The same values are used in the load forecast updated filed as 3-SEC-68 Attachment 1.

22                  **Table 1:                  Forecast Electric Heating for GS 50-2,999**

|          | <b>Average Heating Load<br/>(kWh)</b> | <b>Average Customers<br/>2027-2031</b> | <b>Average Heating Load<br/>Per Customer<br/>(kWh / customer)</b> |
|----------|---------------------------------------|--|---|
| Veridian | 70,354,398                            | 1,078                                  | 65,269  |
| Whitby   | 20,865,991                            | 402                                    | 51,970  |

23

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 3.0-VECC -38**

4                   Reference: Exhibit 3, Appendix A, page 116

5                   Preamble: The Application states:

6

7                   “The additional large loads are forecast based the anticipated volumes of committed and non-  
8                   committed connection requests. The forecast includes a pro-ration of forecast load based on an  
9                   assessment of the likelihood that each project materializes.”

10

11                  a) Please provide schedules that set out: i) the number of committed connection requests to add  
12                  load and the total associated MWs for each year 2025-2031 included in the load forecast and ii) the  
13                  number of uncommitted connection requests to add load and the total associated MWs for each  
14                  year 2025-2031 included in the load forecast. For each schedule the MWs reported should be total  
15                  MWs from the connection requests prior to any pro-ration or adjustments. (Note: As part of the  
16                  response please indicate whether the values provided for each year are incremental or cumulative)

17

18                  i. If the forecast also includes existing customers requesting an increase in capacity to serve  
19                  additional load, please separate out from new customers and report the number of customers and  
20                  MWs separately.

21

22                  b) Please provide a schedule setting out how the billed MWs and MWhs set out in Tables 127, 128  
23                  and 129 are derived from the MWs (per part (a)) of committed and uncommitted connection  
24                  requests.

25

26

27                  **RESPONSE:**

28                  a) The requested data for Parts (a) and (b) is provided in separate, corresponding tabs of  
29                  the attached Excel file 3.0-VECC-38\_ Additional Large Loads, based on the updated load

1 forecast provided in Excel file 3-SEC-68(1)\_Load Forecast Update. The values presented  
2 are incremental, reflecting the number of connection requests and associated MWs  
3 added in each individual year only.

4

5 b) Please refer to response provided in Part (a).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -39**

4

5

6                   Reference: Exhibit 4, Tab 3, Schedule 2

7

8                   a) If Elexicon is a member of the EDA please provide the EDA fess for each your 2020 - 2025 actuals  
9                   and the forecast fees for 2026 and 2027.

10

11

12

13                   **RESPONSE:**

14                   a) Please refer to Table 1 for actual and forecast EDA fees.

15

**Table 1:           Actual and Forecast EDA Fees**

|                          | Actuals |         |         |         |         |         | Forecast |         |
|--------------------------|---------|---------|---------|---------|---------|---------|----------|---------|
| Years                    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026     | 2027    |
| EDA Membership Fees (\$) | 106,100 | 107,200 | 107,200 | 112,600 | 115,400 | 118,900 | 122,943  | 125,401 |



| Programs                              | 2024<br>Actuals | 2025<br>Actuals | 2026<br>Bridge<br>Year | 2027<br>Test<br>Year | CAGR<br>2024-2027 |
|---------------------------------------|-----------------|-----------------|------------------------|----------------------|-------------------|
| <b>Customer Care Sub-Total</b>        | 13.49           | 15.93           | 15.44                  | 16.23                | 6.4%              |
| <b>Common Corporate</b>               |                 |                 |                        |                      |                   |
| Technology                            | 5.27            | 5.22            | 6.80                   | 12.09                |                   |
| People & Culture                      | 4.88            | 4.90            | 6.15                   | 6.86                 |                   |
| Finance                               | 3.59            | 4.91            | 4.69                   | 5.25                 |                   |
| Procurement & Facilities              | 1.17            | 1.53            | 1.26                   | 2.18                 |                   |
| Regulatory Affairs                    | 2.69            | 3.33            | 3.17                   | 4.96                 |                   |
| Stakeholder Relations                 | 1.34            | 1.32            | 1.51                   | 1.71                 |                   |
| Legal and Corporate Secretariat       | 3.54            | 4.32            | 5.89                   | 6.89                 |                   |
| <b>Common Corporate Sub-Total</b>     | 22.46           | 25.54           | 29.46                  | 39.92                | 21.1%             |
| <b>Total Recoverable OM&amp;A</b>     | <b>56.38</b>    | <b>63.59</b>    | <b>66.86</b>           | <b>80.87</b>         | <b>12.8%</b>      |
| <b>Adjustments</b>                    |                 |                 |                        |                      |                   |
| <b>Common Corporate</b>               |                 |                 |                        |                      |                   |
| Less: Regulatory Affairs Adjustment   | -0.90           | -0.36           | -0.67                  | 0.00                 |                   |
| Net Regulatory Affairs                | 1.79            | 2.97            | 2.49                   | 4.96                 |                   |
| <b>Net Common Corporate Sub-Total</b> | 21.56           | 25.18           | 28.79                  | 39.92                | 22.8%             |
| <b>Sustainment</b>                    |                 |                 |                        |                      |                   |
| Less: Locates Adjustment              | -1.89           | -2.21           | -2.10                  | 0.00                 |                   |
| Net Locates                           | 0.00            | 0.00            | 0.00                   | 2.18                 |                   |
| <b>Net Sustainment Sub-Total</b>      | 11.27           | 11.64           | 9.49                   | 12.71                | 4.1%              |
| <b>Net Total Recoverable OM&amp;A</b> | <b>53.60</b>    | <b>61.03</b>    | <b>64.09</b>           | <b>80.87</b>         | <b>14.7%</b>      |

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -41**

4

5                   Reference: Exhibit 4, Tab 1, Schedule 1, Table 2, 3 & 4 /Schedules 2,3,4,5,6 Tables 1,

6

7                   a) Please separate each area (e.g. Table 1 “Asset Planning and System Engineering”) into labour and  
8                   non-labour related costs. Please add two new rows: i) showing the proportion of Labour/Non-  
9                   Labour-Capital (ratio) in each year 2020 to 2031; ii) Showing the number of FTEs (roles) in each  
10                  year.

11

12

13

14                  **RESPONSE:**

15                  a) i) Please refer to the response in 4-CCC-38.

16                  ii) Please refer to the response in 4-Staff-102 and 4-Staff-103.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -42**

4

5                   Reference: Exhibit 4, Tab 1, Schedule 1, page 34

6

7                   “Despite nearly doubling its net capital expenditures in the historical period and responding to  
8                   increasing levels of policy activity and sector change, Elexicon’s workforce increased by only 25% in  
9                   the same period, underscoring the utility’s ability to manage significant growth and complexity  
10                  with limited staffing increases through cost management and efficiency measures.”

11

12                  a) How does Elexicon know what the relationship is between internal workforce and capital  
13                  expenditures? That is, while the Utility is proposing a larger capital program than in the past, it is  
14                  not clear in the evidence why this necessarily results in a need for more human resources since  
15                  there is no intuitive relationship between capital dollars spent and the need for internal  
16                  labour (some projects being less labour intensive than others and some project being completed by  
17                  contracted resources). Why does a larger capital program necessarily argue for a larger FTE during  
18                  the proposed rate plan? Put otherwise, how is the referenced statement meaningful in the  
19                  absence of an analysis that considers these types of conflating factors?

20

21

22                  **RESPONSE:**

23                  a) In the coming rate period, Elexicon’s capital plan is growing because of the incremental work  
24                  required to expand and renew the aging distribution system, as explained by Elexicon’s DSP.  
25                  Executing a larger volume of work safely requires additional labour resources.  
26                  To execute more capital work, including the urgent work detailed in Elexicon’s Distribution  
27                  System Plan required to address reliability performance, and to ensure Elexicon can provide  
28                  the necessary capacity to connect new customers, Elexicon requires a mix of internal resources  
29                  as well as third-party contractors. The expanded capital plan also drives the need for more

1 oversight, administration, procurement, planning, and operational, and technical support.  
2 Elexicon outlines its workforce requirements for its capital program within Exhibit 4 – Tab 2 –  
3 Schedule 1, Section 4, including those needs that specifically pertain to Asset Management and  
4 Distribution Operations and across the various common corporate segments that support the  
5 growth of the capital program.

6  
7 Examples of the relationship between a larger capital program and labour needs can be found  
8 throughout Elexicon’s submission, such as the incremental work requirements for the finance  
9 segment (as discussed in IR 4-CCC-53 Part b) and ensuring that there is appropriate structure  
10 and oversight in place for project delivery (Elexicon’s Program Delivery Group is discussed in  
11 Exhibit 4 – Tab 2 – Schedule 1 – Section 3.1.5, p.15 and the development of the planned  
12 staffing level is provided in the response to IR 4-CCC-57 Part g.). Contract administrators,  
13 analysts, and project managers are a critical component of ensuring Elexicon can efficiently  
14 deliver a rapidly increasing volume of work because these roles ensure proper oversight of  
15 contractors, the timeliness and variance to budget of projects, and the most efficient use of  
16 internal resources. Elexicon also must have a sufficiently staffed Control Centre to support  
17 increase work volumes (as discussed in Exhibit 10 -Tab 2 – Schedule 1).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -43**

4

5                   Reference: Exhibit 4, Tab 1, Schedule 1, page 29

6

7                   “Elexicon developed benchmarking from RRR data and selected a peer group with relatively  
8                   comparable customer size: Alectra Utilities Corporation, Burlington Hydro Inc., ENWIN Utilities Ltd.,  
9                   Elexicon Energy Inc., Enova Power Corp., GrandBridge Energy Inc., Hydro Ottawa Limited, London  
10                  Hydro Inc., Oakville Hydro Electricity Distribution Inc., Toronto Hydro-Electric System Limited.”  
11                  (emphasis added)

12

13                  a) Did Elexicon include itself as part of the “Peer Group Averages” shown in various tables/figures  
14                  in Exhibit 4? If yes, please restate Figure two showing the Peer Group average without including  
15                  Elexicon.

16

17

18                  **RESPONSE:**

19

20                  a) The Peer Group Averages did not include Elexicon.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3                   **INTERROGATORY 4.0 -VECC -44**

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5                   Reference: Exhibit 1, Tab 4, Schedule 1, page 23 /Exhibit 4, pages

6

7                   “Increasing requirements from the OEB on non-wires solutions, capacity maps and reliability  
 8                   reporting also added incremental new requirements for the team to address. The utility required  
 9                   additional staff to supplement its available internal system planning expertise, improve Elexicon’s  
 10                  load forecasting and its asset management and planning processes, ensure the oversight of  
 11                  external vendors, meet the demand for system enhancements to address capacity constraints,  
 12                  address new OEB work requirements, and improve project delivery of capital and maintenance  
 13                  work in line with its investment plans.”

14

15                  a) Please provide the FTE increment related to the above explanation.

16

17                  **RESPONSE:**

18                  a) Exhibit 4 – Tab 2 – Schedule 1 – Section 3.1 discusses the growth in Asset Management  
 19                  and Distribution Operations with a summary table (Table 7) outlining the roles added  
 20                  between 2020 and 2025. In the post-merger period, Elexicon built out its Asset Planning  
 21                  and System Engineering team to address the drivers referenced in the preamble to this IR,  
 22                  above. Below is an overview of seven key positions added:

23

24                  **Table 1:                   Incremental FTE**

| <b>Year Position added to Elexicon</b> | <b>Function</b>                        | <b>Department</b> | <b>Level</b> | <b>Business Title</b>                              |
|--|--|-------------------|--------------|--|
| 2022                                   | Distribution System Planning           | APSE              | Supervisor   | Supervisor, Distribution System Planning           |
| 2024                                   | Load Forecasting and Stations Planning | APSE              | Supervisor   | Supervisor, Load Forecasting and Stations Planning |

| Year Position added to Elexicon | Function                               | Department | Level                  | Business Title                                |
|---------------------------------|--|------------|------------------------|---|
| 2024                            | System Studies and Standards           | APSE       | Individual Contributor | Distribution Engineer                         |
| 2024                            | System Studies and Standards           | APSE       | Supervisor             | Supervisor, Standards and System Studies      |
| 2024                            | Load Forecasting and Stations Planning | APSE       | Individual Contributor | Distribution Engineer                         |
| 2024                            | Asset Planning and System Engineering  | APSE       | Director               | Director, Asset Planning & System Engineering |
| 2025                            | Load Forecasting and Stations Planning | APSE       | Individual Contributor | Asset Management and Planning Technicians     |

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**Supervisor, Distribution System Planning:** Manages short, medium, and long-term distribution capital and maintenance plan, focusing on customer impact, system supply adequacy, system security, reliability, safety, cost, and industry trends

**Supervisor, Load Forecasting and Stations Planning:** Manages short, medium, and long-term expansions, enhancements, and maintenance plans for station assets, focusing on customer impact, system supply adequacy, system security, reliability, safety, cost, and industry trends.

**Distribution Engineer:** Develops and advances, capacity, and load forecast models using engineering, econometric, and data-driven approaches, while supporting regional, regulatory, and long-term distribution system planning. Leads substation planning, asset conditions assessment, maintenance strategies, and projects for stations upgrades.

**Director, Asset Planning and System Engineering:** Leads system planning, engineering, and asset management to ensure a reliable, resilient, and capacity-sufficient distribution grid. The role oversees load forecasting, capital and maintenance work programs, system studies, engineering standards, and accurate asset records, while driving continuous reliability improvement through data analysis and remediation planning. The Director also evaluates new customer connections and advanced technologies, and leads strategies for integrating distributed energy resources and non-wires solutions.

**Asset Management and Planning Technician:** Supports substation, distribution system, and asset management activities by coordinating planning, analysis, and project execution to enable reliable grid growth. Assist with asset condition assessments, maintenance strategies,

1 and capital program development through data analysis and engineering support through  
2 preparation of projects, cost estimates, drawings, contractor packages, and asset records to  
3 support informed decision-making and effective capital execution.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3                   **INTERROGATORY 4.0 -VECC -45**

4

5                   Reference: Exhibit 4, Tab 3, Schedule 2

6                   Table 6: Finance Segment Historical, Bridge and Forecast Costs 2020-2031

7

|                     | Actual |      |      |        |      | Bridge |       | Forecast |      |      |      |      |      |
|---------------------|--------|------|------|--------|------|--------|-------|----------|------|------|------|------|------|
| Years               | 2020   | 2021 | 2022 | 2023   | 2024 | 2025   | 2026  | 2027     | 2028 | 2029 | 2030 | 2031 | CAGR |
| Segment Costs (\$M) | 3.43   | 3.67 | 3.92 | 3.52   | 3.59 | 4.12   | 4.69  | 5.25     | 5.53 | 5.97 | 6.33 | 6.47 | 5.9% |
| Variance (\$M)      |        | 0.24 | 0.25 | -0.40  | 0.07 | 0.53   | 0.57  | 0.56     | 0.29 | 0.44 | 0.36 | 0.14 |      |
| Variance (%)        |        | 7.1% | 6.8% | -10.2% | 1.9% | 14.8%  | 13.9% | 11.9%    | 5.5% | 7.9% | 6.0% | 2.3% |      |

8

9                   “This segment is primarily comprised of internal labour and external consulting expenses.”

10

11                   “In addition, support to internal segments for business planning and fiscal month-end reporting  
 12 required incremental effort during the historical period as segments across the company were  
 13 facing challenges since the merger, such as prioritizing increasing workloads under constrained  
 14 budgets and staffing transitions, including retirements and new hires across various levels.”

15

16 a) Given that the merger transactions have since passed and that there is no inherent relationship  
 17 between the size of finance funding and the need for additional resources to manage it (another  
 18 explanation provided for the large increase in this segment) what are the reasons for the  
 19 inordinately large increase in this area?

20

21 b) Please provide a list of FTEs and job descriptions providing services in this area for each year  
 22 2020 to 2031.

23

24 c) Please provide Table 6 divided by into three categories of costs: internal labour, external  
 25 consulting, other non-labour costs. For each year’s consulting costs please specific the activity  
 26 forecast to be engaged in which requires consulting costs.

27

1     **RESPONSE:**

2

3     a) The increase in scale and complexity of financial activity of the utility directly influences the  
4     level of resourcing necessary to ensure effective financial stewardship, compliance and  
5     operational support. Growth in this segment is due to the increase in capital investments  
6     that Elexicon has experienced recently and is planning to make in 2027-2031 rate period,  
7     plus the related increase in financing activities, compliance and reporting requirements.  
8     More specifically, as discussed in Exhibit-4 Tab-1 Schedule-6, pages 32-36, these cost drivers  
9     have increased the volume and complexity of work within the Finance segment as follows:

- 10             • **Expanded scope and complexity of capital projects** – As shown by 4-CCC-53 part b),  
11             the number of capital jobs that the Finance segment must support is increasing  
12             significantly over the forecast period. With each capital job, an analyst ensures  
13             accurate allocation of costs to OEB prescribed UsoA accounts, performs any required  
14             journal entries, applies material burdens each month, reviews variance of actuals  
15             against planned, invoices or refunds customers for recoverable jobs, processes  
16             closures, and runs processes to create the assets in the fixed asset module. This is  
17             followed by depreciation processes, fixed asset continuity schedule creation and  
18             reconciliation each month. These requirements typically involve contact and  
19             communication with other departments and customers. Managing this workload  
20             effectively requires additional resources.
- 21             • **Business unit support** – As Elexicon grows, the demand for reporting and analysis  
22             has increased from internal departments and divisions, the Board of Directors and  
23             external parties, such as auditors, the OEB, StatsCan, CRA. The Finance segment  
24             plays a key role in supporting the rest of the business by enhancing financial accuracy  
25             with budgets and forecasts, improving decision-making and ensuring alignment with  
26             corporate strategy. The business is maturing and as part of that process, requests  
27             for more detailed and frequent reporting are requested from this segment.
- 28             • **Complexity of work and regulatory environment** – New and evolving reporting  
29             requirements add time and complexity to existing workflows. There are planned

1 changes to IFRS that will impact Elexicon’s financial reporting and disclosure  
 2 obligations. Under these new requirements, sustainability and climate information  
 3 will increasingly be treated as audit-relevant; presentation and disclosure will face  
 4 public-interest level scrutiny; and audit effort will shift from mechanics to  
 5 judgement, consistency and governance. Examples of areas where greater  
 6 complexity is evolving are included in Table 1 below.

7 **Table 1: Drivers of Complexity/Scrutiny in Finance**

| Area                  | Driver of complexity/scrutiny                        |
|-----------------------|--|
| Climate assumptions   | Asset lives, impairments, provisions                 |
| Regulatory assets     | Recoverability under changing conditions             |
| Debt disclosures      | Covenants, classification, transparency              |
| Cash flow quality     | Supplier finance impacts                             |
| Performance metrics   | IFRS 18 alignment                                    |
| Narrative consistency | Aligning MD&A with financials as well as OEB filings |

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- **Treasury** – As a scaling and growing entity, with increasing capital required to finance the much larger and significant investment plan, Elexicon’s financial and cashflow management complexity has increased to the point of needing a separate treasury function. All related treasury activities need to become more sophisticated, including cash flow forecasting. In particular, Elexicon’s plans to access the external debt market, which involves incremental activities including:
    - Managing external stakeholders, including lenders, legal counsel and trustee, credit rating agencies and auditors;
    - Compliance with regulatory and disclosure requirements; and
    - Risk management.

19 Please see Table 2 below for a comparison of the requirements of standard loan  
 20 agreements versus a syndicated private bond issuance.

21  
 22

1 **Table 2: Comparison of Requirements in Syndicated Private Bonds and Standard Loan**  
2 **Agreements**

| Feature                      | Syndicated Private Bond | Standard Loan  |
|------------------------------|-------------------------|----------------|
| Legal/regulatory complexity  | Medium                  | Low            |
| Number of stakeholders       | Medium                  | Low            |
| Market timing considerations | Yes                     | Minimal        |
| Documentation customization  | High                    | Moderate       |
| Investor vs lender mindset   | Investor-focused        | Credit-focused |
| Overall treasury time        | Medium–High             | Low–Medium     |

3  
4 Further details related to the variance analysis for the Finance segment and its cost drivers  
5 can be found in Exhibit-4 Tab-1 Schedule-6.

6  
7 Ellexicon also notes that the OM&A amounts for the Finance segment have been updated  
8 to reflect 2025 actuals. The revised table reflecting these updates is provided in Table 3 and  
9 aligns with the revised Appendix 2-JC filed as Attachment 3 to the response to IR 1-SEC-13.

10  
11 **Table 3: Table 6: Finance Segment Historical, Bridge and Forecast Costs 2020-2031 –**  
12 **Revised with 2025 Actuals**

| Years          | Actual |      |      |        |      |       | Bridge | Forecast |      |      |      |      | CAGR |
|----------------|--------|------|------|--------|------|-------|--------|----------|------|------|------|------|------|
|                | 2020   | 2021 | 2022 | 2023   | 2024 | 2025  | 2026   | 2027     | 2028 | 2029 | 2030 | 2031 |      |
| Segment Costs  | 3.43   | 3.67 | 3.92 | 3.52   | 3.59 | 4.91  | 4.69   | 5.25     | 5.53 | 5.97 | 6.33 | 6.47 | 5.9% |
| Variance (\$M) |        | 0.24 | 0.25 | -0.40  | 0.07 | 1.32  | -0.22  | 0.56     | 0.29 | 0.44 | 0.36 | 0.14 |      |
| Variance (%)   |        | 7.1% | 6.8% | -10.2% | 1.9% | 36.8% | -4.5%  | 11.9%    | 5.5% | 7.9% | 6.0% | 2.3% |      |

13

- 1 b) Please see the response in 4-CCC-57 part c) for FTE levels by year in the Finance division.
- 2 Table 4 below shows positions by functional area in Finance. Please refer to 4-Staff-125
- 3 for descriptions of the additional staff in the forecast years.

1 **Table 4: Finance Positions by Functional Area**

|                     |   | Actuals   |           |           |           |           |           | Bridge    | Forecast  |           |           |           |           |
|---------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Function            | Description   | 2020      | 2021      | 2022      | 2023      | 2024      | 2025      | 2026      | 2027      | 2028      | 2029      | 2030      | 2031      |
| CFO Office          | Oversight of financial operations and financial strategy  | 2         | 3         | 3         | 3         | 2         | 2         | 2         | 2         | 2         | 2         | 2         | 2         |
| Financial Reporting | Accounting, accounts payable, annual audit, month end close, financial reporting, controls, account reconciliations, related policies (treasury from 2020 to 2024)  | 13        | 14        | 13        | 12        | 13        | 11        | 11        | 12        | 13        | 13        | 13        | 13        |
| Financial Planning  | Budgeting, forecasting, long term planning, monthly variance analysis and reporting, ad-hoc requests, annual audit support, RRR reporting, business unit support, economic evaluations, developer rebates, misc. accounts receivable and collection, capitalization processes, closing of jobs from WIP to capital, maintaining the fixed asset set of books, running depreciation, processing disposals from the fixed asset books | 7         | 8         | 8         | 9         | 12        | 12        | 13        | 13        | 13        | 15        | 16        | 16        |
| Treasury            | Cashflow reporting, forecasting and management and analysis, debt and interest management and accounting, corporate card controls and administration, bank reconciliations, cash applications, investor and lender reporting and relationship management.   | 0         | 0         | 0         | 0         | 0         | 4         | 4         | 4         | 4         | 4         | 4         | 4         |
| <b># Positions</b>  |   | <b>22</b> | <b>25</b> | <b>24</b> | <b>24</b> | <b>27</b> | <b>29</b> | <b>30</b> | <b>31</b> | <b>32</b> | <b>34</b> | <b>35</b> | <b>35</b> |

1 c) Please see Table 5 below for a breakdown of the Finance segment costs. Contracted short-term  
 2 consultants, such as discussed in response to 4-SEC-74, are reflected in Labour. External consulting  
 3 is primarily driven by audit, tax and treasury services and as-needed legal costs. Other non-labour  
 4 costs are mainly bank charges.

5

6 **Table 5: Breakdown of Finance Segment Costs, with 2025 Actuals**

|                               | Actuals     |             |             |             |             |             | Bridge      | Forecast    |             |             |             |             |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                               | 2020        | 2021        | 2022        | 2023        | 2024        | 2025        | 2026        | 2027        | 2028        | 2029        | 2030        | 2031        |
| <b>Total*</b>                 | <b>3.43</b> | <b>3.67</b> | <b>3.92</b> | <b>3.52</b> | <b>3.59</b> | <b>4.91</b> | <b>4.69</b> | <b>5.25</b> | <b>5.53</b> | <b>5.97</b> | <b>6.33</b> | <b>6.47</b> |
| <b>Main Components:</b>       |             |             |             |             |             |             |             |             |             |             |             |             |
| <b>Internal Labour</b>        | 2.80        | 2.90        | 3.29        | 2.97        | 3.06        | 3.24        | 3.26        | 3.80        | 4.10        | 4.51        | 4.84        | 4.95        |
| <b>External Consulting</b>    | 0.33        | 0.51        | 0.34        | 0.34        | 0.29        | 1.44        | 0.97        | 1.12        | 1.10        | 1.11        | 1.14        | 1.15        |
| <b>Other non-labour costs</b> | 0.30        | 0.26        | 0.29        | 0.31        | 0.24        | 0.23        | 0.46        | 0.33        | 0.35        | 0.35        | 0.35        | 0.37        |
| <b>Total*</b>                 | <b>3.43</b> | <b>3.67</b> | <b>3.92</b> | <b>3.52</b> | <b>3.59</b> | <b>4.91</b> | <b>4.69</b> | <b>5.25</b> | <b>5.53</b> | <b>5.97</b> | <b>6.33</b> | <b>6.47</b> |

7 \*may be subject to rounding variances

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -46**

4                   Reference: Exhibit 4, Tab 1, Schedule 6

5                   Table 8: Regulatory Affairs Segment Historical, Bridge and Forecast Costs 2020-2031

6

| Years                           | Historical |       |        |        |        | Bridge |       | Forecast |       |      |      |      | CAGR  |
|---------------------------------|------------|-------|--------|--------|--------|--------|-------|----------|-------|------|------|------|-------|
|                                 | 2020       | 2021  | 2022   | 2023   | 2024   | 2025   | 2026  | 2027     | 2028  | 2029 | 2030 | 2031 |       |
| Regulatory Costs (\$M)          | 0.70       | 0.86  | 0.61   | 2.19   | 1.48   | 1.41   | 1.84  | 2.05     | 2.32  | 2.38 | 2.44 | 2.50 | 12.2% |
| Variance (\$M)                  |            | 0.16  | -0.25  | 1.58   | -0.71  | -0.06  | 0.42  | 0.21     | 0.28  | 0.05 | 0.06 | 0.06 |       |
| Variance (%)                    |            | 22.5% | -29.3% | 261.0% | -32.6% | -4.2%  | 30.0% | 11.3%    | 13.5% | 2.3% | 2.6% | 2.4% |       |
| OEB Cost Assessments (\$M)      | 0.69       | 0.67  | 0.74   | 0.84   | 0.97   | 1.00   | 1.00  | 1.00     | 1.00  | 1.00 | 1.00 | 1.00 | 3.5%  |
| Variance (\$M)                  |            | -0.02 | 0.08   | 0.09   | 0.13   | 0.04   | 0.00  | 0.00     | 0.00  | 0.00 | 0.00 | 0.00 |       |
| Variance (%)                    |            | -3.0% | 11.3%  | 12.2%  | 15.7%  | 3.8%   | 0.0%  | 0.0%     | 0.0%  | 0.0% | 0.0% | 0.0% |       |
| LEAP (\$M)                      | 0.09       | 0.09  | 0.09   | 0.09   | 0.24   | 0.32   | 0.32  | 0.33     | 0.34  | 0.34 | 0.35 | 0.36 | 13.6% |
| Variance (\$M)                  |            | 0.00  | 0.00   | 0.00   | 0.15   | 0.08   | 0.00  | 0.01     | 0.01  | 0.01 | 0.01 | 0.01 |       |
| Variance (%)                    |            | 1.1%  | -0.6%  | 0.0%   | 171.9% | 34.2%  | 0.0%  | 1.9%     | 2.0%  | 2.0% | 2.0% | 2.0% |       |
| Regulatory One-Time Costs (\$M) |            |       |        |        |        |        |       | 1.27     | 1.27  | 1.27 | 1.27 | 1.27 |       |
| Segment Total Costs (\$M)       | 1.48       | 1.62  | 1.44   | 3.12   | 2.69   | 2.74   | 3.17  | 4.65     | 4.93  | 4.99 | 5.06 | 5.12 | 12.0% |
| Variance (\$M)                  |            | 0.14  | -0.18  | 1.68   | -0.43  | 0.06   | 0.42  | 1.48     | 0.28  | 0.06 | 0.07 | 0.06 |       |
| Variance (%)                    |            | 9.3%  | -10.9% | 116.3% | -13.8% | 2.1%   | 15.5% | 46.8%    | 6.1%  | 1.2% | 1.4% | 1.3% |       |

7

8                   “Given the difficulty in forecasting these assessments accurately, Elexicon proposes to continue  
 9                   using Account 1508 OEB Other Regulatory Assets - Sub-Account - OEB Cost Assessment beyond the  
 10                  2027 rebasing year.”

11

- 12                  a) Please provide the actual 2025 OEB Assessment invoice costs.
- 13                  b) Please revise Table 8 to show any OEB costs other than annual assessment costs, separately (e.g.  
 14                  any section 30 costs or other regulatory invoice costs).
- 15                  c) Please explain how the 2026 to 2031 assessment cost amount was forecast.
- d) Is Elexicon aware of any other OEB regulated utility which has had approved an on-going  
 regulatory cost assessment variance account?

16 **RESPONSE:**

17 a) The actual 2025 OEB Assessment invoice costs were \$1,069,947. This has been reflected in  
18 the April 2, 2026 evidence to Exhibit 9 and is consistent with the revised Appendix 2-JC  
19 attached to the response in IR 1-SEC-13.

20

21 b) Table 8 referenced in the question has been revised and is provided below to present OEB  
22 costs other than annual assessment costs separately (i.e. Section 30 costs and intervenor  
23 costs are broken out from the Regulatory Costs category). The 2025 actual amounts have  
24 also been updated to align with the revised Appendix 2-JC attached to the response in  
25 IR 1-SEC-13.

26

27 **Table 1: Regulatory Affairs Segment Costs – Updated with OEB Cost Breakouts (2020-**  
28 **2031)<sup>1</sup>**

| Years                          | 2020 | 2021  | 2022   | 2023    | 2024   | 2025A   | 2026   | 2027   | 2028  | 2029 | 2030 | 2031 | CAGR  |
|--------------------------------|------|-------|--------|---------|--------|---------|--------|--------|-------|------|------|------|-------|
| Regulatory Costs (\$M)         | 0.70 | 0.79  | 0.56   | 1.98    | 1.44   | 1.84    | 1.72   | 1.99   | 2.27  | 2.32 | 2.38 | 2.43 | 12.0% |
| Variance (\$M)                 |      | 0.09  | -0.23  | 1.42    | -0.54  | 0.40    | -0.12  | 0.27   | 0.28  | 0.05 | 0.06 | 0.06 |       |
| Variance (%)                   |      | 13.2% | -29.2% | 252.4%  | -27.2% | 28.0%   | -6.5%  | 15.4%  | 13.8% | 2.3% | 2.7% | 2.4% |       |
| Section 30 Costs (\$M)         |      | 0.03  | 0.01   | 0.00    | 0.02   | 0.02    | 0.06   | 0.04   | 0.04  | 0.04 | 0.04 | 0.04 | 4.5%  |
| Variance (\$M)                 |      |       | -0.02  | -0.01   | 0.02   | 0.00    | 0.04   | -0.02  | 0.00  | 0.00 | 0.00 | 0.00 |       |
| Variance (%)                   |      |       | -65.5% | -100.0% | -      | 6.9%    | 169.0% | -36.4% | 2.0%  | 2.0% | 2.0% | 2.0% |       |
| Intervenor Cost Award (\$M)    |      | 0.04  | 0.04   | 0.21    | 0.02   | 0.00    | 0.05   | 0.02   | 0.02  | 0.02 | 0.02 | 0.02 | -7.7% |
| Variance (\$M)                 |      |       | 0.00   | 0.18    | -0.20  | -0.02   | 0.05   | -0.03  | 0.00  | 0.00 | 0.00 | 0.00 |       |
| Variance (%)                   |      |       | -3.1%  | 496.6%  | -      | -100.0% | -      | -69.4% | 2.0%  | 2.0% | 2.0% | 2.0% |       |
| OEB Cost Assessment (\$M)      | 0.69 | 0.67  | 0.74   | 0.84    | 0.97   | 1.07    | 1.00   | 1.00   | 1.00  | 1.00 | 1.00 | 1.00 | 3.5%  |
| Variance (\$M)                 |      | -0.02 | 0.08   | 0.09    | 0.13   | 0.10    | -0.07  | 0.00   | 0.00  | 0.00 | 0.00 | 0.00 |       |
| Variance (%)                   |      | -3.0% | 11.3%  | 12.2%   | 15.7%  | 10.7%   | -6.2%  | 0.0%   | 0.0%  | 0.0% | 0.0% | 0.0% |       |
| LEAP (\$M)                     | 0.09 | 0.09  | 0.09   | 0.09    | 0.24   | 0.39    | 0.32   | 0.33   | 0.34  | 0.34 | 0.35 | 0.36 | 13.6% |
| Variance (\$M)                 |      | 0.00  | 0.00   | 0.00    | 0.15   | 0.15    | -0.07  | 0.01   | 0.01  | 0.01 | 0.01 | 0.01 |       |
| Variance (%)                   |      | 1.1%  | -0.6%  | 0.0%    | 171.9% | 61.3%   | -16.8% | 1.9%   | 2.0%  | 2.0% | 2.0% | 2.0% |       |
| Regulatory One-Time Cost (\$M) |      |       |        |         |        |         |        | 1.58   | 1.58  | 1.58 | 1.58 | 1.58 |       |

<sup>1</sup> Numbers may not sum due to rounding.

| Years                     | 2020 | 2021 | 2022   | 2023   | 2024   | 2025A | 2026  | 2027  | 2028 | 2029 | 2030 | 2031 | CAGR  |
|---------------------------|------|------|--------|--------|--------|-------|-------|-------|------|------|------|------|-------|
| Segment Total Costs (\$M) | 1.48 | 1.62 | 1.44   | 3.29   | 2.69   | 3.33  | 3.17  | 4.96  | 5.24 | 5.30 | 5.37 | 5.43 | 12.5% |
| Variance (\$M)            |      | 0.14 | -0.18  | 1.85   | -0.60  | 0.63  | -0.16 | 1.79  | 0.28 | 0.06 | 0.07 | 0.06 |       |
| Variance (%)              |      | 9.3% | -10.9% | 128.4% | -18.1% | 23.5% | -4.9% | 56.5% | 5.7% | 1.1% | 1.3% | 1.2% |       |

\*The CAGR shown reflects 2020–2031, except for Section 30 costs and Intervenor Cost Awards, where a \$0M value in 2020 requires the CAGR to be shown over 2021–2031, and Legal costs to be shown over 2023-2031

29  
30  
31

32 c) The 2026 to 2031 assessment cost amounts were set equal to the 2025 forecast amount.  
 33 The 2025 forecast was determined by annualizing year-to-date actual assessment costs  
 34 incurred through Q2 2025. Year-to-date costs of \$501,702 correspond to a monthly  
 35 average of \$83,617, which was annualized to determine the forecast annual assessment  
 36 cost of \$1,003,404. This amount was applied to the 2026–2031 period.

37

38 d) The following utilities have received OEB approval for continuation of the OEB Cost  
 39 Assessment Variance Account:

- 40 • In EB-2022-0049, Milton Hydro proposed the continuation of Account 1508 Sub-account -  
 41 OEB Cost Assessment Variance, until the final disposal proposed in 2024 IRM proceeding. In  
 42 the [Settlement](#)<sup>2</sup>, the Parties agreed with the Milton Hydro’s proposals including the  
 43 balances in the existing accounts and their disposal, requests for discontinuation of  
 44 accounts, and the continuation of existing accounts.
- 45 • In [EB-2024-0115](#)<sup>3</sup>, Hydro Ottawa also proposed to continue the Account 1508 Sub-account  
 46 - OEB Cost Assessment Variance. The OEB approved the Settlement Agreement between  
 47 Hydro Ottawa and intervening parties which included the continuation of the OEB Cost  
 48 Assessment Variance.

---

<sup>2</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/758290/File/document>

<sup>3</sup> <https://www.rds.oeb.ca/CMWebDrawer/Record/929690/File/document>

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 4.0 -VECC -47**

4

5

6                   Reference:

7                   Exhibit 4, Tab x, Schedule x

8                   Table 11: Legal and Corporate Secretariat Segment Historical, Bridge and Forecast Costs  
 9                   2020-2031

10

|                     | Historical |       |       |      |       | Bridge |       | Forecast |      |       |      |      |       |
|---------------------|------------|-------|-------|------|-------|--------|-------|----------|------|-------|------|------|-------|
| Years               | 2020       | 2021  | 2022  | 2023 | 2024  | 2025   | 2026  | 2027     | 2028 | 2029  | 2030 | 2031 | CAGR  |
| Segment Costs (\$M) | 2.55       | 3.03  | 3.42  | 3.58 | 3.54  | 4.97   | 5.89  | 6.89     | 7.38 | 8.32  | 8.72 | 9.13 | 12.3% |
| Variance (\$M)      |            | 0.48  | 0.39  | 0.15 | -0.04 | 1.43   | 0.92  | 1.00     | 0.50 | 0.94  | 0.39 | 0.41 |       |
| Variance (%)        |            | 18.6% | 13.0% | 4.5% | -1.1% | 40.6%  | 18.5% | 16.9%    | 7.2% | 12.7% | 4.7% | 4.7% |       |

11

12                   “Elexicon’s governance team, including the Office of the CEO, resides within this segment. The  
 13                   governance function provides executive leadership and strategic direction for Elexicon internally to  
 14                   staff and governance committees, and accountability externally to stakeholders, shareholders and  
 15                   the Elexicon Energy Board of Directors.”

16

17                   a) Please provide a modified Table 11 which shows the Office of the CEO costs separate from all  
 18                   other costs.

19

20

21

22                   **RESPONSE:**

23                   a) Please see the response to 4-CCC-56 b).

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 5.0-VECC-48**

4                   Reference: Exhibit 5, Tab 1, Schedule 2

5                   Historical ROE

6

| <b>Year</b> | <b>Deemed ROE</b> | <b>Achieved ROE</b> | <b>Difference</b> |
|-------------|-------------------|---------------------|-------------------|
| <b>2020</b> | 9.43%             | 6.80%               | -2.63%            |
| <b>2021</b> | 9.43%             | 6.87%               | -2.56%            |
| <b>2022</b> | 9.43%             | 4.86%               | -4.57%            |
| <b>2023</b> | 9.43%             | 5.15%               | -4.28%            |
| <b>2024</b> | 9.43%             | 5.39%               | -4.04%            |

7

8                   a) Please provide the 2025 achieved ROE.

9

10

11                  **RESPONSE:**

12                  a) The 2025 achieved ROE is 3.81%.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 5.0-VECC-49**

4

5                   Reference: Exhibit 5, Tab 1, Schedule 1, pg. 2 /Schedule 2

6

7                   “In Q3 of 2025, the majority of Elexicon’s shareholders agreed to convert \$62 million in existing  
8                   promissory notes into shareholder equity, representing a substantial equity injection into the  
9                   distribution utility.”

10

11                  a) Please provide the referenced agreements of debt-to-equity conversation. If not addressed in  
12                  the agreements please explain the change from a promissory note of \$71,925,942 to \$17,974,000  
13                  that occurs between 2024 and 2025. Specifically, is the amended agreement provided at Schedule  
14                  2(PDF page 17) the only written agreement changing the terms of the lending agreement and  
15                  injection of equity into Elexicon?

16                  b) Please provide the forecast actual debt to equity ratio as of January 1, 2027 and December 31,  
17                  2027.

18

19

20                  **RESPONSE:**

21

22                  a) As indicated on page 1, lines 8-12 of the referenced evidence, Elexicon has adopted the OEB’s  
23                  deemed capital structure to establish the cost of capital that will be recovered in distribution  
24                  rates during the 2027-2031 rate period. The debt-to-equity conversion agreements were  
25                  referenced in the pre-filed evidence solely for contextual purposes. Since there are no special  
26                  approvals pertaining to cost of capital, these agreements have no relevance and offer no  
27                  probative value for determining the issues within the scope of this proceeding. As such,  
28                  Elexicon respectfully declines to provide them.

- 1        b) Consistent with the application, the forecasted debt to equity ratio would increase from  
2        1.47 at January 1, 2027 to 1.76 at December 31, 2027.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 5.0-VECC-50**

4

5                   Reference: Exhibit 5, Appendix 2-OA

6

7                   a) In 2025 Elexicon had a “TD Interest rate swap loan” (Row 4) in the principal amount of  
8                   \$33,389,470 at 5.096% and a 5-year term with a start date of 10/03/2023. In 2026 (again Row  
9                   4) shows the same loan principal (i.e. \$33,389,470) and same term and start date but with the  
10                  lender now listed as RBC and at a rate of 5.176%. Please explain what appears to be the same loan  
11                  but with a different lender at a different rate.

12

13

14

15                  **RESPONSE:**

16                  Elexicon no longer maintains a bilateral loan agreement with TD bank. On December 30, 2025,  
17                  Elexicon Corporation entered into a new syndicated credit facility with RBC bank as sole lead arranger  
18                  that includes the principal amount \$33,389,470 as well as the principal amount \$220,000,000. The  
19                  swap derivatives remain with TD Bank at the same interest rate of 5.096% and 4.840%, respectively.  
20                  With respect to the underlying loan, the existing loan with TD was coming due for negotiation with  
21                  the contractual term maturing June 2026 and Elexicon also required access to additional debt  
22                  capacity. As noted in the response in 5-Staff-135, a syndicate arrangement was better suited for  
23                  Elexicon’s circumstances. The underlying loan in the new syndicated credit facility with RBC, at the  
24                  time evidence was drafted, was estimated to have an increase on the existing rates of 8bps (taking  
25                  the rate from 5.096% to 5.176% and 4.480% to 4.920% for the loans, respectively). Since filing the  
26                  application, the syndication agreement was executed and the applicable bank margin on the  
27                  underlying loan supporting the interest rate swap derivatives increased by 35 bps. This effectively  
28                  makes these swap loans interest rates 5.446% and 5.190%, respectively. The difference in rates was  
29                  driven by market and economic factor changes from the time the estimate was made.

1 Correspondingly, on December 30, 2025, Elexicon Corporation and Elexicon Energy entered into a  
2 new intercompany mirror transaction agreement, under which Elexicon Energy borrowed from  
3 Elexicon Corporation on identical terms, including the same principal amounts of \$33,389,470 and  
4 \$220,000,000, maturity terms and interest rates of 5.096% and 4.840%, respectively. The applicable  
5 margin on the underlying loan supporting the interest rate swap derivatives is also the same as  
6 Elexicon Corporation's loan arrangement with RBC, effectively making these swap loan interest rates  
7 5.446% and 5.190%, respectively.

8

9 The interest rates of 5.446% and 5.190% will be used to update Elexicon's the weighted average long-  
10 term cost of debt of existing debt at the same time updates are made to its cost of capital parameters  
11 at the draft rate order, for future debt and the existing municipal shareholder promissory note (which  
12 is tied to the OEB long term debt rate at the time of rebasing), to reflect the OEB's 2027 parameters  
13 when they are published in Q4 of 2026.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 5.0-VECC-51**

4

5                   Reference: Exhibit 5, Tab 1, Schedule 2

6

7                   a) Please explain the reason(s) for the difference as between the principal of \$15 million shown in  
8                   the agreement at Schedule 2 between Elexicon Energy and Elexicon Corporation and the \$13  
9                   million principal shown in Appendix 2-OB for what appears to be the same debt.

10

11

12                   **RESPONSE:**

13                   a) In October 2024, Elexicon Energy received a demand for repayment of \$2M out of the  
14                   \$15M principal amount of the Intercompany Promissory Note, which reduced the principal  
15                   to \$13M.

16

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 6.0-VECC-61**

4

5                   Reference: Exhibit 6, Tab 3, Schedule 1, page 1

6                   Appendix 2-H

7

8                   a) Please provide an updated version of Appendix 2-H that includes:

9                   i) the 2025 actuals for each USoA,

10                  ii) the 2026 year-to-date actuals for each USOA and

11                  iii) the 2025 year-to-date actuals for the same period as used for item (ii).

12

13

14                  **RESPONSE:**

15                  a)

16                    i.     Please refer to the revised Appendix 2-H, provided as Attachment 2 in response to  
17                    1-SEC-13.

18

19                    ii.    Please refer to Excel file 6.0 -VECC -61(1)\_OEB App.2-H Mar-25 & Mar-26 YTD  
20                    Actuals.

21

22                    iii.   Please refer to Excel file 6.0 -VECC -61(1)\_OEB App.2-H Mar-25 & Mar-26 YTD  
23                    Actuals.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 6.0-VECC-62**

4

5                   Reference:

6                   Exhibit 6, Tab 3, Schedule 1, pages 1-2

7

8                   a) Please provide a schedule that sets out for each the specific service charges the actual volumes  
9                   and revenues for the years 2024 and 2025 as well as the forecast volumes and revenues for 2026 to  
10                  2031.

11                  b) For each of the specific service charges please explain the basis for the volumes forecasted for  
12                  2026-2031.

13                  c) The Application states: “The historical variance between 2023 and 2024 actuals from \$1.4M to  
14                  \$3.3M is primarily due to a change in the provision of the account to record the lost revenues  
15                  associated with the elimination of the Collection of Account charge consistent with OEB decision.”  
16                  The associated footnote refers to OEB Decision EB-2021-0009. Please provide the specific  
17                  reference from this Decision that addresses the elimination of the Collection of Account charge.

18

19

20                  **RESPONSE:**

21

22                  a) Please refer to Excel file 6.0-VECC-62(1)\_Specific Service Charges which shows the rates,  
23                  volumes and the associated revenues for the services where revenues are recorded in  
24                  USofA 4235, which are shown in Excel file 1-SEC-13(2)\_OEB App.2-H Other Operating  
25                  Revenue. The remaining services are included under the “Other” category in Table 30 filed  
26                  with 8-SEC-94 are excluded, as revenue from these SSCs are combined with other services  
27                  under USofA 4325 Revenues from Merchandise, making it not practicable to estimate  
28                  individual service volumes.

29

1           b) The revenues for specific service charges recorded in USofA 4235 were forecasted on the  
 2           following basis:

3                           **Table 1:           USofA 4235 Service Charges Forecast Basis**

| <b>Specific Service Charges</b>                  | <b>Basis for Forecast</b>   |
|--|---|
| Deferred Variance - Collection of Account Charge | Based on 2014 Cost of Service Decision  |
| Account Set Up Charges                           | March 2025 YTD actuals plus April to December 2024 plus a 2% customer growth factor for forecast years. |
| MicroFIT   | Number of MFIT customers as of May 2025 x 2025 MFIT Charge x 12 months                                  |
| NSF Collection Charges                           | Average of 2021 to 2023 actuals and 2024 Forecast   |
| Connection-Reconnection Charges                  | August 2024 YTD actuals extrapolated to 12 months   |
| Easement/Legal Letters                           | Average of 2021 to 2023 actuals and 2024 Forecast.  |
| Credit Reference                                 | Average of 2021 to 2023 actuals and 2024 Forecast.  |

4

5           c) Refer to OEB Decision EB-2021-0009 Schedule A, Decision and Order, Settlement Proposal  
 6           page 41 of 64, section 4.2, 3rd bullet point. Also, page 43 of 64, Table 4.2C, which approved  
 7           the utility to collect the revenues associated with the elimination of the collection of  
 8           account charge. In regard to the Collection of Account charge for Elexicon, the deferred  
 9           balances were approved for collection in EB-2025-0046, Decision and Order January 15,  
 10          2026, page 15.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 6.0-VECC-63**

4

5                   Reference: Exhibit 6, Tab 3, Schedule 1, pages 2-3

6

7                   Preamble:

8                   The Application states:

9

10                  “2024 - 2027 Variance Explanation:

11                  The revenues from late payment charges are expected to increase by \$0.1M, in accordance with  
12                  the growth of Elexicon’s customer base and subsequent increase in unpaid account balances.

13

14                  2027 - 2031 Variance Explanation:

15                  The revenues from late payment charges are expected to increase by \$0.1M, in accordance with  
16                  the growth of Elexicon’s customer base and subsequent increase in unpaid account balances.”

17

18                  a) In forecasting revenues for Late Payment Charge, as well as making an allowance for the growth  
19                  in Elexicon’s customer base, was any allowance made for the fact distribution rates are increasing  
20                  over the forecast period?

21

22                  b) If not, please provide an updated forecast of revenues from Late Payment Charges that also  
23                  incorporates the annual expected increase in distribution rates.

24

25

26                  **RESPONSE:**

27                  a) In forecasting revenues for Late Payment Charges, no allowance was made for the fact that  
28                  distribution rates are increasing over the forecast period. The forecasts reflected only the  
29                  expected increase in customer base.

1

2       **b)** Please refer to Attachment 2 provided in response to 1-SEC-13 for an updated Appendix 2-H  
3           that incorporates the annual expected customer bill increases for Late Payment Charge  
4           forecasting.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 6.0-VECC-64**

4

5                   Reference: Exhibit 6, Tab 3, Schedule 1, pages 3-4

6

7                   a) Does USoA 4210 include revenues from sources other than the OEB's approved Pole Attachment  
8                   Charge? If so, please provide a schedule that breaks out the sources of revenue for 2024-2031 and  
9                   explain the basis for the forecast revenue from each of the sources other than the OEB's approved  
10                  Pole Attachment Charge.

11                  b) Please provide a schedule that sets out the basis for the 2024-2031 annual revenues from Pole  
12                  Attachment Charges (i.e., the annual rate used and the annual number of poles).

13

14

15

16                  **RESPONSE:**

17                  a) Yes, please see table 1 in the attached Excel file 6.0-VECC-64(1)\_4210 Breakdown-Pole  
18                  Attachment for a schedule of the revenue included.

19

20                  b) Please see table 2 in the attached Excel file 6.0-VECC-64(1)\_4210 Breakdown-Pole  
21                  Attachment for a schedule of the annual revenues from Pole Attachment Charges.

22

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 6.0-VECC-65**

4

5                   Reference: Exhibit 6, Tab 3, Schedule 1, pages 4-6

6

7                   a) Please provide the basis for the 2025-2031 forecast values for each of the following USoAs:

8                   i) 4325,

9                   ii) 4330,

10                  iii) 4375,

11                  iv) 4380,

12                  v) 4390 and

13                  vi) 4405.

14

15                  **RESPONSE:**

16                  **Table 1:                   Basis for 2025-2031 Forecast Values for requested accounts**

| USoA      | Description   | Basis for forecast over 2026-2031  |
|-----------|---|--|
| i) 4325   | Revenues from Merchandise                           | 4 year historical average of actual revenue from 2021 to 2024.   |
| ii) 4330  | Costs and Expenses of Merchandising                 | 4 year historical average of actual expense from 2021 to 2024 adjusted for specific charge updates as noted in Exhibit 8, tab 1, schedule 1.                     |
| iii) 4375 | Revenues from Non Rate-Regulated Utility Operations | Average of actuals for 2021 to 2023 for solar generation activities. For corporate allocations, 2023 and 2024 actuals plus internal expectations of allocations. |
| iv) 4380  | Expenses of Non Rate-Regulated Utility Operations   | Average of actuals for 2021 to 2023 for solar generation activities. For corporate allocations, 2023 and 2024 actuals plus internal expectations of allocations. |
| v) 4390   | Miscellaneous Non-Operating Income                  | Historical average of 2021 to 2024 June YTD actuals extrapolated to 12 months. Normalized for one off items.   |
| vi) 4405  | Interest and Dividend Income                        | See 6-STAFF-143 for methodology.   |

17

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-66**

4

5                   Reference: Exhibit 7, Tab 1, Schedule 1, page 4

6                   Exhibit 7, Cost Allocation Model, I4 BO ASSETS Tab

7

8                   a) Please explain why only 40% of the Underground Conductors and Devices are classified as  
9                   Primary when 80% of the Underground Conduit is classified as Primary.

10

11

12                   **RESPONSE:**

13                   a) The data used to calculate the Underground Conductors and Devices and Underground  
14                   Conduit splits between primary and secondary are based on Elexicon's GIS data, which is the  
15                   best information available. Historically, secondary conduit data was not retained at the same  
16                   level of granularity as primary conduit data, or primary/secondary conductor data. As a  
17                   result, the lengths for secondary underground conduit may be understated relative to the  
18                   primary.

19

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-67**

4                   Reference: Exhibit 7, Tab 1, Schedule 1, pages 4-5

5

6                   Preamble:

7                   The Application states:

8

9                   “As per Elexicon’s Conditions of Service, all General Service customer classes are responsible for  
10                  installing and paying for their own service connection assets. Elexicon does not own or perform any  
11                  maintenance work on customer-owned services.”

12

13                  a) Please confirm that Street Lighting, Sentinel and USL customers are also responsible for installing  
14                  and paying for their own service connection assets.

15                  b) Please confirm that Elexicon does not own any of the connection assets paid for by non-  
16                  Residential customers.

17

18

19

20                  **RESPONSE:**

21

22                  a) Confirmed.

23

24                  b) Confirmed.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-68**

4

5                   Reference: Exhibit 7, Tab 1, Schedule 1, pages 5-6

6                   a) What was the basis for the higher weighting of 1.2 applied to:

7                   i. All GS and LU customers in the case of Customer Service Expense?

8                   ii. All GS>50 and LU customers in the case of the Billing Department?

9

10

11

12                   **RESPONSE:**

13                   a) The rate classes assigned a 1.2 weighting factor for Customer Service primarily include  
14                   commercial and industrial customers, which generally require more time and  
15                   specialized support. This reflects more complex account arrangements, a wider range  
16                   of consumption and peak demand levels, and more frequent and detailed customer  
17                   inquiries. These customers tend to have more individualized circumstances and raise  
18                   more unique issues compared to residential customers, whose accounts and service  
19                   needs are more standardized.

20

21                   b) A weighted customer count was developed for each rate class based primarily on the  
22                   relative complexity of billing activities. Billing for demand-billed General Service and  
23                   Large Use customers is more complex than for energy-billed customers due to the use  
24                   of more complex metering to determine billing determinants, which relies on systems  
25                   separate from the smart meter system used for most customers. In addition, these  
26                   customers are subject to a broader mix of applicable charges, including wholesale  
27                   market participation and Global Adjustment customer classification, as well as multiple  
28                   rate components such as rate riders that apply only to certain customers within a class.  
29                   Collectively, these factors result in increased billing validation and processing

1 requirements; accordingly, these customers are assigned a higher weighting factor of  
2 1.2.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-69**

4

5

6

7                   Reference: Exhibit 7, Tab 1, Schedule 1, pages 6-8

8                   a) Do all GS and LU customers only have one meter that is owned by Elexicon? If not, how many  
9                   additional meters are owned by Elexicon for each of the GS and LU customer classes?

10                  b) Do any GS or LU customers themselves own meters that are read monthly by Elexicon? If yes,  
11                  please identify the additional number of meters read for each customer class.

12

13

14                  **RESPONSE:**

15                  a) No. There are 12 General Service 50 to 2,999 kW customers and 2 General Service 3,000 to  
16                  4,999 kW customers that each have two meters owned by Elexicon.

17

18                  b) Wholesale market participants own their own meters. This includes five GS 50 to 2,999 kW  
19                  customers and one Large Use customer. Elexicon is not aware of any other customers that  
20                  own their own meters.

21

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-70**

4

5                   Reference: Exhibit 7, Tab 1, Schedule 1, pages 17-20

6

7                   Preamble:

8                   The Application states:

9

10                  “Elexicon held an engagement with the intervenors that were party to Veridian’s 2014 settlement  
11                  agreement on July 23, 2025. In the engagement Elexicon provided an overview of the  
12                  Seasonal Residential rate class, provided an assessment that the density factors should be updated,  
13                  and presented a plan for updating the density factors. Elexicon has updated the density weighting  
14                  factors in its 2027 CA model according to the methodology used to derive the density factors  
15                  described below, consistent with the planned methodology presented to intervenors.”

16

17                  a) During the July 23, 2025 engagement with intervenors were any concerns raised regarding  
18                  Elexicon’s proposed methodology? If yes, what were they and how were they addressed in the  
19                  subsequent methodology used to establish the proposed density factors?

20

21

22                  **RESPONSE:**

23                  a) Generally speaking, intervenors were supportive of the approach that was proposed.  
24                  Intervenors asked clarifying questions regarding the composition of customers in the  
25                  calculations of cost per non-Seasonal Residential customer and suggested Elexicon  
26                  reconsider its original proposal. The density factors are derived as the cost per Seasonal  
27                  Residential customer divided by the cost per customer of a reference group and the  
28                  engagement included discussions of the appropriate customers to consider within the  
29                  reference group. Elexicon’s original proposal in the engagement was to include all metered

1 customers. From the discussions, Elexicon understood there to be general agreement that  
2 the reference group should include metered customers including General Service and Large  
3 Use customers, as opposed to only Residential customers, though intervenors suggested the  
4 Seasonal Residential customers should be excluded. Elexicon refined the methodology to  
5 exclude Seasonal Residential customers within the reference group.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-71**

4

5                   Reference: Exhibit 7, Tab 1, Schedule 1, pages 19-20

6

7                   Preamble:

8                   The Application states:

9

10                  “The density factors are calculated using the following four steps:

11                  1. The Gravenhurst service area is divided into a Rural service area and an Urban service area based  
12                  on existing area definitions used by Elexicon. The rural service area is used to represent the areas  
13                  Seasonal Residential customers are located.

14                  2. The quantity of poles and transformers and the length of overhead and underground conductors  
15                  that are within the shortest feeder path from the customer to the closest supply point were  
16                  determined for customers within the Rural Gravenhurst service area and for Elexicon’s total service  
17                  area.

18                  3. The average quantity of poles and transformers and the length of overhead and underground  
19                  conductors that supply customers in the Rural service area and Elexicon’s remaining metered  
20                  customers are calculated.

21                  4. The density factors are derived as the ratio between the average customer in the Rural  
22                  Gravenhurst service area and the average Elexicon customer across its service area, for each type  
23                  of asset.”

24

25                  a) Please provide the “existing area definitions used by Elexicon” to determine the rural service  
26                  area and the urban service area.

27

28

1 b) For the rural service area, please provide:

2 i) the total number of metered customers and

3 ii) the total number of Seasonal Residential customers.

4

5 c) For the urban service area, please provide:

6 i) the total number of metered customers and

7 ii) the total number of Seasonal Residential customers.

8

9 d) With respect to step #4, please explain why, for each asset type, the density factors are derived  
10 as the ratio between the average customer in the Rural Gravenhurst service area and the average  
11 Elexicon customer across its service area as opposed to being derived as the ratio between  
12 the average customer in the Rural Gravenhurst service area and the average customer in Elexicon's  
13 remaining service area (as determined in step #3).

14

15 e) Please recalculate the updated density factors in Table 12 for each asset type based on the ratio  
16 between the average customer in the Rural Gravenhurst service area and the average customer in  
17 Elexicon's remaining service area (as determined in step #3).

18

19

20

21

22 **RESPONSE:**

23 a) At the time of the review, Elexicon applied internal area definitions based on customer  
24 density characteristics. The distinction between rural and urban service areas generally  
25 reflected concentrations of seasonal customers, which largely corresponded to areas located  
26 outside the downtown core of Gravenhurst.

27

28 b) At the time of the review, rural Gravenhurst had a total of 2,778 metered customers and  
29 1,562 seasonal customers.

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- c) At the time of the review, urban Gravenhurst had a total of 3,968 metered customers and 13 seasonal customers.
  
- d) The calculation described in Step #4 uses the average cost per unit or length of line among remaining metered customers that is described in Step #3. A revised description of Step #4 is provided below:
  - 4. The density factors are derived as the ratio between the average customer in the Rural Gravenhurst service area and the average remaining metered Elexicon customer across its service area, for each type of asset.
  
- e) Elexicon confirms the density factors in Table 12 are calculated on this basis.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-72**

4                   Reference: Exhibit 7, Tab 1, Schedule 1, page 24

5                   Exhibit 8, Tab 1, Schedule 1, page 46

6

7                   a) Please provide a revised version of Table 15 where:

8                   i) the Revenue to Cost Ratio for the Sentinel class is set at the status quo value,

9                   ii) for all classes with Ratios above the policy range the proposed Ratio equals the upper

10                  end of the range and

11                  iii) the Ratios for Residential, Seasonal Residential and Large Use are set at a common value.

12

13                  b) Please provide the bill impacts for the Sentinel class if the Revenue to Cost Ratio is set at the

14                  status quo value.

15

16

17                  **RESPONSE:**

18                  a) The revenue-to-cost ratios for the requested scenario are provided below based on the

19                  original cost allocation model and the updated cost allocation model filed with

20                  interrogatory responses. Under the proposed revenue rebalancing methodology the

21                  Residential rate class would no longer be adjusted with the Large Use and Seasonal

22                  Residential rate classes.

23

24                  **Table 1:                   Original Revenue to Cost Ratios with Sentinel Rate Class at Status Quo**

| <b>Original Cost Allocation Model</b> |  |  |   |                                 |                               |
|---------------------------------------|--|--|---|---------------------------------|-------------------------------|
| <b>Rate Class</b>                     | <b>Veridian<br/>2014<br/>Approved<br/>Ratios</b> | <b>Whitby<br/>2013<br/>Approved<br/>Ratios</b> | <b>2027 Cost<br/>Allocation<br/>Study</b> | <b>Proposed<br/>2027 Ratios</b> | <b>7-VECC-72<br/>Scenario</b> |
| Residential                           | 100.88%  | 103.65%  | 96.84%                                    | 97.08%                          | 97.07%                        |
| GS < 50                               | 115.33%  | 102.10%  | 120.16%                                   | 120.00%                         | 120.00%                       |

| Original Cost Allocation Model |                               |                             |                            |                      |                    |
|--------------------------------|-------------------------------|-----------------------------|----------------------------|----------------------|--------------------|
| Rate Class                     | Veridian 2014 Approved Ratios | Whitby 2013 Approved Ratios | 2027 Cost Allocation Study | Proposed 2027 Ratios | 7-VECC-72 Scenario |
| GS 50 - 2,999 kW               | 93.65%                        | 93.53%                      | 99.63%                     | 99.63%               | 99.63%             |
| GS 3,000 - 4,999 kW            | 80.00%                        |                             | 109.54%                    | 109.54%              | 109.54%            |
| Large Use >5MW                 | 85.00%                        |                             | 93.24%                     | 97.08%               | 97.07%             |
| Street Light                   | 80.96%                        | 70.00%                      | 167.65%                    | 120.00%              | 120.00%            |
| Sentinel Light                 | 80.00%                        | 70.00%                      | 96.28%                     | 91.87%               | 96.28%             |
| USL                            | 115.10%                       | 98.00%                      | 134.73%                    | 120.00%              | 120.00%            |
| Seasonal Residential           | 85.00%                        |                             | 93.82%                     | 97.08%               | 97.07%             |

1

2 **Table 2: Updated Revenue to Cost Ratios with Sentinel Rate Class at Status Quo**

| Updated Cost Allocation Model |                               |                             |                            |                      |                    |
|-------------------------------|-------------------------------|-----------------------------|----------------------------|----------------------|--------------------|
| Rate Class                    | Veridian 2014 Approved Ratios | Whitby 2013 Approved Ratios | 2027 Cost Allocation Study | Proposed 2027 Ratios | 7-VECC-72 Scenario |
| Residential                   | 100.88%                       | 103.65%                     | 97.93%                     | 97.85%               | 97.85%             |
| GS < 50                       | 115.33%                       | 102.10%                     | 116.53%                    | 116.38%              | 116.38%            |
| GS 50 - 2,999 kW              | 93.65%                        | 93.53%                      | 99.05%                     | 99.34%               | 99.34%             |
| GS 3,000 - 4,999 kW           | 80.00%                        |                             | 102.82%                    | 104.38%              | 104.38%            |
| Large Use >5MW                | 85.00%                        |                             | 86.83%                     | 95.80%               | 95.77%             |
| Street Light                  | 80.96%                        | 70.00%                      | 169.78%                    | 120.00%              | 120.00%            |
| Sentinel Light                | 80.00%                        | 70.00%                      | 96.48%                     | 91.94%               | 96.48%             |
| USL                           | 115.10%                       | 98.00%                      | 139.96%                    | 120.00%              | 120.00%            |
| Seasonal Residential          | 85.00%                        |                             | 93.39%                     | 95.80%               | 95.77%             |

3

4 b) Based on the original cost allocation and bill impact model, keeping the Sentinel Light revenue-  
 5 to-cost ratio at the status quo results in \$1.16 (6.3%) total bill impacts for Veridian Sentinel Light  
 6 customers and \$2.18 (12.5%) total bill impacts for Whitby Sentinel Light customers. With the  
 7 updates noted in 1-Staff-1, keeping the Sentinel Light revenue-to-cost ratio at the status quo  
 8 results in \$2.28 (12.7%) total bill impacts for Veridian Sentinel Light customers and \$2.31 (13.3%)  
 9 total bill impacts for Whitby Sentinel Light customers.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 7.0-VECC-73**

4

5                   Reference: Cost Allocation Model, Tabs 6.2 (Customer Data) and I8 (Demand Data)

6

7                   a) In Tab 6.2, for the GS<50 class the number of Line Transformer Customers is greater than the  
8                   number of Secondary Customers. However, in Tab I8, the GS<50 LTNCP4 value equals the SNCP4  
9                   value. Please reconcile.

10                  b) In Tab 6.2, for the GS 50-2,999 class the number of Line Transformer Customers is greater than  
11                  the number of Secondary Customers. However, in Tab I8, the GS 50-2,999 LTNCP4 value equals the  
12                  SNCP4 value. Please reconcile.

13                  c) In Tab 6.2, for the GS 3,000-4,999 class there are seven Line Transformer Customers. However, in  
14                  Tab I8, the GS 3,000-4,999 LTNCP4 value for the class equals zero. Please reconcile.

15

16

17                  **RESPONSE:**

18                  a) The GS<50 kW LTNCP4 should be lower to correspond to the difference in customer counts. This  
19                  has been revised in the updated cost allocation model filed in response to 1-Staff-1 Attachment  
20                  6 Cost Allocation Model.

21

22                  b) The GS 50-2,999 kW LTNCP4 should be lower to correspond to the difference in customer counts.  
23                  This has been revised in the updated cost allocation filed in response to 1-Staff-1 Attachment 6  
24                  Cost Allocation Model.

25

26                  c) The GS 3,000-4,999 kW customer count should be 0. This has been revised in the updated cost  
27                  allocation filed in response to 1-Staff-1 Attachment 6 Cost Allocation Model. Please note that all  
28                  customers in the class receive the Transformer Ownership Allowance.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 8.0-VECC-74**

4                   Reference: Exhibit 8, Tab 1, Schedule 1, page 12

5                   Preamble:

6                   The Application states:

7                   “Elexicon is proposing to maintain the 2027 rate class allocations for the duration of the 2028 to  
8                   2031 rebasing period. The Custom Revenue Cap Index (“CRCI”) will be applied to the  
9                   prior years’ service revenue requirement with forecast other revenue removed, to determine the  
10                  current year distribution revenue which is then allocated to each rate class each year from 2028 to  
11                  2031 based on the 2027 allocations. Rates are designed to recover each class’s updated base  
12                  revenue requirement using the forecast billing determinants in that year according to the load  
13                  forecast described in Exhibit 3.”

14

15                  a) Please confirm that maintaining the 2027 rate class allocations for the duration of the rebasing  
16                  period (i.e., 2028-2031) implicitly assumes that, for each of the years 2028-2031, the cost allocation  
17                  allocators for all customer classes are increasing by the same percentage.

18                  i. If not confirmed, please explain why.

19

20

21                  **RESPONSE:**

22                  a) Maintaining the 2027 rate class allocations does not implicitly assume that cost allocation  
23                  allocators are increasing by the same percentage each year.

24                  i.       Elexicon does not expect the underlying data used to derive cost allocation allocators  
25                  will materially change over the rate period to the extent that revenue-to-cost ratios  
26                  would move outside of the OEB policy range.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 8.0-VECC-75**

4                   Reference: Exhibit 8, Tab 1, Schedule 1, pages 13-18

5                   a) With respect to Tables 11, 13, 15 and 17 please explain how the fixed charge percentages were  
 6                   determined each year for each of the non-Residential customer classes.

7                   b) With respect to Tables 19 and 20, please provide a schedule that sets out for each customer  
 8                   class:

9                   i) the monthly fixed charges for each of the years 2027-2031 and

10                  ii) the year annual increase in the charge from that in the previous year.

11                  c) With respect to Tables 19 and 20, please provide a schedule that sets out for each customer  
 12                  class:

13                  i) the variable distribution rates for each of the years 2027-2031 and

14                  ii) the year annual increase in the charge from that in the previous year.

15

16

17                  **RESPONSE:**

18                  a) The fixed revenue percentage from 2027, as provided in Table 6, is maintained in each  
 19                  year.

20                  b) Parts b) and c) of this response are provided on the basis of the updated versions of Tables  
 21                  19 and 20 reflected in the updates provided in 1-Staff-1.

22

23                  **Table 1:                   Updated Table 19 – 2028 & 2029 Distribution Rates**

| Rate Class       | 2028       |               |      | 2029       |               |      |
|------------------|------------|---------------|------|------------|---------------|------|
|                  | Fixed (\$) | Variable (\$) |      | Fixed (\$) | Variable (\$) |      |
| Residential      | 49.90      |               |      | 53.02      |               |      |
| GS<50            | 30.13      | 0.0344        | /kWh | 32.27      | 0.0371        | /kWh |
| GS 50 - 2,999    | 177.15     | 6.5759        | /kW  | 190.13     | 6.9834        | /kW  |
| GS 3,000 - 4,999 | 4,763.71   | 4.8134        | /kW  | 5,028.13   | 4.8261        | /kW  |
| Large Use        | 10,958.45  | 5.3478        | /kW  | 11,717.69  | 5.2638        | /kW  |
| Street Light     | 1.28       | 5.4964        | /kW  | 1.36       | 5.8603        | /kW  |

| Rate Class           | 2028       |               |      | 2029       |               |      |
|----------------------|------------|---------------|------|------------|---------------|------|
|                      | Fixed (\$) | Variable (\$) |      | Fixed (\$) | Variable (\$) |      |
| Sentinel Light       | 8.49       | 24.9044       | /kW  | 9.34       | 27.2953       | /kW  |
| USL                  | 12.35      | 0.0334        | /kWh | 13.32      | 0.0362        | /kWh |
| Residential Seasonal | 90.87      |               |      | 98.32      |               |      |

1

2 **Table 2: Updated Table 20 - 2030 & 2031 Distribution Rates**

| Rate Class           | 2030       |               |      | 2031       |               |      |
|----------------------|------------|---------------|------|------------|---------------|------|
|                      | Fixed (\$) | Variable (\$) |      | Fixed (\$) | Variable (\$) |      |
| Residential          | 55.75      |               |      | 60.23      |               |      |
| GS<50                | 34.20      | 0.0396        | /kWh | 37.21      | 0.0432        | /kWh |
| GS 50 - 2,999        | 202.06     | 7.3965        | /kW  | 220.38     | 8.0016        | /kW  |
| GS 3,000 - 4,999     | 5,356.30   | 4.9414        | /kW  | 5,873.53   | 5.1585        | /kW  |
| Large Use            | 12,521.25  | 5.4789        | /kW  | 13,730.35  | 5.8664        | /kW  |
| Street Light         | 1.43       | 6.1844        | /kW  | 1.54       | 6.6974        | /kW  |
| Sentinel Light       | 10.15      | 29.6063       | /kW  | 11.07      | 32.9494       | /kW  |
| USL                  | 14.25      | 0.0389        | /kWh | 15.69      | 0.0428        | /kWh |
| Residential Seasonal | 105.31     |               |      | 115.74     |               |      |

3

4 The fixed charges and % changes in fixed charges are summarized below.

5 **Table 3: Fixed Service Charges by Rate Class**

| Rate Class                          | 2027      | 2028      | 2029      | 2030      | 3031      |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>i) Fixed Charge (\$)</b>         |           |           |           |           |           |
| Residential                         | 47.09     | 49.90     | 53.02     | 55.75     | 60.23     |
| GS<50                               | 28.21     | 30.13     | 32.27     | 34.20     | 37.21     |
| GS 50 - 2,999                       | 165.94    | 177.15    | 190.13    | 202.06    | 220.38    |
| GS 3,000 - 4,999                    | 4,758.36  | 4,763.71  | 5,028.13  | 5,356.30  | 5,873.53  |
| Large Use                           | 10,722.24 | 10,958.45 | 11,717.69 | 12,521.25 | 13,730.35 |
| Street Light                        | 1.20      | 1.28      | 1.36      | 1.43      | 1.54      |
| Sentinel Light                      | 7.73      | 8.49      | 9.34      | 10.15     | 11.07     |
| USL                                 | 11.48     | 12.35     | 13.32     | 14.25     | 15.69     |
| Residential Seasonal                | 84.27     | 90.87     | 98.32     | 105.31    | 115.74    |
| <b>ii) % Change In Fixed Charge</b> |           |           |           |           |           |
| Residential                         |           | 5.96%     | 6.26%     | 5.14%     | 8.03%     |
| GS<50                               |           | 6.79%     | 7.10%     | 6.01%     | 8.78%     |
| GS 50 - 2,999                       |           | 6.76%     | 7.33%     | 6.27%     | 9.07%     |
| GS 3,000 - 4,999                    |           | 0.11%     | 5.55%     | 6.53%     | 9.66%     |

| Rate Class           | 2027                        | 2028  | 2029  | 2030  | 3031   |
|----------------------|-----------------------------|-------|-------|-------|--------|
|                      | <b>i) Fixed Charge (\$)</b> |       |       |       |        |
| Large Use            |                             | 2.20% | 6.93% | 6.86% | 9.66%  |
| Street Light         |                             | 6.33% | 6.28% | 5.33% | 8.07%  |
| Sentinel Light       |                             | 9.83% | 9.99% | 8.67% | 9.07%  |
| USL                  |                             | 7.58% | 7.89% | 7.02% | 10.05% |
| Residential Seasonal |                             | 7.82% | 8.21% | 7.10% | 9.91%  |

1

2 c) The variable charges and % changes in variable charges are summarized below.

3 **Table 4: Variable Charges by Rate Class**

| Rate Class       | 2027                                   | 2028    | 2029    | 2030    | 3031    |
|------------------|--|---------|---------|---------|---------|
|                  | <b>i) Variable Charge (\$)</b>         |         |         |         |         |
| GS<50            | 0.0318                                 | 0.0344  | 0.0371  | 0.0396  | 0.0432  |
| GS 50 - 2,999    | 6.2428                                 | 6.5759  | 6.9834  | 7.3965  | 8.0016  |
| GS 3,000 - 4,999 | 5.0253                                 | 4.8134  | 4.8261  | 4.9414  | 5.1585  |
| Large Use        | 5.8891                                 | 5.3478  | 5.2638  | 5.4789  | 5.8664  |
| Street Light     | 5.1734                                 | 5.4964  | 5.8603  | 6.1844  | 6.6974  |
| Sentinel Light   | 22.8004                                | 24.9044 | 27.2953 | 29.6063 | 32.9494 |
| USL              | 0.0309                                 | 0.0334  | 0.0362  | 0.0389  | 0.0428  |
|                  | <b>ii) % Change In Variable Charge</b> |         |         |         |         |
| GS<50            |  | 7.96%   | 8.02%   | 6.80%   | 9.07%   |
| GS 50 - 2,999    |  | 5.34%   | 6.20%   | 5.91%   | 8.18%   |
| GS 3,000 - 4,999 |  | -4.22%  | 0.26%   | 2.39%   | 4.39%   |
| Large Use        |  | -9.19%  | -1.57%  | 4.09%   | 7.07%   |
| Street Light     |  | 6.24%   | 6.62%   | 5.53%   | 8.29%   |
| Sentinel Light   |  | 9.23%   | 9.60%   | 8.47%   | 11.29%  |
| USL              |  | 8.07%   | 8.45%   | 7.33%   | 10.14%  |

4

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 8.0-VECC-76**

4

5                   Reference: Exhibit 8, Tab 1, Schedule 1, pages 19-21 RTSR Workform, Tab 7 (Forecast Wholesale  
 6                   2027)

7                   a) Please provide the derivation of the forecast 2027 monthly Network Units Billed (Tab 7, Column  
 8                   D, Rows 19-49).

9                   b) Please provide the derivation of the forecast 2027 monthly Line Connection and Transformation  
 10                  Connection Units Billed (Tab 7 Columns H & L, Rows 19-49).

11

12

13                  **RESPONSE:**

14                  a) The 2027 monthly Network Units Billed is forecast by escalating the Veridian and Whitby  
 15                  volumes from the 2026 IRM application by forecast kWh growth from the Exhibit 3 load  
 16                  forecast. The sum of billed kW between the rate zones is escalated by 4.6% to forecast 2026  
 17                  billed kW and by 4.0% to forecast 2027 billed kW. Within the RTSR model the monthly  
 18                  volumes are escalated on this basis, also shown in Table 1.

19

**Table 1:                  Forecast of 2027 Network Units Billed**

| <b>Network Units</b>        | <b>VRZ<br/>(2026 IRM)</b> | <b>VRZ<br/>(2026 IRM)</b> | <b>2025</b> | <b>2026</b> | <b>2027</b> |
|-----------------------------|---------------------------|---------------------------|-------------|-------------|-------------|
| Forecast MWh                |                           |                           | 3,747,675   | 3,918,947   | 4,074,560   |
| Escalation %                |                           |                           |             | 4.6%        | 4.0%        |
| IESO Network Billed kW      | 2,837,765                 | 1,292,914                 | 4,130,679   | 4,319,454   | 4,490,971   |
| Hydro One Network Billed kW | 2,527,998                 | 547,526                   | 3,075,523   | 3,216,077   | 3,343,781   |

20

21                  An updated RTSR workform is filed as 8-VECC-76(1)\_RTSR Workform.

22

23                  b) The 2027 monthly Line Connection and Transformation Connection Units Billed is forecast  
 24                  by escalating the Veridian and Whitby volumes from the 2026 IRM application by forecast

1 kWh growth from the Exhibit 3 load forecast. The sum of billed kW between the rate zones  
 2 is escalated by 4.6% to forecast 2026 billed kW and by 4.0% to forecast 2027 billed kW.  
 3 Within the RTSR model the monthly volumes are escalated on this basis, also shown in Table  
 4 2.

5 **Table 2: Forecast of 2027 Line Connection and Transformation Connection Units Billed**

| Network Units                       | VRZ<br>(2026 IRM) | VRZ<br>(2026 IRM) | 2025      | 2026      | 2027      |
|-------------------------------------|-------------------|-------------------|-----------|-----------|-----------|
| Forecast MWh                        |                   |                   | 3,747,675 | 3,918,947 | 4,074,560 |
| Escalation %                        |                   |                   |           | 4.6%      | 4.0%      |
| IESO Line Connection Billed kW      | 1,059,767         | 1,371,487         | 2,431,254 | 2,542,364 | 2,643,316 |
| Hydro One Line Connection Billed kW | 2,015,711         | 550,727           | 2,566,438 | 2,683,726 | 2,790,291 |
| IESO Transformation Billed kW       | 2,877,068         | 1,371,487         | 4,248,555 | 4,442,717 | 4,619,128 |
| Hydro One Transformation Billed kW  | 2,571,959         | 550,727           | 3,122,686 | 3,265,394 | 3,395,057 |

6

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

2

3                   **INTERROGATORY 8.0-VECC-77**

4

5                   Reference: Exhibit 8, Tab 1, Schedule 1, page 24

6                   a) Please explain why, in Table 27 for each of the years 2028-2031, the increase in the Network  
7                   RTSRs for each given year is not the same for all customer classes.

8                   b) Does the same explanation apply for Table 28 in terms of why, for each of the  
9                   years 2028-2031, the increase in the Connection RTSRs for each given year is not the same for all  
10                  customer classes?

11

12

13

14                  **RESPONSE:**

15                  a) The allocation of Network billed amounts to be recovered among rate classes is based on  
16                  forecast billed volumes and the RTSR-Network charges from the previous year. The total  
17                  forecast billed Network amount to be recovered from rate classes is escalated each year  
18                  based on forecast network charge increases and escalating billed volumes that are forecast  
19                  based on forecast annual increases in kWh among all customers. Differences arise due to the  
20                  relative differences between the increase in each rate class's billed volumes and the increase  
21                  in total kWh. Minor differences can also arise due to the rounding of rates, including the  
22                  impact on allocation percentages from rounding rates in the previous year.

23

24                  b) Yes.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3                   **INTERROGATORY 8.0-VECC-78**

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5                   Reference: Exhibit 8, Tab 1, Schedule 1, page 18

6                   Preamble:

7                   The Application states:

8

9                   “For each rate class there is a Network RTSR and a Connection RTSR. The RTSR Network charge  
10                   recovers the UTR wholesale network service charge, and the RTSR connection charge  
11                   recovers the UTR wholesale line and transformation connection charges. As a partially embedded  
12                   distributor, Elexicon pays sub-transmission RTSRs to Hydro One, its host distributor, and  
13                   combines these costs with UTR expenses from transmission connection points for recovery through  
14                   its RTSRs.”

15

- 16                   a) Do any of Elexicon’s customers have load displacement generation that exceeds the capacity  
17                   thresholds for gross load billing of the UTR wholesale line and transformation connection charges  
18                   and HONI’s RTSR Line and Transformation Connection Service rates for ST customers?  
19                   i. If so, how many customers are there and are these customers’ RTSRs billed by Elexicon on a gross  
20                   load basis?

21

22

23

24                   **RESPONSE:**

25                   a) Yes.

- 26                   i.       There are 4 customers with load displacement generation exceeding the capacity  
27                   thresholds for UTR gross load billing. These customers are not billed RTSRs on a gross  
28                   load basis.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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**INTERROGATORY 8.0-VECC-79**

Reference: Exhibit 8, Tab 1, Schedule 1, pages 30-34  
RTSR Workform, Tab 4 and LV Charges Tab  
Preamble: The Application states:

“As Elexicon is forecasting low voltage charges for the 2025 to 2031 period, the low voltage costs have been calculated using the average escalation rate of 5.7%, from Hydro One’s settlement agreement, applied to harmonized low voltage rates as described below and increases in forecasted billed volumes.”

a) Are the 2028-2031 proposed Low Voltage Rates set out in Table 35 provided for illustrative purposes (such that they will be updated annually as part of its annual update process for 2028-203) or is Elexicon proposing that the 2028-2031 rates set out in Table 35 be approved on a final basis?

b) Please confirm that the 5.7% is based on the average forecasted annual increase in HONI Transmission’s unit cost (i.e., revenue requirement/ MW) for the period 2023-2027 (per RTSR Workform, Tab 4, Cell AA30).

i. If confirmed, please explain why this is an appropriate basis for forecasting the 2028-2031 increases in the rates for LV expense which are meant to recover HONI Distribution’s ST charges.

ii. If not confirmed, please explain how the 5.7% was determined.

1     **RESPONSE:**

2           a) Elexicon is proposing to update Low Voltage Rates annually. The 2028-2031 proposed Low  
3           Voltage rates are provided for illustrative purposes and as the basis for determining the  
4           cost of power through the rate period.

5

6           b) Confirmed.

7           i.       The average UTR escalation rate was used to represent the average sub-  
8           transmission escalation rate as a simplified assumption while developing indicative  
9           low voltage rates. This has been revised to a 4.6% escalation rate, the average  
10          escalation rate for sub-transmission rates, in 8-VECC-76 Attachment 1 Updated  
11          Retail Transmission Service Rates Workform. The calculation for the 4.6%  
12          escalation rate is included in tab '4. UTRs & Sub-Transmission'.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3           **INTERROGATORY 8.0-VECC-80**

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6       Reference: Exhibit 8, Tab 1, Schedule 1, pages 24-25

7       a) For purposes of setting 2028-2031 rates does Elexicon propose to set the Retail Service Rates

8       based on the Board approved rates for each year?

9

10

11       **RESPONSE:**

12       a) Yes.

1                   **RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATORIES**

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3                   **INTERROGATORY 9.0 -VECC -81**

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5

6                   Reference: Exhibit 9, Tab 1, Schedule 1, DVA Continuity Schedule, Tab 4

7                   a) What is the basis for the Distribution Revenue values used in Tab 4 (Column I)?

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9

10                  **RESPONSE:**

11                  a) The values in Tab 4 Column I are 2024 distribution revenues. The values were calculated  
12                    based on Elexicon’s distribution rates and billing determinants in each rate zone. Elexicon  
13                    confirms it will update these figures with actual 2025 distribution revenues in the updated  
14                    DVA Continuity Schedules that will be filed May 27, 2026.