



Alectra Utilities Corporation

**Application for electricity distribution rates
beginning January 1, 2027**

**PROCEDURAL ORDER NO. 3
August 25, 2026**

Alectra Utilities Corporation filed an application with the Ontario Energy Board (OEB) on October 14, 2025, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Alectra Utilities charges for electricity distribution, beginning January 1, 2027, and for each following year through to December 31, 2031.

The application is being heard by commissioners: Patrick Moran (presiding), Shahrzad Rahbar, and David Sword.

Procedural No. 2, issued on April 27, 2026, rescheduled the start date of the settlement conference to May 7, 2026.

The settlement conference among Alectra Utilities and eleven intervenors (collectively referred to as the “Parties”) took place from May 7 to May 21, 2026.

On May 22, 2026, Alectra Utilities submitted a revised Commodity Account Analysis Workform and Deferral and Variance Account (DVA) Continuity Schedule for the Enersource Rate Zone to correct a data entry error. Alectra Utilities also filed a settlement conference process letter dated May 22, 2026, informing the OEB that the Parties have reached a tentative settlement on all issues.

On July 30, 2026, Alectra Utilities filed a complete settlement proposal with supporting documents, addressing all issues on the OEB’s approved Issues List, on behalf of the Parties. OEB staff did not participate in the settlement conference.

Settlement Proposal Presentation

Following Alectra Utilities’ filing of the complete settlement proposal, the OEB is confirming the date of September 15, 2026, for a presentation of the settlement proposal. Alectra Utilities’ presentation is intended to summarize and provide any salient information for the OEB’s consideration in reviewing the settlement proposal.

The OEB asks Alectra Utilities to file summary materials (such as a slide deck summarizing the settlement proposal) in advance of the presentation day, and to have Alectra Utilities' staff available in person on the presentation day for questions from the OEB regarding the settlement proposal. Intervenor may attend the presentation day, which will proceed in a hybrid format.

Revision and Clarification of the Settlement Proposal Documents

The OEB has identified several settlement proposal documents that contain errors or require further clarification. Accordingly, the OEB requires Alectra Utilities to revise these documents where errors have been identified and to provide clarification where necessary. The OEB has attached a list of items requiring revision or clarification in Schedule A.

Prior to the presentation day, the OEB requires Alectra Utilities to file revised settlement proposal documents.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Alectra Utilities shall file with the OEB and serve on all parties revised settlement proposal documents by **September 11, 2026**.
2. Alectra Utilities shall file with the OEB and serve on all parties the summary material to be used at the presentation by **September 11, 2026**.
3. A transcribed, hybrid settlement proposal presentation, as described above will be held on **September 15, 2026**, OEB's hearing room at 2300 Yonge Street, 25th floor, Toronto, starting at 10:00 am. Alectra Utilities' representatives will appear in person. If there is a reason that a representative cannot appear in person, Alectra Utilities may request permission from the OEB for the representative to appear virtually.

Alectra Utilities is responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2025-0252** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Narisa Jotiban at Narisa.Jotiban@oeb.ca and OEB Counsel, Raman Dhillon at Raman.Dhillon@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, **August 25, 2026**

ONTARIO ENERGY BOARD

Ritchie
Murray

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Murray
Date: 2026.08.25
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Ritchie Murray
Registrar

SCHEDULE A
SETTLEMENT PROPOSAL – REQUIRED REVISION AND
CLARIFICATION

ALECTRA UTILITIES CORPORATION

EB-2025-0252

PROCEDURAL ORDER NO. 3

AUGUST 25, 2026

Schedule A

Settlement Proposal – Required Revision and Clarification

2027-2031 Custom Rate Application for Electricity Rates and Charges Application

Alectra Utilities Corporation (Alectra Utilities)

EB-2025-0252

August 25, 2026

Item # 1

Ref 1: Settlement Proposal, Part B, Section 12.2, p. 34

Ref 2: EB-2025-0055, Decision and Rate Order, Alectra Utilities Corporation, p. 32-33

Required Revision or Clarification:

- a) Reference 1 states Alectra Utilities will refund customers the 2025 and 2026 financial impact of changes to the financial useful life of assets and the impact of changes to direct labour capitalization. In reference 2, the OEB denied Alectra Utilities request for a DVA to track these amounts as of January 1, 2025.
 - i. Please explain the source of funds that Alectra Utilities will be drawing from for the refund.
 - ii. Will providing the refund have any impact on the operations in 2027 or going forward?
- b) Please provide the “accumulated depreciation (average)” as well as “depreciation/amortization” for each year of 2027 through 2031, based on implementing the change in the financial useful life of assets starting in 2027 instead of 2025. If Alectra Utilities cannot provide these amounts in the required timeframe, please provide reasonable estimates and a description of the methodology for the estimates.
- c) Please provide updated Revenue Requirement Workforms for 2027-2031 containing the changes in part b), and other updated input amounts due to the changes in part b).

Item # 2

Ref 1: Settlement Proposal, Part B, Section 12.2, p. 34

Ref 2: Settlement Proposal, Part C, Section 9.1, p. 70

Required Revision or Clarification:

- a) In reference 1, please clarify in which “future proceeding” and in which year Account 1595 Alectra Utilities will true-up the Group 2 DVA balances.
- b) In reference 2, please add the sub-account name (i.e. CCA Changes) of Account 1592 which is proposed to be continued in Table 32.

Item # 3

Ref 1: Settlement Proposal, Attachment 30

Required Revision or Clarification:

- a) Please correct the account name in the table on page 2 which should read "CRRRVA".
- b) Please add wording indicating "a credit entry will be made in this account representing a refund to ratepayers if underspending or a slower pace of spending".

Item # 4

Ref 1: Settlement Proposal, Attachment 33

Required Revision or Clarification:

- a) Please add the account effective date.
- b) Please add a table showing the index-based approach (i.e. rate) used to escalate the OM&A amounts in rates for the projects each year.

Item # 5

Ref 1: Settlement Proposal, Part B, Section 12.2, pp. 33-34

Ref 2: Settlement Proposal, Attachments 19 to 23

Preamble:

Per reference 1, Alectra Utilities agreed to the following modification to its Group 2 DVAs:

- Recover 75% of the proposed balance in the Getting Ontario Connected 11 Account;
- Recalculate the balances in the following accounts using IRM escalated base amounts: OEB cost assessments, LEAP, and Pension and OPEB Forecast Accrual versus Actual Cash Payments Differential Tracking Account;
- Include the impact of the enacted Bill C-15, the *Budget Implementation Act, 2025, No. 1*, in Account 1592 – PILs and Tax Variances, Sub Account CCA Changes. The Parties agree that the calculations for accelerated CCA differences in Account 1592 will be based on actual capital additions

Required Revision or Clarification:

- a) Regarding GOCA DVA, for **both principal and interest**, please keep the actual amounts and using formula to reflect 75% recovery per reference 1 in ending balance of December 2025, forecasted amount for 2026 and total claim.
 - i. Please apply these changes to reference 2

- b) Per reference 1, for **both principal and interest**, please update closing balance for December 2025 in reference 2 through “principal/interest adjustment” column, forecasted amounts for 2026 and total claim, based on the recalculated balances using IRM escalated base amounts for the following accounts:
- Account 1508 OEB cost assessments
 - Account 1508 LEAP EFA Funding Deferral Account
 - Account 1522 Pension and OPEB Forecast Accrual versus Actual Cash payments Differential Tracking Account
- c) Per reference 1, for **both principal and interest**, please update closing balance for December 2025 in reference 2 through “principal/interest adjustment” column, forecasted amounts for 2026 and total claim of Account 1592 PILs and Tax Variance, Sub-account CCA changes, reflecting the following changes:
- Including the impact of the enacted Bill C-15 from 2025 onwards
 - Using actual capital additions for the calculations of accelerated CCA differences

Item # 6

Ref 1: [Filing Requirements for Electricity Distribution Cost of Service Rate Application – 2026 Edition for 2027 Rate Application, Chapter 2, p. 23](#)

Ref 2: Attachment 17 – OEB Appendix 2-ZA/ZB Cost of Power

Ref 3: Settlement Proposal, Attachments 1 – 5, Tab 3. Data_Input_Sheet

Preamble:

Reference 1 states that:

The commodity price estimate used to calculate the CoP must be determined by the split between RPP and non-RPP Class A and Class B customers based on actual data and using the most current RPP (TOU) prices established. The calculation must also include the impact of the most current **Ontario Electricity Rebate**. Distributors must complete Appendix 2-ZA – Commodity Expense Forecast and Appendix 2-ZB – Cost of Power.

In reference 2, the total cost of power (CoP) in Tabs App.2-ZB Cost of Power for years 2027-2028 includes the Ontario Electricity Rebate (OER) credit.

In reference 3, the CoP amount in cell U20 for each year from 2027 to 2031 does not reconcile with reference 2 since it appears to exclude the OER credit.

Required Revision or Clarification:

- a) Please revise the documents in reference 3 to reflect the total CoP, including the OER credit, and update any other settlement proposal documents affected by this change.

Item # 7

Ref 1: Settlement Proposal, Table 7, p. 19-20

Ref 2: Settlement Proposal, Table 8, p. 21

Required Revision or Clarification:

- a) Table 7 in reference 1 does not appear to contain any information about the forecast of OEB inflation factor from 2028-2031 that will be removed from the Revenue Growth Factor (shown in Table 8 in reference 2). Please explain and revise Table 7 as needed.

Item # 8

Ref 1: Settlement Proposal, pp. 9, 27, 40-41

Ref 2: Responses to pre-settlement questions SEC-2

Required Revision or Clarification:

- a) Reference 1 states that growth in OM&A is derived using an index-based approach comprised of the OEB inflation factor, and an average growth of 0.86% from billing determinants from 2028-2031. Please confirm whether the methodology used to calculate growth from the billing determinants is based on the calculation methodology in reference 2. If not, please explain the methodology used to derive 0.86% or provide sources of information.

Item # 9

Ref 1: Settlement Proposal, p. 77

Required Revision or Clarification:

- a) It is proposed that existing customers with back-up service for redundant supply will continue to pay 100% of the applicable General Service 50 to 4,999 kW, Large Use, or Large Use with Dedicated Assets Volumetric Rate. However, for any new customers with back-up service, only 50% of the applicable rate applies. Please explain why new customers are being charged differently from existing customers.

Item # 10

Ref 1: Technical Conference Undertaking Response JT-3.50

Required Revision or Clarification:

- a) Please indicate where the provincial Renewable Generation Connection Rate Protection (RGCRP) funding in reference 1 is reflected in the settlement proposal documents from 2027 to 2031. Please revise the settlement proposal documents to reflect the funding as required.