

EXHIBIT 9 – DEFERRAL AND VARIANCE ACCOUNTS

2027 Cost of Service

Ottawa River Power Corporation
EB-2026-0066

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9.1 OVERVIEW

9.1.1 OVERVIEW

The purpose of this exhibit is to identify the variance/deferral accounts that have been used, provide the principal balance recorded in each variance/deferral account and derive the carrying charges on each account's principal balance up to and including December 31, 2025. The exhibit also describes the methodology proposed to allocate account balances to customer classes, the rationale supporting the proposed disposition period, and the proposed charge parameters and quantifies the proposed rate riders that will dispose of the recorded balances.

Section 9.2.1 describes the outstanding DVAs. ORPC follows and is in compliance with the OEB's Uniform System of Accounts for electricity distributors. All accounts are used in accordance with the Accounting Procedures Handbook, and the account balance shown in Table 1 reconciles with the trial balance reported through the Electricity Reporting and Record-keeping Requirements and ORPC's Audited Financial Statements.

ORPC has prepared the 2027 DVA Continuity Schedule model of the Group 1 and Group 2 DVAs. The Group 2 accounts which will be discontinued on a going-forward basis are explained in Section 9.2.2.

ORPC proposes to dispose of a credit of \$1,100,997 related to Group 1 Accounts and a debit of \$34,950 related to Group 2 Variance/Deferral Accounts. This credit includes projected carrying charges up to and including April 30, 2027. The Group 1 Accounts were last disposed of on a final basis up to and including December 31, 2023, while Group 2 Accounts were last disposed of on a final basis up to and including December 31, 2021.

Group 1 and Group 2 DVA balances are proposed to be disposed over one year. ORPC has followed the OEB's guidance as provided by the OEB's Electricity Distributor's Disposition of Variance Accounts Reporting Requirements Report.

ORPC has not made any adjustments to DVA balances that were previously approved by the Board on a final basis in previous Cost of Service and/or IRM proceedings.

ORPC is not requesting any new accounts or sub-accounts.

A breakdown of energy sales and cost of power expense balances, as reported in ORPC's Audited Financial Statements, is provided Section 9.3.1.

ORPC confirms that it pro-rates the IESO Global Adjustment Charge into the RPP and Non-RPP portions.

9.2 STATUS OF DEFERRAL & VARIANCE ACCOUNTS

9.2.1 DESCRIPTION OF DVA USED BY THE APPLICANT

The table below presents the list of deferral and variance accounts, with the proposed selection of balances for disposition. All account balances selected for disposition are based on the December 31, 2025, values since it is the most recent date the balances were subject to audit. To finalize disposition of some Group 2 accounts, where predictable adjustments will continue to be made in 2026 and up to April 30, 2027, these changes are included in the Total Claim Balances. The adjustments are explained in the individual account write-ups in 9.2.2.

Board policy states that at the time of rebasing, all account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline. In accordance with the above, ORPC proposes to dispose of all its balances. Each account is outlined in the table below:

Table 1 - Account and Balances Sought for Disposition/Recovery

		Amounts from Sheet 2	Allocator
LV Variance Account	1550	\$(344,710)	kWh
Smart Metering Entity Charge Variance Account	1551	\$(8,428)	# of Customers
RSVA - Wholesale Market Service Charge	1580	\$(505,813)	kWh
RSVA - Retail Transmission Network Charge	1584	\$155,551	kWh
RSVA - Retail Transmission Connection Charge	1586	\$64,396	kWh
RSVA - Power (excluding Global Adjustment)	1588	\$25,909	kWh
RSVA - Global Adjustment	1589	\$(475,628)	Non-RPP kWh
Disposition and Recovery/Refund of Regulatory Balances (2021)	1595	\$1,900	%
Disposition and Recovery/Refund of Regulatory Balances (2022)	1595	\$(14,174)	%
Total Group 1 accounts above		\$(1,100,997)	
LEAP EFA Funding Deferral Account	1508	\$50,075	kWh
PILs and Tax Variance for 2006 and Subsequent Years	1592	\$(15,125)	kWh
Total of Group 1 Accounts (1550, 1551, 1584, 1586, and 1595)		\$(145,465)	
Total of Account 1580 and 1588 (not allocated to WMPs)		\$(479,904)	
Account 1589 (allocated to Non-WMPs)		\$(475,628)	
Group 2 Accounts (including 1508, 1592, 1532, 1555)		\$34,950	

9.2.2 DISPOSITION OF DVAS USED BY THE APPLICANT

Group 1 Accounts

All accounts in Group 1 are used in accordance with the Accounting Procedure Handbook. For all of the accounts above, ORPC is requesting disposition of December 31, 2025, audited balances. ORPC attests that its audited balances for these accounts reconcile with filing 2.1.7 of its RRR, except for the 2025 balances for accounts 1588 and 1589 as ORPC did not settle unbilled revenue differences until its April 2026 settlement with Hydro One.

1595 Accounts (2021 and 2022)

ORPC is proposing to dispose of its 2021 and 2022 account 1595 vintage balances in proportion to the recovery share established when rate riders were implemented. The 2021 and 2022 approved balances were disposed on 1-year basis and meet the

requirements which state that balances must have reached their sunset, have been audited and a year must have passed before vintage residual balances be disposed.

The 2023 and 2025 balances, which were approved as part of ORPC's 2024 and 2025 IRM Applications, respectively, do not meet the requirements for disposition.

Table 2 – Disposition Status of Account 1595

<i>Year of Balance</i>	<i>Rate Appl.</i>	<i>Disposition Period</i>	<i>Interim /Final</i>	<i>Rate Ride Sunset Date</i>	<i>Sunset Reached</i>	<i>Audited</i>	<i>Plus 1 year</i>
2019	2021	12 months	Final	2022/04/30	✓	✓	✓
2020	2022	12 months	Final	2023/04/30	✓	✓	✓
2021	2023	24 months	Final	2025/04/30	✓	X	X
2022 (GA)	2024	24 months	Final	2026/04/30	✓	X	X
2022 (Def/Var)	2024	48 months	Final	2028/04/30	X	X	X
2023	2025	12 months	Final	2026/04/30	X	X	X

ORPC also confirms that there are no residual balances for vintage Account 1595 being disposed and that all historical dispositions of 1595 have only been done once.

Group 2 Accounts

1508 – LEAP EFA Funding Deferral Account

This account is used by distributors to record incremental LEAP EFA contributions that exceed the funding amounts currently embedded in rates as outlined in the OEB's Changes to the Low-income Energy Assistance Program Emergency Financial Assistance and Accounting Orders (EB-2023-0135) released on February 12, 2024.

Carrying charges have been applied to this account using simple interest applied to the monthly balances in the account (exclusive of accumulated interest). The rate of interest used is the rate prescribed by the Board.

ORPC is requesting disposition of the December 31, 2025, audited balance. The balance for account 1508 LEAP EFA Funding Deferral Account being requested for disposal, including carrying charges, is a debit of \$50,075.

ORPC is requesting continued use of the 1508 LEAP EFA Funding Deferral Account for any accumulated December 31, 2026, balances and for any future amount exceeding the approved funding in ORPC's 2027 rate base.

1508 – 2022 Rate Base Correction

On March 24, 2022, the Ontario Energy Board issued its Decision and Order for rates effective May 1, 2022 (EB-2021-0052). The settlement proposal within the Decision and Order stated that "The parties have agreed that the amounts proposed for inclusion in rate based for the Incremental Capital Module approved in EB-2018-0063 are appropriate." Further to this, the settlement proposal stated that "the true-up recognizes, as recoverable the increased costs of the project relative to the approved amount in EB-2018-0063, for an approved ICM Project cost of \$2,059,754."

Following a review of the Fixed Asset Continuity Schedule in its filed and settled Chapter 2 Filing Requirements Appendices, it was noted that the worksheet 'App.2-BA_Fixed Asset Cont' formulas contained in the 2022 Opening Balance cells D342, D343, D344, D345, D346, D347 and D361, (where the asset values of its ICM project were to be added) was incorrectly adding the 2022 Closing Balance in cells G384 to G390. These formulas were intended to add the 2021 Closing Balance in cells G323 to G329. ORPC noted that the formulas used to calculate the accumulated depreciation amounts correctly included the ICM accumulated depreciation and depreciation expense. The formula error appears to have been present from the initial application through to the Draft Rate Order and was inadvertently overlooked during the review process.

ORPC filed application EB-2025-0209 for an accounting order on June 27th, 2025, requesting the creation of a deferral account to track the revenue requirement impact of the formula error in its 2022 Cost of Service. Key aspects of the approved settlement proposal included:

- 1 • ORPC would not recover the annual impact of the 2022 CoS error for the 2022 to 2025
2 rate years.
- 3 • For the rate year beginning May 1, 2026, and until its next CoS application, ORPC would
4 be entitled to track \$144,392 each rate year in the 2022 Rate Base Correction Deferral
5 Account (the “RBC Account”) in relation to the error. The account would not attract interest.
- 6 • ORPC would be entitled to recover \$144,392 for each year that is tracked in the RBC
7 Account from ratepayers.
- 8 • ORPC would be entitled to implement a rate rider beginning May 1, 2026, calculated to
9 recover \$144,392 over a one-year period. Billing determinants would be based on the 2022
10 OEB-approved Customer and Load Forecast as set out in the 2022 Revenue Requirement
11 Workform. The rider would persist until the effective date of rates in ORPC’s next CoS
12 application. The rider would be implemented in conjunction with ORPC’s IRM application
13 for 2026 rates (EB- 2025-0013). The rider revenue would be recorded as an offset to the
14 annual impact amount of the 2022 CoS error tracked in the RBC Account. The allocation
15 of the revenue to be recovered through the rider would be based on the Allocated Class
16 Revenue Requirement in the revised Revenue Requirement Workform filed with the
17 settlement proposal. There would be no true-up of the variance account balances, and no
18 transfer to Account 1595.

19 The rate rider was implemented on May 1, 2026, and will continue until the effective date of
20 ORPC’s rates proposed in this Cost of Service application. As there would be no true-up and
21 therefore no disposition of any remaining balance held in the account, ORPC has not presented
22 this account for disposition.

23 **1592 – PILs and Tax Variance for 2006 Subsequent Years**

24 This account is used by distributors to record the tax impact of differences not reflected in the
25 distributor’s rates whether due to legislative, regulatory, policy or other change. The calculated
26 differences arise from shared tax savings calculated in IRM models.

Carrying charges have been applied to this account using simple interest applied to the monthly balances in the account (exclusive of accumulated interest). The rate of interest used is the rate prescribed by the Board.

ORPC is requesting disposition of the December 31, 2025, audited balance. The balance for account 1592 PILs and Tax Variance for 2006 and Subsequent Years requested for disposal, including carrying charges, is a credit of \$15,125.

Accelerated CCA was reflected in ORPC's CCA calculations and PILs underpinning rates established in its last Cost of Service application. Accordingly, the implementation of accelerated CCA did not result in a variance between the CCA treatment reflected in rates and the applicable tax treatment requiring recognition in Account 1592, Sub-account CCA Changes. In addition, ORPC has remained in a non-taxable position since its last Cost of Service application and, therefore, subsequent CCA changes have not resulted in a revenue requirement impact requiring recognition in the sub-account. Accordingly, ORPC has not recorded a balance in Account 1592, Sub-account CCA Changes.

9.2.3 INTEREST RATE APPLIED

The table below provides the interest rates by quarter that are applied to calculate actual and forecast carrying charges for each regulatory and variance account.

Table 3 - Interest Rates Applied to Deferral and Variance Accounts (%)

<i>Period</i>	Interest Rate
Q1 2020 (Actual)	2.18
Q2 2020 (Actual)	2.18
Q3 2020 (Actual)	0.57
Q4 2020 (Actual)	0.57
Q1 2021 (Actual)	0.57
Q2 2021 (Actual)	0.57
Q3 2021 (Actual)	0.57
Q4 2021 (Actual)	0.57
Q1 2022 (Actual)	0.57
Q2 2022 (Actual)	1.02
Q3 2022 (Actual)	2.20
Q4 2022 (Actual)	3.87
Q1 2023 (Actual)	4.73
Q2 2023 (Actual)	4.98
Q3 2023 (Actual)	4.98
Q4 2023 (Actual)	5.49
Q1 2024 (Actual)	5.49
Q2 2024 (Actual)	5.49
Q3 2024 (Actual)	5.20
Q4 2024 (Actual)	4.40
Q1 2025 (Actual)	3.64
Q2 2025 (Actual)	3.16
Q3 2025 (Actual)	2.91
Q4 2025 (Actual)	2.91
Q1 2026 (Actual)	2.55
Q2 2026 (Actual)	2.55
Q3 2026 (Actual)	2.55
Q4 2026 (Projected)	2.55
Q1 2027 (Projected)	2.55
Q2 2027 (Projected)	2.55

ORPC has used the latest OEB prescribed interest rates as published on the website at:

<https://www.oeb.ca/regulatory-rules-and-documents/rules-codes-and-requirements/prescribed-interest-rates>

Closing Interest Balances as of December 31, 2025, Adjusted for Dispositions during 2026 are detailed in the table below:

Table 4 - Closing Interest Balances as of Dec 31, 2025, Adj. for Dispositions during 2026

<i>Account Descriptions</i>	Total Interest before Forecasted Transactions	Total Principal before Forecasted Transactions
Group 1 Accounts		
<i>LV Variance Account</i>	\$(2,307)	\$(331,144)
<i>Smart Metering Entity Charge Variance Account</i>	\$(287)	\$(7,873)
<i>RSVA - Wholesale Market Service Charge</i>	\$(18,396)	\$(471,390)
<i>RSVA - Retail Transmission Network Charge</i>	\$3,093	\$147,446
<i>RSVA - Retail Transmission Connection Charge</i>	\$2,208	\$60,143
<i>RSVA - Power (excluding Global Adjustment)</i>	\$82,465	\$(54,696)
<i>RSVA - Global Adjustment</i>	\$(49,322)	\$(412,288)
<i>Disposition and Recovery/Refund of Regulatory Balances (2021)</i>	\$1,420	\$464
<i>Disposition and Recovery/Refund of Regulatory Balances (2022)</i>	\$(3,064)	\$(10,744)
<i>Disposition and Recovery/Refund of Regulatory Balances (2023)</i>	\$20,493	\$(10,406)
<i>Disposition and Recovery/Refund of Regulatory Balances (2024)</i>	\$(162,719)	\$(1,320,709)
<i>Disposition and Recovery/Refund of Regulatory Balances (2025)</i>	\$8,254	\$178,403
<i>Disposition and Recovery/Refund of Regulatory Balances (2026)</i>	\$0	\$0
Group 1 total (including Account 1589)	\$(118,163)	\$(2,232,795)
Group 1 total (excluding Account 1589)	\$(68,841)	\$(1,820,507)
RSVA - Global Adjustment	\$(49,322)	\$(412,288)

9.2.4 DEPARTURE FROM BOARD APPROVED BALANCES

ORPC has not made any adjustments to deferral and variance account balances that were previously approved by the Board on a final basis in either cost of service or IRM proceedings.

9.2.5 PROPOSED CHARGE PARAMETERS

ORPC proposes to return the balances recorded in variance/deferral accounts through a volumetric rate rider and will follow the Board's guidance as provided in its Decision on the disposition of Regulatory Assets. The table below summarizes the proposed charge parameters by account.

Table 5 - Proposed Charge Parameters

		Allocator
Group 1 accounts		
LV Variance Account	1550	kWh
Smart Metering Entity Charge Variance Account	1551	# of Customers
RSVA - Wholesale Market Service Charge	1580	kWh
RSVA - Retail Transmission Network Charge	1584	kWh
RSVA - Retail Transmission Connection Charge	1586	kWh
RSVA - Power (excluding Global Adjustment)	1588	kWh
RSVA - Global Adjustment	1589	Non-RPP kWh
Disposition and Recovery/Refund of Regulatory Balances (2021)	1595	%
Disposition and Recovery/Refund of Regulatory Balances (2022)	1595	%
Group 2 Accounts		
LEAP EFA	1508	kWh
PILs and Tax Variance for 2006 and Subsequent Years	1592	kWh

9.3 DERIVATION OF COST OF POWER

9.3.1 BREAKDOWN OF THE COST OF POWER

ORPC calculated the cost of power for the 2026 Bridge Year and the 2027 Test Year based on the results of the load forecast discussed in detail in Exhibit 3. The commodity prices used in the calculation were prices published in the Board's "Regulated Price Plan - Price Report November 1, 2025, to October 31, 2026" published October 17, 2025, adjusted for the forecast share of electricity purchased from Evolgen. Should the Board publish a revised Regulated Price Plan Report prior to the Board's Decision in the application, ORPC will update the electricity prices in the forecast.

The sale of energy is a flow through revenue, and the cost of power is a flow through expense. Energy sales and the cost of power expense are presented in the table below. ORPC records no profit or loss resulting from the flow through energy revenues and expenses. Temporary variances are included in the RSVA account balances.

1 The components of ORPC's cost of power are summarized in the table below:

2 **Table 6 - Summary of Cost of Power 2027**

2027 Test Year - Cop	Cop
<i>4705 -Power Purchased</i>	\$19,929,768
<i>4707- Global Adjustment</i>	\$3,581,326
<i>4708-Charges-WMS</i>	\$1,063,911
<i>4714-Charges-NW</i>	\$2,208,130
<i>4716-Charges-CN</i>	\$1,792,429
<i>4750-Charges-LV</i>	\$772,790
<i>4751-IESO SME</i>	\$59,808
<i>Misc A/R or A/P</i>	\$(4,609,649)
TOTAL	\$24,798,513

3

4 The details of ORPC's components of cost of power are provided below:

5 **Commodity:**

6 The Commodity share of the Cost of Power is calculated in the same manner as has been

7 previously approved by the OEB in ORPC's previous Cost of Service application as well as other

8 applications:

9

Table 7 - Calculation of Commodity

Electricity Commodity	Units	2027 Test Year	RPP		2027 Test Year	non-RPP		Total
		Volume	Rate	\$	Volume	Rate	\$	\$
Class per Load Forecast								
Residential	kWh	97,420,060		11,901,637	805,628		46,332	
GS < 50	kWh	26,142,603		3,193,796	5,857,960		336,891	
GS > 50	kWh	5,701,820		696,581	62,942,538		3,619,825	
Street Light	kWh	55,296		6,755	1,020,317		58,678	
Sentinel Light	kWh	137,506		16,799	21,010		1,208	
USL	kWh	229,617		28,052	403,621		23,212	
		0		-	0		-	
		0		-	0		-	
		0		-	0		-	
		0		-	0		-	
		0		-	0		-	
SUB-TOTAL				15,843,621			4,086,147	\$ 19,929,768
Global Adjustment non-RPP	Units	Volume	Rate	\$	Volume	Rate	\$	Total
Class per Load Forecast								
Residential - Class B	kWh			0			43,559	
GS < 50 - Class B	kWh			0			316,730	
GS > 50 - Class B	kWh			0			2,862,939	
Street Light - Class B	kWh			0			55,167	
Sentinel Light - Class B	kWh			0			1,136	
USL - Class B	kWh			0			21,823	
				0			-	
				0			-	
				0			-	
				0			-	
				0			-	
1 - Class A				0			124,867	
2 - Class A				0			155,106	
				0			-	
				0			-	
				0			-	
SUB-TOTAL				0			3,581,326	\$ 3,581,326

Table 8 - 2027 Forecasted Commodity Prices

Forecasted Commodity Prices		Table 1: Average RPP Supply Cost Summary*	non-RPP	RPP
Day Ahead Market Ontario Zonal Price (DAM OZP) and Load Forecast Deviation Adjustment (LFDA) (\$/MWh)	Load-Weighted Price for RPP Consumers		\$57.51	\$57.51
Global Adjustment (\$/MWh)	Impact of the Global Adjustment		\$54.07	\$54.07
Adjustments (\$/MWh)				\$10.59
TOTAL (\$/MWh)	Average Supply Cost for RPP Consumers			\$122.17

The utility uses the split between the RPP and Non-RPP to determine the weighted average price. The weighted average price is applied to the projected 2027 Load Forecast to determine the commodity to be included in the Cost of Power. The commodity cost for 2027 is projected at \$19,929,768.

Transmission Network:

The Transmission Network charges are calculated in the OEB's RTSR model. The rates are applied to the 2027 Load Forecast to determine the amount to be included in the Cost of Power. The RTSR model is filed in conjunction with this application. The transmission network charges included in the Cost of Power for 2027 is projected at \$2,208,130.

Table 9 - Transmission Network

		2027 Test Year			RPP			2027 Test Year			non-RPP		Total
Transmission - Network		Volume			Rate			Volume			Rate		Total
Class per Load Forecast													
Residential	kWh	97,420,060	0.0109	1,066,641				805,628	0.0109	8,821			
GS < 50	kWh	26,142,603	0.0098	257,320				5,857,960	0.0098	57,660			
GS > 50	kW	16,287	4.0871	66,569				179,797	4.0871	734,856			
Street Light	kW	146	3.0825	450				2,691	3.0825	8,296			
Sentinel Light	kW	360	3.0977	1,115				55	3.0977	170			
USL	kWh	229,617	0.0098	2,260				403,621	0.0098	3,973			
				-						-			
				-						-			
				-						-			
				-						-			
				-						-			
SUB-TOTAL				1,394,354						813,776			2,208,130

Transmission Connection:

The Transmission Connection charges are also calculated in the OEB's RTSR model. The rates are applied to the 2027 Load Forecast to determine the amount to be included in the Cost of Power. The RTSR model is filed in conjunction with this application. The transmission connection charges included in the Cost of Power for 2027 is projected at \$1,792,429.

Table 10 - Transmission Connection

		2027 Test Year	RPP		2027 Test Year	non-RPP		Total
Transmission - Connection		Volume	Rate	\$	Volume	Rate	\$	Total
Class per Load Forecast								
Residential	kWh	97,420,060	0.0090	880,880	805,628	0.0090	7,285	
GS < 50	kWh	26,142,603	0.0080	209,790	5,857,960	0.0080	47,009	
GS > 50	kW	16,287	3.2345	52,681	179,797	3.2345	581,548	
Street Light	kW	146	2.5008	365	2,691	2.5008	6,731	
Sentinel Light	kW	360	2.5535	919	55	2.5535	140	
USL	kWh	229,617	0.0080	1,843	403,621	0.0080	3,239	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
SUB-TOTAL				1,146,477			645,951	1,792,429

Wholesale Market Services (WMS) & Capacity Based Recovery (CBR):

On December 11, 2025, the OEB released Decision and Order (EB-2025-0299) for the Wholesale Market Service (WMS) and Capacity Based Recovery (CBR) effective January 1, 2026. The Board's decision is summarized as follows:

- The WMS rate used by rate-regulated distributors to bill their customers shall be \$0.0041 per kilowatt-hour, effective January 1, 2026. For Class B customers, a CBR component of \$0.0006 per kilowatt-hour shall be added to the WMS rate for a total of \$0.0047 per kilowatt-hour. For Class A customers, distributors shall bill the actual CBR costs to Class A customers in proportion to their contribution to peak.
- In compliance with this order, ORPC has applied the Board Approved \$0.0047/kWh to its 2027 Load Forecast to include \$943,468 in its Cost of Power.

Table 11 - Wholesale Market

		2027 Test Year	RPP		2027 Test Year	non-RPP		Total
Wholesale Market Service		Volume	Rate	\$	Volume	Rate	\$	Total
Class per Load Forecast								
Residential	kWh	97,420,060	0.0041	399,422	805,628	0.0041	3,303	
GS < 50	kWh	26,142,603	0.0041	107,185	5,857,960	0.0041	24,018	
GS > 50	kWh	5,701,820	0.0041	23,377	62,942,538	0.0041	258,064	
Street Light	kWh	55,296	0.0041	227	1,020,317	0.0041	4,183	
Sentinel Light	kWh	137,506	0.0041	564	21,010	0.0041	86	
USL	kWh	229,617	0.0041	941	403,621	0.0041	1,655	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
SUB-TOTAL				531,716			291,309	823,026
Class B CBR								
Class per Load Forecast		Volume	Rate	\$	Volume	Rate	\$	Total
Residential	kWh	97,420,060	0.0006	58,452	805,628	0.0006	483	
GS < 50	kWh	26,142,603	0.0006	15,686	5,857,960	0.0006	3,515	
GS > 50	kWh	5,701,820	0.0006	3,421	62,942,538	0.0006	37,766	
Street Light	kWh	55,296	0.0006	33	1,020,317	0.0006	612	
Sentinel Light	kWh	137,506	0.0006	83	21,010	0.0006	13	
USL	kWh	229,617	0.0006	138	403,621	0.0006	242	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
		-		-	-		-	
SUB-TOTAL				77,812			42,631	120,443

Rural or Remote Electricity Rate Protection:

On December 11, 2025, the OEB released EB-2025-0299 Decision and Order for the Rural or Remote Electricity Rate Protection (RRRP) effective January 1, 2026. The Board's decision is summarized as follows:

- The IESO's RRRP charge to rate-regulated distributors shall be \$0.0006 per kilowatt-hour for electricity consumed on or after January 1, 2026

In compliance with this order, ORPC has applied the Board Approved \$0.0006/kWh to its 2027 Load Forecast to include \$120,443 in its Cost of Power.

Table 12 - Rural or Remote Electricity Rate Protection

		2027 Test Year			RPP		2027 Test Year			non-RPP		Total
RRRP												
Class per Load Forecast		Volume	Rate	\$		Volume	Rate	\$		Total		
Residential	kWh	97,420,060	0.0006	58,452		805,628	0.0006	483				
GS < 50	kWh	26,142,603	0.0006	15,686		5,857,960	0.0006	3,515				
GS > 50	kWh	5,701,820	0.0006	3,421		62,942,538	0.0006	37,766				
Street Light	kWh	55,296	0.0006	33		1,020,317	0.0006	612				
Sentinel Light	kWh	137,506	0.0006	83		21,010	0.0006	13				
USL	kWh	229,617	0.0006	138		403,621	0.0006	242				
		-		-		-		-				
		-		-		-		-				
		-		-		-		-				
		-		-		-		-				
		-		-		-		-				
		-		-		-		-				
SUB-TOTAL				77,812					42,631		120,443	

Smart Meter Entity Charge:

On September 8, 2022, the Ontario Energy Board (OEB) approved the application by the Independent Electricity System Operator (IESO), in its' capacity as the Smart Metering Entity (SME), for a smart metering charge (SMC) for the 2023-2027 period, for a new SMC of \$0.42 per smart meter (Residential and General Service <50 kW) per month. The proposed rate remains at \$0.42 in accordance with the OEB guidance provided on September 8, 2022.

In compliance with this order, ORPC has applied the Board Approved rate of \$0.42 per month for the forecasted Residential and General Service <50kW customers for Test Year 2027 and included the projected amount of \$59,808 in its' Cost of Power as illustrated below:

Table 13 - Smart Meter Entity

		2027 Test Year			RPP		2027 Test Year		non-RPP		Total	
Smart Meter Entity Charge												
Class per Load Forecast		Customers/Connections			Rate		Customers/Connections		Rate		Total	
Residential		10,513			0.42		52,983		87		438	
GS < 50		1,035			0.42		5,217		232		1,169	
SUB-TOTAL							58,201				59,808	

Low Voltage Charge:

The table below presents the derivation of proposed retail rates for Low Voltage ("LV") service. The projections were allocated to customer classes, according to each class's share of projected Transmission-Connection revenue, in accordance with Board policy. The resulting allocated LV charges for each class were divided by the applicable 2025 volumes from the load forecast, as

presented in Exhibit 3. Current LV revenues are recovered through a separate rate adder and therefore are not embedded within the approved Distribution Volumetric rate. 2027 LV rates appear on a distinct line item on the proposed schedule of rates. The Low Voltage charges included in the Cost of Power for 2027 are projected at \$772,790.

Table 14 - Low Voltage Charges

Low Voltage Charges

Hydro One

	2022	2023	2024	2025	2026 Forecast	2027 Forecast
Host Volume (kW)	352,983	358,509	341,557	386,289	353,494	356,003
Host Charges	\$ 729,469	\$ 576,481	\$ 701,317	\$ 265,047	-\$ 51,305	\$ 801,021

Low Voltage Rates

Proposed Loss Factor

1.0581

Instructions: Please enter the rate class volumes consistent with the proposed load forecast, and proposed loss factor.

If Low Voltage charges are applied based on volumes uplifted for losses, please select Loss Adjusted Volume in cell J37

Rate Class	Unit	2027 Forecasted Volume	RTSR Connection Rate	Loss Adjusted Volume	RTSR Connection Revenue	Allocation	Allocated Low Voltage Charges	Select Loss adjusted or Del Loss Adjusted Volume	Low Voltage Rates
RESIDENTIAL SERVICE CLASSIFICATION	\$/kWh	92,832,140	0.008839989	98,227,783	868,333	49.6%	396,916	98,227,783	0.0040
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	\$/kWh	30,243,420	0.00784549	32,001,246	251,065	14.3%	114,762	32,001,246	0.0036
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	\$/kW	196,085	3.162174629	196,085	620,054	35.4%	283,427	196,085	1.4454
SENTINEL LIGHTING SERVICE CLASSIFICATION	\$/kW	415	2.496419092	415	1,036	0.1%	473	415	1.1411
STREET LIGHTING SERVICE CLASSIFICATION	\$/kW	2,837	2.444917614	2,837	6,937	0.4%	3,171	2,837	1.1176
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	\$/kWh	598,467	0.007845486	633,252	4,968	0.3%	2,271	633,252	0.0036
TOTAL					1,752,392	100.0%	801,021		

		2027 Test Year	RPP		2027 Test Year	non-RPP		Total
Low Voltage - No TLF adjustment								
Class per Load Forecast		Volume	Rate	\$	Volume	Rate	\$	Total
Residential	kWh	92,070,749	0.0040	372,037	761,391	0.0040	3,077	
GS < 50	kWh	24,707,119	0.0036	88,604	5,536,301	0.0036	19,854	
GS > 50	kW	16,287	1.4454	23,542	179,797	1.4454	259,885	
Street Light	kW	146	1.1176	163	2,691	1.1176	3,008	
Sentinel Light	kW	360	1.1411	411	55	1.1411	63	
USL	kWh	217,009	0.0036	778	381,458	0.0036	1,368	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
				-			-	
SUB-TOTAL				485,535			287,254	772,790

9.4 RETAIL SERVICE CHARGE

9.4.1 OVERVIEW

ORPC has not accumulated any balances in accounts 1518 and 1548 since 2021.

9.5 DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS

9.5.1 DVA BALANCES

The table below presents the list of deferral and variance accounts, with the proposed selection of balances for disposition. All account balances selected for disposition are as at December 31, 2025, being the most recent date the balances were subject to audit.

Board policy states that at the time of rebasing, all account balances should be disposed of unless otherwise justified by the distributor or as required by a specific Board decision or guideline. In accordance with the above statement, ORPC proposes to dispose of all its balances listed in the table below.

The 2027 DVA Continuity Schedule detailing each account is being filed in conjunction with this application.

1

Table 15 - DVA Balances Sought for Disposition

		Allocator
LV Variance Account	1550	kWh
Smart Metering Entity Charge Variance Account	1551	# of Customers
RSVA - Wholesale Market Service Charge	1580	kWh
RSVA - Retail Transmission Network Charge	1584	kWh
RSVA - Retail Transmission Connection Charge	1586	kWh
RSVA - Power (excluding Global Adjustment)	1588	kWh
RSVA - Global Adjustment	1589	Non-RPP kWh
Disposition and Recovery/Refund of Regulatory Balances (2021)	1595	%
Disposition and Recovery/Refund of Regulatory Balances (2022)	1595	%
Total Group 1 accounts above (excluding 1588 and 1589)		
LEAP EFA Funding Deferral Account	1508	kWh
PILs and Tax Variance for 2006 and Subsequent Years	1592	kWh
Total of Group 1 Accounts (1550, 1551, 1584, 1586, and 1595)		
Total of Account 1580 and 1588 (not allocated to WMPs)		
Account 1589 (allocated to Non-WMPs)		
Group 2 Accounts (including 1508, 1592, 1532, 1555)		

2 ORPC does not have any Market Participants, and as such, it does not need to establish separate
3 rate riders to recover balances in the RSVA's from Market Participants who must not be allocated
4 the RSVA balances related to charges for which the MP's settle directly with the IESO.

5 ORPC is proposing to dispose of all balances listed in the table above. The Group 2 accounts
6 include 1508 LEAP EFA Funding Deferral Account and 1592 – PILS and Tax Variance for 2006 and
7 Subsequent Years but exclude the 1508 Power Purchase True-Up which is treated separately
8 through the Power Purchase True-Up Model filed in conjunction with this application.

9 The 2025 balances for accounts 1588 and 1589 in the DVA Continuity Schedule do not match
10 the RRR filing as ORPC did not settle unbilled revenue differences until its April 2026 settlement
11 with Hydro One.

9.5.2 CALCULATION OF RATE RIDER

ORPC notes that all relevant calculations are embedded in the OEB's "2027 DVA Continuity Schedule" workform.

The utility did not propose any billing determinants that are different from the OEB standards. ORPC does not need to establish separate rate riders to recover the balances in the RSVA's from Market Participants ("MPs") who must not be allocated the RSVA account balances related to charges for which the MPs settle directly with the IESO (e.g. wholesale energy, wholesale market services).

ORPC is proposing to dispose of all balances in Group 1 and 2 over a period of 12 months, excluding 1595 (2023 and forward) which are not yet eligible for disposition. All riders are calculated in the OEB's EDVARR model. The rate riders are reproduced at the next page.

The following explains the recovery for each grouping in accordance with both the minimum filing requirements and Rate Design Policy.

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.)

- Rate riders for Deferral / Variance Account Balances excluding Global Adjustment is to be calculated based on kWh/KW for all classes.

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.) - Non-WMP

- Rate riders for Global Adjustment are to be calculated based on kWh/KW for all classes.

Rate Rider Calculation for Account 1580 RSVA - Power - Global Adjustment

- Rate riders for Deferral / Variance Account Balances excluding Global Adj. is to be calculated based on kWh for all classes as per instructions in the model.

- Rate riders for Deferral / Variance Account Balances excluding Global Adj. is to be calculated based on kWh/kW for all classes.

- As per the Board's letter issued July 16, 2015, outlining details regarding the implementation of the transition to fully fixed distribution charges for residential customers, Residential rates for Group 2 accounts are to be on a per customer basis.

Table 16 - Deferral and Variance Rate Riders

1550, 1551, 1584, 1586, 1595, 1580 and 1588

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 1 Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts
RESIDENTIAL SERVICE CLASSIFICATION	kWh	92,832,140	-\$313,587.29	- 0.0034
GENERAL SERVICE LESS THAN 50 KW	kWh	30,243,420	-\$93,306.81	- 0.0031
GENERAL SERVICE 50 TO 4,999 KW SE	kW	196,085	-\$212,123.88	- 1.0818
SENTINEL LIGHTING SERVICE CLASSI	kW	415	-\$541.85	- 1.3061
STREET LIGHTING SERVICE CLASSIFI	kW	2,837	-\$3,851.72	- 1.3576
UNMETERED SCATTERED LOAD SERV	kWh	598,467	-\$1,957.24	- 0.0033
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
		-	\$0.00	-
Total			-\$625,368.79	

Table 17 - Deferral and Variance Rate Riders

Rate Rider Calculation for Group 2 Accounts

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Group 2 Balance	Rate Rider for Group 2 Accounts
RESIDENTIAL SERVICE CLASSIFICATION	# of Customers	10,600	\$17,096.08	\$ 0.13
GENERAL SERVICE LESS THAN 50 KW	kWh	30,243,420	\$5,569.66	\$ 0.0002
GENERAL SERVICE 50 TO 4,999 KW SE	kW	196,085	\$11,959.16	\$ 0.0610
SENTINEL LIGHTING SERVICE CLASSIFICATION	kW	415	\$27.59	\$ 0.0665
STREET LIGHTING SERVICE CLASSIFICATION	kW	2,837	\$187.21	\$ 0.0660
UNMETERED SCATTERED LOAD SERVICE	kWh	598,467	\$110.21	\$ 0.0002
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
		-	\$0.00	\$ -
Total			\$34,949.92	

9.6 GLOBAL ADJUSTMENT

9.6.1 PRO-RATION OF GLOBAL ADJUSTMENT INTO RPP/NON-RPP

ORPC confirms that it pro-rates the Hydro One (IESO) Global Adjustment Charge into the RPP and non-RPP portions and that Global Adjustment is only being applied to customers that are non-RPP. The calculated values are then entered into Account 1588 – RSVA – Power (excluding Global Adjustment) and Account 1589 – Power – Sub-account – Global Adjustment.

9.6.2 DERIVATION AND CALCULATION OF THE GA RATE RIDER

Calculation of the GA Allocation and the GA Rate Rider was allocated based on forecasted non-RPP kWh usage for the test year as presented in the Billing Determinants tab of the DVA Continuity Schedule. Forecasted non-RPP usage was calculated based on 2024 actual volumes and increased by the growth in the load forecast to 2027. This table summarizes the Rate Rider for each rate class for the 1589 balance being requested for disposition:

1

Table 18 – RSVA Global Adjustment Rate Riders

Rate Rider Calculation for RSVA Global Adjustment

Balance of Account 1589 Allocated to Non-WMPs

Rate Class (Enter Rate Classes in cells below)	Units	kWh	Allocated Global Adjustment Balance	Rate Rider for RSVA – Power – Global Adjustment
RESIDENTIAL SERVICE CLASSIFICATION	kWh	761,391	-\$5,906.77	0.0078
GENERAL SERVICE LESS THAN 50 KW	kWh	5,536,301	-\$42,949.88	0.0078
GENERAL SERVICE 50 TO 4,999 KW SE	kWh	49,148,466	-\$381,287.18	0.0078
SENTINEL LIGHTING SERVICE CLASSIFICATION	kWh	19,856	-\$154.04	0.0078
STREET LIGHTING SERVICE CLASSIFICATION	kWh	964,291	-\$7,480.84	0.0078
UNMETERED SCATTERED LOAD SERVICE	kWh	381,458	-\$2,959.30	0.0078
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
	kWh	-	\$0.00	-
Total			-\$440,738.01	

2

3 ORPC did not establish separate rate riders to recover balances in the RSVA's from Market

4 Participants as ORPC does not have any Market Participants.

9.6.3 GLOBAL ADJUSTMENT AND THE IESO SETTLEMENT PROCESS

ORPC confirms it has implemented the most recent accounting guidance related to Accounts 1588 and 1589 dated April 28, 2025, resulting from the IESO Market Renewal Program.

RSVA Power – Account 1588

Ottawa River Power Corporation's (ORPC) Account 1588 is composed of variances between electricity purchased from Hydro One, Evolgen, embedded generators, and Microfits, and energy revenue.

Electricity from Hydro One and Evolgen is purchased at the spot rate whereas electricity purchased from the Mississippi River Power Corporation (MRPC) and Enerdu Power Systems embedded generators and Microfits is purchased at contracted rates. All purchases are recorded in Account 4705. ORPC records the difference between the contracted rates and the weighted average price on any amounts paid to MRPC, Enerdu and Microfits from Hydro One on each of its monthly settlement with Hydro One and these recoveries are recorded in Account 4705.

Customers are charged at time-of-use (TOU), tiered, ultra-low overnight (ULO), weighted average (WAP) or the Ontario Electricity Market Price (OEMP) and the charges are recorded in Account 4006, 4010, 4015, 4025, 4030 or 4035. The weighted average rate is calculated based on the OEMP multiplied by the Net System load for the given hour. On each settlement with Hydro One, the WAP data is extracted from the customer information system. The dollar amount of WAP charged to each customer class is then allocated between the TOU, tiered, and ULO RPP pricing plans based on consumption in each class. The difference between the price charged to the customer and the WAP represents the global adjustment portion of RPP prices which is reported in ORPC's Hydro One settlement. Items remaining in Account 1588 include differences between the hourly weighted average price paid for electricity and the billing period weighted average price charged to customers and differences between actual line losses as compared to the total loss factor.

The 2025 principal adjustments include the correction of an allocation of \$993,757 between accounts 1588 and 1589, as previously noted in ORPC's 2026 IRM application DVA Continuity

Schedule (EB-2025-0013). Additionally, the variance between ORPC's December 31, 2025 and its filed 2025 RRR balance totaling \$418,906 arose from 2024 unbilled revenue differences settled with Hydro One in April 2026.

RSVA Global Adjustment – Account 1589

ORPC has 2 Class A customers as of July 1st, 2025. These accounts are reviewed annually for eligibility and annual adjustments to the power factor are communicated to the customer. For its Class B customers, ORPC reviews the general service accounts on an annual basis to determine which customers are eligible for the RPP. Accounts are also reviewed at the time that an account changes ownership. Any billing adjustments are made as part of the next billing period.

ORPC uses the Global Adjustment 1st estimate rate posted on the IESO website for the settlement month. The variance between the estimate and the actual GA rate is recorded and reflected in RSVA GA 1589 monthly.

Ottawa River Power Corporation's (ORPC) account 1589 is composed of the Global Adjustment (GA) paid to Hydro One, the GA received on the generator payment from Hydro One and the GA charged to customers.

All GA paid on electricity provided from Hydro One is recorded in Account 4707. When ORPC settles with Hydro One for GA purposes, the billed kWhs in each month are extracted from the customer information system and the RPP data is subtracted to obtain the non-RPP volume related to billed GA. The volume obtained is multiplied by the GA actual rate for the applicable usage month to calculate the actual value of the GA that would have been charged to customers had the actual GA rate for the month been used. The actual GA value for the month is then compared against the GA paid on the applicable month's Hydro One bill and the difference is submitted for reimbursement to Hydro One by the 2nd business day after the settlement month. ORPC also estimates usage and GA rates for any unbilled kWhs.

ORPC also receives a monthly generator payment from Hydro One for all electricity, if any, that was over-generated by Mississippi River Power Corporation – an embedded generator – directly

into the Hydro One grid. The GA credit received on the generator payment is recorded into Account 4707.

ORPC customers are charged based on the 1st estimate of the GA.

The 2025 principal adjustments include the correction of an allocation of \$993,757 between accounts 1588 and 1589, as previously noted in ORPC's 2026 IRM application DVA Continuity Schedule (EB-2025-0013). Additionally, the variance between ORPC's December 31, 2025 and its filed 2025 RRR balance totaling \$50,598 arose from 2024 unbilled revenue differences settled with Hydro One in April 2026.

Class A Customers

Class A customers opt-in to the Industrial Conservation Initiative (ICI) program and are billed using their peak demand factor (PDF) multiplied by the actual total monthly Global Adjustment published by the IESO. The amount billed to Class A customers for Class A GA is equal to the amount charged by Hydro One for Class A GA. ORPC conducts monthly validation to ensure the amount billed to Class A customers for Class A GA equals the amount billed by Hydro One for Class A GA so the resulting Class A GA variance is nil.

If a customer enrolls with a retailer, the billing system flags the account to exclude it from the RPP settlement process. Any customers enrolled with a retailer or paying OEMP and not a Class A customer, pay Class B GA and are charged the GA 1st Estimate rate on their monthly invoice.

All customers are billed monthly, on a calendar month basis, for the actual consumption in the 2 to 6 weeks following the end of the month (i.e. January 1st to January 31st consumption is billed to customers between February 15th and March 14th).

ORPC confirms that GA rate is applied consistently for all billing and unbilled revenue transactions for all non-RPP Class B customers in all rate classes.

True-Up Process

Once the IESO publishes the Final GA rate for the month, ORPC calculates the variance between the billed 1st GA Estimate and the Actual GA rate on the kWh consumption submitted to Hydro One on/before 3rd business day of each month. Any variance is applied to the next month's Hydro One submission.

Embedded Distributors

ORPC confirms that it has no embedded distribution customers.

Overall Process and Procedural Controls over the Hydro One (IESO) Settlement Process

Management is knowledgeable on the methodologies pursuant to the OEB and IESO requirements and is responsible for updating internal processes and procedures accordingly. Management is also responsible for the settlement spreadsheet and to meet changing OEB/IESO settlement requirements.

Capacity Based Recovery

ORPC includes Class B CBR charges in 1580 RSVA – Wholesale Market Service Charge. As an embedded distributor, ORPC confirms that it is charged Wholesale Market charges on its monthly Hydro One invoice which includes a component for Class B CBR. However, the amount pertaining to Class B CBR is not separately identified. As a result, ORPC tracks all Wholesale Market Charges in account 1580. At the end of 2025, ORPC served two Class A customers for which Hydro One charges Class A CBR on its monthly invoice. The charges are pass-throughs directly to the customers which results in no balance in 1580 Sub-Account CBR Class A. ORPC is not requesting disposition of any Class A CBR.

9.7 OTHER RATE RIDERS INCLUDING NEW RATE RIDERS

9.7.1 REQUEST FOR NEW VARIANCE ACCOUNT

The applicant is not requesting any new accounts or sub-accounts at this time. ORPC will continue to monitor OEB directives and implement new accounts as set out by the OEB and identified in the Accounting Procedures Handbook or other sources of information as required.

9.7.2 POWER PURCHASE TRUE-UP

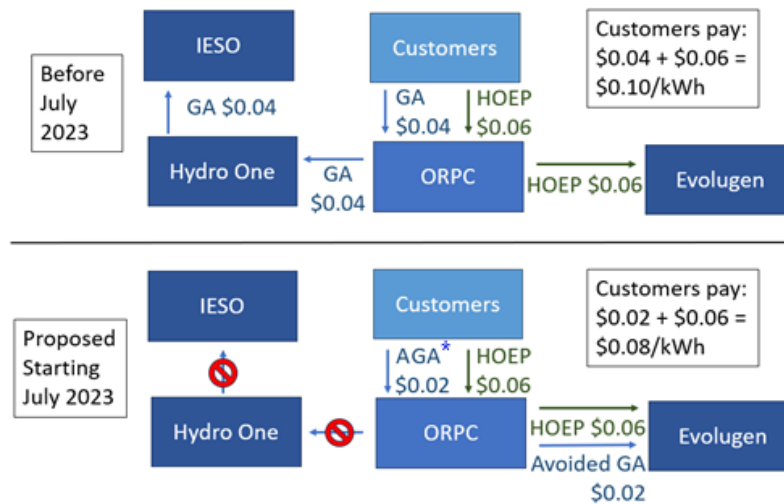
ORPC receives a portion of its electricity supply from the Waltham Generating Station ("Waltham") located in the province of Quebec which is owned by Brookfield Renewable Trading and Marketing LP ("Brookfield") and invoiced by Evolugen Trading and Marketing LP ("Evolugen"). This long-standing arrangement was most recently approved by the Board through Decision and Order EB-2021-0063.

Historically, ORPC has paid GA on the volumes of electricity purchased from Waltham. On June 2, 2023, the Electricity Act was amended to exempt GA charges for customers who consume electricity supplied from outside Ontario using private transmission lines. The amendments came into effect July 1, 2023. Electricity purchased from Waltham is supplied from Quebec with a private transmission line resulting in ORPC no longer paying GA for those purchases as of July 1st, 2023.

Electricity supply costs paid by ORPC's ratepayers continue to include GA, either explicitly as GA charges for non-RPP customers or within time of use or tiered rates for RPP customers. ORPC's payments to Brookfield as set out in the power purchase agreement include an Avoided GA component in which ORPC pays to Evolugen based on 50% of GA costs avoided by purchasing from Waltham. Therefore, the amendment to the Electricity Act increases the cost of electricity purchased from Waltham.

An illustrative example of the change for the price of energy purchased from Waltham is provided in Figure 1 below. ORPC is embedded within Hydro One Distribution and accordingly makes GA payments to Hydro One.

Figure 1 - Waltham Energy Purchases Illustrative Example



ORPC retained Elenchus Research Associates ("Elenchus") to assist in the creation of rate mechanisms to:

- Refund the overcollection of GA from ratepayers since July 1, 2023;
- Collect increased electricity costs of Waltham purchases since July 1, 2023;
- Pass GA savings to ratepayers on a go-forward basis so ORPC does not overcollect GA;
- and
- Collect increased electricity costs on a go-forward basis so ratepayers pay incremental supply costs as they are incurred by ORPC.

ORPC's proposed model and rates were first approved on an interim basis in application EB-2023-0047 and then on a full basis since application EB-2024-0050. The model has been updated to reflect the most current figures. A summary of the proposed 2027 Power Purchased True-Up is provided below.

Table 19 – Proposed Power Purchased True-Up Balance

	Amount
Forecast net GA Savings	\$882,095
Variance from 2025	\$(553,664)
Forecast Power Purchased True-Up Balance	\$328,431

The forecast GA savings and net savings owned to customers is provided below.

Table 20 – Forecasted Net GA Savings

	Amount	Unit	Description	Row
Forecast Waltham Volumes	35,563,943	kWh	2022-2025 Average Waltham Volumes	A
Forecast GA	\$0.0496	\$/kWh	2026 Average GA Actual to May plus 1 st estimate for June	B
Total Forecast GA Savings	\$1,764,191	\$	Total savings	C = A * B
Forecast net GA Savings	\$882,095	\$	Total savings * 50%	D = C * 50%

A variance between the Forecast Power Purchased True-Up Balance and actual amounts credited to customers in 2025 has been incorporated into the true-up rate calculation beginning this year. This is summarized in the tables below.

1

Table 21 – 2025 Variance Summary

	Customer Volumes (kWh) A	Rate (\$/kWh) B	Credited to Customers C = A * B	GA Savings D	Purchased Power Adjustment E = D / 2	F	Variance G = E-C+F
January	19,192,080	\$(0.0070)	\$(134,345)	\$50,747	\$(25,374)		\$108,971
February	17,602,645	\$(0.0070)	\$(123,219)	\$2,406	\$(1,203)		\$122,015
March	16,662,539	\$(0.0070)	\$(116,638)	\$191,148	\$(95,574)		\$21,064
April	14,159,976	\$(0.0070)	\$(99,120)	\$301,894	\$(150,947)		\$(51,827)
May	12,923,705	\$(0.0107)	\$(138,284)	\$706,956	\$(353,478)	\$(56,370)	\$(271,564)
June	14,558,252	\$(0.0107)	\$(155,773)	\$206,913	\$(103,456)	\$(56,370)	\$(4,053)
July	17,154,841	\$(0.0107)	\$(183,557)	\$79,629	\$(39,814)	\$(56,370)	\$87,373
August	15,324,705	\$(0.0107)	\$(163,974)	\$79,803	\$(39,901)	\$(56,370)	\$67,703
September	12,618,523	\$(0.0107)	\$(135,018)	\$65,957	\$(32,978)	\$(56,370)	\$45,670
October	14,006,712	\$(0.0107)	\$(149,872)	\$25,354	\$(12,677)	\$(56,370)	\$80,825
November	17,973,185	\$(0.0107)	\$(192,313)	\$2	\$(1)	\$(56,370)	\$135,942
December	23,414,124	\$(0.0107)	\$(250,531)	\$-	\$-	\$(56,370)	\$194,161
Total	195,591,287		\$(1,842,643)	\$1,710,808	\$(855,404)	\$(450,957)	\$536,282

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Table 22 – Variance from 2025

	Amount	Unit	Description	Row
2025 Actual Volumes (Jan to Apr)	67,617,240	kWh	Volumes credit applied to	A1
2024 Power Purchased True-Up Rate	-\$0.0070	\$/kWh	Rate credited	B1
Amount Credited to Customers	\$473,321	\$	Total credited (Jan to Apr)	C1 = A1 * -B1
2025 Actual Volumes (May to Dec)	127,974,047	kWh	Volumes credit applied to	A2
2025 Power Purchased True-Up Rate	-\$0.0107	\$/kWh	Rate credited	B2
Amount Credited to Customers	\$1,369,322	\$	Total credited (May to Dec)	C2 = A2 * -B2
2025 Actual GA Savings on Waltham Energy	\$1,710,808	\$	Actual 2025 GA Savings	D
Amount Credited to Customers	\$1,842,643	\$	Total credited (Jan to Dec)	C = C1 + C2
Customer Share	\$855,404	\$	Actual Savings * 50%	E = D * 50%
Adjustment for audited variances (2-year lag) and Overcollection	\$450,957	\$	Variance Disposition & Overcollection	F
Variance	\$(536,282)	\$	Variance to Credit Customers	G = E + F – C
2025 Interest on Variance	\$(3,707)	\$	Interest on Jan-Dec 2025 amounts	H
2026 Interest on Variance	\$(13,675)	\$	Interest on 2025 Year-End Balance	I
Total Variance	\$(553,664)	\$	Total Variance to Credit Customers	J = G + H + I

A summary of the proposed 2027 Power Purchased True-Up rate is provided below.

Table 23 – Proposed Power Purchased True-Up Rate Calculation

	Amount	Row
Forecast net GA Savings	\$882,095	A
Variance from 2025	\$(553,664)	B
Power Purchased True-Up-2027 Balance	\$328,431	D = A + B
Forecast 2027 customer kWh volumes	195,591,287	E
Power Purchased True-Up-2027 Rate	\$(0.0017)	F = -D / E

ORPC proposes the following adjusted rates effective May 1, 2027, subject to updates to the forecast GA when the October 2026 RPP Report is available:

Table 24 – Proposed Power Purchased True-Up Rate

Rate Class	Unit	Proposed Power Purchased True-Up Rate
Residential Service	\$/kWh	\$(0.0017)
General Service Less Than 50 kW Service	\$/kWh	\$(0.0017)
General Service 50 To 4,999 kW Service	\$/kWh	\$(0.0017)
Sentinel Lighting Service	\$/kWh	\$(0.0017)
Street Lighting Service	\$/kWh	\$(0.0017)
Unmetered	\$/kWh	\$(0.0017)

9.8 CERTIFICATION OF EVIDENCE

As Chief Financial Officer, I, Jeffrey Roy, CPA, CA, certify that, to the best of my knowledge or otherwise specified, the evidence filed in this application, is accurate, complete, and consistent with the requirements of the Chapter 2 Filing Requirements for Electricity Distribution Rate Applications as revised on December 16, 2025, and other OEB policies. I also confirm that basic internal controls and processes are in place for the preparation, review, verification and oversight of any account balances that are being requested for disposal.