



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL

September 24, 2026

Ritchie Murray
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ritchie Murray:

**Re: Niagara-on-the-Lake Hydro Inc. (Niagara-on-the-Lake Hydro)
Application for 2027 Electricity Distribution Rates
Ontario Energy Board (OEB) File Number: EB-2026-0060**

In accordance with Procedural Order No. 1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant has been copied on this filing.

Niagara-on-the-Lake Hydro's responses to interrogatories are due by October 8, 2026.

Any questions relating to this letter should be directed to Tyler Davids at Tyler.Davids@oeb.ca or at 416-440-7704. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Tyler Davids Digitally signed by Tyler Davids
Date: 2026.09.24 09:07:38
-04'00'

Tyler Davids
Advisor, Distribution Asset Management

Encl.

**OEB Staff Interrogatories
Niagara-on-the-Lake Hydro Inc.
EB-2026-0060**

Please note, Niagara-on-the-Lake Hydro is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories and any other supporting documentation, 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*.

Staff-1

Ref 1: Rate Generator Model, Tab 3, Continuity Schedule

Preamble:

On September 14, 2026, the OEB published Q4 2026 prescribed accounting interest rates applicable to the carrying charges of deferral, variance and construction work in progress (CWIP) accounts of natural gas utilities, electricity distributors and other rate-regulated entities.

Question(s):

- a. Please update Tab 3 (Continuity Schedule) as necessary to reflect the Q4 2026 OEB-prescribed interest rate of 2.87%.

Staff-2

Ref 1: Niagara-on-the-Lake Hydro, 2027 Rate Generator Model, Tab 3

Question(s):

- a. Please unhide and populate the Disposition and Recovery/Refund of Regulatory Balances rows of the continuity schedule for at least the years 2021, and 2022 by adjusting cell F47 of tab 1.
- b. Please change cell BU30 to 'No' given that Niagara-on-the-Lake Hydro is not disposing of regulatory balances (2009).

Staff-3

Ref 1: Niagara-on-the-Lake Hydro, 2027 Rate Generator Model, tab 3

Ref 2: EB-2022-0052, [Niagara-on-the-Lake Hydro Decision and Rate Order](#), December 8, 2022, pp.11, 14-15

Ref 3: EB-2022-0052, [Niagara-on-the-Lake Hydro Manager's Summary](#), July 15, 2022, p.19

OEB staff compiled the table below based on the evidence filed in the application and evidence from EB-2022-0052.

Table 1: 2023 DVA balances

kWh	Per Ref 2 & Ref 3	Per 2027 RGM cell AK34 and AP34	Absolute Variance
Group 1 Principal	\$264,170	N/A	N/A
Group 2 Principal	(\$13,692)	N/A	N/A
LRAMVA Principal	\$7,887	N/A	N/A
Total Principal	\$258,365	(\$252,013)	\$6,352
Group 1 Interest	\$18,387	N/A	N/A
Group 2 Interest	(\$337)	N/A	N/A
LRAMVA Interest	\$180	N/A	N/A
Total Interest	\$18,230	(\$18,231)	\$0

Question(s):

- Please confirm OEB staff's observation above and provide the reasons for the discrepancy in the 2023 principal amount. Please update the Rate Generator Model, as needed.

Staff-4

Ref 1: Niagara-on-the-Lake Hydro, 2027 Rate Generator Model

Ref 2: Commodity Accounts Analysis Workform, Tab 2, GA 2025

OEB staff compiled tables below based on the evidence filed in the application and 2025 RRR filings.

Table 2: Consumption variance between the Rate Generator Model and the Commodity Accounts Analysis Workform

kWh	Per RGM	Per RRR filing & Commodity WF	Variance
Non-RPP Class A	99,945,627 ¹	100,408,889	(463,262)
Non-RPP Class B	78,759,211 ²	78,295,950	463,261
Total Non-RPP	178,704,838	178,704,838	0

Table 3: Demand variance between the rate generator model (RGM) and the 2025 RRR filings

kW	Per RGM	Per RRR filing	Variance
Class A	189,551	190,594	(1,043)

Question(s):

- a. Please confirm OEB staff's observation above and provide the reasons for the discrepancies. Please update the Commodity Accounts Analysis Workform and/or Rate Generator Model, if applicable.

Staff-5

Ref 1: 2027 Rate Generator Model, Tab 4, Billing Det. for Def-Var.

Ref 2: 2023 Rate Generator Model, Tab 5, Allocating Def-Var Balances.

OEB staff compiled the table below comparing the 1595 Recovery Portion (2023) in the 2027 Rate Generator Model and the proportion of allocation by rate class in the 2023 Rate Generator Model.

The Decision and Rate Order (EB-2022-0052) relating to the 2023 Rate Generator Model states that the final rate riders and payments will be in effect from January 1, 2023 to December 31, 2023.

¹ Niagara-on-the-Lake Hydro, 2027 Rate Generator Model, Tab 6, sum of Class A consumption data

² Niagara-on-the-Lake Hydro, 2027 Rate Generator Model, Tab 6.1a

Table 4: Account 1595 (2023) recovery portion reconciliation

Rate Class	Per Ref 1	Per Ref 2	
	1595 Recovery Portion (2023)	% of Total kWh	% of Customer Numbers
RESIDENTIAL SERVICE CLASSIFICATION	27.0%	36.1%	84.6%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	11.3%	19.3%	15.4%
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	53.5%	35.4%	0%
LARGE USE SERVICE CLASSIFICATION	7.8%	8.8%	0%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	0.1%	0.1%	0%
STREET LIGHTING SERVICE CLASSIFICATION	0.4%	0.3%	0%
STANDBY POWER SERVICE CLASSIFICATION	0.0%	0%	0%

Question(s):

- Please provide the rationale for how Niagara-on-the-Lake Hydro arrived at the 1595 Recovery Portion values for 2023. Please update the 2027 Rate Generator Model, if applicable.

Staff-6

Ref 1: EB-2025-0019, Decision and Order, December 11, 2025, p.10

Preamble:

Niagara-on-the-Lake Hydro's 2026 IRM included the disposition of a debit balance of \$220,998 in Account 1584 (RSVA – Retail Transmission Network Charge) and \$21,329 in Account 1586 (RSVA – Retail Transmission Connection Charge), which included charges related to a 2024 Double-Peak Billing issue. While the OEB recognized that these charges may potentially be refunded by Hydro One Networks Inc. (Hydro One Networks) at a later date, the OEB accepted disposition of the balance.

Question(s):

- a. Were charges related to the double-peak billing issue refunded by Hydro One Networks following the OEB's decision?
 - i. If yes, has the refund been reflected in the RSVAs?
 - ii. If not, please confirm that if Hydro One Networks provides a refund at a later date, that if it is still Niagara-on-the-Lake Hydro's intention to reflect the refund in the RSVAs or in a newly established DVA.

Staff-7

Ref 1: OEB Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589 (Accounting Guidance), April 28, 2025

Ref 2: Updated Illustrative Commodity Model, April 28, 2025

The OEB issued final updates to the Accounting Guidance and the updated Illustrative Commodity Model related to the implementation of the Independent Electricity System Operator (IESO)'s Market Renewal Program (MRP), effective May 1, 2025. Page 11 of Reference 1 states that:

In Tab "Variances in ac 1588" of the updated Illustrative Commodity Model, two new tables are added to quantify the energy variances that are included in Account 1588 for records-keeping purposes. While the quantification tables are not required to be filed with the OEB at this time, these tables assist the distributors in explaining the 1% threshold test in Account 1588.

Reference 2 introduced two new reconciliation tables under the "Variances in ac 1588" tab to quantify energy cost variances arising from the implementation of MRP. In Page 11 of Reference 1, the OEB stated that these tables are intended for record-keeping purposes and are not required to be filed with the OEB. However, these two reconciliation tables may assist the distributors in explaining the 1% threshold test in Account 1588 where applicable.

Question(s):

- a. Has Niagara-on-the-Lake Hydro utilized Table 42 and/or 43 of Ref. 2 to track or quantify the MRP-related energy variances recorded in Account 1588?
 - i. If so, please explain whether the variances recorded in Table 42 and Table 43 were material in 2025, respectively. Please provide the corresponding quantum of the variances if the variance(s) are material.
 - ii. If not, please explain why not.

Staff-8

Question(s):

- a. In the instance the OEB releases any updated rates/charges (e.g., 2027 preliminary Uniform Transmission Rates) before Niagara-on-the-Lake Hydro provides its responses to OEB staff's questions, please update the Rate Generator Model, as applicable. If any updates are made, please identify the rate and/or charge that have been updated.