

September 29, 2026

Mr. Ritchie Murray
Registrar
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

RE: 2027 IRM Rate Application EB-2026-0059 – Responses to OEB Staff Questions

Dear Mr. Murray:

Please find attached Niagara Peninsula Energy Inc.'s ("NPEI's") responses to OEB Staff questions in NPEI's 2027 IRM Rate Application (EB-2026-0059) and accompanying Excel models.

NPEI hereby confirms that the documents filed in support of NPEI's 2027 IRM Rate Application, including responses to OEB Staff questions and any other supporting documentation, do not include any personal information (as that phrase is defined in the Freedom of Information and Protection of Privacy Act), that is not otherwise redacted in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

If there are any questions, please contact Paul Blythin at (905) 356-2681 ext. 6064, or Paul.Blythin@npei.ca.

Yours truly,
NIAGARA PENINSULA ENERGY INC.

Paul Blythin

Paul Blythin, CPA, CGA
Vice-President, Regulatory Affairs & Revenue

Cc: Kelli Benincasa, Case Manager (EB-2026-0059), OEB



**Niagara Peninsula Energy Inc.
EB-2026-0059
September 29, 2026**

Please note, Niagara Peninsula Energy Inc. (Niagara Peninsula Energy) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions 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 Question-1

Ref: 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%.

Response

- a) NPEI confirms that Tab 3 (Continuity Schedule) reflects the Q4 2026 OEB-prescribed interest rate of 2.87%. NPEI has attached the updated 2027 IRM Rate Generator Model as part of its response to OEB staff questions.

Staff Question-2

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 MR. 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 Peninsula Energy 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.

Response

- a) NPEI has utilized table 42 and 43 of Ref. 2 to track and quantify the MRP-related energy variances recorded in Account 1588.
 - i) The variances recorded in Table 42 of \$89,324 and Table 43 of (\$218) are immaterial (less than 1%) to NPEI's 1588 Account for 2025.
 - ii) Not Applicable.

Staff Question-3

Question(s):

- a) In the instance the OEB releases any updated rates/charges (e.g., 2027 preliminary Uniform Transmission Rates) before Niagara Peninsula Energy 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.

Response

- a) NPEI confirms that prior to sending its responses to OEB staff questions, NPEI has not received any OEB releases of updated rates/ charges.

Staff Question-4

Ref: Rate Generator Model, Tab 6. Class A Consumption Data and the Commodity Accounts Analysis Workform

The total amount of Class A Consumption data entered on Tab 6. Class A Consumption Data of the Rate Generator Model and the Commodity Accounts Analysis Workform is 265,344,455 kWh, see screenshot below:

Consumption Data Excluding for Loss Factor (Data to agree with RRR as applicable)		
Year		2025
Total Metered excluding WMP	C = A+B	1,328,667,423
RPP	A	610,803,281
Non RPP	B = D+E	717,864,142
Non-RPP Class A	D	265,344,455
Non-RPP Class B*	E	452,519,687

The total amount of Class A consumption data reported in Niagara Peninsula Energy's RRR data is 267,985,474 kWh.

Question(s):

- a) Please explain the discrepancy between the Class A amount reported in RRR of 267,985,474 kWh and the amounts reported in the Rate Generator Model Tab 6. Class A Consumption Data and Commodity Accounts Analysis Workform of 265,344,455 kWh.
- b) If required, please update either the RRR filing or the Rate Generator Model and the Commodity Account Analysis Workform.

Response

- a) NPEI confirms that the data entered on Tab 6. Class A Consumption Data and the Commodity Accounts Analysis Workform is correct at 265,344,455 kWh. The difference of 2,641,019 kWh between NPEI's 2025 RRR filing (267,985,474 kWh) and Tab 6. Class A Consumption Data and the Commodity Accounts Analysis Workform (265,344,455 kWh) is due to NPEI inadvertently including NPEI's one (1) Wholesale Market Participant Customer kWh as part of the total Class A kWh reported in NPEI's 2025 RRR filing.

- b) NPEI has submitted a revision request with the OEB and corrected the total Class A kWh that was originally reported in the 2025 RRR filing, to reflect the correct kWh of 265,344,455.

Staff Question-5

Ref: Commodity Accounts Analysis Workform Tab Account 1588

Preamble:

The dollar amount reported in the Commodity Accounts Analysis Workform for Account 4705 Power Purchased is \$110,979,784, see screenshot below:

Note 7

Account 1588 Reasonability Test

Year	Account 1588 - RSVA Power					Purchased
	Transactions ¹	Principal Adjustments ²	Reconciling Items ³	Total Activity in Calendar Year		
2025	- 327,287	-	-	-	327,287	110,979,784
Cumulative	- 327,287	-	-	-	327,287	-

However, the amount reported in the RRR Trial Balance is \$111,092,574 for Account 4705 Power Purchased.

Question(s):

- Please explain the discrepancy between the amount reported in RRR of \$111,092,574 and the amount reported in the Commodity Accounts Analysis Workform Tab Account 1588 of \$110,979,784.
- If required, please update either the RRR filing or the Commodity Accounts Analysis Workform.

Response

- NPEI confirms that the amount reported in the 2025 RRR of \$111,092,574 is correct. For the 2027 Commodity Accounts Analysis Workform Tab Account 1588, NPEI inadvertently entered an incorrect amount of \$110,979,784.
- NPEI has updated the 2027 Commodity Accounts Analysis Workform Tab Account 1588, which reconciles to NPEI's 2025 RRR filing, and NPEI has attached the updated 2027 Commodity Accounts Analysis Workform as part of its response to OEB staff questions.