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

BY EMAIL

October 9, 2026

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

Dear Mr. Murray:

Re: EPCOR Natural Gas Limited Partnership (EPCOR)
Application for 2027 Rates – Southern Bruce Service Area
Ontario Energy Board File Number: EB-2026-0149

In accordance with Procedural Order #1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant has been copied on this filing.

EPCOR Natural Gas Limited Partnership's responses to interrogatories are due by October 26, 2026.

Any questions relating to this letter should be directed to Randy Doradat, Advisor at randy.doradat@oeb.ca. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Randy Doradat
Advisor, Natural Gas

Encl.

OEB Staff Interrogatories
EPCOR Natural Gas Limited Partnership
EB-2026-0149

Please note, EPCOR Natural Gas Limited Partnership 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*.

OEB Staff.1 - Minor Potential Typographical Errors and Confirmations

Ref: ENGLP_APPL_2027 Custom IR Update_SB_20260731, pg. 15

EPCOR states "As per EB-2018-0264, Exhibit 3, Tab 1, Schedule 2, pg. 3, the CIP volumes for 2025 are:…."

a) Please confirm if this reference should be to page 2 instead of 3.

Ref: 2027 Incentive Rate Adjustment Application, p. 30

EPCOR states "The calculation of the projected total amount proposed for disposal is summarized below and further details of these balances are provided in the continuity schedule in Appendix E, along with the ENGLP_AYLMER_IRM_DVA Workbook included with this submission."

b) Please confirm if this should say "SB" instead of "AYLMER".

Ref 1: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731 , TVA Tab, Cell A66
Ref 2: 2027 Incentive Rate Adjustment Application, p. 38

Ref 1 indicates that TVA Account Balance Recovery is Based on 2026 Forecast Demand Values while Ref 2 states that the TVA Account balance recovery is based on current contract demand.

c) Please clarify the discrepancy.

Ref: 2027 Incentive Rate Adjustment Application, p. 34

	EB-2025-0178	2026 Balance	Combined
Principal	$610,802	$150,009	**$760,811**
Carrying Charges	$25,717	$5,580	**$31,298**
Total	**$636,519**	**$155,589**	**$792,108**

d) Please confirm if the column headers "EB-2025-0178" and "2026 Balance" should be swapped.

Ref: 2027 Incentive Rate Adjustment Application, p. 38

EB-2025-0178	
S&TVA Approved Balance	$470,330
Approved Rate Rider	($47,428)
Principal Balance	**$422,901**
2026 Carrying Charges (3.72%)	$15,732
Updated Balance	**$438,633**

e) Please confirm if the second row of the table above should say "TVA" instead of S&TVA

Ref: 2027 Incentive Rate Adjustment Application, p. 38

	EB-2025-0178	2026 Balance	Combined
Principal	$59,880	$47,428	**$107,309**
Carrying Charges	$3,256	$1,764	**$5,020**
Total	**$63,136**	**$49,193**	**$112,329**

f) Please confirm if the column headers "EB-2025-0178" and "2026 Balance" should be swapped.

OEB Staff.2 – Deferral Accounts Summary

Ref 1: ENGLP_APPL_2027 Custom IR Update_SB_20260731, p. 12, Table D1
Ref 2: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731 Excel Workbook, TVA Tab, Cells B33 and C34

Deferral Accounts Requested for Disposition (Excluding COVID)

	2025		2026 Carrying Charges				Total
	Principal	Carrying Charges	Q1 2.55%	Q2 2.55%	Q3 2.55%	Q4 2.55%	
ECVA	$14,857	$0	$95	$95	$95	$95	$15,236
CIACVA	$295,068	$0	$1,881	$1,881	$1,881	$1,881	$302,592
MTVA	($92,463)	$10,267	($589)	($589)	($589)	($589)	($84,553)
ORDA	($30,971)	($418)	($197)	($197)	($197)	($197)	($32,179)
CVVA	$511,908	$9,924	$3,263	$3,263	$3,263	$3,263	$534,886
UFGVA	$157,619	$302	$1,005	$1,005	$1,005	$1,005	$161,940
ADVADA	$53,758	$10,046	$343	$343	$343	$343	$65,174
	2025		2026 Carrying Charges				Total
	Principal	Carrying Charges	Q1 3.72%	Q2 3.72%	Q3 3.72%	Q4 3.72%	
S&TVA	$610,802	$2,995	$5,680	$5,680	$5,680	$5,680	$636,519
TVA	$63,136	$1,028	$587	$587	$587	$587	$66,513
Total	**$1,583,714**	**$34,144**	**$12,067**	**$12,067**	**$12,067**	**$12,067**	**$1,666,128**

Table D1 above indicates the 2026 carrying charges to be $2,348 (4 x 587).

Ref 2 indicates the TVA 2025 balance principal to be $59,880 and associated 2026 carrying charges to be $2,284.

Questions:

a) Please confirm whether the TVA 2025 balance principal is $59,880 or $63,136.
b) Please confirm the 2026 carrying charges amount.
c) Please provide updated material (Table D1, DVA Excel Workbook etc.) as needed to reflect the correct values

OEB Staff.3 – Change in Implementation Methodology

Ref: ENGLP_APPL_2027 Custom IR Update_SB_20260731, pg. 15, 17, 19, 21, 25, 29, 36

The table below indicates for several accounts, the proposed basis for calculating the rate rider in the current application and the approved basis for calculating the rate rider in EB-2025-0178.

Account	Current Application	Approved method in EB-2025-0178

ECVA	2025 normalized annual consumption (Rates 1, 6) and 2025 billed volumes (Rate 11)	Rate classes 1, 6 and 11 based on revised forecast volumes. The revised forecast volumes for rates 1 and 6 were based ENGLP's 2025 Gas Supply Plan filing and for rate 11, based on the 2-year billing determinants average for customers.
CIACVA	2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11) and current contract demand (Rate 16)	Rate classes 1, 6 and 11 based on revised forecast volumes and from Rate 16 based on contract demand. The revised forecast volumes for rates 1 and 6 were based on ENGLP's 2025 Gas Supply Plan filing and for rate 11, based on the 2-year billing determinants average for customers.
MTVA	2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11) and current contract demand (Rate 16)	Rate classes 1, 6 and 11 based on revised forecast volumes and from Rate 16 based on contract demand. The revised forecast volumes for rates 1 and 6 were based on ENGLP's 2025 Gas Supply Plan filing and for rate 11, based on the 2-year billing determinants average for customers.
ORDA	2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11)	Rate classes 1, 6 and 11 based on revised forecast volumes and from Rate 16 based on contract demand. The revised forecast volumes for rates 1 and 6 were based on ENGLP's 2025 Gas Supply Plan filing and for rate 11, based on the 2-year billing determinants average for customers.

CVVA	2025 year-end customer counts	Rate classes 1 and 6 based on forecasted customer accounts
UFGVA	2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11) and current contract demand (Rate 16)	Rate classes 1, 6 and 11 based on revised forecast volumes and from Rate 16 based on contract demand. The revised forecast volumes for rates 1 and 6 were based on ENGLP's 2025 Gas Supply Plan filing and for rate 11, based on the 2-year billing determinants average for customers.
S&TVA	2025 normalized annual consumption (Rates 1, 6) and 2025 billed volumes (Rate 11)	Rate classes 1, 6 and 11 based on 2026 forecast volumes

OEB Staff notes that the basis for calculating the seven rate riders above, in the current application, are proposed to differ from what was approved and used in EB-2025-0178.

Questions:

a) For each account listed in the preamble, please explain why EPCOR believes the proposed basis for calculating the rate rider should be used.
   i. For each account, please explain if and why EPCOR believes the proposed basis for calculation of the rate rider to be beneficial, relative to the basis for calculation of the associated rate rider, approved in EB-2025-0178.
b) For each account listed in the preamble, please identify what the rate rider values would be if the bases for calculation approved in EB-2025-0178 were used instead (with 2027 forecast volumes).
   i. Please provide a comparison between these rate riders and the currently proposed rate riders, indicating the difference both numerically and as a percentage

OEB Staff.4 – CVVA Rate Base

Ref 1: ENGLP_APPL_2027 Custom IR Update_SB_20260731, pg. 24

	Without CVVA	With CVVA
Regulatory Net Income	($173,507)	$338,401
Regulated Equity		
Opening Rate base	$94,223,330	$94,223,330
Closing Rate base	$92,779,960	$92,779,960
Mid-Year Rate base	$93,501,645	$93,501,645
Equity Component	36%	36%
	$33,660,592	$33,660,592
ROE %	**(0.5%)**	**1.0%**

Ref 2: EB-2018-0264, Application and Evidence, Exhibit 2, April 12, 2019, Table 2-1

Table 2-1 Summary of Projected Utility Rate Base
(Thousands of Dollars)

		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10
	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Row 1											
Row 2	**Fixed Assets**										
Row 3	Gross Book Value	24,730	55,334	62,740	65,183	66,891	68,133	68,785	69,169	69,769	70,294
Row 4	Accumulated Depreciation	-346	-1,355	-2,873	-4,617	-6,419	-8,262	-10,132	-12,015	-13,922	-15,852
Row 5	Net Book Value	24,385	53,979	59,868	60,566	60,472	59,871	58,653	57,154	55,847	54,442
Row 6											
Row 7	**Allowance for Working Capital**										
Row 8	Working Capital	93	244	326	381	419	454	467	473	479	504
Row 9											
Row 10	**Rate Base**										
Row 11	Rate Base	24,477	54,223	60,193	60,947	60,891	60,325	59,120	57,627	56,326	54,946

Questions:

a) Please explain why the rate base values in Ref 1 are approximately 30-35 million dollars higher than that listed in Ref 2.

OEB Staff-5 – UFGVA November 2025 Variance

Ref 1: ENGLP_APPL_2027 Custom IR Update_SB_20260731, pp. 26-29, Unaccounted for Gas Variance Account
Ref 2: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731, Tab UFGVA

Ref 2 shows a November 2025 UFGVA debit of $128,778, which appears to account for the majority of the 2025 UFGVA principal balance of $157,619. Ref 1 states that EPCOR's 2025 UFG percentage occurred primarily in November 2025 and describes an investigation into the variance. OEB staff notes that EPCOR investigated the significant UFG recorded in November 2025. While the evidence describes the investigative steps undertaken, it does not identify a definitive cause for the November 2025 UFG, which was significantly higher than the UFG recorded in the other months of 2025.

a) Please explain why the November 2025 UFG was significantly higher than the UFG recorded in the other months of 2025.
b) Please explain with calculations and using November 2025 as an example, how the unaccounted for gas volume for each month is calculated.
    i. Are CNG volumes included in this calculation?
    ii. If yes, could a difference in heat value for the CNG relative to EGI's heat value contribute to this large unaccounted for gas volume in November 2025?
c) Please provide the detailed calculation supporting the November 2025 UFGVA debit amount of $128,778, including: i. actual UFG volume; ii. approved UFG volume; iii. variance volume; and iv. the commodity cost and any other inputs used in calculating the debit amount.

OEB Staff.6 – S&TVA Discrepancy

Ref: ENGLP_APPL_2027 Custom IR Update_SB_20260731, p. 35

Table D28
S&TVA Allocation - Upstream Recovery

	Unit	Row Sum	Rate 1	Rate 6	Rate 11
Volume	$000's	2,538	1,579	959	0
Allocation	%	100%	62%	38%	0%
Total	$	$1,109,181	$689,957	$419,224	$0

ENGLP_APPL_2027 Custom IR_SB_DVA_20260731, S&TVA Tab

S&TVA Account Balance Allocation - Upstream Recovery Costs (EB-2018-0624, Exhibit 7, Tab 1, Schedule 2, Table 7-24 - Enbridge CIAC Rate Base)					
	Unit	Row Sum	Rate 1	Rate 6	Rate 11
Volume	$000's	2,538	1,579	959	0
Allocation	%	100%	62%	38%	0%
Total	**$**	**$13,997**	**$8,707**	**$5,290**	**$0**

OEB staff note there is a discrepancy between upstream recovery costs indicated between the two reference above.

Questions:

a) Please confirm the correct upstream costs and their allocations. Please provide updated Excel workbooks and other material, as necessary, due to any corrections.

OEB Staff.7 – Deferral Accounts Summary

Ref: ENGLP_APPL_2027 Custom IR Update_SB_20260731, p. 36

Table D30
S&TVA Allocation - Combined

	Unit	Row Sum	Rate 1	Rate 6	Rate 11
Allocation	%	100%	66%	23%	11%
Total	**$**	**$792,108**	**$521,883**	**$183,305**	**$86,920**

Table D31
Calculation of Proposed S&TVA Rate Rider

	Unit	Row Sum	Rate 1	Rate 6	Rate 11
Volume	000's m^3	13,257	8,663	2,919	1,676
Allocation	%	100%	65%	23%	12%
Total	**$**	**$792,108**	**$521,883**	**$183,305**	**$86,920**
Rate Rider	**¢/m^3**		**6.0244**	**6.2806**	**5.1877**

OEB staff note that although the allocated amounts are consistent between the two tables above, the allocation percentages vary for Rates 1 and 11.

Questions:

a) Please explain the discrepancy and update any associated Excel worksheets or other material, as necessary.

OEB Staff.8- Continuity Schedules

Ref 1: ENGLP_APPL_2027 Custom IR Update_SB_20260731, Appendix E
Ref 2: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731

In the Municipal Tax Variance Account (MTVA), EPCOR indicates that in October 2025, property taxes paid amounted to $(37,224).

In the Other Revenues Deferral Account (ORDA), EPCOR indicates that in January, April and December of 2025, late payment charges resulted in positive amounts to the account.

On the S&TVA tab of the referenced workbook, for ECNG/Nomination December 2025 and for Gas Supply October to December 2025, there are negative values recorded in the continuity schedule.

Questions:

a) Please explain the $(188,241) charge to the MTVA.
b) Please explain how late payment charges resulted in positive amounts to the ORDA for the months listed above.
c) Please explain the negative values in the S&TVA tab as referenced above

OEB Staff.9 – ADVADA Continuity and Reconciliation

Ref 1: ENGLP 2022 IRM Application, EB-2021-0216, Decision and Order (Phase 1) December, 9, 2021, pp. 26-27, Accounting Order Approved Deferral/Variance Disposal Variance Account
Ref 2: ENGLP_APPL_2027 Custom IR Update_SB_20260731, pp. 30-32
Ref 3: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731, Tab ADVADA

In Ref 1, the OEB-approved accounting order for the Approved Deferral/Variance Disposal Account (ADVADA) states that:

"Deferral and variance account balances which have been approved for disposition by the Board, will be transferred into the ADVADA and appropriate sub-account

(categorized based on the year of disposition). Amounts recovered from or refunded to ratepayers through the associated approved rate rider(s) will be recorded against the balance in the ADVADA."

The accounting order further states that ENGLP will account for ADVADA in the same manner as Account 1595 (Disposition and Recovery/Refund of Regulatory Balances Control Account).

Table D21 in Ref 2 identifies OEB-approved disposition amounts of $132,700[1] and $50,786[2]. However, OEB staff notes that Ref 3 shows a debit balance of $131,892 in December 2021 and a credit balance of $8,789 in December 2022 for ADVADA 2022, and a debit balance of $50,356 in December 2022 and a credit balance of $8,582 in December 2023 for ADVADA 2023.

Questions:

a) Please explain how the debit balances of $131,892 and $50,356 and credit balances of $8,789 and $8,582 shown in Ref 3 were derived.
b) Please identify where in Ref 3 the transfer of the OEB-approved disposition amounts into ADVADA and the corresponding recoveries/refunds through approved rate riders are recorded.
c) Please provide a detailed continuity schedule for ADVADA, separately for the balances arising from EB-2021-0216 and EB-2022-0184, showing:
    - the OEB-approved disposition amount transferred into ADVADA;
    - amounts recovered from or refunded to ratepayers through approved rate riders;
    - any adjustments recorded to ADVADA;
    - carrying charges; and
    - the resulting ending balance.

OEB Staff.10 – ADVADA Clarifications

Ref 1: ENGLP_APPL_2027 Custom IR Update_SB_20260731, p.30
Ref 2: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731, Load Forecast Tab, ADVADA Allocations

[1] EB-2021-0216
[2] EB-2022-0184

The ADVADA includes balances due to rate riders approved in EB-2021-0216, with a rate rider sunset of December 31, 2022 and balances due to rate riders approved in EB-2022-0184, with a rate rider sunset of December 31, 2023.

EPCOR indicates the two-year adjustment window to have been achieved 20-Dec-24 and 20-Dec-25 for the ADVADA sub-accounts related to EB-2021-0216 and EB-2022-0184, respectively.

EPCOR proposed to allocate the ADVADA balance based on approved DVA allocations included in EB-2021-0216 and EB-2022-0184.

ENGLP proposes to recover the ADVADA balance from customers by implementing a 12-month variable-rate rate rider commencing January 1, 2027, using 2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11) and current contract demand (Rate 16) as the basis for calculation.

Ref 2 indicates that for ADVADA allocations, the ECVA and CIACVA allocations were used from EB-2022-0184. OEB staff note that in EB-2022-0184, a rate rider regarding the Municipal Tax Variance Account (MTVA) was also approved, in addition to the ECVA and CIACVA.

Questions:

a) Please confirm if the two-year adjustment window was instead met on December 31, 2024, and December 31, 2025 for the ADVADA sub-accounts related to EB-2021-0216 and EB-2022-0184
b) Please explain if disposition of the ADVADA with regards to its sub-account regarding rate-riders from EB-2021-0216 was possible in EPCOR's 2026 custom IR application, filed in 2025.
    i. If yes, why is the ADVADA being requested for disposition for the first time this year, instead of last year?
    ii. Please explain why EPCOR believes it is appropriate to accrue and request disposition of additional carrying charges over one additional year for the EB-2021-0216 sub-account.
c) Please provide calculations detailing the carrying charges for the ADVADA requested in the current application compared to what the carrying charges would have been, were this account requested and approved for disposition in the 2026 custom IR application. Please include the numeric values along with percentages in the comparison.
d) Please explain why for the EB-2022-0184 ADVADA allocations, the allocations pertaining to the MTVA were not included.
e) Please explain why EPCOR believes that the ADVADA should be allocated based on approved DVA allocations included in EB-2021-0216 and EB-2022-

0184. Please include any relevant reference cases where a similar account may have been included.

f) Please provide EPCOR's view in allocating the ADVADA balance based on actual volumes for the period in which the balance of the account accumulated.
    i. Please calculate the rate riders using this allocation methodology and include updated Excel workbooks or supporting material, as needed.

g) Please explain why EPCOR believes that the ADVADA rate rider should use 2025 normalized annual consumption (Rates 1, 6), 2025 billed volumes (Rate 11), and current contract demand (Rate 16) as a basis for calculation.

h) Please provide EPCOR's view in using 2027 forecasted volumes from the current gas supply plan as the basis for calculating the ADVADA rate rider for rate classes, 1, 6 and 11, instead of the proposed basis for calculation.
    i. Please provide a comparison between these rate riders (using 2027 forecasted volumes) and the currently proposed rate riders, indicating the difference both numerically and as a percentage

OEB Staff.11 – Update Tariffs

Ref 1: ENGLP_SB_Custom IR Update_Ph1_20260924, Appendix B and Appendix E
Ref 2: EB-2026-0226, Decision and Order, September 24, 2026

The gas supply charge was recently updated per Ref 2.

Questions:

a) Please provide updated tariffs for both unmitigated and mitigated options using the most recent gas supply charge.

OEB Staff.12 – Billing Determinants

Ref 1: ENGLP_APPL_2027 Custom IR_SB_Ph1_Rate Model_20260924.xlsm
Ref 2: ENGLP_APPL_2027 Custom IR_SB_Ph1_Rate Model_mitigation_20260924.xlsm
Ref 3: EB-2025-0178, ENGLP_REPLYSUB_2026 CustomIR_SB_RateModel_20251119
Ref 4: ENGLP_SB_Custom IR Update_Ph1_20260924, Appendix C and Appendix F
Ref 5: EB-2025-0178, Application, Appendix C

On the *B1.2 Billing Determinants* Tab of Ref 1 and Ref 2, cell C13 states "Source: EB-2026-0086 Gas Supply Plan Load Forecast/EB-2026-0149 CVVA Workbook - 2025 NAC for R1/6. 2025 actuals for R11/R16" with regards to the billing determinants.

In Ref 3, cell C13 or the B1.2 Billing Determinants Tab indicates the source was "EB-2025-0140 Gas Supply Plan Load Forecast - 2026 Forecast" for the billing determinants in EB-2025-0178.

In Ref 1 and 2, in the *B1.2 Billing Determinan*ts tab, column J appears to be values other than the sums of the delivery charges for tier 1-3 (columns F-H). In Ref 1 and Ref 2, tab *B1.3 Current Rev From Rates*, the Upstream Recovery, and Transportation & Storage charges appear to be referencing column J from the B1.2 Billing Determinants tab.

In Ref 1 and 2, tabs *B1.2 Billing Determinants* and *E1.2 Billing Determinants* differ with the right most column in each labeled "Delivery Charge Contract Demand" and "Gas Supply m3", respectively. These columns also have different values from each other.

In tabs G1.1-G1.4 of Ref 1 and 2, and in Ref 4, OEB staff noted the annual consumption volumes used in calculating bill impacts differ from the annual consumption volumes used in Ref 3 (tabs G1.1-G1.4) and Ref 5.

Questions:

a) Please confirm whether the billing determinants in the current application are actual 2025 volumes.
    i. If so, please explain why the billing determinants are determined differently than in EPCOR's 2026 Southern Bruce IRM application (EB-2025-0178)
    ii. Please explain why EPCOR proposes to use 2025 actuals instead of forecasted volumes for the year the rates application is for (2027), as done in EPCOR's 2026 rates application[3], where 2026 forecasted volumes were used.
    iii. If this interrogatory response generates changes, please provide updated worksheets as applicable and explain the effect on bill impacts including how any updates flow-through
b) Please explain what columns I and J represent on tab *B1.2 Billing Determinants* of Refs 1 and 2.
c) Please confirm if the Upstream Recovery, and Transportation & Storage charges on *Tab B1.3 Current Rev from Rates* reference the correct billing determinants.

[3] EB-2025-0178

   i. If this interrogatory generates changes, please provide updated worksheets as applicable and explain the effect on bill impacts including how any updates flow-through

d) Please explain why the billing determinants shown in tab B1.2 differ from that of tab E1.2.
   i. If this interrogatory generates changes, please provide updated worksheets as applicable and explain the effect on bill impacts including how any updates flow-through
e) Please explain the source of the annual consumption volumes used in Refs 1,2 and 4.
   i. Please explain why these values were changed from those used in EB-2025-0178 and how the new values are more appropriate.
   ii. Does EPCOR believe that the residential annual consumption volume of 1,549 m^3 used in the current application should be used in future QRAM applications when calculating residential bill impacts?

OEB Staff.13 – S&TVA Carrying Charges

Ref 1: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731, S&TVA Tab
Ref 2: ENGLP_APPL_2027 Custom IR Update_SB_20260731 , p. 34

OEB staff notes that the following table appears in both Ref 1 and Ref 2:

Combined Balance:

	EB-2025-0178	2026 Balance	Combined
Principal	$610,802	$150,009	**$760,811**
Carrying Charges	$25,717	$5,580	**$31,298**
Total	**$636,519**	**$155,589**	**$792,108**

OEB staff further notes that the approved balance at January 1, 2026 is $3,737,727. After deducting the annual recovery amount of $150,009, cells B70:M70 of the S&TVA Tab in Ref 1 show a balance of $3,587,718 for each month of 2026. Cells B71:M71 show monthly carrying charges of approximately $11,122, resulting in total carrying charges of $133,463 for 2026.

Based on OEB staff's review, the carrying charges shown in cells B71:M71 appear to be calculated using the balance of $3,587,718. OEB staff further notes that the monthly

balance used to calculate carrying charges remains unchanged throughout 2026, despite carrying charges being added to the account balance each month.

OEB staff observes that:

- the opening balance used to calculate monthly carrying charges does not appear to reflect the previous month's ending balance; and
- the carrying charge amount of $5,580 shown in the table above does not appear to reconcile to the annual carrying charges of $133,463 reflected in the continuity schedule.

Questions:

a) Please confirm whether OEB staff's observations are correct.
   i. If confirmed, please provide:
      - the corrected principal and carrying charge amounts proposed for disposition in the current application;
      - updated S&TVA continuity schedules;
      - updated rate rider calculations;
      - updated draft rate schedules; and
      - any other evidence, models, or workpapers affected by the correction.
   ii. If not confirmed, please explain in detail why.
b) Given that the balance approved in EB-2025-0178 is being recovered over a 299-month period, please provide a continuity schedule for each year of the approved recovery period and the final 11-month period showing:
   i. opening principal balance;
   ii. annual principal amount recovered;
   iii. carrying charges for the year;
   iv. total annual recovery amount; and
   v. closing principal balance.

OEB Staff.14 – TVA Carrying Charges

Ref 1: ENGLP_APPL_2027 Custom IR_SB_DVA_20260731,TVA Tab
Ref 2: ENGLP_APPL_2027 Custom IR Update_SB_20260731 , p. 38

OEB staff notes that the following table appears in both Ref 1 and Ref 2:

	EB-2025-0178	2026 Balance	Combined
Principal	$59,880	$47,428	**$107,309**
Carrying Charges	$3,256	$1,764	**$5,020**
Total	**$63,136**	**$49,193**	**$112,329**

OEB staff further notes that the approved balance at January 1, 2026 is $470,330. After deducting the annual recovery amount of $47,428, cells B49:M49 of the TVA Tab in Ref 1 show a balance of $422,901 for each month of 2026. Cells B50:M50 show monthly carrying charges of approximately $1,311, resulting in total carrying charges of $15,732 for 2026.

Based on OEB staff's review, the carrying charges shown in cells B71:M71 appear to be calculated using the balance of $422,901. OEB staff further notes that the monthly balance used to calculate carrying charges remains unchanged throughout 2026, despite carrying charges being added to the account balance each month.

OEB staff observes that:

- the opening balance used to calculate monthly carrying charges does not appear to reflect the previous month's ending balance; and
- the carrying charge amount of $1,764 shown in the table above does not appear to reconcile to the annual carrying charges of $15,732 reflected in the continuity schedule.

Questions:

a) Please confirm whether OEB staff's observations are correct.
   i. If confirmed, please provide:
      - the corrected principal and carrying charge amounts proposed for disposition in the current application;
      - updated TVA continuity schedules;
      - updated rate rider calculations;
      - updated draft rate schedules; and
      - any other evidence, models, or workpapers affected by the correction.
   ii. If not confirmed, please explain in detail why.

b) Given that the balance approved in EB-2025-0178 is being recovered over a 119-month period, please provide a continuity schedule for each year of the approved recovery period and the final 11-month period showing:
   i. opening principal balance;
   ii. annual principal amount recovered;
   iii. carrying charges for the year;

iv. total annual recovery amount; and
v. closing principal balance.