Westario Power Inc.
EB-2026-0077
September 29, 2026

Please note, Westario Power Inc. (Westario Power) 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%.

WPI Response:

Tab 3 (Continuity Schedule) in IRM Model has been updated to reflect Q4 2026 OEB-prescribed interest rate of 2.87%.

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

Preamble:
The OEB issued final updates to the Accounting Guidance and the updated Ilustrative 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 Westario Power 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.

WPI Response:

a)

i. Westario maintains tables 42 and 43 for MRP-related energy variances. The 2025 MRP-related energy variances for non-RPP totaled $(210,197) and embedded generation totaled $26,540.27, with a total net of $(183,656.73).

Table 42: Difference between preliminary DAM OZP & LFDA and amount billed by IESO for CT 1115 - Non-RPP

	Preliminary Settlement OZP & LFDA Average Price	IESO Billed OZP & LFDA Average Price	Difference	kWh Volumes	$ Price Difference
5/31/25	0.0147	0.0125	-0.0022	16,165,909	$ (35,267.68)
6/30/25	0.0319	0.0273	-0.0047	16,701,664	$ (77,862.47)
7/31/25	0.0477	0.0455	-0.0022	17,424,485	$ (38,567.43)

8/31/25	0.0409	0.0392	-0.0016	17,168,842	$ (27,875.54)
9/30/25	0.0333	0.0326	-0.0007	16,556,972	$ (12,284.02)
10/31/25	0.0350	0.0335	-0.0015	16,671,478	$ (24,542.15)
11/30/25	0.0553	0.0554	0.0000	16,255,500	$ 480.05
12/31/25	0.0589	0.0593	0.0003	16,774,974	$ 5,722.23
Total					$ (210,197.00)

Table 43: Difference between estimated DAM OZP & LFDA and amount billed by IESO for CT 1115 - Embedded Generation

	Preliminary Settlement OZP & LFDA Average Price	IESO Billed OZP & LFDA Average Price	Difference	kWh Volumes	$ Price Difference
5/31/25	-0.1938	-0.1910	0.0028	550,967	$ 1,526.73
6/30/25	-0.3674	-0.3312	0.0362	606,233	$ 21,940.17
7/31/25	-0.1396	-0.1373	0.0023	655,217	$ 1,509.55
8/31/25	-0.1603	-0.1582	0.0021	545,738	$ 1,119.56
9/30/25	-0.0074	-0.0076	-0.0002	481,386	$ (118.79)
10/31/25	-0.1681	-0.1665	0.0016	357,683	$ 555.34
11/30/25	-0.1419	-0.1417	0.0001	123,604	$ 16.21
12/31/25	0.1255	0.1248	-0.0006	13,222	$ (8.51)
Total					$ 26,540.27

ii. Although these variances impact account 1588 the overall results would still be within the expected threshold of +/- 1.0%.

Staff Question-3

Question(s):

a) In the instance the OEB releases any updated rates/charges (e.g., 2027 preliminary Uniform Transmission Rates) before Westario Power 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.

WPI Response:

Tab 11 (RTSR – UTRs & Sub-Tx) in IRM Model has been updated to reflect the OEB's decision EB-2026-0246 for 2027 preliminary Uniform Transmission Rates and Hydro One Sub-Transmission Rates.

Staff Question-4

Ref. 1: Rate Generator Model, Tab 3, Continuity Schedule
Ref. 2: EB-2026-0077, Westario Power Inc. 2027 IRM Application, p. 19

Question(s):

a) Cells located in rows 28 "RSVA – Power" and 29 "RSVA – Global Adjustment" and column BX indicating a need for an explanation in the Manager 's Summary, which contradicts the information from the application, page 19. Please correct or explain.

WPI Response:

Westario Power confirms that the variances identified in column BX of Tab 3 for Accounts 1588 – RSVA Power and 1589 – RSVA Global Adjustment were explained on page 19 of the Application.

As noted on page 19, Accounts 1588 and 1589 are the exceptions to the statement that there are no variances between the RRR balances and the balances calculated in Tab 3. The subsequent paragraphs on page 19 provide the reconciliation of the variances for each of these accounts, including the reversal of previously approved 2024 principal adjustments and the recording of new principal adjustments relating to 2025 activity.

Accordingly, Westario Power confirms that the explanations requested by the indicators in column BX were included in the Manager's Summary

Staff Question-5

Ref: Rate Generator Model, Tab 4, Billing Det. For Def-Var

	EB-2025-0002	EB-2025-0002	EB-2026-0077
	2026 IRM RGM Tab 4, column C, metered kWh	Ratio of kWh	2027 IRM 1595 Recovery Proportion (2023)
RESIDENTIAL SERVICE CLASSIFICATION	193,947,189	0.4429	0.4566
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	74,472,836	0.1701	0.1723
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	166,883,726	0.3811	0.3660
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	220,105	0.0005	0.0001
SENTINEL LIGHTING SERVICE CLASSIFICATION	19,038	0.0000	0.0050
STREET LIGHTING SERVICE CLASSIFICATION	2,323,732	0.0053	0.0000
Total	**437,866,626**	**1.0000**	**1.0005**

Question(s):

a) Column O, 1595 Recovery Proportion (2023), does sum to 100% or match the values utilized in the last application as shown in the table above. Please correct or explain.

WPI Response:

Tab 4 (Billing Det. For Def-Var) in IRM Model has been updated to reflect appropriate 1595 Recovery Portion ratio of kWh based on 2025's RRR Total Metered values and sums to 100%.

	EB-2026-0077	EB-2026-0077	EB-2026-0077
	2027 IRM RGM Tab 4, column C, metered kWh	Ratio of kWh	2027 IRM 1595 Recovery Proportion (2023)
RESIDENTIAL SERVICE CLASSIFICATION	206,382,487	0.4564	0.4564

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION	77,864,797	0.1722	0.1722
GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION	165,449,895	0.3659	0.3659
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	214,677	0.0005	0.0005
SENTINEL LIGHTING SERVICE CLASSIFICATION	24,046	0.0001	0.0001
STREET LIGHTING SERVICE CLASSIFICATION	2,279,049	0.0050	0.0050
Total	**452,214,950**	**1.0000**	**1.0000**

Staff Question-6

Ref. 1: Rate Generator Model, Tab 6, Class A Consumption Data

Question(s):

a) Please enter the appropriate Rate Class in cell D492.

WPI Response:

Tab 6 (Class A Consumption Data) in IRM Model has been updated to reflect appropriate rate class.