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

BY E-MAIL

October 23, 2026

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

Dear Ritchie Murray:

Re: E.L.K. Energy Inc. (E.L.K. Energy)
Application for 2027 Distribution Rates
Ontario Energy Board File Number: EB-2026-0032

In accordance with Procedural Order No. 1, OEB staff advises the OEB that parties have come to an agreement to revise the standard issues list for E.L.K. Energy's 2027 distribution rate application. The proposed issues list is attached and includes the following revision to Issue 5.6 as well as the addition of Issue 1.3 and 7.3 noted below:

- 1.3 Are the amounts proposed for inclusion in rate base for the Incremental Capital Modules approved in EB-2023-0013 and the proposed treatment of the associated true-up appropriate?
- 5.6 Are rate mitigation proposals required and appropriate, including E.L.K. Energy's proposal to defer recovery of part of the 2027 revenue requirement to 2029-2031?
- 7.3 Have the outcomes of the transaction approved by the OEB in the EB-2025-0172 proceeding been appropriately addressed?

Further, parties are requesting that the OEB waive the requirement under rule 26.02(e)(ii) of the *Rules of Practice and Procedure* that the interrogatories correspond to the issues list. Parties are requesting that they may file interrogatories according to the exhibit numbers in the application.

OEB staff also advises that parties indicated that, given that the current issues list was prepared prior to the interrogatory process, parties may wish to raise additional matters for inclusion on the Issues List after the responses to the interrogatories are received.

Yours truly,

Tyler Davids Digitally signed by Tyler Davids
Date: 2026.10.23 15:17:03 -04'00'

Tyler Davids
Advisor – Distribution Asset Management

Attach.

PROPOSED ISSUES LIST
EB-2026-0032
E.L.K. Energy Inc. (E.L.K. Energy)

1. **Capital Spending and Rate Base**
   - 1.1 Are the proposed capital expenditures and in-service additions appropriate?
   - 1.2 Are the proposed rate base and depreciation amounts appropriate?
   - 1.3 Are the amounts proposed for inclusion in rate base for the Incremental Capital Modules approved in EB-2023-0013 and the proposed treatment of the associated true-up appropriate?

2. **OM&A**
   - 2.1 Are the proposed OM&A expenditures appropriate?
   - 2.2 Is the proposed shared services cost allocation methodology and the quantum appropriate?

3. **Cost of Capital, PILs, and Revenue Requirement**
   - 3.1 Is the proposed cost of capital (interest on debt, return on equity) and capital structure appropriate?
   - 3.2 Is the proposed PILs (or Tax) amount appropriate?
   - 3.3 Is the proposed Other Revenue forecast appropriate?
   - 3.4 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?
   - 3.5 Is the proposed calculation of the Revenue Requirement appropriate?

4. **Load Forecast**
   - 4.1 Is the proposed load forecast methodologies and the resulting load forecasts appropriate?

5. **Cost Allocation, Rate Design, and Other Charges**
   - 5.1 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?
   - 5.2 Is the proposed rate design, including fixed/variable splits, appropriate?
   - 5.3 Are the proposed Retail Transmission Service rates and Low Voltage rates appropriate?
   - 5.4 Are the proposed loss factors appropriate?
   - 5.5 Are the Specific Service Charges and Retail Service Charges appropriate?

5.6 Are rate mitigation proposals required and appropriate, including E.L.K. Energy's proposal to defer recovery of part of the 2027 revenue requirement to 2029-2031?

6. Deferral and Variance Accounts

6.1 Are the proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for new accounts, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

7. Other

7.1 Is the proposed effective date appropriate?

7.2 Has the applicant responded appropriately to all relevant OEB directions from previous proceedings?

7.3 Have the outcomes of the transaction approved by the OEB in EB-2025-0172 proceeding been appropriately addressed?