



Ontario  
Energy  
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de l'Ontario

BY EMAIL and WEB POSTING

February 5, 2025

**To: All Licensed and Rate-regulated Electricity Distributors  
Intervenors in all 2025 Cost of Service Proceedings for Electricity  
Distributors  
All Other Interested Stakeholders**

**Re: 2026 Cost of Service Filing Requirements Models**

On December 9, 2024, the OEB issued updates to Chapter 2 and 5 of the *Filing Requirements for Electricity Distribution Rate Applications* (Filing Requirements) for 2026 rate applications along with a [cover letter](#) summarizing the updates.<sup>1 2</sup>

To assist distributors in preparing their applications, the OEB is now posting updated versions of models for 2026 rate applications, including an updated cost of service checklist. Notable changes are outlined below.

### **Chapter 2 Appendices: Loss Factor**

The Loss Factor calculation in Appendix 2-R of the Chapter 2 Appendices has been modified to identify microFIT and other embedded generation. These changes are intended to reflect that microFIT and other embedded generation are not subject to supply facility losses, but are sources of supply. As a result, they are added to both wholesale values to evaluate average supply facility losses, and to evaluate distribution system losses.

### **Commodity Accounts Analysis Workform & Deferral and Variance Account (DVA) Workform**

As noted in the Chapter 2 Filing Requirements, the 'GA Analysis Workform' has been renamed to the 'Commodity Accounts Analysis Workform.' Account 1588 – RSVA –

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<sup>1</sup> [Filing Requirements for Electricity Distribution Rate Applications – 2025 Edition for 2026 Rate Applications – Chapter 2, December 9, 2024](#)

<sup>2</sup> [Filing Requirements for Electricity Distribution Rate Applications – 2025 Edition for 2026 Rate Applications – Chapter 5, December 9, 2024](#)

Power Tab in the Commodity Accounts Analysis Workform has been enhanced by including a section for explaining reconciling items, alongside the principal adjustments, to improve the assessment of the Account 1588 reasonability test.

Instructions on how to complete the Commodity Accounts Analysis Workform and DVA Workform will be released at a later date.

**RTSR Model**

The OEB is working on further updates to the RTSR model planned for the end of March to include the new Electric Vehicle Rate Parameter into the RTSR calculation.

**Lost Revenue Adjustment Mechanism Variance Accounts (LRAMVA) Model**

The OEB has chosen not to update the LRAMVA model, as almost all distributors have disposed of any outstanding balance in their respective LRAMVAs. Any distributor seeking to use this model should work with OEB staff as needed to make any necessary updates to the existing version that was issued for 2025 rate applications.

Any questions relating to this letter should be directed to [ratemodels@oeb.ca](mailto:ratemodels@oeb.ca).

Yours truly,

Nancy Marconi  
Registrar