

Cochrane Office: (705) 272-6669  
Iroquois Falls Office: (800) 619-6722  
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April 17, 2025

BY RESS

Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 26th Floor, P.O. Box 2319  
TORONTO, ON M4P 1E4

**Re: Northern Ontario Wires Inc. – ED-2003-0018 – EB-2024-0046  
2025 Cost of Service (“COS”) Draft Rate Order Update**

Northern Ontario Wires Inc. (NOWI) is requesting the Board to update its Decision and Rate Order dated March 18, 2025 to reflect the final cost of capital parameters issued on March 27, 2025 by the Board in the cost of capital generic proceeding.

The following final parameters, effective January 1, 2025, have been applied in accordance with the March 27, 2025 direction:

- Return on Equity (ROE): 9.00%
- Deemed Long-Term Debt Rate: N/A as NOWI uses third party actual debt rates
- Deemed Short-Term Debt Rate: 3.91%

The impact of updating to use the OEB’s final parameters is to reduce the Short-Term Debt cost by \$5,028 and the Return on Equity by \$11,124.<sup>1</sup> Approval of this request will remove the need for NOWI to track the associated reduction in revenue requirement in a variance account and seek disposition in the future. OEB staff and intervenors of record have been advised of this request, have been provided the updated filing for review, and have raised no objections.<sup>2</sup>

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<sup>1</sup> There is no pass-through impact on NOWI’s PILS as NOWI’s PILS was already zero.

<sup>2</sup> NOWI notes that OEB Staff identified an error in the Tariff sheet, where the rate rider for Group 2 Accounts for the Streetlighting class was incorrectly shown as being applied on a per kWh basis; NOWI has corrected the Tariff sheet to indicate that the rider is to be applied on a per kW basis, consistent with the rest of the filed material.

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NOWI's updated Rate Order reflects these final inputs and the following impacted models have been revised accordingly:

- NOW\_2025\_Cost\_Allocation\_Model\_CoC\_Update\_20250417
- NOW\_2025\_Filing\_Requirements\_Chapter2\_Appendices\_CoC\_Update\_20250417
- NOW\_2025\_Final\_Tariff\_Schedule\_CoC\_Update\_20250417
- NOW\_2025\_Rev\_RevT\_Workform\_CoC\_Update\_20250417
- NOW\_2025\_Tariff\_Schedule\_and\_Bill\_Impact\_Model\_CoC\_Update\_20250417
- NOW\_2025\_Test\_year\_Income\_Tax\_PILs\_CoC\_Update\_20250417

Should the Board have any questions, please contact me at the number noted below or by email at [geoffs@nowinc.ca](mailto:geoffs@nowinc.ca).

Yours truly,

A handwritten signature in black ink, appearing to read "Geoffrey Sutton", written over a white background.

Geoffrey Sutton  
Chief Financial Officer  
Northern Ontario Wires Inc.  
(705) 272-2918