

## Decision on Hydro One's Application to Recover Storm Damage Costs

On April 7, 2026, the Ontario Energy Board (OEB) issued its [Decision and Order](#) denying Hydro One Networks Inc.'s (Hydro One) application for approval to recover \$69.4M in costs incurred due to the ice storm that occurred in March 2025.

Hydro One sought recovery of these costs through a Z-factor application. This type of application allows utilities to seek to recover costs incurred to address an unforeseen event that was beyond the utility's control, where the costs are material and have a significant impact on the utility's operations or financial sustainability. Approved Z-factor costs are an addition to the base rates and annual adjustments approved through a multi-year cost of service application.

While the OEB found that the ice storm was outside Hydro One's control and caused the damages described in the application, it also found that Hydro One was able to manage the impacts within its existing rate revenues. The OEB determined that Hydro One's operations and financial stability were not materially impaired and denied the application. Hydro One demonstrated that it had the skill, scale and financial wherewithal to manage the impact of the ice storm within Hydro One's existing rates.

## INTERVENORS

Intervenors are individuals or groups who have permission to participate in a hearing before the OEB because they have a substantial interest in the proceeding. The Consumers Council of Canada, Ontario Federation of Agriculture, School Energy Coalition and Vulnerable Energy Consumers Coalition were approved as intervenors in this proceeding.

## ABOUT THE OEB

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. We protect the interests of consumers and enable the delivery of clean, reliable, secure and affordable energy that supports economic growth across the province. This includes ensuring that the people and businesses of Ontario pay rates that are affordable while allowing for needed investments in an energy system that sustains our economy.

A key part of how we deliver on this mandate is through independent adjudication. When an application comes before us, Commissioner panels apply a rigorous, impartial review that balances our legislated objectives and is free from interference.

Learn more at [oeb.ca](https://oeb.ca).

## Contact Us

### Media Inquiries

Phone: 416-544-5171

### Consumer Inquiries

416-314-2455/1-877-632-2727

Email: [oebmedia@oeb.ca](mailto:oebmedia@oeb.ca)

*Ce document est aussi disponible en français.*

*This Backgrounder was prepared by OEB staff to inform Ontario's energy consumers about the OEB's decision and is not for use in legal or regulatory proceedings. It is not part of the OEB's reasons for decision; those may be found in the Decision and Order issued April 7, 2026, which is the official OEB document.*