

## NOTICE TO MARKET PARTICIPANTS AND STAKEHOLDERS

May 1, 2025

### **RE: Parameters for Acceptable Financial Performance Process**

---

#### **BACKGROUND AND REQUIREMENTS FOR THE JULY 2025 REPORT**

The MSA has been tasked, under the *Rate of Last Resort Regulation* AR 262/2005 (RoLR Regulation), with assessing the financial performance of Rate of Last Resort (RoLR) providers and making recommendations for whether rate re-opener proceedings should be initiated. As part of those responsibilities, we have undertaken a consultation process to ensure that we are working with RoLR providers to obtain the information we require in a way that is least burdensome to RoLR providers. Thank you to all who participated in the consultation. We have taken stakeholder feedback and, where possible, incorporated it into the parameters established for the first set of financial performance reports and our next steps.

While we are aware the conversation remains ongoing, the deadline for the first report is approaching. The MSA is required to complete its first financial performance reports by July 1, 2025 (July 2025 Reports). For RoLR providers to have enough time to gather the required information for the July 2025 Reports, as set out below, we have established the July 2025 Parameters for Acceptable Financial Performance under the Rate of Last Resort Regulation (Parameters). These Parameters will only be used to assess RoLR providers' financial performance for the July 2025 Reports and RoLR providers will have an opportunity to provide feedback on the next set of parameters, which are meant to form the basis of the permanent parameters used.

There are three documents RoLR providers will need to review to complete their part in this process. They include:

1. The Parameters: This is a reference document which explains the data and methodology the MSA will use to assess financial performance for the July 2025 Reports. The Parameters are available on the MSA's website [here](#).
2. July 2025 Report Appendix C RRD Data Submissions and Metrics Workbook (July 2025 RRD Workbook): This is a spreadsheet RoLR providers will need to fill out and submit to the MSA. Please note, it has several worksheets displayed in tabs along the bottom, and information must only be submitted in worksheets with a purple tab ("EPSP Data – IRM", "Other Data", and "Data Estimations"). The July 2025 RRD Workbook is available on the MSA's website [here](#).
3. Information Requests: Along with the data RoLR providers will be inputting into the July 2025 RRD Workbook, the MSA will require other records. The data to be submitted into

the July 2025 RRD Workbook and other records required are outlined in Information Requests sent to each RoLR provider.

The MSA will request receipt of data and records by 5:00 p.m., May 15, 2025, using the procedure described in the Information Requests.

### **JULY 1, 2025, ASSESSMENTS OF FINANCIAL PERFORMANCE**

While the MSA is required to complete its first financial performance reports by July 1, 2025, we want to use the process to inform future consultation on the best way forward. Given these circumstances, the MSA does not anticipate recommending that a rate reopener proceeding should be initiated until, at the earliest, the first financial performance report is prepared after the establishment of permanent parameters.

### **FURTHER CONSULTATION**

Following responses to the Information Requests, the MSA will resume consultation on the parameters it will use to assess financial performance in future reports on the week of May 19, 2025.