



August 2, 2024

Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto ON
M4P 1E4

Dear Ms. Marconi,

RE: EB-2024-0063 Generic Cost of Capital - CCMBC Interrogatories

Attached are the interrogatories of the Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC).

Respectfully submitted on behalf of CCMBC,

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Catherine Swift (CCMBC)

EB-2024-0063 Generic Cost of Capital

Coalition of Concerned Manufacturers and Businesses of Canada

Interrogatories

August 2, 2024

M1-1-CCMBC-1

Reference: Exhibit M1(LEI Report), Page 12

Question:

Members of CCMBC are manufacturers and businesses and the rates they pay will be impacted by the outcome of this proceeding. In general, would the recommendations of LEI if adopted by the OEB result in an increase or a decrease in electricity and gas rates?

M2-1-CCMBC-2

Reference: Exhibit M2 (Concentric Report), page 5

Question:

Members of CCMBC are manufacturers and businesses and the rates they pay will be impacted by the outcome of this proceeding. In general, would the recommendations of Concentric result in an increase or a decrease in electricity and gas rates?

M2-1-CCMBC-3

Reference: Exhibit M2 (Concentric Report), page 29

Preamble:

“However, the risks resulting from the Energy Transition are not fully mitigated by these mechanisms and are likely to continue to increase. For example, as utilities adopt new technologies and build first-of-a-kind projects, they encounter challenges such as shortages of skilled labour and increased competition across the supply chain, in addition to technology risks.”

Questions:

- a) Please confirm that utility customers may be opposed to adaption of risky new technologies such replacement of natural gas with hydrogen or large battery storage projects.

- b) Why should utilities be compensated by customers for the increased risk of new technologies that their customers do not want?

M3-1-CCMBC-4

Reference: Exhibit M3 (Nexus report)

Question: Members of CCMBC are manufacturers and businesses and the rates they pay will be impacted by the outcome of this proceeding. In general, would the recommendations of Nexus result in an increase or a decrease in electricity and gas rates?

M3-1-CCMBC-5

Reference: Exhibit M3 (Nexus Report), Page 10

Preamble: “The energy transition introduces significant risks to the electricity distributors in Ontario. Nexus Economics is of the view the Board should consider energy transition in this proceeding as a factor influencing the risk level not captured in historical data.”

Questions:

- a) Please explain why Nexus believes that energy transition introduces significant risks to the electricity distributors in Ontario.
- b) Considering that there are 3.8 million gas customers in Ontario how likely is it that energy transition from gas to electricity is likely to be achieved by 2050?

M3-2-CCMBC-6

Reference: Exhibit M3 (Nexus report), Page 27, Figure 6 Average Annual Investments by Ontario Distributors

Questions:

- a) What are the assumptions for the Reference Scenario?
- b) What are the assumptions for the Net Zero Scenario?
- c) Why are annual average investments for the Net Zero Scenario lower than the investments for the Reference Scenario from 2025 to 2035?

M4-1-CCMBC-7

Reference: Exhibit M4 (Dr. Cleary evidence), page 5

Question: Members of CCMBC are manufacturers and businesses and the rates they pay will be impacted by the outcome of this proceeding. In general, would the recommendations of Dr. Cleary result in an increase or a decrease in electricity and gas rates?