



May 23, 2025

Ritchie Murray
Acting Registrar
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto ON
M4P 1E4

Dear Mr. Murray,

RE: EB-2024-0026 Greater Sudbury Hydro Inc. – Interrogatories of CCMBC

Attached are the interrogatories of the Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC) to the applicant in the the EB-2024-0026 Greater Sudbury Hydro Inc. proceeding on Supplemental Evidence.

Respectfully submitted on behalf of CCMBC.

Tom Ladanyi
TL Energy Regulatory Consultants Inc.

cc. Birgit Armstrong (OEB Staff)
Ljuba Djurdjevic (OEB Staff)
Tiija Luttrell (GSHi)
Catherine Swift (CCMBC)
Parties to the Proceeding

EB-2024-0026

CCMBC Interrogatories to Greater Sudbury Hydro Inc. on Supplemental Evidence

May 23, 2025

SUP-CCMBC-27

Reference: Supplemental Evidence, *Initial Recognition Amount*, page 16

Preamble: *As noted in Appendices A, B and C, the OPEB transitional balance contains an “initial recognition” amount of \$6.491 million, which corresponds to the actuarially determined liability first booked on GSHi’s financial statements when the utility adopted accrual accounting for OPEBs for financial reporting purposes in October 2000. In theory, one could reconstruct this figure year-by-year from the very first date on which OPEB benefits were offered and then roll it forward exactly as is done in Appendices A, B, and C but for the years from 2000 back to inception of OPEBs. In practice, however, that exercise is impossible:*

Questions:

- a) How was the \$6,491 actuarially determined liability calculated?
- b) Please file the calculation that supports this amount.

SUP-CCMBC-28

Reference: Supplemental Evidence, *Impact of Capitalized OPEB Costs*, Page 18

Preamble: *In preparing this supplemental evidence, GSHi examined its historical capitalization of OPEB costs between 2000 and 2019 to ensure that customers are not harmed by GSHi’s proposed methodology for calculating the transitional balance.*

Questions:

Please confirm that OPEB costs are Indirect Overhead costs under MIFRS and can not be capitalized. Please explain your answer.

SUP-CCMBC-29

Reference: Supplemental Evidence, 5. *Summary*, page 22

Preamble: *“Based on the original record and the additional detail provided in this supplemental evidence, GSHi respectfully submits that the Ontario Energy Board should:*

- a) Approve recovery of a debit balance of \$26,089,910 in the OPEB Cash-to-Accrual Transitional Amount account;*
- b) Approve disposition of a credit balance of \$7,218,181 in the OPEB Actuarial Gains & Losses account; and*
- c) Authorize recovery of the resulting net debit through distribution rates over a ten-year period, as originally proposed.”*

Questions:

- a) Please file a spreadsheet showing all entries by year in the *OPEB Cash-to-Accrual Transitional Amount Account* that total \$26,089.910.
- b) Please file a spreadsheet showing all entries by year in the *OPEB Actuarial Gains & Losses* account that total \$7,218,181.
- c) Please file a spreadsheet showing the resulting net debit for each year over the ten-year period.
- d) Please confirm that Actuarial Gains & Losses are reported in financial statements under Other Comprehensive Income (OCI) and are excluded from Net Income. Please explain your answer.
- e) Did Actuarial Gains & Losses in past years have any impact on PILS? Please explain your answer.
- f) Please file the Income Statement and Balance Sheet for each year from 2000 to 2024 including the amount of OCI reported for each year.

SUP-CCMBC-30

References: Supplemental Evidence, *Appendix A: Option A. Actual-Cash cost for all years ("GSHi method")* page 23, *Appendix B: Option B. Cash pre-2009, Embedded-in-Rates 2009-onward ("Blended method")* page 24 and *Appendix C: Option C. Embedded-in-Rates for all years ("OEB Staff method")* page 25

Questions:

- a) Please explain how the Subtotal of \$2,407,049 in column (e) was calculated.
- b) Please explain why there is no "Annual net actuarial (gain) loss" shown for 6 years in column (e).
- c) Why are all balances in column (e) losses? Was there not a single year with an actuarial gain?
- d) Please explain why "*OPEBs paid under cash method that had been embedded in rates in respective rebasing applications*" is claimed to be "*information not available*" on page 25 in Appendix C but is shown on page 24 in Appendix B.
- e) Please file actuarial reports that support all actuarial losses shown in column (e).

SUP-CCMBC-31

Reference: Supplemental Evidence, *Appendix E: Consistency with the Enbridge Precedent (EB-2011-0354)*, page 27

Preamble: GSHi's one-time transitional balance mirrors the approach that the Ontario Energy Board approved for Enbridge Gas Distribution Inc. ("Enbridge") in proceeding EB-2011-0354. In that case the Board allowed Enbridge to recover approximately \$90 million over twenty years beginning January 1, 2013.

Question: Considering that the Board allowed Enbridge to recover approximately \$90 million over twenty years and considering that Enbridge has 3.8 million customers, why is GSHi requesting the recovery of \$26 million over only ten years when it has only 48 thousand customers?