

2025-09-22

VIA EMAIL & RESS

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board (OEB)
2300 Yonge Street, 26th Floor
PO Box 2319
Toronto, ON M4P 1E4

Dear Mr. Murray,

**Re: EB-2024-0026 Greater Sudbury Hydro Inc – 2025 Cost of Service Application –
OPEB Reply Submission**

Greater Sudbury Hydro Inc. (GSHi) appreciates the opportunity to respond to the panel's questions set out in Procedural Order No. 5, dated September 17, 2025 (the "Order"). In order to ensure we are as responsive to the questions as possible, we are writing to seek confirmation on the scope and approach for our responses to Questions 1 and 3, as well as to provide our preliminary assessment of some limitations we have yet to overcome in terms of providing some of the responses.

Question 1 a): Adjustments to Prior Period Income/Equity

The Order requests the impact of adjustments to prior period income/equity on Return on Equity, Debt/Equity ratio, cash flow, and other financial metrics based on: (i) OEB Staff's submission; and (ii) VECC and SEC submissions. At the same time, the paragraph excerpted in the Order as context for the questions speaks to forward-looking financial implications of denying a material portion of GSHi's requested transition amount.

Subject to the panel's confirmation, GSHi proposes to respond to Question 1 on a projected, go forward (best efforts) basis - i.e., compare GSHi's proposal against OEB Staff's proposal and present the resulting forecast impacts on ROE, Debt/Equity, and cash flow for GSHi. If GSHi has misunderstood these questions we respectfully ask for further detail as to the expected

output to be generated in response to question 1. Issues faced by GSHI in providing the same response under question 1 b) in relation to the VECC and SEC submissions are addressed below.

Question 2

GSHI can respond to question 2 as posed.

Questions 1 b) and 3: Methodological and Data Limitations

VECC and SEC provide high level recommendations (e.g., exclude 2006–2008; adjust pre-2006; start in May 2012 and limit to employees directly in the regulated utility), but do not include a fully developed, auditable methodology for implementing those recommendations. GSHI's historical "virtual utility" model and integration with its affiliate (GSHPi) mean the financial records do not distinguish employee status or costs at the level of granularity required to reconstruct the scenarios proposed (e.g., carving out specific sub periods or affiliate portions without altering the cumulative transitional balance). As a result, GSHI's current assessment is that it cannot produce the requested scenarios under question 1 b) with the records available, or, consequentially, respond to Question 3. GSHI will continue to review whether representative or high-level scenarios can be done, however we wanted to provide the OEB panel with an early assessment of the request in case the panel has further insight into what kind of responses it is seeking, particularly under Question 1.

Request for Confirmation

To ensure our responses align with the panel's expectations, GSHI respectfully asks the panel to confirm that, subject to further details from the OEB panel with respect to the desired scope and substance of the responses:

1. Question 1 a): GSHI will provide a projected, go forward comparative analysis of GSHI's proposal versus OEB Staff's proposal (on a best-efforts basis), showing the impacts on ROE, Debt/Equity ratio, cash flow, and any other key financial metrics if identified.
2. GSHI will prepare detailed bill impact calculations and propose a disposition period (with rationale consistent with the OEB's mitigation policy and intergenerational equity considerations) for OEB Staff's proposal.
3. Questions 1 b) and 3: GSHI may not be able to, subject to further review, file projections as contemplated under question 1 b) for the SEC and VECC scenarios, or file bill impact

or disposition analyses for VECC/SEC proposals under question 3. To the extent GSHI can provide a representative or high-level calculation of the requested scenarios it will do so.

In light of our request for confirmation on the scope and methodology for our responses, and to ensure that GSHI's submission fully addresses the panel's expectations, we respectfully request an extension of two weeks to the current deadline specified in Procedural Order No. 5, to October 15th, 2025. This additional time will assist GSHI to prepare a comprehensive and accurate analysis, as outlined above, once the panel's response is received.

We appreciate the panel's consideration of this request and look forward to your guidance.

Respectfully submitted,

Sincerely,

Original Signed By

Tijja Luttrell, CPA, CA
Manager of Regulatory & Management Systems

Cc: Georgette Vlahos, James Sidlofsky, OEB Counsel, Mike Buonaguro, Intervenors in EB-2024-0026