

Cooperative Hydro Embrun Inc.
EB-2025-0048
October 3, 2025

Please note, Cooperative Hydro Embrun Inc. (Cooperative Hydro) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, do not include personal information as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*, unless filed in accordance with rule 9A of the OEB's *Rules of Practice and Procedure*.

Staff Question-1

Ref: Rate Generator Model, Tab 3, Continuity Schedule

Preamble:

On September 11, 2025, the OEB published the 2025 Quarter 4 prescribed accounting interest rates applicable to the carrying charges of deferral, variance and construction work in progress (CWIP) accounts of natural gas utilities, electricity distributors and other rate-regulated entities.

Question(s):

- a) Please confirm that Tab 3 (Continuity Schedule) reflects the Q4 2025 OEB-prescribed interest rate of 2.91%. If not, please update Tab 3, as necessary.

Staff Question-2

Ref: Manager Summary, Pages 7, 17, and 18

Preamble:

In Table 1 of the executive summary, Cooperative Hydro indicates that it is requesting disposition of Group 1 deferral and variance accounts. In section 11, on page 17, it indicates that it is not seeking approval to dispose of its Group 1 deferral and variance accounts as the calculated debit does not exceed the threshold established in the EDDVAR Report. Then, on page 18, it indicates that it is seeking disposition of the commodity accounts 1588 and 1589.

Question(s):

- a) Please confirm that Cooperative Hydro is not seeking disposition of Group 1 deferral and variance accounts and is not seeking disposition of accounts 1588 and 1589 in this proceeding.

Staff Question-3

Ref: Manager Summary, Pages 20-21

Preamble:

Cooperative Hydro identified that its achieved ROE of 4.93% in 2024 is 4.43% below the Deemed ROE of 9.36%. It identified several factors totalling \$466,538, leading to the lower achieved ROE. It appears to OEB staff, that the temporary additional employee and recruitment consulting costs would be transitory in nature, but that the remaining expenses totalling \$387,417 could be recurring in nature.

Question(s):

- a) Please clarify or confirm OEB staff's understanding.
- b) Please comment on Cooperative Hydro's solvency through the IRM term.

Staff Question-4

Question(s):

- a) In the instance the OEB releases any updated rates/charges (e.g., 2026 Uniform Transmission Rates) before Cooperative Hydro provides its response to OEB staff's questions, please update the Rate Generator Model, as applicable. If any updates are made, please identify the rate and/or charge that has been updated.

Staff Question-5

Preamble:

OEB staff have corrected the proposed tariff to reflect a charge of \$2.51 per letter for the retailer notice of switch letter charge.

Question(s):

- a) Please confirm that the update to the charge is appropriate.