



# Connecting Our Customers and Communities with the Future of Energy Transformation



Report to Shareholder  
for the Year of 2022



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**Our Customers**



**Future Energy Transformations**



**Our Communities**

# Connecting Our Customers and Communities with the Future of Energy Transformation

As a multi-faceted corporation that combines a licensed electricity distribution company, a telecommunications provider, and several other valuable competitive services, Greater Sudbury Utilities (GSU) recognizes that today we are at a critical juncture in our history. We have responsibilities to our customers, our communities and the citizens of the future. Energy is undergoing a transformation right now as society demands decarbonization.

Molecules will increasingly be replaced by electrons for transportation, space heating, and industrial processes. We deliver products and services NOW—but also need to renew and maintain our infrastructure for the future and the inevitable changes coming. This is no small task, and our team of professionals take the challenge very seriously.

Planning is critical to our ability to keep the lights on today and maximize our assets, which will be in use for 40 to 50 years, maybe even longer. The impact of Energy Transformation has to be considered as we build into the future, in light of efforts to grow our population to 200,000 citizens by 2050.

Budgeting is also key. Our hydro rates are set by our regulator for 5 years at a time. We need our forecasting to be accurate and then we must adhere tightly to our budget. There is NO going back to the ratepayer for more money. There is no room for mistakes, and we spend significant time and effort ensuring that we are doing the right things, at the right time, for the right reasons.

In this year's annual report, we are going to talk about how we balance the competing demands of today with those of the future, and continue to deliver value. We will start with a look back 25 years to the 1990s at some decisions that have paid off for our community and company.

**25**  
YEAR ANNIVERSARY



# Building Connections for over 25 years

In the early 1990s when Sudbury's unemployment rate was about 11%, former Mayor Jim Gordon sought solutions. Arguably one of his best ideas was developing a telecommunications company to connect Sudbury to the world through broadband, spurring economic growth and creating thousands of jobs. That company today is Agilis Networks.

Life and work as we now know it rely heavily on our ability to connect to the rest of the world. Call centre jobs were the first wave of employment, but today nearly every industry leans on connectivity.



*Agilis Networks is a unique company in how it benefits Sudbury Hydro ratepayers and the city's taxpayers. It is in the background of the film business, health care, education, government, and big mining companies. Agilis Networks is truly a public entity that works!*

Former Sudbury Mayor  
Jim Gordon, 2023

**At the peak,**  
2600+ were  
employed at Sudbury  
call centres

Visit our website  
for the full story

[agilisnet.com](https://www.agilisnet.com)



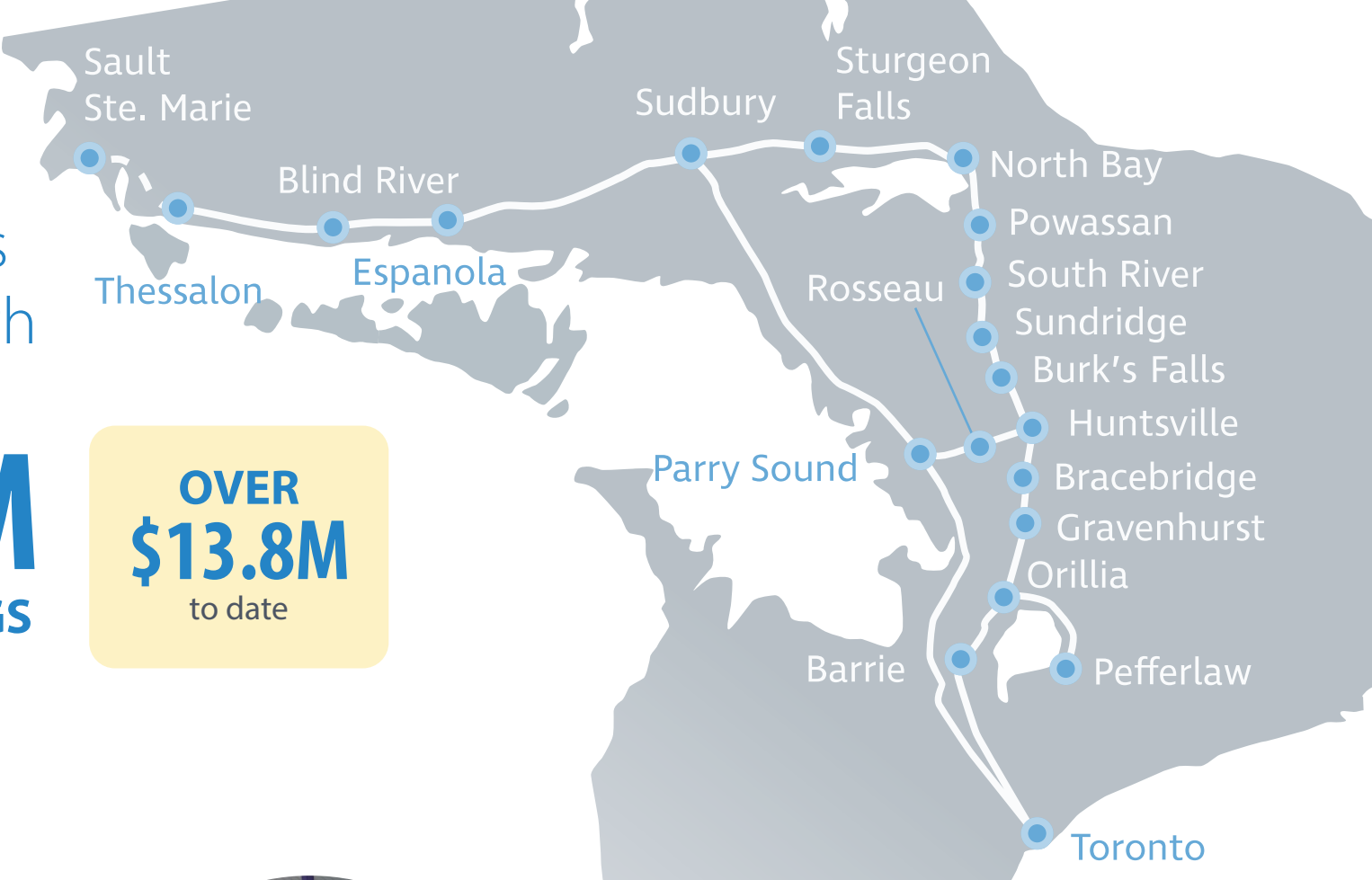
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Agilis Networks  
sparking growth

**\$1.52M**  
in Discounts to CGS

**OVER  
\$13.8M**  
to date



**Agilis collaborates with  
Atikameksheng Anishnawbek  
First Nation**

Our fibre network provides the foundation necessary to drive economic development, create jobs, and strengthen communities



**Key partner**  
in Economic Development

**Film Support**  
Film production adds over \$20M/yr to our local economy. Our fibre provides critical streaming capacity.



More than **70 years** of delivering hot water and happiness.

## Every dollar earned outside Sudbury supports jobs and families in Sudbury

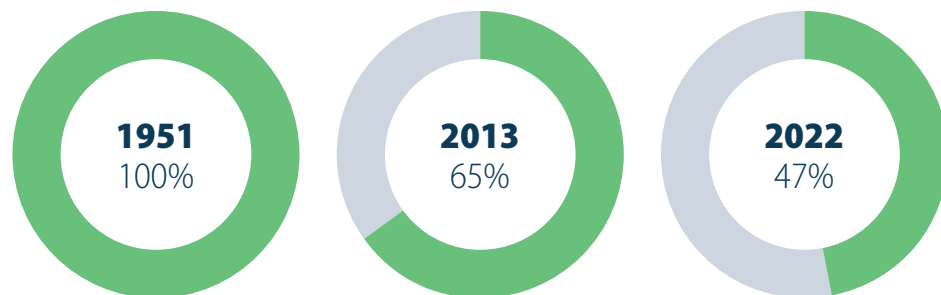
Over 70 years ago, the water heater rental service began as a way to help families gain easy access to hot water while driving load growth on the distribution system.

Water heaters were initially 100% electric but over the years, gas systems have become more popular. We expect that trend will reverse in the coming years.

@home Energy is a consistent contributor to the GSU bottom line.

## Product line evolving with demand:

● Electric ● Gas



Dependable service is the key to long customer relationships

# 35%

of customers have been with us for more than 20 years

Some customers have been with us since the very beginning!



Installation of additional lateral pipes slowed down production in 2022 (\$320k in 2021).

# \$219K

Amount of landfill gas purchased from CGS in 2022; gas that would otherwise have been flared and wasted

# 5.75M

kWh of electricity produced

# 700

Enough energy to power roughly 700 homes for a year

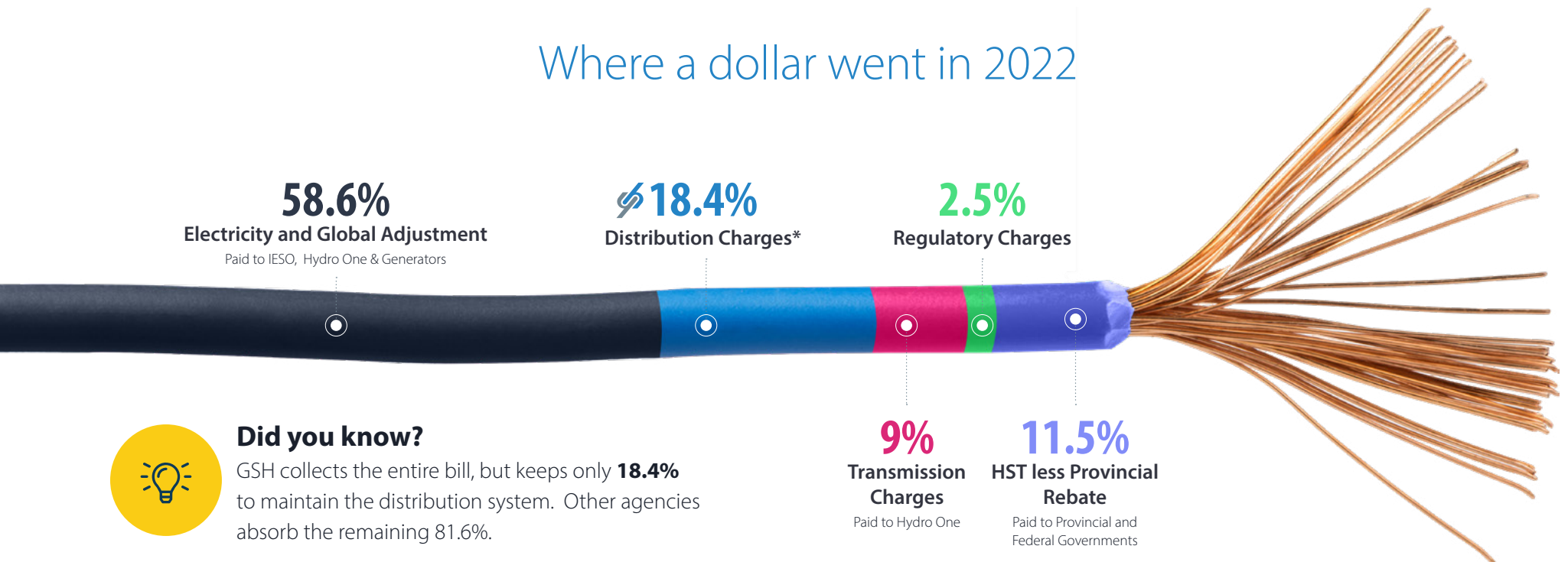


# We balance the budget. Always.

Going back for more money is NOT an option.



## Where a dollar went in 2022



### Did you know?

GSH collects the entire bill, but keeps only **18.4%** to maintain the distribution system. Other agencies absorb the remaining 81.6%.

## Distribution Rate Targets

Keep Distribution Rate in the  
**LOWEST 1/3 in ONTARIO**

Ensure any increases, on average, are  
**BELOW CPI**



# Substation Renewals

We have been on an aggressive substation renewal program for the past decade, and that will continue going forward.

**2018 • \$3.2M**  
Kathleen Substation



**2019 • \$1.6M**  
Capreol Substation



**2020 • \$3.1M**  
Gemmell Substation



**2021 • \$4.6M**  
Cressey Substation



**2022**  
Long Lake Pole Line



**2022**  
Robinson Substation Upgrades



**2022-2023**  
West End Voltage Conversion



**2024**  
Marttila Substation



**2025 Onward**  
To be scheduled

Paris Substation  
Moonlight Substation  
MS36 in West Nipissing

Whenever we build, it's not just for today, but for next year, the next decade, and the next 50 years. We continue to add advanced controls and equipment to ensure our system is ready.



## 56 Squirrel Outages

In 2022, GSH had 56 squirrel-related outages  
*(not including momentary outages)*

**\$1,000** Average call-out cost  
per squirrel outage

We are installing squirrel guards  
in some areas to minimize outages.

### Outage Statistics for 2022

**1.15 hrs**

Average Outage Duration in 2022  
(69 Minutes)

**1.62**

Average Outage Frequency in 2022  
(per customer)



# Rebuilding connections

Post-pandemic return to office March 28, 2022



# 26%

Of staff have hybrid work arrangements

# 20%

Of staff participate in lunchtime fitness

## Mental Health is Health!

### Enhanced Mental Health Services

Health benefit better covers mental health services.

**EFAP**  TELUS Health

An Employee and Family Assistance Program (EFAP) is available to all staff that provides immediate and confidential help for any work, health, or life concern. Accessible anytime and anywhere.

### Wellness Wednesday

Weekly health information on the intranet, brought to you by our SAFE Team.



Our Summer Students!



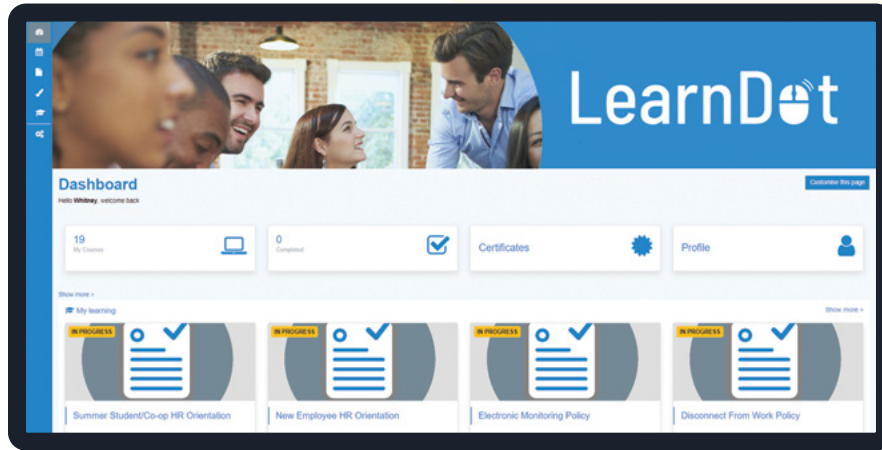
## Creating space for people to engage

As we welcomed staff back to the office in 2022, creating opportunities for them to re-engage with one another was a top priority. Team events and lunches like our Summer Student BBQ's for Charity and Staff Chili Cook-Off were great ways to reconnect.

Many New staff had never worked in-office at GSU.

# Data Literacy

## The transformation continues



**Professional Development**  
GSU hosts ArcGIS Day



## LearnDot

The next step in our Data Literacy Transformation Project (DLTP) our in-house learning management system. We continue to add training and courses available to all staff at all times.

# The Power of Us

## Our people and their safety



### Future Workforce

We are investing in and looking for tomorrow's workers, today.



#### Cambrian College Collaborations

- Annual Career Fair
- Jill of All Trades: helping women find their future in trades
- PLE Co-op Program
- BEV Lab Support



#### GSU Summer Student Program

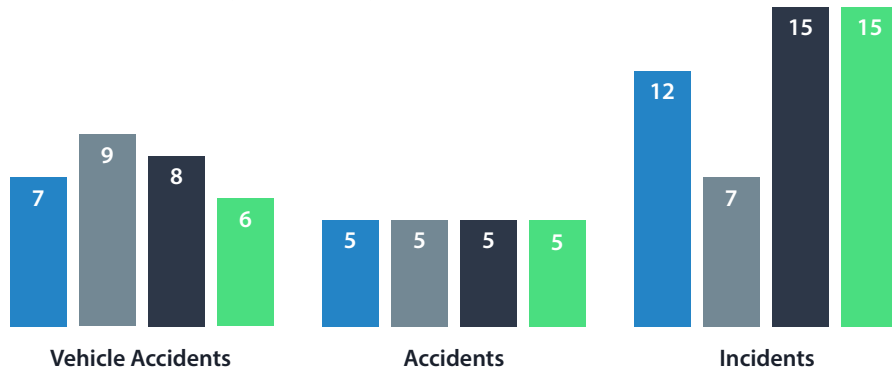
GSU provides valuable work experience to the students in the communities we serve.



### Safety

● 2022   ● 2021   ● 2020   ● 2019

Keeping a close eye on safety stats.



# Financials

- ✓ **\$3.8M transferred to CGS**  
Annually, paid quarterly—\$83.5M since 2000
- ✓ **\$1.52M Discounts on Telecommunications**  
Agilis Networks discounted \$1.37M to CGS and \$144k to GSPS. \$13.76M in savings for CGS since discounting began.
- ✓ **\$219K ConverGen paid CGS for Landfill gas purchases;**  
\$4.52M since 2007 for gasses they are compelled to capture that would otherwise be flared and wasted.

= **\$5.54M**

Total tangible value transferred to CGS in 2022

CAPEX 2018-22 <b>\$66.5M</b> <i>(Inclusive)</i>	CAPEX 2022 <b>\$11.7M</b>	CHANGE IN EQUITY <b>\$33.88M</b> <i>(85%*) Dec 31, 2017-Dec 31, 2022</i>
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For Consolidated Financial Statements

[gsuinc.ca/corporate](https://gsuinc.ca/corporate)

*\* impact of OPEB persists*

# Value Beyond the Balance Sheet

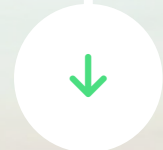
## Lower GSH

delivery charge for electricity:



**21% Lower**

than Hydro One Urban Rate



**14.8% Lower**

than Toronto Hydro

## GSU supports

strategic community growth:



### We are aligned

with CGS economic development and planning departments



### Agilis Networks

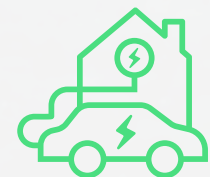
critical first-in provider for both the Walden and Valley East Industrial Parks

**GSU provides good employment opportunities** that help our youth grow and support their careers, their families, and our community!

**Water Billing and Street Light Maintenance**  
Lowest cost option

### From molecules to electrons

As pressure mounts to get away from fossil fuels and use more electricity, we are paying close attention to what we need to do to ensure we are ready.



## FINAL WORDS

# Happy customers are the best measure of our success


 Top fan  
**Irene Sacchetto**  
Thank you so very much for all the fantastic job you do. Very much appreciated. Rain or shine you folks are at it, making our lives comfortable. Thanks a big bunch.

Like Reply 6 d




“Our organization has grown significantly over the past 6 years, and Agilis Networks has always been there to support that growth.”


**Stéphanie Leclair**  
Executive Director, Alzheimer Society Sudbury-Manitoulin  
North Bay and Districts (July 2022)

 **Trudi Trahan-upchan**  
Great job 🙌 People don't know how lucky we are frankly - too spoiled by the great job you all do.

Like Reply 5 d

 **Valerie Ricci**  
1 review  
★★★★★ 5 months ago  
I had been without hot water for weeks because I couldn't find anyone in Parry Sound to service my hot water heater. Rachel and Mike were amazing at coming so quickly to install a new tankless heater for me.

Like





“Having that relationship and that partnership that's flexible, Agilis Networks understood what we needed right off the bat, they understood how we wanted to work.”

**Patrick O'Hearn**  
Cinefest Sudbury International Film Festival,  
Executive Director (July, 2022)

 Top fan  
**Margaret Fillator**  
Be safe out there with that rain and cooler weather, when you're working hard out there to restore the power. Thank you all for everything you do for us to have power. You are all gratefully appreciated for your work that you do.

Like Reply 6 d

 **Greater Sudbury Hydro**  
21 March · 🌐

UPDATE: Power restored to all but 1 building by 11:46 pm.  
\*\*\*\*\*  
Crews believe they have located the cause of tonight's outage Affecting transit station, water tower and area. We are doing some switching and hope to restore most of the 380 affected customers in the next 2 hours. Social media signing off for the night--Crews will continue.

18 2 comments 2 shares

Like Comment Share


Most relevant

 **Cheryl Conway**  
Thank you to your team for working so hard and fast to restore our power. 🙌

Like Reply 4 w

 **Kate Barber**  
Updates are so appreciated. Thanks Greater Sudbury Hydro

Like Reply 4 w

 **Mrinalini Greedharry**  
@MGreedharry

Shout out to the super helpful @SudburyHydro staff member today who made the utilities move-in process so easy. Seriously. Thank you for making a moving chore simple and straightforward. (Can you tell I've been conditioned by years of living in the UK?)

9:41 a.m. · 22 Aug. 22 ·



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[gsuinc.ca](http://gsuinc.ca)