



January 27, 2021

Board Registrar
Ontario Energy Board
P.O. Box 2319
27th Floor – 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Board Registrar:

**Re: SYNERGY NORTH CORPORATION - 2021 Electricity Distribution Rate Application
EB-2020-0055 Inflation Parameters**

Synergy North Corporation (SYNERGY NORTH) has received and reviewed the OEB's Letter of November 9th, 2020 regarding 2021 Inflation Parameters (the "Letter").

In the Letter, the OEB provided Local Distribution Companies with "the discretion of electing the calculated IPI level per the OEB-approved methodology [...] for a lower value".

SYNERGY NORTH is writing to confirm its election to apply the calculated 2.2% value per the OEB inflationary methodology for Local Distribution Companies. SYNERGY NORTH has two rate districts, Thunder Bay and Kenora. SYNERGY NORTH Thunder Bay rate zone is on a Price Cap IR and has been assigned a stretch factor of 0.3% and therefore expects the IRM adjustment applicable for May 1, 2021 rates in Thunder Bay rate zone to be 1.9%. SYNERGY NORTH Kenora rate zone is on an annual IR and has been assigned a maximum stretch factor of 0.6% and therefore expects the IRM adjustment applicable for May 1, 2021 rates in Kenora rate zone to be 1.6%.

If you require any further information, please contact the undersigned at (807) 343-1054.

Sincerely,

Brittany J. Ashby, SMGMT
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