

**Synergy North Corporation**  
**EB-2022-0063**  
**OEB Staff Follow-up Questions**  
**January 25, 2023**

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**Follow-up Question-1**

**Ref1: Staff Question-5**

**Ref2: Thunder Bay RZ, Rate Generator Model 20230119, Tab 3 Continuity Schedule, Account 1595 (2022)**

In Reference1, Synergy North stated that "This input error has been corrected, there are no longer amounts reported in Row 37."

- a) Please explain why Account 1595 (2022) still has a balance of (\$257,504) as at December 31, 2021 and a variance of the Account 1595 (2022) in cell BW37 in Reference 2.

***SYNERGY NORTH RESPONSE:***

***Removed. Cell BW37 has balance of \$0.***

**Follow-up Question-2**

**Ref1: Kenora RZ, Rate Generator Model 20230119, Tab 3 Continuity Schedule**

**Ref2: Kenora RZ, GA Analysis Workform 20230119, Tab Account 1588**

The Principal Adjustments during 2021 of Account 1588 (Cell BF28) of \$758,085 in Reference 1 does not agree to the Principal Adjustments in Reference 2 (Cell D20) of \$758,075.

- a) Please revise the schedules as needed.

***SYNERGY NORTH RESPONSE:***

***Corrected typo in Rate Generator, Schedule 3. Balance is \$758,075.***

**Follow-up Question-3**

**Ref: Staff Question-8**

- a) Please confirm whether there is any impact on the 1589 balances for both rate zones. If not, please explain.

**SYNERGY NORTH RESPONSE:**

***There is no impact on the Account 1589 balances or settlements for either zone. The claims and true ups for the RPP less HOEP and for the Class B Global Adjustment amounts are separate process in the monthly true-ups. The RPP settlement uses the account balances from the GMBA, which captures PP revenue less the associated cost of power on that revenue. The Class B GA process uses the total kWh charged from the IESO, adds back generation kWh, removes all Non-RPP kWh, leaving the RPP kWh to calculate the Class B GA true up claim.***

- b) Given the material impact of the proposed retroactive adjustments, please provide Synergy North's thought of withdrawing the disposition of accounts 1588 and 1589 for both zones in the current application or request for the disposition of Group 1 DVAs at an interim basis.

**SYNERGY NORTH RESPONSE:**

***Synergy North does not consent to withdraw or amend its request for disposition of accounts 1588 and 1589 for both rate zones on a final basis as set out in the Application.***

***As explained in response to Staff-8, Synergy North has identified the exact coding error that resulted in the application of RTP, RTN as well as the original NSLS and NSOS, for GS >50kW customers that transitioned from non-interval meters to interval (real-time) meters. Synergy North has now corrected for this coding error, and is proposing discrete retroactive adjustments to account 1588 balances in 2019 and 2020 in the Thunder Bay rate zone in accordance with the OEB's October 31, 2019 letter and Synergy North's materiality threshold. There is no advantage to delaying making the correction or the discrete retroactive adjustments being proposed. On the contrary, a withdraw or amendment would result in a delay to the implementation of these corrections – which as staff note are material – creating further intergenerational equity concerns.***

- c) Please elaborate further on Synergy North's plan to address its IESO market settlement practices going forward.

**SYNERGY NORTH RESPONSE:**

***An additional documented process has been added in the monthly true up working paper to verify the general ledger balances used for settlement are correct. Two reports from the billing system are now generated and compared to the general ledger settlement accounts to detect discrepancies: one indicating the gross price protected revenue, and the other the cost of power applicable to that revenue. The net of these reports must match the general ledger accounts used for settlement.***

**Follow-up Question-4**

**Ref1: Staff Question-20, Staff Question-21**

**Ref2: Thunder Bay RZ & Kenora RZ Rate Generator Models, Tab 18**

In response to Staff Questions 20 and 21, Synergy North updated Tab 18 in both rate zones' Rate Generator Models. Please note that the correct Sub-total group for LRAMVA rate riders is Sub-total A. Please make sure Sub-total A is selected for all 2023 Prospective LRAMVA rate riders in column G in Tab 18. Please update the models accordingly.

**SYNERGY NORTH RESPONSE:**

***Models in both zones have been changed to be Sub-total A for the LRAMVA riders.***

**Follow-up Question- 5**

**LRAMVA – Kenora RZ**

**Ref 1: LRAMVA Workform 20230119, Tab 1 LRAMVA Summary**

**Ref 2: Response to Staff Question-16**

There is still a discrepancy between the balance reported in LRAMVA account #1568 per cell H22 (\$110,431) and cell G44 (\$113,084) of Tab 1 of the updated LRAMVA Workform.

- a) Please confirm the LRAMVA amount Synergy North is requesting to dispose of in the Kenora RZ - is it a debit balance of \$110,431 or \$113,084? The difference of \$2,780 appears to be a sum of the difference between actual and forecasted savings in 2011 for all rate classes as seen in row 57 of Tab 1 of the LRAMVA Workform.

**SYNERGY NORTH RESPONSE:**

***Totals on Tab 1, cells H19 through H22 have been updated to remove the cells that were referenced by the model which picked up the 2011 amounts previously claimed. Total claim is a debit balance of \$113,084, agrees to balance in Continuity Schedule.***

- b) Please update the LRAMVA Workform to ensure that the balance in cell R92 coincides with the balance in cell H22 and cell G44.

**SYNERGY NORTH RESPONSE:**

***Confirmed. R92 = H22 = G44.***

**Follow-up Question- 6**

**LRAMVA – Kenora Bay RZ**

**Ref 1: IRM Rate Generator Model 20230119 (KN RZ)**

**Ref 2: Response to Staff Question-19**

**Ref 3: Response to Staff Question-21(c)**

- a) The LRAMVA balance in account #1568 under Tab 3 of the updated IRM Rate Generator Model coincides with the LRAMVA balance under Tab 1 of the updated LRAMVA Workform for KN RZ at \$113,084. If changes are made to the LRAMVA balance per Follow-up Question-5 above, please update Tab 3 of the IRM Rate Generator Model accordingly.

**SYNERGY NORTH RESPONSE:**

***The balance of \$113,084 in Tab 3 of the Kenora IRM Model remains unchanged as a result of the response to Follow-up Question 5.***

**Follow-up Question- 7**

**Thunder Bay RZ and Kenora RZ, Street Lighting Rate Class**

**Ref 1: Response to Staff Question-22(b)**

In response to Staff Question 22, Synergy North notes that they “*met with shareholders of both the City of Kenora and the City of Thunder Bay. It has been mutually agreed that Synergy North will withdraw the claims for the Streetlight lost revenue for both Thunder Bay and Kenora Rate Zones in this application. Kenora and Thunder Bay LRAMVA Models have been updated to remove the streetlight claims.*”

- a) Please confirm whether Synergy North intends to seek disposition of any Streetlighting lost revenue for either or both rate zones in a future year’s application.

**SYNERGY NORTH RESPONSE:**

***Synergy North confirms that it will not seek disposition of any Streetlight lost revenue for either rate zone in a future year’s application.***

**Follow-up Question- 8**

**Thunder Bay RZ and Kenora Bay RZ, Street Lighting**

**Ref 1: Staff Question-13(a)**

**Ref 2: Staff Question-14(a)**

**Ref 3: Staff Question-15(a)**

- a) Please respond to initial Staff Questions-13(a), 14(a) and 15(a) in order to confirm the Streetlight lost revenue claim balance that is withdrawn from this application.

**SYNERGY NORTH RESPONSE:**

**Staff Question-13**

- a) Please confirm what the kW net peak demand savings persistence should be for 2016 City of Thunder Bay Streetlight (cells R339 to AD339) – 321 kW or 27 kW?

***The kW net peak demand savings persistence was 321 kW for 2016. In the Nov 11, 2023 Model, the inputs to R339-AD339 was incorrect at 27 kW.***

**Staff Question-14**

- a) Please confirm what the kW net peak demand savings persistence should be for 2020 City of Thunder Bay Streetlight (cells R1101 to AD1101)?

***Synergy North confirms that 43 kW was the correct demand savings persistence for 2020 for Streetlight.***

**Staff Question-15**

- a) Please confirm what the kW net peak demand savings persistence should be for 2021 City of Thunder Bay Streetlight (cells R1271 to AD1271)?

***Synergy North confirms that 237 kW was the correct savings persistence for 2021 for Streetlight. Please note these were in cells R1299 through AD1299.***