



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

**BY EMAIL**

April 19, 2023

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4

Dear Ms. Marconi:

**Re: EB-2023-0106 - Application to Dispose of Balances in Two Deferral and  
Variance Accounts**

In accordance with Procedural Order #1, please find attached the Ontario Energy Board (OEB) staff interrogatories in the above proceeding. The applicant and intervenors have been copied on this filing.

Synergy North Corporation's responses to interrogatories are due by May 3, 2023.

Any questions relating to this letter should be directed to Katherine Wang at [Katherine.Wang@oeb.ca](mailto:Katherine.Wang@oeb.ca) or at 416-440-7619. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Katherine Wang  
Incentive Rate Setting & Regulatory Accounting

Encl.

**OEB Staff Interrogatories**  
**Distributor Full Name**  
**EB-2023-0106**

Please note, Synergy North Corporation (Synergy North) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff interrogatories 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*.

**OEB Staff-1**

**Thunder Bay Rate Zone (RZ)**

**Ref1: Manager's Summary, p6**

**Ref2: OEB letter "Adjustments to Correct for Errors in Electricity Distributor "Pass-Through" Variance Accounts After Disposition" October 31, 2019**

**Ref3: EB-2022-0063, OEB Staff Follow-up Question 3(a) & 3(c)**

**Ref4: EB-2022-0063, Staff Question 8**

In Reference 1, Synergy North stated that "In preparing responses to OEB Staff Questions of December 13, 2022 on Application EB-2022-0063, SYNERGY NORTH discovered an error in billing codes, which had resulted in an underpayment to the IESO and excess credits accumulating in Account 1588 for both Zones" and "Customer bills were correctly calculated. This duplication of components did not impact the total amounts charged on any bill to any customer class."

Reference 2 stated that "Consistent with the OEB's past practice, an asymmetrical approach to the correction of the error may be appropriate."

- a) Please explain why Synergy North was unable to detect the two errors of \$442,963 (2020 year) and \$236,071 (2019 year) in its 2022 IRM application.
- b) Please explain the financial and regulatory accounting treatment if the proposed disposition of the two amounts of \$442,963 (2020 year) and \$236,071 (2019 year) for Account 1588 was denied.
  - I. Please explain any financial impact (e.g. cash flow, regulatory ROE) to Synergy North treatment if the proposed disposition was denied.
- c) Please provide Synergy North's understanding of "an asymmetrical approach" that is stated in the OEB's letter issued on October 31, 2019.
- d) Please explain why Synergy North believes it is entitled to recover \$442,963 (2020 year) and \$236,071 (2019 year) from customers in light of Reference 1 & 2.

- e) Please provide Synergy North's thought of forgoing the interests (actual and forecast) interests on the principal balances of the requested recovery for Account 1588.
- f) Please confirm that the error has no effect on the Account 1589 balances or settlements for either rate zone as noted in reference 3. If not confirmed, please explain.
- g) Please confirm that Synergy North's plan to address its IESO market settlement practices going forward, as noted in reference 3, are still correct. If not confirmed, please explain.
- h) Please confirm that Synergy North's identification of the errors and its' plan to remedy the mistakes as described in reference 4, are still correct. If not confirmed, please explain.
- i) Please confirm if there's any other update to the information that Synergy North provided in its 2023 IRM proceeding (EB-2022-0063) related to Accounts 1588 and 1589.

**OEB Staff-2**  
**Thunder Bay RZ and Kenora RZ**

In the application, Synergy North requested for one-year disposition of Accounts 1588 and 1589 for both rate zones, with rate riders effective May 1, 2023 to April 30, 2024.

- a) If the effective dates of the rate riders are beyond May 1, 2023 (considering the case process timeline set out in the Procedural Order No. 1), what would be Synergy North's proposal to address that? (Please include the new proposed effective date and disposition period.)
- b) For the scenario discussed in part a), please provide updated Rate Generator Models for the two rate zones according to Synergy North's new proposal to reflect any updated calculations for the rate riders.
- c) Based on Synergy North's new proposal, please provide bill impact analysis for the two rate zones.
- d) Please provide proposed tariff for the new effective date. The proposed tariff should include the approved 2023 rates and charges (from EB-2022-0063) and the proposed rate riders for Accounts 1588 and 1589. (Synergy North can consider using the final approved Rate Generator Models in the 2023 IRM proceeding and entering the proposed rate riders in Tab 18 as additional riders.)