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ATTACHMENTS

8-1: Communication Materials

EXHIBIT 8 - RATE DESIGN INTERROGATORIES

OEB STAFF

8-STAFF-62

Fixed Charges

Ref 1: Exhibit 8, page 8

Ref 2: Cost Allocation Model, sheet O2 Fixed Charge | Floor | Ceiling

Ref 3: TB Tariff and Bill Impact Model, sheet 6. Bill Impacts

Preamble:

The current weighted 2023 monthly service charge for the GS < 50 kW, GS > 50 to 999 kW and GS > 1000 kW are already above ceiling calculated in the cost allocation model. Synergy North is proposing to increase the fixed charge for all rate classes. As a result of the increases, Unmetered Scattered Load is also proposed to have a fixed charge over the ceiling.

The GS > 1000 kW fixed charge is proposed to increase by 26.1%, while the volumetric charge is proposed to increase by 21.2%.

Question(s):

a) Please provide the rationale for increasing the fixed charge for all rate classes when they are currently above the cost allocation model ceiling.

b) As a scenario, please provide the variable charges that would result from maintaining the current weighted fixed charge for GS < 50 kW, GS > 50 to 999 kW and GS > 1000 kW, and increasing the fixed charge for the USL rate class to the ceiling.

SNC Response:

a) The "Existing Approved Fixed Charge" figures in the cost allocation model are the weighted average fixed charges between Thunder Bay and Kenora rate zones. Proposed fixed charges exceed the weighted average but do not exceed the current Kenora fixed charge. Moving Kenora to fixed charges that are either the weighted average existing approved fixed charge or the Minimum System with PLCC Adjustment charge would result in significant fixed charge decreases and significant variable charge increases, which would cause material bill impacts to customers with high volumes within each class.

b) The variable charges for this scenario are provided in the following table.

TABLE 8-1: FIXED CHARGES

Synergy North	Variable Charge with weighted average maximum fixed charge
Residential	-
GS <50	$0.0254
GS 50 – 999	$4.9490
GS 1,000 – 4,999	$4.1365
Street Light	$11.5642
Sentinel	$9.0807
USL	$0.0184

For reference, all charges and distribution bill impacts are provided in the table below. Please note the large variable rate impacts on Kenora rate zone customers that are avoided by maintaining existing fixed/variable spits.

TABLE 8-2: CHARGES AND DISTRIBUTION BILL IMPACTS

	Current Charges		Maximum Fixed Scenario		Dx Bill Impact	
	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge
Weighted Average						
Residential	27.88	-	35.17	-	26.1%	
GS <50	32.21	0.0181	32.21	0.0254	0.0%	40.7%
GS 50 – 999	277.81	3.4897	277.81	4.9490	0.0%	41.8%
GS 1,000 – 4,999	3,283.57	3.1450	3,283.57	4.1365	0.0%	31.5%
Street Light	1.39	7.2279	2.23	11.5642	60.2%	60.0%
Sentinel	8.96	7.1927	11.30	9.0807	26.1%	26.3%
USL	9.66	0.0125	11.13	0.0184	15.3%	47.0%
Thunder Bay						
Residential	27.30		35.17	-	28.8%	
GS <50	30.49	0.0199	32.21	0.0254	5.6%	27.6%
GS 50 – 999	229.50	3.7313	277.81	4.9490	21.1%	32.6%
GS 1,000 – 4,999	3,283.57	3.1450	3,283.57	4.1365	0.0%	31.5%
Street Light	1.25	7.4973	2.23	11.5642	78.4%	54.2%
Sentinel	8.96	7.1927	11.30	9.0807	26.1%	26.3%
USL	9.09	0.0132	11.13	0.0184	22.4%	39.4%
Kenora						
Residential	33.51		35.17	-	5.0%	
GS <50	43.45	0.0069	32.21	0.0254	-25.9%	268.1%
GS 50 – 999	600.92	1.9148	277.81	4.9490	-53.8%	158.5%
Street Light	5.79	3.8114	2.23	11.5642	-61.5%	203.4%
USL	15.76	0.0047	11.13	0.0184	-29.4%	291.5%

8-STAFF-63

RTSRs

Ref 1: Exhibit 8, pages 11-12

Ref 2: RTSR Workform

Ref 3: 2024 Preliminary UTR letter, September 28, 2023

Preamble:

The 2023 RTSR workform has been filed. On September 28, 2023, the OEB issued a letter indicating preliminary 2024 UTRs. These are Network: $5.76, Line Connection: $0.95, Transformation Connection, $3.21.

Question(s):

a) Please confirm which historic year of RRR data has been used.

b) Please confirm which year of wholesale purchase volumes have been used.

c) Please update the RTSR model using the most recent proposed RTSRs.

SNC Response:

a) SNC used 2024 Test Year load data, and not RRR data, in the original RTSR workform. The updated RTSR workform included in response to part c) uses 2022 RRR data.

b) Wholesale purchase volumes are 2022 volumes.

c) An updated RTSR model is filed with interrogatory responses, including updated 2024 UTRs and 2022 RRR data.

8-STAFF-64

Specific Service Charges

Ref 1: Exhibit 8, pages 8-10

Preamble:

Synergy North Power is proposing adopt the Thunder Bay specific service charges, except for the easement letter, which it proposes to increase from $15 to $26.75.

This would appear to OEB staff to result in the elimination of previously approved specific service charges for duplicate invoices for previous billings, requests for other billing information, and income tax letters, and credit checks.

Question(s):

a) What steps has Synergy North taken to advise or consult with customers on the easement letter change?

b) Please explain how the four services for which a charge will no longer exist will be handled by Synergy North.

c) How much revenue does Synergy North currently collect in the four charges being removed?

<u>SNC Response:</u>

a) SNC has not consulted with customers regarding this change.

b) The four service charges proposed for elimination are legacy KHECL charges**,** and there has been no recent revenue associated with these charges. These four service charges are not currently on the SNC Thunder Bay zone Tariff Sheet**,** and no revenue from these charges is anticipated. These four charges have not been used as there have been no requests, therefore no work performed, on three charges: request for other billing, income tax letters or credit checks. There are requests from customers for duplicate invoices for previous billings, however customer service directs customers to the portal, where they can access historic bills.

c) None of the four noted charges have any billed revenue from January 2019 to Oct 2023:

- Duplicate invoices for previous billings: $0.
- Requests for Other Billing Information: $0.
- Income Tax Letters: $0.
- Credit Checks: $0.

8-STAFF-65

Bill Impacts

Ref 1: Exhibit 8, page 8

Preamble:

Synergy North proposes to transition to harmonized rates in 2024. This results in fixed charge reductions for Kenora Rate Zone customers in all rate classes except residential, while variable charges for Kenora Rate Zone, and all base rate charges for Thunder Bay Rate Zone are proposed to increase.

The deficiency of $7.4 million on a base revenue requirement at existing rates of $28.5 million results in a 26% average base rate increase.

Question(s):

a) Has Synergy North considered a phased approach to rate harmonization to reduce bill impacts for customers in the Thunder Bay Rate Zone?

b) Have any options been considered to phase-in the general rate increase to mitigate bill impacts?

SNC Response:

a) Yes, SNC has considered a phased approach. Current revenues from the Kenora rate zone are approximately 11% of total revenues, and this is forecast to decline, so there is not a significant amount of revenue to shift between the rate zones that would have a significant impact on Thunder Bay rates. A phase-in methodology was developed and considered, but SNC's rate harmonization proposal does not incorporate this phase-in because the temporary impact on rates and total bill impacts without the phase-in did not exceed 10%, with the exception of Street Lighting and Sentinel Lighting that would have still required rate mitigation with a phase-in.

The methodology calculated the difference between revenues with rate harmonization by rate class and by rate zone to revenues without rate harmonization (with a uniform rate increase). The difference is phased in over multiple years instead of one year. The fixed/variable proportions are also phased in. The table below provides an example of a 3-year phase-in that was considered. The results show the disproportionate impact of a phase-in on each rate zone. With a 3-year phase-in, the 2024 Residential rate impact in Thunder Bay declines from 28.8% to 27.0%, and the Residential Rate Impact for Kenora increases from 5.0% to 19.1%. The rate increases in each rate zone intersect at the 26% overall rate increase. Any further 2024 rate decline for Thunder Bay would create bill impact concerns for the Residential class in Kenora.

TABLE 8-3: BILL IMPACTS

	Current		3-Year Phase-In					
	2023		2024		2025		2026	
	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable
Thunder Bay								
Residential	27.30	-	34.68	-	34.92	-	35.17	-
General Service < 50 kW	30.49	0.0199	39.14	0.0243	39.28	0.0231	39.96	0.0224
General Service > 50 to 999 kW	229.50	3.7313	309.51	4.5787	329.82	4.4737	350.41	4.3768
General Service > 1,000 kW	3,283.57	3.1450	4,141.69	3.8101	4,141.69	3.8101	4,141.69	3.8101
Street Lighting	1.25	7.4973	1.72	9.7925	2.15	11.7513	2.23	11.5642
Sentinel Lighting	8.96	7.1927	10.84	8.7123	10.84	8.7123	10.84	8.7123
USL	9.09	0.0132	10.61	0.0148	10.83	0.0146	11.04	0.0143
Kenora								
Residential	33.51	-	39.90	-	37.54	-	35.17	-
General Service < 50 kW	43.45	0.0069	52.16	0.0126	47.39	0.0168	39.96	0.0224
General Service > 50 to 999 kW	600.92	1.9148	611.55	3.1565	475.70	3.8413	350.41	4.3768
Street Lighting	5.79	3.8114	5.81	6.1892	5.02	7.7908	2.23	11.5642
USL	15.76	0.0047	15.44	0.0090	13.05	0.0122	11.04	0.0143

b) Since most total bill impacts were below 10%, general rate mitigation measures such as a rate smoothing deferral account were not considered.

SCHOOL ENERGY COALITION

8-SEC-28

[Ex.8, p.23] With respect to the rate harmonization proposal:

a) Please explain why the Applicant believes it in the best interest of customers of each of Kenora and Thunder Bay that rates be harmonized?

b) Please discuss the differences in actual costs to serve customers in each the Kenora and Thunder Bay service territories.

c) Did the Applicant undertake any customer engagement on the issue of rate harmonization either before the application or at the time of the amalgamation? If so please provide details.

d) If the OEB were to determine that there should remain two separate rate zones, how would the Applicant propose that this be implemented?

<u>SNC Response:</u>

a) It is in the best interests of Kenora and Thunder Bay customers that rates be harmonized because:

- SNC has been operating the utility as a single entity since the merger. This was anticipated in the MAAD application and is consistent with the Handbook to Electricity Distributor and Transmitter Consolidations direction that future rate structures are to be considered at the time of the next (e.g., post-merger) rate application (page. 17).
- Both rate zones have benefitted from operating the corporation as a single company. These benefits include consolidated customer service and billing, system control, AMI services, engineering services, HR & Safety, Regulatory and Finance and a single President and Board of Directors. In addition, SNC makes all borrowing, legal and strategic decisions based on the concept of one company and to the benefit of all ratepayers without focusing on the impact of separate rate zones. These benefits are further discussed in Exhibit 1, Section 1.9.4, page 103 and further detailed in Exhibit 8, Section 8.14.2, page 23.
- SNC also anticipates further efficiencies will be earned throughout the next filing period as a result of harmonization. Once all rate riders associated with pre-filing RSVA accounts have

been disposed of, SNC will benefit from no longer having to reconcile two sets of RSVA accounts and file two separate sets of RRR information.

- From a billing perspective, harmonization will allow SNC to migrate to a single billing environment with one set of records, thus reducing complexity and duplication.

b) Costs are recorded and reported on a consolidated SNC basis, not based on Kenora or Thunder Bay service territory. There may be a slight difference in certain operating costs between the two service territories; however, the majority of the costs associated with running the utilities are consistent as they share common functions between the two zones (please see SNC's response to part A above). It is also noted that SNC has harmonized wage rates between the two service territories as part of the last labour contract.

c) As part of the MAAD application (EB-2018-0124, page 50), SNC proposed maintaining separate rate zones during the five-year rebasing deferral period and did not perform any customer engagement at the time of the amalgamation. However, consistent with the direction in the Handbook to Electricity Distributor and Transmitter Consolidation and the MAAD application itself, SNC included a question on harmonization in its customer engagement relating to this application. In the "*Phase 1 and Phase 2, Have Your Say Survey – 2023*" (Exhibit 1, Attachment 1-K, Question 14), of those who had an opinion on the topic, 79% of respondents supported harmonization or indicated that it was probably necessary.

d) Consistent with the direction in the MAAD application and the Handbook to Electricity Distributors and Transmitter Consolidations, SNC has been operating as though harmonization would occur as part of this current rate application. To date, SNC has consolidated almost all operations under one accounting system and one set of books. If the OEB ordered SNC to continue as two separate rate zones, a full review of all spending over the last five years would be required to retro-actively separate all spending and re-create separate OM&A and Capital balances by USoA Account for the two rate zones. This separation would require an examination of transactions in order to re-create charging to the two entities and also a shared services and study to accurately apportion common services such as regulatory, finance, purchasing, billing and customer service. This would require additional resources and staff time, which is not included in the costs in this application. In addition to there being a one-time cost to re-create financial records, there would be an ongoing incremental cost such as maintaining two sets of books, reports, rates and filing requirements.

8-SEC-29

[Ex.8, p.25]

Please provide a revised version of Tables, 8-18, 8-19, and 8-20, if the GS>50 and GS>50 fixed charge were set at the existing Thunder Bay Rate Zone amount.

SNC Response:

Please see tables 8-4 through 8-6 below.

TABLE 8-4: BILL IMPACT – WEIGHTED AVERAGE

Weighted Average	Current Charges		TB Fixed GS<50 and GS>50 Scenario		Dx Bill Impact	
	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge
Residential	$27.88	$0.0000	$35.17	$0.0000	26.14%	0.00%
GS <50	$32.21	$0.0181	$30.49	$0.0265	-5.34%	46.80%
GS 50 – 999	$277.81	$3.4897	$229.50	$5.3297	-17.39%	52.73%
GS 1,000 – 4,999	$3,283.57	$3.1450	$4,141.69	$3.8101	26.13%	21.15%
Street Light	$1.39	$7.2279	$1.90	$9.9226	36.47%	37.28%
Sentinel	$8.96	$7.1927	$11.25	$9.0393	25.56%	25.67%
USL	$9.66	$0.0125	$12.18	$0.0158	26.13%	26.26%

TABLE 8-5: BILL IMPACT – THUNDER BAY

Thunder Bay	Current Charges		TB Fixed GS<50 and GS>50 Scenario		Dx Bill Impact	
	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge	Fixed Charge	Variabl e Charge
Residential	$27.30	$0.0000	$35.17	$0.0000	28.83%	0.00%
GS <50	$30.49	$0.0199	$30.49	$0.0265	0.00%	33.17%
GS 50 – 999	$229.50	$3.7313	$229.50	$5.3297	0.00%	42.84%
GS 1,000 – 4,999	$3,283.57	$3.1450	$4,141.69	$3.8101	26.13%	21.15%
Street Light	$1.25	$7.4973	$1.90	$9.9226	52.00%	32.35%
Sentinel	$8.96	$7.1927	$11.25	$9.0393	25.56%	25.67%
USL	$9.09	$0.0132	$12.18	$0.0158	33.99%	19.70%

TABLE 8-6: BILL IMPACT - KENORA

Kenora	Current Charges		TB Fixed GS<50 and GS>50 Scenario		Dx Bill Impact	
	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge
Residential	$33.51		$35.17		4.95%	
GS <50	$43.45	$0.0069	$30.49	$0.0265	-29.83%	284.06%
GS 50 – 999	$600.92	$1.9148	$229.50	$5.3297	-61.81%	178.34%
Street Light	$0.00	$0.0000	$0.00	$0.0000	0.00%	0.00%
USL	$5.79	$3.8114	$1.90	$9.9226	-67.18%	160.34%

8-SEC-30

[Ex.8, p.11]

Please update the proposed RTSR, and the corresponding bill impact model/table, for the OEB's preliminary 2024 UTRs released on September 28, 2023.

SNC Response:

Please see 8-Staff-63. An updated RTSR model is filed with interrogatory responses.

VULNERABLE ENERGY CONSUMERS COALITION (VECC)

8.0-VECC-66

Reference: Exhibit 8, page 7

a) Please provide a schedule that sets out the current fixed/variable percentage split for: i) the Kenora rate zone's GS<50 and GS >50 classes and ii) the Thunder Bay rate zone's GS<50 and GS 50-999 rate classes.

SNC Response:

a) The fixed/variable splits are provided below. The calculations are based on approved 2023 rates and 2024 billing determinants from the proposed load forecast.

TABLE 8-7: FIXED/VARIABLE SPLITS - KENORA

Kenora (i)		
Rate Class	**Fixed %**	**Variable %**
GS<50 kW	69.74%	30.26%
GS>50 kW	72.39%	29.63%

TABLE 8-8: FIXED/VARIABLE SPLITS – THUNDER BAY

Thunder Bay (ii)		
Rate Class	**Fixed %**	**Variable %**
GS<50 kW	37.77%	62.23%
GS 50-999 kW	33.24%	67.99%

8.0-VECC-67

Reference: Exhibit 8, pages 10-12 /RTSR Workform

Preamble: The Application states (page 11):

"Proposed RTSRs are based on the 2023 Uniform Transmission Rates Update (EB-2023-0101). Harmonized RTSRs are calculated by dividing the combined Thunder Bay and Kenora rate zone "Current Wholesale Billing" amounts by the combined billed kWh/kW for each rate class."

a) Please confirm that both the Kenora and Thunder Bay rate zones pay network charges, line connection charges and transformation connection charges to the IESO.

b) What year's data are used for the customer class billing kWh and kW in Tab 3 of the RTSR Workform?

c) What year's data are used for the Network, Line Connection and Transformation Connection billing units used in Tabs 5, 6 and 7 of the RTSR Workform for the IESO?

d) Please provide an updated RTSR Workform that includes the preliminary 2024 UTRs circulated by the OEB on September 28, 2023 (EB-2023-0222).

SNC Response:

a) Thunder Bay and Kenora pay network charges and line connection charges. Thunder Bay pays transformation connection charges, but Kenora does not.
b) The data in Tab 3 is 2024 Test Year data from the proposed load forecast. This data has been replaced in the updated RTSR workform with 2022 RRR data.
c) The data in tabs 5, 6, and 7 is from 2022.
d) Please see 8-Staff-63. An updated RTSR workform is filed with interrogatory responses.

8.0-VECC-68

Reference: Exhibit 8, pages 12-13

Preamble: The Application states (page 12):

"SNC requests no changes to its existing Retail Service Charges, which are consistent with the Board's standard rates."

a) Please confirm that SNC's proposed Retail Service Charges are consistent with those approved by the Board for 2024 in EB-2023-0193.

SNC Response:

a) Confirmed.

8.0-VECC-69

Reference: Exhibit 8, page 17

a) In Table 8-11, please confirm that the values in row A(2) include distributed generation directly connected to SNC's distribution network.

   i. If confirmed, how much is included for each of the year's 2018-2022?

   ii. If not confirmed, please revise Table 8-11 as necessary.

SNC Response:

a) Confirmed.

   i. Generation by year is provided in the table below.

TABLE 8-9: GENERATION BY YEAR

Year	Generation
2018	42,973,515
2019	36,919,390
2020	40,329,414
2021	40,821,830
2022	33,996,161

   ii. N/A.

8.0-VECC-70

Reference: Exhibit 8, pages 21-22

Preamble: The Application states:

"SNC's general approach to mitigate rate increases in which total bill impacts exceed 10% is to adjust revenues to be collected from that rate class downward, with offsetting increases to revenues of the class(es) with the lowest revenue-to-cost ratios in order to maintain revenue neutrality." (page 21)

"Rate mitigation is necessary for the two lighting rate classes, Street Lighting and Sentinel Lighting, for customers in the current Thunder Bay rate zone, as these customers face total bill increases in excess of 10%." (page 22)

a) As opposed to decreasing the revenue to cost ratio for the Sentinel Lighting class could the total bill increase be reduced to less than 10% by using a two or three year recovery period for the DVA balances?

b) If yes, what revenue to cost ratio for the Street Lighting class (in conjunction with this recovery period) reduce that class' total bill impact to less than 10% assuming: i) a two year recovery period and ii) a three year recovery period? iii) population that has been subject to testing within the last 5 years.

SNC Response:

a) Overall, DVA balances are negative, so using a two or three-year recovery period would increase test year bill impacts and increase the need for rate mitigation. Additionally, extending the rate recovery period of the Group 1 DVA (excluding GA), which is the only positive rate rider applicable to Thunder Bay customers, to three years but keeping the negative rate riders as one-year dispositions would continue to have total bill impacts exceeding 10% for the Street Lighting rate class.

b) N/A.

CONSUMERS COUNCIL OF CANADA

8-CCC-24

Ex. 8/p. 25

The average distribution rate increase for Thunder Bay Rate Zone customers is 28.83%. This is 2.7% higher than what SNC has calculated to be the status quo increase. This is not consistent with the evidence provided during the MADDs proceeding.

Why should residential consumers be subjected to such significant rate increases?

SNC Response:

SNC has taken great strides to reduce the impact on residential customers through both merger savings and efficiencies gained throughout the last seven years. Please see SNC's responses to 1-SEC-4, 1-SEC-7, and 1-SEC-8 for details of savings achieved since the last rebasing. However, SNC has also identified incremental costs that didn't exist at the last rebasing. Please see Table 4-6: OM&A expenditures 2017 BA proxy to 2024 Test year (figure 4.1 Data points) on page 13 of Exhibit 4 for a detail of these incremental costs, specifically Tree-Trimming and Cyber Security requirements. As detailed in Figure 4.3 Actual OM&A vs. OM&A without Merger on page 18 of Exhibit 4, SNC confirms it has achieved the savings identified in the MAAD application, and rates are, in fact, lower than they would have been had the parties remained as status quo independent LDC's, referenced on line 13-16 on page 27 of EB-2018-0124.

8-CCC-25

Ex. 8/p. 25

Has SNC drafted any customer communication materials related to the proposed rate increases?

If so, please provide copies of those materials.

SNC Response:

SNC provided customers with the opportunity to provide their opinion on the Have Your Say SYNERGY NORTH customer engagement website regarding the proposed rate increases. The website included information pages so that customers could understand the topic prior to giving their opinion. SNC advertised this through social media and through two separate media releases, one for each survey. These surveys were provided as Attachment 1-K in Exhibit 1. Specifically, Questions 6 through 12 in Phase 2 of SNC's Have Your Say Survey focused solely on proposed rate increases, broken down by what drives those increases in each question.

The SNC's website informational pages and media releases are included in Attachment 8-1: Communication Materials.

8-CCC-26

SNC is proposing to change the Specific Service Charge for Easement letters for $15.00 to $26.75.

Please explain the purpose of easement letters. To what extent did SNC consult with its customers regarding this change? What do other LDCs charge for this service?

SNC Response:

Requests are received from law offices for information on any registered or unregistered easements for a specified property within the LDC's service territory.

SNC did not consult with customers regarding this change. This specific charge has identifiable costs that consistently exceed the allowed charge per easement letter in the Tariff.

A sample of other LDC's Specific Service Charges noted the following:

- Toronto Hydro-Electric System Limited EB-2022-0065 January 1, 2023 = $25.00
- Hydro Ottawa Limited EB-2022-0042 January 1, 2023 = $27.00

ASSOCIATION OF MAJOR POWER PRODUCERS (AMPCO)

8-AMPCO-40

Ref: Ex 8 p.7-9

Please provide the Fixed/Variable split calculation and the resulting Fixed and Variable rates and Bill Impacts if the Monthly Service Charge for the GS>1,000 kW Rate Class is maintained at the current 2023 rate of $3,283.57.

SNC Response:

The requested information for the scenario is provided below. Please note that the volumes that are used to derive bill impacts are (rounded) average class volumes, so the fixed/variable split does not affect bill impacts. The variable charge does not include the transformer allowance.

TABLE 8-10: FIXED/VARIABLE SPLIT CALCULATION

Figure		Scenario	Proposed (Application)
Split %	Fixed %	26.1%	32.9%
	Variable %	76.8%	67.1%
Charges	Fixed $/mo.	$3,283.57 / mo.	$4,141.69 / mo.
	Variable $/kW	$4.1365 / kW	$3.8101 / kW
Bill Impact	Sub-Total A	72.6%	72.7%
	Sub-Total B	44.7%	44.8%
	Sub-Total C	12.9%	13.0%
	Total	2.9%	2.9%

8-AMPCO-41

Has SNC had any discussions with the 15 customers in the GS>1,000 kW Rate Class about SNC's proposal to maintain the existing fixed-variable split which produces a fixed monthly charge that is greater than the current 2023 rate.

a) If yes, please provide the details and feedback.

b) If no, does SNC anticipate any issues with respect to the proposed increase in the fixed monthly charge for customers in this rate class.

SNC Response:

a) SNC discussed this following a Local Advisory Committee meeting, held on November 2, 2022. One LAC member asked directly about the impact of the COS application. These impacts were provided to the LAC member, and no feedback was received.

b) n/a

8-AMPCO-42

Ref: Ex 8 p. 7

SNC provides a Monthly Service Charge Comparison in Table: 8-5.

Please provide a similar Table that sets out a comparison of the Variable Charge by Rate Class compared to the current (2023) charges for Thunder Bay and Kenora.

SNC Response:

Please see Table 8-11 below.

TABLE 8-11: MONTHLY SERVICE CHARGE COMPARISON

Rate Class	kW / kWh	Thunder Bay 2023 Volumetric Charge	Kenora 2023 Volumetric Charge	Current 2023 Volumetric Charge (Weighted)	2024 Volumetric Charge
Residential					
General Service < 50 kW	kWh	$0.0199	$0.0069	$0.0181	$0.0224
General Service > 50 to 999 kW	kW	$3.7313	$1.9148	$3.4897	$4.4459
General Service > 1,000 kW	kW	$3.1450		$3.1450	$3.8101
Street Lighting	kW	$7.4973	$3.8114	$7.2279	$9.9226
Sentinel Lighting	kW	$7.1927		$7.1927	$9.0393
Unmetered Scattered Load	kWh	$0.0132	$0.0047	$0.0125	$0.0158

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The volumetric charge for the General Service 1,000 to 4,999 kW class will increase from $3.2101 per kW to $3.8101 per kW to recover $283,947 or the “cost” of Transformer Allowance for this class.

Please explain how the $283,947 cost is derived.

SNC Response:

The $283,947 figure is calculated as the class's forecast billed demand (473,245 kW) multiplied by the $0.60/kW transformer allowance. All customers in the rate class receive the transformer allowance.

8-AMPCO-44

Ref: Ex 8 p. 23

SNC proposes to combine the rate classes of the Thunder Bay rate zone and Kenora rate zone.

Please discuss how SNC consulted with customers in each rate class regarding the change.

SNC Response:

SNC proposed the rate harmonization to our customers through the Have Your Say Synergy North customer engagement website. Customers were asked how they felt about the combining of rates in question 14 of the Phase One survey. A webpage dedicated to rate harmonization is available as well on the same site so customers can make an informed decision. Refer to Exhibit 1, Attachment 1-K for the Phase One Customer Engagement Survey.