<u>Q/A Response</u>

**Q. What would the impact be of allowing Class A electivity consumers to use their best 4 out of the 5 system peaks to calculate their Global Adjustment (GA)?**

- Currently, Class A consumers' GA share is based on their consumption during the 5 highest system demand peaks.

- Revising the GA to allow Class A consumers to calculate their GA share based on their best 4 of 5 system demand peaks would lower costs for Class A consumers and shift these costs to Class B consumers.

- Using 2015 data, ENERGY staff estimate that this would result in a reduction of about $2/MWh for an average Class A consumer and a cost shift of about $0.50/month for a typical residential consumer. **Note:** These estimates are based on aggregate Class A consumption data and as such likely underestimate the impact.

- This approach would require amendments to O.Reg. 429/04 and would also require amendments to LDC and IESO billing systems. The earliest this amendment could be effective would be July 2018.