



EB-2016-0089

Lakefront Utilities Inc.

**Application for electricity distribution rates
beginning January 1, 2017.**

**PROCEDURAL ORDER NO. 1
June 29, 2016**

Lakefront Utilities Inc. (Lakefront Utilities) filed a complete cost of service application with the Ontario Energy Board (OEB) on April 29, 2016 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Lakefront Utilities charges for electricity distribution, to be effective January 1, 2017.

A Notice of Hearing (Notice) was issued on June 6, 2016. Each of the Cobourg Taxpayers Association (CTA), Energy Probe Research Foundation (Energy Probe) and the Vulnerable Energy Consumers Coalition (VECC) applied for intervenor status and cost eligibility.

No objection was received from Lakefront Utilities.

The CTA, Energy Probe and VECC are approved as intervenors. The list of parties in this proceeding is attached as Schedule A to this Procedural Order. I have also determined that the CTA, Energy Probe and VECC are eligible to apply for an award of costs under the OEB's Practice Direction on Cost Awards.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Issues List

It is the OEB's expectation that parties will be best positioned to identify issues relevant to Lakefront Utilities' application after the applicant has responded to interrogatories. Lakefront Utilities, OEB staff and the intervenors shall develop and OEB staff shall file a proposed issues list for the OEB's consideration. The OEB will approve an issues list prior to the Settlement Conference.

Interrogatories

At this time, provision is being made for written interrogatories. The OEB will review the single test year application both in the context of the projects and programs that are requested for the test year and from the perspective of the distributor's plans for the subsequent four years until the next scheduled rebasing application.

Parties should examine the value presented by the proposed investments as opposed to focussing only on the costs. Parties should also assess the fit between the applicant's plans and its stated objectives, and consider how the plans contribute to positive outcomes for customers, in particular those outcomes that arise from the asset management decisions reflected in the applicant's distribution system plan. The OEB will consider the entire five year distribution system plan to assess the planning and pacing proposals of the applicant and whether the test year requests are appropriately aligned with the distribution system plan. The OEB will also consider productivity and benchmarking results in assessing cost forecasts, bill impacts and distributor performance.

Parties should not engage in detailed exploration of items that do not appear to be material. Parties should use the materiality thresholds documented in Chapter 2 of the Filing Requirements as a guide. In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues.

Parties should consult sections 26 and 27 of the OEB's Rules of Practice and Procedure regarding required naming and numbering conventions and other matters related to interrogatories.

Presentation Day

Following the settlement conference, there will be a presentation by Lakefront Utilities of any settlement proposal filed, whether full or partial, to summarize and provide any

salient information for the OEB's consideration in reviewing the settlement proposal. Lakefront Utilities will also present any unsettled issues with a focus on how the unsettled issues relate to the business conditions Lakefront Utilities anticipates over the next 5 years, the planning it has undertaken to address system needs and customer preferences, and its proposal regarding how the costs of distributing electricity ought to be recovered from customers through the rates they pay, taking into consideration the OEB's policies. The purpose of the presentation is not to provide an opportunity for cross-examination by the parties.

It is necessary to make provision for the following matters related to this proceeding.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

1. OEB staff shall request any relevant information and documentation from Lakefront Utilities that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **July 11, 2016**.
2. Intervenors shall request any relevant information and documentation from Lakefront Utilities that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **July 18, 2016**.
3. Lakefront Utilities shall file with the OEB complete written responses to all interrogatories and serve them on all intervenors and OEB staff by **August 5, 2016**.
4. Following the receipt of responses to interrogatories, OEB staff shall convene a teleconference among the parties to discuss the formation of an issues list. OEB staff shall file a proposed issues list, or, alternatively, shall advise the OEB in writing that the parties and OEB staff have been unable to reach an agreement on a draft issues list by **August 15, 2016**.
5. A Settlement Conference among the parties and OEB staff will be convened on **August 24, 2016** starting at 9:30 a.m., at 2300 Yonge Street, 25th floor, Toronto. If necessary, the Settlement Conference will continue on **August 25 and August 26, 2016**.
6. Any settlement proposal arising from the Settlement Conference shall be filed with the OEB on or before **September 16, 2016**. In addition to outlining the terms of any settlement, the settlement proposal should contain a list of any

unsettled issues, indicating with reasons whether the parties believe those issues should be dealt with by way of oral or written hearing.

7. Any submission from OEB staff on a settlement proposal shall be filed with the OEB and served on all parties within 7 days from when a settlement proposal is filed.
8. If there is no settlement proposal arising from the Settlement Conference, Lakefront Utilities shall file a statement to that effect with the OEB by **August 29, 2016**. In that event, parties shall file and serve on the other parties by **September 2, 2016** any submissions on which issues shall be heard in writing, and for which issues the OEB should hold an oral hearing.
9. Lakefront Utilities will present to the OEB any settlement proposal and a summary of any unsettled issues in the case on **September 30, 2016** starting at **9:30am** in the OEB's offices at 2300 Yonge Street, 25th floor, Toronto, Ontario.

All filings to the OEB must quote the file number, EB-2016-0089, be made in searchable / unrestricted PDF format electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date. With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Georgette Vlahos at georgette.vlahos@ontarioenergyboard.ca and OEB Counsel, Ljuba Djurdjevic at ljuba.djurdjevic@ontarioenergyboard.ca.

ADDRESS

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

E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, **June 29, 2016**

ONTARIO ENERGY BOARD

By delegation, before: Kristi Sebalj

Original signed by

Kristi Sebalj
Registrar

Schedule A

List of Applicant and Intervenors

Lakefront Utilities Inc.

Cost of Service Application

EB-2016-0089

June 29, 2016

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APPLICANT & LIST OF INTERVENORS

June 29, 2016

APPLICANT

Rep. and Address for Service

Lakefront Utilities Inc.

Dereck Paul

President & CEO
Lakefront Utilities Inc.
207 Division St.
P.O. Box 577
Cobourg, ON K9A 4L3

Tel: 905-372-2193
Fax: 905-372-2581
regulatory@lusi.on.ca

Lakefront Utilities Inc.

Adam Giddings

Finance Supervisor
Lakefront Utilities Inc.
207 Division St.
P.O. Box 577
Cobourg ON K9A 4L3
Tel: 905-372-2193 Ext: 5242
Fax: 905-372-2581
agiddings@lusi.on.ca

INTERVENORS

Rep. and Address for Service

**Cobourg Taxpayers
Association**

Dennis Nabieszko

Secretary
Cobourg Taxpayers Association
c/o Cobourg Taxpayers Association
800 Hudson Street
Cobourg ON K9A 0G4
Tel: 289-829-1551
Fax: Not Provided
cta@cobourgtaxpayers.ca

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June 29, 2016

**Cobourg Taxpayers
Association**

Ken Strauss

Cobourg Taxpayers Association
c/o Cobourg Taxpayers Association
800 Hudson Street
Cobourg ON K9A 0G4
Tel: 289-829-1551
Fax: Not Provided
ken.strauss@pebblebeach.ca

**Energy Probe Research
Foundation**

David MacIntosh

Case Manager
Energy Probe Research Foundation
225 Brunswick Avenue
Toronto ON M5S 2M6
Tel: 416-964-9223 Ext: 235
Fax: 416-964-8239
DavidMacIntosh@nextcity.com

Randy Aiken

Aiken & Associates
578 McNaughton Ave. W.
Chatham ON N7L 4J6
Tel: 519-351-8624
Fax: 519-351-4331
randy.aiken@sympatico.ca

**Vulnerable Energy
Consumers Coalition**

Mark Garner

Consultant
Econalysis Consulting Services
2200 Yonge St.
Suite 1302
Toronto ON M4S 2C6
Tel: 647-408-4501
Fax: Not Provided
markgarner@rogers.com

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APPLICANT & LIST OF INTERVENORS

June 29, 2016

**Vulnerable Energy
Consumers Coalition**

Michael Janigan

Counsel
Public Interest Advocacy Centre
31 Hillside Avenue East
Toronto ON M4S 1T4
Tel: 416-840-3907
Fax: Not Provided
mjanigan@piac.ca

Bill Harper

Econalysis Consulting Services
34 King Street East
Suite 630
Toronto On M5C 2X8
Tel: 416-348 0193
Fax: Not Provided
bharper@econalysis.ca