



**Lakefront  
Utilities  
Inc.**

December 10, 2019

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 26<sup>th</sup> Floor, P.O. Box 2319  
Toronto, ON M4P 1E4

**Re: Lakefront Utilities Inc.  
EB-2019-0050  
Supplemental Letter re Draft Decision and Rate Order**

Dear Ms. Walli:

Further to my reply submission dated December 5<sup>th</sup>, OEB staff (Manager Dan Gagic and Mr. Mark Rozic) arranged a conference call with Lakefront Utilities Inc. (LUI) on December 9<sup>th</sup>. In the call, Mr. Gagic highlighted that the 2017 GA Analysis Workform has identified that the 2017 balance in account 1589 may not be reasonable, and could potentially have a 10.1% unresolved difference. He indicated there could be a number of different reasons for the unreconciled difference in the 2017 GA Analysis Workform, one of which may be a settlement matter with the IESO but can't be sure without a deeper dive into the transactions and settlements information, which requires further review and explanation.

LUI's concern is if the proposed adjustment is done as one option suggested by Mr. Gagic, it would indicate a \$974K balance owed to the IESO and our auditors have reviewed and confirmed the accuracy of the IESO settlement process.

However, LUI can appreciate the OEB's staff concern and we all agreed that a deeper analysis is required on the 2017 GA Analysis Workform including an adjustment that was done as a result from LUI's external audit. LUI therefore welcomes the OEB Audit and Investigations further review of this matter, and would ensure our external auditors are engaged in the process.

Should the board have questions regarding this matter please contact me at [dpaul@lusi.on.ca](mailto:dpaul@lusi.on.ca).

Respectfully Submitted,

A handwritten signature in blue ink, appearing to be 'DP', written over a light blue horizontal line.

Dereck C. Paul