



Ontario | Commission
Energy | de l'énergie
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BY EMAIL

June 25, 2021

Ms. Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Long:

**Re: Ontario Energy Board (OEB) Staff Submission
Lakefront Utilities Inc. (Lakefront Utilities)
Application for 2022 Electricity Distribution Rates
OEB File Number: EB-2021-0039**

In accordance with Procedural Order No. 1, OEB staff advises that parties have accepted the proposed issues list for Lakefront Utilities' 2022 distribution rate application.

OEB staff also advises that parties indicated that, given that the current issues list was prepared prior to the interrogatory process, parties may wish to raise additional matters for inclusion on the Issues List after the responses to the interrogatories are received.

The proposed issues list is attached.

Yours truly,

Original Signed By

Margaret DeFazio, P.Eng.
Project Advisor – Electricity Distribution: Major Rate Applications & Consolidations

Encl.

cc: All parties in EB-2021-0039



ONTARIO ENERGY BOARD

OEB Staff Submission

Lakefront Utilities Inc.

2022 Cost of Service Application

EB-2021-0039

June 25, 2021

PROPOSED ISSUES LIST
EB-2021-0039
Lakefront Utilities Inc. (Lakefront Utilities)

1.0 PLANNING

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- investment in non-wires alternatives, including distributed energy resources, where appropriate
- trade-offs with OM&A spending
- government-mandated obligations
- the objectives of Lakefront Utilities and its customers
- the distribution system plan
- the business plan

1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences
- productivity
- benchmarking of costs
- reliability and service quality
- impact on distribution rates
- trade-offs with capital spending
- government-mandated obligations
- the objectives of Lakefront Utilities and its customers
- the distribution system plan
- the business plan

2.0 REVENUE REQUIREMENT

2.1 Are all elements of the revenue requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

- rate base
- utility income
- taxes/PILS
- capitalization/cost of capital

2.2 Has the revenue requirement been accurately determined based on these elements?

2.3 Is the proposed shared services cost allocation methodology and the quantum appropriate?

3.0 LOAD FORECAST, COST ALLOCATION AND RATE DESIGN

3.1 Are the proposed load and customer forecast, loss factors, conservation and demand management adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of Lakefront Utilities' customers?

3.2 Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios, appropriate?

3.3 Are Lakefront Utilities' proposals, including the proposed fixed/variable splits, for rate design appropriate?

3.4 Are the proposed standby charges for customers in the General Service (GS) 50 to 2,999 kW or GS 3,000 to 4,999 kW classes who have load displacement generation or storage that require LUI to provide a backup service appropriate?

3.5 Are the proposed Low Voltage Charges and Retail Transmission Service Rates appropriate?

3.6 Are the Retail Service Charges and Pole Attachment Charge appropriate?

3.7 Are the existing Specific Service Charges, the proposed Specific Service Charge for customers requiring a printed bill and the proposed Specific Service Charge for a duplicate invoice appropriate?

3.8 Are rate mitigation proposals required for any rate classes?

4.0 ACCOUNTING

4.1 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

- 4.2** Are Lakefront Utilities' proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, requests for discontinuation of accounts, and the continuation of existing accounts, appropriate?

5.0 OTHER

- 5.1** Is the proposed effective date (i.e. January 1, 2022) for 2022 rates appropriate?
- 5.2** Has Lakefront Utilities responded appropriately to the requirement to submit an Asset Condition Assessment as outlined in the approved EB-2016-0089 settlement proposal?
- 5.3** Is the proposed method of addressing the impact of COVID-19 on Lakefront Utilities' operations for 2022 rates appropriate?