



**Lakefront  
Utilities  
Inc.**

July 7, 2021

Dear Ms. Shelby Hamilton,

Thank you for your email to Lakefront Utilities Inc. (LUI/Lakefront) received on May 28, 2021, with respect to Lakefront's proposed Cost of Service Application for rates effective January 1, 2022. We appreciate your feedback and thank you for taking time to share your comments.

You comment:

"I find it difficult to believe that in the current state of the world, that the wealthy would need more money from those struggling. The timing of this increase can not go unnoticed. I think it is disheartening, shameful and greedy that a company as well established as Lakefront would increase its rates in a time when so many are struggling to put food on their table."

Lakefront applies to the Ontario Energy Board every year to approve rates for the following year. These applications are on a five-year cycle, with a detailed Cost of Service review in year 1, followed by inflationary adjustments in years 2 to 5. Lakefront's current Cost of Service filing is for rates effective January 1, 2022. For the distribution portion of the bill, Lakefront has forecasted a monthly increase of \$1.30 for a typical residential customer that consumes 750 kWh per month.

Lakefront understands that customers are passionate about the delivery of reliable and safe electricity at low costs. Lakefront strives to meet our customers' expectations as evidenced by Lakefront having the 6<sup>th</sup> lowest residential rate among the 68 utilities in Ontario in 2020. This accomplishment demonstrates Lakefront's commitment to balancing customer expectations with responsible financial management and planning, including prudent spending on infrastructure maintenance, upgrading or replacement, while still maintaining affordable rates. Currently, 10 Lakefront staff and 5 Board of Directors are also customers of Lakefront Utilities Inc., demonstrating that Lakefront is both a community asset and an investment for its staff and Board of Directors.

As a final note, the Ontario Energy Board will only approve an increase in distribution rates if Lakefront can provide adequate evidence to support and justify its underlying costs.

Through the Ontario Government, Lakefront provides assistance for all customers struggling to pay their electricity bills such as the Ontario Electricity Support Program (OESP) and the Low-Income

Energy Assistance Program (LEAP). These programs are advertised throughout the year by Lakefront through newsletters, social medial pages, as well as promoted by our Customer Service Representatives to customers who email or call our office.

Further, during the pandemic, Lakefront:

- Offered increased payment flexibility to our customers experiencing hardship.
- Removed all interest charges on outstanding balances.
- Through Lakefront's affiliate Lakefront Utility Services Inc., staff and Board of Directors contributed through payroll deductions and donated \$6,930 to Northumberland County Food for All.
- Increased annual Low-Income Energy Assistance Program (LEAP) funding by \$2,925.
- Offered and promoted the Province's COVID-19 Energy Assistance Program (CEAP) to help residential customers struggling to pay their electricity bills as a result of the pandemic.

Thank you again for your comments and please contact us again should you have questions or require further information.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Dereck Paul', with a stylized flourish at the end.

Dereck Paul  
President and CEO  
Lakefront Utilities Inc.

Cc: Adam Giddings, CPA CA, Director of Regulatory Finance