



BY EMAIL

November 11, 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 on Draft Rate Order
Lakefront Utilities Inc.
Application for 2022 Electricity Distribution Rates
OEB File Number: EB-2021-0039**

Pursuant to the OEB's Decision and Order Dated October 28, 2021 (Decision), Lakefront Utilities Inc. (Lakefront Utilities) filed a Draft Rate Order (DRO) with supporting material on November 4, 2021.

The decision stated that, "Lakefront Utilities shall file a draft rate order with detailed supporting material showing the impact of any required adjustments related to the approved 2022 cost of capital parameters, Regulated Price Plan pricing and approved 2021 inflation rate."

OEB staff has reviewed the DRO and has identified Lakefront Utilities has not implemented all the OEB's directions set out in the Decision as outlined in the following paragraphs.

The OEB published *Regulated Price Plan Price Report, November 1, 2021 to October 31, 2022* on October 22, 2021¹. OEB staff submits that Lakefront Utilities should revise the submission of Appendix 2-ZA, "Table 1: Average RPP Supply Cost Summary" with the values in Table ES-1: Average RPP Supply Cost Summary², to reflect the most current values provided in the *Regulated Price Plan Price Report*.

¹ [Regulated Price Plan Price Report \(October 22, 2021\) \(oeb.ca\)](#)

² Ibid, Page 3

In addition, OEB staff submits that Lakefront Utilities should revise the value for the Ontario Electricity Rebate credit in Appendix 2-ZB Cost of Power from 18.92% to 17.0%, to reflect the most current value as set out in the *Regulated Price Plan Report*.³

OEB staff also submits that Lakefront Utilities should revise the value for the Smart Meter Entity Charge in Appendix 2-ZB Cost of Power from \$0.79 to \$0.57, to reflect the current rate.⁴

Lakefront Utilities used an inflation factor of 2.00% for Retail Service Charges in the DRO. OEB staff submits that, in accordance with the Decision, Lakefront Utilities should revise the inflation factor to the 2021 value of 2.2%.⁵

OEB staff submits that Lakefront Utilities has implemented the approved 2022 cost of capital parameters.

OEB staff submits that Lakefront Utilities should review the revisions outlined above and provide any necessary updates to the DRO and supporting documentation in its reply submission.

Yours truly,

Original Signed By

Margaret DeFazio, P.Eng.
Project Advisor, Major Rate Applications and Consolidations

Encl.

cc: All parties in EB-2021-0039

³ [OEB announces no change to electricity prices for households and small businesses \(oeb.ca\)](#)

⁴ [ltr-smart-metering-entity-charge-20180323 \(oeb.ca\)](#)

⁵ [EB-2020-0285, Decision and Rate Order, \(oeb.ca\)](#)