



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL

May 28, 2024

Dereck Paul
Chief Executive Officer
Lakefront Utilities Inc.
207 Division St.
P.O. Box 577
Cobourg, ON K9A 4L3
dpaul@lusi.on.ca

Dear Mr. Paul:

**Re: Lakefront Utilities Inc. (Lakefront Utilities)
Ontario Energy Board (OEB) File Number: EB-2023-0035
Errata for December 14, 2023 Decision and Rate Order**

The OEB is issuing this letter to correct an error in the Tariff of Rates and Charges (referred to below as the Tariff) accompanying its Decision and Rate Order issued on December 14, 2023, in this proceeding.

In its letter dated April 12, 2024, Lakefront Utilities notified the OEB that it had identified an input error in the Rate Generator Model that is used to produce the Tariff (the Model). The error resulted from Lakefront Utilities' failure to include the 2023 OEB approved Group 1 Deferral and Variance Account disposition amounts in the continuity schedule that forms part of the model (at Sheet 3 of the Model). If not corrected, this error will result in an estimated overcollection of \$929,263 of the Tariff item designated "Rate Rider for Disposition of Deferral/Variance Accounts (2024) – effective until December 31, 2024", and an estimated over-refunding of \$23,350 of the Tariff item designated "Rate Rider for Disposition of Capacity Based Recovery Account (2024) – effective until December 31, 2024, Applicable only for Class B Customers".

Since the Tariff has been in effect and implemented since January 1, 2024, this error will directly impact both ratepayers and Lakefront Utilities. Lakefront Utilities has proposed to correct this error by amending the sunset date for both rate riders from December 31, 2024 to June 30, 2024. The sunset date of June 30, 2024 will result in an estimated overcollection of \$80,762 for the Rate Rider for Disposition of Deferral/Variance Accounts (2024), and an estimated under-refund of \$2,646 for the Rate Rider for Disposition of Capacity Based Recovery Account (2024), a significant

reduction from the original amount. Lakefront Utilities confirmed its intention to true-up this discrepancy through account 1595, with eligibility for disposition in the 2026 rate year.

The OEB agrees with Lakefront Utilities' proposed approach to address this error and has attached a corrected Tariff. This revised Tariff supersedes and replaces the Tariff that accompanied the previously issued Decision and Rate Order. This letter does not change the OEB's findings with the exception of the change of the sunset date to June 30, 2024 for both the Rate Rider for Disposition of Deferral/Variance Accounts (2024) and the Rate Rider for Disposition of Capacity Based Recovery Account (2024).

Yours truly,

Nancy Marconi
Registrar