LAKEFRONT UTILITIES INC.

2024 IRM APPLICATION

EB-2024-0038

Rates Effective: January 1, 2025

Submitted On: September 6, 2024

Lakefront Utilities Inc.

September 6, 2024

Ontario Energy Board
P.O. Box 2319 27th Floor
2300 Yonge Street
Toronto, Ontario M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary
Regarding: EB-2024-0038 2025 IRM Rate Application

Dear Ms. Walli,

Please find attached Lakefront Utilities Inc.'s Application for Electricity and Distribution Rates and Charges effective January 1, 2025.

Lakefront Utilities Inc.'s application will be filed through the Board's web portal at https://p-pes.ontarioenergyboard.ca/PivotalUX/, consisting of one (1) electronic copy of the application in searchable/unrestricted PDF format and one (1) electronic copy in Microsoft Excel format of the following complete IRM models:

- 2025 IRM Rate Generator Model
- 2016– 2023 GA Analysis Workforms
- ICM Model
- IRM Checklist

Should the board have questions regarding this matter, please contact Danielle Wakelin at regulatory@lusi.on.ca.

Respectfully Submitted,

Danielle Wakelin
Manager of Regulatory Compliance
Lakefront Utilities Inc.

Cc: Dereck C. Paul – President & CEO

3.1.2 Components of the Application Filing

APPLICATION

ONTARIO ENERGY BOARD

IN THE MATTER OF *the Ontario Energy Board Act, 1998; S.O. 1998, c.15 (Sched. B);*

AND IN THE MATTER OF *an application by Lakefront Utilities Inc. for an Order or Orders pursuant to section 78 of the Ontario Energy Board Act, 1998 approving or fixing just and reasonable rates and other service charges for the distribution of electricity and related matters as of January 1, 2025.*

The "Applicant" is Lakefront Utilities Inc. (LUI/Lakefront). The Applicant is a licensed electricity distributor operating pursuant to electricity distribution license ED-2002-0545. The Applicant distributes electricity to over 11,000 customers within its licensed service territory in the Town of Cobourg and the Village of Colborne, which is comprised of over 65% residential customers while approximately 10% are small business or industrial-based.

LUI is incorporated under the Business Corporation Act on April 12, 2000. The Shareholders of LUI are the Town of Cobourg and the Village of Colborne. The population of the Municipality of Cobourg is approximately 20,000 and the Village of Colborne is approximately 2,000. In addition to residential, small business and industrial customers, the remainder of the utility's customer base is comprised of Sentinel Lighting, Streetlighting, and Unmetered Scattered Load.

LUI hereby applies to the Ontario Energy Board (the OEB) pursuant to Section 78 of the Ontario Energy Board Act, 1998 (the "OEB Act") for approval of its proposed distribution rates and other charges, effective January 1, 2025, based on a 2025 Incentive Rate Mechanism (IRM) application.

Unless otherwise identified in the Application, LUI followed Chapter 3 of the OEB's Filing Requirements for Electricity Distribution Rate Application dated July 12, 2018 (originally issued on November 14, 2006) and the OEB's Addendum to the Filing Requirements dated June 15, 2023, in order to prepare this application.

This supported application may be amended from time to time, prior to the Board's final decision on this application.

3.1.2 (1) Manager's Summary

Lakefront Utilities Inc. (LUI/Lakefront) hereby applies to the Ontario Energy Board (the Board/OEB) for approval of its 2025 Distribution Rate Adjustments effective January 1, 2025. LUI applies for an Order or Orders approving the proposed distribution rates and other charges as set out in Appendix B of this Application as just and reasonable rates and charges pursuant to Section 78 of the OEB Act.

LUI has followed Chapter 3 of the Board's Filing Requirements for Transmission and Distribution Applications dated June 18, 2024, The Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (the EDDVAR Report) issued July 31, 2009, and the Electricity Distribution Retail Transmission Service Rates Guideline G-2008-0001, Revision 4.0, issued June 28, 2012 (RTSR Guidelines) to prepare this application.

If the Board is unable to provide a Decision and Order in this Application for implementation by the Applicant as of January 1, 2025, LUI requests that the Board issue an Interim Rate Order declaring the current Distribution Rates and Specific Service Charges as interim until the decided implementation date of the approved 2025 distribution rates. If the effective date does not coincide with the Board's decided implementation date for 2025 distribution rates and charges, LUI requests to be permitted to recover the incremental revenue from the effective date to the implementation date.

LUI requests that this application be prepared by way of a written hearing.

In the preparation of this application, LUI has used the 2025 IRM Rate Generator (Version 4.0) issued on July 26, 2024. During this proceeding, LUI is proposing disposition of its 2016 - 2023 Group One variance accounts. The 2025 IRM Rate Generator model was pre-populated with distributor-specific data for LUI, including the most recent tariff of rates and charges, load and customer data and Group 1 DVA balances. LUI confirms that the tariff of rates and charges is accurate, as included in Tab 2 of the model and confirms the accuracy of the pre-populated billing determinates and customer volume, as included in Tab 4 of the model.
In addition, LUI is seeking Incremental Capital Module (ICM) funding for 2025, based on actual 2023 expenditures, to cover capital costs and the associated annual revenue requirement. This request is driven by the unexpected nature of the project, which arose due to unforeseen residential developments.

Price Cap Adjustment

LUI selected the Price Cap Incentive Rate-Setting (Price Cap IR) option to adjust its fixed and volumetric 2025 rates. The Price Cap IR methodology provides a mechanistic and formulaic adjustment to distribution rates and charges between Cost of Service applications. LUI acknowledges that the Board released an update on June 20, 2024, for an Input Price Index of 3.60%.

Revenue-to-Cost Ratio Adjustments

As detailed in LUI's 2022 Cost of Service application (EB-2021-0039), LUI is not seeking a Revenue-to-Cost ratio adjustment.

Residential Rate Design

LUI confirms that it has not diverged from the Board's model concept or modified the Rate Model. LUI also confirms that the model correctly calculates the GA rate rider among all classes.

RTSR Adjustments

An adjustment of Retail Transmission Service Rates in accordance with Board Guideline G-2008-0001 – Electricity Distribution Retail Transmission Service Rates revised on June 28, 2012.

Deferral and Variance Accounts

LUI has completed Tab 3 – 2023 Continuity Schedule and confirms that the entries in column BT, representing Group 1 Deferral and Variance Account balances as of December 31, 2023, are accurate. The total claim is a debit balance of $544,449 and exceeds the pre-set disposition threshold of $0.001 per kWh.

Specific Service Charge and Loss Factors

Continuance of Rate Riders and Adders for which the sunset date has not yet been reached and continuance of the Specific Services charges and Loss Factors as approved in LUI's 2022 Cost of Service Application (EB-2021-0039).

Disposition of LRAMVA

LUI is not seeking to recover residual balances in its LRAMVA variance accounts in this proceeding. (3.2.7.2)

Tax Change

LUI is not applying for a tax change rate rider. (3.2.8)

Z-Factor

This application does not include claims for Z-factor (3.2.9)

3.1.2 (2) Contact Information

The primary day-to-day contact for this application should be:

Danielle Wakelin, Manager of Regulatory Compliance
Tel: 905-372-2193 extension: 5256
Email: regulatory@lusi.on.ca

3.1.2 (3) Completed Models and Supplementary Workforms

LUI's application will be filed through the Board's web portal at www.errr.oeb.gov.on.ca, consisting of one (1) electronic copy of the application in searchable/unrestricted PDF format and one (1) electronic copy in Microsoft Excel format of the following models:

- 2025 IRM Rate Generator Model (Version 4.0) issued on July 26, 2024
- Modified GA Analysis Workforms for each period from 2016 to 2023 named:
    - IESO RPP Settlement Workbook YYYY Final, Tab Rev3 GA Analysis
- Capital Module Application to ACM and ICM issued April 11, 2024
- IRM Checklist issued on July 18, 2024

3.1.2 (4) Current Tariff Sheet

A PDF copy of the current tariff sheet has been provided in Appendix A.

3.1.2 (5) Supporting Documentation

All supporting documentation including relevant past decisions and/or settlement agreements have been cited within the application.

3.1.2 (6) Groups Affected by Application

Lakefront attests that the utility, its shareholder, and all its customer classes will be affected by the outcome of this application.

3.1.2 (7) Internet Address

This application and related documents can be viewed on Lakefront's website:

https://www.lakefrontutilities.com/

3.1.2 (8) Accuracy of Billing Determinants

LUI confirms that the billing determinants used in the pre-populated models is accurate.

3.1.2 (9) PDF Format

LUI confirms that an electronic copy of the application in searchable/unrestricted PDF format has been filed through the Board's web portal at www.errr.oeb.gov.on.ca.

3.1.2 (10) IRM Checklist

The excel version of the completed 2025 IRM checklist is being filed in conjunction with this application.

3.1.2 (11) Certification of Evidence

As President and CEO of Lakefront Utilities Inc. I certify that, to the best of my knowledge, the evidence filed in LUI's Incentive Rate-Setting Application is accurate, complete, and consistent with the requirements of the Chapter 3 Filing Requirements for Electricity Distribution Rate Applications as revised on June 18, 2024.

I confirm that internal controls and processes are in place for the preparation, review, verification, and oversight of any account balances that are being requested for disposal.

Further, I confirm that documents filed in support of Lakefront's referenced application do not include any personal information (as defined in the Freedom of Information and Protection of Privacy Act), that is not otherwise redacted in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Respectfully submitted,

Dereck C. Paul
President and CEO
Lakefront Utilities Inc.

3.2 Elements of the Price Cap IR and Annual IR Index Plan

3.2.1 Annual Adjustment Mechanism

Based on the most recent PEG Report, issued on July 18, 2023, the OEB has updated the stretch factor assignments for 2023. LUI was moved to Stretch Factor Group I with a stretch factor assignment of 0.00%. For the period from 2020 to 2022, LUI's average actual benchmarked costs were 28.4%.

Furthermore, as part of the Renewed Regulatory Framework for Electricity Distributors (RRFE) the Board initiated a review of utility performance per the "Defining and Measuring Performance of Electricity Transmitters and Distributors (EB-2010-0379)" proceeding. As part of this proceeding the Board contracted Pacific Economics Group Research, LLC (PEG) to prepare a report to the Board, "Empirical Research in Support of Incentive Rate Setting in Ontario: Report to the Ontario Energy Board". The original PEG Report was issued on May 3, 2013, and established the parameters for use to determine the Price Cap Index for the 4th Generation IRM including: a productivity factor of 0.00% was established, the approach to determine the Industry Specific Inflation Factor (replacing the 3rd Generation IRM GDP-IPI inflation factor) was established but has not yet been determined for 2025 IRM filers.

Consistent with the policy determinations set out in the Report of the Board on Rate Setting Parameters and Benchmarking under the RRFE for Ontario's Electricity Distributors (EB-2010-0379) (Issued November 21, 2013, and updated December 4, 2013), the OEB has calculated the value of the inflation factor for incentive rate setting under the Price Cap IR and Annual Index plans, for rate changes effective in 2024, to be 3.60%. The derivation of this is shown in the following table.

Table 1: 2024 Input Price Index – Board Issued June 20, 2024

Table 1: Non-Labour Component - GDP-IPI (FDD) – National[8]

Year	Q1	Q2	Q3	Q4	Annual	Annual % Change	Weight
2022	114.3	116.1	117.1	118.4	116.475		
2023	119.1	120.4	121.4	122.8	120.925	3.7%	70%

Table 2: Labour Component – AWE – All Employees – Ontario[9]

Year	Annual	Annual % Change	Weight
2022	$1,193.26		
2023	$1,231.95	3.2%	30%

Table 3: Resultant Values – Annual Growth for the 2-Factor IPI Formula

Year	Annual GDP-IPI % Change (Table 1)	Weight	AWE % Change (Table 2)	Weight	Annual IPI	Annual % Change
2022					125.0	
2023	3.7%	70%	3.2%	30%	129.6	**3.6%**

The price cap adjustment as determined in the 2024 IRM Rate Generator Model submitted with this application is based on a Price Cap Index of 3.60%, which has been used to determine the 2025 Distribution Rates, as follows:

1. Price Escalator of 3.60%
2. Minus a Productivity Factor of 0.0%
3. Minus a Stretch Factor of 0.00% based on LUI's July 2022 OEB approved Stretch Factor Group I, and
4. The resulting Price Cap Index of 3.60%

LUI proposes 2024 distribution rate adjustments to monthly Fixed Service Charge and Distribution Volumetric Rate for all rate classes reflecting the calculated values that are generated by the 2024 Rate Generator Model.

Proposed distribution rates appear in Proposed Tariff of Rates and Charges – Appendix B, based on the 3.60% Price Cap Index.

3.2.2 Revenue to Cost Ratios

Revenue to cost ratios measure the relationship between the revenues expected from a class of customers and the level of costs associated to that class. The Board has established target ratio ranges for Ontario electricity distributors in its Review of Electricity Distribution Cost Allocation Policy (EB-2012-0219), dated March 31, 2011.

LUI is not proposing to adjust its revenue to cost ratios in this proceeding as its revenue to cost ratios were adjusted and set as part of the 2022 Cost of Service Application – EB-2021-0039.

3.2.3 Rate Design for Residential Electricity

On April 2, 2015, the OEB released its *Board Policy: A New Distribution Rate Design for Residential Electricity Customers* (EB-2012-0410), which stated that electricity distributors will transition to a fully fixed monthly distribution service charge for residential customers. This was implemented over a period of four years, beginning in 2016.

Lakefront's 2019 IRM filing was the last year of Lakefront's transition period and, accordingly, 2019 was the final year in which Lakefront's rates were adjusted upwards by more than the mechanistic adjustment alone.

3.2.4 Retail Transmission Rates

LUI is charged Ontario Uniform Transmission Rates (UTR) by Hydro One Networks, and in turn has Board approved retail transmission service rates to charge end user customers in order to recover the expenses. Based on Hydro One Networks most recent Decision and Rate Order of the Board in the EB-2016-0081 proceeding, the UTRS's effective January 1, 2024, are:

- $4.9103/kW/mth for Network Service Rate
- $0.6537/kW/mth for Line Connection Service Rate
- $23.3041/kW/mth for Transformation Connection Service Rate

LUI understands that the model will be updated by the OEB staff with the 2025 rates once they are available.

Variance accounts are used to track the timing and rate differences in UTR's paid and RTSR's billed; they are recorded in USoA Accounts 1585 and 1586. On June 28, 2012, the Ontario Energy Board (the "Board") issued revision 4.0 of *the Guideline G-2008-0001 Electricity Distribution Retail Transmission Service Rates (the "Guideline")*. This Guideline outlines the information that the Board requires electricity distributors to file when proposing adjustments to their retail transmission service rates.

The billing determinants used on Tab 10: RTSR Current Rates of the 2024 IRM Rate Generator Model were derived from the RRR 2.1.5 Performance Based Regulation filing for the annual consumption in compliance with the instruction to use the most recent reported RRR billing determinants. The billing determinants are non-loss adjusted.

The OEB has provided a model for electrical distributors to calculate and predict the distributor's specific RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. LUI has completed the model and included the 2023 historical RTSR Network and RTSR Connection data on Tab 12: TRSR – Historical Wholesale of the 2025 IRM Rate Generator Model. LUI acknowledges that parties to the proceeding will have an opportunity to review the resulting rates as part of the rate process. A summary of the current and proposed RTSRs from the 2025 IRM Rate Generator are provided in the table below:

Table 2: Summary of Retail Transmission Rate Changes

Network Service Rate				
Rate Class	Unit	Current (2024) RTSR Network	Proposed (2025) RTSR Network	Increase (Decrease)
Residential	kWh	0.0098	0.0096	(2.04) %
GS<50 kW	kWh	0.0090	0.0088	(2.22) %
GS 50-2999 kW	kW	3.6153	3.5478	(1.87) %
GS 3000-4999 kW	kW	4.0438	3.9683	(1.87) %
USL	kWh	0.0102	0.0100	(1.96) %
Sentinel Lighting	kW	2.7402	2.6891	(1.86) %
Street Lighting	kWh	2.7269	2.6760	(1.87) %

Line & Transformation Connection Rate				
Rate Class	**Unit**	**Current (2024) RTSR Connection**	**Proposed (2025) RTSR Connection**	**Increase (Decrease)**
Residential	kWh	0.0080	0.0078	(2.50) %
GS<50 kW	kWh	0.0072	0.0071	(1.39) %
GS 50-2999 kW	kW	2.8806	2.8241	(1.96) %
GS 3000-4999 kW	kW	3.3976	3.3310	(1.96) %
USL	kWh	0.0088	0.0086	(2.27) %
Sentinel Lighting	kW	2.2735	2.2289	(1.96) %
Street Lighting	kWh	2.2271	2.1834	(1.96) %

Distributors charge retail transmission service rates to their customers to recover the amounts they pay to a transmitter, a host distributor or both for transmission services. All transmitters charge Uniform Transmission Rates approved by the OEB to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host's distribution system.

Lakefront is fully embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to reduce the RTSRs it charges its customers to reflect the rates that it pays for transmission services.

The reduction in Lakefront's proposed RTSR charges are primarily attributed to the lower kW billed by Hydro One in 2023, as outlined in Table 2.1.

Table 2.1: Summary of Retail Transmission Billed kW

Unit	2022 RTSR Connection	2023 RTSR Connection	Increase (Decrease)
kWh	472,885.22	457,832.84	(3.18) %

3.2.5 Low Voltage Service Rates

Lakefront's most recent low voltage costs charged by Hydro One are $692,997.04. Considering Lakefront's low voltage charge was updated as part of the 2022 Cost of Service Application (EB-2021-0039), Lakefront does not consider it necessary to provide:

- Actual low voltage costs for the last five historical years and year-over-year variances.
- Support for the updated low voltage costs.
- Allocation of low voltage costs to customer classes.
- Proposed low voltage rates by customer class.

3.2.6 Deferral and Variance Accounts Balance Disposition

Continuity Schedule

Chapter 3 of the Board's Filing Requirements and the *Report of the Board on Electricity Distributors' Deferral and Variance Accounts Review Report* (the EDDVAR Report) provide that under the Price Cap IR, the distributor's Group 1 audited accounts balances will be reviewed and disposed of if the pre-set disposition threshold of $0.001 per kWh (debit or credit) is exceeded. Distributors must file in their application Group 1 balances as at December 31, 2023, to determine if the threshold has been exceeded. Lakefront's total claim of $544,449 exceeds the threshold; therefore, the Group 1 account balances have been requested for disposition over a one-year period.

Table 3 below summarizes the Group 1 Account balances proposed for disposition.

Table 3: Deferral and Variance Account Disposition Balances

Account Descriptions	Account Number	2024: Principal Disposition during 2024 - instructed by OEB	2024: Interest Disposition during 2024 - instructed by OEB	2024: Closing Principal Balances as of Dec 31, 2022 Adjusted for Disposition during 2024	2024: Closing Interest Balances as of Dec 31, 2022 Adjusted for Disposition during 2024	Projected Interest on Dec-31-2024 Balances: Projected Interest from Jan 1, 2024 to Dec 31, 2024 on Dec 31, 2023 balance adjusted for disposition during 2024 [2]	Projected Interest on Dec-31-2024 Balances: Projected Interest from Jan 1, 2025 to Apr 30, 2025 on Dec 31, 2023 balance adjusted for disposition during 2024 [2]	Total Interest	Total Claim
Group 1 Accounts									
LV Variance Account	1550	(300,618)	(6,492)	(467,895)	(10,986)	(25,032)		(36,018)	(503,913)
Smart Metering Entity Charge Variance Account	1551	(30,177)	(2,022)	(21,576)	(388)	(1,154)		(1,542)	(23,118)
RSVA - Wholesale Market Service Charge[5]	1580	535,227	37,189	(257,931)	(5,067)	(13,799)		(18,867)	(276,798)
Variance WMS – Sub-account CBR Class A[5]	1580	0	0	0	0	0		0	0
Variance WMS – Sub-account CBR Class B[5]	1580	(21,715)	(1,801)	30,215	(187)	1,616		1,430	31,645
RSVA - Retail Transmission Network Charge	1584	430,418	29,593	135,346	2,960	7,241		10,201	145,547
RSVA - Retail Transmission Connection Charge	1586	68,275	5,527	213,519	4,410	11,423		15,833	229,352
RSVA - Power[4]	1588			722,989	46,208	38,680		84,888	807,877
RSVA - Global Adjustment[4]	1589			198,941	(75,727)	10,643		(65,083)	133,858
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595			0	0			0	0
Disposition and Recovery/Refund of Regulatory Balances (2022)[3]	1595			475,739	374,753			374,753	0
Disposition and Recovery/Refund of Regulatory Balances (2023)[3]	1595			(10,567)	41,551			41,551	0
Disposition and Recovery/Refund of Regulatory Balances (2024)[3] *Not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.*	1595			0	0			0	0
RSVA - Global Adjustment requested for disposition	**1589**	0	0	198,941	(75,727)	10,643	0	(65,083)	133,858
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		681,410	61,993	819,837	453,254	18,975	0	472,229	410,591
Total Group 1 Balance requested for disposition		681,410	61,993	1,018,779	377,527	29,618	0	407,145	544,449
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**			0	0			0	0
Impacts Arising from the COVID-19 Emergency, Sub-account Forgone Revenues from Postponing Rate Implementation[6]	**1509**			0	0			0	0
Total Group 1 balance including Account 1568 and Account 1509 requested for disposition		681,410	61,993	1,018,779	377,527	29,618	0	407,145	544,449

Threshold Test	
Total Claim (including Account 1568 and 1509)	$544,449
Total Claim for Threshold Test (All Group 1 Accounts)	$544,449
Threshold Test (Total claim per kWh) [2]	$0.0023

OEB Errata 2024 IRM

The last disposition of Group 1 account balances was in the 2024 IRM application (EB-2023-0035) for USoA 1550 through 1586, which were based on the 2023 balances and approved on a final basis.

Table 6.1: Group 1 Deferral and Variance Account Balances Except Accounts 1588 and 1589

Account Name	Account Number	Principal Balance ($) A	Interest Balance ($) B	Total Claim ($) C=A+B
LV Variance Account	1550	257,121	36,585	293,706
Smart Metering Entity Charge Variance Account	1551	(36,031)	(2,375)	(38,406)
RSVA - Wholesale Market Service Charge	1580	724,851	48,770	773,622
Variance WMS - Sub-account CBR Class B	1580	(43,737)	(3,130)	(46,867)
RSVA - Retail Transmission Network Charge	1584	515,239	34,724	549,963
RSVA - Retail Transmission Connection Charge	1586	115,262	8,341	123,603
Total for Group 1 accounts except Accounts 1588 and 1589		1,532,705	122,916	1,655,620

However, LUI notified the OEB on April 12, 2024, that an error in the 2024 Continuity Schedule was discovered. The error noted that the 2023 OEB disposition approved in the 2023 IRM EB-2022-0046 proceeding was not included in the calculation as indicated by the orange arrows in Table 4. As a result, LUI was over collecting and request early sunset of July 1, 2024, for the 2024 DVA Rate Riders. This was approved by the OEB on May 28, 2024.

Table 4: 2024 IRM Continuity Schedule

		2023				Projected Interest on Dec-31-2023 Balances					2.1.7 RRR[5]	
Account Descriptions	Account Number	Principal Disposition during 2023 - instructed by OEB	Interest Disposition during 2023 - instructed by OEB	Closing Principal Balances as of Dec 31, 2021 Adjusted for Disposition during 2023	Closing Interest Balances as of Dec 31, 2021 Adjusted for Disposition during 2023	Projected Interest from Jan 1, 2023 to Dec 31, 2023 on Dec 31, 2022 balance adjusted for disposition during 2023 [2]	Projected Interest from Jan 1, 2024 to Apr 30, 2024 on Dec 31, 2022 balance adjusted for disposition during 2023 [2]	Total Interest	Total Claim	Account Disposition: Yes/No?	As of Dec 31, 2022	Variance RRR vs. 2022 Balance (Principal + Interest)
Group 1 Accounts												
LV Variance Account	1550			257,121	22,983	13,602		36,585	293,706		280,106	1
Smart Metering Entity Charge Variance Account	1551			(36,031)	(469)	(1,906)		(2,375)	(38,406)		(36,502)	(2)
RSVA - Wholesale Market Service Charge[5]	1580			724,851	10,426	38,345		48,770	773,622		690,725	(44,552)
Variance WMS – Sub-account CBR Class A[5]	1580			0	0	0		0	0		0	0
Variance WMS – Sub-account CBR Class B[5]	1580			(43,737)	(816)	(2,314)		(3,130)	(46,867)		0	44,553
RSVA - Retail Transmission Network Charge	1584			515,239	7,468	27,256		34,724	549,963		522,706	(1)
RSVA - Retail Transmission Connection Charge	1586			115,262	2,244	6,097		8,341	123,603		117,507	1
RSVA - Power[4]	1588			(0)	(0)			(0)	(0)		179,866	179,867
RSVA - Global Adjustment[4]	1589			(0)	0			0	(0)		(1,787,064)	(1,787,064)
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595			0	0			0	0	No	0	0
Disposition and Recovery/Refund of Regulatory Balances (2022)[3]	1595			1,132,487	384,980			384,980	0	No	1,517,464	(4)
Disposition and Recovery/Refund of Regulatory Balances (2023)[3] *Not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.*	1595			0	0			0	0	No		0
RSVA - Global Adjustment requested for disposition	**1589**	0	0	(0)	0	0	0	0	(0)		(1,787,064)	(1,787,064)
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		0	0	2,665,192	426,816	81,080	0	507,896	1,655,620		3,271,872	179,864
Total Group 1 Balance requested for disposition		0	0	2,665,192	426,816	81,080	0	507,896	1,655,620		1,484,808	(1,607,200)
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**			0	0			0	0		0	0
Impacts Arising from the COVID-19 Emergency, Sub-account Forgone Revenues from Postponing Rate Implementation[6]	**1509**			0	0			0	0			0
Total Group 1 balance including Account 1568 and Account 1509 requested for disposition		0	0	2,665,192	426,816	81,080	0	507,896	1,655,620		1,484,808	(1,607,200)

Ontario Energy Board EB-2022-0046
Lakefront Utilities Inc.

Table 6.1: Group 1 Deferral and Variance Account Balances Excluding Account 1588 and Account 1589

Account Name	Account Number	Principal Balance ($) A	Interest Balance ($) B	Total Claim ($) C=A+B
LV Variance Account	1550	557,739	13,573	571,312
Smart Meter Entity Variance Charge	1551	(5,854)	(43)	(5,898)
RSVA - Wholesale Market Service Charge	1580	189,624	1,550	191,174
Variance WMS - Sub-account CBR Class B	1580	(22,022)	(164)	(22,187)
RSVA - Retail Transmission Network Charge	1584	84,821	644	85,465
RSVA - Retail Transmission Connection Charge	1586	46,987	329	47,317
Total for Group 1 Accounts Excluding Accounts 1588 and 1589		**851,294**	**15,888**	**867,182**

		2023				Projected Interest on Dec-31-2023 Balances					2.1.7 RRR[5]	
Account Descriptions	Account Number	Principal Disposition during 2023 - instructed by OEB	Interest Disposition during 2023 - instructed by OEB	Closing Principal Balances as of Dec 31, 2021 Adjusted for Disposition during 2023	Closing Interest Balances as of Dec 31, 2021 Adjusted for Disposition during 2023	Projected Interest from Jan 1, 2023 to Dec 31, 2023 on Dec 31, 2022 balance adjusted for disposition during 2023 [2]	Projected Interest from Jan 1, 2024 to Apr 30, 2024 on Dec 31, 2022 balance adjusted for disposition during 2023 [2]	Total Interest	Total Claim	Account Disposition: Yes/No?	As of Dec 31, 2022	Variance RRR vs. 2022 Balance (Principal + Interest)
Group 1 Accounts												
LV Variance Account	1550	557,739	13,573	(300,618)	9,410	(15,903)		(6,492)	(307,111)		280,106	1
Smart Metering Entity Charge Variance Account	1551	(5,854)	(43)	(30,177)	(426)	(1,596)		(2,022)	(32,199)		(36,502)	(2)
RSVA - Wholesale Market Service Charge[5]	1580	189,624	1,550	535,227	8,876	28,314		37,189	572,417		690,725	(44,552)
Variance WMS - Sub-account CBR Class A[5]	1580	0	0	0	0	0		0	0		0	0
Variance WMS - Sub-account CBR Class B[5]	1580	(22,022)	(164)	(21,715)	(652)	(1,149)		(1,801)	(23,516)		0	44,553
RSVA - Retail Transmission Network Charge	1584	84,821	644	430,418	6,824	22,769		29,593	460,011		522,706	(1)
RSVA - Retail Transmission Connection Charge	1586	46,987	329	68,275	1,915	3,612		5,527	73,801		117,507	1
RSVA - Power[4]	1588			(0)	(0)			(0)	(0)		179,866	179,867
RSVA - Global Adjustment[4]	1589			(0)	0			0	(0)		(1,787,064)	(1,787,064)
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595			0	0			0	0	No	0	0
Disposition and Recovery/Refund of Regulatory Balances (2022)[3]	1595			1,132,487	384,980			384,980	0	No	1,517,464	(4)
Disposition and Recovery/Refund of Regulatory Balances (2023)[3] *Not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.*	1595			0	0			0	0	No		0
RSVA - Global Adjustment requested for disposition	**1589**	0	0	(0)	0	0	0	0	(0)		(1,787,064)	(1,787,064)
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		851,295	15,889	1,813,897	410,927	36,047	0	446,974	743,402		3,271,872	179,864
Total Group 1 Balance requested for disposition		851,295	15,889	1,813,897	410,927	36,047	0	446,974	743,402		1,484,808	(1,607,200)
LRAM Variance Account (only input amounts if applying for disposition of this ac	**1568**			0	0			0	0		0	0
Impacts Arising from the COVID-19 Emergency, Sub-account Forgone Revenues from Postponing Rate Implementation[6]	**1509**			0	0			0	0			0
Total Group 1 balance including Account 1568 and Account 1509 requested for disposition		851,295	15,889	1,813,897	410,927	36,047	0	446,974	743,402		1,484,808	(1,607,200)

LUI proposes that in this application that a modified calculation be employed to true up this error and the following split outlined in Table 5 be used for the 2024 OEB disposition. This is based on the premise that LUI discontinued the collection in July 2024. Of the $743K as per modified disposition below LUI has collected $811K to date. The over collection will be finalized when LUI applies for the 2024 1595 disposition in our 2027 COS application.

Table 5: Modified Calculation to True Up 2024 IRM Disposition

Calculated with Error (not removing 2023 dispostion)					Calculated with full 2023 Disposition			
1550	$ 257,121.00	$ 36,585.00	$ 293,706.00		1550	-$ 300,618.33	-$ 6,492.29	-$ 307,110.62
								$ -
1551	-$ 36,031.00	-$ 2,375.00	-$ 38,406.00		1551	-$ 30,177.12	-$ 2,022.03	-$ 32,199.15
								$ -
1580	$ 724,851.00	$ 48,770.00	$ 773,622.00		1580	$ 535,227.44	$ 37,189.10	$ 572,416.54
								$ -
1580	-$ 43,737.00	-$ 3,130.00	-$ 46,867.00		1580	-$ 21,714.97	-$ 1,800.94	-$ 23,515.91
								$ -
1584	$ 515,239.00	$ 34,724.00	$ 549,963.00		1584	$ 430,417.81	$ 29,592.80	$ 460,010.61
								$ -
1586	$ 115,262.00	$ 8,341.00	$ 123,603.00		1586	$ 68,274.69	$ 5,526.68	$ 73,801.37
	$ 1,532,705.00	$ 122,915.00	$ 1,655,621.00			$ 681,409.52	$ 61,993.32	$ 743,402.84

Account Descriptions	Account Number	2024			
		Principal Disposition during 2024 - instructed by OEB	Interest Disposition during 2024 - instructed by OEB	Closing Principal Balances as of Dec 31, 2022 Adjusted for Disposition during 2024	Closing Interest Balances as of Dec 31, 2022 Adjusted for Disposition during 2024
Group 1 Accounts					
LV Variance Account	1550	(300,618)	(6,492)	(467,895)	(10,986)
Smart Metering Entity Charge Variance Account	1551	(30,177)	(2,022)	(21,576)	(388)
RSVA - Wholesale Market Service Charge[5]	1580	535,227	37,189	(257,931)	(5,067)
Variance WMS – Sub-account CBR Class A[5]	1580	0	0	0	0
Variance WMS – Sub-account CBR Class B[5]	1580	(21,715)	(1,801)	30,215	(187)
RSVA - Retail Transmission Network Charge	1584	430,418	29,593	135,346	2,960
RSVA - Retail Transmission Connection Charge	1586	68,275	5,527	213,519	4,410
RSVA - Power[4]	1588			722,989	46,208
RSVA - Global Adjustment[4]	1589			198,941	(75,727)
Disposition and Recovery/Refund of Regulatory Balances (2021)[3]	1595			0	0
Disposition and Recovery/Refund of Regulatory Balances (2022)[3]	1595			475,739	374,753
Disposition and Recovery/Refund of Regulatory Balances (2023)[3]	1595			(10,567)	41,551
Disposition and Recovery/Refund of Regulatory Balances (2024)[3] *Not to be disposed of until two years after rate rider has expired and that balance has been audited. Refer to the Filing Requirements for disposition eligibility.*	1595			0	0
RSVA - Global Adjustment requested for disposition	**1589**	0	0	198,941	(75,727)
Total Group 1 Balance excluding Account 1589 - Global Adjustment requested for disposition		681,410	61,993	819,837	453,254
Total Group 1 Balance requested for disposition		681,410	61,993	1,018,779	377,527
LRAM Variance Account (only input amounts if applying for disposition of this account)	**1568**			0	0
Impacts Arising from the COVID-19 Emergency, Sub-account Forgone Revenues from Postponing Rate Implementation[6]	**1509**			0	0
Total Group 1 balance including Account 1568 and Account 1509 requested for disposition		681,410	61,993	1,018,779	377,527

The account balances in Tab 3 of the Continuity Schedule of the Rate Generator Model for accounts 1550 to 1586 do not materially differ from the account balances in the trial balance as reported through the OEB's Record-keeping and Reporting Requirements (RRR). However, the accounts for 1588 and 1589 do, and these are discussed below.

LUI's last disposition of Accounts 1588 and 1589 took place over 2016 IRM and in the 2017 COS application (EB 2016-0089), which was based on the 2015 balances.
The combination of these two dispositions eliminated the balance forward balances so that the opening balance for principal balances of both 1588 and 1589 were nil.

USoA: **1588** | 1589

Amount	Column Labels		
Row Labels	Balance Brought Forward Principal	OEB Disposition Principal	Principal Variance
2015	896,631.00	-896,631.00	0.00

USoA: 1588 | **1589**

Amount	Column Labels		
Row Labels	Balance Brought Forward Principal	OEB Disposition Principal	Principal Variance
2015	-1,539,387.00	1,539,387.00	0.00

Ontario Energy Board

2016 Deferral/Variance Account Workform

	Account Descriptions	Account Number	2015: Opening Principal Amounts as of Jan-1-15	2015: Transactions2 Debit/(Credit) during 2015	2015: Board-Approved Disposition during 2015	2015: Closing Principal Balance as of Dec-31-15	2015: Opening Interest Amounts as of Jan-1-15	2015: Interest Jan-1 to Dec-31-15	2015: Board-Approved Disposition during 2015	2015: Closing Interest Amounts as of Dec-31-15
	Group 1 Accounts									
6	RSVA - Power (excluding Global Adjustment)	1588	$634,168	$395,836	$133,371	$896,631	$19,265	$1,400	$38,268	-$17,601
7	RSVA - Global Adjustment	1589	-$522,956	-$784,541	$251,890	-$1,539,387	$9,449	-$11,908	$9,138	-$11,597

	Account Descriptions	Account Number	2016: Principal Disposition during 2016 - instructed by Board	2016: Interest Disposition during 2016 - instructed by Board	2016: Closing Principal Balances as of Dec 31-15 Adjusted for Dispositions during 2015	2016: Closing Interest Balances as of Dec 31-15 Adjusted for Dispositions during 2015	ted Interest on Dec-31-16 Ba: Projected Interest from Jan 1, 2016 to December 31, 2016 on Dec 31 -15 balance adjusted for disposition during 2015	ted Interest on Dec-31-16 Ba: Total Claim	2.1.7 RRR: As of Dec 31-15	Variance RRR vs. 2014 Balance (Principal + Interest)
	Group 1 Accounts									
6	RSVA - Power (excluding Global Adjustment)	1588	$500,795	-$9,700	$395,836	-$7,901	$9,863	$397,798	$879,030	$0
7	RSVA - Global Adjustment	1589	-$774,846	-$7,359	-$784,541	-$4,238	-$18,933	-$786,712	-$1,550,984	$0

Ontario Energy Board | EB-2015-0085
Lakefront Utilities Inc.

Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance ($) A	Interest Balance ($) B	Total Claim ($) C=A+B
LV Variance Account	1550	338,816	9,378	348,194
Smart Meter Entity Variance Charge	1551	7,031	339	7,370
RSVA - Wholesale Market Service Charge	1580	(211,283)	(7,992)	(219,275)
RSVA - Retail Transmission Network Charge	1584	(229,839)	(6,486)	(236,325)
RSVA - Retail Transmission Connection Charge	1586	(198,442)	(5,932)	(204,374)
RSVA – Power	1588	500,795	(9,700)	491,095
RSVA - Global Adjustment	1589	(774,846)	(7,359)	(782,205)
Disposition and Recovery of Regulatory Balances (2009)	1595	(11,380)	930	(10,450)
Disposition and Recovery of Regulatory Balances (2010)	1595	38,211	(33,131)	5,080
Total Group 1 Excluding Global Adjustment - Account 1589		233,909	(52,595)	181,314
Total Group 1		(540,937)	(59,954)	(600,891)

Summary of Key OEB Decisions Regarding Lakefront's Accounts 1588 and 1589

The following is a summary of OEB decisions over the last several years with respect to LUI's accounts 1588 and 1589.

EB-2017-0057 (Decision and Rate Order - December 14, 2017)

- Context: Review of Lakefronts' Group 1 deferral and variance accounts for disposition.

- Key Points:

  - The 2016 year-end total balance was a credit that exceeded the disposition threshold.

  - Initial queries regarding inconsistencies in the GA Analysis Workform led to a deeper examination of consumption data discrepancies.

  - Lakefront withdrew its request to dispose of the account balances, citing the need for a third-party audit.

  - The OEB required a third-party audit of the December 31, 2017, balances.

EB-2018-0049 (Decision and Rate Order - December 20, 2018)

- Context: Continued review and disposition considerations for the same accounts.

- Key Points:

  - Despite the debit amount for 2017 exceeding the disposition threshold, no application for disposition was made due to a significant credit from IESO.

  - Issues with Class A kWh reporting in 2017 led to inaccurate GA calculations and subsequent audit requirements.

  - Lakefront confirmed future third-party audit plans but deferred them until 2020, hoping to demonstrate improved control processes.

EB-2019-0050 (Decision and Rate Order - December 12, 2019)

- Context: Examination of cumulative balances for disposition from 2016 to 2018.

- Key Points:

  - The utility was denied disposition of its 2017 Group 1 DVA balances due to issues identified post third-party audit.

  - An updated audit report was requested for inclusion in the 2020 IRM application to ensure all adjustments were correctly applied.

EB-2020-0036 (Decision and Rate Order - December 10, 2020)

- Context: Evaluation of the Group 1 account balances for 2016 to 2019.

- Key Points:

  - The utility's Group 1 credit balance did not exceed the disposition threshold for 2019.

  - Ongoing concerns over the accuracy of Account 1588 and 1589 balances led to a referral for an OEB audit.

  - No disposition of balances was approved pending completion of the regulatory audit.

EB-2022-0046 (Decision and Rate Order - December 8, 2022)

- Context: Disposition proposal for balances excluding Accounts 1588 and 1589.

- Key Points:

  - Approval for disposition of certain balances as of December 31, 2020, excluding Accounts 1588 and 1589 pending audit completion.

- Noted ongoing discrepancies and recommended comprehensive review and disposition in subsequent rate applications.

EB-2023-0035 (Decision and Rate Order - December 14, 2023)

- Context: Review of disposition requests for Group 1 accounts, including ongoing considerations for Accounts 1588 and 1589.

- Key Points:

  - Continued deferral of disposition for Accounts 1588 and 1589 pending further audits.

  - The utility was instructed to seek disposition in its 2025 IRM application, incorporating the results of ongoing audits and reconciliation efforts.

Inspection of Group 1 Deferral and Variance Accounts 1588 and 1589

The OEB performed an inspection of LUI's Group 1 Deferral and Variance Accounts 1588 and 1589 which was concluded by the release of an inspection document in December 2022. The document outlined required actions for LUI with respect to of our Group 1 deferral and variance accounts. Here is a summary of the actions noted and actions taken by LUI:

1. Accurate Record-Keeping and Accounting Adjustments:

  - Lakefront Utilities must use actual consumption volumes rather than billed volumes when recording Global Adjustment (GA) charges for Regulated Price Plan (RPP) and non-RPP customers to ensure accurate account balances for 1588 and 1589.

Lakefront Response:

Effective January 2024 Lakefront has fully implemented monthly billing such that all customers regardless of billing cycle are now billed for monthly consumption. This measure greatly ensures that Lakefront is compliant with this action.

  - Lakefront Utilities should apply the accrual method of accounting consistently for these accounts, reflecting the correct balances before the next rate application.

Lakefront Response:

Effective January 2024 Lakefront has fully implemented the accrual method of accounting. Lakefront is compliant with this action.

  - Corrective adjustments in the balances for accounts 1588 and 1589 must be detailed in the utility's next rate application.

Lakefront Response:

By completing the exercise of reconciliation of 2016 to 2023 Lakefront will be ready for disposition of 1588 and 1589 in the 2025 IRM rate application.

2. Adherence to Regulatory Guidelines:

- Implement and maintain accounting policies and procedures as stipulated by the Ontario Energy Board's Accounting Procedures Handbook and related regulatory guidelines.

Lakefront Response:

Effective January 2024 Lakefront implemented and is maintaining accounting policies and procedures as stipulated by the Ontario Energy Board's Accounting Procedures Handbook and related regulatory guidelines

- Ensure all transactions recorded in accounts 1588 and 1589 adhere to the latest accounting guidance issued by the OEB, especially those related to commodity pass-through.

Lakefront Response:

Effective January 2024 Lakefront is ensuring all transactions recorded in accounts 1588 and 1589 adhere to the latest accounting guidance issued by the OEB, especially those related to commodity pass-through.

3. Improvement in Internal Controls:

- Address internal control weaknesses in the regulatory accounting processes, such as providing supporting documentation for variances and consumption volumes submitted in regulatory filings.

Lakefront Response:

Effective January 2024 Lakefront has addressed internal control weaknesses in the regulatory accounting processes, such as providing supporting documentation for variances and consumption volumes submitted in regulatory filings.

- Ensure the purchased consumption volumes used for calculations match the supporting documentation from the Independent Electricity System Operator (IESO).

Lakefront Response:

Effective January 2024 Lakefront ensures the purchased consumption volumes used for calculations match the supporting documentation from the Independent Electricity System Operator (IESO).

- Implement additional internal control measures including management reviews prior to submissions to the IESO and reporting to the OEB.

Lakefront Response:

Effective January 2024 Lakefront has implemented additional internal control measures including management reviews prior to submissions to the IESO and reporting to the OEB.

4. Accurate Settlements with IESO:

- Lakefront Utilities must correct and adjust our processes to ensure accurate monthly settlements with the IESO, particularly with regards to unbilled revenue and embedded generation settlements.

Lakefront Response:

Effective January 2024 Lakefront has corrected and adjusted our processes to ensure accurate monthly settlements with the IESO, particularly with regards to unbilled revenue and embedded generation settlements

5. Correcting Previous Errors:

- Lakefront Utilities should reallocate GA costs using actual RPP and non-RPP consumption volumes for the period from 2016 to 2019 and adjust for any discrepancies before the next regulatory approval.

Lakefront Response:

Effective January 2024 Lakefront has reallocated GA costs using actual RPP and non-RPP consumption volumes for the period from 2016 to 2023 and will adjust for any discrepancies in the 2025 IRM application.

Structured timeline and set of directives

The OEB Inspection of Group 1 Deferral and Variance Accounts 1588 and 1589 document of December 2022 outlined a structured timeline and set of directives derived from the inspection report for Lakefront Utilities Inc. concerning their deferral and variance accounts:

Immediate Actions (2022)

- Accounting Corrections: Adjust the records for Accounts 1588 and 1589 using actual consumption volumes, especially for RPP and non-RPP customers for the period from 2016 to 2019.

Lakefront Response:

Effective January 2024 Lakefront has adjusted the records for Accounts 1588 and 1589 using actual consumption volumes, especially for RPP and non-RPP customers for the period from 2016 to 2023.

- Accrual Adjustments: Implement the accrual accounting method consistently for Accounts 1588 and 1589, making necessary adjustments to reflect correct balances.

Lakefront Response:

Effective January 2024 Lakefront has implemented the accrual accounting method consistently for Accounts 1588 and 1589, making all necessary adjustments to reflect correct balances.

Mid-term Actions (2023)

- Internal Controls: Implement robust internal controls to address noted weaknesses in regulatory accounting processes, ensuring accurate and reliable reporting. This includes verification of all consumption volumes used in calculations against supporting documentation.

Lakefront Response:

Effective January 2024 Lakefront has implemented robust internal controls to address noted weaknesses in regulatory accounting processes, ensuring accurate and reliable reporting. This includes verification of all consumption volumes used in calculations against supporting documentation.

- Documentation and Reporting: Provide thorough supporting documentation and explanations for all adjustments and corrections made in Accounts 1588 and 1589 in the next rate application. This should cover the methodology for recording transactions and how corrections were determined.

Lakefront Response:

In the 2025 IRM Lakefront intends to make available thorough supporting documentation and explanations for all adjustments and corrections made in Accounts 1588 and 1589.

Ongoing and Future Compliance

- Settlement and Reporting Consistency: Ensure consistent application of the OEB's Accounting Procedures Handbook and related regulatory guidelines in future accounting periods to avoid similar discrepancies.

Lakefront Response:

Effective January 2024 Lakefront has ensured consistent application of the OEB's Accounting Procedures Handbook and related regulatory guidelines in future accounting periods to avoid similar discrepancies.

- Management Reviews: Regularly review and update business processes related to accounting and settlements to ensure continuous compliance with regulatory standards.

Lakefront Response:

Effective January 2024 Lakefront has implemented additional internal control measures including management reviews to ensure continuous compliance with regulatory standards.

Audit and Review

- Third-party Audits: Engage a third-party auditor to verify the corrections and adjustments made to Accounts 1588 and 1589. This should be part of Lakefront Utilities' ongoing efforts to demonstrate compliance and control effectiveness in future regulatory filings.

Lakefront Response:

LUI enlisted Baker Tilley, its former auditor, to verify the corrections and adjustments made to Accounts 1588 and 1589. Since LUI has switched auditors in 2024, KPMG will now be responsible for reviewing all controls related to the DVA accounts.

Rate Application Submission

- Future Rate Applications: In Lakefronts' subsequent rate applications, it is expected to include detailed descriptions of all adjustments made to the DVA accounts, ensuring transparency and regulatory compliance.

Lakefront Response:

Effective Starting January 2024 Lakefront in any subsequent rate applications will include detailed descriptions of all adjustments made to the DVA accounts, ensuring transparency and regulatory compliance

LUI's response to completion of 1588 and 1589 compliance and reconciliation

In response to our commitment to the OEB's in our 2024 IRM, LUI has committed extensive resources throughout the winter of 2023, spring and summer of 2024, in undergoing a full-scale, comprehensive review of its processes, data sources, and accounting practices associated with its 1588 and 1589. At a summarized level, the review consisted of the following:

Summary of steps employed to reconcile 2016 to 2023

The following outlines the detailed processes we have implemented for the transformation, reconciliation, and reporting of our billing and financial data from 2016 to 2023, as part of our ongoing efforts to comply with regulatory standards and to enhance the integrity of our financial reporting.

Data Collection and Verification for Reconstruction Project (2016-2023)

To ensure a thorough and accurate reconciliation of our accounts for the years 2016 to 2023, we have implemented a detailed and structured data collection process. This has involved gathering critical data from multiple sources, organizing it meticulously, and verifying it to ensure its accuracy and reliability. Below are the key steps we have undertaken in our data collection and verification process:

1. IESO Physical Settlement Invoices:

- We obtained all monthly physical settlement invoices from the Independent Electricity System Operator (IESO) in XML format. These invoices provide detailed charges related to Energy (CT 101), Class A Global Adjustment (GA) (CT 147), Class B GA (CT 148), and the Regulated Price Plan (RPP) settlement (CT 142).

- We systematically imported this XML data into our database, facilitating efficient handling and verification processes to ensure alignment with our financial records.

2. IESO Detailed Settlement Transactions:

- Detailed monthly settlement transactions from IESO were acquired, including data for RPP, embedded generation, and Class A categories. This granular data allowed us to accurately verify the monthly financial transactions and settlements, crucial for our internal financial assessments.

3. IESO Global Adjustment Estimates:

- We collected historical data on the monthly Global Adjustment (GA) from IESO, which includes the first estimate, second estimate, and final estimate for each month. This data is indispensable for accurately reconciling our GA charges, ensuring our financial responsibilities and credits are meticulously calculated and adjusted in line with market dynamics.

4. IESO Monthly AQEW Information:

- Monthly AQEW (Adjusted Quantity of Energy Withdrawn) data, also sourced from IESO, is essential for understanding the actual energy withdrawn from the grid. It serves as a benchmark for our internal calculations and verifications, aligning our consumption data with officially recorded figures.

5. Utilismart (Settlement Vendor) Billing Summaries:

- We obtained monthly billing summaries from Utilismart for FIT (Feed-in Tariff), MFIT (Micro Feed-in Tariff), and WHSL (Wholesale) categories. These summaries provide key insights into billing aspects of energy consumption and production, contributing to a robust and comprehensive financial analysis.

This structured approach to data collection and verification has not only facilitated a thorough examination of our accounts but has also ensured that all data alignments and discrepancies are systematically addressed and rectified. By adhering to this rigorous methodology, we have laid a strong foundation for ongoing compliance and financial integrity, aligning with the standards expected by the Ontario Energy Board.

Transformation of Monthly Billing Data from Static to Dynamic

In our commitment to enhance the accuracy and usability of our financial data, Lakefront has implemented a detailed procedure to transform monthly billing data from its static state into dynamic, actionable information. This transformation is critical for precise financial analysis and for ensuring compliance with regulatory standards. Below are the steps we undertake to manage and analyze billing data by month:

1. Downloading and Storing General Ledger Data:

- Each month, we download the General Ledger (GL) data pertaining to electricity revenue. This data is then stored in a structured database, which allows for efficient retrieval and manipulation. This step is fundamental in ensuring that we have a reliable base of financial information that reflects all revenue transactions accurately.

2. Retrieval of Billing Batch Numbers:

- To drill down into more granular billing details, we retrieve billing batch numbers from our billing system. These batch numbers are crucial for tracking individual billing records and ensuring that each billing entry is accounted for in our financial analysis.

3. Extraction of Individual Account Data:

- Using the billing batch numbers, we pull detailed account data for each electricity transaction. This data includes the billing period (date from and date to), usage, dollars billed, and customer codes. This detailed extraction allows us to understand and verify every component of our billing process, ensuring that each customer's data is accurately captured and recorded.

4. Allocation to General Ledger Accounts and Rate Summaries:

- The customer codes extracted are used to allocate each billing entry to the appropriate GL account. This allocation is crucial for accurate financial reporting and for reconciling our billing data with our GL records.

- Additionally, we set up rate summaries based on these allocations. These summaries play a vital role in distributing the financial data according to specific rate categories, which is essential for detailed settlement analysis and for preparing regulatory reporting.

5. Dynamic Analysis and Reporting:

- With the billing data transformed from static records into a dynamic dataset, we are able to perform in-depth financial analysis by billing month. This capability allows us to identify trends, anomalies, and opportunities for optimization in real-time. Furthermore, it enhances our ability to report accurately to regulatory bodies and to make informed decisions based on comprehensive data insights.

This systematic transformation of billing data underpins our commitment to maintaining rigorous financial controls and supports our ongoing efforts to comply with the highest standards of financial reporting and regulatory compliance.

Reconciliation of Billing Data with General Ledger Accounts

To maintain financial integrity and ensure precise compliance with accounting standards, we perform a rigorous reconciliation process. This process is vital for verifying that the detailed customer billing data aligns accurately with our General Ledger (GL) accounts. The steps involved in this reconciliation process include:

1. Comparison of Detailed Billing to GL Accounts:

- We begin the reconciliation process by comparing the GL account data extracted from individual billing entries to the GL accounts allocated to each billing customer. This comparison is crucial to ensure that each transaction recorded at the customer level is accurately reflected in our General Ledger.

2. Identification and Correction of Discrepancies:

- Any discrepancies identified during the comparison are thoroughly investigated. This includes tracing back to the original billing batch, reviewing transaction details, and verifying rate applications and customer codes. Corrections are made to ensure that all entries align correctly between the detailed billing data and the General Ledger.

3. Verification of Aggregate Balances:

- Post-correction, we verify the aggregate balances to ensure that the total from the detailed billing matches the total recorded in the General Ledger. This step is critical for confirming that our financial statements are accurate and complete, reflecting the true financial position of the utility.

4. Documentation and Reporting of Adjustments:

- All adjustments and corrections made during the reconciliation process are fully documented. This documentation supports transparency and provides a clear trail for audit purposes. It also facilitates the reporting process, ensuring that stakeholders are informed of any changes and the reasons behind them.

5. Continuous Improvement of Reconciliation Processes:

- Leveraging insights gained from each reconciliation cycle, we continuously refine our reconciliation processes. This ongoing improvement helps in minimizing discrepancies over time and enhances the efficiency and accuracy of our financial reporting.

By meticulously aligning our detailed customer billing data with our General Ledger, we not only ensure compliance with financial reporting standards but also bolster our financial governance. This rigorous approach to reconciliation supports our commitment to upholding the highest levels of accuracy and reliability in our financial operations.

Distribution of Billing Data Across Actual Service Months

To enhance the precision of our financial analysis and regulatory reporting, Lakefront has developed a systematic approach to transform static monthly billing data into dynamic monthly data. This transformation involves accurately distributing the billed amounts across the months in which services were actually rendered. Here are the detailed steps involved in this process:

1. Determination of Service Duration:

- For each customer billing record, we determine the service duration by analyzing the 'from' and 'to' dates on the bill. This step involves calculating the total number of days covered by the billing period to ensure that billing data is accurately attributed to the respective months.

2. Pro-Rata Distribution of Billing Data:

- Once the total service period is established, we break down the billing cycle into parts that fall into specific calendar months. For instance, if a customer's billing period runs from April 15 to May 15, we calculate the number of days from April 15 to April 30 and then from May 1 to May 15.

- This approach allows us to determine the proportion of the service and associated costs attributable to each month within the billing period.

3. Straight-Line Allocation of Costs:

- With the service days determined for each month, we then apply a straight-line allocation method to distribute the billing amounts (both kWh and dollar amounts). This means that the total billed amount is divided according to the number of days in each part of the billing period, ensuring each month receives a proportionate share of the total bill based on actual service days.

- For example, if the total billing period covers 30 days, with 15 days in April and 15 days in May, and the total amount billed is $100, then $50 is allocated to April and $50 to May.

4. Accurate Financial Posting:

- The resulting pro-rated amounts are then posted to the appropriate months in our financial records. This step ensures that our revenue recognition aligns with the actual consumption periods, thereby improving the accuracy of our financial statements and adherence to accounting principles.

5. Review and Adjustment:

- This distributed billing data undergoes a thorough review to identify any inconsistencies or errors in the allocation process. Adjustments are made as necessary to ensure the integrity and accuracy of our financial reporting.

By transforming static billing data into accurately distributed monthly data, we ensure that our financial reporting and analyses reflect true customer usage patterns and revenue realization. This methodological accuracy supports our strategic financial planning and enhances our compliance with regulatory requirements.

Summarization and Transformation of Data into Excel by Billed Month

To further enhance the analytical utility of the billing data and ensure comprehensive reporting, Lakefront employs a robust process to summarize and transform the acquired data into a structured Excel worksheet format. This step is crucial for performing detailed monthly financial analysis and supports the preparation of regulatory submissions. Here is how we manage this transformation:

1. Compilation of Data Sources:

- We compile various data elements that have been previously collected and processed, including wholesale quantity from Utilismart summaries, revenue data by billed month, Global Adjustment (GA) by month, and kWh billed for Class A and GA for Class B (CT148).

2. Excel Worksheet Creation:

- An Excel worksheet is set up to systematically capture and organize these data elements by billed month. This worksheet serves as the primary tool for aggregating and visualizing data, facilitating easier manipulation and analysis.

3. Data Integration and Summarization:

- Within the Excel environment, we integrate the various pieces of data. This includes mapping out the revenue associated with each billed month, aligning GA charges, and detailing the kWh consumption for Class A and B customers.

- The worksheet is designed to summarize this information in a coherent format that highlights key financial metrics and trends over the reporting period.

4. Calculation of Monthly RPP Settlements:

- Using the organized data within the Excel worksheet, we calculate the monthly RPP settlement amounts. This calculation considers the revenue data, GA adjustments, and kWh details to accurately determine the settlement figures for each reporting month.

- The formulas applied in the Excel sheet are carefully designed to align with regulatory requirements and accounting standards, ensuring the calculations are both accurate and verifiable.

5. Breakout Analysis for Detailed Reporting:

- To aid in detailed financial analysis and regulatory reporting, we further break out the data within the Excel worksheet to dissect the components of the monthly settlements. This breakdown helps in understanding the contributions of various factors to the overall financial performance and settlements for each month.

6. Review and Validation:

- Once the Excel worksheet is populated and calculations are performed, a thorough review and validation process is conducted. This ensures that all data inputs are correct and that the computed values are accurate and reflective of the underlying financial transactions.

By summarizing and transforming the data into an Excel worksheet, we not only streamline our financial analysis but also enhance the transparency and accessibility of the data for internal stakeholders and regulatory bodies. This meticulous process supports our commitment to delivering accurate and timely

Reconciliation with IESO Reported Values and Annual Balance Determination

Following the detailed analysis and breakdown of monthly settlements in our Excel worksheet, Lakefront progresses to the crucial step of offsetting these calculated values against what was actually reported to and invoiced by the IESO. This reconciliation ensures accuracy in our financial reporting and compliance with regulatory standards. Here's how we manage this process:

1. Offsetting Monthly Calculations:

- For each month, the settlement amounts calculated in the Excel worksheet are compared and offset against the amounts actually reported to the IESO and those applied on the IESO invoices. This step is vital to identify any discrepancies between our internal calculations and the amounts recognized by IESO.

2. Documentation of Variances:

- Any variances identified during the monthly offsets are thoroughly documented. This documentation includes detailed explanations of the differences, whether Lakefront are due to timing issues, data entry errors, or discrepancies in rate application. This level of documentation is essential for traceability and for supporting any adjustments or claims made.

3. Annual Aggregation of Data:

- All monthly data, including the calculated and reported values as well as the identified variances, are aggregated on an annual basis. This aggregation allows us to see the cumulative impact of the monthly variances and provides a clear picture of the overall annual position relative to the IESO.

4. Determination of Annual Balances:

- At the end of the year, we analyze the aggregated data to determine the total amount owed to or recoverable from the IESO. This involves summing all overpayments and underpayments to calculate a net position. This net figure represents either an amount that we owe to the IESO or an amount that is recoverable, depending on whether we have overpaid or underpaid across the year.

5. Review and Validation:

- The annual balance determination undergoes a rigorous review and validation process to ensure that all calculations are accurate and that all transactions are accounted for. This review also includes a verification of the compliance with the terms and conditions set forth by the IESO and other regulatory bodies.

6. Reporting and Follow-up Actions:

- The results of the annual balance determination are formally reported in our financial statements and to the IESO. Based on the results, we initiate any necessary follow-up actions, such as making payments to the IESO or filing claims for recovery, to reconcile our financial position.

By meticulously offsetting our monthly calculations against what is reported to the IESO and determining the annual balances, we ensure our financial integrity and maintain compliance with regulatory requirements. This process also supports our financial planning and provides clarity and transparency for internal and external stakeholders.

Utilization of Summary Excel Model for Annual Reconciliations and Regulatory Compliance

The summary Excel model developed by Lakefront plays a pivotal role in the annual reconciliations of Accounts 1588 and 1589, as well as in fulfilling regulatory compliance requirements. This model not only streamlines our internal processes but also ensures accuracy and adherence to the standards set forth by the Ontario Energy Board (OEB). Here's an outline of how we leverage this model:

1. Annual Reconciliations of Accounts 1588 and 1589:

- The data compiled in the summary Excel model provides a comprehensive overview of monthly financial activities, which is essential for the annual reconciliation of Accounts 1588 (RSVA Power) and 1589 (RSVA Global Adjustment).

- By using this model, we can accurately determine the principal values for these accounts, which are subsequently reported to the OEB for the disposition of variances. This ensures that all financial movements within these accounts are accounted for correctly and that the reported values accurately reflect the true financial position of these accounts.

2. Generation of Reasonableness Tests:

- The same summary Excel model is instrumental in generating the reasonableness tests required in the OEB GA Analysis Workform model. These tests are crucial for verifying that the variances and calculations within our financial models fall within acceptable parameters set by regulatory guidelines.

- By integrating these tests directly into our annual review process, we can proactively address any discrepancies or outliers in the data, ensuring that all entries and calculations are justifiable and reasonable according to regulatory standards.

3. Documentation and Reporting:

- Detailed documentation is generated from the Excel model outlining the methodologies, calculations, and results of both the annual reconciliations and the reasonableness tests. This documentation is crucial for audit trails and for providing transparency to regulatory bodies.

- The results and findings from the Excel model, along with the accompanying documentation, are included in our regulatory filings with the OEB, enhancing the credibility and reliability of our submissions.

4. Continuous Improvement and Updates:

- The Excel model is regularly reviewed and updated to incorporate changes in regulatory requirements and to refine the calculations based on new data and insights. This ongoing improvement ensures that the model remains robust and aligned with best practices and regulatory expectations.

By employing the summary Excel model in these critical areas, Lakefront not only enhances its financial management practices but also upholds its commitment to regulatory compliance and transparency. This model is integral to our strategy for managing financial variances and for demonstrating accountability in our regulatory dealings.

Conclusion

LUI has devoted its absolute maximum in staff time and effort, in order to validate the company's accounting practices, compliance with the OEB's Accounting Guidance, accuracy of IESO settlements, appropriate historical allocation of GA costs between customer classes, fiscal year cut-off matters, and any other issues that may affect LUI's commodity flow-through accounts, and the associated impacts on its customers. LUI resources committed to this work consisted of front-level staff members in finance, IT, and billing, members of the management team, and members of the executive team with extensive experience in Commodity Pass-through Accounting and IESO settlement matters.

LUI provides its assurances to the OEB, in the strongest terms, that the balances requested for disposition are accurate and reasonable.

3.2.6.3 Commodity Accounts 1588 and 1589

On February 21, 2019, the OEB issued its letter entitled Accounting Guidance related to Accounts 1588 Power and 1589 Global Adjustment as well as the related accounting guidance ("Accounting Guidance"). The Accounting Guidance was effective January 1, 17 2019 and was to be implemented by August 31, 2019. LUI confirms it is now following the OEB's Accounting Guidance regarding the commodity pass through accounts for Accounts

1588 RSVA – Power and 1589 RSVA – Global Adjustment. The Account 1588 and 1589 balances in were last approved for disposition, covering the year ended December 31, 2015, on a final basis, as part of LUI's 2017 COS Application (EB-2016-0089). Given the OEB Inspection LUI has reviewed all 1588 and 1589 accounts back to 2016.

Results of Review

To calculate and validate final disposition amounts LUI created an annual reconciliation model for each outstanding year. The model was designed to calculate and tabulate each month RPP CT142 value as it should have been calculated. This calculation was offset by the actual CT142 submitted and processed by the IESO. The annual values were summarised on a single sheet. From this point LUI calculated the 1588 and 1589 principal account reconciliations. The principal values were then summarized to determine the calculation of the 1589 GA analysis and 1588 reasonability test. LUI is submitting this in lieu of the OEB GA Analysis workform. The results of these workbooks are summarized below.

For account 1588 principal we have determined a closing debit balance of $722,989 as detailed below.

Row Labels	Revenue GL Revenue	Revenue Unbilled	Cost of Power Energy Cost (code 101)	Cost of Power RPP GA (code 148)	Cost of Power IESO RPP Settlement	Cost of Power FIT/mFIT	
2016	-14,494,259.62	-555,218.58	4,061,594.18	11,221,234.75	-186,087.09	71,460.03	118,723.68
2017	-12,973,142.33	175,328.87	3,850,467.60	11,189,686.54	-2,289,731.08	74,404.90	27,014.51
2018	-13,277,980.16	59,508.80	6,194,301.43	10,632,358.06	-3,691,722.58	150,206.23	66,671.78
2019	-12,437,774.79	-572,694.28	4,639,989.51	12,320,020.29	-3,950,736.07	92,470.17	91,274.82
2020	-16,413,080.08	92,915.56	3,390,284.93	13,194,798.02	-254,919.75	98,828.84	108,827.51
2021	-15,962,809.38	101,332.02	6,992,630.83	8,369,661.99	223,070.24	192,942.62	-83,171.67
2022	-18,215,134.85	-104,058.74	12,025,206.75	6,126,977.96	80,376.86	325,523.95	238,891.93
2023	-15,110,682.20	80,481.89	7,171,157.13	8,686,303.16	-875,482.48	202,978.96	154,756.45
Grand Total	**-118,884,863.41**	**-722,404.47**	**48,325,632.36**	**81,741,040.78**	**-10,945,231.95**	**1,208,815.70**	**722,989.01**

USoA
1588
1589

Amount	Column Labels			
Row Labels	Balance Brought Forward Principal	OEB Disposition Principal	Principal Variance	
2015	896,631.00	-896,631.00		0.00
2016			118,723.68	118,723.68
2017			27,014.51	27,014.51
2018			66,671.78	66,671.78
2019			91,274.82	91,274.82
2020			108,827.51	108,827.51
2021			-83,171.67	-83,171.67
2022			238,891.93	238,891.93
2023			154,756.45	154,756.45
Grand Total	**896,631.00**	**-896,631.00**	**722,989.01**	**722,989.01**

For account 1588 interest we have determined a closing debit balance of $46,208 as detailed below.

Row Labels	1588 Amount
2015	-7,901.00
2016	-354.30
2017	2,469.01
2018	2,564.71
2019	5,539.35
2020	4,492.44
2021	1,389.01
2022	9,435.49
2023	28,573.73
Grand Total	**46,208.45**

For account 1589 principal we have determined a closing debit balance of $198,941 as detailed below.

	Revenue	Revenue	Cost of Power	Cost of Power	Cost of Power	Cost of Power	
Row Labels	Revenue - Class B only	Unbilled	IESO Code 148	RPP GA (code 148)	Class B Deferral	Misc	
2016	-13,367,271.15	-46,955.44	23,623,969.89	-11,221,234.75	0.00	0.00	-1,011,491.45
2017	-9,919,086.14	636,233.77	20,605,336.89	-11,189,686.54	0.00	0.00	132,797.98
2018	-6,204,032.65	-38,147.33	16,741,097.59	-10,632,358.06	0.00	0.00	-133,440.46
2019	-7,302,694.06	53,319.15	19,695,291.66	-12,320,020.29	0.00	0.00	125,896.46
2020	-7,458,327.46	9,537.64	21,529,721.03	-13,194,798.02	0.00	0.00	886,133.19
2021	-5,878,490.55	140,317.61	13,623,422.72	-8,369,661.99	442,610.23	0.00	-41,801.98
2022	-4,047,542.52	-21,825.53	10,206,491.78	-6,126,977.96	0.00	0.00	10,145.77
2023	-5,312,462.05	-109,841.57	14,339,308.59	-8,686,303.16	0.00	0.00	230,701.81
Grand Total	**-59,489,906.58**	**622,638.30**	**140,364,640.15**	**-81,741,040.78**	**442,610.23**	**0.00**	**198,941.32**

USoA
1588
1589

Amount	Column Labels			
Row Labels	Balance Brought Forward Principal	OEB Disposition Principal	Principal Variance	
2015	-1,539,387.00	1,539,387.00		0.00
2016			-1,011,491.45	-1,011,491.45
2017			132,797.98	132,797.98
2018			-133,440.46	-133,440.46
2019			125,896.46	125,896.46
2020			886,133.19	886,133.19
2021			-41,801.98	-41,801.98
2022			10,145.77	10,145.77
2023			230,701.81	230,701.81
Grand Total	**-1,539,387.00**	**1,539,387.00**	**198,941.32**	**198,941.32**

For account 1589 interest we have determined a closing credit balance of $75,726 as detailed below.

Row Labels	1589 Amount
2015	-32,768.26
2016	-3,895.98
2017	-10,472.00
2018	-14,093.14
2019	-19,279.06
2020	-6,625.88
2021	201.78
2022	-860.24
2023	12,066.17
Grand Total	**-75,726.60**

GA Analysis Workform Summary

As stated in the Filing Requirements, all distributors are required to complete and submit the GA Analysis Workform for each year that has not previously been approved by the OEB for disposition. Further, as discussed in section 3.1.1(3) of the Application, LUI has completed the GA Analysis Workform for the fiscal years 2016-2023. The summaries from the Information sheet 5 of the GA Workform is reproduced below.

Table 6.1: 2016 – 2023 GA Analysis Workform Account 1589 Summary

Summary of GA (if multiple years requested for disposition)

Year	TotExpectedGAVar	Chg1589PrinBal	UnresolvedDiff$	ConsAtGAActual	UnresolvedDiff%
2016	-954,796	-1,011,491	-56,695	14,139,325	-0.00
2017	57,182	132,798	75,616	10,134,274	0.01
2018	-196,845	-133,440	63,405	6,462,527	0.01
2019	127,544	125,896	-1,647	7,677,582	-0.00
2020	885,336	886,133	797	7,864,092	0.00
2021	-396,250	-41,802	354,448	6,009,709	0.06
2022	-467	10,146	10,613	4,244,067	0.00
2023	242,047	230,702	-11,345	5,593,602	-0.00
	-236,250	198,941	435,191	62,125,178	0.70%

Table 6.2: 2016 – 2023 GA Analysis Workform Account 1588 Summary

Account 1588 Reasonability Test

Year	1588Principle	4705PowerPurchased	1588%4705
2016	118,724	15,168,202	0.78%
2017	27,015	12,824,828	0.21%
2018	66,672	13,285,143	0.50%
2019	91,275	13,101,744	0.70%
2020	108,828	16,428,992	0.66%
2021	- 83,172	15,778,306	-0.53%
2022	238,892	18,558,086	1.29%
2023	154,756	15,184,957	1.02%
	722,989	120,330,257	0.60%

Summary of Results

LUI has determined that it owes the IESO $1.9M. It also has determined that it need to collect back from our customers $722K in 1588 and $198K in GA. These values have been incorporated into Sheet 3 of the IRM generator. In addition, LUI has determined that outstanding interest in the amount of a credit of $29K is owed.

LAKEFRONT UTILITIES INC. 1588 1589 DVA Reconciliation	2023	2022	2021	2020	2019	2018	2017	2016	Total
(Owed To)/Owed From IESO	$(115,139.00)	$ (3,526.59)	$(731,377.52)	$(600,035.73)	$(295,210.75)	$ (546,993.08)	$ 422,826.66	$ (37,151.56)	$(1,906,607.56)
1588 (Owed To)/Owed From Power Consumer	$ 154,756.45	$ 238,891.93	$ (83,171.67)	$ 108,827.51	$ 91,274.82	$ 66,671.78	$ 27,014.51	$ 118,723.68	$ 722,989.01
1589 (Owed To)/Owed From Class B	$ 230,701.81	$ 10,145.77	$ (41,801.98)	$ 886,133.19	$ 125,896.46	$ (133,440.46)	$ 132,797.98	$(1,011,491.45)	$ 198,941.32
(Owed To)/Owed From	$ 270,319.27	$ 245,511.11	$(856,351.18)	$ 394,924.98	$ (78,039.46)	$ (613,761.75)	$ 582,639.14	$ (929,919.33)	$ (984,677.23)
Unresolved Difference as % of Expected GA Payments to IESO	-0.203%	0.250%	5.898%	0.010%	-0.021%	0.981%	0.746%	-0.096%	
Account 1588 as % of Account 4705	1.019%	1.287%	-0.527%	0.662%	0.697%	0.502%	0.211%	0.783%	

LUI's reconciliation to the current RRR for account 1588 and 1589 is shown below. Ultimately, we arrived at an unreconciled difference of $46K. LUI would suggest that this difference is not unreasonable given we are settling on eight years of value.

LAKEFRONT UTILITIES INC. 1588 1589 DVA Reconciliation	Total	Interest	LUI Balance	RRR Data	Unreconciled Difference
(Owed To)/Owed From IESO	$(1,906,607.56)		$(1,906,607.56)	$ (116,542.26)	$ (1,790,065.30)
1588 (Owed To)/Owed From Power Consumer	$ 722,989.01	$ 46,208.40	$ 769,197.41	$ 183,398.12	$ 585,799.29
1589 (Owed To)/Owed From Class B	$ 198,941.32	-$ 75,726.57	$ 123,214.75	$ (1,395,574.56)	$ 1,518,789.31
(Owed To)/Owed From	$ (984,677.23)	$(29,518.17)	$(1,014,195.40)	$ (1,328,718.70)	$ 314,523.30
				Unbilled	$ 104,575.82
Unresolved Difference as % of Expected GA Payments to IESO				Interest	$ 163,945.32
Account 1588 as % of Account 4705				Unreconciled Difference	$ 46,002.16

From 2016 to 2023, LUI has not received approval to dispose of its 1588 and 1589 USoA accounts. During this time, the OEB directed LUI to undergo a third-party audit of these balances. Additionally, these accounts were reviewed by the OEB's Inspection & Enforcement (I&E) group, resulting in a December 2022 report that outlined the review's findings and recommended actions. In our 2024 IRM application, LUI committed to completing the analysis of the outstanding eight years of transactions and calculating the disposition amounts for inclusion in our 2025 IRM application.

As illustrated in the table below, LUI has been carrying a significant liability on its financial statements—a substantial burden for a small utility like ours. This balance has raised concerns not only from a third-party audit financial reporting perspective but also among company management, our board of directors, our audit committee, and our owners. Most importantly, we are concerned about the impact on our customers. The uncertainty surrounding these balances is problematic, and delaying annual dispositions creates intergenerational inequity, particularly for customers who have changed ownership during this period.

Amount	**UsoA**		
Years	**1588**	**1589**	**Grand Total**
2015	$879,029.96	-$1,550,984.23	-$671,954.27
2016	$1,080,372.19	-$2,364,025.10	-$1,283,652.91
2017	$647,300.22	$847,792.93	$1,495,093.15
2018	-$20,719.44	-$1,216,457.01	-$1,237,176.45
2019	-$292,144.38	-$1,084,833.56	-$1,376,977.94
2020	-$87,319.75	-$1,076,656.89	-$1,163,976.64
2021	-$130,276.41	-$1,630,921.15	-$1,761,197.56
2022	$179,866.20	-$1,787,064.21	-$1,607,198.01
2023	$183,398.12	-$1,395,574.56	-$1,212,176.44

Recent Developments

Since the winter of 2023, LUI has allocated significant resources to conduct a comprehensive review of its transactions and update our calculation methods in accordance with the I&E report and the 2018 OEB accounting guidance. Our goal is to ensure full compliance with OEB directives.
In recent discussions with OEB Rates and I&E staff, we shared our plan to file for the disposal of the 1588 and 1589 accounts. However, staff have expressed concerns that addressing eight years of dispositions may require extensive time and resources from the I&E team for review. The Rates staff have suggested that the I&E review be completed before any disposition is approved.

Proposed Approach

LUI is committed to working closely with the OEB to resolve this issue in a timely manner. While our current position is to pursue final disposition, we understand and respect the concerns expressed by OEB staff. Therefore, we propose to file for the disposition of these accounts on an interim basis, with the understanding that final disposition would be completed in 2025 for mid-year implementation. This is preferred over waiting for disposition in our 2026 IRM rates, which would be effective January 1, 2026.

We believe this approach strikes a balance between addressing the significant liabilities on our financial statements and allowing adequate time for a thorough review by the I&E team. We are hopeful that this proposal will be acceptable to the OEB and will facilitate a resolution that is fair to all stakeholders involved.

3.2.6.4 Capacity Based Recovery

LUI has followed the approach identified in the Filing Requirements to address the disposition of CBR variances. A separate rate rider has been calculated in Tab 6.2.CBR B in the Rate Generator model to dispose the balance over the default period of one year. The Rate Generator model allocated the portion of Account 1580, Sub-account CBR Class B to customers who transitioned between Class A and Class B based on customer specific consumption levels. LUI had one customer transition from Class A to Class B as of July 2021, and subsequently from Class B to Class A, as of July 2022. The transition customer will only be responsible for the customer-specific amount allocated to them. The general CBR Class B rate rider will not apply to them.

3.2.6.5 Disposition of Account 1595

Lakefront confirms that the residual balances for vintage Account 1595 have only been requested once the disposition balance is a year after the rate rider's sunset date has expired and the balances have been externally audited. Lakefront is not requesting the disposition of any Account 1595 balances.

3.2.7 LRAM Variance Account (LRAMVA)

For CDM programs delivered, the Board established Account 1568 as the LRAMVA to capture the variance between the OEB-approved CDM forecast and actual customer rate class level results.

In accordance with the Board's Guidelines for Electricity Distributor Conservation and Demand Management (EB-2012-0003) issued April 26, 2012, at a minimum, distributors must apply for disposition of the balance in the LRAMVA at the time of their Cost of Service rate applications. Distributors may also apply for the disposition of the balance of the LRAMVA on IRM rate applications if the balance is deemed significant by the applicant.

LUI is not applying for an LRAM Disposition in this application.

3.2.8 Tax Changes

Lakefront has completed the 2024 IRM Rate Generator tabs related to tax changes for IRM applications to calculate the savings due to rate payers as a result of corporate tax savings implemented since the 2022 Cost of Service Decision (EB-2021-0039). Under the 4th Generation IRM, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes as applied to the tax level reflected in the Board-approved base rates for a distributor is appropriate. The calculated annual tax changes over the plan term will be allocated to customer rate classes based on the most recent Board-approved base year distribution revenue.

LUI completed Tab 8: Shared Tax – Rate Rider to calculate rate riders for tax change, which indicates a shared tax savings is nil.

3.2.9 Z-Factor Claims / Advanced Capital Module

Lakefront is not applying for recovery through the Advanced Capital Module or Z-Factor in this proceeding.

3.2.10 Off-Ramps

LUI's current distribution rates were rebased and approved by the OEB in 2022 and included an expected (deemed) regulatory return on equity (ROE) of 8.66%. The OEB allows a distributor to earn within +/- 3% of the expected return on equity.

Table 5 shows the return on equity achieved each year, compared to the approved OEB deemed rate.

Table 5: Summary of ROE

Year	Approved ROE	Achieved ROE	Over (Under) Earned
2023	8.66%	4.27%	(4.39%)
2022	8.66%	10.87%	2.21%
2021	8.78%	5.92%	(2.86%)
2020	8.78%	5.49%	(3.29%)
2019	8.78%	7.58%	(1.20%)
2018	8.78%	7.76%	(1.02%)
2017	8.78%	6.57%	(2.21%)
2016	9.12%	7.72%	(1.40%)
2015	9.12%	7.69%	(1.43%)
2014	9.12%	6.50%	(2.62%)
2013	9.12%	9.20%	0.08%
2012	9.12%	11.40%	2.28%
2011	8.57%	8.64%	0.07%

The actual return on equity for 2023 was 4.27%, which indicates an under-earning when compared to the Board Approved 2022 rate of return and OEB deadband allowance between 5.33% and 11.66%.

Bill Impacts

As shown in the table, the impact of the Rate Design on the Residential class is marginal.

LUI has included bill impacts for the following classes:

- Residential – RPP and non-RPP
- GS<50 kW – RPP and non-RPP
- GS 50-2999 kW
- GS 3000-4999 kW
- Unmetered Scattered Load
- Sentinel Lighting
- Streetlighting

Detailed bill impacts for each rate class are provided in Appendix C.

Table 6: Summary of Bill Impacts

RATE CLASSES / CATEGORIES (eg: Residential TOU, Residential Retailer)	Units	Sub-Total						Total	
		A		B		C		Total Bill	
		$	%	$	%	$	%	$	%
RESIDENTIAL SERVICE CLASSIFICATION - RPP		$ 1.74	6.5%	$ (1.71)	-4.3%	$ (2.02)	-3.8%	$ (1.89)	-1.4%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - RPP		$ 3.56	6.7%	$ (8.19)	-8.6%	$ (8.97)	-6.5%	$ (8.40)	-2.1%
GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)		$ 59.08	6.5%	$ (245.94)	-12.9%	$ (270.74)	-8.5%	$ (305.94)	-2.3%
GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION - Non-RPP (Other)	Over (Under) Earned	$ 805.28	6.5%	$(5,967.47)	-19.6%	$(6,368.47)	-12.4%	$ (7,196.37)	-3.2%
UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION - RPP	-0.0439	$ 1.37	6.7%	$ (1.51)	-4.9%	$ (1.76)	-4.1%	$ (1.65)	-1.5%
SENTINEL LIGHTING SERVICE CLASSIFICATION - RPP	0.0221	$ 0.62	6.5%	$ 0.26	2.5%	$ 0.24	2.1%	$ 0.23	1.2%
STREET LIGHTING SERVICE CLASSIFICATION - Non-RPP (Other)	-0.0286	$ 0.16	6.4%	$ 0.05	1.8%	$ 0.04	1.4%	$ 0.05	0.7%
RESIDENTIAL SERVICE CLASSIFICATION - Non-RPP (Other)	-0.0329	$ 1.74	6.5%	$ (0.88)	-2.2%	$ (1.20)	-2.2%	$ (1.35)	-0.9%
RESIDENTIAL SERVICE CLASSIFICATION - RPP	-0.012	$ 1.74	6.5%	$ 0.36	1.1%	$ 0.24	0.6%	$ 0.23	0.3%
RESIDENTIAL SERVICE CLASSIFICATION - Non-RPP (Other)	-0.0102	$ 1.74	6.5%	$ 0.69	2.2%	$ 0.57	1.5%	$ 0.64	0.8%
GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION - Non-RPP (Other)	-0.0221	$ 3.21	6.7%	$ (3.99)	-4.9%	$ (4.61)	-4.0%	$ (5.21)	-1.3%

3.3 Elements Specific Only to the Price Cap IR Plan

3.3.2.1 Incremental Capital Module (ICM) Filing Requirements

At the time the 2022-2026 Distribution System Plan (DSP) was developed and presented during the 2022 Cost of Service (COS) proceeding, Lakefront Utilities Inc. (LUI) did not anticipate needing the Victoria Street Transformer Station within the five-year Incentive Regulation Mechanism (IRM) period, and thus did not claim an Advanced Capital Module (ACM). The necessity to construct and commission the station by the end of 2023 became apparent later due to emerging technical management challenges and significant system concerns that escalated the urgency of this investment.

LUI acknowledges that typically, Incremental Capital Module (ICM) funding is requested prior to the construction of a project. However, in this case, LUI did not do so and recognizes that by filing for ICM relief for the 2025 rates, it is not claiming relief for the related 2023 and 2024 revenue requirements. Instead, LUI proposes to analyze ICM eligibility based on its actual spending in 2023, the year the project was put into service. While LUI understands that claiming relief from 2025 onward might raise questions about materiality thresholds and asset depreciation, it believes this approach is justified given the circumstances.

Additionally, the sudden need for the project in 2023 was driven by unforeseen residential developments, notably influenced by the Provincial Government's incentives to encourage faster home construction. Cobourg has experienced an uptick in developments as a result of these incentives. Although such developments would typically attract capital contributions, LUI contends that contributions are not appropriate in this case due to specific situational factors, which will be further elaborated. Despite anticipating skepticism regarding this argument, LUI believes it is crucial to present its case based on the unique conditions and requirements that necessitated this investment.

LUI is requesting approval for incremental capital funding for 2025 with respect to a new 27.6 kV substation for a total estimated incremental capital expenditure of $2,535,311. Further details on the scope of the work are provided below.

The total incremental annual revenue requirement associated with the ICM request is $158,577 as presented in Tab 10 of the ICM Model and attached to this application. LUI's capital investment needs for this project are not funded through existing distribution rates.

Eligibility for Incremental Capital

In order to be eligible for incremental capital, an ICM claim must be incremental to a distributor's capital requirements within the context of its financial capacities underpinned by existing rates; and satisfy the eligibility criteria of materiality, need and prudence set out in section 4.1.5 of the Report of the Board – New Policy Options for the Funding of Capital Investments: The Advanced Capital Module (EB-2014-0219), issued on September 18, 2014 ("the ACM Report").

These criteria are discussed in detail below. The OEB's Capital Module for ACM and ICM ("ICM Module") has been filed in live excel format.

Materiality

Materiality Threshold Test

The OEB states in the ACM Report that "a capital budget will be deemed to be material, and as such reflect eligible projects, if it exceeds the OEB-defined materiality threshold. Any incremental capital amounts approved for recovery must fit within the total eligible incremental capital amount (as defined in this ACM Report) and must clearly have a significant influence on the operation of the distributor; otherwise, they should be dealt with at rebasing."

The OEB-defined materiality threshold is represented by the following formula:

$$\boldsymbol{Threshold\ Value}\ (\%) = \mathbf{1} + \left[\left(\frac{\boldsymbol{RB}}{\boldsymbol{d}}\right) \times (\boldsymbol{g} + \boldsymbol{PCI} \times (\mathbf{1} + \boldsymbol{g}))\right] \times \left((\mathbf{1} + \boldsymbol{g}) \times (\mathbf{1} + \boldsymbol{PCI})\right)^{\boldsymbol{n}-\mathbf{1}} + \mathbf{10\%}$$

RB = rate base from the distributor's last cost of service

d = depreciation from the distributor's last cost of service

g = growth calculated based on the percentage difference in distribution revenues between the most recent complete year and the distribution revenues from the most recent approved test year in a cost-of-service application

PCI = Price Cap Index (IPI-stretch factor) from the distributor's most recent Price Cap IR application as a placeholder for the initial application filing to be updated when new information becomes available

n = number of years since the last rebasing

The inflation measure (the Input Price Index or IPI) used to calculate the PCI in the materiality threshold formula is the OEB-approved inflation factor for the respective ICM year (i.e., 3.7% in 2025 for electricity distributors), and this inflation factor is applied to each historical year.

Eligible Capital Amount

LUI provides a summary of its 2022 COS historical and forecast capital investments by category in Table 6 below. Amounts shown are net of contributed capital.

Table 7: Capital Expenditures by Category - ($MM)

Appendix 2-AB

Table 2 - Capital Expenditure Summary from Chapter 5 Consolidated

First year of Forecast Period: *2022*

CATEGORY	2017 Actual $ '000	2018 Actual $ '000	2019 Actual $ '000	2020 Actual $ '000	2021 Actual2 $ '000	Forecast Period (planned) 2022 $ '000	2023	2024	2025	2026
System Access	423	572	361	177	100	145	318	244	330	336
System Renewal	1,800	482	826	733	845	1,435	1,131	869	1,173	1,195
System Service	33	40	-	1,109	550	320	315	242	327	333
General Plant	105	96	71	89	168	60	131	574	135	138
TOTAL EXPENDITURE	2,361	1,190	1,258	2,108	1,663	1,960	1,895	1,929	1,965	2,002
Capital Contributions	202	359	137	268	100	100	-			
Net Capital Expenditures	2,158	831	1,121	1,841	1,563	1,860	1,894	1,929	1,965	2,002

LUI provides for reference a summary of its RRR reported capital investments by category in Table 7.1 below. Amounts shown are net of contributed capital.

Table 7.1: Capital Investments By Category

Capital Expenditures per OEB RRR	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual
Capital_Expenditure__Capitalized_Overhead	293,496.00	269,863.00	284,566.00	315,440.00	261,025.00	345,586.00	349,501.91
Capital_Expenditure__Contract_Services	1,394,717.00	451,752.00	450,541.00	1,026,574.00	2,016,892.00	948,231.00	906,644.82
Capital_Expenditure__Direct_Labour	146,748.00	134,931.00	184,968.00	246,043.00	232,313.00	259,190.00	466,002.54
Capital_Expenditure__Equipment_and_Materials	525,117.00	333,382.00	337,881.00	520,707.00	676,034.00	944,888.00	3,407,485.34
Capital_Expenditure__Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total_Contributed_Capital	-202,427.00	-358,852.00	-136,890.00	-268,233.00	-1,107,485.00	-378,206.00	-764,806.88
Grand Total	**2,157,651.00**	**831,076.00**	**1,121,066.00**	**1,840,531.00**	**2,078,779.00**	**2,119,689.00**	**4,364,827.73**

Table 7.2 below compares the 2025 capital budget to the Threshold Capital

Expenditure to calculate the maximum eligible incremental capital of $2.3MM for 28 kVA Victoria Street Substation.

Table 7.2: Maximum Eligible Incremental Capital

Component	Amount ($)
2023 Capital Expenditure	$4,364,827
Less: Materiality Threshold	$2,053,519
Maximum Eligible Incremental Capital	$2,311,309

Table 7.3 below identifies the eligible capital project, and timelines of expenditures. LUI is seeking approval of the net capital expenditure associated with the project. The business case for this project is filed as Appendix A.

Table 7.3: Eligible Capital Project

Project	Year	Gross Capital Expenditure
27.6 kVA Victoria Street Substation	2022 Actual	$369,425.00
	2023 Actual	$2,165,886.00
	Total	$2,535,311.00

Project-Specific Materiality and Significant Influence on Operations

As stated in the Filing Requirements, minor expenditures, in comparison to the distributor's overall capital budget, should be considered ineligible for ICM treatment. Moreover, a certain degree of project expenditure over and above the OEB-defined threshold calculation is expected to be absorbed within the total capital budget. LUI submits that the 27.6 kVA Victoria Street Substation project is clearly material on a project-specific basis, with a significant influence on company operations. When comparing the 27.6 kVA Victoria Street Substation project to the net capital expenditures of LUI, the amounts in question meet the materiality criterion.

Need

To qualify for ICM funding for a particular project, a distributor must demonstrate that there is a need for incremental funding. The OEB's ACM Report requires a three-fold test to demonstrate need: (1) The Means Test; (2) The amounts must be based on discrete projects and should be directly related to the claimed driver; and (3) The amounts must be clearly outside of the base upon which the rates were derived.

Means Test

In addition to the materiality criteria, a distributor must pass the Means Test (as defined in the ACM Report) in order to qualify for funding through an ICM in an Incentive Rate setting term.

If a distributor's regulated return, as calculated in its most recent RRR 2.1.5.6 filing, exceeds 300 basis points above the deemed ROE embedded in the distributor's rates, the funding for any incremental capital project will not be allowed. LUI's 2023 Annual RRRs were filed for LUI. LUI's 2023 regulatory ROE was calculated to be 4.27%, 4.39 basis points below a deemed ROE for LUI of 8.66%. LUI calculated a consolidated deemed ROE percentage, using the weighted average of the OEB-approved deemed equity portion rate base amounts, from the most recent OEB-approved rebasing application. Therefore, LUI meets the ICM Means Test.

Discrete Project and Unfunded Through Base Rates

The 27.6 kVA Victoria Street Substation project is a discrete capital project that meets or exceeds the materiality level for LUI. The project is also significant relative to LUI's overall capital expenditures and is not funded through existing rates. As discussed above, the project alone represents nearly half of the entire 2024 capital budget for 27.6 kVA Victoria Street Substation and has been evaluated in the asset management and capital planning process as required in 2024.

The 27.6 kVA Victoria Street Substation project is outside the base upon which current rates were derived and the incremental capital amount being requested in this Application is directly related to the cost. The 27.6 kVA Victoria Street Substation project is not part of an ongoing capital program and comprises of a discrete project to address growing electricity demand, enhance reliability, and introduce additional redundancy in the distribution network. The requested ICM amount is directly related to this driver.

Prudence

The eligible capital project for which LUI is requesting approval for 27.6 kVA Victoria Street Substation is nondiscretionary and is above the basis on which rates were set. LUI is obligated to address growing electricity demand, enhance reliability, and introduce additional redundancy in the distribution network.

A description of the project's need, and prudence can be found in the business case summary set out immediately below. The project-related business case can be found starting at page 52.

Project Details	Project Need and Description
27.6 kV substation Spend: $2.5 MM In- service: Q4/2023	27.6 kV substation MS28-3 on Ontario Street, Cobourg Project System Access: Project Description and Drivers • In 2023, Lakefront Utilities Inc. energized a new 27.6 kV substation (MS27.6-3) on Ontario Street in Cobourg to address growing electricity demand, enhance reliability, provide the necessary capacity to complete the 4.16 kV to 27.6 kV voltage conversion program and introduce additional redundancy in the distribution network. This project, driven by significant residential and commercial growth, ensures capacity to meet current and future needs, reduces the risk of outages, and improves system resilience. To mitigate financial impact on existing customers, a cost-sharing agreement with residential developers was established, distributing a portion of the project costs to those benefiting from the enhanced infrastructure. This strategic investment aligns with our commitment to delivering reliable and cost-effective electricity while supporting the sustainable growth of our community.
	<u>Project Options</u> • Maintaining the status quo and not proceeding with the new MS28-3 substation could lead to significant capacity constraints and reduced reliability, resulting in more frequent outages and service interruptions. The existing infrastructure may become overloaded, unable to support ongoing and future developments, which could stifle economic growth and lower property values. The lack of redundancy would leave the network vulnerable to failures and limit operational flexibility, increasing customer dissatisfaction and operational costs. Additionally, the utility may face regulatory compliance risks, potential fines, and non-compliance penalties from the Ontario Energy Board. Overall, the status quo poses substantial risks to both the utility and its customers, underscoring the importance of infrastructure investments to meet growing demand and ensure reliable service. •

Calculation of Revenue Requirement and Rate Riders

The incremental revenue requirement associated with the ICM funding request is summarized in Table 7.3 below:

Table 7.3: Incremental Revenue Requirement

Incremental Revenue Requirement	2025
Return on Rate Base – Total	$124,538
Amortization	$51,076
Incremental Grossed-up PILs	-$17,037
Total Incremental Revenue	$158,577

Tab 11 of the ICM Module calculates the allocation of the incremental revenue requirement to each rate class, as well as the associated rate riders applicable to each customer class. The revenue requirement has been allocated to rate classes based on the current allocation of revenue using Tab 7. Revenue Proportions of the ICM Module.

The revenue requirement for the residential class will be recovered via a fixed rate rider as per the OEB's letter issued July 16, 2015 (EB-2012-0410). Rate riders for all other rate classes are based on the current fixed/variable revenue proportions identified in the ICM Module Tabs 7 and 11. All calculated ICM rate riders are reflected in Tab 19 of the IRM Rate Generator model.

3.3.2.5 ICM – Changes in Tax Rules for Capital Cost Allowance (CCA)

The Filing Requirements instruct distributors to calculate the revenue requirement for an ICM project excluding the impacts of accelerated CCA. LUI has calculated this amount to be $194,712. To assist the OEB with its assessment of the impact of accelerated CCA on whether ICM funding is warranted, the Filing Requirements further state that distributors are to provide the ICM revenue requirement reflecting the inclusion of the accelerated CCA impacts. In 2024, the first year in which the accelerated CCA rules begin to phase out, the accelerated CCA program shifts from the prior 1.5x multiple of capital additions (with the half-year rule eliminated), to 1.0x capital additions (with the half-year rule eliminated). As the revenue requirement is calculated without the application of the 1 half-year rule, in accordance with the Filing Requirements, there is no impact from accelerated CCA rules on the ICM requested for 2024.

3.3.3 Treatment of Costs for 'eligible investments'

LUI is not seeking recovery of the cost of any investments eligible for rate protection as per Subsection 79.1 (1) of the OEB Act and O.Reg. 330/09 made under the OEB Act.

MS28-3 Substation Project

In 2023, Lakefront Utilities Inc. energized a new 27.6 kV substation (MS28-3) on Ontario Street in Cobourg. This critical infrastructure project was undertaken to address the growing capacity requirements, improve reliability, and introduce additional redundancy in our community's electrical distribution network.

Project Overview:

Prior to the construction of the MS28-3 Substation, Lakefront identified a need for additional capacity in Cobourg to meet existing and future demand growth in the East area of Cobourg; at the time primarily supplied by the existing Brook Road substation. Lakefront determined that a new substation was required to accommodate demand growth and reduce load at its two (2) existing 27.6 kV substations (MS28-1 and MS28-2) The construction for a new substation (MS28-3) was completed and energized in December of 2023.

The MS28-3 substation is designed to accommodate the increasing demand for electricity in our rapidly expanding service area. The new substation supports our objective of maintaining a robust and resilient electrical grid that can reliably serve current and future customers. By enhancing the capacity of our distribution network, the substation will ensure that we can meet peak demand periods without compromising service quality.

Project Justification:

1. Growing Capacity Requirements: The residential and commercial developments in our service area have significantly increased the demand for electricity. The new substation adds necessary capacity to manage this growth efficiently.

2. Increased Reliability: The substation improves the overall reliability of our electrical system by reducing the load on existing substations and providing backup options in case of equipment failure or maintenance.

3. Additional Redundancy: The substation introduces redundancy, which is crucial for maintaining continuous power supply during unforeseen outages or planned maintenance activities.

4. Required Capacity for Voltage Conversion: The substation provides the necessary capacity for completing the 4.16 kV to 27.6 kV voltage conversion program in Cobourg.

Cost Sharing Mechanism:

Lakefront deliberated on invoking cost-sharing with residential developers, as directed in the Distribution System Code (DSC), to mitigate the financial impact on our existing customers. However, we are persuaded that recent events, including the Ontario government's intervention in overturning an OEB directive regarding Enbridge's economic evaluation for rural expansion, may override this requirement. Hence, in this application, we are proposing full recovery of the substation costs from our entire customer base. We seek OEB guidance and direction on this matter to ensure compliance and equitable cost distribution.

Financial Overview:

The total cost of the MS28-3 substation project is $2,535,311. These costs will be recovered through the Incremental Capital Module (ICM) mechanism, ensuring that the necessary capital expenditures are funded without undue burden on any single customer group.

Project Timeline:

- Planning and Design: Completed in Q1 2022

- Construction: Began in Q2 2022 and completed in Q3 2023

- Energization: Successfully energized in Q4 2023

Benefits to the Community:

- Enhanced capacity to support ongoing and future residential and commercial developments

- Improved reliability and reduced risk of outages

- Increased operational flexibility and resilience of the electrical distribution network

- Ability to complete the voltage conversion program

This project aligns with our commitment to delivering safe, reliable, and cost-effective electricity to our customers. The MS28-3 substation is a strategic investment that supports the sustainable growth of our community while maintaining high standards of service reliability.

If Lakefront had opted for the status quo and decided not to proceed with the new MS28-3 substation, several negative consequences could have arise. Here is an analysis of the potential fallout:

Potential Consequences of Maintaining the Status Quo:

1. Capacity Constraints:

- Overloaded Infrastructure: The existing substations may become overloaded, particularly during peak demand periods, leading to strain on the infrastructure.

- Inability to Support Growth: The current capacity may be insufficient to support ongoing and future residential and commercial developments, potentially stalling economic growth in the service area.

- Inability to complete the 4.16 kV to 27.6 kV voltage conversion program

2. Reduced Reliability:

- Increased Outages: Overburdened substations are more prone to failures, resulting in more frequent and prolonged outages for customers.

- Service Interruptions: Maintenance and repair activities could lead to more significant service interruptions due to a lack of alternative pathways for electricity distribution.

3. Lack of Redundancy:

- Single Points of Failure: Without additional redundancy, the distribution network remains vulnerable to single points of failure, which could lead to widespread outages in the event of equipment failure or natural disasters.

- Limited Operational Flexibility: The ability to balance loads and manage the network effectively is compromised, reducing the overall efficiency and responsiveness of the system.

4. Customer Dissatisfaction:

- Increased Complaints: More frequent outages and reduced service reliability can lead to higher levels of customer dissatisfaction and complaints.

- Higher Operational Costs: The utility may incur higher operational costs due to emergency repairs and inefficient load management, potentially leading to higher rates for customers.

5. Regulatory and Compliance Risks:

- Non-Compliance: Failure to address capacity and reliability issues may lead to non-compliance with regulatory standards and guidelines set by the OEB.

- Penalties and Fines: Non-compliance could result in penalties or fines from regulatory bodies, further straining financial resources.

6. Economic Impact:

- Stifled Economic Development: The inability to support new developments could stifle economic growth, limiting job creation and investment in the community.

- Lower Property Values: Perceived reliability issues could negatively impact property values in the service area, affecting both residential and commercial properties.

Summary:

Invoking the status quo and not proceeding with the new MS28-3 substation could lead to significant capacity constraints, reduced reliability, and increased customer dissatisfaction. The lack of redundancy would leave the distribution network vulnerable to failures, and the utility might face regulatory and compliance risks. Moreover, economic development in the service area could be stifled, impacting growth and property values. Therefore, maintaining the status quo poses substantial risks to both the utility and its customers, highlighting the importance of investing in infrastructure improvements to meet growing demand and ensure reliable service.

Options: Do we require this, and the previous section given the new substation is constructed and in-service?

Maintaining the status quo and not proceeding with the new substation at Victoria Street could lead to significant capacity constraints and reduced reliability, resulting in more frequent outages and service interruptions. The existing infrastructure may become overloaded, unable to support ongoing and future developments, which could stifle economic growth and lower property values. The lack of redundancy would leave the network vulnerable to failures and limit operational flexibility, increasing customer dissatisfaction and operational costs. Additionally, the utility may face regulatory compliance risks, potential fines, and non-compliance penalties from the Ontario Energy Board. Overall, the status quo poses substantial risks to both the utility and its customers, underscoring the importance of infrastructure investments to meet growing demand and ensure reliable service.

Exploring alternative options to constructing a new substation, Lakefront could consider implementing several strategies to manage the growing demand for electricity and maintain reliability. Potential alternatives include demand response programs, which incentivize customers to shift or reduce usage during peak times, and energy efficiency programs to lower overall consumption. Promoting distributed energy resources like rooftop solar and battery storage, investing in grid modernization, and optimizing load management could also help. Additionally, advanced maintenance and upgrades to existing infrastructure, large-scale battery storage for peak shaving, non-wires alternatives, time-of-use pricing, power factor correction, and developing microgrids are all viable strategies. However, these options may not be practical due to their complexity, high costs, and the need for significant coordination and customer participation.

Argument Against Invoking Cost Sharing for the Victoria Street Substation Project

The Distribution System Code (DSC) outlines the conditions under which distributors may obtain contributions from developers to support system enhancement projects. Specifically, Section 3.2 of the DSC requires that when a distributor plans an expansion of its main distribution system, developers must make a capital contribution if the cost of the expansion and ongoing maintenance exceeds the projected incremental distribution revenue. This capital contribution helps cover the shortfall between the costs and the revenues generated by the new load connected to the expansion. The DSC also provides guidelines for calculating these contributions and allows for rebates to initial contributors if additional customers connect to the expanded facilities within a certain timeframe.

Forecasting and eventual recovery of contributions from developers for system enhancement projects is very difficult. Accurately predicting the future load growth and the corresponding contributions involves significant uncertainty. Changes in market conditions, regulatory environments, or customer behavior can lead to discrepancies between expected and actual contributions. For our 27.6 kVA Victoria Street Substation Project, relying on developer contributions may result in financial shortfalls if the anticipated growth does not materialize. Additionally, the administrative burden and potential disputes over contribution calculations and rebates could further complicate project execution. Therefore, pursuing developer contributions for this project may not be a feasible or reliable funding strategy.

Given the current economic and political landscape, it is reasonable to argue against invoking cost sharing with residential developers for the recovery of the Victoria Street substation project costs. Several key factors support this position:

1. Slowing Real Estate Market:

- Market Trends: Recent trends indicate a slowdown in the Ontario real estate market, with decreasing sales volumes and stabilizing or declining home prices. In such an environment, imposing additional infrastructure costs on developers could further dampen the market, making it less attractive for new investments.

- Developer Challenges: Developers are already facing financial pressures due to rising interest rates, increased construction costs, and market uncertainties. Additional cost burdens could lead to delays or cancellations of planned projects, exacerbating the market slowdown.

2. Political Push for New Housing Development:

- Government Initiatives: The provincial government has been actively promoting new housing development to address the housing shortage and improve affordability. Policies and incentives are being put in place to encourage the construction of new homes.

- Alignment with Policy Goals: By not imposing additional infrastructure costs on developers, Lakefront Utilities Inc. can align with governmental goals, supporting the political push for housing development. This cooperation can facilitate quicker project approvals and foster a more collaborative relationship with policymakers.

3. Economic Impact on New Home Developers:

- Increased Costs: Infrastructure cost-sharing would increase the financial burden on developers, potentially leading to higher home prices for consumers. This could counteract efforts to make housing more affordable and accessible.

- Investment Decisions: Developers might opt to invest in regions with lower costs or more favorable economic conditions, leading to reduced development activity in the area. This would negatively impact local economic growth and job creation.

4. Community Benefits and Fairness:

- Equitable Cost Distribution: Ensuring the costs are covered through utility rates rather than developer contributions spreads the financial impact more evenly across all utility customers. This approach avoids disproportionately affecting new home buyers and supports overall community growth.

- Long-Term Investments: Infrastructure improvements like the Victoria Street substation benefit the entire community by enhancing reliability and capacity. These long-term investments should be viewed as essential public utilities that support economic development and community well-being.

5. Regulatory and Compliance Considerations:

- OEB Guidelines: The OEB's guidelines emphasize the importance of maintaining reliable service and supporting necessary infrastructure investments. Ensuring that costs are recovered through appropriate rate mechanisms aligns with these regulatory principles.

- Avoiding Market Disruption: By not imposing additional costs on developers, Lakefront can help maintain market stability and support steady economic growth in the region.

6. Recent Government Intervention:

- Policy Reversal: The Ontario government recently proposed overturning an OEB directive requiring Enbridge to apply a specific economic evaluation for rural expansion projects. This intervention highlights the government's willingness to adjust regulatory decisions to support broader economic and policy objectives, such as promoting infrastructure development and ensuring affordability.

- Precedent for Support: This action may set a precedent for prioritizing community and economic benefits over strict regulatory cost-sharing measures, reinforcing the argument for recovering substation costs through utility rates instead of imposing them on developers.

Conclusion

In light of the slowing real estate market, political emphasis on new housing development, the economic impact on developers, broader community benefits, regulatory considerations, and the recent government intervention proposal overturning an OEB directive, it is prudent to avoid invoking cost-sharing mechanisms for the recovery of the Victoria Street substation project costs. This approach aligns with government housing policies, supports economic stability, and ensures that the financial burden is distributed fairly among all utility customers, ultimately fostering a healthier, more resilient community.

2022 COS and DSP failure for oversight

The Victoria Street Transformer Station project was initially discussed and recognized as a necessary undertaking in the 2022 COS and Distribution System Plan (DSP) due to its critical role in ensuring system reliability and addressing capacity constraints. However, it was ultimately excluded from the capital budget at the time due to the need to prioritize other urgent infrastructure projects and operate within budgetary constraints. Despite its importance, the timing and available resources necessitated a deferment. Subsequent changes in technical management and emerging system concerns have escalated the need for this project, highlighting its urgency and justifying its inclusion in the current capital budget to maintain and enhance the reliability of our electrical distribution system.

3.4 Specific Exclusions from Applications

LUI is not seeking relief for any of the exclusions noted in section 3.4 of the Filing Requirements as part of this proceeding.

Bill Impacts

A summary of the bill impacts for the typical customer, resulting from the approvals sought in this proceeding, are as follows:

Table 8: Bill Impacts by Rate Class - 28 kVA Victoria Street Substation

Customer Class	kWh	kW	RPP vs Non-RPP	Jan 1/24 Rates	Jan 1/25 Rates	Total Bill	
						$ Change	% Change
Residential	750		RPP	$133.18	$131.29	- $1.89	-1.42%
GS<50 kW	2,500		RPP	$404.27	$395.86	-$8.40	-2.08%
GS 50 to 2,999 kW	72,000	200	Non-RPP	$13,207.16	$12,901.23	-$305.94	-2.32%
GS 3,000 to 4,999 kW	1,245,322	2,822	Non-RPP	$224,038.12	$216,841.74	-$7,196.37	-3.21%
USL	600		RPP	$106.53	$104.88	-$1.65	-1.55%
Sentinel Lighting	68	1	RPP	$18.67	$18.90	$0.23	1.23%
Street Lighting	29	1,000	Non-RPP	$7.73	$7.78	$0.05	0.66%

As shown in the tables above, the proposed bill impacts would result in rate changes less than 10% for all rate classes. Accordingly, no rate mitigation measures are proposed.

Index to Appendices

The following are appended to and form part of this Application;

Appendix A	Current Tariff Sheet
Appendix B	Proposed Tariff Sheet
Appendix C	Bill Impacts

Appendix A: Current Tariff Sheet

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	26.80
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Low Voltage Service Rate	$/kWh	0.0051
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kWh	(0.0003)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kWh	0.0066
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Retail Transmission Rate - Network Service Rate	$/kWh	0.0098
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0080

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	27.71
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0102
Low Voltage Service Rate	$/kWh	0.0046
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kWh	(0.0003)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kWh	0.0069
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Retail Transmission Rate - Network Service Rate	$/kWh	0.0090
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0072

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 3,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor’s Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor’s Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	100.83
Distribution Volumetric Rate	$/kW	4.0251
Low Voltage Service Rate	$/kW	1.8420
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kW	(0.0935)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kW	2.7601
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4584
Retail Transmission Rate - Network Service Rate	$/kW	3.6153
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.8806

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 kW, but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	6,037.86
Distribution Volumetric Rate	$/kW	2.2350
Low Voltage Service Rate	$/kW	2.1726
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kW	3.7376
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.5004
Retail Transmission Rate - Network Service Rate	$/kW	4.0438
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	3.3976

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	$	10.76
Distribution Volumetric Rate	$/kWh	0.0160
Low Voltage Service Rate	$/kWh	0.0057
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kWh	(0.0003)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kWh	0.0070
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Retail Transmission Rate - Network Service Rate	$/kWh	0.0102
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0088

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	6.49
Distribution Volumetric Rate	$/kW	14.7818
Low Voltage Service Rate	$/kW	1.4538
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kW	(0.0905)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kW	2.5331
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4035
Retail Transmission Rate - Network Service Rate	$/kW	2.7402
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.2735

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per device)	$	2.04
Distribution Volumetric Rate	$/kW	5.3511
Low Voltage Service Rate	$/kW	1.4240
Rate Rider for Disposition of Capacity Based Recovery Account (2024) - effective until June 30, 2024 Applicable only for Class B Customers	$/kW	(0.0931)
Rate Rider for Disposition of Deferral/Variance Accounts (2024) - effective until June 30, 2024	$/kW	2.5942
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4522
Retail Transmission Rate - Network Service Rate	$/kW	2.7269
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.2271

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	4.55

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

SPECIFIC SERVICE CHARGES

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor’s Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Customer Administration

Arrears certificate	$	15.00
Statement of account	$	15.00
Pulling post dated cheques	$	15.00
Request for other billing information	$	15.00
Easement letter	$	15.00
Income tax letter	$	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00
Returned cheque (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	$	65.00
Reconnection at meter - after regular hours	$	185.00
Reconnection at pole - during regular hours	$	185.00
Reconnection at pole - after regular hours	$	415.00

Other

Service call - customer owned equipment	$	30.00
Service call - after regular hours	$	165.00
Temporary service - install & remove - overhead - no transformer	$	500.00
Temporary service - install & remove - underground - no transformer	$	300.00
Temporary service - install & remove - overhead - with transformer	$	1,000.00
Specific charge for access to the power poles - $/pole/year (with the exception of wireless attachments)	$	37.78
Interval meter load management tool charge $/month	$	110.00
Service charge for onsite interrogation of interval meter due to customer phone line failure - required weekly until line repaired	$	60.00

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2024

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2023-0035

RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	117.02
Monthly fixed charge, per retailer	$	46.81
Monthly variable charge, per customer, per retailer	$/cust.	1.16
Distributor-consolidated billing monthly charge, per customer, per retailer	$/cust.	0.69
Retailer-consolidated billing monthly credit, per customer, per retailer	$/cust.	(0.69)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.59
Processing fee, per request, applied to the requesting party	$	1.16
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	$	no charge
More than twice a year, per request (plus incremental delivery costs)	$	4.68
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	$	2.34

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0388
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0288

Appendix B: Proposed Tariff Sheet

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	27.76
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	0.78
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Low Voltage Service Rate	$/kWh	0.0051
Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025		
Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kWh	0.0014
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025		
Applicable only for Class B Customers	$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Retail Transmission Rate - Network Service Rate	$/kWh	0.0096
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0078

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	28.71
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	0.81
Smart Metering Entity Charge - effective until December 31, 2027	$	0.42
Distribution Volumetric Rate	$/kWh	0.0106
Low Voltage Service Rate	$/kWh	0.0046
Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025		
Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kWh	0.0016
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025		
Applicable only for Class B Customers	$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	$/kWh	0.0088
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0071

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 3,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	104.46
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	2.95
Distribution Volumetric Rate	$/kW	4.1700
Low Voltage Service Rate	$/kW	1.8420

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025		
Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kW	0.6441
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025		
Applicable only for Class B Customers	$/kW	0.0507
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4584
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kW	0.1176
Retail Transmission Rate - Network Service Rate	$/kW	3.5478
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.8241

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 kW, but less than 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	6,255.22
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	176.47
Distribution Volumetric Rate	$/kW	2.3155
Low Voltage Service Rate	$/kW	2.1726

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025 Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kW	0.7363
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers	$/kW	0.0580
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.5004
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kW	0.0653
Retail Transmission Rate - Network Service Rate	$/kW	3.9683
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	3.3310

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2025

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor’s Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor’s Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	$	11.15
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	0.32
Distribution Volumetric Rate	$/kWh	0.0166
Low Voltage Service Rate	$/kWh	0.0057
Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025		
Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kWh	0.0017
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025		
Applicable only for Class B Customers	$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kWh	0.0012
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kWh	0.0005
Retail Transmission Rate - Network Service Rate	$/kWh	0.0100
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0086

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	6.72
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	0.19
Distribution Volumetric Rate	$/kW	15.3139
Low Voltage Service Rate	$/kW	1.4538
Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025 Applicable only for Non-RPP Customers	$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kW	0.6143
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers	$/kW	0.0498
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4035
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kW	0.4323
Retail Transmission Rate - Network Service Rate	$/kW	2.6891
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.2289

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per device)	$	2.11
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$	0.06
Distribution Volumetric Rate	$/kW	5.5437
Low Voltage Service Rate	$/kW	1.4240
Rate Rider for Disposition of Global Adjustment Account (2025) - effective until December 31, 2025 Applicable only for Non-RPP Customers	$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2025) - effective until December 31, 2025	$/kW	0.6291
Rate Rider for Disposition of Capacity Based Recovery Account (2025) - effective until December 31, 2025 Applicable only for Class B Customers	$/kW	0.0494
Rate Rider for Disposition of Deferral/Variance Account 1550 - effective until December 31, 2026	$/kW	0.4522
Rate Rider for Recovery of Incremental Capital (2025) - effective until December 31, 2026	$/kW	0.1564
Retail Transmission Rate - Network Service Rate	$/kW	2.6760
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	2.1834

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	$/kWh	0.0014
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

microFIT SERVICE CLASSIFICATION
This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	4.55

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

SPECIFIC SERVICE CHARGES
The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

Customer Administration

Arrears certificate	$	15.00
Statement of account	$	15.00
Pulling post dated cheques	$	15.00
Request for other billing information	$	15.00
Easement letter	$	15.00

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

Income tax letter	$	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00
Returned cheque (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	$	65.00
Reconnection at meter - after regular hours	$	185.00
Reconnection at pole - during regular hours	$	185.00
Reconnection at pole - after regular hours	$	415.00

Other

Service call - customer owned equipment	$	30.00
Service call - after regular hours	$	165.00
Temporary service - install & remove - overhead - no transformer	$	500.00
Temporary service - install & remove - underground - no transformer	$	300.00
Temporary service - install & remove - overhead - with transformer	$	1,000.00
Specific charge for access to the power poles - $/pole/year (with the exception of wireless attachments)	$	39.14
Interval meter load management tool charge $/month	$	110.00
Service charge for onsite interrogation of interval meter due to customer phone line failure - required weekly until line repaired	$	

RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	121.23
Monthly fixed charge, per retailer	$	48.50
Monthly variable charge, per customer, per retailer	$/cust.	1.20
Distributor-consolidated billing monthly charge, per customer, per retailer	$/cust.	0.71
Retailer-consolidated billing monthly credit, per customer, per retailer	$/cust.	(0.71)

Appendix C: Bill Impacts

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION
RPP / Non-RPP:	RPP
Consumption	750 kWh
Demand	- kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 26.80	1	$ 26.80	$ 27.76	1	$ 27.76	$ 0.96	3.58%
Distribution Volumetric Rate	$ -	750	$ -	$ -	750	$ -	$ -	
Fixed Rate Riders	$ -	1	$ -	$ 0.78	1	$ 0.78	$ 0.78	
Volumetric Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Sub-Total A (excluding pass through)			**$ 26.80**			**$ 28.54**	**$ 1.74**	**6.49%**
Line Losses on Cost of Power	$ 0.1114	29	$ 3.24	$ 0.1114	29	$ 3.24	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0078	750	$ 5.85	$ 0.0028	750	$ 2.10	$ (3.75)	-64.10%
CBR Class B Rate Riders	-$ 0.0003	750	$ (0.23)	$ 0.0001	750	$ 0.08	$ 0.30	-133.33%
GA Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Low Voltage Service Charge	$ 0.0051	750	$ 3.83	$ 0.0051	750	$ 3.83	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 39.91**			**$ 38.20**	**$ (1.71)**	**-4.28%**
RTSR - Network	$ 0.0098	779	$ 7.64	$ 0.0096	779	$ 7.48	$ (0.16)	-2.04%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0080	779	$ 6.23	$ 0.0078	779	$ 6.08	$ (0.16)	-2.50%
Sub-Total C - Delivery (including Sub-Total B)			**$ 53.78**			**$ 51.76**	**$ (2.02)**	**-3.76%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	779	$ 3.51	$ 0.0045	779	$ 3.51	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	779	$ 1.09	$ 0.0014	779	$ 1.09	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0870	473	$ 41.11	$ 0.0870	473	$ 41.11	$ -	0.00%
TOU - Mid Peak	$ 0.1220	135	$ 16.47	$ 0.1220	135	$ 16.47	$ -	0.00%
TOU - On Peak	$ 0.1820	143	$ 25.94	$ 0.1820	143	$ 25.94	$ -	0.00%
Total Bill on TOU (before Taxes)			**$ 142.14**			**$ 140.12**	**$ (2.02)**	**-1.42%**
HST	13%		$ 18.48	13%		$ 18.22	$ (0.26)	-1.42%
Ontario Electricity Rebate	19.3%		$ (27.43)	19.3%		$ (27.04)	$ 0.39	
Total Bill on TOU			**$ 133.18**			**$ 131.29**	**$ (1.89)**	**-1.42%**

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	RPP
Consumption	2,500 kWh
Demand	- kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 27.71	1	$ 27.71	$ 28.71	1	$ 28.71	$ 1.00	3.61%
Distribution Volumetric Rate	$ 0.0102	2500	$ 25.50	$ 0.0106	2500	$ 26.50	$ 1.00	3.92%
Fixed Rate Riders	$ -	1	$ -	$ 0.81	1	$ 0.81	$ 0.81	
Volumetric Rate Riders	$ -	2500	$ -	$ 0.0003	2500	$ 0.75	$ 0.75	
Sub-Total A (excluding pass through)			**$ 53.21**			**$ 56.77**	**$ 3.56**	**6.69%**
Line Losses on Cost of Power	$ 0.1114	97	$ 10.80	$ 0.1114	97	$ 10.80	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0081	2,500	$ 20.25	$ 0.0030	2,500	$ 7.50	$ (12.75)	-62.96%
CBR Class B Rate Riders	-$ 0.0003	2,500	$ (0.75)	$ 0.0001	2,500	$ 0.25	$ 1.00	-133.33%
GA Rate Riders	$ -	2,500	$ -	$ -	2,500	$ -	$ -	
Low Voltage Service Charge	$ 0.0046	2,500	$ 11.50	$ 0.0046	2,500	$ 11.50	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	2,500	$ -	$ -	2,500	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 95.43**			**$ 87.24**	**$ (8.19)**	**-8.58%**
RTSR - Network	$ 0.0090	2,597	$ 23.37	$ 0.0088	2,597	$ 22.85	$ (0.52)	-2.22%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0072	2,597	$ 18.70	$ 0.0071	2,597	$ 18.44	$ (0.26)	-1.39%
Sub-Total C - Delivery (including Sub-Total B)			**$ 137.50**			**$ 128.53**	**$ (8.97)**	**-6.52%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	2,597	$ 11.69	$ 0.0045	2,597	$ 11.69	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	2,597	$ 3.64	$ 0.0014	2,597	$ 3.64	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0870	1,575	$ 137.03	$ 0.0870	1,575	$ 137.03	$ -	0.00%
TOU - Mid Peak	$ 0.1220	450	$ 54.90	$ 0.1220	450	$ 54.90	$ -	0.00%
TOU - On Peak	$ 0.1820	475	$ 86.45	$ 0.1820	475	$ 86.45	$ -	0.00%
Total Bill on TOU (before Taxes)			**$ 431.45**			**$ 422.48**	**$ (8.97)**	**-2.08%**
HST	13%		$ 56.09	13%		$ 54.92	$ (1.17)	-2.08%
Ontario Electricity Rebate	19.3%		$ (83.27)	19.3%		$ (81.54)	$ 1.73	
Total Bill on TOU			**$ 404.27**			**$ 395.86**	**$ (8.40)**	**-2.08%**

Customer Class:	GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	72,000 kWh
Demand	200 kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 100.83	1	$ 100.83	$ 104.46	1	$ 104.46	$ 3.63	3.60%
Distribution Volumetric Rate	$ 4.0251	200	$ 805.02	$ 4.1700	200	$ 834.00	$ 28.98	3.60%
Fixed Rate Riders	$ -	1	$ -	$ 2.95	1	$ 2.95	$ 2.95	
Volumetric Rate Riders	$ -	200	$ -	$ 0.1176	200	$ 23.52	$ 23.52	
Sub-Total A (excluding pass through)			**$ 905.85**			**$ 964.93**	**$ 59.08**	**6.52%**
Line Losses on Cost of Power	$ -	-	$ -	$ -	-	$ -	$ -	
Total Deferral/Variance Account Rate Riders	$ 3.2185	200	$ 643.70	$ 1.1532	200	$ 230.64	$ (413.06)	-64.17%
CBR Class B Rate Riders	-$ 0.0935	200	$ (18.70)	$ 0.0507	200	$ 10.14	$ 28.84	-154.22%
GA Rate Riders	$ -	72,000	$ -	$ 0.0011	72,000	$ 79.20	$ 79.20	
Low Voltage Service Charge	$ 1.8420	200	$ 368.40	$ 1.8420	200	$ 368.40	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	200	$ -	$ -	200	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 1,899.25**			**$ 1,653.31**	**$ (245.94)**	**-12.95%**
RTSR - Network	$ 3.6153	200	$ 723.06	$ 3.5478	200	$ 709.56	$ (13.50)	-1.87%
RTSR - Connection and/or Line and Transformation Connection	$ 2.8806	200	$ 576.12	$ 2.8241	200	$ 564.82	$ (11.30)	-1.96%
Sub-Total C - Delivery (including Sub-Total B)			**$ 3,198.43**			**$ 2,927.69**	**$ (270.74)**	**-8.46%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	74,794	$ 336.57	$ 0.0045	74,794	$ 336.57	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	74,794	$ 104.71	$ 0.0014	74,794	$ 104.71	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	74,794	$ 8,047.79	$ 0.1076	74,794	$ 8,047.79	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 11,687.75**			**$ 11,417.01**	**$ (270.74)**	**-2.32%**
HST	13%		$ 1,519.41	13%		$ 1,484.21	$ (35.20)	-2.32%
Ontario Electricity Rebate	19.3%		$ -	19.3%		$ -		
Total Bill on Average IESO Wholesale Market Price			**$ 13,207.16**			**$ 12,901.23**	**$ (305.94)**	**-2.32%**

Customer Class:	GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	1,245,322 kWh
Demand	2,822 kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 6,037.86	1	$ 6,037.86	$ 6,255.22	1	$ 6,255.22	$ 217.36	3.60%
Distribution Volumetric Rate	$ 2.2350	2822	$ 6,307.17	$ 2.3155	2822	$ 6,534.34	$ 227.17	3.60%
Fixed Rate Riders	$ -	1	$ -	$ 176.47	1	$ 176.47	$ 176.47	
Volumetric Rate Riders	$ -	2822	$ -	$ 0.0653	2822	$ 184.28	$ 184.28	
Sub-Total A (excluding pass through)			**$ 12,345.03**			**$ 13,150.31**	**$ 805.28**	**6.52%**
Line Losses on Cost of Power	$ -	-	$ -	$ -	-	$ -	$ -	
Total Deferral/Variance Account Rate Riders	$ 4.2380	2,822	$ 11,959.64	$ 1.2946	2,822	$ 3,653.36	$ (8,306.27)	-69.45%
CBR Class B Rate Riders	$ -	2,822	$ -	$ 0.0580	2,822	$ 163.68	$ 163.68	
GA Rate Riders	$ -	1,245,322	$ -	$ 0.0011	1,245,322	$ 1,369.85	$ 1,369.85	
Low Voltage Service Charge	$ 2.1726	2,822	$ 6,131.08	$ 2.1726	2,822	$ 6,131.08	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	2,822	$ -	$ -	2,822	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 30,435.74**			**$ 24,468.28**	**$ (5,967.47)**	**-19.61%**
RTSR - Network	$ 4.0438	2,822	$ 11,411.60	$ 3.9683	2,822	$ 11,198.54	$ (213.06)	-1.87%
RTSR - Connection and/or Line and Transformation Connection	$ 3.3976	2,822	$ 9,588.03	$ 3.3310	2,822	$ 9,400.08	$ (187.95)	-1.96%
Sub-Total C - Delivery (including Sub-Total B)			**$ 51,435.37**			**$ 45,066.90**	**$ (6,368.47)**	**-12.38%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	1,293,640	$ 5,821.38	$ 0.0045	1,293,640	$ 5,821.38	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	1,293,640	$ 1,811.10	$ 0.0014	1,293,640	$ 1,811.10	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	1,293,640	$ 139,195.72	$ 0.1076	1,293,640	$ 139,195.72	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 198,263.82**			**$ 191,895.35**	**$ (6,368.47)**	**-3.21%**
HST	13%		$ 25,774.30	13%		$ 24,946.40	$ (827.90)	-3.21%
Ontario Electricity Rebate	19.3%		$ -	19.3%		$ -		
Total Bill on Average IESO Wholesale Market Price			**$ 224,038.12**			**$ 216,841.74**	**$ (7,196.37)**	**-3.21%**

Customer Class:	UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	600	kWh
Demand	-	kW
Current Loss Factor	1.0388	
Proposed/Approved Loss Factor	1.0388	

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 10.76	1	$ 10.76	$ 11.15	1	$ 11.15	$ 0.39	3.62%
Distribution Volumetric Rate	$ 0.0160	600	$ 9.60	$ 0.0166	600	$ 9.96	$ 0.36	3.75%
Fixed Rate Riders	$ -	1	$ -	$ 0.32	1	$ 0.32	$ 0.32	
Volumetric Rate Riders	$ -	600	$ -	$ 0.0005	600	$ 0.30	$ 0.30	
Sub-Total A (excluding pass through)			$ 20.36			$ 21.73	$ 1.37	6.73%
Line Losses on Cost of Power	$ 0.1114	23	$ 2.59	$ 0.1114	23	$ 2.59	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0082	600	$ 4.92	$ 0.0030	600	$ 1.80	$ (3.12)	-63.41%
CBR Class B Rate Riders	-$ 0.0003	600	$ (0.18)	$ 0.0001	600	$ 0.06	$ 0.24	-133.33%
GA Rate Riders	$ -	600	$ -	$ -	600	$ -	$ -	
Low Voltage Service Charge	$ 0.0057	600	$ 3.42	$ 0.0057	600	$ 3.42	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	600	$ -	$ -	600	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			$ 31.11			$ 29.60	$ (1.51)	-4.85%
RTSR - Network	$ 0.0102	623	$ 6.36	$ 0.0100	623	$ 6.23	$ (0.12)	-1.96%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0088	623	$ 5.48	$ 0.0086	623	$ 5.36	$ (0.12)	-2.27%
Sub-Total C - Delivery (including Sub-Total B)			$ 42.95			$ 41.20	$ (1.76)	-4.10%
Wholesale Market Service Charge (WMSC)	$ 0.0045	623	$ 2.80	$ 0.0045	623	$ 2.80	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	623	$ 0.87	$ 0.0014	623	$ 0.87	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0870	378	$ 32.89	$ 0.0870	378	$ 32.89	$ -	0.00%
TOU - Mid Peak	$ 0.1220	108	$ 13.18	$ 0.1220	108	$ 13.18	$ -	0.00%
TOU - On Peak	$ 0.1820	114	$ 20.75	$ 0.1820	114	$ 20.75	$ -	0.00%
Total Bill on TOU (before Taxes)			$ 113.69			$ 111.93	$ (1.76)	-1.55%
HST	13%		$ 14.78	13%		$ 14.55	$ (0.23)	-1.55%
Ontario Electricity Rebate	19.3%		$ (21.94)	19.3%		$ (21.60)	$ 0.34	
Total Bill on TOU			$ 106.53			$ 104.88	$ (1.65)	-1.55%

Customer Class:	SENTINEL LIGHTING SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	68	kWh
Demand	0	kW
Current Loss Factor	1.0388	
Proposed/Approved Loss Factor	1.0388	

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 6.49	1	$ 6.49	$ 6.72	1	$ 6.72	$ 0.23	3.54%
Distribution Volumetric Rate	$ 14.7818	0.2037	$ 3.01	$ 15.3139	0.2037	$ 3.12	$ 0.11	3.60%
Fixed Rate Riders	$ -	1	$ -	$ 0.19	1	$ 0.19	$ 0.19	
Volumetric Rate Riders	$ -	0.2037	$ -	$ 0.4323	0.2037	$ 0.09	$ 0.09	
Sub-Total A (excluding pass through)			$ 9.50			$ 10.12	$ 0.62	6.49%
Line Losses on Cost of Power	$ 0.1114	3	$ 0.29	$ 0.1114	3	$ 0.29	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 2.9366	0	$ 0.60	$ 1.0661	0	$ 0.22	$ (0.38)	-63.70%
CBR Class B Rate Riders	-$ 0.0905	0	$ (0.02)	$ 0.0498	0	$ 0.01	$ 0.03	-155.03%
GA Rate Riders	$ -	68	$ -	$ -	68	$ -	$ -	
Low Voltage Service Charge	$ 1.4538	0	$ 0.30	$ 1.4538	0	$ 0.30	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	0	$ -	$ -	0	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			$ 10.67			$ 10.93	$ 0.26	2.47%
RTSR - Network	$ 2.7402	0	$ 0.56	$ 2.6891	0	$ 0.55	$ (0.01)	-1.86%
RTSR - Connection and/or Line and Transformation Connection	$ 2.2735	0	$ 0.46	$ 2.2289	0	$ 0.45	$ (0.01)	-1.96%
Sub-Total C - Delivery (including Sub-Total B)			$ 11.69			$ 11.94	$ 0.24	2.09%
Wholesale Market Service Charge (WMSC)	$ 0.0045	71	$ 0.32	$ 0.0045	71	$ 0.32	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	71	$ 0.10	$ 0.0014	71	$ 0.10	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0870	43	$ 3.73	$ 0.0870	43	$ 3.73	$ -	0.00%
TOU - Mid Peak	$ 0.1220	12	$ 1.49	$ 0.1220	12	$ 1.49	$ -	0.00%
TOU - On Peak	$ 0.1820	13	$ 2.35	$ 0.1820	13	$ 2.35	$ -	0.00%
Total Bill on TOU (before Taxes)			$ 19.93			$ 20.18	$ 0.24	1.23%
HST	13%		$ 2.59	13%		$ 2.62	$ 0.03	1.23%
Ontario Electricity Rebate	19.3%		$ (3.85)	19.3%		$ (3.89)	$ (0.05)	
Total Bill on TOU			$ 18.67			$ 18.90	$ 0.23	1.23%

Customer Class:	STREET LIGHTING SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	29 kWh
Demand	0 kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 2.04	1	$ 2.04	$ 2.11	1	$ 2.11	$ 0.07	3.43%
Distribution Volumetric Rate	$ 5.3511	0.077	$ 0.41	$ 5.5437	0.077	$ 0.43	$ 0.01	3.60%
Fixed Rate Riders	$ -	1	$ -	$ 0.06	1	$ 0.06	$ 0.06	
Volumetric Rate Riders	$ -	0.077	$ -	$ 0.1564	0.077	$ 0.01	$ 0.01	
Sub-Total A (excluding pass through)			**$ 2.45**			**$ 2.61**	**$ 0.16**	**6.40%**
Line Losses on Cost of Power	$ 0.1076	1	$ 0.12	$ 0.1076	1	$ 0.12	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 3.0464	0	$ 0.23	$ 1.1308	0	$ 0.09	$ (0.15)	-62.88%
CBR Class B Rate Riders	-$ 0.0931	0	$ (0.01)	$ 0.0494	0	$ 0.00	$ 0.01	-153.06%
GA Rate Riders	$ -	29	$ -	$ 0.0011	29	$ 0.03	$ 0.03	
Low Voltage Service Charge	$ 1.4240	0	$ 0.11	$ 1.4240	0	$ 0.11	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	0	$ -	$ -	0	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 2.91**			**$ 2.96**	**$ 0.05**	**1.80%**
RTSR - Network	$ 2.7269	0	$ 0.21	$ 2.6760	0	$ 0.21	$ (0.00)	-1.87%
RTSR - Connection and/or Line and Transformation Connection	$ 2.2271	0	$ 0.17	$ 2.1834	0	$ 0.17	$ (0.00)	-1.96%
Sub-Total C - Delivery (including Sub-Total B)			**$ 3.29**			**$ 3.34**	**$ 0.04**	**1.37%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	30	$ 0.14	$ 0.0045	30	$ 0.14	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	30	$ 0.04	$ 0.0014	30	$ 0.04	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	29	$ 3.12	$ 0.1076	29	$ 3.12	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 6.84**			**$ 6.88**	**$ 0.04**	**0.66%**
HST	13%		$ 0.89	13%		$ 0.90	$ 0.01	0.66%
Ontario Electricity Rebate	19.3%		$ -	19.3%		$ -		
Total Bill on Average IESO Wholesale Market Price			**$ 7.73**			**$ 7.78**	**$ 0.05**	**0.66%**

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	750 kWh
Demand	- kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 26.80	1	$ 26.80	$ 27.76	1	$ 27.76	$ 0.96	3.58%
Distribution Volumetric Rate	$ -	750	$ -	$ -	750	$ -	$ -	
Fixed Rate Riders	$ -	1	$ -	$ 0.78	1	$ 0.78	$ 0.78	
Volumetric Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Sub-Total A (excluding pass through)			**$ 26.80**			**$ 28.54**	**$ 1.74**	**6.49%**
Line Losses on Cost of Power	$ 0.1076	29	$ 3.13	$ 0.1076	29	$ 3.13	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0078	750	$ 5.85	$ 0.0028	750	$ 2.10	$ (3.75)	-64.10%
CBR Class B Rate Riders	-$ 0.0003	750	$ (0.23)	$ 0.0001	750	$ 0.08	$ 0.30	-133.33%
GA Rate Riders	$ -	750	$ -	$ 0.0011	750	$ 0.83	$ 0.83	
Low Voltage Service Charge	$ 0.0051	750	$ 3.83	$ 0.0051	750	$ 3.83	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	750	$ -	$ -	750	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 39.80**			**$ 38.92**	**$ (0.88)**	**-2.22%**
RTSR - Network	$ 0.0098	779	$ 7.64	$ 0.0096	779	$ 7.48	$ (0.16)	-2.04%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0080	779	$ 6.23	$ 0.0078	779	$ 6.08	$ (0.16)	-2.50%
Sub-Total C - Delivery (including Sub-Total B)			**$ 53.67**			**$ 52.47**	**$ (1.20)**	**-2.23%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	779	$ 3.51	$ 0.0045	779	$ 3.51	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	779	$ 1.09	$ 0.0014	779	$ 1.09	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	750	$ 80.70	$ 0.1076	750	$ 80.70	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 139.22**			**$ 138.02**	**$ (1.20)**	**-0.86%**
HST	13%		$ 18.10	13%		$ 17.94	$ (0.16)	-0.86%
Ontario Electricity Rebate	19.3%		$ (26.87)	19.3%		$ (26.64)		
Total Bill on Average IESO Wholesale Market Price			**$ 157.31**			**$ 155.96**	**$ (1.35)**	**-0.86%**

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	RPP	
Consumption	299	kWh
Demand	-	kW
Current Loss Factor	1.0388	
Proposed/Approved Loss Factor	1.0388	

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 26.80	1	$ 26.80	$ 27.76	1	$ 27.76	$ 0.96	3.58%
Distribution Volumetric Rate	$ -	299	$ -	$ -	299	$ -	$ -	
Fixed Rate Riders	$ -	1	$ -	$ 0.78	1	$ 0.78	$ 0.78	
Volumetric Rate Riders	$ -	299	$ -	$ -	299	$ -	$ -	
Sub-Total A (excluding pass through)			$ 26.80			$ 28.54	$ 1.74	6.49%
Line Losses on Cost of Power	$ 0.1114	12	$ 1.29	$ 0.1114	12	$ 1.29	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0078	299	$ 2.33	$ 0.0028	299	$ 0.84	$ (1.50)	-64.10%
CBR Class B Rate Riders	-$ 0.0003	299	$ (0.09)	$ 0.0001	299	$ 0.03	$ 0.12	-133.33%
GA Rate Riders	$ -	299	$ -	$ -	299	$ -	$ -	
Low Voltage Service Charge	$ 0.0051	299	$ 1.52	$ 0.0051	299	$ 1.52	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	299	$ -	$ -	299	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			$ 32.28			$ 32.64	$ 0.36	1.13%
RTSR - Network	$ 0.0098	311	$ 3.04	$ 0.0096	311	$ 2.98	$ (0.06)	-2.04%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0080	311	$ 2.48	$ 0.0078	311	$ 2.42	$ (0.06)	-2.50%
Sub-Total C - Delivery (including Sub-Total B)			$ 37.81			$ 38.05	$ 0.24	0.64%
Wholesale Market Service Charge (WMSC)	$ 0.0045	311	$ 1.40	$ 0.0045	311	$ 1.40	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	311	$ 0.43	$ 0.0014	311	$ 0.43	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
TOU - Off Peak	$ 0.0870	188	$ 16.39	$ 0.0870	188	$ 16.39	$ -	0.00%
TOU - Mid Peak	$ 0.1220	54	$ 6.57	$ 0.1220	54	$ 6.57	$ -	0.00%
TOU - On Peak	$ 0.1820	57	$ 10.34	$ 0.1820	57	$ 10.34	$ -	0.00%
Total Bill on TOU (before Taxes)			$ 73.18			$ 73.42	$ 0.24	0.33%
HST	13%		$ 9.51	13%		$ 9.55	$ 0.03	0.33%
Ontario Electricity Rebate	19.3%		$ (14.12)	19.3%		$ (14.17)	$ (0.05)	
Total Bill on TOU			$ 68.57			$ 68.80	$ 0.23	0.33%

Customer Class:	RESIDENTIAL SERVICE CLASSIFICATION	
RPP / Non-RPP:	Non-RPP (Other)	
Consumption	299	kWh
Demand	-	kW
Current Loss Factor	1.0388	
Proposed/Approved Loss Factor	1.0388	

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 26.80	1	$ 26.80	$ 27.76	1	$ 27.76	$ 0.96	3.58%
Distribution Volumetric Rate	$ -	299	$ -	$ -	299	$ -	$ -	
Fixed Rate Riders	$ -	1	$ -	$ 0.78	1	$ 0.78	$ 0.78	
Volumetric Rate Riders	$ -	299	$ -	$ -	299	$ -	$ -	
Sub-Total A (excluding pass through)			$ 26.80			$ 28.54	$ 1.74	6.49%
Line Losses on Cost of Power	$ 0.1076	12	$ 1.25	$ 0.1076	12	$ 1.25	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0078	299	$ 2.33	$ 0.0028	299	$ 0.84	$ (1.50)	-64.10%
CBR Class B Rate Riders	-$ 0.0003	299	$ (0.09)	$ 0.0001	299	$ 0.03	$ 0.12	-133.33%
GA Rate Riders	$ -	299	$ -	$ 0.0011	299	$ 0.33	$ 0.33	
Low Voltage Service Charge	$ 0.0051	299	$ 1.52	$ 0.0051	299	$ 1.52	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	299	$ -	$ -	299	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			$ 32.24			$ 32.93	$ 0.69	2.15%
RTSR - Network	$ 0.0098	311	$ 3.04	$ 0.0096	311	$ 2.98	$ (0.06)	-2.04%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0080	311	$ 2.48	$ 0.0078	311	$ 2.42	$ (0.06)	-2.50%
Sub-Total C - Delivery (including Sub-Total B)			$ 37.76			$ 38.33	$ 0.57	1.51%
Wholesale Market Service Charge (WMSC)	$ 0.0045	311	$ 1.40	$ 0.0045	311	$ 1.40	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	311	$ 0.43	$ 0.0014	311	$ 0.43	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	299	$ 32.17	$ 0.1076	299	$ 32.17	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			$ 72.02			$ 72.59	$ 0.57	0.79%
HST	13%		$ 9.36	13%		$ 9.44	$ 0.07	0.79%
Ontario Electricity Rebate	19.3%		$ (13.90)	19.3%		$ (14.01)		
Total Bill on Average IESO Wholesale Market Price			$ 81.38			$ 82.03	$ 0.64	0.79%

Customer Class:	GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION
RPP / Non-RPP:	Non-RPP (Other)
Consumption	2,000 kWh
Demand	- kW
Current Loss Factor	1.0388
Proposed/Approved Loss Factor	1.0388

	Current OEB-Approved			Proposed			Impact	
	Rate ($)	Volume	Charge ($)	Rate ($)	Volume	Charge ($)	$ Change	% Change
Monthly Service Charge	$ 27.71	1	$ 27.71	$ 28.71	1	$ 28.71	$ 1.00	3.61%
Distribution Volumetric Rate	$ 0.0102	2000	$ 20.40	$ 0.0106	2000	$ 21.20	$ 0.80	3.92%
Fixed Rate Riders	$ -	1	$ -	$ 0.81	1	$ 0.81	$ 0.81	
Volumetric Rate Riders	$ -	2000	$ -	$ 0.0003	2000	$ 0.60	$ 0.60	
Sub-Total A (excluding pass through)			**$ 48.11**			**$ 51.32**	**$ 3.21**	**6.67%**
Line Losses on Cost of Power	$ 0.1076	78	$ 8.35	$ 0.1076	78	$ 8.35	$ -	0.00%
Total Deferral/Variance Account Rate Riders	$ 0.0081	2,000	$ 16.20	$ 0.0030	2,000	$ 6.00	$ (10.20)	-62.96%
CBR Class B Rate Riders	-$ 0.0003	2,000	$ (0.60)	$ 0.0001	2,000	$ 0.20	$ 0.80	-133.33%
GA Rate Riders	$ -	2,000	$ -	$ 0.0011	2,000	$ 2.20	$ 2.20	
Low Voltage Service Charge	$ 0.0046	2,000	$ 9.20	$ 0.0046	2,000	$ 9.20	$ -	0.00%
Smart Meter Entity Charge (if applicable)	$ 0.42	1	$ 0.42	$ 0.42	1	$ 0.42	$ -	0.00%
Additional Fixed Rate Riders	$ -	1	$ -	$ -	1	$ -	$ -	
Additional Volumetric Rate Riders	$ -	2,000	$ -	$ -	2,000	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)			**$ 81.68**			**$ 77.69**	**$ (3.99)**	**-4.88%**
RTSR - Network	$ 0.0090	2,078	$ 18.70	$ 0.0088	2,078	$ 18.28	$ (0.42)	-2.22%
RTSR - Connection and/or Line and Transformation Connection	$ 0.0072	2,078	$ 14.96	$ 0.0071	2,078	$ 14.75	$ (0.21)	-1.39%
Sub-Total C - Delivery (including Sub-Total B)			**$ 115.34**			**$ 110.72**	**$ (4.61)**	**-4.00%**
Wholesale Market Service Charge (WMSC)	$ 0.0045	2,078	$ 9.35	$ 0.0045	2,078	$ 9.35	$ -	0.00%
Rural and Remote Rate Protection (RRRP)	$ 0.0014	2,078	$ 2.91	$ 0.0014	2,078	$ 2.91	$ -	0.00%
Standard Supply Service Charge	$ 0.25	1	$ 0.25	$ 0.25	1	$ 0.25	$ -	0.00%
Average IESO Wholesale Market Price	$ 0.1076	2,000	$ 215.20	$ 0.1076	2,000	$ 215.20	$ -	0.00%
Total Bill on Average IESO Wholesale Market Price			**$ 343.04**			**$ 338.43**	**$ (4.61)**	**-1.34%**
HST	13%		$ 44.60	13%		$ 44.00	$ (0.60)	-1.34%
Ontario Electricity Rebate	19.3%		$ (66.21)	19.3%		$ (65.32)		
Total Bill on Average IESO Wholesale Market Price			**$ 387.64**			**$ 382.43**	**$ (5.21)**	**-1.34%**

Lakefront Utilities Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2025
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2024-0038

Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.61
Processing fee, per request, applied to the requesting party	$	1.20
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	$	no charge
More than twice a year, per request (plus incremental delivery costs)	$	4.85
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	$	2.42

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0388
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0288