



**Lakefront  
Utilities  
Inc.**

207 Division Street, P.O. Box 577, Cobourg, ON K9A 4L3 • [www.lakefrontutilities.com](http://www.lakefrontutilities.com) • Tel: 905-372-2193

January 17, 2025

Sent by: RESS

Emailed to all parties

Ontario Energy Board  
2300 Yonge Street, 27th Floor  
PO Box 2319  
Toronto, ON M4P 1E4

**Re:**

**EB-2024-0038 - 2025 Incentive Rate Mechanism ('IRM') Application  
Lakefront Utilities Inc. – Remaining Interrogatory Responses**

Attached, please find the response to the Vulnerable Energy Consumers Coalition's VECC-4 interrogatory, which was due to be submitted by January 17, 2025, as per Procedural Order No. 2, dated December 24, 2024.

Additionally, we have included a revision to Staff-14b), as requested by OEB Staff following a discussion on January 13, 2025. This revision includes the updated IRM Rate Generator Model.

Should you have any questions or need further information, please feel free to contact us. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, consisting of the letters 'D' and 'W' in a stylized, cursive font.

Danielle Wakelin  
Manager of Regulatory Compliance  
Lakefront Utilities Inc.



## VECC-4

Ref: Manager's Summary p. 49

In the same format as Appendix 2-AA, please provide project details for the years 2022 to 2025.

### LUI Response:

Capital Expenditure by Project Detail	
000's	
2022 Capital Expenditure Actual	Project Details
129	Meter replacements due to Measurement Canada seal expiry
161	Electric service connection per customer request
614	Overhead Pole Line Rebuild
1	Net Meter Installation for net-metering per customer request
57	New electric single-phase secondary services
372	New Substation
(42)	Adjustment in new developer contributions
<b>1,292</b>	<b>System Access</b>
912	Overhead Pole Line Rebuild
107	Individual pole replacements per pole testing results
3	Replacement of surge arrestors due to failure
35	Electric service upgrade per customer request
63	Electric service connection per customer request
124	Pole line relocation to facilitate new subdivision development per customer request
133	Metering conversion from 3 Ph - 3 W Delta to 3 Ph - 4 W Wye per ESA requirements
494	Overhead Pole Line Rebuild to facilitate the addition of the new F5 feeder
17	Should be classified as General Plant - Building/Facilities
<b>1,889</b>	<b>System Renewal</b>
64	Miscellaneous underground asset replacements due to failure
91	Miscellaneous overhead asset replacements due to failure
<b>155</b>	<b>System Service</b>
29	IT hardware and software upgrade
48	Fleet vehicle replacement
17	Line crew tools
<b>95</b>	<b>General Plant</b>
<b>3,430</b>	<b>Total</b>
<b>(378)</b>	<b>Contributions</b>
<b>3,052</b>	<b>Total Net Capital Expenditures</b>



<b>2023 Capital Expenditure Actual</b>	<b>Project Details</b>
292	New Subdivision
130	Meter replacements due to OEB regulatory requirement
329	Meter replacements due to Measurement Canada seal expiry
64	Electric service connection per customer request
2,535	New 44 - 27.6 kV Substation - MS28-3
(372)	New Substation Adjustment from Prior Year
67	New electric single-phase secondary services
<b>3,046</b>	<b>System Access</b>
2	Replacement of overhead 44 kV switch
757	Overhead Pole Line Rebuild
0	Primary Metering Unit replacement at Durham Street Station, Colborne - Engineering
102	Significant Winter Storm Restoration
192	Individual pole replacements per pole testing results
17	Pole testing to inform capital replacement program
16	Removal of poles on Burnham Street following transfer of telecom assets to new poles
89	Electric service connection per customer request
153	New Subdivisions
9	Facilities & Building purchases to re-classify
4	Electric service upgrade per customer request
89	Customer DER Connection
1	New electric meters
0	Net Meter Installation for net-metering per customer request
<b>1,433</b>	<b>System Renewal</b>
98	Misc. underground asset replacements due to failure
61	Misc. overhead asset replacements due to failure
<b>159</b>	<b>System Service</b>
510	Outage Management System - GIS Updates + EARTH SmartMap purchase and install
54	Fleet vehicle replacement
22	Line crew tools
12	IT hardware and software upgrade
3	Misc Facility Equipment
<b>601</b>	<b>General Plant</b>
<b>5,238</b>	<b>Total</b>
<b>(765)</b>	<b>Contributions</b>
<b>4,473</b>	<b>Total Net Capital Expenditures</b>



<b>2024 Capital Expenditure Projection</b>	<b>Project Details</b>
449	Overhead Pole Line Rebuild
40	Overhead feeder work associated with new 44 - 27.6 kV substation
100	Overhead component replacements for improved 27.6 kV system reliability
10	Miscellaneous 4.16 - 27.6 kV voltge conversion projects - Engineering
50	Individual pole replacements per pole testing results
75	Engineering design associated with 2025 capital System Renewal projects
<b>724</b>	<b>System Renewal</b>
500	New subdivisions
75	Electric service connection per customer request
75	Meter replacements due to Measurement Canada seal expiry
<b>650</b>	<b>System Access</b>
50	Misc. underground asset replacements due to failure
75	Misc. overhead asset replacements due to failure
<b>125</b>	<b>System Service</b>
20	Line crew tools
75	Fleet vehicle replacement
10	Misc Facility Equipment
35	IT hardware and software upgrade
<b>140</b>	<b>General Plant</b>
<b>1,639</b>	<b>Total</b>
<b>(400)</b>	<b>Contributions</b>
<b>1,239</b>	<b>Total Net Capital Expenditures</b>

<b>2025 Capital Expenditure Forecast</b>	<b>Project Details</b>
840	Overhead Pole Line Rebuild
50	Individual pole replacements per pole testing results
55	Engineering design associated with 2025 capital System Renewal projects
50	Metering conversion from 3 Ph - 3 W Delta to 3 Ph - 4 W Wye per ESA requirements
50	Overhead component replacements for improved 27.6 kV system reliability
<b>1,045</b>	<b>System Renewal</b>
100	New electric single-phase secondary services
500	Due to developers for economic portion of new subdivision expansions
360	Electric service connection per customer request
30	Meter replacements due to Measurement Canada seal expiry
<b>990</b>	<b>System Access</b>
40	Misc. underground asset replacements due to failure
40	Misc. overhead asset replacements due to failure
<b>80</b>	<b>System Service</b>
55	Line crew tools
100	ESRI GIS upgrade to new UN platform
512	Fleet vehicle replacement
10	Misc Facility Equipment
101	IT hardware and software upgrade
<b>778</b>	<b>General Plant</b>
<b>2,893</b>	<b>Total</b>
<b>(760)</b>	<b>Contributions</b>
<b>2,133</b>	<b>Total Net Capital Expenditures</b>



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## **Staff-14**

### **Ref. 1: LUI\_2025-IRM-Rate-Generator-Model\_V4\_20240906, Tab 8: STS – Tax Change**

#### **Preamble:**

Lakefront Utilities has provided a value of \$22,913,016 as the OEB-Approved Rate Base (Cell H16) and has not provided any value for the OEB-Approved Regulatory Taxable Income (Cell H18).

b.) Please fill out the value for Cell H18.

#### **LUI Response:**

Per discussions with OEB Staff on January 13<sup>th</sup>, 2025, cell H18 should remain nil as to not contribute a 50% tax sharing amount. The revised IRM Rate Generator Model is submitted in file named "LUI\_2025-IRM-Rate-Generator-Model\_20250117.xlsb".