

**Lakefront Utilities Inc.**

**Application for electricity distribution rates and other  
charges effective January 1, 2025**

**PROCEDURAL ORDER NO. 5  
July 15, 2025**

On September 9, 2024, Lakefront Utilities Inc. (Lakefront Utilities) filed an incentive rate-setting mechanism (IRM) application with the Ontario Energy Board (OEB) under section 78 of the *Ontario Energy Board Act, 1998*. The application sought approval for changes to Lakefront Utilities' electricity distribution rates, effective January 1, 2025. Lakefront Utilities also requested incremental capital funding for its Victoria Street Substation project and interim disposition of its 2016 to 2023 Group 1 variance account balances, with final disposition expected in 2025 for mid-year implementation. The OEB declared Lakefront Utilities' rates interim effective January 1, 2025.

The OEB addressed this proceeding in phases. Phase 1, which was the subject of the OEB's March 27, 2025 Decision and Order, related to Lakefront Utilities' incremental capital funding request. The OEB noted that the determination of matters related to the rate change and disposition of the 2016 to 2023 Group 1 variance account balances would be addressed in a subsequent phase. Specifically, the OEB ordered Lakefront Utilities to provide an updated Rate Generator Model reflecting the March 27, 2025 Decision and Order. The OEB noted that once the updated Rate Generator Model was filed, procedural steps for addressing the rate change and disposition of 2016 to 2023 Group 1 variance account balances would be established. On April 24, 2025, after Lakefront Utilities filed its updated model, the OEB issued Procedural Order No. 3 that initiated Phase 2 and established the process for that phase.

The Phase 2 process included a schedule for written submissions. In its June 16, 2025 reply submission, Lakefront Utilities included an Excel spreadsheet entitled Calculation of July 1 Retroactive Rate Adjustments in support of a request for approval to recover forgone incremental revenue for 2025 as its rates were declared interim by the OEB, effective January 1, 2025. Lakefront Utilities requested approval for the recovery of forgone revenue for the period of January to June 2025. Lakefront Utilities provided a calculation of forgone revenue that assumed a rates implementation date of July 1, 2025.

In Procedural Order No. 4, the OEB established a process for written submissions on Lakefront Utilities' new request for forgone revenue.

By letter dated July 10, 2025, Lakefront Utilities filed a letter requesting the OEB waive the requirements established in Procedural Order No. 4 and expedite the final issuance of its electricity distribution rates no later than August 1, 2025. Included in its letter, Lakefront Utilities provided corrections and updates to its forgone revenue request as well as an updated Excel spreadsheet entitled Calculation of August 1 Retroactive Rate Adjustments. Lakefront Utilities revised the effective date of its incremental capital module (ICM) from January 1, 2025 to May 1, 2025. The rates implementation date used in the forgone revenue calculation was also revised from July 1, 2025 to August 1, 2025.

Having reviewed the letter, the OEB is directing Lakefront Utilities to file a rate generator model reflecting two separate forgone revenue rate riders – one for forgone revenue associated with its distribution rates and the other for the ICM. The OEB is requesting this as Lakefront Utilities has applied the forgone revenue amount to the Service Charge and ICM rate rider directly. Lakefront Utilities is reminded that when requesting forgone revenue, such amounts are to be captured in distinct forgone revenue rate riders, and not applied directly to the Service Charge or ICM rate rider.

The OEB is making provision for the following related to this proceeding. Further procedural orders may be issued by the OEB.

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. The procedural deadlines set out in paragraphs 1 and 2 of Procedural Order No. 4 are cancelled.
2. Lakefront Utilities shall file with the OEB, by **July 18, 2025**, an updated rate generator model that contains two separate rate riders (one for electricity distribution rates and the other for the ICM) for forgone revenue, with an implementation date of August 1, 2025.
3. Any written submissions by OEB staff and intervenors on Lakefront Utilities' request (and associated calculations) to recover forgone incremental revenue for the period of January 2025 through July 2025 along with the updated rate generator model shall be filed with the OEB and served on all other parties by **July 22, 2025**.
4. Lakefront Utilities may file a written reply submission with the OEB and serve it on all parties by **July 24, 2025**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2024-0038** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#)

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Harshleen Kaur at [Harshleen.Kaur@oeb.ca](mailto:Harshleen.Kaur@oeb.ca) and OEB Counsel, James Sidlofsky at [James.Sidlofsky@oeb.ca](mailto:James.Sidlofsky@oeb.ca).

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**DATED at Toronto, July 15, 2025**

**ONTARIO ENERGY BOARD**

Ritchie Murray  
Acting Registrar