



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

DECISION AND ORDER ON COST AWARDS

EB-2024-0038

LAKEFRONT UTILITIES INC.

Application for rates and other charges to be effective January 1,
2025 – Phases 1 and 2

BEFORE: **Pankaj Sardana**
 Presiding Commissioner

Patrick Moran
Commissioner

Vinay Sharma
Commissioner

September 29, 2025

OVERVIEW

Lakefront Utilities Inc. (Lakefront Utilities) submitted its application on September 9, 2024 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 (Incentive Rate-Setting Applications) of the Ontario Energy Board's (OEB) *Filing Requirements for Electricity Distribution Rate Applications*. The application was based on the Price Cap Incentive Rate-setting option, with a five-year term. The application also included a request for incremental capital funding for the construction of a new 27.6 kV substation and disposition of 2016 to 2023 Group 1 Deferral and Variance Account (DVA) balances.

On October 28, 2024, the OEB issued Procedural Order No. 1 which granted intervenor status and cost eligibility to the Coalition of Concerned Manufacturers and Businesses of Canada (CCMBC) and the Vulnerable Energy Consumers Coalition (VECC).

The proceeding was bifurcated into two phases: Phase 1 addressed Lakefront Utilities' request for incremental capital funding for the construction of a new 27.6 kV substation, while Phase 2 addressed matters related to Lakefront Utilities' rate adjustment and disposition of Group 1 DVA balances from 2016 to 2023. The Decision and Order for Phase 1 was issued on March 27, 2025. The Decision and Rate Order on Phase 2 was issued by the OEB on July 31, 2025.

In the July 31, 2025 Decision and Rate Order, the OEB established the process for cost awards. CCMBC and VECC were required to submit their cost claims for both phases of the proceeding by August 7, 2025.

The OEB received cost claims from both CCMBC and VECC. No objections were raised by Lakefront Utilities.

Findings

The OEB has reviewed the claim to ensure compliance with its [Practice Direction on Cost Awards](#) (Practice Direction).

The OEB finds that while the majority of the cost claims are reasonable, a reduction is warranted to account for duplication in the intervenor submissions. In this case, VECC and CCMBC made largely identical submissions on the primary issue in the proceeding — the ICM request for the already constructed transformer station — without coordinating their efforts. Section 5.01(c) of the Practice Direction states:

- 5.01 In determining the amount of a cost award to a party, the Board may consider, amongst other things, whether the party has demonstrated through its participation and documented in its cost claim that it has:

- (c) made reasonable efforts to combine its intervention with that of one or more similarly interested parties, and to co-operate with all other parties

The OEB finds that CCMBC and VECC did not coordinate their efforts and made overlapping submissions. Moreover, CCMBC claimed significantly more hours than VECC for similar activities across the proceeding, including in discovery (where it claimed over 12 hours compared to VECC's approximately 8.5), as well as in written submissions. The OEB finds that this disparity in hours is not reflective of greater value or contribution and results in inefficiency. To promote a fair and proportionate allocation of costs, and to reflect both the duplication and inefficiency, the OEB has adjusted the allowable hours for each intervenor to 15. This represents a reduction of approximately 32% for the CCMBC claim (from a claimed total of 22 hours) and approximately 9% for the VECC claim (from a claimed total of 16.5 hours). These revised hours reflect the OEB's view of what constitutes a reasonable and efficient level of effort for this proceeding.

The OEB approves the revised cost claims, which shall be reimbursed by Lakefront Utilities.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Pursuant to section 30 of the *Ontario Energy Board Act, 1998*, Lakefront Utilities Inc. shall immediately pay the following amounts to the intervenors for their costs:

- Coalition of Concerned Manufacturers and Businesses of Canada \$5,595.04
- Vulnerable Energy Consumers Coalition \$5,597.17

DATED at Toronto September 29, 2025

ONTARIO ENERGY BOARD

Ritchie Murray
Acting Registrar