



## Lakefront Utilities Inc.

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### Re: eDSM Stream 2 Consultations (EB-2025-0156)

The proposal advanced by the Regulatory Working Group appropriately responds to the Ministerial Directives issued to the IESO and OEB, which call for the development of locally delivered eDSM programs by LDCs. This framework empowers LDCs to implement DSM initiatives that address both provincial system needs and local capacity challenges, while providing direct benefits to Ontario customers.

Specifically referencing:

- Directive to IESO on November 7, 2024, Section F.
- Directive to OEB on December 9, 2024, page 6.

Lakefront Utilities Inc. supports the Working Group's proposal for the majority of local eDSM programs to be approved under Delegated Authority. We encourage the OEB to adopt this approach rather than relying on approval through a Panel of Commissioners, as it will streamline the process and enable timely delivery of local initiatives.

The Working Group's proposed streamlined approach;

- Aligns with existing OEB processes, such as the annual IRM Rate applications.
- Reduces OEB application processing time, allowing Lakefront Utilities Inc to implement eDSM programs quickly and efficiently to address system and local needs.
- Leverages the IESO as a reviewer, a trusted third-party steward of Ontario's electricity conservation programs.
  - The IESO will provide a Measures and Assumptions List (MAL), allowing Lakefront Utilities Inc to choose the most appropriate eDSM measures for the communities we serve.
  - The IESO will review local eDSM programs proposed and facilitated by Lakefront Utilities Inc and provide a Letter of Confirmation that the OEB can rely on for prudence.
  - References: see WG response to J1.1 and J2.1
- Reduces any unnecessary regulatory burden, allowing Lakefront Utilities Inc and its customers to realize the benefits of timely, locally delivered eDSM programs.

Lakefront Utilities Inc. supports the OEB's Framework on Energy Innovation guidance that LDC's can receive an incentive payment for successful implementation of local eDSM programs.

The Working Group's proposal is for an eDSM Variance Account (eDSMVA) with no materiality threshold. All local eDSM programs will have a positive ratio of benefits to costs which supports full cost recovery even if it is less than my LDC's materiality threshold. No materiality threshold will be additional incentive for LDCs to participate in eDSM Stream 2 programs.

Sincerely,  
Jessica Lantz CPA  
Lakefront Utilities Inc.