

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15, Schedule B, as amended;

AND IN THE MATTER OF an Application by Lakefront
Utilities Inc. (“Lakefront”) for an Order or Orders approving
or fixing just and reasonable distribution rates effective
January 1, 2027.

INTERROGATORIES

ON BEHALF OF THE

SCHOOL ENERGY COALITION

1-SEC-1

[Exhibit 1] Please provide copies of all benchmarking studies, reports, and analyses that Lakefront has undertaken or participated in since the filing of its last rebasing application, that are not already included in the Application.

1-SEC-2

[Exhibit 1] Please provide details of all productivity and efficiency measures Lakefront has undertaken over the last five years, and any it plans to undertake in the test year and subsequent four years. Please quantify the forecasted savings and explain how they were calculated.

1-SEC-3

[Exhibit 1, p.17] Please provide the rate impact for the customers in the 50-2,999 kW class and the customer in the 3,000-4,999 kW class if the two classes are not combined.

1-SEC-4

[Exhibit 1, Table 12] With reference to the corporate structure:

- a. Please provide the number of positions in each box, if more than one.
- b. Please indicate which positions reside in the regulated utility, the affiliate and in Holdco.

1-SEC-5

[Exhibit 1, p.58] Lakefront states that “[o]ver the five-year period, Lakefront Utilities’ reliability performance trends closely mirror the priorities identified in the Distribution System Plan and 2026–2031 Business Plan and DSP.”

- a. Please provide a copy of the 2026-2031 Business Plan.
- b. Please provide a copy of any other documents provided to the Board of Directors with respect to the application.

2-SEC-6

[Exhibit 2, Appendix 2-AA]

- a. Please provide the most recent 2026 actuals in the Appendix 2-AA format.
- b. Please provide actuals to the same date as provided in part a), for the historical years 2022-2025 in the Appendix 2-AA format.
- c. Please update the 2027 forecast based on the 2026 actuals if required.

2-SEC-7

[Exhibit 2, Appendix 2-AA]

- a. Please provide a copy of the updated Appendix 2-AA from the question above, which breaks out the capital contributions by line item.
- b. Please explain how the capital contributions for 2027 to 2031 were forecasted.
- c. Please explain what is included under the line entitled “Economic Evaluation” in 2-AA and provide details of each project included under this line.
- d. Please provide the actuals for 2022-2025 for all projects which would fall under “Economic Evaluation”.

2-SEC-8

[Exhibit 2, p. 7, Tables 1, 4-9, p.7 and Appendix 2-BA] Lakefront states “...capital expenditures and in-service additions are equivalent for the purposes of this application.” Appendix 2-BA shows that there has been construction work in progress (“CWIP”) in previous years with \$526,815.88 in CWIP in 2027.

- a. Please explain what asset(s) made up the CWIP in 2022-2027.
- b. When are the assets that make up the \$526,815.88 in 2027 CWIP expected to be put into service?
- c. Please explain why the average net fixed asset shown in 2-BA does not agree with Table 1 or Table 9.
- d. Please provide a version of 2-BA which agrees with Table 1 and Tables 4-9.

2-SEC-9

[Exhibit 2, p.27-28]

- a. Please put a copy of Raven Engineering’s 2020 Station Capacity Study on the record.
- b. Five alternatives were identified by Raven Engineering. Lakefront has explained the alternative analysis which was done for the “[u]pgrading the MS28-2 transformer primary cables and conductors” alternative. Please provide the analysis which was done for the other four alternatives.

2-SEC-10

[Exhibit 2, Table 22, p.31] With respect to the forecasted load growth:

- a. Please show the anticipated incremental load from planned developments by year. (Note Table 17 on page 36 provides a list, however the total load is not equal to the total load in Table 22.)
- b. Please identify each development that makes up the incremental load in part a.
- c. For each development identified in part b, please indicate what stage it was at (e.g. developer enquiry, development plan submitted, approved, construction started, etc.), at the time of the 2020 study.
- d. Please show the anticipated voltage conversion incremental load by year.
- e. Please identify each voltage conversion area that makes up the incremental load in part d.
- f. Please provide a table that shows the actual incremental load for each development by year.
- g. Please provide a table that shows the actual voltage conversion incremental load by area and year.

2-SEC-11

[Exhibit 2, Tables 23 and 24] With respect to reliability:

- a. Please provide the same reliability information as provided in Tables 23 and 24 for the service area that encompasses the load served by the new MS28-3 Distribution Station (e.g. at the station level and/or the feeder level).
- b. Please explain why Lakefront chose to compare the 2025 reliability to 2024, when the station was completed in 2023.
- c. Please compare the reliability information provided in part a. for 2025 to the equivalent reliability data in 2022. If the information for part a. is not available, please provide this comparison analysis for the reliability data for the Lakefront service territory.

2-SEC-12

[Exhibit 2, p.35] Please explain the reasons for the outage on October 26, 2025.

2-SEC-13

[Exhibit 2, Appendix B, Distribution System Plan (“DSP”), p.14] Lakefront refers to July–August 2025 customer engagement. Please provide details of the extent of the engagement (e.g. number of customers who participated, questions asked, and the specific outcomes of the consultation).

2-SEC-14

[Exhibit 2, DSP, Table 5.3-7 and p.46] Table 5.3-7: Municipal Substation Listing shows five 4.16 kV stations. Lakefront states that the “[m]ajority of the service territory now operates at 27.6 kV”, and “[c]onversion efforts will be completed in the 2027–2031 planning horizon”.

- a. Please confirm that it is only the 4.16 kV for the Cobourg service territory that will be converted by the end of 2031.
- b. Are there any plans to convert the 4.16 kV system in Colborne in the future? If so, when? If not, please explain.

- c. Please provide the details of the 4.16 kV conversion program, including when the program started, which 4.16 kV stations that have already been retired and which are planned for the next five years.
- d. Please explain what Lakefront has done with the 4.16 kV stations that have been retired, e.g. decommissioned the building, reused the equipment, sold the land, etc.
- e. Please provide details of Lakefront's plans for those stations which will be retired in the next five years.

2-SEC-15

[Exhibit 2, DSP, p.68] Lakefront states that “[e]ach annual capital budget and the five-year forecast considers the relative priority of proposed investments, distinguishing between non-discretionary and discretionary items.”

- a. How does Lakefront determine the priority of non-discretionary projects?
- b. Please provide a priority list for all non-discretionary projects in Lakefront's five-year capital budget.

2-SEC-16

[Exhibit 2, DSP, Appendix H, p.11 and Appendix B - Budget] With respect to the Distribution Automation Strategy:

- a. Please confirm that, whether SAIDI and SAIFI are reduced by 50%, depends on the distribution of customers on a feeder and the location of the reclosure.
- b. Has Lakefront done any analysis of each feeder to determine the optimum location of a reclosure? If so, please provide. If not, please explain.
- c. The total budget shown in Appendix B is \$2.4M. The total budget in Appendix 2-AA for 2027-2030 is \$1.9M. Please explain the difference.

2-SEC-17

[Exhibit 2, DSP, Appendix I] With respect to the Asset Condition Assessment - ACA Report:

- a. Please outline Lakefront's plans to improve the data for those assets for which data is missing.
- b. Please provide a list of assets for which age is used as an input in determining the Health Index of the asset.
- c. For those assets identified in part b., please re-run the determination of the Health Index with age removed as an input.
- d. Please provide a list of assets in which age is the determining factor in whether replacement is required.

2-SEC-18

[Exhibit 2, DSP, Appendices K, L and N] With respect to pole replacements:

- a. Please provide the number of poles replaced in each year 2022-2025 by project for those projects listed in Appendix K, and please provide the condition of the poles replaced, i.e. the number of very poor, poor, etc.

- b. Please provide the number of poles forecasted to be replaced in 2026 by project for projects listed in Appendix K, and please provide the forecasted condition of the poles scheduled to be replaced, i.e. the number of very poor, poor, etc.
- c. Please provide the number of poles forecasted to be replaced in 2027-2031 by year for projects listed in Appendices L and N and please provide the forecasted condition of the poles scheduled to be replaced, i.e. the number of very poor, poor, etc.

2-SEC-19

[Exhibit 2, DSP, Appendix L] With respect to SR-001, 3-Phase Pad-Mounted Transformer Replacement Program:

- a. Please confirm that this program covers both 3-Phase and 1-Phase Pad-Mounted Transformers.
- b. Please provide the Health Index for each of the transformers scheduled to be replaced.
- c. Please explain why Lakefront is planning to replace transformers based on end of useful life instead of Health Index.

2-SEC-20

[Exhibit 2, DSP, Appendix L] With respect to Project SA-003, Advanced Metering Infrastructure 2.0 (AMI 2.0):

- a. Please provide an update on the work scheduled for 2026 (e.g. AMI 2.0 platform selection, communications infrastructure assessment, procurement, and vendor contracting).
- b. Please provide a table showing the total number of meters expiring each year for all meters owned by Lakefront. Please distinguish between residential and commercial meters.
- c. Please provide the total number of meters forecasted to be replaced and the total number of meters forecasted to be resealed for 2026-2031. Please distinguish between residential and commercial meters.
- d. Please provide the cost to replace a meter and the cost to reseat a meter.
- e. How many years does resealing a meter add to its useful life?

2-SEC-21

[Exhibit 2, DSP, Appendix L and M] With respect to Project GP-002, Software Upgrades (ERP) and GP-003, Software Upgrades (GIS):

- a. Lakefront states that for the ERP “[t]his program will be executed over multiple years within the 2027–2031 forecast period ... [s]equencing and timing will be finalized through detailed project planning and procurement.” Expenditures in 2-AA show \$.209M in 2027 and \$.05M in 2028. Please provide an update on the timing or an explanation on when the timing will be finalized.
- b. Did Lakefront assess moving to cloud solutions for either the ERP or GIS upgrades? If so, please provide the results of that assessment. If not, please explain why not.
- c. Please provide information on the expenditures planned for the Software Upgrades (CIS) in 2028-2030, shown in Appendix M.

3-SEC-22

[Exhibit 3, Appendix 2-IB]

- a. Please provide year to date actual customer numbers/connections by class for 2026.
- b. Please confirm whether the customer numbers/connections shown in 2-IB are mid-year or year-end.
- c. Please provide year to date actual billing determinates by class for 2026.
- d. Please update the load forecast with the 2026 actuals provided above and any other updated variables.

3-SEC-23

[Exhibit 3, p.6] With respect to the adjustment made as a result of losing a GS 50-2,999 kW customer, please provide the details of the historical production-related consumption, associated with the facility, which was removed.

4-SEC-24

[Exhibit 4, p.17] With respect to vegetation management:

- a. Please provide actual spending on vegetation management for 2022-2025 and forecasted spending for 2026 and 2027.
- b. Please indicate whether vegetation management is provided by in-house staff or external resources. If external resources are used, what is the contract period?
- c. Please explain how Lakefront determines its vegetation management schedule.

4-SEC-25

[Exhibit 4, Appendices 2-JC and 2-JD]

- a. Please provide a version of the above Appendices that show 2026 actuals to date.
- b. Please provide Appendices 2-JC and 2-JD that include historical actuals for each year to the actual date used to update 2026 in part a.
- c. Please revise the 2026 and/or 2027 forecast in the Appendices, if required due to updating 2026 actuals.

4-SEC-26

[Exhibit 4, p. 19 and 23 and Appendix 2-JC]

- a. Please explain what Lakefront is doing to increase eBilling from 54%.
- b. Please provide details of what is included under Outside Services.

4-SEC-27

[Exhibit 4, p.39] Lakefront states “[f]or the 2026 Bridge Year and 2027 Test Year, LUI used the OEB's 3.30% Price Cap Inflation Factor as a budgeting assumption while continuing to develop budgets through a detailed account-by-account review” and “[h]owever, the utility does not apply the inflation factor uniformly across all accounts.”

- a. Please provide details for any account for which the OEB’s inflation was not applied.

- b. Has Lakefront included a productivity/stretch factor in its planning assumptions? If so, please explain. If not, why not?

4-SEC-28

[Exhibit 4, Appendix 2-JB] Please provide further details on what charges make up the miscellaneous line and assign them to the appropriate account. For example, bad debt expense in 2026 should show a decrease and outside services employed in 2025 should show a decrease.

4-SEC-29

[Exhibit 4, p.68] With respect to vacancy rates:

- a. Please provide for the actual vacancy rate ((# of positions minus # of FTEs)/# of positions) for 2022-2025.
- b. Please indicate which positions were vacant in each historical year.
- c. Please provide the assumed vacancy rate for 2026 and 2027.

4-SEC-30

[Exhibit 4, Appendices 2-K]

- a. Does Lakefront provide incentive payments to any of its employees? If so, please provide the details of how the incentives are calculated.
- b. Please break down the compensation in Appendix 2-K into base salary, incentive (if applicable) and overtime.
- c. Please indicate the total management and non-management FTEs which reside in the affiliate for each year.

4-SEC-31

[Exhibit 4, p.73] With respect to compensation:

- a. Please provide a copy of the CGP compensation analysis.
- b. Please provide the dates for Lakefront's last approved union contract and the agreed upon percentages.

4-SEC-32

[Exhibit 4, p.80-83, Appendix 4E] With respect to the Management Fee:

- a. In the past ten years has Lakefront had any compliance audits done by the OEB? If yes, please provide copies of the results.
- b. The KPMG letter states: "This letter reflects KPMG's preliminary observations and recommendations..." Please provide any further correspondence from KPMG with respect to the Cost Allocation Review.

4-SEC-33

[Exhibit 4, p. 93 and Appendix 2-N] For 2022-2024 the utility was providing office space to the affiliate and from 2025-2027 the affiliate is providing office space to the utility. Please explain this change.

5-SEC-34

[Exhibit 5, Appendix 2-OB] Please explain how the 2026 and 2027 principal for the Lakefront Utility Services Inc. affiliate debt is determined.

6-SEC-35

[Exhibit 6, Appendix 2-H] With respect to Other Revenue:

- a. Please provide a version of the above Appendix that includes the 2026 actuals to date.
- b. Please provide Appendix 2-H that includes historical actuals for each year to the actual date used to update 2026 in part a.
- c. Please revise the 2027 forecast in the Appendix, if required due to updating 2026 actuals.

6-SEC-36

[Exhibit 6, p.21]

- a. Please update the revenue related to the pole attachments using the updated pole attachment charge as per the OEB Decision EB-2026-0176, issued on June 16, 2026. Please show the detailed calculation, i.e. # of attachments x rate.
- a. Please update the revenue related to the energy retailer service charges as per the OEB Decision EB-2026-0175, issued on June 16, 2026. Please show the detailed calculations, i.e. rate x # of occurrences.

7-SEC-37

[Exhibit 7, Table 1] Please provide an explanation of the drivers which resulted in the Revenue/Cost ratio for the GS < 50 kW class moving from 98.9% to 80.2%, and the GS 50-2,999 kW class moving from 103.3% to 113.2%, between 2022 and 2027.

9-SEC-38

[Exhibit 9, p. 8-10]

- a. Lakefront notes that costs related to Green Energy Button and the implementation of ULO are included in the utility's OM&A. Please provide further details on the amounts and in which USoA these costs are included.
- b. With respect to Account 1508, Pole Attachment Revenue Variance, please calculate the difference between what was built into rates versus the actual revenue for 2023-2025 and provide a forecast for 2026.
- c. With respect to Account 1508, Green Button Implementation Costs, please provide details on which costs shown in Table 4 were provided by external resources and by internal resources.
- d. With respect to Account 1508, Ultra-Low Overnight Pricing Costs, please provide details on which costs shown in Table 5 were provided by external resources and by internal resources.

9-SEC-39

[Exhibit 9, Tables 1 and 3, and Appendix 2-H]

- a. Please confirm that Lakefront is requesting disposition of accounts including the interest.
- b. Please confirm that Lakefront has also included the interest in Account 4405 – Interest and Dividend Income as part of Other Revenue.

9-SEC-40

[Exhibit 9] Please confirm that Lakefront has not recorded any activity recorded in the following Group 2 Deferral and Variance Accounts:

- a. LEAP Funding
- b. Cloud Computing
- c. Lost Revenue - Collection of Account Charges
- d. GOCA

Respectfully, submitted on behalf of the School Energy Coalition on September 3, 2026.

Jane Scott
Consultant for the School Energy Coalition