

1.3 CUSTOMER SUMMARY

1.3.1 CUSTOMER SUMMARY

Lakeland Power Distribution Ltd. ("LPDL") has applied to the Ontario Energy Board for a change in the distribution rates that it charges its customers. The distribution rates are based on the amount of capital investment made in the distribution system as well as the cost to operate and maintain that same system, along with a percentage for a return on equity.

LPDL has a service area of 147 square kilometers that provides electricity distribution to approximately 13,500 residential, commercial and industrial customers. LPDL is incorporated under the Ontario Business Corporations Act and is 100% municipally owned by the Town of Bracebridge, Town of Huntsville, Town of Parry Sound, Village of Burk's Falls, Town of Sundridge and Municipality of Magnetawan.

Effective July 1, 2014 the former Lakeland Power Distribution Ltd. (LPDL) and Parry Sound Power (PSP) amalgamated, in accordance to the provisions of the Ontario Business Corporation Act, to continue as one corporation under the name of Lakeland Power Distribution Ltd. At the time of amalgamation, the former LPDL had approximately 9,800 customers and added approximately 3,500 customers with the amalgamation of PSP.

The full Application includes information on the amount and location of capital investments being made in the service territory along with the costs to maintain the system, produce bills, provide customer support and employs 20 local staff. (the full document can be found on our website www.lakelandpower.on.ca)

Over the past few years, LPDL has achieved the following:

- Successfully integrated LDPL and PSP staff, systems, and locations
- Maintained local offices to provide face-to-face, personal interaction with customers
- Renegotiated new lower debt rates to lower interest expense

- 1 • Improved overall staff skill set through training and improved hire screening
- 2 • Reduced overall costs to move to 18th of 65 lowest cost electricity distribution
- 3 companies in the province
- 4 • Improved customer engagement through increased social media presence, improved
- 5 website and enhanced online experience
- 6 • Launched, first in the industry, Facebook Live session to connect with customers, industry
- 7 and regulatory bodies
- 8 • Achieved Conservation saving targets well in excess of expectation
- 9 • Embarked on research into new innovation programs such as enabling electrification,
- 10 increased renewable energy generation and Smart Grid
- 11 • Invited and involved in stakeholder groups including; Regional Planning and Ministry of
- 12 Energy Smart Grid consultations
- 13 • Connected all sites, stations and offices on robust fibre optic network to enhance real
- 14 time information, remote control and seamless communication
- 15 • Maintained business focused, cost effective, successful, driven Board of Directors

16 LPDL is proud of the local position it holds in the community and strives to provide its
17 customers with the best service and reliability at the lowest cost.

18 On an overall global level, LPDL is requesting a **rate decrease** for all rate classes at varying
19 levels. As a result of the amalgamation, LPDL was able to find synergy savings between LPDL
20 and PSP that allowed for a reduction in rates for all customers.

21 The rates between the former LPDL customers and the former PSP customers will be
22 harmonized in this application to set one rate per type of customer in order to reduce
23 administration costs of managing multiple rates. The chart below outlines the bill impact on
24 common classes and respective consumption:

Service Area	Customer Class	Consumption	Previous Total Monthly Bill	Proposed Total Monthly Bill	Savings per month	Savings Percentage per month
former LPDL	Residential	750 kWh	\$ 152.77	\$ 152.42	\$ 0.35	0.23%
former LPDL	General Service <50 kW	2000 kWh	\$ 375.25	\$ 371.74	\$ 3.51	0.93%
former PSP	Residential	750 kWh	\$ 160.34	\$ 152.42	\$ 7.92	4.94%
former PSP	General Service <50 kW	2000 kWh	\$ 382.65	\$ 371.74	\$ 10.91	2.85%

1.4 ADMINISTRATION

1.4.1 CONTACT INFORMATION AND IDENTIFICATION OF LEGAL REPRESENTATION³

Application contact information is as follows:

Applicants Name: Lakeland Power Distribution Ltd

Applicants Address: 200 – 395 Centre St N, Huntsville, ON P1H 2M2
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LPDL's Contact Info. Margaret Maw
 Chief Financial Officer
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 President and Chief Executive Officer
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³ MFR - Primary contact information (name, address, phone, fax, email)