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May 7, 2009

BY EMAIL & BY COURIER

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge St, Suite 2701 Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2008-0235 London Hydro Inc. – 2009 Rates Rebasing Application Energy Probe Round Two Interrogatories

Pursuant to Procedural Order No. 2, issued by the Board on April 23, 2009, please find attached two hard copies of the Round Two Interrogatories from Energy Probe Research Foundation (Energy Probe) to London Hydro in the EB-2008-0235 proceeding. An electronic version of this communication will be forwarded in PDF format.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh

Case Manager

ce: David B. Williamson, London Hydro Inc. (By email)

James C. Sidlofsky, Borden Ladner Gervais LLP (By email)

Peter Faye, Energy Probe Counsel (By email)

Interested Parties (By email)

Ontario Energy Board

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

AND IN THE MATTER OF an application by London Hydro Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2009.

ROUND TWO INTERROGATORIES OF ENERGY PROBE RESEARCH FOUNDATION ("ENERGY PROBE")

May 7, 2009

LONDON HYDRO INC. 2009 RATES REBASING PROCEEDING EB-2008-0235

ENERGY PROBE RESEARCH FOUNDATION ROUND TWO INTERROGATORIES

Interrogatory # 29

Ref: Response to Energy Probe Interrogatory # 7

The response to this IR references "municipal infrastructure improvements in Canada" as a driver for city works projects requiring London Hydro plant work. Please provide details of the "announced government infrastructure initiatives" referred to in the IR response and specific road or buried municipal utility infrastructure in London that will require London Hydro involvement.

Interrogatory #30

Ref: Response to Energy Probe Interrogatory # 11

The response to part (a) of this IR states that developers have so far in 2009 committed to 60 lots. In addition London Hydro states that there is a high probability of another 120 lots being committed and a further 430 lots are "under discussion". The response seems to suggest that there are about 180 lots of SFR development that are either committed or likely to be committed for 2009. Another 430 lots are possible for a potential total of 610 lots. London Hydro has forecast 800 lots of SFR development in 2009. Should this forecast be revised downwards for 2009?

Interrogatory #31

Ref: Response to Energy Probe Interrogatory # 24

The response to this IR refers Energy Probe to the response to SEC #10. That response in part (c) addresses the subject of base labour costs due to "corporate reorganization and industry changes" but appears to conclude that labour costs have decreased as a result of these influences. Energy Probe's IR#24 questioned the base labour <u>increase</u> in OM&A which does not appear to be addressed in the SEC #10 response. Please explain.

Interrogatory # 32

Ref: Response to Energy Probe Interrogatory # 26

The response to part (d) of this IR concerning what actions London Hydro is taking to control benefit costs did not mention asking employees to bear a larger share of these costs. Has London Hydro considered this option? If yes, what has been the response of the employees? If not, why not?