



EB-2009-0056

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

AND IN THE MATTER OF an Application by Espanola
Regional Hydro Distribution Corporation, pursuant to section
78 of the *Ontario Energy Board Act*, 1998 for an order or
orders approving or fixing just and reasonable distribution
rates and other charges, to be effective May 1, 2009.

PROCEDURAL ORDER NO. 2

Espanola Regional Hydro Distribution Corporation ("Espanola") is an Ontario corporation with its office in the town of Espanola carrying on the business of distributing electricity within the towns of Espanola, Massey and Webbwood.

On February 18, 2009 Espanola Regional Hydro Distribution Corporation ("Espanola") applied to the Ontario Energy Board ("Board") for approval to increase distribution rates effective May 1, 2009 to include the recovery of Payments in Lieu of Taxes (PILs). The current rates do not reflect an allowance for PILs.

The Board issued a Notice of Written Hearing and Procedural Order #1 on March 16, 2009. On March 30, 2009 Board staff filed interrogatories with Espanola. On April 1, 2009 Espanola requested that the Board allow an extension to April 24, 2009 for replies to interrogatories because a decision on a Notice of Objection from the Ontario Ministry of Finance ("MOF") was imminent and may impact the application. On April 21, 2009 Espanola requested an additional extension and that their rates be declared interim as of May 1, 2009. On April 23, 2009 the Board approved Espanola's interim rate

application. On June 29, 2009 Espanola filed responses to interrogatories. Espanola explained that while no decision was made by the MOF, subsequent testing by the external auditors concluded that even with a favourable decision from the MOF, inclusion of PILs in 2009 rates would still be required.

THE BOARD THEREFORE ORDERS THAT:

1. Parties to this proceeding may file final submissions on Espanola's request for a rate increase with the Board Secretary and serving a copy on Espanola no later than 4:45 pm, Monday **July 13th 2009**.
2. Espanola may reply to any submissions received by filing reply submissions with the Board Secretary and serving a copy on all parties who make submissions no later than 4:45 pm, **Monday July 20th 2009**.

All filings to the Board must quote file number **EB-2009-0056**, be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may email your document to the address below. Those who do not have internet access are required to submit all filings on a CD or diskette in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

All parties must also provide the Case Manager, Martin Benum, martin.benum@oeb.gov.on.ca, with an electronic copy of all interrogatories, comments and correspondence related to this case.

IMPORTANT: If you do not file any comments in response to this notice, the Board may proceed without your participation and you will not be entitled to any further notice of these proceedings.

ISSUED at Toronto July 6, 2009

ONTARIO ENERGY BOARD

Original Signed By

John Pickernell
Assistant Board Secretary

APPENDIX “A” TO
PROCEDURAL ORDER NO. 2
APPLICANT & LIST OF INTERVENORS
BOARD FILE No. EB-2009-0056
DATED July 6, 2009

**ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION –
2008 RATE REBASING APPLICATION
BOARD FILE NO. EB-2007-0901**

January 14, 2008

APPLICANT

Espanola Regional Hydro Distribution Corporation

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