

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27^e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL ONLY

October 3, 2007

Mr. Terrance Greco
PUC Distribution Inc
765 Queen Street East
Sault Ste Marie, ON P6C 6P2

Dear Mr. Greco:

**Re: Application to Amend 2007 Distribution Rates (Recovery of 2007 PILs
Expense)
Procedural Order No 1.
Board File No. EB - 2007- 0723**

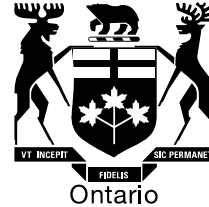
The Board has issued its Procedural Order No. 1 in the above case and a copy is enclosed herewith.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

cc Intervenor of Record
Christine Long, BLG



EB-2007-0723

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 PUC
Distribution Inc., pursuant to section 78 of the Ontario
Energy Board Act seeking approval to amend
electricity distribution rates.

PROCEDURAL ORDER NO. 1

On August 15, 2007, PUC Distribution Inc. ("PUC") filed an application (the "Application") with the Ontario Energy Board, (the "Board") under Section 78 of the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Schedule B) to adjust its approved electricity distribution rates. The Board has assigned the Application File No. EB-2007-0723.

In its Application, PUC is proposing an increase in its approved 2007 distribution rates to allow it to recover expected expenses for taxes or Payments in Lieu of Taxes ("PILs") from September 1, 2007 onwards. PUC has estimated the incremental PILs expense for 2007 at \$2,239,836.86, and is requesting to recover the additional PILs expenses over the period September 1, 2007 to April 30, 2008.

Notice of Application was published on September 15, 2007. One party, the Vulnerable Energy Consumers Coalition ("VECC"), has filed a request for intervention. VECC considers a written hearing to be appropriate.

The Board has not determined at this point whether to proceed with the Application by way of an oral or written hearing. However, the Board has determined that it should make provision for further discovery by way of interrogatories and responses.

The Board will determine further steps in this proceeding and will communicate these through subsequent Procedural Order(s).

THE BOARD ORDERS THAT:

1. Board staff and VECC shall serve any interrogatories with PUC seeking further evidence on the Application by October 10, 2007. All interrogatories shall be filed with the Board and delivered to PUC and VECC.
2. PUC shall file responses to interrogatories with the Board by October 24, 2007, and shall copy its responses to VECC.
3. **All filings to the Board noted in this Order must be in the form of 2 (two) hard copies and must be received by the Board by 4:45 p.m. on the stated dates. The Board also requires all filings to be in electronic form. Therefore, all parties must also email electronic copies of their filings to the Board Secretary at Boardsec@oeb.gov.on.ca, or make them available on CD or diskette.** The Board requests that all parties make every effort to provide their filings at a minimum in searchable PDF format and, as appropriate, in MS Word or MS Excel format for word-processed and spreadsheet documents respectively.

4. Service of documents to parties other than the Board may be effected by e-mail.

DATED at Toronto, October 3, 2007.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary