Hydro Ottawa Limited 3025 Albion Road North, PO Box 8700 3025, chemin Albion Nord, C.P. 8700 Ottawa, Ontario K1G 3S4 Tel.: (613) 738-6400 Fax: (613) 738-6403 www.hydroottawa.com

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November 26, 2007

Ontario Energy Board P.O. Box 2319 27<sup>th</sup> Floor 2300 Yonge Street Toronto, ON M4P 1E4

Attention: Kirsten Walli **Board Secretary** 

Re: Interrogatory Responses - Application for an Accounting Order to Establish a Variance

Account

EB-2007-0770

Attached please find Hydro Ottawa's responses to the interrogatories sent by Board Staff and the Vulnerable Energy Consumers Coalition on November 13, 2007 for the above noted proceeding.

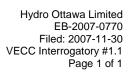
If further information is required, please contact the undersigned at 613-738-5499 ext 527 or lynneanderson@hydroottawa.com.

Yours truly,

Lynne Anderson

Chief Regulatory Affairs and Government Relations Officer

Hydro Ottawa





1	Question		
2			
3	Reference:	Exhibit B1, Tab 3, Schedule 1, page 3	
4			
5	Preamble:	On page 3, Hydro Ottawa indicates that the change in capit	alization policy
6	will lower amortization and return on rate base expense for 2008.		
7			
8	a)	Is there a similar effect for the period October 1, 2007	to December
9		31, 2007? If not, why not?	
10			
11	b)	If yes, will this offset be included in the proposed varia	ince account?
12		If not, why not?	
13			
14	c)	If yes, what is the estimated amount for 2007?	
15			
16	Response		
17 18	2)	Yes, amortization and return would be lower in the final	al guarter of
19	a)	2007.	ai quarter or
20		2007.	
21	b)	Yes, this offset would be included in the proposed var	iance account
22	5)	res, this object would be included in the proposed var	ance account.
23	c)	The estimated amount for 2007 is as follows:	
24	3,	1116 SSM MARCH CITIES 2501 15 do 16116 No.	
	Increase in OM&A \$1,000,000  Decrease in Amortization		
			<b>#40.000</b>
			\$10,000 \$16,706
	De	crease in Return	<u>\$16,706</u>
	Total decrease in amortization and return \$2		<u>\$26,706</u>
25	Ne	t balance estimated for variance account \$973,294	