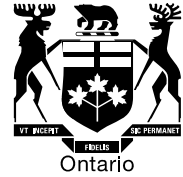


**Ontario Energy
Board**
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

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



BY E-MAIL

December 6, 2007

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Festival Hydro Inc
2008 Incentive Regulation Mechanism (2008 IRM) Rate Application
Board File Number EB-2007-0872**

Please find attached Board Staff Interrogatories for the above proceeding.

Yours truly,

Original Signed By

Angela Pachon
Policy Advisor, Regulatory Policy Development

c. William Zehr, Festival Hydro Inc.

Encl.

**2008 Incentive Rate Mechanism Application
Ontario Energy Board Staff Interrogatories for
Festival Hydro — EB-2007-0872**

For each of the interrogatories below, please clarify whether this is an error, confirming what the correct entry should have been, or provide a complete explanation for the discrepancies. The format of the response should repeat the references and the interrogatories.

Ref.: 2008 IRM Model, Sheet 3 (2007 Tariff Sheet)

1. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the service charge for the Unmetered Scattered Load class is applied on a “per connection” basis, however your 2008 model does not reflect this.