

Ontario Energy Board
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BY E-MAIL

December 5, 2007

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: E.L.K. Energy Inc.
2008 Incentive Regulation Mechanism (2008 IRM) Rate Application
Board File Number EB-2007-0840**

Please find attached Board Staff Interrogatories for the above proceeding.

Yours truly,

Original signed by

Roy Hrab
Policy Advisor, Regulatory Policy Development

C: Sandra Slater, E.L.K. Energy Inc.

Encl.

**2008 Incentive Rate Mechanism Application
Ontario Energy Board Staff Interrogatories for
E.L.K. Energy Inc. — EB-2007-0840**

For each of the interrogatories below, please clarify whether this was 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 Model, Sheet 3 (2007 Tariff Sheet)

1. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the Retail Transmission Rates (Network Service Rate and Line and Transformation Connection Service Rate) for the General Service 50 to 4,999 kW-Time of Use class include the descriptor "Interval Metered", however your 2008 model does not reflect this.
2. 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.
3. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the service charge for the Sentinel Lighting class is applied on a "per connection" basis, however your 2008 model does not reflect this.
4. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the Distribution Volumetric Charge and Regulatory Asset Recovery charge for the Sentinel Lighting class are applied on a "\$/kW" basis, however your 2008 model does not reflect this.
5. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that both Retail Transmission Rates (Network Service Rate and Line and Transformation Connection) for the Sentinel Lighting class are applied on a "\$/kW" basis, however your 2008 model does not reflect this.
6. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the service charge for the Street Lighting class is applied on a "per connection" basis, however your 2008 model does not reflect this.
7. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that for Specific Service Charges that there is a \$165, "Service call - after regular hours charge, however, your 2008 model (Sheet 3, Cell C428) does not reflect this.
8. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that for Specific Service Charges that there is a \$1000, "Temporary service install & remove - overhead - with transformer", however, your 2008 model (Sheet 3, Cell C431) does not reflect this.
9. A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the Transformer Allowance for Ownership is applied on a "\$/kW" basis, however, your 2008 model does not reflect this.

Ref.: 2008 Model, Sheet 6 (K-factor Derivation):

10. A review of your 2006 Board Approved PILs Model indicates that the PILS Allowance is "\$353,774", however, your 2008 model does not reflect this.