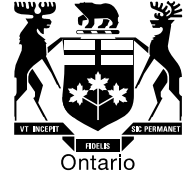


**Ontario Energy
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BY E-MAIL

December 19, 2007

Board Secretary
Ontario Energy Board
2300 Yonge Street, Ste. 2701
Toronto ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Welland Hydro-Electric System Corp.
2008 Incentive Regulation Mechanism (2008 IRM) Rate Application
Board File Number EB-2007-0855**

Please find attached Board Staff Interrogatories for the above proceeding.

Yours truly,

Original signed by

David Brown
Policy Advisor, Regulatory Policy Development

Encl.

**2008 Incentive Rate Mechanism Application
Ontario Energy Board Staff Interrogatories for
Welland Hydro-Electric System Corp. — EB-2007-0855**

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 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 charges for Unmetered Scattered Load, Sentinel Lighting and Street Lighting rate classes are applied on a “per connection” basis, however your 2008 model does not reflect this.
2. A review of your current 2007 Board approved Tariff of Rates and Charges shows that for “Primary Metering Allowance for transformer losses – applied to measured demand and energy” the unit is “%”, however your 2008 model has a unit of “\$/kW”.
3. A review of your current 2007 Board approved Tariff of Rates and Charges shows a Specific Service Charge of \$10 plus installation on a time and materials basis related to “Meter upgrade requested by customer plus installation – per month”. However, this charge has not been inputted in the 2008 model.