



PETERBOROUGH DISTRIBUTION INC.

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December 21, 2007

File: F69

Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 26th Floor
Toronto, ON M4P 1E4

To Board Secretary:

**2008 Incentive Rate Mechanism Application
Peterborough Distribution Inc. — EB-2007-0886
Responses to Ontario Energy Board Staff Interrogatories**

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

1. Please explain why the Service Charge Rate Riders for storm damage cost recovery – effective until August 31, 2008 and the Distribution Volumetric Rate Riders for storm damage cost recovery effective until August 31, 2008 for all rate classes were entered twice in the model, in worksheet 3 - “2007 tariff sheet” and in worksheet 9 “rate rider adjustment”?

Response

The storm recovery was included in tab 3 per the instruction on the work sheet, “Enter your Board Approved 2007 Tariff of Rates and Charges”.

The same amounts we also input in tab 9 per the instruction to All Rate-regulated Licensed Electricity Distributors and All Other Interested Parties dated Oct 25, 2007.

Page 5. "RATE RIDER ADJUSTMENT"

"On July 31, 2007, the Board issued its Decision with Reasons approving rate adjustments to 2007 distribution rates for several distributors related to storm damage costs (EB-2007-0514 / EB-2007-0595 / ED-2007-0571 / ED-2007-0551). Those distributors who received rate adjustments are required to enter the rate riders in the Rate Rider Adjustment Sheet (sheet 9.)

Management called the Board to inform them of the error caused by these double entries and we were advised that they became aware of the error after the model was released and that we should create our own bill impact calculation to be added to our submission. In our Managers letter we included the following notation.

PDI has provided revised sheet 13, Bill Impacts by Consumption as the model is not calculating the Approved Fixed Storm Recovery Rate Rider correctly per the Board Approved Tariff of Rates and Changes, effective September 1, 2007 until August 31, 2008.

2. For the Residential, General Service Less Than 50 kW, General Service 50 to 4,999 kW, and Large Use classes the Service Charge is not stated as being on a "per customer" basis. Please confirm that these charges are on a "per customer".

Response

Yes, these charges are on a per customer basis. The "per customer" notation does not appear on the Board Approved Tariff of Rates and Charges Effective September 1, 2007.



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