



PETERBOROUGH DISTRIBUTION INC.

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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. Lakefield — EB-2007-0910
Responses to Ontario Energy Board Staff Interrogatories**

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

1. Specific Service Charges for Customer Administration

A review of your current 2007 Board approved Tariff of Rates and Charges shows categories for Notification Charge, Account History and Credit Reference/credit check. These categories and charges do not appear in the 2008 model.

Response

These items should have been included in the specific services charges. The 2008 IRM Model has been updated

2. Specific Service Charges for Allowances

Your 2008 model has for the category "Transformer Allowance for Ownership – per kW of billing demand/month" a unit of "\$". A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the unit is "\$/kW".

Response

The proper unit is "\$/KW", the rate model has been changed

3. Loss Factors

A review of your current 2007 Board approved Tariff of Rates shows that the "Total Loss Factor – Primary Metered Customer < 5000 kW" is 1.04. However, in your 2008 model for such loss factor you entered a different category: "Total Loss Factor – Secondary Metered Customer > 5000 kW".

Response

The loss factor of 1.04 was entered on the incorrect line. The Total Loss Factor—Primary Metered Customer < 5000 kW is 1.04, the model has been updated.

4. Rates and charges for Unmetered Scattered Load

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 customer” basis, however your 2008 model does not reflect this.

Response:

The service charge description on the tariff sheet has been changed to Service Charge (per customer).

5. Rates and charges for Sentinel Lighting and Street Lighting

A review of your current 2007 Board approved Tariff of Rates and Charges indicates that the service charge for the Sentinel Lighting and Street Lighting rate classes is applied on a “per connection” basis, however your 2008 model does not reflect this.

Response

The service charge descriptions on the tariff sheet have been changed to Service Charge (per connection).

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

6. A review of your 2008 model indicates that the following values for the calculation of the K factor are different from the Board approved 2006 PILs Model:

- PILs Allowance: \$39,414 instead of \$26,804 as in the 2006 Model
- Taxable Income: \$152,593 instead of \$97,468 as in the 2006 Model

Response

The 2008 IRM model, sheet 6 (K factor) has been changed to the values per the interrogatory. There is no change in the k-factor of -0.4%.

A revised 2008 IRM model for the Lakefield service territory is attached.



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