

**IN THE MATTER OF the Ontario Energy Board Act
1998, S.O. 1998, c. 15, (Schedule B);**

**AND IN THE MATTER OF an Application by
Espanola Regional Hydro Distribution
Corporation for an Order or Orders approving or
fixing just and reasonable rates and other charges
for the distribution of electricity commencing May
1, 2008.**

**INTERROGATORIES
OF THE
SCHOOL ENERGY COALITION**

1. 2006 Fixed Assets

Ref a: Ex 2/pg11

Ref b: Ex 2/pg3

In Ref a, ERHDC's 2006 gross assets average balance is shown as \$3,410,575.

In Re b, ERHDC's 2006 gross assets average balance is shown as \$4,241,628.

Discrepancies also exist for 2006 accumulated depreciation and NBV.

Please confirm the correct 2006 average balances.

2. Capital Budget

Ref a: Ex 2/pg24, 25

Ref b: Ex 3/pg6

Per Ref b, the number of Residential and GS<50 customers in ERHDC's service territory has been decreasing since 2004.

Per Ref a, ERHDC has provided capital budget for new services installation to meet customer demand in both 2006 & 2007, in the amount of \$23,295 and \$47,635 respectively. The amount accounts for roughly one-third of ERHDC's total capital budget in that year.

Please explain.

3. Deferral and Variance Accounts

Ref: Ex 5/pg4

ERHDC has proposed to dispose of the December 31, 2006 deferral and variance accounts balance of \$264,860 plus the residual balance of Account #1590 – Recovery of Regulatory Assets of (\$31,700) as of April 30, 2008 over a two-year period.

It appears that ERHDC has not chosen to dispose of the carrying costs in the amount of \$17,059 (excluding Account # 1590).

Please explain.