

Aiken & Associates

578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624
Fax: (519) 351-4331
Cell: (519) 365-1078
E-mail: raiken@xcelco.on.ca

March 14, 2008

By Courier

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

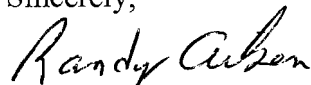
Dear Ms. Walli,

RE: EB-2007-0606/EB-2007-0615 Interrogatories to Dr. Loube

As per Procedural Order No. 16, please find enclosed 11 hard copies of the interrogatories to Dr. Loube related to his evidence on behalf of the CCC, VECC and the City of Kitchener from the London Property Management Association, the Wholesale Gas Service Purchasers Group and the Building Owners and Managers Association of the Greater Toronto Area.

An electronic copy in PDF format has been filed through the Board's RESS system at www.errr.oeb.gov.on.ca.

Sincerely,



Randy Aiken
Aiken & Associates

Encl.

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 Union Gas Limited for an Order or Orders approving or fixing a multi-year incentive rate mechanism to determine rates for the regulated distribution, transmission and storage of natural gas, effective January 1, 2008;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving or fixing rates for the distribution, transmission and storage of natural gas, effective January 1, 2008;

AND IN THE MATTER OF a combined proceeding Board pursuant to section 21(1) of the *Ontario Energy Board Act, 1998*.

INTERROGATORIES OF THE LONDON PROPERTY MANAGEMENT
ASSOCIATION (“LPMA”), THE WHOLESALE GAS SERVICE PURCHASERS
GROUP (“WGSPG”), AND THE BUILDING OWNERS AND MANAGERS
ASSOCIATION OF THE GREATER TORONTO AREA (“BOMA”)
TO
DR. LOUBE

Reference: “The Evidence of Dr. Robert Loube on the Tax Change Issue” dated March 4, 2008

Interrogatory 1

Please provide a copy of the Jack M. Mintz article “Corporate Tax Adjustments and the Determination of Electricity Rates in Ontario” that is referenced in footnote 7 of the evidence.

Interrogatory 2

The evidence at page 2 states that “the specific conditions of the gas distribution industry, related to the gas industry’s capital intensity, causes the corporate income tax rate to have a different impact on the gas distribution industry”.

Please comment on the specific conditions of the gas distribution industry related to the gas industry's capital intensity and how this impacts on the industry with relation to the provincial capital tax and the capital cost allowance rate for distribution assets (Class 1).

Interrogatory 3

The evidence states at page 8 "that it is necessary, at a minimum, to pass at least seventy-five percent of the corporate tax reduction through the Z-factor".

a) If the corporate tax reduction is effective January 1 of the year and amounts to a reduction in taxes of \$100 for the year, please confirm that, in your opinion, at least \$75 of this reduction should be accounted for through the Z factor.

b) Does this \$75 Z factor continue on for subsequent years or is the entire \$100 reduction in taxes that takes place in the first year of the reduction accounted for in the subsequent year through the inflation factor? Please explain.