



March 12, 2007

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

RE: Halton Hills Hydro Inc.
2007 Distribution Rate Application
Board File No. EB-2007-0374

Board Secretary:

Further to an email received February 28, 2007 concerning Halton Hills Hydro's 2007 Distribution Rate Application we offer the following information:

- 1.) On Sheet 2 of your 2007 IRM Model, you have entered "Yes" to Rate Class 14 through 16. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for using these classes.
 - a. *Simple transcription error. The answer to Rate Class 14 through 16 should be "No"*
- 2.) On your 2006 tariff schedule the volumetric rates for the distribution, regulatory asset and the applicable transmission charges for both the General Service 1000 to 4999 kW and Sentinel classes are shown as kW's. On sheet 3 of your 2007 IRM model, the volumetric rates for these charges are shown as kWh's. There is no reference in your application explaining this discrepancy. Please clarify whether this was a simple error in selecting the rating dimension from the drop-down list on sheet 3 of the model. If not, please provide a full and complete explanation for changing the basis of the charges. Halton Hills Hydro will ensure that copies of the Application are available to anyone requesting the material.
 - a. *Simple error in selecting the rating dimension from the drop-down list. The volumetric rates for the General Service 1000 to 4999 kW and Sentinel should be shown as kW.*

3.) On Sheet 3 of your 2007 IRM Model, you removed the "\$" sign from both the service charges and regulated price plan – administration charge.

a. The "\$" sign has been restored in the service charges and regulated price plan – administration charge

4.) A review of your current Board approved Tariff of Rates and Charges shows an Interval meter charge at a rate of \$20.00. There is no reference on Sheet 3 of the 2007 IRM Model regarding this charge. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for excluding this charge.

a. Simple transcription error. The Interval meter charge of \$20.00 has been added to Sheet 3.

5.) A review of your Board approved 2006 EDR model indicates a deemed debt rate of 50%. On Sheet 3 of your 2007 EDR Smart Meter Rate Calculation Model you entered a deemed debt rate of 60%. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for using this level of debt.

a. Simple transcription error. Deemed debt rate should be 50%.

If you require any further information, please give me a call.

Yours truly,

A handwritten signature in dark ink, appearing to read "Arthur A. Skidmore", with a long horizontal flourish extending to the right.

Arthur A. Skidmore CMA
Chief Financial Officer

c. Mr. Dan Guatto, President