

Kirsten Walli
Board Secretary
Ontario Energy Board
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June 9, 2011

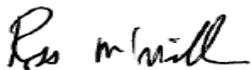
Dear Ms. Walli:

**RE: Addendum to Woodstock Hydro Services Inc.'s Conservation and Demand Management Strategy
Board File # EB-2010-0215**

As requested by the Board, Woodstock Hydro Services Inc. ("Woodstock Hydro") is submitting an amendment to its original Conservation and Demand Management ("CDM") Strategy document ("Strategy") filed to the Board on November 1, 2010. The addendum provides proposed budgeted figures to implement and operate the programs/initiatives indicated in the original Strategy. Woodstock Hydro used the best available information to reach the preliminary overall estimated budget for their 2011-2014 CDM Programming.

If you have any questions or concerns, please do not hesitate to contact Ross McMillan at (519) 537-7172 ext 230 or email rossmcm@woodstockhydro.com

Respectfully yours,



Ross McMillan, BA, CMA, CCP
President & CEO

Background

On November 1, 2010, Woodstock Hydro Services Inc. (“Woodstock Hydro”) filed a Conservation and Demand Management (“CDM”) Strategy Document (“Strategy”) to the Ontario Energy Board (“Board”) to comply with the CDM Code.

Woodstock Hydros’ original Strategy submission indicated targets of 4 MW demand and 21GWh energy savings. These targets were subsequently changed on November 12, 2010 to 4.490MW and 18.880 GWh. Targets will be achieved mainly through Ontario Power Authority’s suite of CDM Programming (“Tier 1 Programs”).

On November 23, 2010, the Board advised Woodstock Hydro that its CDM Strategy needs to be amended to include funding information. The funding information must include the overall estimated budget not just the Program Administration Budget that was provided by the OPA. At the time of filing and still, complete funding information for Tier 1 programs are still not available.

Methodology

To be able to comply with the Board’s request, Woodstock Hydro used the best available information to reach the preliminary overall estimated budget for their 2011-2014 CDM Programming. The methodology used by other Local Distribution Companies (LDC) such as Toronto Hydro, Chatham Kent Hydro and North Bay Hydro, which were acknowledged by the Board, as being utilized to estimate reasonable budgets to run Woodstock Hydro Tier 1 programs. The methodology includes using the Resource Planning Tool provided by the OPA and making adjustments based on territory specific considerations.

Prospective Budget

To respond to this direction from the Board, Woodstock Hydro has prepared an estimated, prospective budget for planned Tier 1 Programs. The estimated overall budget requirement by Woodstock Hydro to meet its demand and energy targets is \$3,085,038.88.

Program	Program total
OPA Industrial Program	\$261,201.64
OPA Commercial and Institutional	\$1,673,065.25
OPA Consumer Program	\$1,150,771.99
OPA Low-income Program	NA
Portfolio total	\$3,085,038.88

* Note that the prospective budget portfolio total above is not inclusive of any OPA Low-income Program costs. Further details regarding Low-income programs are pending from the OPA.

Board Approved Programs

While the OPA funded (Tier 1) programs are expected to generate a majority of the MW and GWh savings, Woodstock Hydro realises that Board Approved (Tier 2 and 3) programs may be required to achieve overall target. Woodstock Hydro will monitor savings generated during 2011 and if necessary, develop Board Approved program(s) that are specifically designed for their customers' needs. The application for the program, including the funding information is to be determined and should be available for approval in 2012.

Limitations

These prospective budgets are intended to provide an indication of the scale of the resources required to meet the targets for Woodstock Hydro. The final numbers maybe higher or lower depending on the following factors:

- Technologies and measures to be implemented
- Details of program designs and the actual cost of delivering them
- The ability to meet "typical" costs in the Woodstock Hydro's service area
- The possible need for the programs to exceed energy targets in order to meet demand targets (or vice versa)

Woodstock Hydro will report to the Board the progress relative to budget in its annual reports and to advise the Board of any adjustments required to ensure that the targets are being met.