

West Coast Huron Energy Inc.

EB-2008-0248

2009 Electricity Distribution Rates

SUPPLEMENTAL REPLY SUBMISSIONS

April 3rd, 2009

1. West Coast Huron Energy Inc. ("WCHE") filed its application (the "Application") for its 2009 distribution rates on September 11, 2008 for rates effective May 1, 2009. WCHE, Distributor License ED-2002-0510, distributes electricity to approximately 4,000 customers within the Town of Goderich Ontario.
2. The Notice of Application was issued on September 26th, 2008 and was published on October 8th, 2008 in the Goderich Signal Star. The Vulnerable Energy Consumers Coalition ("VECC"), The School Energy Coalition ("SEC") and the Association of Major Power Consumers in Ontario ("AMPCO") intervened in the Application and actively participated to varying degrees throughout the process. No individual ratepayers of WCHE participated in the proceeding.
3. SEC filed submissions on March 18th, 2009, however these submissions were not received by WCHE via the e-mail address utilized by SEC. These supplemental reply submissions of WCHE, as well as WCHE original reply submissions filed March 31st, 2009, are intended to respond to the submissions of SEC.
4. In its initial reply submission, WCHE has already responded to the majority of submissions presented by SEC with respect to the Application.
5. The following are areas in which WCHE determined that SEC's submissions required further clarification beyond the initial reply submission filed on March 31st, 2009.

6. SEC submits that given the large scope of the south loop and the fact that it is a multi-year project that will be completed over the next five years that it may be more appropriate for WCHE to receive an allowance for funds used during construction until the project is completed.
7. WCHE submits in return that the south loop enhancement project is a multiyear project; however each phase of the total project is in fact put into service annually and produces benefits for the distribution system and all customers of WCHE. Therefore, WCHE further submits that since each project is in service in its construction year and adds benefit to the customer that the projects should be included in rate base in the year they built.
8. Given that the south loop project seems to be due to the expansion plans of Sifto Salt and no contribution from Sifto Salt has been projected, SEC is concerned that ratepayers will have incurred an unnecessary expense should Sifto's plans not materialize or changes its load. SEC submits that WCHE address these concerns in its reply submissions.
9. WCHE submits that the south loop project is designed to provide operational flexibility and reduce constraints that exist today within the distribution system. The net benefits realized by all customers of WCHE are improved performance, reliability and ability to connect future load growth for years to come (including Distributed Generation projects). Expansions at Sifto Salt along with historical load growth patterns both equally contribute to concerns for system sustainability and the ability to connect customers. Therefore all customers benefit and not just Sifto Salt.

-All of which is respectfully submitted this 3rd, day of April 2009-