



December 6, 2007

Ms. K. Walli
Board Secretary
Ontario Energy Board
Suite 2701
2300 Yonge Street
Toronto, Ontario M4P 1E4

Re: Retail Transmission Rates Board File Number EB-2007-0892 – West Coast Huron Energy Inc.

Dear Ms. Walli;

Enclosed with this letter are two (2) hard copies and an electronic version of the Manager's Summary and the calculations, prepared in excel, for new Transmission Network and Connection rates incorporating the variances in these accounts for collection and/or refund for West Coast Huron Energy Inc. effective May 1, 2008.

These documents have been filed on behalf of West Coast Huron Energy Inc.

Sincerely,

Peter Ioannou
Regulatory Compliance Services

Enclosure

cc: L. McCabe, West Coast Huron Energy Inc.
File

MANAGER'S SUMMARY

West Coast Huron Energy Inc.

Board File Number EB-2007-0892

EB-2007-0759

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B of the *Energy Competition Act, 1998*:

AND IN THE MATTER OF an Application by West Coast Huron Energy Inc. for the resetting of retail transmission rates, effective May 1, 2008, in accordance with the letter issued October 29, 2007 by the Ontario Energy Board.

1. Introduction

- 1.1 West Coast Huron Energy Inc. (the "Company") is a licensed electricity distribution business operating in the Town of Goderich under Licence # ED-2002-0510 with no special conditions in its licence.
- 1.2 The Company submits this Application which includes the required documentation/schedules for the resetting of Retail Transmission Rates effective May 1, 2008 in accordance with the letter issued October 29, 2007 by the Ontario Energy Board.
- 1.3 The Company will prorate customer consumptions with pre-May 1, 2008 consumptions at the old rates and post-May 1, 2008 consumption at the new rates.

2. Retail Transmission Rates

The following information summarizes the information used in the excel sheets to reset transmission rates.

2.1 Sheet 1 Transmission Expenses

This sheet, page 1, summarizes the monthly expenses the Company has paid out during the last 3 years 2004, 2005 and 2006 to the IESO for transmission Network and Connection Service cost, and the average monthly/annual cost for each.

This sheet also identifies the current rates and the proposed rates to be charged by the IESO for transmission connection and network service.

Based on the new rates the average annual cost for transmission network service will reduce by approximately \$81,287.25 and the cost for transmission connection service will reduce by approximately \$65,047.44.

This sheet, page 2, summarizes the cost vs. the revenue to determine the variance by month for both network and connection service from May 1, 2006 to April 30, 2008 (this being the period EDR and regulatory asset rates were in effect), and incorporates the lower costs that will apply effective November 1, 2007 to April 30, 2008 of \$40,643.63 for network and \$32,523.72 for connection. During this period both network and connection accounts have been under collected by \$96,936.30 and \$27,990.87 respectively. The net variance at April 30, 2008 being \$56,292.67 for network to be collected and \$4,532.72 for connection to be refunded.

Due to the under collection of rates for both network and connection, page 3, shows what the rates should have been to have a zero variance by using the actual costs and revenues from May 1, 2006 to September 30, 2007. These rates will also be used to determine the new rates for both network and connection on Sheet 3.

2.2 Sheet 2 Summary kW and kWh by class

This sheet summarizes the annual kW and kWh consumptions by class during the last 3 years 2004, 2005 and 2006 to determine the average consumptions by class.

2.3 Sheet 3 Calculation of New Rates.

This sheet is used to calculate new rates for transmission network and connection service, and new rates incorporating the variances from Sheet 1, page 2, of \$56,292.67 and (\$4,532.85) respectively.

This sheet also shows class revenues using the average consumptions from sheet 2 to show the approximate revenues based on the new rates.

2.4 Sheet 4 Rate Schedule

This sheet shows the new rates effective May 1, 2008 and the new rate effective May 1, 2009 and compares them to the current Board Approved rates.

There are no customers that will be impacted by more than 10%.

Signed this 6th day of December 2007 at Goderich

Larry McCabe
President/Secretary
West Coast Huron Energy Inc.

Board File Number EB-2007-0892

Transmission Expenses

Month	Network Service Charge \$				Connection Service Charge \$			
	2004	2005	2006	3 Yr Average	2004	2005	2006	3 Yr Average
January	66,895.54	70,936.78	85,510.76	74,447.69	56,475.76	58,153.12	72,425.38	62,351.42
February	55,801.94	59,192.28	67,453.05	60,815.76	53,578.08	55,111.60	56,492.00	55,060.56
March	54,469.01	59,189.45	62,342.07	58,666.84	49,188.64	57,085.92	54,030.48	53,435.01
April	59,746.96	55,578.37	55,725.53	57,016.95	50,733.76	50,253.52	50,562.08	50,516.45
May	60,239.38	57,052.80	58,535.72	58,609.30	52,761.44	51,202.40	48,520.48	50,828.11
June	58,699.86	59,296.99	55,561.39	57,852.75	52,696.48	57,190.32	49,525.04	53,137.28
July	55,552.90	63,250.50	61,060.08	59,954.49	53,578.08	54,566.40	58,890.88	55,678.45
August	57,842.37	69,651.96	72,080.10	66,524.81	55,786.72	57,099.84	59,090.40	57,325.65
September	59,413.02	56,815.08	62,240.19	59,489.43	54,566.40	52,631.52	51,023.76	52,740.56
October	57,748.98	60,745.95	57,126.38	58,540.44	52,981.84	54,162.72	51,803.28	52,982.61
November	59,478.11	65,319.23	63,643.87	62,813.74	53,812.40	57,784.24	52,928.48	54,841.71
December	66,182.38	69,301.04	66,541.79	67,341.74	55,371.44	60,155.28	56,171.84	57,232.85
Total	712,070.45	746,330.43	767,820.93	742,073.94	641,531.04	665,396.88	661,464.10	656,130.67

Current Transmission Rate Per kW	\$ 2.83	\$ 2.32
New Transmission Rate Per kW	\$ 2.52	\$ 2.09
New Average Annual Cost	<u>\$660,786.69</u>	<u>\$591,083.24</u>
Annual Cost Reduction	<u>\$ 81,287.25</u>	<u>\$ 65,047.44</u>
Cost Reduction November 1, 2007 to April 30, 2008 6 Months Variance	<u>\$ 40,643.63</u>	<u>\$ 32,523.72</u>

Transmission Variances from May 1, 2006 to April 30, 2008

	Network			Connection		
	Cost	Revenue	Variance	Cost	Revenue	Variance
2006						
May	58,535.72	69062.00	(10,526.28)	48,520.48	60644.85	(12,124.37)
June	55,561.39	54171.90	1,389.49	49,525.04	47406.11	2,118.93
July	61,060.08	63731.88	(2,671.80)	58,890.88	55895.03	2,995.85
August	72,080.10	62138.04	9,942.06	59,090.40	55027.84	4,062.56
September	62,240.19	40254.17	21,986.02	51,023.76	40665.54	10,358.22
October	57,126.38	55499.14	1,627.24	51,803.28	50541.13	1,262.15
November	63,643.87	57318.58	6,325.29	52,928.48	52032.48	896.00
December	66,541.79	54925.90	11,615.89	56,171.84	50638.32	5,533.52
2007						
January	60,788.40	62826.51	(2,038.11)	55,724.08	57198.42	(1,474.34)
February	64,011.77	58911.64	5,100.13	53,640.72	54123.30	(482.58)
March	59,497.92	60332.58	(834.66)	51,132.80	57473.01	(6,340.21)
April	58,000.85	58126.10	(125.25)	49,898.56	52450.44	(2,551.88)
May	55,991.55	56939.30	(947.75)	50,615.44	51518.59	(903.15)
June	55,185.00	53107.78	2,077.22	53,223.12	48854.81	4,368.31
July	61,991.15	57736.40	4,254.75	51,552.72	52575.44	(1,022.72)
August	63,646.70	55932.78	7,713.92	55,220.64	51348.54	3,872.10
September	65,698.45	59890.47	5,807.98	54,914.40	54508.54	405.86
Sub-Total	1,041,601.31	980,905.17	60,696.14	903,876.64	892,902.39	10,974.25
October *Estimate	58,540.44	57629.00	911.44	52,982.61	52772.00	210.61
November *Estimate	62,813.74	57629.00	5,184.74	54,841.71	52772.00	2,069.71
December *Estimate	67,341.74	57629.00	9,712.74	57,232.85	52772.00	4,460.85
2008						
January *Estimate	74,447.69	57629.00	16,818.69	62,351.42	52772.00	9,579.42
February *Estimate	60,815.76	57629.00	3,186.76	55,060.56	52772.00	2,288.56
March *Estimate	58,666.84	57629.00	1,037.84	53,435.01	52772.00	663.01
April *Estimate	57,016.95	57629.00	(612.05)	50,516.45	52772.00	(2,255.55)
Total	1,481,244.47	1,384,308.17	96,936.30	1,290,297.26	1,262,306.39	27,990.87
Reduced cost Nov. 1, 2007 to April 30, 2008 for 6 Months due to Rate Reduction	\$ (40,643.63)	0.00	(40,643.63)	\$ (32,523.72)	0.00	(32,523.72)
Variance to April 30, 2008	1,440,600.84	1,384,308.17	56,292.67	1,257,773.54	1,262,306.39	(4,532.85)

*Estimate Monthly Cost is the 3 Year Average @ reduced Rates

*Estimate Monthly Revenue is the Average of October 2006 to September 2007

West Coast Huron Energy Inc.

735,247.98

Rates based on actual Costs and Actual Revenues (From May 1, 2006 to September 30, 2007)

	Current Network Rates		Current Connection Rates	
	Approved	Should Be	Approved	Should Be
Residential	0.0048	0.0051	0.0043	0.0044
General Service Less Than <50 kW	0.0044	0.0047	0.0039	0.0039
General Service 50 to 499 kW	1.7787	1.8888	1.5500	1.5691
General Service 500 to 4,999 kW	1.8891	2.0060	1.6992	1.7201
Large User	2.0918	2.2212	1.9431	1.9670
Unmetered Scattered Load	0.0044	0.0047	0.0039	0.0039
Sentinel Lights	1.3483	1.4317	1.2233	1.2383
Street Lights	1.3415	1.4245	1.1983	1.2130

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Transmission Rates - kWh and kW Consumptions by Class

	2004		2005		2006		Total		3 Year Average	
	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW
Residential	28,802,992	-	29,305,180	-	27,978,987	-	86,087,159	-	28,695,720	-
General Service Less Than <50 kW	16,628,790	-	16,947,115	-	16,352,209	-	49,928,114	-	16,642,705	-
General Service 50 to 499 kW	20,074,877	67,680	23,128,943	74,048	22,361,071	71,388	65,564,891	213,116	21,854,964	71,039
General Service 500 to 4,999 kW	18,457,156	40,318	17,761,532	37,890	20,034,402	39,221	56,253,090	117,429	18,751,030	39,143
Large User	67,773,537	131,331	67,122,966	134,777	62,824,981	133,248	197,721,484	399,356	65,907,161	133,119
Unmetered Scattered Load	175,014	-	175,014	-	175,014	-	525,042	-	175,014	-
Sentinel Lights	24,446	72	24,724	73	24,792	73	73,962	218	24,654	73
Street Lights	1,128,649	2,939	1,124,573	2,954	1,126,980	2,927	3,380,202	8,820	1,126,734	2,940
Total	153,065,461	242,340	155,590,047	249,742	150,878,436	246,857	459,533,944	738,939	153,177,981	246,313

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	Network		Connection	
	Rate	Cost	Rate	Cost
Retail Transmission Rates				
Current Rate Per kW	\$ 2.83	\$ 742,073.94	\$ 2.32	\$ 656,130.67
New Rate Per kW	\$ 2.52	\$ 660,786.69	\$ 2.09	\$ 591,083.24
Change	\$ (0.31)	\$ (81,287.25)	\$ (0.23)	\$ (65,047.44)
	-10.95%	-10.95%	-9.91%	-9.91%
Variances to be Incorporated into Revenues				
		\$ 56,292.67		\$ (4,532.85)
New Revenue (Cost) Amount		\$ 660,786.69		\$ 591,083.24
Total Revenue to be collected		\$ 717,079.36		\$ 586,550.39

Distribution Transmission Rates.

	Unit of Measure	NETWORK SERVICE			CONNECTION SERVICE		
		Calculated Current Rate/ kWh/kW	Proposed Rates		Calculated Current Rate/ kWh/kW	Proposed Rates	
			1-May-09 Per kWh/kW	1-May-08 Per kWh/kW		1-May-09 Per kWh/kW	1-May-08 Per kWh/kW
Residential	kWh	0.0051	\$ 0.0045	\$ 0.0049	\$ 0.0044	\$ 0.0039	\$ 0.0039
General Service Less Than <50 kW	kWh	0.0047	\$ 0.0042	\$ 0.0045	\$ 0.0039	\$ 0.0036	\$ 0.0035
General Service 50 to 499 kW	kW	1.8888	\$ 1.6819	\$ 1.8251	\$ 1.5691	\$ 1.4135	\$ 1.4027
General Service 500 to 4,999 kW	kW	2.0060	\$ 1.7863	\$ 1.9384	\$ 1.7201	\$ 1.5496	\$ 1.5377
Large User	kW	2.2212	\$ 1.9779	\$ 2.1464	\$ 1.9670	\$ 1.7720	\$ 1.7584
Unmetered Scattered Load	kWh	0.0047	\$ 0.0042	\$ 0.0045	\$ 0.0039	\$ 0.0036	\$ 0.0035
Sentinel Lights	kW	1.4317	\$ 1.2749	\$ 1.3835	\$ 1.2383	\$ 1.1156	\$ 1.1070
Street Lights	kW	1.4245	\$ 1.2685	\$ 1.3765	\$ 1.2130	\$ 1.0928	\$ 1.0844

Customer Class Revenues

	Unit	NETWORK SERVICE REVENUE			CONNECTION SERVICE REVENUE		
		Calculated Current Revenue	Proposed Revenue		Calculated Current Revenue	Proposed Revenue	
			Effective 1-May-09	Effective 1-May-08		Effective 1-May-09	Effective 1-May-08
Residential	kWh	\$ 146,262.45	\$ 130,240.77	\$ 141,336.03	\$ 124,908.14	\$ 112,525.01	\$ 111,662.09
General Service Less Than <50 kW	kWh	\$ 77,759.07	\$ 69,241.30	\$ 75,139.99	\$ 65,704.28	\$ 59,190.50	\$ 58,736.58
General Service 50 to 499 kW	kW	\$ 134,175	\$ 119,477.55	\$ 129,655.89	\$ 111,463.30	\$ 100,413.06	\$ 99,643.02
General Service 500 to 4,999 kW	kW	\$ 78,521	\$ 69,919.39	\$ 75,875.85	\$ 67,329.25	\$ 60,654.37	\$ 60,189.23
Large User	kW	\$ 295,688	\$ 263,298.09	\$ 285,728.56	\$ 261,841.99	\$ 235,883.51	\$ 234,074.59
Unmetered Scattered Load	kWh	\$ 817.71	\$ 728.14	\$ 790.17	\$ 690.94	\$ 622.44	\$ 617.67
Sentinel Lights	kW	\$ 104	\$ 92.75	\$ 100.65	\$ 90.09	\$ 81.16	\$ 80.54
Street Lights	kW	\$ 4,188	\$ 3,729.31	\$ 4,047.01	\$ 3,566.31	\$ 3,212.76	\$ 3,188.12
TOTAL		\$ 733,327.11	\$ 652,997.99	\$ 708,627.14	\$ 632,027.99	\$ 569,370.05	\$ 565,003.71

West Coast Huron Energy Inc.

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Proposed Rates Effective May 1, 2008

	Network			Connection		
	Board Approved Rates	Proposed Rates	Change %	Board Approved Rates	Proposed Rates	Change %
Residential	0.0048	0.0049	2.61%	0.0043	0.0039	-9.51%
General Service Less Than <50 kW	0.0044	0.0045	2.61%	0.0039	0.0035	-9.51%
General Service 50 to 499 kW	1.7787	1.8251	2.61%	1.5500	1.4027	-9.51%
General Service 500 to 4,999 kW	1.8891	1.9384	2.61%	1.6992	1.5377	-9.51%
Large User	2.0918	2.1464	2.61%	1.9431	1.7584	-9.51%
Unmetered Scattered Load	0.0044	0.0045	2.61%	0.0039	0.0035	-9.51%
Sentinel Lights	1.3483	1.3835	2.61%	1.2233	1.1070	-9.51%
Street Lights	1.3415	1.3765	2.61%	1.1983	1.0844	-9.51%

Proposed Rates Effective May 1, 2009

	Network			Connection		
	Board Approved Rates	Proposed Rates	Change %	Board Approved Rates	Proposed Rates	Change %
Residential	0.0048	0.0045	-5.44%	0.0043	0.0039	-8.81%
General Service Less Than <50 kW	0.0044	0.0042	-5.44%	0.0039	0.0036	-8.81%
General Service 50 to 499 kW	1.7787	1.6819	-5.44%	1.5500	1.4135	-8.81%
General Service 500 to 4,999 kW	1.8891	1.7863	-5.44%	1.6992	1.5496	-8.81%
Large User	2.0918	1.9779	-5.44%	1.9431	1.7720	-8.81%
Unmetered Scattered Load	0.0044	0.0042	-5.44%	0.0039	0.0036	-8.81%
Sentinel Lights	1.3483	1.2749	-5.44%	1.2233	1.1156	-8.81%
Street Lights	1.3415	1.2685	-5.44%	1.1983	1.0928	-8.81%