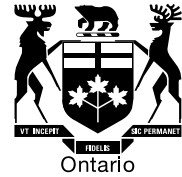


**Ontario Energy  
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**BY E-MAIL**

December 17, 2012

Wally Curry  
Director of Strategic Relationships  
West Coast Huron Energy  
64 West Street  
Goderich, ON N7A 2K4

Dear Mr. Curry:

**Re: West Coast Huron Energy Inc.  
Application for Rates  
Application Board File Number EB-2012-0175**

A preliminary review of the application has identified that certain sections of the evidence supporting the application do not comply with the Board's Filing Requirements for cost of service applications and/or the associated spreadsheets, models and work forms. As a result the Board is unable to process your application at this time.

The missing information includes:

- A statement from a senior officer of West Coast Huron Inc. that the evidence filed is accurate to the best of his/her knowledge or belief as set out in Chapter 1 page 3 of the Filing Requirements;
- A proposal with supporting evidence to dispose of Account 1562 – Deferred Payments in Lieu of Taxes as directed in West Coast Huron Energy Inc.'s 2012 IRM Decision and Order EB-2011-0203;
- The DVA Continuity Spreadsheet as an Excel document; and
- The following information from Chapter 2 of the Filing Requirements:

Chapter 2 Filing Requirement Reference (page #)	Description
2 - 3	The Board's letter of April 15, 2010 stated that the Board expected a distributor to include an analysis of the benefits and ratemaking implications, if any, of the proposed alignment of the rate year if it is not based on May 1. Appendix B of the letter contained examples of the issues that were to be addressed.
5	A statement is to be provided as to when the forecast was prepared and when it was approved by the utility's management and/or Board of Directors for use in the application.
13	Provide a schedule providing the most recent Board-approved revenue requirement and breakdown (i.e. OM&A, depreciation, taxes or PILs (grossed up), return and revenue offsets).
11	The applicant must provide a summary of changes to its accounting policies made since the applicant's last cost of service filing (e.g. capitalization of overhead, capitalization of interest, depreciation, etc.).
22	An applicant must identify whether or not any adjustments have been made to capital expenditures and OM&A to reflect the implementation of the HST and, if so, the applicant must identify in supporting schedules and analyses the respective cost decreases and increases and how these were determined for all categories of costs.
23	All economic assumptions and data sources used in the preparation of the load and customer count forecast should be included as evidence (e.g. Housing Outlook & Forecasts, relative energy prices and other variables used in forecasting volumes).
24-25	With respect to the forecast models, provide a statement explaining each method, reasons for selecting the method, supporting data used in the forecast including data sources, any relevant statistical parameters, calculations or formulae, provide back-casting with variances to assess accuracy, and explanations of the application of CDM volumes.
25	Provide a schedule of volumes (in kWh and in kW for those rate classes that use this charge determinant), revenues, customer count by rate class and total system load in kWh) for Historical Actual for the past 5 years; Historical Board Approved; Historical Actual for the past 5 years – weather normalized; Bridge Year; Bridge Year – weather normalized; and Test Year.
26	For each rate class, the applicant must provide revenues on the basis of both existing and proposed rates.
26	All data used to determine the forecasts should be presented and filed in a live MS Excel spreadsheet format.
27	Provide a Manager's Summary as detailed in 2.7.1.
29	A distributor should include the relevant LEAP amount as part of its OM&A expenses.

30	Post-retirement benefit cost accruals should be identified and described separately from current benefit costs. The most recent actuary report(s) should be included in the pre-filed evidence. What is disclosed in the tax section of the pre-filed evidence should agree with this analysis.
30	Provide explanations and justifications for year-over-year variances (include year and month hired for newly hired employees, inflation rates, collective agreement rates, etc.).
32 – 33	Provide depreciation details as set out in 2.7.7.
34 – 35	The applicant must show that the listed integrity checks related to PILs stated in 2.7.8.2 have been completed.
41	Provide the impacts of any change in methodologies on the overall deficiency/sufficiency and on the individual cost drivers.
42	Provide a description of the weighting factors used in the cost allocation model, including an explanation of why the distributor has chosen to use the default placeholders if applicable. Provide a hard copy of input sheets I-6 and I-8, and output sheets O-1 and O-2 (first page only). Input sheet I.2, cells c-17 and d-17 should be used to identify the final run of the model on each sheet.
45	Provide proposed fixed/variable proportion for each rate class and explain the changes from current proportions.
48	Provide detailed calculations of revenue per rate class under current rates and proposed rates by customer class; and detailed reconciliation of rate class revenue and other revenue to total revenue requirement (i.e., breakout volumes, rates and revenues by rate component, etc.).
49	The applicant must file a mitigation plan if total bill increases for any customer class exceed 10% that meets the requirements of 2.11.10.1.
51	Provide an explanation if the continuity schedule differs from the trial balance reported through the Electricity Reporting and Record-keeping Requirements and the Audited Financial Statements. Otherwise state that they reconcile.
51	Provide a breakdown of energy sales and cost of power expense, as reported in the audited financial statements, by USoA account number. The applicant must tie these numbers to the audited financial statements. If there is a difference between the energy sales and cost of power expense reported numbers, the applicant must explain why it is making a profit or loss on the commodity.
52	Provide a statement confirming that the applicant pro-rated the IESO Global Adjustment Charge into the RPP and non-RPP portions. If this is not the case, the applicant must provide an explanation.
52	The Board expects distributors to file for disposition of account 1592 in their cost of service applications. Complete and file Appendix 2-T in support of a request to dispose of account 1592.
52	Provide an analysis that supports the applicant's conforming to the December 2010 APH FAQs on "Sub-account HST / OVAT Input Tax Credits" of Account 1592 to record the ITC savings arising from the implementation of the HST on

	July 1, 2010, in particular the example shown in FAQ #4. State whether entries have been made to record variances in the sub-account of Account 1592 to cover the period from July 1, 2010 to December 31, 2012 since the Test Year, which starts January 1, 2013 would include the HST impacts in rates going forward. If this is not the case, please explain. If the rate year begins May 1 entries to record variances in the sub-account of Account 1592 would cover the period from July 1, 2010 to April 30, 2013.
53	Provide an accounting of one-time IFRS costs according to 2.12.3
53 & 54	Provide a proposal to clear Account 1575 – IFRS-CGAAP Transitional PP&E Amounts in accordance with 2.12.4.
54	Provide a statement confirming, or otherwise, that the DVA balances proposed for disposition before forecasted interest match the last Audited Financial Statements and provide explanations for any variances.
55	If the applicant is applying for smart meter-related recoveries, the applicant must comply with the requirements stated in <i>Guideline G-2008-0011: Smart Meter Funding and Cost Recovery – Final Disposition</i> , or any successor document issued by the Board.

The Board expects that West Coast Huron Energy Inc. will file the above listed required information as soon as possible.

Please direct any questions relating to this application to Christie Clark, Project Advisor at (416) 440-7683 or [christie.clark@ontarioenergyboard.ca](mailto:christie.clark@ontarioenergyboard.ca).

Yours truly,

*Original Signed By*

John Pickernell  
Assistant Board Secretary