



March 8, 2007

Ontario Energy Board
27th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli,

**St. Thomas Energy Inc.
Response to OEB Preliminary Review of the Application for 2007 Distribution Rate
Adjustments
EB-2007-0577**

The following response is in reference to an email received on March 5, 2007 from Angela Pachon, Regulatory Policy Advisor of the OEB and in reference to the OEB's response to a preliminary review of our Application for 2007 Distribution Rate Adjustments. St. Thomas Energy Inc's responses follow each of the OEB requests for clarification in the same order as presented:

OEB Request

A review of your current Board approved Tariff of Rates and Charges shows that on Sheet 3 of your 2007 IRM Model there are no descriptions of service categories, only a list of rate classes.

There is no reference in your application as to why these descriptions were omitted. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for this omission.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

A review of your current Board approved Tariff of Rates and Charges shows that on Sheet 3 of your 2007 IRM Model for General Service 50-4999 kW, Large Use, Unmetered Scattered Load, Sentinel Lighting and Street Lighting, the words "**if applicable**" are missing after Regulated Price Plan- Administration Charge.

There is no reference in your application as to why these words were omitted. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for this omission.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

A review of your current Board approved Tariff of Rates and Charges shows that on On Sheet 3 of your 2007 IRM Model for Large Use rate class, the words "**Interval Metered**" are missing after Retail Transmission Rate –Line and Ttransformation Connection Service Rate.

There is no reference in your application as to why these words were omitted. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for this omission.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

A review of your current Board approved Tariff of Rates and Charges shows that on On Sheet 3 of your 2007 IRM Model the words "**per connection**" are missing after services charges for Sentinel Lighting and Street Lighting.

There is no reference in your application as to why these words were omitted. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for this omission.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

A review of your current Board approved Tariff of Rates and Charges shows that on On Sheet 3 of your 2007 IRM Model the words "**per customer**" are missing after services charges for Unmetered Scattered Load.

There is no reference in your application as to why these words were omitted. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for this omission.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

On Sheet 3 of your 2007 IRM model the unit **\$/kWh** was imputed under General Service 50-4999 kW, Large Use, Sentinel Lighting and Street Lighting rate classes, for the following rates and changes:

Distribution volumetric

Regulatory asset recovery

All the Retail Transmission categories

A review of your current Board approved Tariff of Rates and Charges shows this unit as **kW**.

There is no reference in your application as to why this unit was used. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for using this unit

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

OEB Request

On Sheet 3 of your 2007 IRM Model under Primary Metering Allowance for transformer losses - applied to measured demand & energy, the unit **\$/kW** was imputed. A review of your current Board approved Tariff of Rates and Charges shows this unit as **%**.

There is no reference in your application as to why this unit was used. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for using this unit.

STEI Response

This was a simple transcription error and it has been amended on the revised Application for 2007 Distribution Rate Adjustments Sheet 3 submitted along with this response letter.

This Amendment has been made in the following OEB requested format:

- by courier a hard copy to the OEB Board Secretary

It has also been filed in the following format:

- by e-mail to boardsec@oeb.gov.on.ca and to angela.pachon@oeb.gov.on.ca one (1) electronic version of the response letter as a single PDF document in the prescribed file naming format of an interrogatory response.

Respectfully submitted for the Board's consideration.

Brian Hollywood,
President and Chief Executive Officer