Woodstock Hydro Services Inc. ED-2003-0011 EB-2008-0218 2009 Electricity Distribution Rate Application November 6, 2008

Manager's Summary

Woodstock Hydro Services Inc. served 14,479 electric customers and 4,000 street light connections in the City of Woodstock at December 31, 2007. These customers were comprised of the following rate classes:

Residential 13,070 General Service <50kW 1,214 General Service >50 kW 194 Large User 1

Woodstock Hydro Services Inc. is submitting the 2009 2nd Generation IR Distribution Rate Application as required in the October 3, 2008 letter from the Board and is requesting approval for those rate adjustments consistent with those contained in the model.

As requested, we have emailed an electronic version of the cover letter, Manager's Summary, 2009 2nd Generation IR Rate Model, Rate Impact Analysis, and supporting Appendixes as a single pdf document. We have enclosed 2 hard copies of the application package as per the instructions in the Oct 3, 2008 letter from the Board. A CD containing the application information has also been included.

The 2009 rate adjustments include:

- The 2nd Generation IRM price cap index adjustment net of smart meter funding increment
- The federal tax adjustment
- the K-factor adjustment to transition to the common deemed capital structure of 60% debt and 40% equity
- \$1.00 Smart meter funding adder
- Retail Transmission Service Rate adjustment

The revised distribution rates when approved will be implemented by Woodstock Hydro Services Inc on May 1, 2009.

These rates will be calculated on a pro-rata basis with pre-May 1 consumption at the old distribution rates and post-May 1 consumption at the new distribution rates.

The distribution rates have the following impact on customers of Woodstock Hydro Services Inc:

Customer Class	Distribution Charges
Residential (1,000 kWh)	\$ 0.87 or 2.8%
General Service <50 kW (1,000 kWh)	\$ 0.81 or 2.4%
General Service >50kW (510,000 kWh 1,270 kW)	\$ 10.90 or 0.4 %
Large Use (2.6M kWh, 5,000kW)	\$103.98 or 0.4%
Street Light (360 kWh, 1kW)	\$ 0.02 or 0.5%

If you have any questions please contact Patti Murray, Manager of Accounting and Regulatory Affairs, at 519-537-7172 ext 240, or email at pmurray@woodstockhydro.com

Yours respectfully,

Ross McMillan, B.A., C.M.A., F.C.I

President and CEO

Woodstock Hydro Services Inc.

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