OGILVY RENAULT

LLP / S.E.N.C.R.L., s.r.l.

Direct Dial: (416) 216-2311
Direct Fax: (416) 216-3930
ckeizer@ogilvyrenault.com

Toronto, September 17, 2008

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2700
PO Box 2319
Toronto, ON, M4P 1E4

Dear Ms. Walli:

RE: EnWin Utilities Ltd.
EB-2008-0227
Confidential Information Filing

EnWin Utilities Ltd. ("EWU") has filed certain information pursuant to Ontario Energy Board Filing Guidelines dated November 14, 2006 in the above referenced proceeding. Specifically, as part of the Filing Guidelines, EWU is required to file the following:

> *For residential, general service, commercial and industrial customers, normalized (if applicable) average consumption historic actual and forecasted consumption per customer for past 5 years and forecasted average consumption for the Test Year.*
>
> ...
>
> *All economic assumptions and their sources used in the preparation of the throughput revenues should be included in this section. (E.g. Housing Outlook & Forecasts, relative energy prices and other variables used in forecasting volumes).*

In the interests of completeness of the record EWU recognizes that the report prepared for it by Elenchus Research Associates on September 3, 2008 outlines the results and methodology used to derive the weather normalized load forecast is required to be filed with the Board and any intervenors who have executed the Undertaking and Direction regarding confidential information

(the "Report"). EWU notes, however, that the Report contains confidential customer specific load data.

Accordingly, further to section 5.1.4 of the Ontario Energy Board's Practice Direction on Confidential Filings, EWU is filing the Report in confidence.

Should you have any questions with respect to the foregoing, please feel free to contact me.

Yours very truly,

Ogilvy Renault LLP

per Charles Keizer

cc: Andrew Sasso (EnWin Utilities Ltd.)

Medium Term Weather Normalized Distribution System Load Forecast 2008 to 2009

Prepared for

EnWin Utilities Ltd.

September 3, 2008

1 INTRODUCTION

This document outlines the results and methodology used to derive the weather normal load forecast prepared for use in *ENWIN* Utilities Ltd. (hereafter "EWU") rebasing rate application for 2009 rates. A weather normal load forecast is developed for weather sensitive rate classes for the bridge year (2008) and test year (2009) and weather normalized historical consumption for these classes is also derived.

The forecast for EWU is based on monthly class specific retail data from January 2003 to December 2007. The most recent available data from the 1st and 2nd quarters of 2008 are used to verify forecast results. The 2008 data has also been incorporated into the forecast of non-weather sensitive large user classes. Retail metered data has been prorated to represent calendar month consumption. That is, the billing data has been adjusted to account for unbilled amounts, the effect of meter reading dates, etc. The retail consumption amounts do not include losses; therefore, distribution system losses are not part of the class retail volumes. These volumes will need to be adjusted for distribution system losses to reconcile with wholesale purchases by the LDC.

Short-term variation in electricity consumption is heavily influenced by three main factors – weather (e.g. heating and cooling), which is by far the dominant effect for most systems; economic factors (increases or decreases in economic activity leads to changes in employment, industrial and commercial activity, building and population change); and timing factors (non-holiday weekdays when businesses are typically operating). Where appropriate, we have tried to incorporate variables to account for these factors in considering EWU's load and correcting for weather anomalies.

In order to isolate demand determinants at the class specific level, we have estimated equations to weather normalize and forecast kWh consumption for the residential, GS<50 kW and GS>50 kW classes. Consumption for the intermediate and large users (Intermediate, Large Use - Regular, 3TS, and FA classes) as well as Street Lighting, Sentinel Lighting, and Unmetered Scattered Load (USL) is treated as predominantly insensitive to weather. This is generally consistent with the load research undertaken for

EWU by Hydro One as part of EWU's 2007 cost allocation filing. The forecast for these classes is based on trend analysis of consumption. Weather corrected class kW demand for the GS>50 kW class is calculated historically based on actual monthly load factor. Forecast kW is calculated based on the observed monthly load factor in 2007.

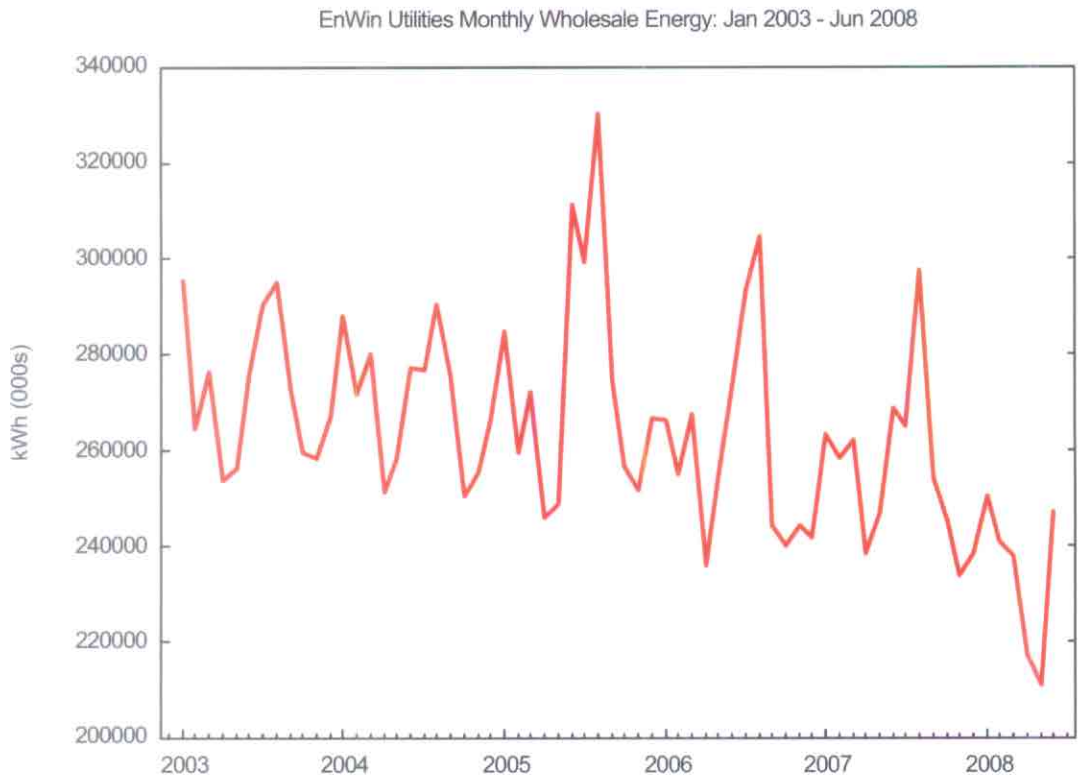
A significant portion of EWU's retail sales is driven by a few, predominantly industrial, large customers. In 2007, 13 customers in the intermediate and large user classes (LU - Regular, 3TS, FA) accounted for over 33 per cent of the total kWh delivered on the EWU distribution system. Of these, four customers (all in the automotive sector) accounted for almost 18% of the delivered kWhs in 2007. Significant load reduction has already occurred in 2007 with closure of the foundry at the Ford Windsor Powerhouse Plant in June 2007 and reduction at the Ford Essex Engine Plant in December 2007. Ford Essex includes the load of Nemak's Essex Aluminum Plant which has announced closure to take place in the first quarter of 2009. That closure is expected to remove the majority of the remaining load at Ford Essex. Another customer, the Ford Annex engine plant, has announced reduced production and layoffs of 300 to 450 employees, starting in July of 2008. And yet another customer, the GM Transmission Plant, has announced it will close in 2010 affecting approximately 1,400 employees. These announcements and the general weakness in the automotive sector, particularly the "North American Big 3" and their suppliers, pose a huge downside risk to the load forecast for EWU.

In general, wholesale energy delivered to the EWU distribution system has exhibited a declining trend over the past 5 years, with an especially steep downturn in the most recent few months. The table and chart below illustrate this trend with actual wholesale energy delivered (not adjusted for weather).

Table 1
Monthly Actual Wholesale Energy Delivered (kWh) to EWU System

	2003	2004	2005	2006	2007	2008
January	295,239,411	287,753,725	284,725,408	266,138,055	263,269,068	250,678,077
February	264,582,792	271,641,526	259,821,589	255,230,523	258,205,793	240,930,123
March	276,381,708	280,004,408	272,308,245	267,495,468	262,345,095	237,918,215
April	254,007,938	251,221,964	246,022,880	236,152,010	238,527,868	217,104,305
May	256,256,623	258,531,371	248,922,978	254,336,179	246,780,233	211,035,197
June	275,349,037	277,259,327	311,029,377	273,056,030	268,799,049	247,165,333
July	290,584,774	276,678,021	299,261,357	293,365,407	265,072,565	
August	294,913,166	290,323,207	330,271,682	304,640,464	297,477,732	
September	272,404,765	275,280,157	274,451,952	244,275,864	254,091,187	
October	259,499,396	250,620,074	256,727,014	240,105,873	244,904,253	
November	258,502,090	255,667,841	251,588,700	244,289,744	233,983,781	
December	267,298,465	266,487,120	266,771,392	241,882,806	238,248,860	
Annual	**3,265,020,165**	**3,241,468,741**	**3,301,902,574**	**3,120,968,423**	**3,071,705,484**	
% change		***-0.7%***	***1.9%***	***-5.5%***	***-1.6%***	
Jan-Jun	**1,621,817,509**	**1,626,412,321**	**1,622,830,477**	**1,552,408,265**	**1,537,927,106**	**1,404,831,250**
% change		***0.3%***	***-0.2%***	***-4.3%***	***-0.9%***	***-8.7%***

Chart 1



2 CLASS SPECIFIC NORMALIZED AND FORECAST RESULTS

In order to determine the relationship between observed weather and energy consumption, monthly weather observations describing the extent of heating or cooling required within the month are necessary. Environment Canada publishes monthly observations on heating degree days (HDD) and cooling degree days (CDD) for selected weather stations across Canada. Heating degree-days for a given day are the number of Celsius degrees that the mean temperature is below 18°C. Cooling degree-days for a given day are the number of Celsius degrees that the mean temperature is above 18°C. For EWU, we have used monthly HDD and CDD as reported at Windsor Airport (YQG).

In order to measure the change in economic activity, a data series must be chosen which represents, as much as possible, regional economic activity. We have used the monthly full-time employment levels reported by Statistics Canada from their Labour Force Survey as the measure for economic activity. For our analysis of EWU, we have used both the full-time employment for the Windsor Census Metropolitan Area (CANSIM series v3473704) and full-time employment for Ontario (CANSIM series v2054816). While the Windsor Census Metropolitan Area includes areas outside of the City of Windsor proper, monthly employment data is not available at any finer level of detail.

Finally, we have used the number of non-holiday weekdays in the month to account for peak day consumption. We have included New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, August Civic Holiday (Simcoe Day), Labour Day, Thanksgiving Day, Christmas and Boxing Day. From 2008, we have included the Ontario Family Day holiday in February, but we have not included Remembrance Day in November. The historical data for monthly employment and peak days are displayed in *Table 2* below.

Table 2 - *Monthly Peak Days*

	2003	2004	2005	2006	2007
January	21	21	20	21	22
February	20	20	20	20	20
March	21	23	21	23	22
April	20	20	21	18	19
May	21	20	21	22	22
June	21	22	22	22	21
July	22	21	20	20	22
August	20	21	22	22	22
September	21	21	21	20	19
October	22	20	20	21	22
November	20	22	22	22	22
December	21	21	20	19	19
	Full-time employment ('000s) Windsor CMA				
January	120	116.3	118.2	117	113.2
February	119.6	114.5	118.4	116.6	110.2
March	117.7	114	117.8	114.4	107
April	117.2	113.6	119.6	114.7	109.9
May	117.2	113.8	118.9	113.9	110.5
June	118.5	115	117.8	115.1	112.9
July	118.3	113	117	115.9	112.6
August	119.7	114.6	116.7	118.2	113.7
September	118.8	116.3	118.5	120.7	116.2
October	118.5	118.5	118.3	122	119.3
November	117.2	118.9	118.2	121.6	121.7
December	116.2	118.7	118.4	118.5	121.3
Ann % chg	***2.6%***	***-2.2%***	***2.2%***	***-0.6%***	***-2.8%***
	Full-time employment ('000s) Ontario				
January	4929.6	5048.8	5071.8	5219.1	5259.7
February	4911.6	5035.5	5043.8	5181.8	5224.7
March	4911.1	5022.8	5012.8	5153	5205.9
April	4940.2	5053.9	5065.6	5184.7	5233.8
May	4995.5	5113.7	5147.2	5290.7	5315.8
June	5068.9	5218.7	5264.7	5401.1	5426.4
July	5158.7	5307.2	5369.3	5511	5548.7
August	5227	5366.9	5443.4	5550.7	5615.9
September	5196.7	5319.8	5425.9	5500.2	5579
October	5147.7	5244	5370.8	5421.1	5515.2
November	5078.7	5156.2	5287.8	5326.2	5432.8
December	5076.7	5125.6	5267.3	5309.4	5409.3
Ann % chg	***2.8%***	***2.3%***	***1.2%***	***2.0%***	***1.1%***

Using this data, regression equations describing the relationship between monthly actual energy and the explanatory variables were estimated for the residential, GS<50 kW, and GS>50 kW classes.

Results for Residential kWh

Residential consumption is influenced by weather and employment; however, peak days do not significantly affect monthly residential kWh consumption (not atypical for residential load).

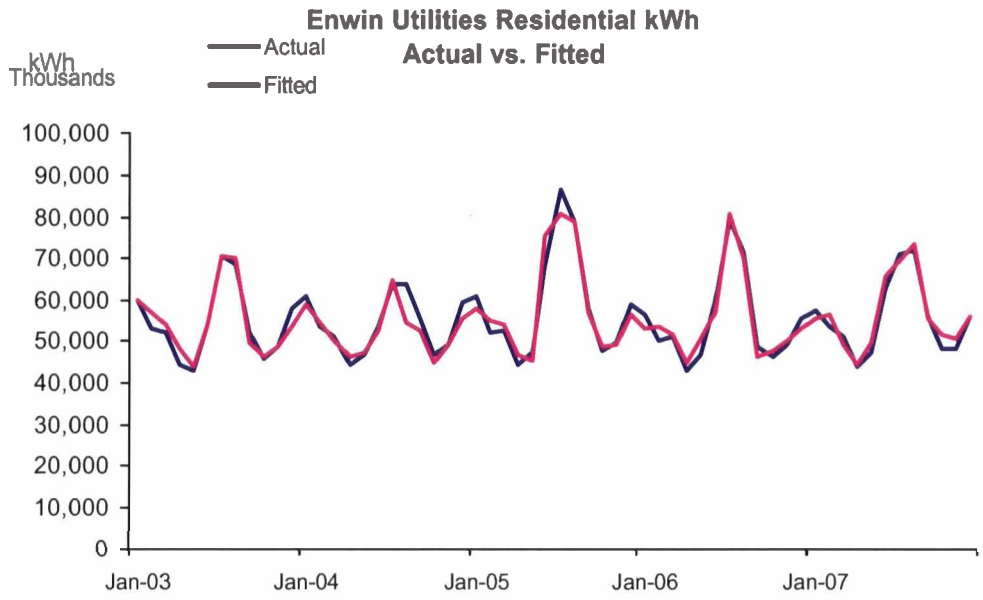
Res kWh = f(HDD, CDD, Windsor FTEmploy$_{t-1}$) + const

OLS estimates using the 60 observations 2003:01-2007:12

Unadjusted R^2 =0.921212
Adjusted R^2 = 0.916991
F-statistic (3, 56) = 218.256 (p-value < 0.00001)
Durbin-Watson statistic = 2.06562

Variable Name	Estimated Coeff.	T-Ratio	P-Value
const	7,489,120.0	0.5051	0.61547
HDD	25,391.5	11.5438	<0.00001
CDD	209,818.0	24.4543	<0.00001
Windsor FTE Employ$_{t-1}$	275,754.0	2.1525	0.03568

Actual and fitted values are plotted in the chart below:



Results for GS < 50 kW Class kWh

Energy consumption in the GS<50 kW class is affected by weather as well as peak days and economic factors (employment).

GS<50 kWh = f(HDD, CDD, Peak days, Windsor FTEmploy$_{t-1}$) + const

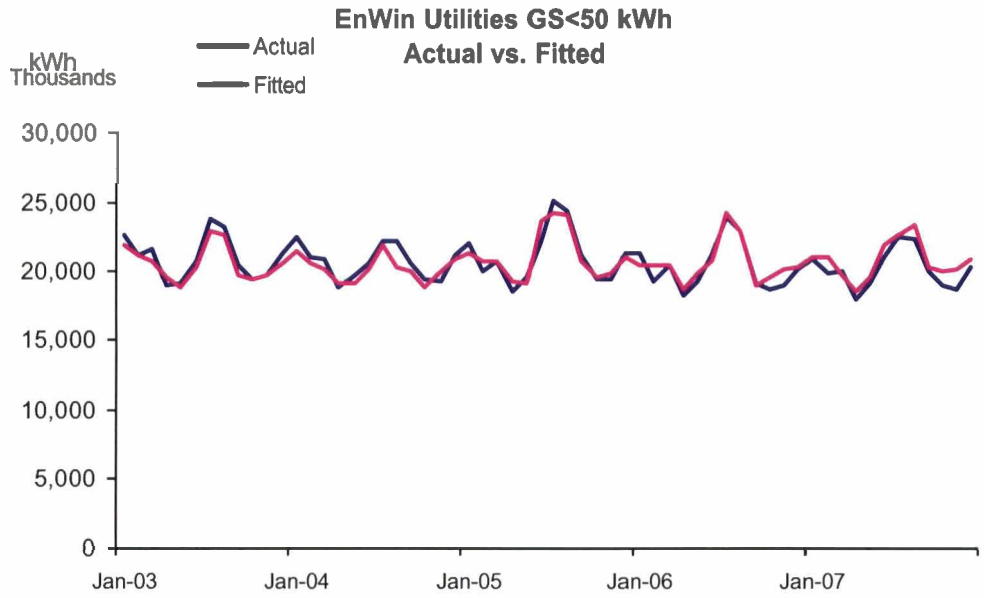
Prais-Winsten estimates using the 60 observations 2003:01-2007:12

Statistics based on the rho-differenced data:

Unadjusted R^2 = 0.818191
Adjusted R^2 = 0.804969
F-statistic (4, 55) = 64.649 (p-value < 0.00001)
Durbin-Watson statistic = 2.11855

Variable Name	Estimated Coeff.	T-Ratio	P-Value
const	8,168,420.0	1.7645	0.0832
HDD	4,484.8	7.4003	<0.00001
CDD	31,528.1	13.7435	<0.00001
PeakDays	107,308.0	1.393	0.16923
Windsor FTE Employ$_{t-1}$	66327.5	1.7406	0.08734

Actual and fitted values are plotted in the chart below:



Results for GS > 50 kW Class kWh

Energy consumption in the GS>50 kW class is affected by weather - both heating degree days and cooling degree days (contemporaneous and lagged one period). This may be due to the nature of the load in this class. Air conditioning demand in large buildings such as hospitals, shopping malls, offices and other public buildings may be dependent upon what the level of cooling load was in the previous month. In addition to peak days, GS > 50 kW class kWh consumption is also affected by the change in monthly Ontario full-time employment lagged one period (that is, the first difference in the level of Ontario full-time employment lagged one period). A time trend was also found to be statistically significant.

GS>50 kWh = f(HDD, CDD, CDD_{t-1}, Peak days, Time Trend, Ontario $dFTEmploy_{t-1}$) + const

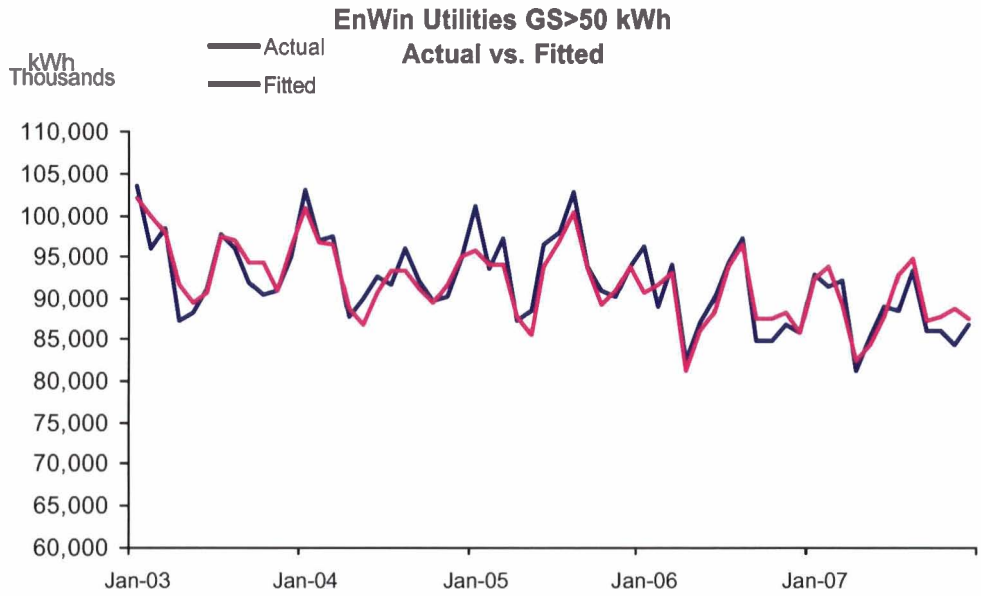
Prais-Winsten estimates using the 60 observations 2003:01-2007:12

Statistics based on the rho-differenced data:

Unadjusted R^2 = 0.858582
Adjusted R^2 = 0.842572
F-statistic (6, 53) = 55.0818 (p-value < 0.00001)
Durbin-Watson statistic = 2.01311

Variable Name	Estimated Coeff.	T-Ratio	P-Value
const	60,651,000.0	11.3153	<0.00001
HDD	22,655.2	12.407	<0.00001
CDD	51,334.2	5.624	<0.00001
CDD_{t-1}	24,290.2	3.6591	0.00058
PeakDays	1,312,590.0	5.2188	<0.00001
Time	-149,711.0	-8.7979	<0.00001
Ontario ? FTEmploy$_{t-1}$	22,911.8	2.3048	0.02513

Actual and fitted values are plotted in the chart below:



Annual estimates are compared to actual values in the table below. Mean absolute percentage errors (MAPE) of the estimates for the period are all less than 2 per cent.

Table 3 – EnWin Utilities – Annual Predicted vs. Actual

Year	*Actual Residential kWh*	*Predicted kWh*	*Error*	*Actual GS<50 kWh*	*Predicted kWh*	*Error*
2003	649,738,083	655,943,586	0.96%	252,413,601	247,751,178	-1.85%
2004	647,599,555	629,613,281	-2.78%	249,152,409	242,853,730	-2.53%
2005	704,260,574	705,069,242	0.11%	254,287,176	254,873,136	0.23%
2006	656,672,461	657,383,526	0.11%	244,005,032	247,158,681	1.29%
2007	667,620,645	677,883,187	1.54%	242,351,722	249,593,793	2.99%
		Mean Absolute Percent Error	*1.10%*			*1.78%*

Year	*Actual GS>50 kWh*	*Predicted kWh*	*Error*
2003	1,127,049,460	1,142,957,128	1.41%
2004	1,122,882,842	1,114,874,483	-0.71%
2005	1,134,227,770	1,116,564,274	-1.56%
2006	1,072,373,448	1,070,765,219	-0.15%
2007	1,057,316,490	1,068,623,628	1.07%
	Mean Absolute Percent Error		*0.98%*

2.1 WEATHER NORMALIZATION AND FORECASTED CONSUMPTION

It is not possible to accurately forecast weather for months or years in advance. Therefore, one can only base future weather expectations on what has happened in the past. Individual years may experience unusual spells of weather (unusually cold winter, unusually warm summer, etc.). However, over time, these unusual spells "average" out. While there may be trends over several years (e.g., warmer winters for example), using several years of data rather than one particular year filters out the extremes of any particular year. For EWU, the 10 year average from 1998 to 2007 has been adopted as the appropriate definition of weather normal. Other definitions also exist. Environment Canada publishes 30 year "Climate Normal" data based on observations from 1971 to 2000. The OEB has considered yet others (for example, a five-year rolling average used to predict heating degree days for bridge year and test year in the case of Natural Resource Gas Limited (RP-2004-0167)). Our view is that a ten-year average based on the most recent ten calendar years available is a reasonable compromise that likely reflects the "average" weather experienced in recent years. Others have also adopted this definition (for example, Toronto Hydro Electric System Limited in EB-2005-0421 and EB-2007-0680).

Presented below is a table outlining the 10-year and 30-year average monthly HDD and CDD for Windsor Airport (YQG).

Table 4 - 30-yr and 10-yr HDD and CDD, Windsor Airport (YQG)

	1971-2000 30-yr normal		1998-2007 10-yr normal	
	HDD	CDD	HDD	CDD
Jan	697.5	0.0	647.4	0.0
Feb	599.1	0.0	556.8	0.0
Mar	495.8	0.2	474.7	0.7
Apr	295.9	2.6	260.7	2.6
May	120.8	24.7	104.7	27.3
Jun	22.4	84.1	19.3	109.8
Jul	1.6	146.5	0.8	164.9
Aug	5.1	116.7	2.1	138.8
Sep	60.5	43.6	38.4	60.5
Oct	221.9	3.2	198.2	9.0

Nov	401.3	0.0	355.6	0.0
Dec	602.9	0.0	577.8	0.0
Annual	3,524.8	421.7	3,236.4	513.6

EMPLOYMENT OUTLOOK

Forecasts for Ontario's employment outlook for 2008 and 2009 are available from four Canadian Chartered Banks at time of forecast. Their forecasts are summarized below.

Table 5 - Employment Forecast – Ontario
(figures in annual percentage change)

	BMO *(Winter 2008)*	RBC *(April 2008)*	Scotia *(May 5, 2008)*	TD *(April 16,2008)*	avg
2008	0.7	0.9	1.2	1.0	0.9
2009	0.7	1.0	0.8	0.4	0.7

In addition, EWU has obtained specific forecasts for the Windsor Census Metropolitan Area from the *Metropolitan Outlook* service offered by the *Conference Board of Canada*. In their May 8, 2008 forecast, the Conference Board of Canada forecast employment in the Windsor Census Metropolitan Area to increase by 1.5% in 2008 and -1.6% in 2009. A summary of this forecast is displayed below.

Table 5a
Conference Board of Canada Quarterly Employment Outlook for WINDSOR Metropolitan Area
Updated: May 8, 2008

		Q1	Q2	Q3	Q4	Annual
2007	Employment	157	158	157	162	158
	% change	*-3.4*	*0.7*	*-0.6*	*2.9*	*-4.1*
2008	Employment	164	161	159	158	161
	% change	*1.5*	*-1.6*	*-1.4*	*-0.8*	*1.5*
2009	Employment	157	158	158	158	158
	% change	*-0.3*	*0.4*	*0.2*	*0.1*	*-1.6*

Discussion

As briefly outlined earlier, we believe there is substantial downside risk to EWU's load forecast. Part of this risk stems from using forecasts for employment growth which may overstate the potential for economic activity in Windsor, or more correctly, understate the potential for decline. We have relied on a forecast for the Windsor Census

Metropolitan Area's employment growth that was released by the Conference Board of Canada (CBOC) on May 8. This forecast was prepared using data available prior to several major announcements, including the layoffs at Ford's V8 Engine plant (Ford Annex) and the closure in 2010 of GM's Transmission Plant. While the CBOC forecasts average annual growth in employment of 1.5 per cent in 2008 and average annual decline of 1.6 in 2009, the 2008 growth is predicated on a strong 4th quarter in 2007. However, the CBOC forecast also indicates that the level of employment in Windsor in the 4th quarter of 2008 will be 3.7 per cent lower than in the 1st quarter 2008. In 2009, the average quarterly growth rate is 0.1 per cent. For this forecast, we have adopted a 2.9 per cent decrease and a 0.1 per cent increase for employment change for Windsor in 2008 and 2009, respectively. The 2008 figure is based on the mid-point (median) of the relative strength of employment in the 4th quarter relative to the 1st quarter. The 2009 figure is based on the average quarterly growth.

These assumptions are consistent with other economic and consumption data we have available. For example, change in weather corrected residential consumption is related in large part to the number of new residential units. The Canada Mortgage and Housing Corporation (CMHC) has reported a 25 per cent decline in housing starts for the City of Windsor, comparing 1st quarter 2007 with 1st quarter 2008. For the Windsor CMA as a whole, the decline is 63.2 per cent, the worst since 1985. Housing completions for the same period are down by 33.3 per cent in Windsor City and 26.9 per cent in the Windsor CMA.[1] CMHC is forecasting a decline of 40.1 per cent in total housing starts for the Windsor CMA in 2008 and a further decline of 2.2 per cent in 2009.[2] Given that a major component of weather normal residential kWh growth is derived from new attachments, significant growth appears to be unlikely.

Examining data for the 1st quarter of 2008 validates that consumption in the three weather sensitive classes has declined. Data for 1st quarter 2007 and 1st quarter 2008 are displayed in Table 6 below.

[1] Canada Mortgage and Housing Corporation, Housing Now, Windsor CMA, Second Quarter 2008.
[2] CMHC Housing Market Outlook, Windsor CMA, Spring 2008.

Table 6 - 1st Qtr 2007 and 1st Qtr 2008

	Res kWh	GS<50 kWh	GS>50kWh	HDD
1st Qtr 2007	162,274,321	60,970,936	276,919,777	1,737.8
1st Qtr 2008	160,426,100	60,427,033	267,916,101	1,780.6
% change	-1.1%	-0.9%	-3.3%	2.5%

Even though actual heating degree days in the 1st quarter 2008 are 2.5% greater than in 2007, actual consumption in 2008 versus 2007 is down in all three classes.

WEATHER CORRECTED CONSUMPTION

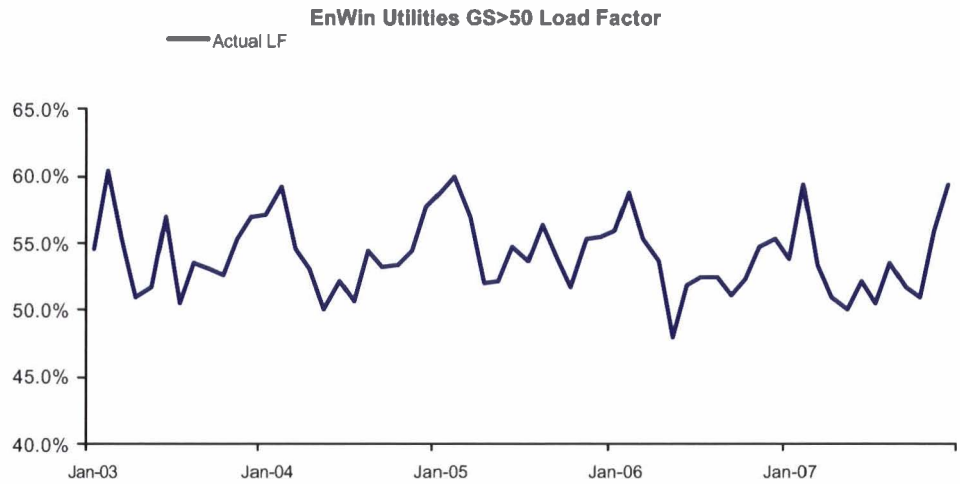
Based on the above data and estimated equations, the following weather corrected consumption has been calculated for EWU's weather sensitive classes.

Table 7 - Weather Corrected Consumption for EnWin Utilities

			10-yr (1998-2007)	
Year	Actual residential kWh	%chg	Weather Normal	%chg
2003	649,738,083		672,503,738	
2004	647,599,555	-0.3%	661,639,031	-1.6%
2005	704,260,574	8.7%	670,849,214	1.4%
2006	656,672,461	-6.8%	668,201,976	-0.4%
2007	667,620,645	1.7%	656,399,705	-1.8%
2008F			651,371,731	-0.8%
2009F			642,120,095	-1.4%
Year	Actual GS<50 kWh	%chg	Weather Normal	%chg
2003	252,413,601		250,011,449	
2004	249,152,409	-1.3%	247,612,761	-1.0%
2005	254,287,176	2.1%	249,613,484	0.8%
2006	244,005,032	-4.0%	248,976,740	-0.3%
2007	242,351,722	-0.7%	246,352,539	-1.1%
2008F			245,035,845	-0.5%
2009F			242,703,228	-1.0%
Year	Actual GS>50 kWh	%chg	Weather Normal	%chg
2003	1,127,049,460		1,144,323,793	
2004	1,122,882,842	-0.37%	1,125,342,474	-1.7%
2005	1,134,227,770	1.01%	1,101,857,720	-2.1%
2006	1,072,373,448	-5.45%	1,078,546,583	-2.1%
2007	1,057,316,490	-1.40%	1,060,616,916	-1.7%
2008F			1,034,451,276	-2.5%
2009F			1,013,230,091	-2.1%

NORMALIZED GS>50 KW DEMAND

Historic weather normalized GS>50 kW demand is calculated based on the monthly actual class load factor and the historic monthly weather normalized class kWh. Forecast weather normalized class kW is based on the forecast weather normalized class kWh and the monthly class load factor in 2007. Two charts below illustrate the actual monthly class load factor and the monthly class load factor in 2007 compared to the 5-yr monthly average (i.e., the average of each month for 5 years). The charts show that monthly load factor is relatively stable from year to year.



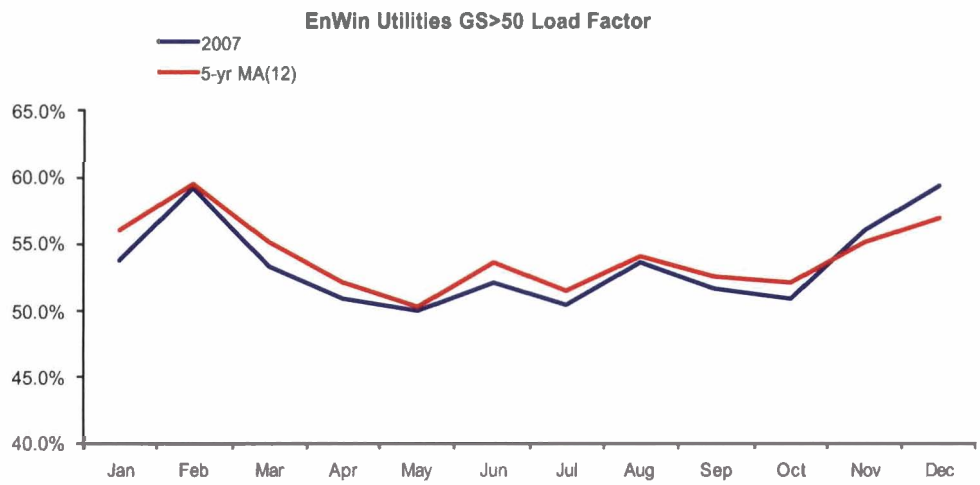


Table 8 below displays the actual and normalized GS>50 kW class demand and the forecast class kW based on 2007 monthly class load factor and forecast monthly weather normal energy consumption.

Table 8 - EnWin Utilities GS >50 kW Demand				
			10-yr (1998-2007)	
Year	Actual GS > 50 kW	%chg	Weather Normal	%chg
2003	2,845,774		2,890,588	
2004	2,836,066	-0.3%	2,843,529	-1.6%
2005	2,824,887	-0.4%	2,746,085	-3.4%
2006	2,750,831	-2.6%	2,766,766	0.8%
2007	2,716,616	-1.2%	2,725,040	-1.5%
2008F			2,649,212	-2.8%
2009F			2,601,990	-1.8%

3 NON-WEATHER SENSITIVE CLASS FORECASTS

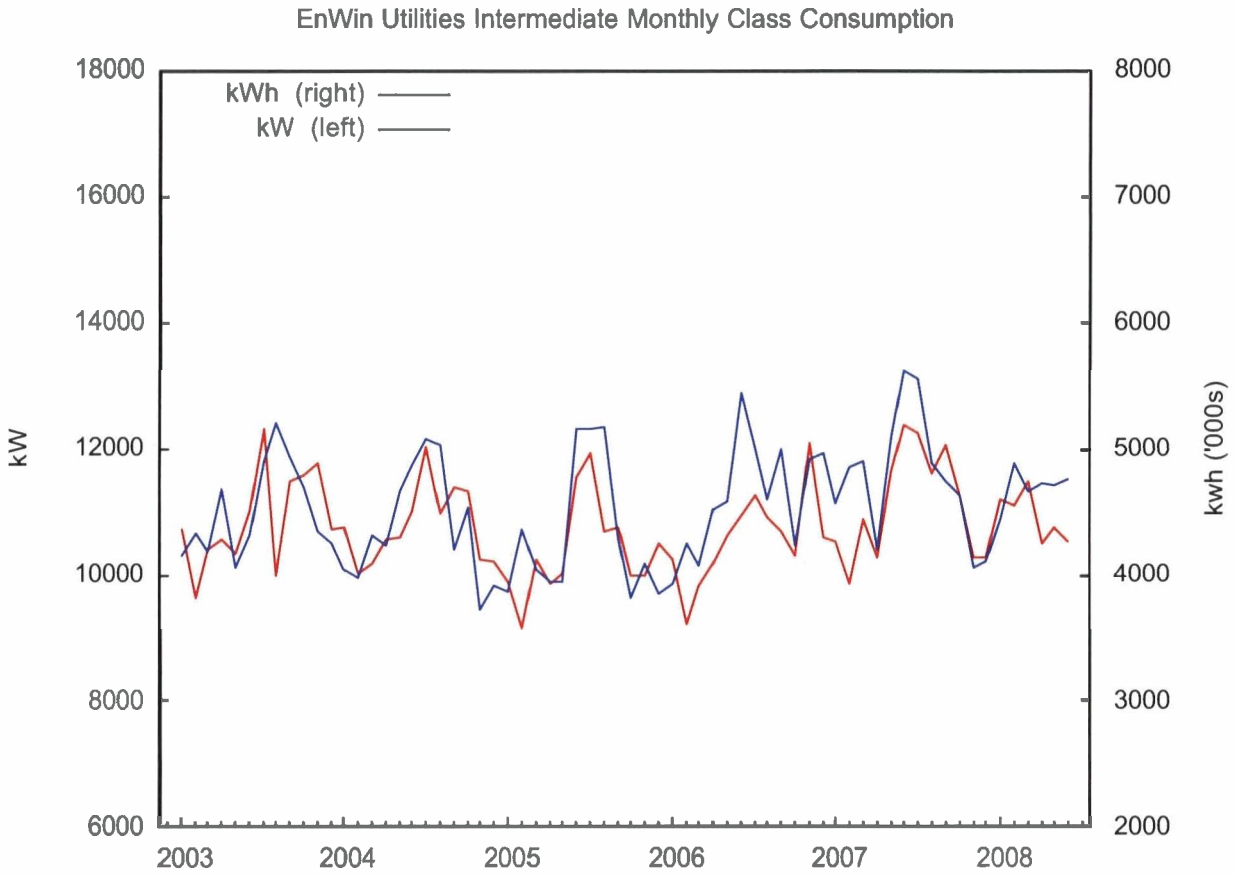
Historic and forecast class consumption for non-weather sensitive classes (Intermediate, Large Use - Regular, 3TS, FA, Street Lighting, Sentinel Lighting, and USL) is based on trend forecasts. These trends are based on the past consumption in the class, expected developments in labour market trends, and customer growth (or decline) trends. In general, for classes such as street lighting, sentinel lighting, and USL, a simple trend in the observed customer (connection) changes over the past few years is a generally reliable indicator of future growth along with any information about new sub-division development or specific projects that may affect these classes. For example, in the economic environment that Windsor currently faces, it is unlikely that any substantial new subdivision development will occur. Thus, it is unlikely that the number of street light connections will expand.

3.1 LARGE USE FORECASTS

As briefly discussed earlier, a large proportion of kWh consumption in EWU's distribution system is driven by customers in the Intermediate and Large Use rate classes. Many of these are linked to the automotive sector.

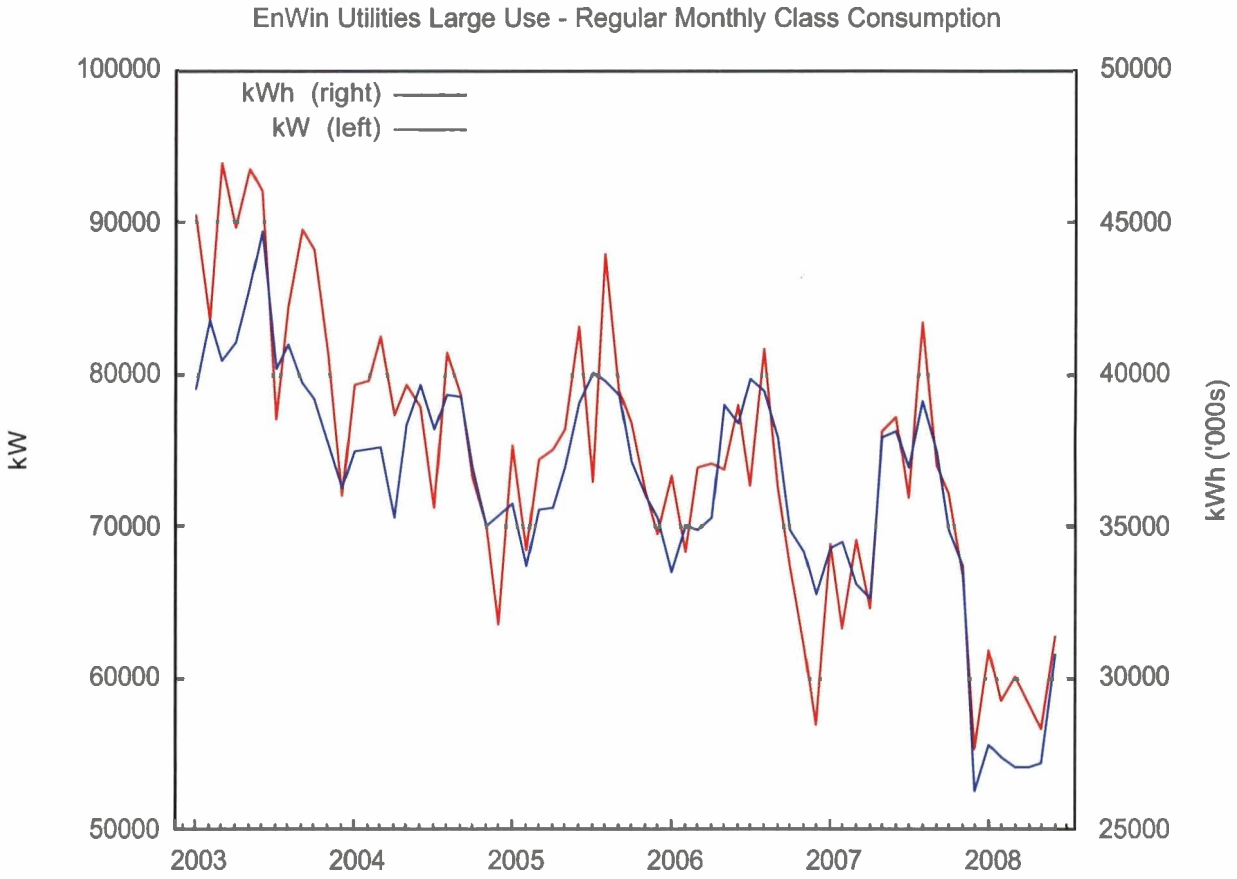
Intermediate Class

The smallest of these large use classes is the Intermediate Class, which is comprised of 3 customers that consumed about 54.6 million kWh in 2007. The following chart displays monthly kWh consumption and kW demand for this class from January 2003 to June 2008.



Large Use – Regular Class

The Large Use - Regular class consists of 6 customers that consumed about 421 million kWh in 2007. The chart below illustrates the energy and demand for this class and shows that consumption declined significantly in late 2007 and continues into 2008.



For the Large Use – Regular class, January - June kWh consumption in 2008 has dropped by almost 15 per cent from the same period in 2007 and kW demand has dropped by over 20 per cent.

Table 8 - EnWin Utilities
Year-Over-Year First Half Consumption, Large Use - Regular Class

	kWh	% chg	kW	% chg
Jan 2007 - Jun 2007	209,720,418		421,220	
Jan 2008 - Jun 2008	179,066,791	-14.6%	334,606	-20.6%

This decline is due in large part to a large decline for one customer (the Ford Essex Engine plant with further load reductions announced for 2009 as previously mentioned).

[redacted]

Table Redacted

[redacted]

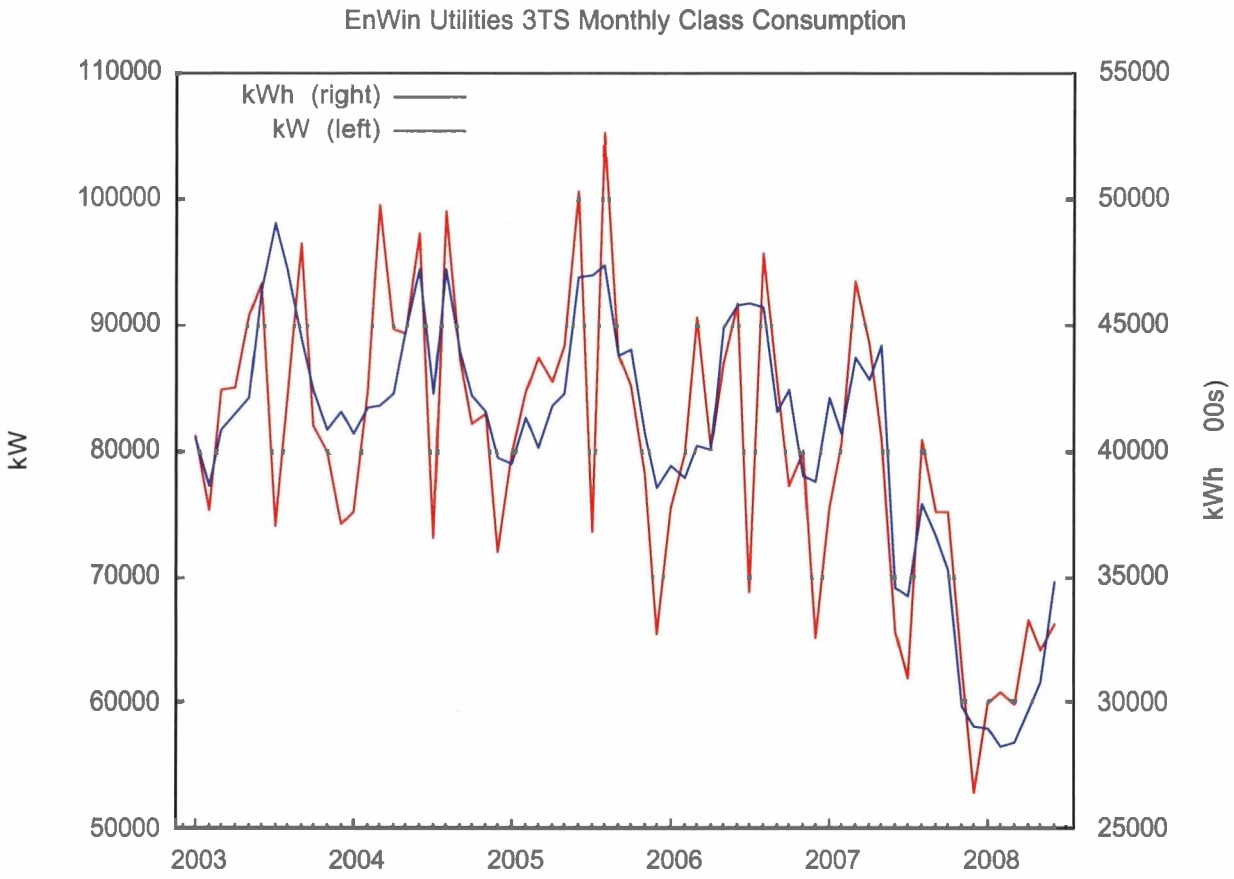
	kWh	% chg	kW	% chg
[redacted]				

Based on year-to-date statistics and the recent historic trend in this class, kWh consumption is forecast to decline by almost 15% in 2008 and demand (kW) is forecast to decline by almost 19% in 2008. In 2009, as previously discussed, the Nemak Aluminum Plant at Ford Essex is scheduled to close. [redacted] Therefore, for the nine months April to December 2009, kWh consumption in the Large Use – Regular class will decline by [redacted] In addition, the class consumption will decline by an additional [redacted] that reflects the secular

decline in consumption seen over 2003 to 2007. This results in a 22.9 per cent decline in kWh for 2009 over 2008 and a 20.6 per cent decline in kW.

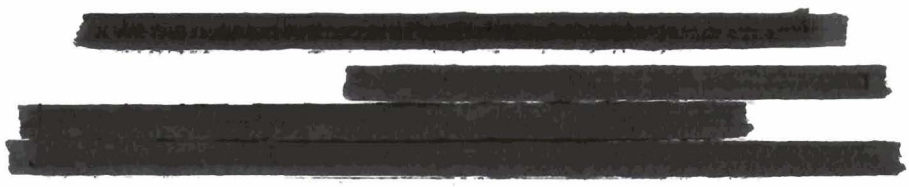
Large Use – 3TS

A similar pattern of decline is evident in the 3TS class which consists of three automotive customers, each with a dedicated TS. The following chart shows a similar dramatic decline in consumption since mid-2007.



[redacted]

Table Redacted



As Table 11 illustrates, class kWh consumption is down by 22% and class kW is down 27% comparing 1st half 2008 with 1st half 2007.

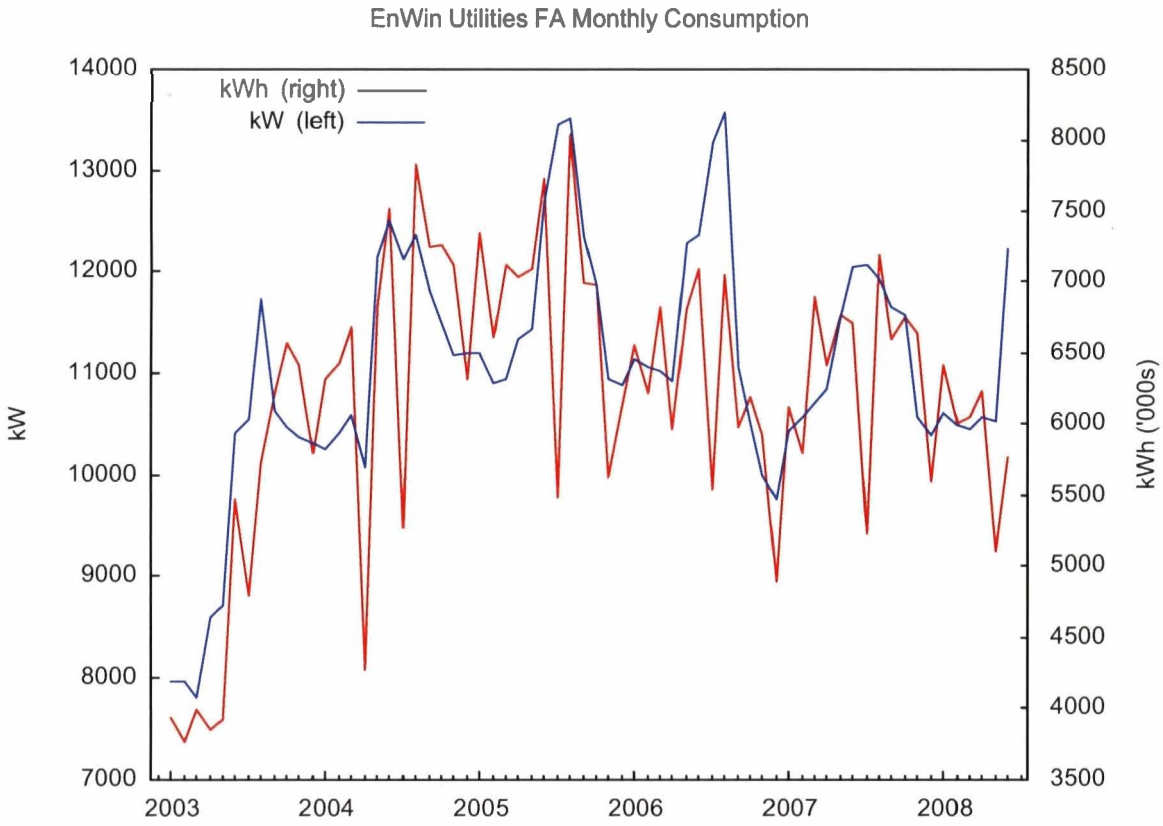
Table 11 - EnWin Utilities
Year-Over-Year First Half Consumption, 3TS Class

	kWh	% chg	kW	% chg
Jan 2007 - Jun 2007	242,359,957		496,201	
Jan 2008 - Jun 2008	188,964,747	-22.0%	362,056	-27.0%

The year-over-year declines for 1st half 2008 will be used to forecast 2008 3TS class kWh and kW. The 2009 forecast will be based on the 2003 to 2007 trend which is -2.7% and -3.2%, respectively.

Large Use – Ford Annex

To date, consumption at Ford Annex (FA) is relatively stable. However, as mentioned previously, Ford has announced reduced production at this facility for 2009, although the reduction in demand associated with this reduced production is unknown at this time.



Historical and forecast large user class consumption is summarized in *Table 12* below.

Table 12 – Intermediate, Large User, 3TS, and FA Class Consumption

	Intermediate				*Large Use – Regular*			
Year	KWh	%	kW	%	kWh	%	kW	%
2003	53,233,369		131,987		518,021,518		969,142	
2004	52,602,302	-1.2%	129,095	-2.2%	457,137,275	-11.8%	900,058	-7.1%
2005	50,258,516	-4.5%	127,305	-1.4%	455,612,990	-0.3%	888,688	-1.3%
2006	51,426,927	2.3%	134,948	6.0%	427,474,441	-6.2%	870,552	-2.0%
2007	54,606,899	6.2%	138,359	2.5%	421,466,779	-1.4%	838,146	-3.7%
2008F	54,989,147	0.7%	140,072	1.2%	359,902,762	-14.6%	679,517	-18.9%
2009F	55,374,071	0.7%	141,807	1.2%	277,467,527	-22.9%	539,634	-20.6%

	3TS				*FA*			
Year	KWh	%	kW	%	kWh	%	kW	%
2003	500,747,586		1,031,058		60,405,509		115,472	
2004	516,136,719	3.1%	1,030,734	0.0%	79,064,802	30.9%	136,115	17.9%
2005	510,796,871	-1.0%	1,026,580	-0.4%	82,150,730	3.9%	141,462	3.9%
2006	488,505,123	-4.4%	1,005,297	-2.1%	75,018,462	-8.7%	136,961	-3.2%
2007	446,869,974	-8.5%	902,266	-10.2%	76,708,349	2.3%	134,319	-1.9%
2008F	348,558,580	-22.0%	658,654	-27.0%	76,062,397	-0.8%	133,790	-0.4%
2009F	339,147,498	-2.7%	637,577	-3.2%	75,421,885	-0.8%	133,262	-0.4%

3.2 LIGHTING AND USL FORECAST

A summary of the forecast for street lighting, sentinel lighting and USL classes is presented in *Table 13* below. As discussed in *section 2.1*, the outlook for new sub-division development in Windsor is poor. Therefore, there is no reason to expect growth in the number of street light connections. Street light connections and consumption has been held at 2007 levels. Sentinel light consumption is trended based on average growth from 2003 to 2007, as is USL.

Table 13 – Street Lighting, Sentinel Lighting and USL

	Street Lighting				*Sentinel Lighting*			
Year	kWh	%	kW	%	kWh	%	kW	%
2003	16,274,199		46,939		1,174,442		3,231	
2004	16,529,690	1.6%	47,728	1.7%	1,125,888	-4.1%	3,129	-3.2%
2005	16,714,185	1.1%	48,185	1.0%	1,103,357	-2.0%	3,012	-3.7%
2006	16,904,360	1.1%	48,440	0.5%	967,060	-12.4%	2,663	-11.6%
2007	16,887,318	-0.1%	48,555	0.2%	1,026,773	6.2%	2,779	4.4%
2008F	16,887,318	0.0%	48,555	0.0%	995,165	-3.1%	2,681	-3.5%
2009F	16,887,318	0.0%	48,555	0.0%	964,529	-3.1%	2,586	-3.5%

	USL	
Year	kWh	%
2003	4,485,215	
2004	4,510,305	0.6%
2005	4,461,311	-1.1%
2006	4,433,473	-0.6%
2007	4,292,331	-3.2%
2008F	4,245,819	-1.1%
2009F	4,199,811	-1.1%

Table 14 below presents the results for class specific historic actual and historic normalized (2007) kWh and kW (where applicable), and normalized forecast values for bridge year (2008) and test year (2009).

Table 14 – Load Forecast (Historical, Bridge and Test Years).

	2007 Actual	2007 Normalized	2008f Normalized	2009f Normalized
Residential (kWh)	667,620,645	656,399,705	651,371,731	642,120,095
GS<50 (kWh)	242,351,722	246,352,539	245,035,845	242,703,228
GS>50 (kWh)	1,057,316,490	1,060,616,916	1,034,451,276	1,013,230,091
(kW)	2,716,616	2,725,040	2,649,212	2,601,990
Intermediate (kWh)	54,606,899	54,606,899	54,989,147	55,374,071
(kW)	138,359	138,359	140,072	141,807
LU - Regular (kWh)	421,466,779	421,466,779	359,902,762	277,467,527
(kW)	838,146	838,146	679,517	539,634
3TS (kWh)	446,869,974	446,869,974	348,558,580	339,147,498
(kW)	902,266	902,266	658,654	637,577

	2007 Actual	2007 Normalized	2008f Normalized	2009f Normalized
FA (kWh)	76,708,349	76,708,349	76,062,397	75,421,885
(kW)	134,319	134,319	133,790	133,262
Street Lights (kWh)	16,887,318	16,887,318	16,887,318	16,887,318
(kW)	48,555	48,555	48,555	48,555
Sentinel Lights (kWh)	1,026,773	1,026,773	995,165	964,529
(kW)	2,779	2,779	2,681	2,586
USL (kWh)	4,292,331	4,292,331	4,245,819	4,199,811
Total Retail kWh	2,989,147,280	2,985,227,583	2,792,500,040	2,667,516,053

CONSERVATION AND DEMAND MANAGEMENT

This load forecast analysis is based on actual consumption data from January 2003 to December 2007 inclusive (and in some classes up to June 2008). Therefore, the effect of latent conservation and efficiency as well as specific CDM programs, whether LDC specific or broadly based (such as OPA sponsored programs), are implicitly accounted for in the data used to derive the forecast. Incremental conservation associated with new programs (implemented after 2007) and existing programs (e.g. changes in participation rates) is not incorporated in the underlying data and is therefore not reflected in the load forecast analysis.

CUSTOMER CONNECTIONS

Table 15 below outlines the average annual number of customer connections in each class and a forecast for annual customers. As discussed above, there is little prospect for customer growth in any class and potential risk of customer loss in the classes associated with major automotive plants, their suppliers, their employees, and the spin-off entities that rely on automakers and autoworkers. Therefore, the forecasted number of customer connections has been held at 2007 levels for 2008 and 2009.

Table 15 – Average Annual Customer Connections

	Residential	%chg	GS<50	%chg	GS>50	%chg	Intermed.	LU-R	3TS	FA
2003	73,476		7,071		1,192		3	7	3	1
2004	74,712	*1.7%*	7,092	*0.3%*	1,194	*0.1%*	3	6	3	1
2005	75,725	*1.4%*	7,133	*0.6%*	1,191	*-0.2%*	3	6	3	1
2006	76,311	*0.8%*	7,128	*-0.1%*	1,188	*-0.3%*	3	6	3	1
2007	76,439	*0.2%*	7,079	*-0.7%*	1,190	*0.2%*	3	6	3	1
2003-2007		**1.0%**		**0.03%**		**-0.05%**				
2008f	76,439		7,079		1,190		3	6	3	1
2009f	76,439		7,079		1,190		3	6	3	1

	Street Light	%chg	Sent Light	%chg	USL	%chg
2003	22,624		807		687	
2004	23,008	*1.7%*	778	*-3.6%*	704	*2.5%*
2005	23,223	*0.9%*	774	*-0.5%*	771	*9.4%*
2006	23,358	*0.6%*	778	*0.5%*	844	*9.5%*
2007	23,350	*0.0%*	770	*-1.0%*	886	*5.1%*
2003-2007		**0.3%**		**-0.2%**		**7.3%**
2008f	23,350		770		886	
2009f	23,350		770		886	