

St. Thomas *energy* inc.

We're Your Local Power Distributor

December 18, 2008

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

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli,

**St. Thomas Energy Inc.
Update to Application for 2009 IRM Distribution Rate Adjustments
Regarding Rural or Remote Electricity Rate Protection
License # ED - 2002- 0523
OEB Application # EB - 2008-0211**

Please treat this submission as an update to the "Application for 2009 Distribution Rate Adjustments" filing that was dated November 5, 2008 and received by your Office on the same day.

St. Thomas Energy Inc. is requesting that the Rural or Remote Electricity Rate Protection (RRRP) charge in its Tariff Sheet be revised to 0.13 cents per kilowatt-hour effective May 1, 2009.

Please find attached evidence in the form of Ontario Energy Board correspondence entitled "Rural or Remote Electricity Rate Protection" dated December 17, 2008 to support this request.

This has been sent by email and by Courier to the Board.

Respectfully submitted for the Board's consideration.



Brian Hollywood,
President and Chief Executive Officer

**Ontario Energy
Board**
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December 17, 2008

To: All Licensed Electricity Distributors and Retailers

Re: Rural or Remote Electricity Rate Protection

Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection ("RRRP") (made under the *Ontario Energy Board Act, 1998*) requires the Ontario Energy Board (the "Board") to calculate the amount to be charged by the Independent Electricity System Operator ("IESO") with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

Amount to be charged by the IESO for RRRP

Based on the demand forecast provided by the IESO, the Board has determined that the amount to be charged by the IESO with respect to the RRRP shall remain at the current level of 0.1 cents per kilowatt-hour effective January 1, 2009. Effective May 1, 2009, the IESO's RRRP charge shall be 0.13 cents per kilowatt-hour.

Amount to be Charged by Distributors and Retailers for RRRP

Effective January 1, 2009, the RRRP charge shall remain at the current level of 0.1 cents per kilowatt-hour.

Effective May 1, 2009, the RRRP charge shall be 0.13 cents per kilowatt-hour.

After May 1, 2009 the RRRP charge shall remain at 0.13 cents per kilowatt-hour until such time as the Board revises it.

Distributors that currently have a rate application before the Board shall file this letter as an update to their evidence along with a request that the RRRP charge in their tariff sheet be revised to 0.13 cents per kilowatt-hour effective May 1, 2009.

Where a distributor does not have a rate application before the Board, the distributor shall make an application to the Board to alter the RRRP charge in its tariff sheet effective May 1, 2009 to 0.13 cents per kilowatt-hour.

In the collection of this amount from customers, the customer's metered energy consumption shall be adjusted by the Total Loss Factor as approved by the Board.

The Board wishes to remind all distributors and retailers that in accordance with subsection 5(6) of the Regulation:

A distributor or retailer who bills a consumer for electricity shall aggregate the amount that the consumer is required to contribute to the compensation required by subsection 79(3) of the Act with the wholesale market service rate described in the Electricity Distribution Rate Handbook issued by the Board, as it read on October 31, 2001.

Yours Truly,

Original Signed By

Kirsten Walli
Board Secretary