

St. Thomasenergyinc.
We're Your Local Power Distributor

December 30, 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 Smart Metering Funding Adder – Additional Information
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 advising, pursuant to Page Nine of the Smart Meter Funding and Cost Recovery Guideline (G-2008-0002) dated October 22, 2008, that smart meters will be procured in the 2009 Rate Test Year pursuant to and in compliance with the August 14, 2007 Request for Proposal issued by London Hydro Inc.

Please find attached evidence in the form of a page (four) taken from the London Hydro Inc. Request for Proposal dated August 14, 2007 that shows St. Thomas Energy Inc. as an active participant in a general consortium of Local Distribution Companies.

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

Note: The difference between the number of electric and water accounts is mostly attributable to apartment buildings and commercial buildings with individual tenant electric metering but bulk water metering.

London Hydro is requesting proposals for an automated meter reading system (referred to herein as Advanced Metering Infrastructure, or AMI) to read electric revenue meters in an automated and cost effective manner. Future migration to technologies for reading water meters and demand response / load management functions is desired.

2.3 **Informal Regional Smart-Meter Purchasing Consortium**

Although not mandated to proceed with Smartmeter deployments at this time, several neighbouring LDC's have expressed interest in the efficiencies of a common RFP document, and streamlining the proposal evaluation process via some type of informal participation arrangement with London Hydro. The LDC's in question are listed below (along with an indication of the number of residential customers within their respective franchise service territories):

- Bluewater Power, Sarnia.....(31,000 residential customers)
- Cambridge & North Dumfries Hydro Inc.....(42,800 residential customers)
- Erie-Thames Powerlines, Ingersoll.....(13,000 residential customers)
- ENWIN Utilities, Windsor.....(80,000 residential customers)
- Festival Hydro, Stratford(18,000 residential customers)
- Guelph Hydro Electric Systems.....(42,000 residential customers)
- Kitchener-Wilmot Hydro Inc.....(71,000 residential customers)
- St. Thomas Energy, St. Thomas.....(13,800 residential customers)
- Tillsonburg Hydro Inc.....(5,400 residential customers)
- Waterloo North Hydro, Waterloo(46,000 residential customers)
- West Coast Huron Energy Inc, Goderich(3,500 residential customers)
- Woodstock Hydro Services Inc(12,500 residential customers)
- Oakville Hydro Inc.(47,250 residential customers)
- Peterborough Distribution Inc.....(29,240 residential customers)
- Greater Sudbury Utilities(41,000 residential customers)
- Atikokan Hydro Inc(1,470 residential customers)
- Fort Frances Power Corporation.....(3,400 residential customers)
- Kenora Hydro Electric Corporation Ltd(5,000 residential customers)
- Sioux Lookout Hydro Inc.(2,290 residential customers)