

September 8, 2011

Ontario Energy Board
Attn: Ms. Kirsten Walli
P.O. Box 2319
2300 Yonge Street 25th Floor
Toronto, Ontario M4P 1E4

Dear Kirsten:

Ref: West Coast Huron Energy (Goderich Hydro (GH))

Due to the devastation suffered by the Town of Goderich, as a result of an F3 Tornado on Aug 21/11, its citizens and West Coast Huron Energy (GH) we wish to address the following matters:

1. T.O.U. billing: we have had a directive from the Board as it relates to our request for extension for implementation on our time of use billing. GH was working on a proposal to the Board for an effective date of November 1 2011. The loss of the Hydro building has placed extreme pressure on all staff and we would request that the original date requested for implementation stand. That date was 1 January 2012.
2. As a result of the Tornado and the devastation it has caused; GH finds itself suffering from a severe cash flow which necessitates the need for us to apply for an immediate Rate Rider. The application will be before the Board within the next few days. All costs will be captured in a variance account and dispersed in our next COS application (see item #4). GH gratefully thanks the Board for any expediency it could give us in this matter.
3. IRM/CRM: GH was expected to file its standard IRM by 16 September 2011, we will not be in a position to meet this date but we are giving this application our highest priority. The CRM application relates to our largest Customer (Sifto Canada). They have additional equipment arriving in Q2 2012 which will require additional load. This load increase will require a dedicated line to Sifto as well as a dedicated Breaker Position at the Goderich TS. The total increase cost for this will approach \$2,800,000.00. This number would be the total capital spend for 7 years for GH. As you may be aware Sifto has been hit severally by the storm and production at its facilities will take some time to come on line.
4. GH was scheduled for a COS in 2013; we will start preparing this application in Q1 2012 and hope to have it to the Board in the March-April time line. We would request that the Board would grant us effective rates as of 1 January 2013, this would coincide with our financial year and ease our accounting process. We would propose that in the case of our IRM/CRM filing this year that the board wave our requirement to dispose of our variance accounts and that it be deferred to our COS application, in our COS we will true up on the Rate Adder and the variance accounts.

West Coast Huron Energy would like to thank the Board for its consideration in these matters which have been brought on by matters completely outside of our control.

Yours truly,

Larry J. McCabe
President

Cc; Wally Curry