

SEP 14 2006

ONTARIO ENERGY BOARD

September 13, 2006

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Attention: Board Secretary

**Re: St. Thomas Energy Inc. – RP- 2004 – 203\EB-2004-0502 Conservation and Demand Annual Report -
Late Filing**

Dear Sir/ Madam:

Please accept this late filing of the 2005 Conservation and Demand Management Annual Report. All future filings will be made on time.

Introduction:

St. Thomas Energy Inc. submitted a Conservation and Demand Management Plan to the Ontario Energy Board (OEB) for acceptance through a joint effort with other members of the CHEC (Cornerstone Hydro Electric Concepts) in 2004.

Our CDM Plan identified many initiatives through a Tier One (Common Programs and Activities amongst the CHEC Group) and Tier Two (LDC Specific Programs and Activities) organized structure. The total amount allocated is \$ 204,000 and consists of the following measures:

Tier One	Customer Survey
Tier One	Conservation Website
Tier One	Education and Promotion
Tier Two	Energy Audits / Project(s)
Tier Two	Partnerships / Sponsorships
Tier Two	System Optimization
Tier Two	Renewable Energy Study / Project(s)
Tier Two	Implement/Investigate DR Programs
Tier Two	Co-gen Opportunities
Tier Two	Signal / Street Light Efficiency

St. Thomas Energy Inc. is committed to allocating these funds within the context of this OEB approved CDM plan and timetable. The conservation of energy over future years through well planned and well executed programs and activities will have a positive impact on the supply of energy now and into the future.

Evaluation of the CDM Plan:

Please refer to Appendix A attached.

CDM Programs started:

Please refer to Appendix B attached.

Lessons Learned:

By being involved within a group effort (CHEC) there has been a sharing of costs amongst the members. Where possible this should be explored and utilized. This results in efficient resource allocation.

Conclusion:

In 2005 our focus was on Tier One activities under "Education and Promotion". As full funding of this initiative will be in place in 2006 St. Thomas Energy Inc. will begin to make a concentrated effort of investigating, analyzing and allocating funds to the appropriate programs and activities.

Hard copies and electronic copies are being filed in accordance with the OEB's instructions.

Regards,



Mr. Dana A. Witt, CGA
Manager of Finance
St. Thomas Energy Inc.

Appendix A - Evaluation of the CDM Plan

	Total	Residential	Commercial	Institutional	Industrial	Agricultural	LDC System	Customer Education & Promotion	Other 2	Other 3	Other 4
Net TRC value (\$):	-\$1,109.74	-	-	-	-	-	-	-\$1,109.74	-	-	-
Benefit to cost ratio:	-	-	-	-	-	-	-	-	-	-	-
Number of participants or units delivered:	-	-	-	-	-	-	-	-	-	-	-
Total kWh to be saved over the lifecycle of the plan (kWh):	-	-	-	-	-	-	-	-	-	-	-
Total in year kWh saved (kWh):	-	-	-	-	-	-	-	-	-	-	-
Total peak demand saved (kW):	-	-	-	-	-	-	-	-	-	-	-
Total kWh saved as a percentage of total kWh delivered (%):	-	-	-	-	-	-	-	-	-	-	-
Peak kW saved as a percentage of LDC peak kW load (%):	-	-	-	-	-	-	-	-	-	-	-
Gross in year C&DM expenditures (\$):	\$1,109.74	-	-	-	-	-	-	\$1,109.74	-	-	-
Expenditures per kWh saved (\$/kWh)*:	-	-	-	-	-	-	-	-	-	-	-
Expenditures per kW saved (\$/kW)**:	-	-	-	-	-	-	-	-	-	-	-
Utility discount rate (%):	-	-	-	-	-	-	-	-	-	-	-

*Expenditures include all utility program costs (direct and indirect) for all programs which primarily generate energy savings.
 **Expenditures include all utility program costs (direct and indirect) for all programs which primarily generate capacity savings.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** Education and Promotion

Description of the program (including intent, design, delivery, partnerships and evaluation):

St. Thomas Energy Inc. participated in a brochure program purchase in 2005 through the CHEC Group. The brochures came from the Ministry of Energy titled "Conserve Energy and Save Money" offering tips and facts to educate our customers. They have been distributed to customers through personal visits to the Office, through direct Staff communications and upon requests for delivery to customer locations.

Measure(s):	Measure 1	Measure 2 (if applicable)	Measure 3 (if applicable)
Base case technology:			
Efficient technology:			
Number of participants or units delivered:			
Measure life (years):			

B. **TRC Results:**

TRC Benefits (\$):		-\$1,109.74
TRC Costs (\$):	Utility program cost (less incentives):	
	Participant cost:	
	Total TRC costs:	
Net TRC (in year CDN \$):		
Benefit to Cost Ratio (TRC Benefits/TRC Costs):		

C. **Results:** (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer		
	Winter		
		lifecycle	in year
Energy saved (kWh):			
Other resources saved :			
Natural Gas (m3):			
Other (specify):			

Demand Management Programs:

Controlled load (kW):	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):	
Distribution system power factor at beginning of year (%):	
Distribution system power factor at end of year (%):	

Line Loss Reduction Programs:

Peak load savings (kW):	
	lifecycle
	in year
Energy savings (kWh):	

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):	
Energy generated (kWh):	
Peak energy generated (kWh):	
Fuel type:	

Other Programs (specify):

Metric (specify):

D. Program Costs*:

Utility direct costs (\$):

Incremental capital:

Incremental O&M:

Incentive:

Total:

\$ 1,109.74

\$ 1,109.74

Utility indirect costs (\$):

Incremental capital:

Incremental O&M:

Total:

Participant costs (\$):

Incremental equipment:

Incremental O&M:

Total:

E. Comments:

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.