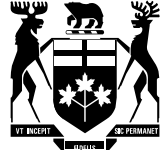


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February 10, 2005

**TO: All Participants in RP-2004-0205
All Licensed Distributors and all Licensed Retailers
All Other Interested Parties**

RE: Draft Regulated Price Plan Manual

Under amendments to the *Ontario Energy Board Act, 1998* (the "Act") contained in the *Electricity Restructuring Act, 2004*, the Ontario Energy Board (the "Board") has been mandated to develop an annual regulated price plan (the "RPP"). The RPP is intended to replace the electricity pricing regime that went into effect on April 1, 2004, and is expected to take effect on April 1, 2005 for eligible consumers unless the Government prescribes a later date.

On January 17, 2005, the Board issued for public comment a proposed revised Standard Supply Service Code and proposed amendments to the Retail Settlement Code. The Codes focus primarily on the RPP obligations of distributors and retailers, and the basic structure of RPP prices. The accompanying Notice of Proposal identified that the Board would be subsequently releasing a draft RPP Manual.

Today the Board is issuing that draft RPP Manual for public comment. The purpose of this Manual is to define and explain the methodologies that the Board will use in setting electricity prices that will be charged to RPP consumers.

The Manual includes the methodology for calculating and setting the RPP prices, including separate prices for consumers with conventional meters and for consumers with eligible time-of-use (or "smart") meters; for monitoring and truing up variances between the forecast RPP price and the actual cost of RPP supply; for resetting the RPP price; and for the calculation of the final variance settlement amount for consumers leaving the RPP.

All interested parties are invited to provide written comments on the draft RPP Manual. Any person who wishes to make a written submission must file eight (8) paper copies of the submission, and an electronic copy in **Adobe Acrobat**

(PDF), and Word or WordPerfect, with the Board Secretary **by 4:30 pm on February 17, 2005**. Individuals, such as residential consumers, that wish to provide written comments need only file one copy. Electronic copies may be submitted on diskette or by e-mail to: boardsec@oeb.gov.on.ca.

Your submission must quote file number RP-2004-0205 and include your name, address, e-mail address and fax number.

The Board requests that the submission specifically reference the relevant chapter and section of the Manual.

The draft RPP Manual and all written submissions received by the Board with respect to it will be available for public viewing on the Board's website at www.oeb.gov.on.ca and at the office of the Board during normal business hours.

If you have any questions regarding the draft RPP Manual, please contact Russell Chute at 416-440-7682 or Chris Cincar at 416-440-7696. The Board's toll free number is 1-888-632-6273.

Yours truly,

John Zych
Board Secretary