

Minister of Energy

Hearst Block, 4th Floor
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6715
Fax: 416-327-6754

Ministre de l'Énergie

Édifce Hearst, 4e étage
900. rue Bay
Toronto ON M7A 2E1
Tél.: 416-327-6715
Télec.: 416-327-6754



MAR -- 1 2005

Mr. Howard Wetston, QC
Chair
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 26th Floor
Toronto, Ontario
M4P 1E4

Dear Mr. ~~Wetston~~: *Howard!*

I'm writing to inform you of the government's decision on eligibility of customers for the Regulated Price Plan being developed by the Ontario Energy Board. As you are aware, certain customers are eligible for the Two Block Price Plan previously established by the government. The eligibility of these customer categories is set out under the *Ontario Energy Board Act 1998* and regulations under the Act. Eligible consumers include: residential customers, municipalities, universities, colleges, schools, hospitals, farms, and customers whose annual electricity usage is 250,000 kilowatt hours or less.

The government has decided that customer categories that currently qualify under the Two Block Price Plan would be eligible for the Regulated Price Plan, beginning April 1, 2005. This eligibility would apply for three years. Beginning April 1, 2008, eligibility for the Regulated Price Plan would be limited to residential customers and general service customers under 50 kilowatts.

This decision provides all customers currently eligible for the Two Block Price Plan with a transition period during which they will be able to better assess their options for purchasing electricity. At the end of the transition period, eligibility for the Regulated Price Plan will be limited to those customers most vulnerable to price volatility and with limited options for achieving stable prices through contracts or market pricing.

.../cont'd

Regulations establishing customer eligibility for the Regulated Price Plan which reflect this decision are expected to be made shortly.

Please accept my best wishes.

Sincerely,

A handwritten signature in black ink, appearing to read "Dwight Duncan", with a horizontal line underneath.

Dwight Duncan
Minister

c: James Gillis, Deputy Minister