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Brian Gabel
Vice-President and Chief Regulatory Officer

May 31, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
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RP-2004-0205 Regulated Price Plan Proposal:
Proposed Amendments to the Standard Supply Service Code

Hydro One Networks (Hydro One) is pleased to respond to the Board’s Notice of May 18, 2005 inviting comments on proposed amendments to the Standard Supply Service Code (SSS Code) by June 1, 2005.

Hydro One supports the Board’s proposed amendment. Hydro One believes it is important to provide this information on a separate line on RPP customers’ bills. Hydro One also proposes that the variance amount be stated as a rate in cents/kWh to three decimal places, similar to other rates that are shown on the bill.

Hydro One can describe the line item on the bill with the proposed words “Final RPP Variance Settlement”, however, we would suggest not including this term in the glossary that must accompany each bill for two reasons. First, the line item will only appear on a small percentage of bills issued and if the term is included in the glossary, which is standard on all bills issued to low volume consumers, it may raise additional questions. Second, any additional glossary text will require a fundamental redesign of our bill. There is currently no room available to expand the glossary section without changing the structure/format and number of pages of the bill.

The Board should also specify the French translation for the “Final RPP Variance Settlement” that is to be displayed on affected bills in those situations where the distributor issues bills in French so that it will be standardized across the province.

Hydro One would also like to bring to the Board’s attention an apparent omission in the SSS Code that should be corrected. Section 3.7.1 of the Code identifies three circumstances that would trigger settlement of the RPP variance amount for a customer. Hydro One suggests that a fourth circumstance should be added as item (d) to this section of the Code. The fourth circumstance that would trigger settlement of the variance is when an RPP customer is reclassified to spot market based pricing, due to annual energy use greater than 250,000 kWh and average monthly demand above 50kW. This circumstance results in the customer no longer being eligible for price protection and thereby exiting the RPP plan.

Thank you again for the opportunity to provide comments on proposed changes to the Code.

Yours truly,

Brian Gabel