

July 6, 2000

To Electricity Distributors:

Re: Retail Settlement Code - Electronic Business Transaction Standards - RP-1999-0032

The Ontario Energy Board issued the Retail Settlement Code ("Code") on February 28, 2000. This Code establishes the obligations of licensed electricity distributors with regard to the settlement of competitive and non-competitive electricity costs, as well as the requirements for billing options and processing of consumer requests for changes in service provision. The Code requires that information regarding settlements and service transfer requests be provided by distributors and retailers in a format developed in accordance with an authorized Business Transaction (EBT) System. The EBT System is intended to establish common formats and protocols for communicating between market participants to reduce the cost and complexity for distributors and retailers.

On May 26 the Board received a proposed EBT Standard from Hydro One Networks Inc. and Toronto Hydro Electric Systems Limited on behalf of the EBT Standards Working Group. On June 23, 2000 the Board informed Hydro One Networks Inc. and Toronto Hydro Electric Systems Limited on behalf of the EBT Standards Working Group (see attached letter), that it has authorized the adoption of the Standards for the EBT System, which were submitted by these parties on May 26, 2000 for the purposes specified in the Code. These Standards become the EBT Standards for the retail electricity market. The Standards are posted on the Board's website at www.oeb.gov.on.ca

The Board has determined that a subset of the Standards will be mandatory for implementation by all distributors for market opening. The mandatory transactions are the following: supplier changes, meter data flows; settlement statements/ invoices by distributors to retailers, and the provision of bill-ready data by retailers to distributors for consolidated billing.

Prior to the EBT System becoming operational, section 10.5.6 of the Code requires that a distributor shall accept a service transaction request (STR) related to a change in competitive electricity service provider by any of the following means of communications: an electronic file transmitted by way of an e-mail, a diskette or the Internet. Where a distributor is unable to accept electronic files, it shall accept paper copies of such STRs. It further requires that the STRs be in a form and contain information as set out in Appendix B of the Code, or an equivalent form designed by the distributor.

Now that the Standards have been determined the Board can proceed with finalizing Appendix B,

The Transitional STR for Change in Service Provider. Information concerning this matter will be forwarded to you in the near future.

If you have questions concerning these matters please call Brian Hewson, Manager, Energy Licensing (416) 440-7628.

Yours truly,

Paul B. Pudge
Board Secretary

Attachment: