To: Interested Parties

The Board has approved the Retail Settlements Code and has published it on the Board's web site, www.oeb.gov.on.ca. A copy of the Code is enclosed. Licensed electricity distributors are required to comply with this Code as a condition of their Transitional Electricity Distributor Licence.

Portions of the Code comes into effect on Monday, February 28, 2000. The Code addresses implementation of retail contracting and the provisions relating to the processing of Service Transfer Requests in the transition to market opening. These transitional issues are addressed in chapters 1, 10, 11 and 12. The appendices to the Code, including the Service Agreement and the transitional service transaction request form, will be issued shortly once approved by the Board.

The Code requires electricity distributors to use an authorized Electronic Business Transaction System (EBT System), for the purpose of transferring data and information between distributors and retailers. The Code makes provision for dealing with information and data through other processes until an EBT System is operational. As many of the distributors are aware, there is a group of distributors that have formed a working group with the intention of developing an EBT System. Board staff are participating in this process.

Chapter 12 of the Code requires that a distributor enter into a Board approved Service Agreement with any licensed retailer that wishes to operate within the distributor's service area. A draft Service Agreement will be issued for consultation in the next few weeks, prior to the Board approving the Agreement. Distributors are obligated to register a retailer that indicates it intends to retail in the distributor's service area prior to the Service Agreement being approved by the Board. Once the Service Agreement is approved by the Board, distributors will be required to enter into service agreements with all registered retailers by a date specified by the Board.

The Board will be holding educational workshops for distributors across the province to explain the Retail Settlement Code. Information regarding these workshops will be forthcoming in the next few weeks. Should you require additional information regarding the implementation of the Code or the development of an EBT System please contact Brian Hewson, Manager, Energy Licensing at (416) 440-7628.

Sincerely,

Paul B. Pudge Board Secretary

Encl.