

**GAS DISTRIBUTOR ACCESS RULE
BOARD STAFF'S DRAFT FOR CONSULTATION PURPOSES**

COMMENTS OF A.E. SHARP LIMITED

A.E. Sharp Limited (A.E. Sharp) appreciates the opportunity to provide input on the draft Gas Distributor Access Rule (draft Rule) dated September 25, 2000, and supports the purpose and objective of the Rule as set out at sections 1.1 and 1.2 of the consultation draft. A.E. Sharp's specific comments on the draft Rule are outlined in the points that follow.

1. It is A.E. Sharp's view that the final Gas Distributor Access Rule should apply to all gas distributors, including the smaller utilities. To the extent implementation of the Rule creates issues that are specific to the small gas distributors and that may persist over the longer term, these 'exceptions' could be identified explicitly in the Rule so that they are known to all market participants.
2. In section 1.2 of the draft Rule, it is stated that one of the objectives of the Gas Distributor Access Rule is to standardize the business relations between distributors and marketers and customers. In A.E. Sharp's opinion, a related goal should be the maximum possible standardization of the basic form of certain Rule-related instruments; in particular, distributor-marketer standard Service Level Agreements and formats used to provide information in the Service Transfer Request process.

A.E. Sharp recognizes that the implementation of the Rule, as currently drafted, may tend to result naturally in greater consistency because of its informational and protocol requirements. However, the efficiency of the processes that will be the outcome of implementation may be better ensured if the objective section of the Rule explicitly references standardization of formats. It is acknowledged that this may necessitate a transition period for market participants to develop and implement modifications to their own processes and systems that support format standardization.

3. A.E. Sharp notes that a distributor's system supply is to be known as Standard Supply Offering (SSO) once a final Rule comes into effect. A.E. Sharp also notes that in its final report, the Distribution Access Rule Task Force requested the Ontario Energy Board "to initiate a process to review as soon as practicable the terms and conditions of a standard service offering for natural gas sales". (Recommendation #3.1 at paragraph 138 of the Final Report of the Distribution Access Rule Task Force to the Ontario Energy Board Staff)

A.E. Sharp supports the Task Force recommendation and concurs with the view that the effect of system supply on inaccurate and non-transparent price signals is an ongoing problem, which must be addressed.

4. In section 7 of the draft Rule, the timelines associated with the various steps for processing the different types of Service Transfer Requests are clearly specified except in the case of a change from a marketer to SSO. In this particular situation, the draft Rule states that if an STR to change to SSO is submitted by a marketer, then the distributor must notify the customer of the request and the scheduled

transfer date. If the customer wants to terminate processing, then it must be done in writing. However, a timeline for such instructions is not specified, although there is an implied timeline as a result of the customer having been informed of the planned transfer date.

A.E. Sharp recommends that for the purposes of clarity, the draft Rule should indicate the period of time that a customer has to provide direction to terminate the processing of the request to transfer from a marketer to SSO.

5. Paragraph 8.2.1 of the draft Rule references maintenance by a distributor of an archive of data “as required by the relevant statutes and Measurement Canada”. A.E. Sharp recommends that a more precise reference to the relevant statutes and Measurement Canada requirements would assist in clarifying the Rule’s standards around information retention.
6. A.E. Sharp recommends that the requirement concerning the reporting of newly assigned account numbers to customers, as set out at paragraph 8.3.5, be expanded to include a requirement to report to the affected marketer, the finalization of a customer’s account (for example, when a property changes ownership). This addition to paragraph 8.3.5 would contribute to a more efficient operation of the market since finalization of customer accounts has an impact on the management of important items such as banked gas accounts.

October 18, 2000