

July 3, 2003

Ontario Energy Board  
**Attention: Paul B. Pudge, Board Secretary**  
PO Box 2319  
26<sup>th</sup> Floor, 2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

**Re: File Number RP-2002-0146**

With regard to the proceeding to amend the Distribution System Code & Retail System Code Consumer Security Deposit Policies, Peninsula West Utilities Limited would like to participate in the written hearing with respect to input on implementation issues and concerns as listed below.

**Issue 1**

Clarification on following sections:

Section 2.4.6.1, 2.4.6.2 and 2.4.9 to 2.4.27 come into force on the day that is '6' months after these sections are published.

*Section 2.4.9*

- Change 1 year residential to 2 years
- Change 5 year non-resident under 50 kW to 6 year
- Change 7 year non-resident over 50 kW to 10 year

*Section 2.4.10*

- Use of a standard form for indication of good payment history for use by all utilities

*Section 2.4.11*

- b) Not acceptable

*Section 2.4.15*

- Would prefer a deposit whether consumer pays under an interim plan arrangement or pre-authorized payments

*Section 2.4.20*

- A consumer would provide 50% up front and the balance on their account subject to collection procedures

*Section 2.4.21*

- Interest rate should not be prime but calculated at the monthly rate earned on the utilities bank account. If this is not changed it could result in an interest expense of more than what is currently being earned on these deposits

*Section 2.4.22*

- Instead of being returned the deposit should be applied to the account

*Section 2.4.23*

- Review upon a customers request only

*Section 2.4.24*

- Credited to next bill

**Issue 2**

3 months changed to 6 months.

**Issue 3**

Yes.

**Issue 4**

Annual review and updates of deposits would have an adverse impact on our LDC. We do not have sufficient staff to review and update deposits, increased computer upgrades and administration costs are also a factor.

**Issue 5**

As long as a standard form is developed and used and a fee is charged.

**Issue 6**

Omit the definition completely.

**Issue 7**

Individual customer specific average should be used for calculation purposes.

The above outlines Peninsula West Utilities Limited's position on security deposits. If you have any questions regarding the above please do not hesitate to contact Ms. Karen Bubish, Director of Administration & Finance at your earliest convenience.

Yours truly,

John A. Alton, CET  
President

cc: K. Bubish

JAA: jh