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April 29, 2003

Delivered by Facsimile

Mr. Paul B. Pudge
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
26th Floor
Toronto, ON M4P 1E4

Dear Mr. Pudge:

Re: OEB File No. RP-2003-0044 – Application by various electricity distributors to amend Schedule 1 of their Transitional Distribution Licences – Procedural Order No. 2

We are counsel to St. Catharines Hydro Utility Services Inc. ("St. Catharines Hydro"), Hamilton Hydro Inc. ("Hamilton Hydro"), Hydro Ottawa Limited ("Hydro Ottawa") and Brantford Power Inc. ("Brantford Power") in the above captioned matter. We take this opportunity to provide a list of additional issues for the issues conference scheduled for April 30, 2003, as proposed by Hamilton Hydro, Brantford Power and Hydro Ottawa. We apologize for the delay in forwarding this list. We confirm that we will be participating in the issues conference and issues day this week.

ADDITIONAL ISSUES

1. Where municipal boundaries are being adjusted or have been adjusted as a result of annexations or municipal amalgamations, and the municipalities and/or their respective distributors have agreed on matters such as the new boundaries and the valuation of the distribution assets of their respective utilities, in the area of the changed municipal boundaries, is it appropriate to develop a streamlined process for distributor service area boundary adjustments, and what criteria should apply to that process?

2. The Distribution System Code provides for an economic evaluation that results in the calculation of a capital contribution, where system expansions are requested. In new developments, it is the developer and not the ultimate consumer that makes the system expansion request. The interest of a developer in minimizing its capital

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contribution, when making a request for a system expansion and choosing between distributors, may result in the developer selecting the distributor with higher rates and a lower capital contribution. While this may benefit the customer making the expansion request, it may prejudice the customers who will be the consumers in the new development. What criteria should the Board apply to balance the interests of these two "customers"?

3. Should the Board consider the granting of service area amendments where no specific customer connections are proposed at the time of the amendment request?

Yours very truly,

James C. Sidlofsky

JCSllv

cc: Parties to RP-2003-0044

J. Mark Rodger

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