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Chair

**Commission de l'énergie  
de l'Ontario**  
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Président



August 8, 2003

The Honourable John Baird  
Minister of Energy  
Hearst Block, 4<sup>th</sup> floor  
900 Bay Street  
Toronto, ON  
M7A 2E1

Dear Minister:

You wrote to me on July 24, 2003 concerning Hydro One and metered market participants. In this letter you requested that the Board invite Hydro One to submit proposals for rebating any duplicate charges for meter service and for exit fees when asset ownership is transferred to a metered market participant, including a local distribution company (LDC).

As you may be aware, a large number of wholesale meter sites must be upgraded to meet the standards of both Measurement Canada and the IMO. Current rules allow for competition in meter service. The Board has been monitoring wholesale meter service changes and staff have met several times with the EDA, AMPCO, IMO and Hydro One on meter changeover costs, standards and implementation time-frames. In response to your letter, Board staff met on August 5th with Hydro One to discuss both the cost to Hydro One of exiting wholesale meter services, and the appropriate credits to be given to distribution utilities and other market participants who no longer receive meter services from Hydro One.

It is my understanding that Hydro One will make its proposal on the appropriate adjustments by August 21<sup>st</sup>. Based on this assumption it would be the Board's intention to invite distribution utilities and other affected parties to review their proposal and to hold a meeting to discuss the issue. The Board may then proceed to consider written submissions by the parties.

I expect public consultation on these issues can be completed by mid-September and a report for your consideration completed shortly thereafter. This schedule is contingent upon Hydro One's ability to submit a proposal within the next two weeks.

The Board is aware that the issue of segregating meter service costs from the wholesale transmission rate has led to delays by distribution utilities in making changes to meter installations. I believe this schedule will give the market participants the confidence to proceed with the necessary meter replacements.

Yours truly,

*ORIGINAL SIGNED BY*

Howard Wetston, Q.C.  
Chair