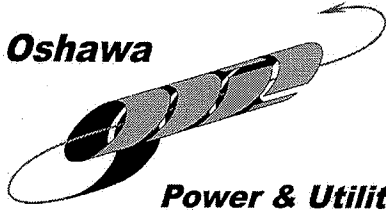


Oshawa



Power & Utilities Corporation

100 Simcoe Street South, Oshawa, Ontario L1H 7M7 Tel. (905) 723-4623 Fax (905) 723-7947 contactus@opuc.on.ca

February 16, 2004

Ontario Energy Board
P.O. Box 2319
26th Floor,
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Attn: Paul Pudge – Assistant Secretary

Dear Paul:

Re: RP-2004-0020

Please accept this letter as our formal submission to the consultation process for the above mentioned file.

We will be attending the consultations beginning on the 17th of February, and will be participating in the discussions.

Oshawa PUC Networks Inc. feels very strongly that this consultation process should be open and inclusive of all stakeholders. Given the tight time frame with which this process has been initiated and moved along, we hope that the Board will not make decisions based on what is presented at this time, and that it takes all the information and schedules a more realistic approach to some of the issues presented in your letter of January 21, 2004.

We have read the staff discussion paper on the “Review” and we applaud the efforts made and the quality of the document and the information presented. The following guidelines are objectives that we at Oshawa feel very strongly about and will be promoting throughout the consultation process.

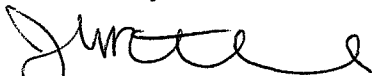
List of objectives:

1. We believe our ultimate responsibility is to our shareholder and customers. There must be a balance between maximizing returns and the public trust placed in our organization.
2. We believe that a well run organization of our size can exist within a consistent regulatory framework.
3. We believe that PBR is the most effective mechanism for establishing performance guidelines for the industry and creating the benchmark for excellence.
4. We believe that we need to strive for continuous improvement of processes and service optimization through:
 - Best practices
 - Shared services (i.e. Asset management and Asset Services)
 - Integrated Load Forecasting and Planning for system expansion (i.e. currently this is occurring in Durham with Oshawa, Whitby, Veridian and Hydro One cooperating on load planning).
 - Rationalization (e.g. one billing system)
 - Consolidation (voluntary)
5. We believe that a competitive LSE model is needed to stimulate a vibrant supply market (LDCs need not be LSEs and that the expertise and risk tolerance may be better suited for private entities).
6. We believe LDCs should be directly responsible for DSM (Demand Side Management) and DR (Demand Response) initiatives within their franchise area.
7. We believe that LDCs should be allowed to maximize return as an OBCA Corporation and still be able to re-invest in system quality and meet "societal" demands

I know that this is a short submission, but we clearly feel that these are guidelines that are necessary for us as an industry to adhere to.

We are looking forward to the consultation process, and we are supportive of the efforts of the OEB.

Yours truly,



Jeff Rosenthal
President & CEO

JR/cd