

**Ontario Energy Board**  
P.O. Box 2319  
2300 Yonge Street  
26th Floor  
Toronto, ON M4P 1E4  
Telephone: (416) 481-1967  
Facsimile: (416) 440-7656

Chair

**Commission de l'Énergie de l'Ontario**  
CP. 2319  
2300, rue Yonge  
26e étage  
Toronto (ON) M4P 1E4  
Téléphone: (416) 481-1967  
Télécopieur: (416) 440-7656

Président



August 8, 2003

Mr. Dave Goulding,  
President, Independent Electricity Market Operator  
655 Bay Street  
Suite 410, PO Box 1  
Toronto, Ontario  
M5G 2K4

Mr. Thomas Parkinson  
President, Hydro One Inc.  
483 Bay Street  
10th Floor Reception  
Toronto, Ontario  
M5G 2P5

Dear Messrs Goulding and Parkinson

The Market Surveillance Panel's report of July 3, 2003, *Constrained Off Payments and other Issues in the Management of Congestion*, recommended that the Independent Electricity Market Operator (IMO), Hydro One, and the Ontario Energy Board (OEB, or the Board) "each assign a small number of knowledgeable staff who, working together under the leadership of the OEB, will develop a Memorandum of Understanding that sets out appropriate roles and responsibilities for the IMO, Hydro One, and the OEB in facilitating transmission planning and the approval of projects aimed at enhancing efficiency in the context of a competitive marketplace." The report recommends that a draft Memorandum of Understanding be submitted to the Boards of the three organizations by end December, 2003.

The Board has decided to undertake this initiative and I hope you will also agree to participate. If so, I would like to ask you to nominate two or three staff persons from within your organizations to participate in the working group. Please have them identify themselves to Neil McKay, Manager, Facilities (416-440-7634, [Neil.Mckay@oeb.gov.on.ca](mailto:Neil.Mckay@oeb.gov.on.ca)), or David Brown, Senior Advisor, Market Surveillance (416-440-8123, [david.brown@oeb.gov.on.ca](mailto:david.brown@oeb.gov.on.ca)).

.../2

Mr. McKay and Mr. Brown will serve as staff coordinators for this working group and they will proceed to organize its first meeting once your nominations are in. This project will be under the OEB sponsorship of Mr. Paul Vlahos, Vice Chair of the OEB. The Board may also consider the need for participation of other parties (such as non-Hydro One licenced transmitters) on to the working group.

I look forward to receiving your nominations at your earliest convenience and to working with you on this important initiative.

Yours sincerely,

*original signed by*

Howard Wetston, Q.C., Chair  
Ontario Energy Board

c.c. James C. Baillie  
Rita Burak