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VIA COURIER and EMAIL

Mr. John Zych, Board Secretary
Ontario Energy Board
2300 Yonge Street, 26th Floor
Toronto, ON M4P 1E4

Dear Mr. Zych:

Re: RP-2004-0196
Ministers Directive on Implementing Smart Electricity Meters in Ontario

Enbridge Gas Distribution Inc. ("Enbridge" or the "Company") is writing to provide its initial comments on the smart meter initiative and to offer its assistance to the Ontario Energy Board ("Board") through active participation in the working groups. Enbridge fully supports the detailed consultation process described in the Minister's directive and the Board's four-phased approach to review the technical, operational, and ratepayer aspects of the implementation plan.

Board Staff's discussion paper was also very helpful and thorough in describing the key points and issues that need to be considered in the plan. Given the complexity, scope, and timing of this initiative, the Company believes that the best way to obtain input from stakeholders is through the working group process. Comments following the group discussions should be more succinct and useful to the Board, since they will be provided after the issues have been reviewed, and in some cases resolved, and the implications are better understood.

Enbridge has worked diligently to keep its metering costs as low as possible and would appreciate an opportunity to share its experience with the working groups and to consider new approaches that can provide further benefits to its ratepayers. When assessing the benefits of smart metering, it will be important to consider the impacts on all aspects of the energy market to ensure that the plan will facilitate the most efficient use of energy and provide value to customers.

As natural gas metering, Demand Side Management and Distributed Energy could be potentially impacted by the proposed plan, Enbridge believes that its involvement in planning process is critical to ensure a balanced and effective plan. The Company looks forward to working with Board Staff and the other stakeholders to assist the Board in meeting the exciting challenge presented in the Minister's Directive.

Yours very truly,

[original signed]

David B. Matthews
Manager, Regulatory Strategy