



March 22, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: Distribution System Code Alternative Bid Option Provisions
Proposed Amendments to the Distribution System Code
Board File No. EB-2010-0038**

AMPCO has reviewed the proposed amendments and makes the following comments.

In general, the amendments provide improved clarity to the process of determining what work may be subject to an alternative bid. Unfortunately, the revisions do not adequately address the one-sided nature of the existing Code, which AMPCO submits does not adequately constrain distributors from imposing excessive costs on customers.

AMPCO's specific comments relate to the replacement of Section 3.2.15 of the Code with new wording (see page 2). AMPCO accepts that, where a customer's connection requires a system expansion that will be transferred to the distributor, the expansion should be designed and built to the distributor's standards. However, AMPCO does not see why the need to conform to the distributor's standards should render the layout and design of the specific expansion closed to an alternative bid. For transmission expansions of a similar nature, the customer is allowed to design and build the facilities under an alternative bid arrangement, providing that the transmitter's standards are met. No rationale is provided as to why this could not also be the case with distribution expansions of a similar nature. AMPCO does not agree that distributors should be allotted a monopoly on the design work involved in expansions.

In addition, distributors should not be given complete freedom to dictate a specification for an expansion, if such specification significantly exceeds the requirements of the connection. A customer requiring an expansion in order to receive a connection should not be burdened with the cost of building assets in excess of what the customer's service will reasonably require. As an example, customers should not be required to pay for additional pole height to accommodate future plans for additional phases or circuits on the line supplying them.

Also, the Code should make clear that an unoccupied right of way does not constitute part of the distributor's existing distribution system for purposes of determining whether or not an expansion is subject to an alternative bid.

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AMPCO suggests that section 3.2.15 be replaced with the following text:

Planning and development of the specific design for the expansion must meet the design standards of the distributor. The distributor shall provide the customer with enough information in sufficient detail to allow the connecting customer to design and construct facilities that will meet the distributor's system requirements.

Where the distributor requires the expansion to have a capacity in excess of the customer's requirements, for reasons related to future capacity or other considerations (e.g., by providing for additional future circuits or for a conductor size beyond that normally required for the planned customer load), the additional cost for these requirements shall be established and shall be the responsibility of the distributor.

Please do not hesitate to contact me if you have any additional questions or require any further information.

Sincerely yours,

ORIGINAL SIGNED

Adam White
President
Association of Major Power Consumers in Ontario