

April 1, 2010

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

Via RESS and by courier

Dear Board Secretary:

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

The Electricity Distributors Association (EDA) is the voice of Ontario's local distribution companies (LDCs). The EDA represents the interests of over 80 publicly and privately owned LDCs in Ontario.

The EDA agrees with the proposed amendments to the Distribution System Code regarding the replacement of the term "contestable" with "subject to alternative bid" and the other proposed clarifications.

The EDA notes that the new section 3.2.15A which indicates that "work that requires physical contact with the distributor's existing distribution system is not subject to alternative bid..." is an improvement over "work involving existing distributor assets". Members seek clarification regarding customers asking whether work could be subdivided between work requiring physical contact with existing assets and work not in contact and subject to alternative bid. In the Transmission System Code, Section 6.6.2 requires load customers that choose to carry out contestable work to carry out all the contestable work. Members believe a similar clarification may be required for the Distribution System Code, clearly indicating that work cannot be subdivided into parts to avoid the physical contact criteria. If the work is divided into segments, based on physical contact, with the distributor working on one part and the other parts under alternative bid, this would lead to duplicate work forces on the same site and more scheduling and coordination problems.

EDA members also are seeking clarification on comments contained in the covering memo issued on March 10, 2010 regarding the proposed amendments. In section 2, Obligation to Transfer Work Done under Alternative Bid Option, it notes that “a customer that wishes to plan, design, construct and own its own distribution facilities may do so provided that all regulatory requirements (including licensing if applicable) are met. In that case, the customer would not use the expansion and alternative bid provisions on the Code.” Members have raised concerns regarding the conflict with their understanding of RP-2003-0044 decision regarding combined service area amendments, and the principle regarding new embedded service areas not being in the public interest. Members are seeking clarification that the Board is not proposing a situation whereby a customer that does not transfer the distribution system is permitted to connect customers to its distribution system which would be in conflict with RP-2003-0044.

Yours truly,

“Original Signed”

Maurice Tucci
Policy Director, Distribution & Regulation