Hydro One Networks Inc.

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Susan Frank Vice President and Chief Regulatory Officer Regulatory Affairs



BY COURIER

January 10, 2011

Ms. Kirsten Walli Secretary Ontario Energy Board Suite 2700, 2300 Yonge Street Toronto, ON. M4P 1E4

Dear Ms. Walli:

EB-2010-0364 – OEB Consultation on Regulated Price Plan Time-Of-Use Pricing – Hydro One Network's Comments

Hydro One Networks ("Hydro One") is pleased to provide comments in regards to the OEB Consultation on Regulated Price Plan Time-of-Use (RPP TOU) Pricing which took place on December 21, 2010. They are as follows:

- 1. Hydro One agrees that the peak-to-off-peak price ratio needs to be increased to provide a stronger incentive for customers to switch their electricity usage from the on-peak period and to provide more opportunities for bill savings.
- 2. Once the appropriate peak-to-off-peak price ratio is determined, Hydro One supports a review of RPP TOU prices once every six months (based on seasonality) and a relative stability in the price ratio. Price changes should not be so volatile that customers cannot reasonably anticipate them.
- 3. Hydro One supports changes to the rate design that are easy to communicate to customers. Significant structural changes would be difficult to communicate in the short-run; however changes in regards to the number and timing of TOU periods would be easier for customers to understand. Hydro One supports the current approach to seasonality and a consistent rate design across the province.

Sincerely,

ORIGINAL SIGNED BY Susan Frank