



January 17, 2011

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

**Re: Stakeholder Review of the Ontario Energy Board draft 2011 – 2014 Business Plan
Board File No.: EB-2011-0002**

Dear Ms. Walli,

Chatham-Kent Hydro Inc. and Middlesex Power Distribution Corporation welcome the opportunity to comment on the “Ontario Energy Board draft 2011 – 2014 Business Plan”.

Please find attached a joint submission from Chatham-Kent Hydro and Middlesex Power Distribution Corporation.

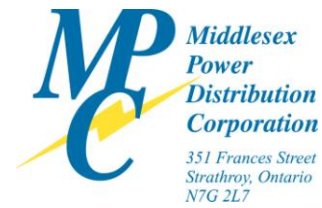
If you have any further questions please do not hesitate to contact David Ferguson at (519) 352-6300, extension 558 or davidferguson@ckenergy.com.

Regards,

[Original Signed By]

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CC: Dave Kenney, President of Chatham-Kent Hydro & Middlesex Power Distribution
Chris Cowell, Chief Financial and Regulatory Officer
David Ferguson, Director of Regulatory Affairs and Risk Management



Stakeholder Review of the Ontario Energy Board draft 2011 – 2014 Business Plan

EB-2011-0002

Comments from:
Chatham-Kent Hydro Inc. and
Middlesex Power Distribution Corporation

January 17, 2011

Chatham-Kent Hydro Inc. (“CKH”) & Middlesex Power Distribution Corporation (“MPDC”) are pleased to comment on the Ontario Energy Board Draft 2011 to 2014 Business Plan (“the Business Plan”).

CKH & MPDC believe that the Business Plan presented is a robust document which will guide the Board in achieving its Mandate & Mission. CKH & MPDC support the transition from an output approach to an outcome focus, but have concern about the means by which outcomes will be balanced across all stakeholders. CKH & MPDC seek to obtain an understanding of the outcomes to be balanced, achieved and ultimately, what success looks like. For instance:

- What are the top priority outcomes? How will these be balanced against the needs of the various stakeholders, including customers, distributors, transmitters, retailers and the Board?
- How will short-term outcomes be balanced year-to-year against inter-generational outcomes? Consider, for example, the balancing that will be required related to outcomes for the following areas:
 - Cost efficiency
 - System reliability and upgrades
 - Rate mitigation
 - Customer service
- The Business Plan speaks to alternative rate mitigation approaches. How do such approaches from current rate mitigation methodologies?

CKH & MPDC believe that additional clarity will be provided from the Board’s upcoming Renewed Regulatory Framework consultation being held in February. Accordingly, CKH & MPDC will attend as participants and be actively engaged in this consultation.

With specific regard to Objective 1.2.1, CKH & MPDC propose that the timing of this Objective be adjusted to reflect comments previously submitted by CKH & MPDC in EB-2010-0364. Specifically, an evaluation of the TOU pricing structure should occur prior to implementing price changes and once additional experience can yield a more Ontario-specific design. It will be critical to amass data on how Ontario customers are responding to the current TOU pricing prior to changing the current structure.

Overall, CKH & MPDC believe that this Business Plan is a strong step in pursuit of the Board's Mandate and Mission over the next three years.