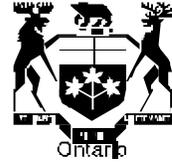


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BY E-MAIL AND WEB POSTING

March 6, 2008

**To: All Licensed Electricity Distributors
All Participants in Consultation Process EB-2007-0635
All Participants in Consultation Process EB-2007-0722**

**Re: Staff Discussion Paper on Electricity Distributors: Customer Service, Rate Classification and Non-payment Risk
Board File No.: EB-2007-0722**

The Ontario Energy Board (the “Board”) has today released for comment a staff Discussion Paper addressing issues associated with the provision of service by electricity distributors. For the reason noted below, the Discussion Paper also includes consideration of issues associated with the management of customer non-payment risk.

The objective of this project is to assist the Board in developing and, where appropriate, codifying policies relating to those issues as may be required to address concerns that have been identified from various sources.

Background

On September 6, 2007 the Board issued a letter advising stakeholders that it had initiated this consultation process, and setting out the issues to be reviewed. On October 18, 2007 staff led a stakeholder meeting (the “Stakeholder Meeting”) to provide Board staff with the opportunity to outline in more detail the issues under review and to receive initial comments from stakeholders.

The issues identified in the Board’s letter and discussed at the Stakeholder Meeting can be grouped into three categories:

- Customer Service
- Customer Rate Classification
- Specific Service Charges

Board staff has concluded that additional review is needed in relation to Specific Service Charges prior to issuing a discussion paper for comment on those issues. The Discussion Paper being released today addresses the Customer Service and Customer

Rate Classification issues. A discussion paper on Specific Service Charges will be issued for comment at a later time.

The Board has determined that the issues that were being reviewed as part of the “Electricity Distributors and Management of Customer Commodity Payment Default Risk” consultation (EB-2007-0635) are now more effectively addressed within the context of this consultation. Accordingly, the Discussion Paper also covers those issues.

In summary, the staff Discussion Paper addresses issues associated with Customer Service, Customer Rate Classification, and the Management of Customer Non-payment Risk.

Invitation to Comment

Board staff would be assisted in furthering its work by written comments on the staff Discussion Paper.

Staff has identified areas in relation to which stakeholder input is specifically requested. To that end, each section of the Discussion Paper contains a series of questions, and a complete list of the questions is also provided in Part IV of the Discussion Paper. Participants should, however, feel free to comment on all aspects of the Discussion Paper.

Cost Awards

Maximum Hours Eligible for Cost Awards

As indicated in the Board’s September 6, 2007 letter, cost awards will be available to eligible persons in relation to their participation in this consultation under section 30 of the *Ontario Energy Board Act, 1998*. Appendix A to that letter stated that cost awards would be available in relation to the provision of written comments on the staff Discussion Paper, up to a maximum of 15 hours. The Board has now revised this limit, such that cost awards will now be available in relation to the provision of written comments on the staff Discussion Paper, up to a maximum of 30 hours.

Participant Eligibility

The Board issued a Decision on Cost Eligibility on October 12, 2007 which named the following participants as eligible for an award of costs in this consultation: the Building Owners and Managers Association of the Greater Toronto Area; the Federation of Rental-Housing Providers of Ontario; and Vulnerable Energy Consumers Coalition.

The Board has determined that it will extend eligibility for cost awards in this consultation to all participants that were found to be eligible for an award of costs in the “Electricity Distributors and Management of Customer Commodity Payment Default

Risk” consultation. In accordance with the Decision on Cost Eligibility rendered by the Board on July 10, 2007 in relation to that consultation, those participants are: Energy Probe Research Foundation; London Property Management Association; and Vulnerable Energy Consumers Coalition.

Instructions on Filing Material with the Board

Interested parties wishing to provide written comments on the staff Discussion Paper must file their comments with the Board by **April 18, 2008**.

All filings to the Board in relation to this matter must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2007-0722** and include your name, address, telephone number and, where available, an e-mail address and fax number.

Two paper copies of each filing must be provided, and should be sent to:

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, Ontario
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The Board requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board’s web portal at www.errr.oeb.gov.on.ca. A user ID is required to submit documents through the Board’s web portal. If you do not have a user ID, please visit the “e-Filings Services” page on the Board’s website at www.oeb.gov.on.ca, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled “RESS Document Preparation – A Quick Guide” also found on the e-filing services webpage. If the Board’s web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.gov.on.ca. Those that do not have internet access should provide a CD or diskette containing their filing in PDF format.

This letter, the staff Discussion Paper and all written comments received by the Board in response to this letter, will be available for public viewing on the Board’s website at www.oeb.gov.on.ca and at the office of the Board during normal business hours.

Any questions relating to the Customer Service or Specific Service Charges part of this consultation should be directed to John Vratsidis at 416-440-8122 or by e-mail at: john.vratsidis@oeb.gov.on.ca.

Any questions related to the Customer Rate Classification part of this consultation should be directed to Laurie Reid at 416-440-7623 or by e-mail at:

laurie.reid@oeb.gov.on.ca.

Any questions related to the Management of Customer Non-payment Risk part of this consultation should be directed to Roy Hrab at 416-440-7745 or by e-mail at:

roy.hrab@oeb.gov.on.ca.

The Board's toll free number is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary