



OEB BOARD SECRETARY	
File No:	SubFile:
Panel	
Licensing:	MB/CC/RC
Other	
00/04	

July 20, 2006

Via FAX & Regular Mail

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Board File No.: RP-2004-0205
Regulated Price Plan – Pilot Projects

Newmarket Hydro Ltd. (NHL) is very supportive of the Ontario Energy Board's (Board) proposed amendments to the Standard Supply Code regarding Regulated Price Plan – Pilot Projects.

NHL has installed 500 interval meters on residential customers since April 2005 and we are continuing installations on an additional 200 residences. These were installed as a 2005 CDM pilot project at no cost to the customers.

NHL's billing system is capable of generating TOU bills. The system was converted years ago when limited TOU rates were allowed in the 1990s.

NHL is actively preparing a residential pilot project for TOU rates with its original 500 interval metered customers. Some of these customers will also be provided with programmable thermostats to help them shift load to the mid-peak or off-peak times. We want this pilot project to proceed during the summer of 2006, therefore a quick resolution of planned changes to the SSS is requested. The Board should implement the planned changes prior to the end of July 2006.

NHL has two concerns regarding the Board proposal.

1. Although the pilot project participants will not have to pay anything for the interval meters, nor the programmable thermostats, the participants will have to experience the impact of TOU rates. Therefore, participants may see bill increases if they do not shift their peak usage to mid-peak or off-peak times, and/or mid-peak usage to off-peak times. Because of this, participants can not be held harmless. The very nature of a pilot project is to see **real** reaction by consumers based on environmental and lifestyle conditions and electricity rates. The impacts, good and bad, must be "felt" by the consumers.
2. There is also a need to get sufficient "take-up" by consumers to make any outcomes and analysis meaningful. This may require some participants to be non-voluntary. Any

project that only contains "volunteers" will be of limited value, and it will not provide sufficient information to the Board and NHL to ensure a smooth transition to TOU and interval meters in 2007 and 2008.

Please contact us if you require any further information or clarification on our comments.

Yours truly,

A handwritten signature in black ink, appearing to read "Paul D. Ferguson". The signature is fluid and cursive, with a large initial "P" and "F".

Paul D. Ferguson, P. Eng.
President

PDF/tg