



October 8, 2010

Mr. Tom Chapman
Manager, Ministry of Energy
Office of Energy Supply
880 Bay Street, 6th Floor
Toronto, Ontario
M7A 2C1

Dear Mr. Chapman:

This letter provides input from the Canadian Petroleum Products Institute (CPPI) to EBR Registry Number 011-0973, Proposal to Make a Regulation under the Electricity Act to Amend O. Reg. 429/04.

CPPI is the national association representing the interests of the downstream petroleum industry for petroleum refining, distribution, transportation and marketing of petroleum products. In the province of Ontario, CPPI members include Husky, Imperial Oil, NOVA Chemicals, Shell Canada, Suncor and Ultramar.

CPPI supports the proposed changes to the calculation of the Global Adjustment as contained in EBR Registry Number 011-0973. An important principle in this proposal is the recognition that the Global Adjustment calculation does not currently differentiate between peak and off peak electricity usage. This change provides a financial incentive to reduce electricity demand on peak days, helping the province avoid unnecessary generation investment and incremental purchases. For large consumers this change offers more controllable electricity rates, which will help to improve their electricity cost competitiveness.

Please feel free to contact me if you require clarification or additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eric A. Bristow', is written over a white background.

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Cc Ms. Faith Goodman, Vice-President Ontario Division, CPPI