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February 22, 2006

Subject: Phase I Forward Energy Auction Rescheduled

Dear Qualified Buyers,

The OPA has rescheduled the Phase 1 Forward Energy Auction for Tuesday, February 28th.

The Revised Auction Rules will be posted on the OPA website shortly. There are four significant changes to these Auction Rules:

- A provision has been included to allow for credit limit changes between rounds (Section 3.2.4)
- A clarification of the ability to communicate the reserve prices during the Auction has been included (Section 3.11.4)
- Exhibit A has been altered to reflect the change for the 2006 Calendar Year to a March 1 start. There will be no lots of 25 MW Energy Product Available for 2006 – the Multi-Year term begins in January 2007.
- Exhibit B has been altered to reflect the changes to the timing for all Products and Rounds.

Please note that by participating in the Phase 1 Forward Energy Auction you are confirming that you have accepted all changes made to the Auction Rules.

There will be a mock auction conducted on Thursday, February 23rd which will parallel the live auction and will be open to Qualified Buyers only. More information will be available shortly. Information on the Phase 2 Forward Energy Auction will be available from the OPA website by March 3rd.

Regards,

Electricity Sector Development –
Ontario Power Authority