

### HAND DELIVERED

November 26, 2004

Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 26th Floor Toronto, ON M4P 1E4

Attention: John Zych, Board Secretary

Dear Mr. Zych:

# RE: SMART METER INITIATIVE (RP-2004-0196) DRAFT IMPLEMENTATION PLAN

Rodan Energy and Metering Solutions Inc. ("Rodan") is proud to have been a participant in the Ontario Energy Board's ("OEB") Smart Metering Work Group and a participant in the various sessions that have examined this very important initiative. Rodan is also pleased to be able to comment directly on OEB RP-2004-0196 "Draft Implementation Plan for Smart Meters in Ontario." Rodan commends the Ontario Energy Board and the Minister of Energy for their progressive and thorough approach to developing an infrastructure and complimentary regulatory framework in Ontario that will enable Ontario's energy consumers to better manage demand for electricity which we anticipate will ensure more efficient use of the current supply of electricity.

Rodan will draw on its experience as Ontario's leading Meter Service Provider ("MSP") licensed by the Independent Electricity Market Operator ("IMO") providing wholesale and retail metering and energy management solutions to generators, local distribution companies ("LDCs") and load consumers in all geographic regions of Ontario.

### **Regulated Price Plan**

Rodan recommends that the OEB develop incentives for customers that wish to participate in demand management programs such as a day ahead market and dispatchable load and generation programs. We believe that this will encourage distributed generation and district energy solutions, thus potentially mitigating distribution and transmission constraints.

#### Distributor Targets - Commercial Industrial Metering (>50kW)

Rodan supports wide-based consumer participation in electricity markets. The smart meter proposal, complemented by effective retail rates and regulatory framework, has the potential to enable greater participation from a wide range of consumers in the electricity markets. Rodan proposes that the OEB develop enhanced linkages between wholesale and greater than 50kW retail systems allowing for more efficient utilization of energy resources and operation of the integrated power system.

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Rodan supports the IMO's position that "meters for service over 50kW should be targeted for standardization with respect to their design, functionality and operation and maintenance requirements. To the extent possible, these standards should converge with wholesale metering requirements. This would impact approximately 450,000 of the estimated 4 million meters currently installed in Ontario."

In addition Rodan supports the IMO's position "of a viable and robust Metering Service Provider ("MSP") sector. To the extent that competition within the MSP sector might encourage such objectives by, for instance, providing opportunities for entry and participation, driving innovation, lowering prices, and adding value to consumers." The IMO further submits "that the Board's smart meter development and implementation plan should seek to take advantage of existing infrastructure and business processes (e.g., settlement processes and systems, communication systems) while promoting the development of innovative solutions to maximize benefits to consumers."

Recognizing the challenges that distributors face in designing, delivering and maintaining the smart metering hardware, communications, data management and other information and billing systems, Rodan supports the OEB's willingness to allow distributors to contract out to service providers any functions including meter ownership, reading of meters, and data management and presentment. In addition, Rodan recommends that distributors have the option to contract out their responsibilities for metering to a duly-licensed metering service provider.

## **Customer Groupings**

As one of the goals of the Conservation and Demand Management initiative is to improve system efficiency (power factor/power quality), interval metering should be deployed down to the 50kW level. This has already been implemented by some LDCs. Therefore, Rodan recommends the same metering standard be applied to Group 2 (50kW-200kW) as for Group 3 (greater than 200kW General Service) customers.

#### Conclusion

Rodan is pleased to participate in this consultation as a member of the OEB's smart meter working group and congratulates the Government and OEB for moving forward with the development of an implementation plan for smart meters in Ontario.

Yours very truly,

**RODAN ENERGY & METERING SOLUTIONS INC.** 

Paul M. Grod President