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November 26th, 2004

Mr. John Zych
OEB Board Secretary
2300 Yonge St. 26th floor
Toronto, ON, M4P 1E4
Phone: 416 481 1967
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Dear Mr. Zych,

Re: Comments on OEB Smart Meter Draft Implementation Plan **RP-2004-0196**

As an electricity consumer and meter equipment supplier, CCL Meter is pleased to submit comments for the referenced subject.

As electricity consumers, we agree with the Smart Meter Initiative and the general guidelines of the draft Implementation Plan (IP). Since smart metering is an enabling technology for energy conservation and demand management, it allows consumers to be informed users to manage its individual energy usages. Consumers certainly expect that the mass deployment as described in the IP will drive down capital and operation costs.

While consumer skeptics have questioned whether the IP's capital cost of $1 billion and operation cost of $50 million/yr is a wise investment to achieve a 5-10% energy reduction, we believe that there are many other benefits which smart meter could bring to the supply and demand equation that can off-set the marginal economics. However, since consumers have seen many instances of cost over-runs in the power generation side, they are suspicious of financial estimates of large projects. Therefore, a clear financial plan and cost estimate in the final plan would help the Board to alleviate consumer concerns.

As a meter equipment supplier, CCL Meter feels that the basic meter approach to keep the cost down while leaving room for upgrade, as advocated in the Plan, is a good proposal. Our comment is that we like the IP to elaborate the issue of indoor vs. outdoor meter in its specifications. Presently, most residential and small business users have their meters installed outside a building. This traditional arrangement is for the meter reader's access. However, just like the new water metering, the smart electricity meter initiative could also consider the option of indoor arrangements. An indoor meter can provide a numeric display easily accessible for the energy user. The indoor meter will be much cheaper in unit cost and be environmental stable than an outdoor meter.

The IP discussion paper suggests an Implementation Co-ordinator "to review and approve procurement plans of distributor buying groups." While we recognize the role of Implementation Co-ordinator as just transitional, we are not certain about the added value of an extra layer in the approval process. The present procedure of having LDCs getting plan approval directly from OEB is seemed sufficient. Conventionally, there is no

separate entity for supervising the utility meter installation by the LDCs, gas companies and the municipal utilities. We believe that the regulated meter specification, the CIS system requirements and utility accounting procedure handbook are sufficient for establishing a standard and protecting the public interest.

Finally, we would like to suggest the OEB to release the meter's specifications at the earliest possible date. Many meter suppliers and technology developers would need the complete specifications to develop the most cost-effective and reliable meter for the Province.

We hope the Board would find the comments useful. We look forward to be kept informed by the Board as to the progress of the smart meter implementation.

Yours truly,

Hua-zi Lin

President,
CCL Meter, a Division of W&E International (Canada) Corp