The SPi Group Inc.
214 King St. West, Suite 500, Toronto, ON M5H 3S6 Canada
Tel: 416. 408.1395 | Fax: 416. 408. 1396 | www.thespigroup.com

connect integrate evolve

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

January 10, 2005

Re: Comments on the Ontario Energy Board Request for Further Consultation on Two-Way Communication Standards (Board File No. RP-2004-0196)

Dear Mr. Zych,

The SPi Group (SPi) submits the following response to the Ontario Energy Board's (OEB) request for consultation on two-way communication standards for the Smart Meter Initiative. SPi is a leader in cost-effective, secure, and standardized information technology solutions for competitive energy markets.

What are the benefits and drawbacks of mandating a two-way communication network?
Two-way communication networks would support a set of feature-rich services for Local Distribution Companies (LDCs) and retailers with a premium on delivering those services. They would enable demand-management strategies using the Smart Meter as the access point to the premises, although alternative access points could be implemented if this proves unjustifiably challenging. Control signals based on Time of Day, price targets or other variables could originate at an LDC or service provider for specific or entire consumer populations. This functionality, coupled with an open standard, could enable a Smart Metering Network to provide the virtually limitless array of service options that the Smart Meter participant market demands.

However, if the two-way communication network is intended only for remotely reconfiguring TOU or CPP registers, costs could increase needlessly. A Smart Meter Data Repository will store "raw" and "cleaned" Smart Meter (interval) data for all Smart Meters in a population. An Aggregation component capable of rolling interval data into the units of energy required by rate plans could negate the need (and related administration) for programmable TOU or CPP meter registers. The additional costs associated with deploying a two-way communication network to support reprogramming TOU or CPP meter registers would not be justified.

If there is a two-way communication network, would an open data protocol aid the development and availability of end-devices and services?
Open data protocols would benefit vendor integration and the availability of end-devices and services, but would demand a time-consuming effort by a cross-vendor participant group. While SPi firmly supports the concept of open data protocols, the Smart Meter Implementation Plan's aggressive timelines do not allow further delays in the project's implementation. The process of aligning Smart Meter vendors to define an open data protocol for the Smart Meter Data Collection System likely will result in sizeable delays to the implementation. This could threaten achievement of the milestones laid out in the plan and put its conservation goals at risk.

The SPi Group Inc.
214 King St. West, Suite 500, Toronto, ON M5H 3S6 Canada
Tel: 416. 408.1395 | Fax: 416. 408. 1396 | www.thespigroup.com

The Smart Meter Data Standards Working Group is progressing with development of standards for communication outside of the Data Collection System. This effort is well underway, but a significant amount of work remains. While the issues that are raised present valid concerns requiring further discussion, the potential for needlessly adding cost and risk to the implementation timeline outweighs the potential benefits. We recommend that the focus remain on development of standards for communication outside of the data collection system.

Sincerely,

Brent Williams
Senior Strategic Manager, Smart Meter Initiative
The SPi Group Inc.