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RE: SUBMISSION TO THE OEB'S SMART METER INITIATIVE, RP-2004-0196

Dear Sir,

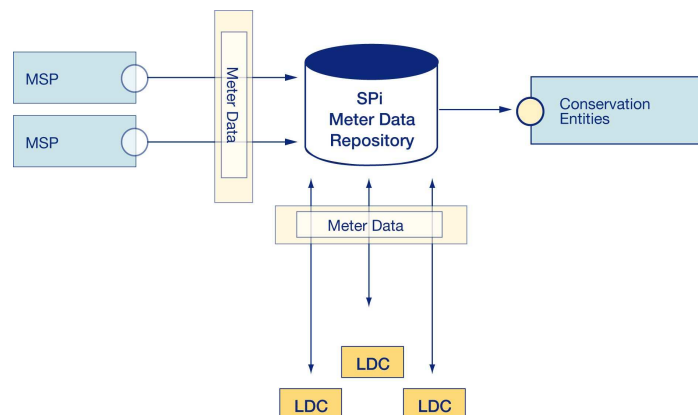
The SPi Group wishes to provide the following comments in response to the OEB Discussion Paper, Implementation Plan for Smart Meters in Ontario (RP-2004-0196), and to participate in the Working Groups which will be meeting this month through October. SPi contends that our skills and experience with the EBT Hub Clearinghouse and related billing & settlement systems in the Ontario retail market would be extremely valuable to this initiative.

SPi recommends using the existing EBT infrastructure to “avoid investment in unnecessary infrastructure upgrades”. The discussion paper notes that “the objective of the (smart meter) implementation plan for Ontario will be to minimize costs and maximize benefits to give value to consumers, the system, the market and market participants (particularly distributors).” The successfully adopted EBT Standards and market-wide infrastructure should be strongly considered as a baseline for the data format and delivery standards for the Smart Meter Initiative. Adoption of this existing infrastructure would dramatically reduce implementation costs and timelines for LDCs.

SPi recommends an approach that will minimize three of “the cost categories for meters”¹:

- **Data storage²**
- **Data manipulation, aggregation and provision³**
- **Settlement⁴**

SPi recommends that a centralized data repository in conjunction with the EBT Hub infrastructure be considered as the most practical and cost-effective manner for LDCs and other users of the smart meter initiative to handle the substantial burdens of large numbers of smart meters.



¹ Per Section 4 of the Discussion Paper.

² Discussed further in Section 5.3 of the Discussion Paper.

³ Discussed further in Section 5.2 of the Discussion Paper concerning Billing and Consumer Analysis

⁴ Ibid.

The centralized repository would:

- Receive VEE'd meter data from a variety of sources under a standardized data format and delivery method (akin to the EBT Standards and Hub market), such as meter service providers (MSP), meter vendors, Meter Data Management and Data Acquisition (MDMA) providers, etc.
- Store the standardized data in one location to allow for centralized tracking analysis or aggregation
- Provide this data to LDCs (directly to their CIS if required) in an aggregated manner under a standardized data format and delivery method

This approach meshes with the philosophy that *“the primary function of the meter is to provide information for settlement”*, given that the repository can calculate (billing and) settlement costs for the energy consumed, and offload this calculation burden from the LDC.

This scenario allows an LDC to simultaneously choose different providers as they see fit for its customer base, as well as reduce the costs associated with the significant burden of transporting, storing and processing the massive datasets for billing and settlement purposes. These costs could be reduced by offloading this burden to a third party or a common service shared by a number of LDCs.

The added benefit to the province is that a centralized service allows for an aggregated view of all meters contained in the centralized meter data repository. For example, if an LDC only needs to receive peak/off-peak consumption data for small volume customers, the repository would aggregate hourly interval data for that purpose. However, a regulatory body may be interested in examining the LDC's interval profile across all consumers. Since the data would be housed in one common manner in one repository, this repository facilitates the analysis of data across all participating LDCs in the given repository.

Another advantage of this approach is that it permits MSPs simplified access to LDCs via a system that has been in managing market data for all LDCs and retailers since market open. One entry point into this system allows an MSP to interact with any LDC in the province.

The successfully adopted EBT Standards and market-wide infrastructure that SPi was chiefly responsible for should be strongly considered as a baseline for the data format and delivery standards for the Smart Meter Initiative. Adoption of this existing infrastructure would dramatically reduce implementation costs and timelines for LDCs.

There exists a wealth of industry experience and knowledge at The SPi Group, well beyond its EBT experience in Ontario's market. Many of its staff has been involved building the existing EBT standards since 2000. We also have experience directly related to metering devices and practices, CIS and other related I.T. implementations. Our technical experts have a wealth of relevant experience with large-scale I.T. issues in the Canadian banking and brokerage sectors.

The SPi Group chairs the OEB's EBT Standards Working Group, and has evolved a comprehensive logistics and communications philosophy during the course of its chairmanship (above and beyond the methods previously used). Market participants have readily acknowledged the tremendous value this has brought to the industry, in terms of enhancing the visibility, participation, and successful implementation of enhancements to market procedures. This includes the OEB EBT Standards Working Group web-site that SPi created and maintains pro-bono for the benefit of the members of this working group, the OEB and the market as a whole. We suggest that these same methods are suitable for the Smart Meter Initiative, and we would be willing to provide the same services to a Smart Meter Working Group.

In summary, The SPi Group wishes to participate in the OEB's Smart Meter Working Group due to:

- SPi's existing EBT Hub connectivity to all market participants
- SPi's proven expertise in architecting and managing large volumes of data for market participants
- SPi's successful experience in leading and organizing industry working groups

We thank you for your consideration of this submission and request that the OEB invite The SPi Group to participate in the upcoming Working Group.

Please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

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