

Monitoring Report Smart Meter Deployment and TOU Pricing – July 2011

November 4, 2011

This report summarizes the activities by licensed distribution companies with respect to the implementation of smart meters and time-of-use (TOU) pricing for Regulated Price Plan (RPP) consumers during the period July 1, 2011 through July 31, 2011.

- Most distributors remain on track to achieve each of their mandatory TOU dates.
- As of July 31, 2011 there were 4,690,985 installed smart meters, 3,658,762 meters enrolled with the MDM/R (197,588 added in July) and 2,956,783 customers on TOU billing (143,778 added in July).
- In its monthly report, the SME states that it is confident “the MDM/R will continue to offer a stable system and effectively support LDCs’ time-of-use implementation plans and ramp up of meters to full provincial volumes.”

Background

On August 4, 2010 the Board issued a determination that set mandatory dates by which distributors must complete the implementation of time-of-use (TOU) billing. The Board’s determination requires that a distributor commence TOU billing of consumers with the first billing cycle following the mandatory date, this recognizes that distributors may implement TOU billing as a practical matter with the first bill to a consumer after the mandatory date. There are three important activities that a distributor must undertake to implement TOU pricing. These three activities are meter installation, smart meter enrolment with the MDM/R (Meter Data Management Repository), and activation of TOU pricing no later than the first billing cycle following a distributor’s mandatory TOU date.

In order to monitor progress towards meeting the requirements of the determination, the Board is requiring distributors to submit monthly progress reports. Further, the Board is also requiring the Smart Meter Entity (SME) to submit monthly reports regarding its status and readiness in supporting the implementation of TOU billing.

The remainder of this report provides a summary of the activities undertaken by licensed distribution companies and the SME reflecting the mandatory TOU implementation requirements as of July 31, 2011.

Distributor Summary

- As of July 31, 2011 there were 4,690,985 installed smart meters, 3,658,762 meters enrolled with the MDM/R and 2,956,783 customers on TOU billing.
- As of July 31, 2011, 26 distributors were billing some or all of their customers TOU prices.
 - Chatham-Kent Hydro, Halton Hills Hydro, Milton Hydro Distribution, Midland Power, Middlesex Power Distribution, and Lakeland Power Distribution have completed TOU roll-out for all of their eligible RPP customers.
 - Horizon Utilities, Hydro One Networks, Orillia Power Distribution Corporation and Veridian Connections Inc. have completed TOU implementation for all of their RPP-eligible customers except for certain customers who have been temporarily exempted from TOU billing by the Board due to technical issues.
 - Chapeau Public Utilities Corporation, E.L.K. Energy Inc., Guelph Hydro Electric Systems, Hydro One Brampton, Hydro Ottawa, Innisfil Hydro Distribution Systems, Kitchener-Wilmot Hydro, Kingston Hydro Corporation, Newmarket-Tay Power Distribution, Norfolk Power Distribution, Northern Ontario Wires Inc., Oakville Hydro Electricity Distribution Inc., Oshawa PUC Networks, PowerStream, Toronto Hydro Electric Systems and Waterloo North Hydro have reported that they are transitioning their RPP eligible customers over to TOU pricing by billing cycle in accordance with, or in advance of, their mandatory TOU dates¹.
 - Six distributors (representing 24,169 customers) have not implemented TOU in accordance with their mandatory dates.
 - Renfrew Hydro, and Tillsonburg Hydro, submitted applications for extensions which are still under review by the Board. These and the other extension applications before the Board are discussed further below.
 - Atikokan Hydro, Kenora Hydro, Fort Frances Power, and Sioux Lookout Hydro have not yet commenced TOU billing. These distributors are working as a group with Thunder Bay Hydro (whose TOU date is September 2011) and have experienced a delay due to problems with their CIS system. Staff followed up and learned that

¹ In previous monitoring reports Lakefront Utilities was also included in the list of distributors implementing TOU. However, this was due to an error in Lakefront's monthly submission. Lakefront Utilities has not yet commenced TOU billing. Lakefront's mandatory TOU date is September 2011.

this group of distributors is working with their vendors to deploy a solution that will allow them to commence TOU billing in September and complete the transition by October. Staff is monitoring their progress closely.

- A total of 29 distributors (representing 932,946 customers) have applied to the Board to extend their mandatory date. Most of the extension requests would only result in a short delay to ensure a smooth transition for their customers. To date, decisions have been issued for 22 of these applications. A list of these distributors is below.
- A total of 11 distributors, all of which have mandatory TOU dates of June 2011, have applied to the Board for partial exemptions for limited numbers of their RPP eligible customers to allow more time to bring these customers onto TOU. The Board has issued a decision for 9 of these requests so far. Four requests were granted by the Board and in each instance the applicant cited technical problems as a reason for the delay. Two applications cited concerns about bill impacts on General Service customers as a result of TOU these were denied by the Board. A list of these distributors is below.

Smart Meter Entity (SME) Summary

In its monthly report, the SME states that it “remains confident that with ongoing tuning, planned infrastructure improvements, and collaborative support of LDCs, that the MDM/R will continue to offer a stable system and effectively support LDCs time-of-use implementation plans and ramp up of meters to full provincial volumes.”

- The SME has revised its deployment plan for the Measurement Canada 2011 Solution². The “combined Release 7.2 and Measurement Canada 2011 Solution was made available for LDC testing on July 12” however a number of defects have been identified through testing and must be addressed before the solution is ready for production use. Therefore, the SME reported that it has “issued an updated schedule to all the LDCs and other stakeholders indicating that the January 1, 2012 Measurement Canada deadline will not be met.” Currently, it is expected that Release 7.2 will be deployed mid-January 2012 instead of November 2011 as previously planned.
- Board staff is closely monitoring progress through regular communication with the SME.

² In November 2009 Measurement Canada notified both the IESO and the Ministry of Energy that “Measurement Canada requirements that were not being met and gave notice that the shortcomings needed to be corrected by January 1, 2012. The MDM/R will have to align total energy consumption with the differences between the cumulative register reads at the beginning and end of the billing period. Distributors will have to modify their systems to receive the cumulative register reads and to include those reads, along with the TOU consumption information, on their customer bills.” (<http://www.smi-ieso.ca/news/mdmr-update-sme>)

Distributor Progress in Implementation

	Previous Total	Added This Period	Current Total	Percent of RPP Eligible Consumers as of July 31, 2011
Smart Meters Installed	4,680,802	10,183	4,690,985	99%
Smart Meters Enrolled with MDM/R	3,461,174	197,588	3,658,762	77%
Customers on TOU Billing	2,813,005	143,778	2,956,783	62%

Distributor Progress in MDM/R Enrolment

	Previous Total	Added this Period	Current Total
LDCs in Enrolment Testing	16	-7	9
LDCs in Production (completed enrolment testing)	44	8 ³	51

³ Eight new distributors cutover to production this month however, in total, there are still only 51 instead of 52 distributors in production. This is because one distributor (West Perth Power Inc.) which had previously been in production merged with Erie-Thames Powerlines Corp.

Distributors with Customers on TOU Billing

Distributor	RPP-eligible customers	Customers on TOU Billing	% of Customers on TOU Billing
Chapleau	1,274	1,114	87.44%
Chatham-Kent Power	31,772	31,772	100.00%
Guelph Hydro	48,044	26,476	55.11%
Halton Hills Hydro	20,643	20,643	100.00%
Horizon Utilities	232,521	227,270	97.74%
Hydro One Brampton	134,479	129,494	96.29%
Hydro One Networks	1,193,323	1,050,059	87.99%
Hydro Ottawa	299,576	83,247	27.79%
Innisfil Hydro	14,674	14,241	97.05%
Kingston Electricity Distribution Ltd	26,335	76	0.29%
Kitchener-Wilmot Hydro	86,345	76,874	89.03%
Lakeland Power	9,448	9,506	100.61%
Middlesex Power	7,888	7,888	100.00%
Midland Power	6,828	6,828	100.00%
Milton Hydro	27,971	27,971	100.00%
Newmarket-Tay Hydro	32,342	26,280	81.26%
Norfolk Power	18,796	17,336	92.23%
Northern Ontario Wires	6,057	5,776	95.36%
Oakville Hydro	62,219	54,688	87.90%
Orillia Power	12,808	11,900	92.91%
Oshawa PUC	52,453	51,766	98.69%
Peterborough Distribution Inc.	34,901	186	0.53%
Powerstream Inc.	312,000	284,538	91.20%
Toronto Hydro	697,640	641,294	92.93%
Veridian Connections	111,953	103,622	95.24%
Waterloo North Hydro	51,667	45,938	88.91%
Total	3,533,957	2,956,783	-

Pending Applications for Full Extensions

Distributor	Mandatory TOU Date	Requested TOU Date	Number of RPP Eligible Customers Affected
Bluewater Power	Oct-11	Jan-12	35,259
Cooperative Hydro Embrun*	Oct-11	Jan-12	1,780
Festival Hydro	Sep-11	May-12	19,335
Hydro 2000*	Oct-11	Jan-12	1,187
Ottawa River Power*	Oct-11	Jan-12	10,301
Renfrew Hydro*	Jun-11	Oct-11	3,748
Tillsonburg Hydro	Jun-11	Jan-12	6,643
West Coast Huron	Aug-11	Jan-12	3,822

Pending Applications for Partial Extensions

Haldimand County Hydro Inc.	Sep-11	Jan-12	456
Oakville Hydro	Jul-11	Mar-12	4,586

* Cooperative Hydro Embrun, Hydro 2000, Ottawa River Power and Renfrew Hydro are working together to implementing TOU billing and have filed a joint application for an extension. This is Cooperative Hydro Embrun's second extension application. As listed in the table below, Cooperative Hydro Embrun had previously applied for, and was granted, an extension from their original date of June 2011 to October 2011 (to align with Ottawa River Power's original TOU date).

Approved Applications for Extensions (full and partial)⁴

Distributor	Original Mandatory TOU Date	New Mandatory TOU Date	Number of RPP Eligible Customers Affected
Algoma Power Inc.*	Jun-11	Jul-12	11,551
Brantford Power	Jul-11	Nov-11	37,286
Burlington Hydro	Jul-11	Jan-12	63,424
Cambridge and North Dumfries Hydro	Oct-11	Feb-12	50,295
Canadian Niagara Power (Fort Erie)*	Dec-11	Jan-12	15,517
COLLUS Power	Jul-11	Dec-11	15,465
Cooperative Hydro Embrun	Jun-11	Oct-11	1,780
Eastern Ontario Power*	Feb-12	Feb-12	3,494
EnWin	Jun-11	Dec-12	83,727
Enersource	Jun-11	May-12	188,787
Essex Powerlines	Jun-11	Dec-11	27,850
Greater Sudbury Hydro	Jun-11	Dec-11	46,040
Grimsby Power*	Sep-11	Dec-11	10,052
Guelph Hydro (partial)	Jun-11	May-12	1,750
Hydro One Networks (partial)	Jun-11	Est. late 2012	150,000
Kingston Electricity Distribution	Jun-11	Oct-11	26,557
Kitchener-Wilmot Hydro (partial)	Jun-11	Jan-12	6,600
London Hydro	Jun-11	May-12	140,499
Newmarket-Tay Hydro (partial)	Jun-11	Nov-11	2,584
Orangeville Hydro	Jun-11	Sep-11	11,031
Orillia Power (partial)	Jun-11	Nov-11	800
Port Colborne Hydro*	Dec-11	Jan-12	9,060
Thunder Bay Hydro	Jun-11	Aug-11	49,014
Veridian (partial)	Jun-11	Dec-11	7,821
Wasaga Distribution	Jun-11	Nov-11	12,020
Waterloo North Hydro	Jun-11	Jan-12	2,957
Westario Power*	Sep-11	Dec-11	21,747
Welland Hydro	Sep-11	Jan-12	21,776
Wellington North Power	Jun-11	Jan-12	3,572

⁴ PowerStream and Midland's requests for partial extension for their GS>50kW customers were both denied. As such, Midland implemented TOU for all its RPP-eligible customers in June, whereas PowerStream's implementation is still underway.

* It should be noted that Algoma Power Inc., Canadian Niagara Power: Fort Erie, Eastern Ontario Power, and Port Colborne are all owned by FortisOntario. These distributors are working in association with Grimsby and Westario Power and jointly filed an application for extension.