

Monitoring Report Smart Meter Investment – September 2010

March 3, 2011

Purpose and Objective

On October 26, 2010 the Board issued a letter to all licensed distribution companies (distributors) requiring distributors to file information about smart meter investments on a quarterly basis. This report summarizes the life-to-date investments by distributors with respect to the implementation of smart meters up to September 30, 2010.

Background

In 2004, the Minister of Energy asked the Ontario Energy Board to develop an implementation plan to achieve the Government of Ontario's smart meter targets for electricity: 800,000 smart meters installed by December 31, 2007 and installation of smart meters for all Ontario customers by December 31, 2010. The Board consulted with industry and completed the *Smart Meter Implementation Plan – Report of the Board to the Minister (2005)*. The Board's report stated "the total capital cost through to 2010 for the proposed system (meter, communications, installation and distributor system changes) is estimated at \$1 billion."¹

Some distributors began installing smart meters as early as 2005. By 2006, there were 351,062² meters installed in the province. As of September 30, 2010 there were 4,382,194³ meters installed. Distributors have been reporting to the Board on their progress installing meters since June 2009. The Board's monitoring reports on smart meter and time-of-use implementation provide more detail about smart meter installation across Ontario. Overall, the majority of installations took place between the third quarter of 2009 and the end of 2010.

In 2009, the Board's Regulatory Audit and Accounting staff conducted an electricity distributor sector smart meter audit review for the period of January 1,

¹ Smart Meter Implementation Plan – Report of the Board to the Minister
http://www.ontarioenergyboard.ca/documents/communications/pressreleases/2005/press_release_sm_implementationplan_260105.pdf

² 2009 Smart Meter Audit Review Report
http://www.ontarioenergyboard.ca/OEB/Documents/Audit/Smart_Meter_Audit_Review_Report.pdf

³ Monitoring Report: Smart Meter Deployment and TOU Pricing – September 2010 (Posted November 10 2010)

2006 to September 30, 2009. At the time of the audit review the meter installation was 64% complete with 3,053,931 meters installed. The results of the review showed the total investment at that time was \$633,294,140 or about 64% of the total estimated cost of the program (as outlined in the Board's Report to the Minister).

The Board followed up on this review, on October 26, 2010 and issued a letter to all distributors requiring them to provide information on their smart meter investments on a quarterly basis. This report provides a summary of the first of the distributors' quarterly updates. These results represent the life-to-date investments in smart meter implementation as of September 30, 2010.

Summary

- As of September 30, 2010 the total provincial investment in smart meter installation was \$994,426,187.
- As of September 30, 2010 smart meter installation was 94% complete with 4,382,194 meters installed.
- This figure is consistent with both the Board's original estimate in its 2005 Report and the findings and projections resulting from the 2009 audit review. It should be noted, that since 2005 the number of eligible customers in the province has grown from 4,475,937⁴ to 4,683,202⁵ as of September 2010.

⁴ 2005 Electricity Distributor Yearbook

⁵ Monitoring Report: Smart Meter Deployment and TOU Pricing – September 2010 (Posted November 10 2010)

Distributor	Total Investment
Algoma Power Inc.	3,472,803
Atikokan Hydro Inc.	453,726
Bluewater Power Distribution Corporation	5,643,244
Brant County Power Inc.	964,704
Brantford Power Inc.	4,130,051
Burlington Hydro Inc.	12,067,814
COLLUS Power Corporation	1,805,456
Cambridge and North Dumfries Hydro Inc.	7,824,040
Canadian Niagara Power Inc.	1,731,809
Centre Wellington Hydro Ltd.	1,239,194
Chapleau Public Utilities Corporation	406,597
Chatham-Kent Hydro Inc.	8,333,860
Clinton Power Corporation	49,673
Cooperative Hydro Embrun Inc.	319,811
E.L.K. Energy Inc.	650,770
Eastern Ontario Power Inc.	250,578
EnWin Utilities Ltd.	29,051
Enersource Hydro Mississauga Inc.	48,267,323
Erie Thames Powerlines Corporation	755,613
Espanola Regional Hydro Distribution Corporation	508,406
Essex Powerlines Corporation	3,351,408
Festival Hydro Inc.	3,196,605
Fort Frances Power Corporation	837,388
Greater Sudbury Hydro Inc.	5,579,588
Grimsby Power Incorporated	1,683,109
Guelph Hydro Electric Systems Inc.	5,822,061
Haldimand County Hydro Inc.	3,724,470
Halton Hills Hydro Inc.	2,789,457
Hearst Power Distribution Company Limited	632,847
Horizon Utilities Corporation	30,205,205
Hydro 2000 Inc.	209,319
Hydro Hawkesbury Inc.	515,771
Hydro One Brampton Networks Inc.	25,807,442
Hydro One Networks Inc.	392,750,349
Hydro Ottawa Limited	28,211,093
Innisfil Hydro Distribution Systems Limited	2,281,783
Kenora Hydro Electric Corporation Ltd.	1,176,387
Kingston Hydro Corporation	4,223,623
Kitchener-Wilmot Hydro Inc.	12,495,079
Lakefront Utilities Inc.	1,558,986
Lakeland Power Distribution Ltd.	2,095,999
London Hydro Inc.	21,975,004
Middlesex Power Distribution Corporation	1,747,407
Midland Power Utility Corporation	923,209

Distributor	Total Investment
Milton Hydro Distribution Inc.	4,968,962
Newmarket - Tay Power Distribution Ltd.	443,762
Niagara Peninsula Energy Inc.	4,545,266
Niagara-on-the-Lake Hydro Inc.	1,458,704
Norfolk Power Distribution Inc.	3,185,224
North Bay Hydro Distribution Limited	2,889,141
Northern Ontario Wires Inc.	1,400,843
Oakville Hydro Electricity Distribution Inc.	18,574,149
Orangeville Hydro Limited	1,408,152
Orillia Power Distribution Corporation	2,013,414
Oshawa PUC Networks Inc.	2,987,870
Ottawa River Power Corporation	1,650,244
PUC Distribution Inc.	5,382,429
Parry Sound Power Corporation	669,814
Peterborough Distribution Incorporated	7,199,162
Port Colborne Hydro Inc.	1,426,238
PowerStream Inc.	58,049,633
Renfrew Hydro Inc.	535,276
Rideau St. Lawrence Distribution Inc.	1,662,618
Sioux Lookout Hydro Inc.	785,414
St. Thomas Energy Inc.	1,090,380
Thunder Bay Hydro Electricity Distribution Inc.	10,541,493
Tillsonburg Hydro Inc.	911,607
Toronto Hydro-Electric System Limited	158,417,424
Veridian Connections Inc.	27,288,290
Wasaga Distribution Inc.	1,677,781
Waterloo North Hydro Inc.	7,191,769
Welland Hydro-Electric System Corp.	2,666,242
Wellington North Power Inc.	740,939
West Coast Huron Energy Inc.	549,052
West Perth Power Inc.	168,266
Westario Power Inc.	3,238,842
Whitby Hydro Electric Corporation	3,886,126
Woodstock Hydro Services Inc.	2,123,555