

# Monitoring Report Smart Meter Deployment and TOU Pricing – February 2011

**March 31, 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 February 1, 2011 through February 28, 2011.

- While most distributors remain on track to achieve each of their mandatory TOU dates, there are a number that have applied for extensions. This means that instead of 3.6 million consumers on TOU billing by June 2011, there will be approximately 3 million customers in this timeframe, with more customers coming online over the summer and through the fall.
- As of February 28, 2011 there were 4,622,825 installed smart meters, 2,711,535 meters enrolled with the MDM/R and 1,912,252 customers on TOU billing.
- In its monthly report, the SME states that with the successful deployment of Energy IP R7.0 software it is “confident that the MDM/R will continue to offer a stable system to support ramp up top full provincial volumes.”

## **Background**

On August 4 the Board issued a determination that set mandatory dates by which distributors must complete certain activities required for the implementation of Time-Of-Use (TOU) billing. 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 within their service area.

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 January 31, 2011.

## Distributor Summary

- As of February 28, 2011 there were 4,622,825 installed smart meters, 2,711,535 meters enrolled with the MDM/R and 1,912,252 customers on TOU billing.
- Most distributors remain on track to achieve each of their mandatory TOU dates. It is expected there will be approximately 3 million customers on TOU billing by June 2011 with more customers coming online over the summer and through the fall.
  - Of the 40 distributors<sup>1</sup> (representing 3,941,825<sup>2</sup> customers) who have June 2011 mandatory dates:
    - Milton Hydro has completed TOU roll-out for all of its eligible RPP customers.
    - Chatham-Kent Power, Horizon Utilities Corporation and Newmarket-Tay Power Distribution have completed TOU roll-out for all of their residential customers and are proceeding with their eligible RPP general service customers.
- Staff identified 8 distributors that displayed limited progress towards accomplishing MDM/R enrolment activities (e.g., had fallen behind schedule or rescheduled enrolment testing dates):
  1. Brant County Power
  2. Centre Wellington Hydro
  3. Greater Sudbury Hydro
  4. Niagara-on-the-Lake Hydro
  5. North Bay Hydro Distribution
  6. Orangeville Hydro
  7. Parry Sound Power
  8. St. Thomas Energy

Board staff followed up with these distributors requesting further information regarding their delays in TOU implementation. Brant County Power, Centre Wellington Hydro, Niagara-on-the-Lake Hydro, North Bay Hydro, Parry Sound Power and St. Thomas Energy confirmed that with their new enrolment testing dates they are each on track to meet their respective TOU dates. Greater Sudbury indicated it may apply for an extension on its TOU date; Orangeville has already filed an extension application with the Board.

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<sup>1</sup> Thunder Bay was granted an extension on its mandatory TOU date from June 2011 to August 2011 therefore there are now only 40 distributors with a mandatory TOU date of June 2011.

<sup>2</sup> Hydro One was granted an exemption from their mandatory TOU date for 150,000 remote customers and is reflected in this figure.

- Algoma Power Inc., Enersource Hydro, EnWin, still have yet to provide project plans to SME confirming enrolment testing dates. Midland Power, North Bay, Orangeville Hydro, and Wasaga Distribution withdrew their project plans in February but have confirmed with the SME that they will submit new ones soon.
- A total of 16 distributors (representing 833,712 customers), including 7 with a June 2011 mandatory date but excluding Hydro One, Newmarket-Tay Power Distribution and Guelph Hydro<sup>3</sup>, have applied to the Board to extend their mandatory date. These distributors are:
  1. Algoma Power Inc.
  2. Brantford Power
  3. COLLUS Power
  4. Cambridge and North Dumfries Hydro (request granted)
  5. Canadian Niagara Power: Fort Erie
  6. Cooperative Hydro Embrun
  7. Eastern Ontario Power
  8. Enersource
  9. ENWIN
  10. Hydro Ottawa
  11. Grimsby Power
  12. Kingston Electricity Distribution
  13. Orangeville Hydro
  14. Port Colborne
  15. Thunder Bay Hydro (request granted)
  16. Westario Power

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.

- On March 21, 2011 the Board granted Cambridge and North Dumfries Hydro's request to extend its mandatory TOU date from October 2011 to February 2012.
- On January 13, 2011 the Board granted Thunder Bay's request to extend its mandatory TOU date from June 2011 to August 2011.
- Hydro One Networks has been granted an exemption from its mandatory date excluding approximately 150,000 customers that are currently outside the reach of Hydro One's smart meter telecommunications infrastructure.

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<sup>3</sup> Hydro One, Newmarket-Tay Power Distribution, and Guelph Hydro have only requested partial exemptions and are therefore not included in this list.

## Smart Meter Entity (SME) Summary

In its monthly report, the SME states that with the successful deployment of Energy IP R7.0 software it is “confident that the MDM/R will continue to offer a stable system to support ramp up top full provincial volumes.”

- Release 7.0 (R7.0) of the Energy IP software solution was successfully implemented resulting in performance improvements and minor new functionality for the MDM/R.
- The SME developed an aggressive deployment plan for the 2011 Measurement Canada Solution and identified a number of risk mitigation measures to promote delivery in accordance with the plan.
  - “The software for the remaining portions of the 2011 Measurement Canada solution is on track to be delivered according to plan.”
- Eighteen distributors are scheduled to be in enrolment testing in March, 20 in April, 27 in May and 5, in June. Due to these high volumes the SME has noted it may be necessary to defer some distributors’ enrolment testing.
  - If this occurs, the SME plans to work with all affected distributors to identify an alternate schedule that would have as little impact as possible on achieving distributors’ mandatory TOU dates.
- Board staff are closely monitoring progress through regular communication with the SME.

### Distributor Progress in Implementation

	Previous Total	Added This Period	Current Total	Percent of June 2011 Target Achieved
<b>Smart Meters Installed</b>	4,600,987	21,733	<b>4,622,825</b>	128%
<b>Smart Meters Enrolled with MDM/R</b>	2,414,933	296,602	<b>2,711,535</b>	75%
<b>Customers on TOU Billing</b>	1,738,477	173,775	<b>1,912,252</b>	53%

### Distributor Progress in MDM/R Enrolment

	Previous Total	Added this Period	Current Total
<b>LDCs Scheduled for Enrolment Testing (submitted project plan and confirmed date with SME)</b>	73	-2	<b>71<sup>4</sup></b>
<b>LDCs in Enrolment Testing</b>	13	-4	<b>9</b>
<b>LDCs in Production (completed enrolment testing)</b>	20	5	<b>25</b>

<sup>4</sup> Algoma Power Inc., Enersource, EnWin, still have yet to provide project plans to SME confirming enrolment testing dates. Midland Power, North Bay, Orangeville Hydro, and Wasaga Distribution withdrew their project plans in February but have confirmed with the SME that they will submit new ones soon.

### Distributors With Customers on TOU Billing

Distributor	RPP-eligible customers	Customers on TOU Billing	% of Customers on TOU Billing
Chatham-Kent Power	31,809	28710	90%
Horizon Utilities	232,774	211025	91%
Hydro One Networks	1,192,680	751884	63%
Hydro Ottawa	298,212	31590	11%
Milton Hydro	27,465	27449	100%
Newmarket-Tay Hydro	31,953	26648	83%
Oakville Hydro	61,862	373	1%
Peterborough Distribution Inc.	34,792	186	1%
Powerstream Inc.	316,208	247811	78%
Toronto Hydro	612,241	519697	75%
Veridian Connections	111,531	66879	60%
<b>Total</b>	<b>4,724,591</b>	<b>1,892,555</b>	-

### Pending Applications for Exemptions

Distributor	Mandatory TOU Date	Requested Date	Number of RPP Eligible Customers
Algoma Power Inc.	Jun-11	Jul-12	11,551
Brantford Power	Jul-11	Nov-11	37,286
COLLUS	Jul-11	Dec-11	15,465
Canadian Niagara Power (Fort Erie)	Dec-11	Jan-12	15,517
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	N/A	188,787
Guelph Hydro <sup>5</sup>	Jun-11	May-12	48,044
Grimsby Power	Sep-11	Dec-11	10,052
Hydro Ottawa	Jun-11	N/A	298,212
Kingston Electricity Distribution	Jun-11	Oct-11	26,557
Newmarket-Tay Power Distribution <sup>6</sup>	Jun-11	Nov-11	31,953
Orangeville Hydro	Jun-11	Sep-11	11,031
Port Colborne	Dec-11	Jan-12	9,060
Westario Power	Sep-11	Dec-11	21,747

<sup>5</sup> Guelph Hydro is seeking a partial exemption for 1,750 customers in the town of Rockwood.

<sup>6</sup> Newmarket-Tay Power Distribution is seeking a partial exemption for 2,584 General Service customers.