

Ontario | Commission Energy | de l'énergie Board | de l'Ontario

BY EMAIL AND WEB POSTING

April 19, 2023

TO: All Licensed Electricity Distributors Electricity Distributors Association Smart Metering Entity All Other Interested Parties

## RE: Follow-up to January 17, 2023 Bulletin – Extension of May 1, 2023 Compliance Deadline for Implementing Regulated Price Plan Pricing for Net Metered Customers

On January 17, 2023 OEB staff issued a Bulletin expressing the view that electricity distributors must charge customers on the Regulated Price Plan (RPP) based on the customer's choice of pricing plans – that is, tiered, time-of-use (TOU), or, when it becomes available, the new ultra-low overnight (ULO) option – even if the customer is net metered.

OEB staff acknowledged that it may take time for some distributors to make the changes to their billing systems and internal processes that would enable RPP consumers to participate in net metering while paying TOU (or ULO) prices, and that some distributors may want to consider the option of relying on the Meter Data Management and Repository (MDM/R) for billing net metered customers if the Smart Metering Entity (SME) were to begin offering that functionality.

For these reasons, and to allow distributors to co-ordinate these changes with those they will need to make to implement the ULO pricing option, OEB staff stated that compliance action would not be taken against distributors on this matter before May 1, 2023, and invited distributors to contact Industry Relations should they believe they may be unable to offer TOU prices to net metered customers by that date.

Since then a number of distributors have identified concerns in terms of the feasibility of meeting the May 1, 2023 deadline, including:

- the need to also update billing systems to implement the Green Button and ULO initiatives; and
- uncertainty around potential regulatory amendments to facilitate the SME's collection and management of bi-directional smart metering data, and related to that, potential inefficiency if distributors take steps to enable in-house capability despite the potential that regulatory amendments may require an alternative approach<sup>1</sup>

OEB staff are reviewing the concerns that have been raised. Given that May 1, 2023 is approaching, OEB staff wishes to assure distributors that we will not be taking any compliance action while this matter is under review. Once OEB staff has a full understanding of the issues, we will provide further guidance to the industry.

To be clear, OEB staff's continuing review of the issues does not in any way include a reconsideration of staff's interpretation in the Bulletin that offering net metered customers their choice of RPP pricing is required under the legislation. Therefore distributors that are able to adopt an in-house solution without significant effort are encouraged to do so without delay.

Yours truly,

Brian Hewson Vice President Consumer Protection & Industry Performance Ontario Energy Board

<sup>&</sup>lt;sup>1</sup> Shortly after the Bulletin was issued, the Ministry of Energy posted a <u>proposal</u> to enable the SME to collect and manage bi-directional smart metering data through the MDM/R and invited comments on, among other questions, whether the SME should be given exclusive authority in that regard. The comment period on the proposal closed on March 3, 2023.