

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B)

AND IN THE MATTER OF an application by **PowerStream Inc.** for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2009.

**DOCUMENT BRIEF OF THE
SMART SUB-METERING WORKING GROUP (“SSMWG”)**

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I N D E X

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TAB 1

Smart Sub-Metering Working Group Interrogatory #1

Rate Base (Exhibit B)

- 2.1 Are the amounts proposed for Rate Base appropriate?
- 2.2 Are the amounts proposed for 2009 Capital Expenditures appropriate?

References: Exhibit B1/T4/S2/p. 2
Exhibit B1/T4/S2/p. 19
Exhibit B1/T6/S1
Exhibit B1/T7/S1

Question:

1. **PowerStream proposes the continuation of a multi-unit residential smart suite metering program (the “Suite Metering Program”) and budgets expenditures of \$5.7 million for the years 2008 to 2012 (Exhibit B1/T6/S1). The PowerStream capital investment process indicates that a business case is completed for all projects in excess of \$250,000 (Exhibit B1/T2/S1, p. 19).**

Please provide a copy of all business cases, plans, presentations to the PowerStream Executive Management Team, internal communications and calculations that relate to the Suite Metering Program from its inception.

Response

PowerStream, as a licensed electricity distributor, has a service territory distribution monopoly and, generally, it is not engaged in competitive businesses. The most notable exception is smart suite metering; this is a very competitive business segment with numerous market participants. In addition to PowerStream, a number of intervenors are also engaged or are attempting to get a foothold in this market segment. These intervenors – Carma Industries Inc., Enbridge Electric Connections Inc., Hydro Connection Inc., Intellimeter Canada Inc., Stratacon Inc. and Wyse Meter Solutions (collectively, the “Smart Sub-Metering Working Group”) – filed a late intervenor request with the Board dated February 17, 2009 in which the competitive nature of this business segment was openly acknowledged.

PowerStream is concerned that SSMWG has intervened in this proceeding to gain access to certain information from PowerStream for the purpose of securing an unfair competitive advantage *vis-à-vis* PowerStream. This particular interrogatory is a blanket request for any and all internal documents pertaining to PowerStream’s suite metering program without any attempt to link the information requested to the matters at issue in this proceeding. Bluntly speaking, it

amounts to nothing more than a "fishing expedition." Nevertheless, in order to avoid procedural wrangling, PowerStream is prepared to provide a copy of PowerStream's suite metering business plan as well as an excerpt from the minutes of the meeting of its Board of Directors documenting its decision to provide suite metering service to condominiums. Accordingly, the following documents are attached hereto:

- (i) **Schedule SSMWG 1-1:** a document entitled "Sub-Metering Competitive Strategy," presented to PowerStream's Board of Directors (October 24, 2007); and
- (ii) **Schedule SSMWG 1-2:** an excerpt from the minutes of a meeting of PowerStream's Board of Directors (October 24, 2007).

The two schedules referenced above are provided in unredacted form with the exception of four references in Schedule SSMWG 1-1 to specific third-party service providers. As a courtesy to the parties involved, these references have been redacted in the copy of Schedule SSMWG 1-1 that is being provided to intervenors in this proceeding. An unredacted version of Schedule SSMWG 1-1 is being filed with the Board.

It is important to note that the phrase "sub-metering" is used throughout the schedules. At the time these documents were prepared, this terminology was accurate. This subsequently changed and now the correct terminology is "individual suite metering." The use of the term "sub-metering" should not be interpreted to mean that PowerStream is engaged in the sub-metering business. PowerStream is not now, nor has it ever been, engaged in the sub-metering business in condominiums or otherwise.

POWERSTREAM INC. BOARD OF DIRECTORS MEETING – OCTOBER 24, 2007

SUB-METERING COMPETITIVE STRATEGY

Recommendation

The President & CEO and the Vice President Corporate Performance recommend that the Board of Directors authorize Management to take appropriate action to formally pursue Sub-Metering business opportunities as a competitive business within PowerStream's service territory. This course of action was recommended by the Audit & Finance Committee at its meeting of October 23, 2007. These actions include the formal engagement of a marketing and technology partner to assist PowerStream in the execution of this business strategy.

Issue Summary

1.0 Current Environment

██████████ is offering Condominium Builder/Developers a \$ 300/unit incentive payment to contract with ██████████ for the installation, operation and maintenance of Sub-Metering system in their new condominium development projects. This poses a serious competitive threat to PowerStream's Sub-Metering business opportunities.

2.0 Background

PowerStream is a rate regulated and licensed electricity Distributor in Ontario. Our distribution rates are established through a public and transparent process fully regulated by the Ontario Energy Board (OEB). When we connect a sub-metering customer they are charged our approved residential distribution rates, which are designed to eliminate any rate class cross-subsidisation.

██████████ and ██████████, both of whom are active in our service territory, are unlicensed sub-metering entities whose rates are unregulated. Their rates are consequently not subject to the review of any regulatory agency for fairness or cross-subsidisation issues and the OEB at present has no plans to undertake such regulation.

For new condominium construction the decision to install a Sub-Metering system in a development and chose a service provider is decided by the Developer/Builder and not the successor Condominium Corporation. The service agreement and related costs are subsequently assumed by the condominium unit owners as part of their purchase agreement.

Ministry of Energy (MOE) and OEB staff are of the understanding that under Section 112 of the Condominium Act a Condominium Corporation can terminate a Sub-Metering service agreement at its discretion given it effectively consumer choice. Based on a legal opinion obtained by PowerStream from Gowlings Lafleur Henderson, the Condominium Corporation does not have this authority effectively making the Corporation and its unit owners the captive clients of the service agreement it assumes from the Developer/Builder.

2.1 Advocacy Efforts

Advocacy efforts by various LDC's and the EDA to influence the MOE to eliminate electricity distribution competition (embedded distribution) on private property were unsuccessful. The MOE subsequently introduced regulations to formalise the requirements for sub-metering and the OEB is now in the process of developing Distribution System Code requirements in support of these regulations.

PowerStream representatives met with staff of the OEB Compliance Section on October 1st to advise them of the evolving competitive pressures in the sub-metering business environment and urged them to make competitors in the Sub-Metering business subject to the same rate regulation provisions as Local Distribution Companies. Board staff

Item # 3 for Approval
SSMWG 1-1

advised that, in their opinion, the OEB lacks the jurisdiction to rate regulate these entities and has no current plans to do so.

3.0 Strategic Importance to PowerStream

- Customer growth potential in the multi-unit metering classification is substantial. Based on current building plans PowerStream could increase its customer base by up to 2,000 – 3,500 (1.0 -1.5%) per year by offering individual unit metering. It is an important organic growth opportunity within our service territory. Moreover, this opportunity will only increase as urban growth density intensifies.
- New customer connections are a key component of the OEB's performance based metrics approach to the 3rd phase of Incentive Based Regulation. The extent to which PowerStream can increase its customer base will result directly in more favourable performance results for PowerStream and reduce Regulatory risk.
- Providing individual unit connections for condominium customers provides PowerStream with the ability to engage these customers directly in CDM initiatives. Without sub-metering these customers cannot be engaged in achieving the Government's conservation objectives. As approximately 10% of PowerStream's customers are currently behind the bulk meter, this is a considerable foregone CDM opportunity.
- Finally, adding new plant assets through the sub-metering of condominium developments increases PowerStream's asset base and is supportive of our merger and acquisition activity.

4.0 Key Issues

- The extent to which PowerStream's competitors can recover their "incentive" costs directly from their end customers as their rates are unregulated and not subject to review.
- The extent to which [REDACTED] incentive payments may be cross-subsidised by other segments of their Corporate parent's businesses or [REDACTED] Shareholders given that their rates are unregulated and not subject to review.
- If PowerStream elects to match the incentive payments it will likely establish a precedent that will cause other Developer/Builders to seek the same incentives from PowerStream. Based on the current forecast of condominium developments in our service territory the incentive payments could total \$ 1M. per year.
- It is possible, given the OEB requirements for cost allocation equity, that PowerStream's Shareholders may have to fund the incentive payments from dividends because to recover these costs through distribution rates may result in cross-subsidisation by PowerStream's non-condominium customers.
- If PowerStream elects to make incentive payments the break-even point for cost recovery is 8 years at a maximum incentive of \$ 125/unit.

5.0 Alternatives

5.1 Do Nothing

Not Recommended. Reduced organic and rate base growth and loss of customer numbers for OEB 3rd Phase Incentive Based Regulation.

5.2 Compete for the Business from New Unregulated Subsidiary

Not Recommended. Expensive (> \$ 0.5M) to establish, onerous Affiliate Relationship Code provisions to satisfy, complicated Governance and questionable profitability without other business objects.

5.3 Compete for the Business within the Regulated Distribution Business

Recommended. Provides the opportunity for organic and rate base growth and enhances PowerStream's competitive position with respect to 3rd Phase Incentive Based Regulation.

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6.0 Recommendations

- That the Board of Directors authorize Management to take appropriate action to formally pursue Sub-Metering business opportunities as a competitive business within PowerStream's service territory.
- That PowerStream continue our advocacy efforts. While initial attempts to engage MOE and OEB staff have been disappointing, focusing on the lack of customer mobility may provide leverage.

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

POWERSTREAM INC.

POWERSTREAM VAUGHAN BOARDROOM

2800 Rutherford Road

Vaughan, Ontario

WEDNESDAY, OCTOBER 24, 2007

Directors Present: Peter Meffe, Chair
Tony Carella, Director
Linda Jackson, Director, via teleconference
Tony Wong, Director
Dan Horchik, Director
Mario Ferri, Director
Bernie DiVona, Director
David Allison, Director
Joyce Frustaglio, Director, via teleconference

Officers Present: Brian Bentz, President & CEO
John Glicksman, EVP & CFO
Dennis Nolan, EVP Corporate Services & Secretary
Jack Dinsdale, EVP Asset Management
Milan Bolkovic, EVP & COO
Mike Matthew, Director, Asset Management

Other Attendees: Ed Chatten, VP Corporate Performance
Eric Fagen, Manager, Corporate Communications

Regrets: Frank Scarpitti, Vice-Chair

Mr. Meffe acted as Chair and Mr. Dennis Nolan, acted as Secretary.

Mr. Meffe called the meeting to Order.

CONFIRMATION OF AGENDA

ON MOTION DULY MADE, SECONDED, AND CARRIED, the following resolution was passed:

RESOLVED that the agenda be confirmed. There being no disclosure of interest, the meeting proceeded to consider new business.

3. **SUB METERING COMPETITIVE STRATEGY**

Report by the President & CEO and the VP Corporate Performance

Mr. Chatten, Vice- President Corporate Performance and Metering reviewed the Report with the Board. Mr. Chatten explained Management's recommendations to take appropriate actions to pursue sub-metering business opportunities within PowerStream's service territory.

After discussion, it was:

RESOLVED THAT the Strategy be approved, amended to remove the payment of incentives or customer acquisition fees.

Smart Sub-Metering Working Group Interrogatory #1

Rate Base (Exhibit B)

2.1 Are the amounts proposed for Rate Base appropriate?

2.2 Are the amounts proposed for 2009 Capital Expenditures appropriate?

**References: Exhibit B1/T4/S2/p. 2
Exhibit B1/T4/S2/p. 19
Exhibit B1/T6/S1
Exhibit B1/T7/S1**

Question:

- 1. PowerStream proposes the continuation of a multi-unit residential smart suite metering program (the “Suite Metering Program”) and budgets expenditures of \$5.7 million for the years 2008 to 2012 (Exhibit B1/T6/S1). The PowerStream capital investment process indicates that a business case is completed for all projects in excess of \$250,000 (Exhibit B1/T2/S1, p. 19).**

Please provide a copy of all business cases, plans, presentations to the PowerStream Executive Management Team, internal communications and calculations that relate to the Suite Metering Program from its inception.

Response

PowerStream as a licensed electricity distributor has a service territory distribution monopoly and, generally, it is not engaged in competitive businesses. The most notable exception is smart suite metering – this is a very competitive business segment with numerous market participants. In addition to PowerStream, a number of intervenors are also engaged or are attempting to get a foothold in this market segment. These intervenors – Carma Industries Inc., Enbridge Electric Connections Inc., Hydro Connection Inc., Intellimeter Canda Inc., Stratacon Inc. and Wyse Meter Solutions (collectively, the “Smart Sub-Metering Working Group”) – filed a late intervenor request with the Board dated February 17, 2009 in which the competitive nature of this business segment was openly acknowledged.

PowerStream is concerned that these entities have intervened in this proceeding to gain access to certain information from PowerStream (IRs #1, 7, 12 & 13) that, if produced, would give them an unfair competitive advantage vis-à-vis PowerStream. The requested information consists of proprietary, commercially sensitive pricing intelligence. PowerStream is naturally concerned that disclosure of this information would cause irreparable harm to PowerStream, its shareholders, employees and other stakeholders, including private sector contract service providers. PowerStream does not object to the Board or Board staff receiving this information,

but it is not prepared to share it with the Intervenors. Therefore, PowerStream intends to avail itself of the protections of Rule 10 and the Confidential Filing Practice Direction.

TAB 2

Smart Sub-Metering Working Group Interrogatory #2

Question:

Please explain how the Suite Metering Program operates, including:

- (a) To whom is it available – multi-unit condominiums, multi-unit residential complexes, commercial developments, etc.?**
- (b) Is the Suite Metering Program available to both new and existing (either bulk metered or conventionally metered) buildings?**

Response

- (a) The program is available to all condominiums as defined in the *Condominium Act, 1998*.
- (b) See above.

TAB 3

Smart Sub-Metering Working Group Interrogatory #3

Question:

Please produce a copy of all written information or brochures provided to developers, building owners or condominium corporations that promote and/or explain how the Suite Metering Program operates and its benefits and attributes.

Response

Please see Schedule SSMWG-3.

TAB 4

Smart Sub-Metering Working Group Interrogatory #4

Question:

Please confirm that the Suite Metering Program first operated in 2007. If the Suite Metering Program began in an earlier year, or if any expenses associated with its development and roll out were incurred in prior years, please provide a breakdown of the year and the amount.

Response

The Program began in 2007.

TAB 5

Smart Sub-Metering Working Group Interrogatory #5

Question:

Please provide a breakdown of the amounts actually spent on the Suite Metering Program in 2008 and to date in 2009. Please provide for each of 2007, 2008 and 2009 the number of buildings in which Suite Metering Program expenditures were made and the number of units in each of these years that were individually metered as part of the program.

Response

2008 Program costs were \$1.5M for 2,200 units. 2009 Program costs are forecasted at \$1.1M for 1,600 units. In 2007, the number of buildings was 10; in 2008 the number of buildings was 17. The number of units in 2007 was 2500. PowerStream does not have a forecast of building numbers for 2009.

Table SSMWG 5-1: Suite Metering Program Expenditures

	2007	2008	2009
\$ spent	\$1.7	\$1.5M	\$1.1E
Buildings	10	17	n/a
Units	2,500	2,200	1,600E

As of March 31, 2009 270 units at a total cost of approximately \$185,000 have been commissioned.

TAB 6

Smart Sub-Metering Working Group Interrogatory #6

Question:

How has PowerStream developed its budget/forecast expenditures for 2009 through 2012? Please advise as to the number of buildings and units that PowerStream forecasts to meter under the Suite Metering Program for each of the years 2009 through 2012. Please provide a breakdown, if applicable, between new versus existing (retrofit) projects for each of these years. Please provide PowerStream's estimate of the percentage of the new and existing multi-unit condominium market that it believes its Suite Metering Program will address in each of the years 2009 through 2012.

Response

The forecast is developed based on prevailing economic conditions, past program success and anticipated development plans. PowerStream's forecast is approximately 1,600 units per year. PowerStream does not forecast the number of buildings. PowerStream does not develop a detailed forecast of new versus retrofit installations.

TAB 7

Smart Sub-Metering Working Group Interrogatory #7

Question:

The PowerStream Website indicates that the Suite Metering Program utilizes Quadlogic Smart Meters. What is PowerStream's forecast cost per suite to purchase and install Quadlogic Smart Meters, and what portion of this amount is included in the Suite Metering Program?

Response

PowerStream's response to SSMWG-5 provides: (i) the actual fully-allocated cost of its suite metering program in 2007 and 2008 and its forecast of such costs for 2009; and (ii) the number of buildings and units involved in the suite metering program. The fully allocated *per* unit cost of PowerStream's suite metering program in each year can be derived from this information.

Amounts paid by PowerStream to Quadlogic and Trilliant in respect of hardware, procurement, installation, data acquisition and project management services are embedded in the fully allocated cost data provided in response to SSMWG-5. These vendors were chosen on the basis of a competitive tender and, accordingly, the prices of their service comprise market prices. Pricing information that is specific to each of these vendors is proprietary to these vendors and PowerStream is unable to unilaterally provide this information to any third parties. Moreover, PowerStream is of the view that SSMWG does not require this specific proprietary information for any purpose that is relevant to a rate application proceeding. The cost information provided in other responses to SSMWG interrogatories is more than sufficient to formulate positions on the issues that are relevant in this proceeding.

Smart Sub-Metering Working Group Interrogatory #7

Question:

The PowerStream Website indicates that the Suite Metering Program utilizes Quadlogic Smart Meters. What is PowerStream's forecast cost per suite to purchase and install Quadlogic Smart Meters, and what portion of this amount is included in the Suite Metering Program?

Response

All of the Quadlogic costs are included in the Smart Suite Metering Program.

For the reasons given in response to SSMWG-1, PowerStream is not in a position to provide the requested information.

TAB 8

Smart Sub-Metering Working Group Interrogatory #8

Question:

What is PowerStream's policy for charging each of the following owners/developers for all or a portion of the cost to purchase and install the Quadlogic Smart Meters (or any other smart meters PowerStream contemplates utilizing as part of the Suite Metering Program):

- (a) Existing condominium corporations and/or unit owners;**
- (b) A condominium, at any stage of construction;**
- (c) Existing residential complexes as this term is defined under the *Residential Tenancies Act*;**
- (d) Planned or residential complexes at any stage of construction.**

Response

a) to d) If an existing condominium as defined in the *Condominium Act, 1998* requests a connection PowerStream will connect the customer in accordance with sections 3.1.4 and 3.1.5 of the Distribution System Code. For residential condominiums, existing condominium corporations and/or unit owners are not charged a connection charge. All costs related to serving those customers are recovered through PowerStream's regulated residential distribution rates. For non-residential condominiums, existing condominium corporations and/or unit owners are charged a connection charge to recover the costs that are not collected through PowerStream's regulated general service distribution rates. The policy does not discriminate based on whether the existing condominium is to be individually suite-metered by PowerStream, bulk-metered or bulk-metered and subsequently sub-metered by a smart sub-metering service provider.

If PowerStream must construct new facilities to its main distribution system or increase the capacity of existing distribution system facilities in order to be able to connect a condominium as defined in the *Condominium Act, 1998*, PowerStream runs the economic evaluation model of the expansion project in accordance with Appendix B of the Distribution system Code to determine if the future revenue from the customers will pay for the capital cost and on-going maintenance costs. The model is run whether the condominium is to be individually suite-metered by PowerStream, bulk-metered or bulk-metered and subsequently sub-metered by a smart sub-metering service provider.

PowerStream does not install or operate smart suite metering in new or existing residential complexes as defined in the *Residential Tenancies Act*.

TAB 9

Smart Sub-Metering Working Group Interrogatory #9

Question:

If a project requires PowerStream to undertake an economic evaluation under the *Distribution System Code*, is such a project eligible to participate in the Suite Metering Program? If so, how does this affect the economic evaluation?

Response

Please refer to answer SSMWG-8.

TAB 10

Smart Sub-metering Working Group Interrogatory #10

Question:

Does the Suite Metering Program ever have an impact on the fixed or variable connection charges that PowerStream would otherwise charge project developers/owners, and if so, how does this work?

Response

No.

TAB 11

Smart Sub-metering Working Group Interrogatory #11

Question:

If the Suite Metering Program was discontinued, please provide PowerStream's estimate of the increase in either or both of variable connection fees and capital contributions recovered from a project developer/owners for each of the years 2009 to 2012. Please explain the basis for your answer.

Response

Yes. There would not be any of the increases referred to in this IR. The reasons are as follows. Connection fees and capital contributions recovered from project developer/owners are independent of the Suite Metering Program. PowerStream runs the economic evaluation model in accordance with Appendix B of the Distribution system Code of the expansion project to determine if the future revenue from the customers will pay for the capital cost and on-going maintenance costs of the expansion project.

Ontario Regulation 442/07 obligates a licensed distributor to install smart meters where a class of property as defined in the Regulation requests it to do so. If the Suite Metering Program was discontinued, PowerStream would still retain this obligation – the fact that the Company has called it a Suite Metering Program does not relieve the Company of its obligation. PowerStream has identified its program separately because it utilizes technology that is appropriate for condominiums as opposed to single family dwellings or other non-residential customers. If project developers/owners determined that they did not want individual suite metering, as is sometimes the case, any charges assessed would be based on a bulk meter.

TAB 12

Smart Sub-metering Working Group Interrogatory #12

Cost of Service (Exhibit D)

I4.1 Are the overall levels of the 2009 Operation, Maintenance and Administration Budgets appropriate?

Reference: Exhibit D1/T1/Schedules 1, 2, 3, 4 and 9 Question:

Does PowerStream include in its proposed 2009 OM&A Budget any amounts for the operation and promotion of the Suite Metering Program (salaries, overhead, etc.)? Please provide the amounts attributable to the Suite Metering Program on a fully allocated basis.

Response

Yes. The 2009 OM&A amounts set out in PowerStream's Application include \$127,000 which comprises PowerStream's forecast of the fully allocated (including burdens) OM&A cost of PowerStream's 2009 suite metering program.

Smart Sub-metering Working Group Interrogatory #12

Cost of Service (Exhibit D)

I4.1 Are the overall levels of the 2009 Operation, Maintenance and Administration Budgets appropriate?

Reference: Exhibit D1/T1/Schedules 1, 2, 3, 4 and 9

Question:

Does PowerStream include in its proposed 2009 OM&A Budget any amounts for the operation and promotion of the Suite Metering Program (salaries, overhead, etc.)? Please provide the amounts attributable to the Suite Metering Program on a fully allocated basis.

Response

Yes.

For the reasons given in response to SSMWG-1, PowerStream is not in a position to provide the requested information.

TAB 13

Smart Sub-metering Working Group Interrogatory #13

Question:

The PowerStream Website indicates that it partners with Trilliant Networks to deliver the Suite Metering Program. Please advise of Trilliant's role and whether the 2009 OM&A Budget includes any forecast amounts payable to Trilliant, and if so, the forecast amount.

Response

Trilliant provides procurement, installation, data acquisition and project management services in connection with PowerStream's suite metering program. The 2009 OM&A Budget does include forecast amounts payable to Trilliant. Please see revised responses to SSMWG-7 and SSMG-12 for further information on this matter.

Smart Sub-metering Working Group Interrogatory #13

Question:

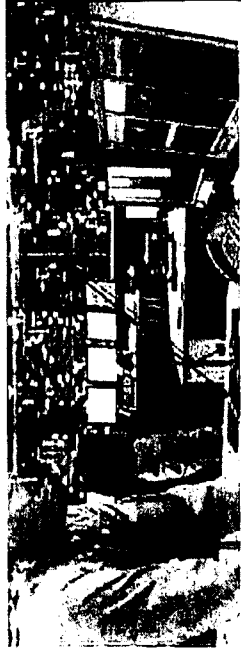
The PowerStream Website indicates that it partners with Trilliant Networks to deliver the Suite Metering Program. Please advise of Trilliant's role and whether the 2009 OM&A Budget includes any forecast amounts payable to Trilliant, and if so, the forecast amount.

Response

Trilliant provides procurement, installation and data acquisition and project management services. The OM&A budget does include amounts payable to Trilliant.

For the reasons given in response to SSMWG-1, PowerStream is not in a position to provide the requested information.

Further, this information is also proprietary and confidential to Trilliant, which does not consent to it being furnished to third parties.



SMART METER TECHNOLOGY

The Ontario Energy Board has established residential time-of-use rates, or electricity prices charged per kilowatt-hour (kWh) that change throughout the day. The different pricing periods of "On-Peak", "Mid-Peak" and "Off-Peak" were set based on how the cost to produce electricity in Ontario varies by the time of day, day of the week and the season. In accordance with these rates, Smart Suite Metering systems, equipment and technology must be capable of measuring electricity consumption or use in each unit and, at a minimum, should be capable of measuring electricity consumption or use in hourly intervals. PowerStream and its technology partners deliver completely integrated metering and communication systems that utilize advanced smart meters, two-way communications networks and automated data collection. With many years of experience in solving meter communications, our delivery team is focused on commercial high-rise Smart Suite Metering solutions for electric data collection and management.

ABOUT POWERSTREAM

PowerStream is the third largest local electricity distribution company in Ontario, delivering power to more than 240,000 residential and business customers in the municipalities of Aurora, Markham, Richmond Hill and Vaughan.

The company, jointly owned by the City of Vaughan and the Town of Markham, is committed to providing its customers with safe, reliable and efficient service. PowerStream achieves this goal by focusing on operational efficiencies and procedures in order to minimize overhead costs and maximize the use of company assets.

OUR MISSION

To deliver reliable power and related services safely and efficiently to support our customers' quality of life and to provide value to our shareholders.

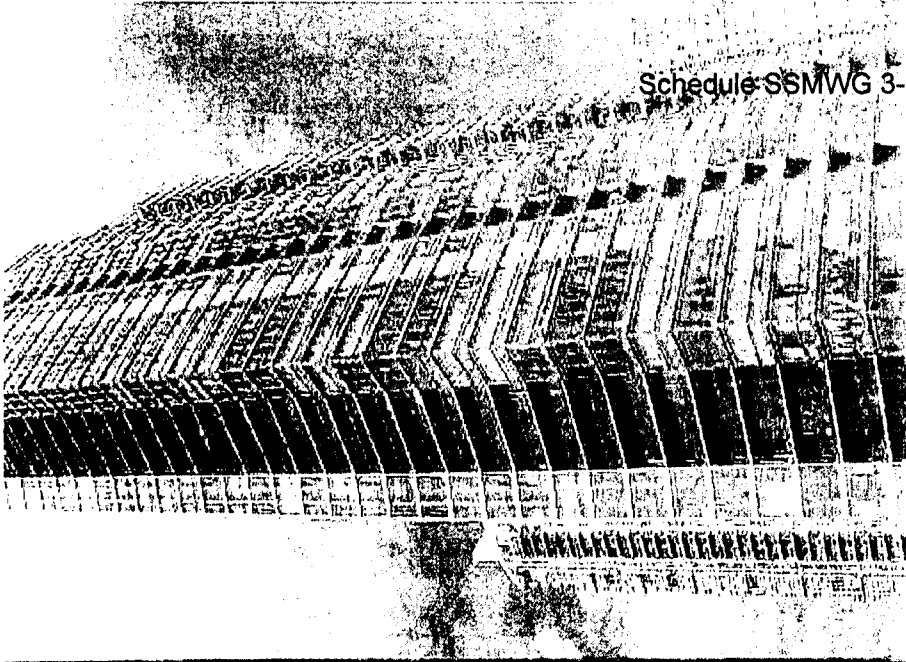


CALL 905.326.2297
TO ARRANGE
FOR A FREE
CONSULTATION

161 Cityview Boulevard, Vaughan, Ontario, L4H 0A9

www.powerstream.ca

info@powerstream.ca



Schedule 66MWG 3-1

Smart Suite Metering for Retrofit/Bulk Metered Properties

Real-time in suite utility management



Your current connection...

CONDO UNIT METERING

With the introduction of Bill 21 by the Ontario Government, existing condominiums in Ontario have the option to install separate "smart" electricity meters for each individual unit. A number of studies and pilot projects have proven that this new legislation for Smart Suite Metering will address the growing need to better manage electricity consumption and will eliminate the financial risk for property owners to manage ever increasing electricity costs over time.

As experts in energy technology, PowerStream offers turnkey Smart Suite Metering solutions that offer benefits to all stakeholders – from condo developers, corporations, owners, managers and directly to residential suite owners.

SMART SUITE METERING CONTROL...

Unlike offerings from independent contractors, PowerStream has the technology backbone and the implementation team to design, deploy, commission and project manage a Measurement Canada approved solution. As your local electric utility, you can be assured that we and the implementation partners we choose, will be here indefinitely to stand behind the quality of our products and service.

STAKEHOLDER BENEFITS

As an energy conservation measure, electrical Smart Suite Metering will lower electrical consumption only to the extent that individual residents are incented to reduce usage. The financial savings flowing from reduced consumption directly benefits those who conserve.

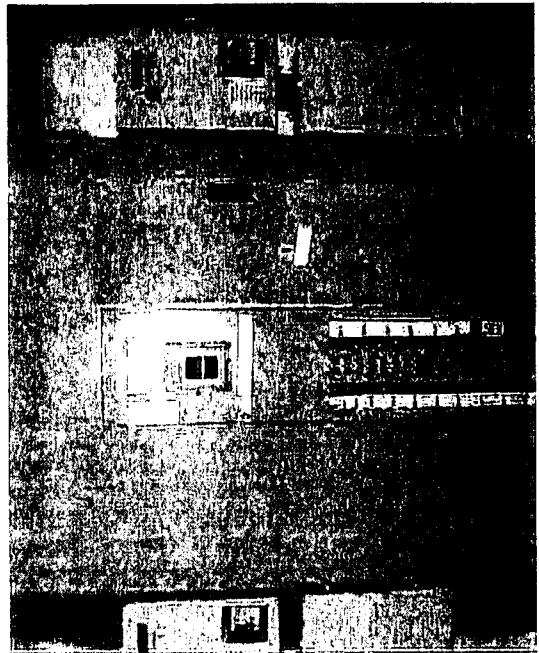
Condominium Corporations

- PowerStream will supply and install the individual suite meters at no cost to the condominium corporation;
- The meters meet the same Measurement Canada requirements for accuracy and durability as those installed elsewhere;
- As you can see, we have the quality and experience to provide the quality you need;
- Designed and installed by a company specializing in Smart Suite Metering solutions.

RESIDENTIAL OWNERS

- Homeowners pay for their own energy use and can implement their personal conservation strategy;
- As their local utility, PowerStream provides one bill to homeowners;
- Part of an established network of more than 240,000 customers;
- Technically sound billing system;
- Proven customer care metrics;
- Equitable rates, including customer suite owner charges;
- Rates regulated by Ontario Energy Board (OEB) through a public hearings process.

Schedule 5S (M) G 3-1



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Smart-Suite Metering Proposal

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