

March 23, 2012

Via RESS e-filing – Signed original to follow by courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: SSMWG Response to THESL Updated Draft Rate Order
and Cost Allocation Model filed March 19, 2012
Board File: EB-2010-0142, Phase II**

This submission is made on behalf of the Smart Sub-metering Working Group (“SSMWG”). Pursuant to the Board’s amended Decision and Order on Suite Metering Issues, dated March 9, 2012, intervenors have until March 26, 2012 to file comments on THESL’s updated Draft Rate Order and Cost Allocation Model. The SSMWG’s comments are limited to THESL’s request to delay implementation of the new Quadlogic Rate Class.

THESL proposes to introduce the new Quadlogic Rate Class in the fall of 2012. Interpreted literally, this means that the new rate class might not be put into effect until the middle of December of 2012.

The SSMWG fails to understand why a local distribution utility that faces annual changes to rates would take up to nine months to implement a rate order. It should be noted that the Board made it clear in its Partial Decision and Order, dated July 7, 2011¹ and at the oral hearing held December 7, 2011² that the Board required the creation of a separate rate class for multi-residential customers utilizing Quadlogic technology.

THESL was therefore put on notice as of July 7, 2011 that a new rate class would be required in 2012. THESL did not state at any time during the oral hearing that it would have difficulty implementing the new Quadlogic Rate Class on a timely basis. It also did not indicate in its Argument in Chief that there would be any concerns about implementation. These concerns were raised for the first time in THESL’s Draft Rate Order dated March 7, 2012. The concerns raised were vague and lacked specificity. It is

¹ at p. 35

² Tr. p. 155

noteworthy that THESL did not state that it could not implement the new Quadlogic Rate Class concurrently with 2012 IRM rates, just that it will take time and effort.

It has been clear since early July 2011 that the new rate class would be implemented in 2012. Steps could have been taken earlier to prepare for this requirement. Without an explanation as to why at least some of this work could not have been completed earlier, the SSMWG submits that the new Quadlogic Rate Class should be implemented concurrently with the 2012 IRM rates.

The SSMWG therefore submits that THESL's request to delay implementation to the fall should not be accepted

Yours truly,

AIRD & BERLIS LLP

Original signed by

Dennis M. O'Leary

DMO:ct

cc J. Mark Rodger, Counsel for THESL (by electronic mail only)
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