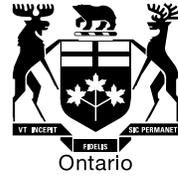


**Ontario Energy Board**  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416-481-1967  
Facsimile: 416-440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**  
C.P. 2319  
27<sup>e</sup> étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone: 416-481-1967  
Télécopieur: 416-440-7656  
Numéro sans frais: 1-888-632-6273



**VIA EMAIL AND WEB POSTING**

July 27, 2017

Phil Martin  
VP Finance & Regulatory Compliance  
Oshawa PUC Networks Inc.  
100 Simcoe Street South,  
Oshawa ON L1H 7M7

Dear Mr. Martin:

**Re: Oshawa PUC's Regulated Price Plan Pilot Application  
(Board File No. EB-2016-0201)**

In July 2016, the Ontario Energy Board (OEB) invited electricity distributors to submit applications to conduct pilots to test price and non-price programs, as part of its Regulated Price Plan (RPP) Roadmap. In response to this invitation, Oshawa PUC Networks Inc. (Oshawa PUC) submitted a pilot proposal that would test three different scenarios. The OEB has completed its review of Oshawa PUC's proposed pilot project, and has decided to approve it subject to certain conditions.

Oshawa PUC's RPP pilot project is designed to test the following price and non-price approaches:

1. Super Peak TOU;
2. Seasonal TOU with critical peak pricing; and
3. Real-time information feedback delivered through the customer's choice of communication method.

All enrolled customers will be charged in accordance with the applicable pilot pricing approach for at least one year. Those involved in the price plan approaches will pay either Super-Peak or Seasonal time-of-use rates, each of which will be approved by the OEB and updated from time to time, and will receive real time information feedback. In

addition, one group of customers who will receive real time information feedback without participating in either of the price plans being tested. A control group will pay status-quo time-of-use rates as updated from time to time by the OEB.

The use of control groups will help to verify that participants' behavioural responses are a result of the differing treatments within the pilot.

Oshawa PUC has identified that its RPP pilot will take approximately two years to complete once initiated, including its final report, at an estimated cost of \$5.795M, including in-kind contributions valued at \$280,000 from Oshawa PUC and its partners. The OEB notes that Oshawa PUC has identified that approximately \$100,000 has been allocated within its pilot budget to accommodate potential customer recruitment and technology risks. The OEB expects Oshawa PUC to deploy and run its RPP pilot on schedule and within budget, including contingencies. Any scheduling or cost changes will need to be approved in advance by the OEB, and the need for such changes will need to be rigorously justified by Oshawa PUC.

The OEB is satisfied that Oshawa PUC's proposed pilot meets the pilot requirements laid out in the *Regulated Price Plan Roadmap: Guideline for Pilot Projects on RPP Pricing* (RPP Guideline), conforms to the price and non-price pilot framework laid out in the RPP Roadmap and will support the OEB's efforts in determining price alternatives that can complement the ongoing review of the RPP.

In accordance with a direction from the Minister of Energy to the Independent Electricity System Operator (IESO) dated December 16, 2016, funding for Oshawa PUC's pilot, other than the in-kind contributions detailed above, will be paid out of the IESO's Conservation Fund. Invoices to the IESO must only reflect actual spending.

The OEB's approval of Oshawa PUC's pilot is subject to the Conditions of Approval set out in Attachment A to this letter and to the execution of a standard form contract between Oshawa PUC and the IESO to access the Conservation Fund.

In light of the participant information that will be generated and collected in relation to the pilot, the OEB expects Oshawa PUC to ensure its obligation to protect participants' personal information is met. Adherence to the Restrictions on Provision of Information established in Oshawa PUC's licence, namely that a consumer's information collected for one purpose may not be used for any other purpose, or shared with any third party, without the consumer's written consent, must be a priority in designing the details of the pilot program and processes.

As part of the pilot program, applicants will be required to complete regular monitoring reports, in addition to filing interim results and a final report. Subject to addressing

confidentiality concerns, all such reports may be posted on the OEB's website. A schedule for filing these reports with the OEB is provided in Attachment B. A copy of the Monitoring Report template is contained in Attachment C to this letter.

The OEB requests that Oshawa PUC submit updated project timelines based on the approval date of this letter within 15 days of the date of this letter in order to support the OEB's monitoring of the pilot's performance against project timelines.

Any questions can be directed to [RPP.Pilots@oeb.ca](mailto:RPP.Pilots@oeb.ca) and should cite "Oshawa PUC" in the subject line.

Sincerely,

*Original signed by*

Mary Anne Aldred  
General Counsel & Vice President, Legal Services & Strategic Policy  
Ontario Energy Board

**Attachment A – Conditions of Approval**

1. **Notice of Changes:** Oshawa PUC shall notify the OEB of any proposed changes to the scope, budget/costs, timing/schedule and/or objective(s) of the pilot. These changes are subject to OEB approval.
2. **Publicity:** Oshawa PUC shall obtain prior OEB approval of all recruitment and promotional materials proposed to be used by Oshawa PUC in relation to the pilot. Oshawa PUC shall include such references to the OEB in such materials as may be directed by the OEB, but shall not refer to the OEB in any communications without the OEB's prior approval. Oshawa PUC shall use best efforts to seek OEB approval regarding such recruitment and promotional materials no less than 15 days prior to their intended use, or by prior consent of the OEB on any shorter period.
3. **Information and Reporting:**
  - (a) Oshawa PUC shall provide regular Monitoring Reports and file an Interim Results Report and a Final Results Report with the OEB in accordance with the schedule outlined in Attachment B. The reporting schedule is subject to change at the OEB's discretion.
  - (b) Oshawa PUC shall make all reasonable efforts to prepare its Monitoring Reports and Results Reports in such a manner that they do not contain confidential or personal information. If it is necessary for a Monitoring Report or a Results Report to contain confidential or personal information in order for the contents of the Report to be meaningful, Oshawa PUC shall clearly identify the confidential or personal information and file the relevant Report in confidence. Oshawa PUC will, if requested by the OEB, prepare a version of the Report from which confidential or personal information has been redacted such that the Report can be communicated to third parties or posted on the OEB's website. Despite the above, the OEB may provide a copy of the confidential version of the Report to the IESO or the Ministry of Energy.
  - (c) Oshawa PUC shall provide such other information and materials relating to the pilot as the OEB may request from time to time.
  - (d) Oshawa PUC shall maintain proper and distinct books and records relating to the pilot for examination and audit by the OEB, including for the purposes of measurement and verification of the pilot results and impacts.

4. **Opt-Out Provisions:** Oshawa PUC shall inform participants about their right to opt out of a pilot project at any time, if they wish to do so.
  
5. **Compliance with Conservation First Evaluation, Measurement & Verification Protocols and Requirements:** Oshawa PUC shall use all applicable Conservation First Evaluation Measurement & Verification Protocols and Requirements to ensure consistency in evaluation and to facilitate comparability across different RPP pilots as well as other Conservation and Demand Management activities in Ontario.

**Attachment B – Reporting Requirements**

The following schedule outlines the reporting requirements that are to be filed with the OEB.

<b>Timeframe</b>	<b>Report</b>	<b>Frequency</b>
From Contract Execution until Pilot Project(s) is/are Fully Deployed	Monitoring Report	Monthly
From Pilot Deployment until Interim Results Report	Monitoring Report	Bi-Monthly
6 Months after Completion of Recruitment Phase	Interim Results Report	Once
4 Months After Completion of Pilot	Final Results Report	Once