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May 25, 2009

BY EMAIL

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Authorization to Conduct Discretionary Metering Activities Board
File No. EB-2009-0111

Please find attached our company's submission in the above proceeding. This submission is made in accordance with the Notice of Written Hearing and Procedural Order No. 1 issued by the Board on May 5, 2009.

Yours truly,

Original signed by

Rob Brennan
President & CEO
Triacta Power Technologies, Inc.

attachment

Dear Ms. Walli:

Thank you for the opportunity to provide our submission regarding file number EB-2009-0111. Our company, Triacta Power Technologies, Inc., is based in the Ottawa region. We design and manufacture smart meters right here in Ontario. Our products meet or exceed Measurement Canada accuracy, ISO9000 quality and CSA/UL/Electrical Safety Authority safety requirements. Tens of thousands of our smart sub-meters have been deployed over the past several years.

Our company provides direct or downstream employment to over 100 people. When Compliance Bulletin 200901 was issued on March 24, 2009, its impact was felt immediately by Triacta, its customers, suppliers and their employees. Triacta went from strong quarterly growth to an immediate freeze on new hiring and a scale back in manufacturing.

We believe that consultation with green energy manufacturers like Triacta is important as Ontario moves to implement a culture of conservation.

On page 3 of EB-2009-0111, five issues that the Board may consider are listed. Our comments will address each issue; we have also added a sixth issue (industry impact) that we feel should be considered as well.

Our comments follow.

Issue 1: Whether discretionary metering activities should be allowed in all buildings (including buildings under development) or whether it should be limited to buildings where the smart sub-metering systems are already in place.

Studies have shown that energy use is reduced when individuals pay for the actual amount of power they use. Unless smart sub-meters are in place and linked to a data collection and billing system, there is no way for a tenant to know how much energy they are using and energy conservers end up subsidizing those who waste energy. The only way to provide fair billing and encourage conservation is through the use of smart sub-meters. Therefore, we recommend all buildings be allowed discretionary metering activities.

Issue 2: Whether the smart sub-metering system, once installed, should only be used to bill the tenant/consumer if there is tenant/consumer consent

Generally, we believe that all residents, whether they are tenants or single family home owners should be responsible for their own energy consumption. This seems both fair and reasonable. We support the provisions in the Residential Tenancies Act that made smart sub-metering mandatory. However, we believe that all residents should have full information. In the case of tenants, that means understanding the amount of the rent reduction related to taking direct responsibility for electricity consumption. We at Triacta understand that what is taking place represents a change from past practice (although tens of thousands of apartments are already directly metered) and so suggest a one year transition wherein explicit tenant consent is required for newly metered buildings. However, requiring tenant consent for a second time where the tenant already consented at the time they moved into the rental unit is unnecessary and undermines the culture of conservation. If people moved into the unit knowing they would be responsible for their own electricity consumption, consent is obvious.

Issue 3: Whether the smart sub-metering system should be allowed to be used for billing purposes for existing tenants/consumers, new tenants/consumers, or both

For the same reasons stated in our response to Issue 1, we believe the smart sub-metering system should be allowed for both existing tenants/consumers and new tenants/consumers. The benefits of sub-metering are based the incentive to conserve; status as an existing or new tenant/consumer should not restrict a tenant/consumer from accessing these benefits. It's also not fair to set up a system where there is an incentive for those who wast electricity to opt for a system where they are being subsidized through their rent by those who conserve electricity and choose smart sub-metering.

Issue 4: Whether a licensed smart sub-metering provider must be retained to provide and install the smart sub-metering system in the buildings

We believe that any exempt distributor should not require a license, but companies providing sub-metering products and services who are not exempt distributors should require licensing. We believe the smart submetering code should apply in either case. This approach will allow landlords to select a supplier through a competitive process, but also provides the consumer with the assurance that they are being billed accurately by a company that has met some explicit licensing requirements. A licensing system will ensure both competition and protection for the consumer.

Issue 5: Whether a licensed smart sub-metering provider must be retained to provide services associated with the smart sub-metering system, including billing

Similar to Issue 4, to ensure consumers receive the best level of service, we believe the smart submetering code should apply and competition should be allowed. However, as stated previously, to ensure a high level of expertise, exempt distributors should not require a license, but companies providing sub-metering products and services who are not exempt distributors should require licensing. The process of providing comprehensive billing and reporting services requires someone with specific expertise. As manufacturers, Triacta knows the importance of proven expertise.

Issue 6 (suggested addition for consideration): Whether impacts to the industry (smart sub-metering providers) should be considered in this proceeding and future rulings

Like Triacta, many companies see Ontario as a viable market opportunity. However, the lack of regulations and industry consultation are a concern. In fact, a recent study by Deloitte for the Ontario Environment Industry Association (ONEIA), entitled "Ready to Grow", has stated that "Environment firms see Ontario's current regulatory system as the most significant challenge to growth."

May 26, 2009

Private sector investment is a necessary component in creating an energy efficient economy and “green collar” jobs in Ontario. Lack of regulations (or changes in policy without industry consultation as happened in the case of smart sub-metering) creates market uncertainty and excessive investment risk. These issues need to be considered in this and future proceedings.

We respectfully suggest that the government of Ontario and the Ontario Energy Board play an important role in creating a green economy through ongoing industry consultation and the creation of clear, consistent regulations that encourage energy efficient behaviour by all Ontarians.

Sincerely,

Rob Brennan (rob.brennan@triacta.com)
President & CEO
Triacta Power Technologies, Inc.