

VIA E-MAIL

August 12, 2009

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: PowerStream Inc.; Draft Rate Order

Board File No.: EB-2008-0244

I am writing in accordance with the procedure established in the Majority Decision of July 27, 2009 in response to a letter of comment from counsel for the Smart Sub-Metering Working Group ("SSMWG"), dated August 7, 2009, regarding the Draft Rate Order filed by PowerStream on July 31, 2009.

The SSMWG objects to the last paragraph of the proposed new version of section 2.3.7.3.5 of PowerStream's Conditions of Service (Draft Rate Order, Schedule K, p. 2 of 5) on the basis that the provisions of the *Smart Sub-Metering Code* obviate the need for this paragraph. In light of SSMWG's objection, PowerStream has reviewed the *Smart Sub-Metering Code* and concurs that the subject paragraph, which is included in the current version of PowerStream's Condition of Service, is no longer required.

In the result, PowerStream proposes that the last paragraph of proposed section 2.3.7.3.5 of its Conditions of Service be deleted in its entirety. We are enclosing a revised Schedule K which reflects PowerStream's decision in this regard.

Yours very truly,

Dianne Petrucci Manager, Rates & Revenue

cc: Interested Parties EB-2008-0244

Conditions of Service and Related Amendments

OEB Decision

In its Decision the Board directs that PowerStream amend its Conditions of Service and related contracts going forward in a manner that clearly reflects the intent described by the PowerStream witnesses in this hearing. PowerStream shall file, for convenience, the amended sections of the Conditions of Service and related Terms of Reference Letters or other contracts as part of its draft rate order.

PowerStream's Conditions of Service

On page 7 of its Decision the OEB states:

"The SSMWG argued that PowerStream's Conditions of Service and contracts (filed in the form of a Terms of Reference Letter in SSMWG Schedule 3-1), are unclear and misleading and do not indicate that a multi-unit building has the option of bulk metering. On cross-examination the witness for PowerStream denied this was the meaning or intent of the Conditions of Service and offered to amend the Conditions of Service to clarify the wording. (TR pg 165).

The amended Section 2.3.7.3.5 of PowerStream's Condition of Service is presented below.

Condition of Service (excerpts)

2.3.7.3.5 Multi-Unit Residential Suite Buildings

Under Ontario Regulation 442/07, all new multiunit condominium buildings must be either individually metered by the licensed distributor or smart sub-metered by an alternative licensed service provider. For existing condominiums the installation of individual smart meters or smart sub-meters is at the discretion of the condominium's board of directors.

Where individual units of an existing or new multiunit condominium building are individually metered by PowerStream, each unit will become a residential customer of PowerStream and each unit and the common areas must have a separate account with PowerStream.

Where an existing or new multiunit condominium building is sub-metered by an alternative licensed service provider, the condominium continues to be the customer of PowerStream and will receive a single bill based on the measurement of the bulk (master) meter. The condominium corporation, which is responsible for the distribution of electricity on the consumer side of the bulk (master) meter, is an exempt distributor under section 4.0.1 of Ontario Regulation 161/99—Definitions and Exemptions (made under the Act). The smart sub-metering provider will then issue a bill to each unit and the common areas based on the consumption of the unit or common area.

Where all units within a multiunit building are individually metered, the building owner shall provide a secure meter room or suitable enclosure within the building for the installation of a sub metering system.

This room or enclosure will have adequate lighting, a 120 volt outlet and a dedicated analog telephone line for meter interrogation purposes.

The building owner may opt for individual self-contained meters attached to individual bases, to a load centre as defined in the PowerStream Standards or a Sub-metered system.

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PowerStream's Contracts

On page 7 of its Decision the OEB states that:

"On the issue of contract exclusivity, there were also some questions raised as to the clarity of provisions in the PowerStream contracts regarding the freedom of the condominium corporation to exit a contract for another service provider. Again the PowerStream witnesses indicated that the condominium corporation could choose another service provider and that there are no barriers to exit. (TR pg 77)"

The amended Terms of Reference letters are attached.

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TERMS OF REFERENCE LETTER

Suite Meter Installation and Service Provider

XYZ DEVELOPMENT INC. (the Developer) engages PowerStream Inc. (PowerStream) for the purpose of the installation and administration of separate electricity meters for individual condominium units in **XYZ DEVELOPMENT INC.**

PowerStream will provide the following to the Developer in accordance with the following and, if any, the attached terms and conditions with respect to the Equipment:

- The installation of smart suite meters (referred to as the Equipment);
- Data acquisition; data storage; data management; data transfer to PowerStream for billing purposes; operations, maintenance, troubleshooting and repair work to maintain the metering system; and all account management activities, including scheduled meter readings, billing, revenue collection and service disconnect/reconnect as required;
- Meters will meet the same Measurement Canada requirements for accuracy and durability as all other customer meters installed throughout the PowerStream service territory;
- PowerStream fully warrants the quality of our products and services as your local distribution electric utility; and
- Individual unit condominium owners will receive a bill for their electricity service directly from PowerStream.

The Ontario Energy Board licenses PowerStream to provide distribution services and regulates PowerStream's rates and practices through a public hearing process.

The Equipment installation will comply with PowerStream's Conditions of Service section 2.3.7, and end-use customer tariffs and charges will comply with PowerStream's Conditions of Service section 2.4, see attached.

Either Party may terminate this Terms of Reference upon 90 days written notice to the other Party. Upon termination the Developer shall allow PowerStream to remove the Equipment.

The Parties agree to the content of this document by their authorized signatures below.

XYZ DEVELOPMENT INC.	PowerStream Inc.
Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
Date:	Date:

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TERMS OF REFERENCE LETTER

Suite Meter Installation and Service Provider

ABC CONDOMINIUM CORPORATION (the Condo Corp.) engages PowerStream Inc. (PowerStream) for the purpose of the installation and administration of separate electricity meters for individual condominium units in XYZ Condominium.

PowerStream will provide the following to the Condo Corp. in accordance with the following and, if any, the attached terms and conditions with respect to the Equipment:

- The installation of smart suite meters (referred to as the Equipment);
- Data acquisition: data storage: data management; data transfer to PowerStream for billing purposes; operations, maintenance, troubleshooting and repair work to maintain the metering system; and all account management activities, including scheduled meter readings, billing, revenue collection and service disconnect/reconnect as required;
- Meters will meet the same Measurement Canada requirements for accuracy and durability as all other customer meters installed throughout the PowerStream service territory:
- PowerStream fully warrants the quality of our products and services as your local distribution electric utility; and
- Individual unit condominium owners will receive a bill for their electricity service directly from PowerStream.

The Ontario Energy Board licenses PowerStream to provide distribution services and regulates PowerStream's rates and practices through a public hearing process.

The Equipment installation will comply with PowerStream's Conditions of Service section 2.3.7, and end-use customer tariffs and charges will comply with PowerStream's Conditions of Service section 2.4, see attached.

Either Party may terminate this Terms of Reference upon 90 days written notice to the other Party. Upon termination the Condo Corp shall allow PowerStream to remove the Equipment.

The Parties agree to the content of this document by their authorized signatures below.

PowerStream Inc.
Signature:
Print Name:
Title:
Date: