

October 19, 2009

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

Via RESS and by courier

Dear Board Secretary:

Re: Board File No. EB-2009-0161
Proposed Changes to the Electricity Reporting and Record Keeping Requirements

The Electricity Distributors Association (EDA) is the voice of Ontario's local distribution companies (LDCs). The EDA represents the interests of over 80 publicly and privately owned LDCs in Ontario.

The EDA is pleased to provide the attached comments regarding the proposed amendments to the Electricity Reporting and Record Keeping Requirements applicable to Distributors. The EDA has consulted with its members through the EDA's Regulatory and Finance Councils on the proposals. The members are generally supportive of the proposed amendments with a few exceptions which are outlined in the attached comments.

Yours truly,

"original signed"

Maurice Tucci Policy Director, Distribution and Regulation

Attach.

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EDA's Comments on Proposed Amendments to Electricity Reporting and Record Keeping Requirements

The EDA generally supports the proposed amendments with the following exceptions:

Section 1.7: Treatment of Trial Balance information as Non Confidential

The proposal to dispense with the confidential treatment currently afforded to trial balance information is generally acceptable. However, LDCs should be permitted for the purpose of reporting, to aggregate the data related to employees' salary information with another similar salary account in the Uniform System of Accounts (USoA) particularly where the number of employees in a group is so low that the individual salary information could become public.

Section 2.1.2: Reporting of Market Monitoring Information

The EDA is of the opinion that the requirement for reporting additional information increases the cost of reporting and should be avoided unless there is a real useful benefit of such information to stakeholders. The benefit of reporting additional market monitoring information is not clear in respect of multi-unit buildings, specifically on 'the total number of complexes for which a declaration attesting the number of units in the complex (in relation to RPP consumers that reside in multi-unit buildings) has been filed with the distributor'.

Section 2.1.4.2: Reporting on System Reliability Indicators

1. Under this section, the word "interruption" has been defined as:

"Interruption means the loss of electrical power, being a complete loss of voltage and not a part power situation, to one or more customers, and includes an interruption scheduled by the distributor, an outage scheduled by a customer, an interruption by order of emergency services personnel, or disconnection for non-payment or disconnection for power quality issues such as sags, swells, impulses or harmonics."

The system reliability should not be understated by adding outages that are not really caused by poor system performance or system deficiency. Therefore, the EDA does not support the proposal to treat the outages listed below as an "interruption" for the purpose of calculating the system reliability indicators (SAIDI/SAIFI/CAIDI) which in turn also measure the utility performance:

- > the outages scheduled by a customer
- > an interruption by order of emergency services personnel
- disconnection for non-payment of bills
- > utility/customer scheduled outages for meter changes/meter repairs

The EDA believes that the amount of time spent in doing scheduled meter changes would tend to increase particularly in light of ensuing large sale mandatory meter replacements with smart meters. Treating meter changes as outages would result in poor performance indicators showing LDCs in bad light. Similarly, the disconnections for non-payment of bills should not be added to reduce system reliability factors.

In view of the above, the EDA recommends changing the definition of "interruption" to accommodate our above stated concerns.

2. The information required to calculate the momentary interruptions (Momentary Average Interruption Frequency Index or MAIFI) is not always available especially in rural areas and older substations. The EDA therefore suggests that LDCs be permitted to report MAIFI on the best available information at the time of Reporting.

Section 2.1.5.6: Incentive Rate Mechanism

The EDA generally agrees with the proposed requirement for reporting of the regulatory return. However, due to the complexities that may arise due to the differences between a distributor's rate and fiscal years, the EDA recommends that the Board provide a standard methodology for calculating the regulatory return for clarity and consistency.

Section 2.1.13: Reporting of USoA Balances Reconciled to Audited Financial Statements

The EDA agrees with the proposed amendment requiring filing of the uniform system of account balances mapped and reconciled to the audited financial statements. However, it is not clear how distributors would report this information during and after the transition to IFRS as reconciliations between regulatory ledger and GAAP financials based on IFRS are expected to become more and more complex and potentially very time consuming. Therefore, the EDA recommends providing a clarification on how this would change in the context of transition to IFRS.