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Commission de l'énergie de l'Ontario
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BY E-MAIL

July 14, 2010

Paul Murphy
President and Chief Executive Officer
Independent Electricity System Operator
Station A, Box 4474
Toronto ON M5W 4E5

**Re: Determination Under Section 1.2.1 of the Standard Supply Service Code to Mandate Time-of-Use Pricing for Regulated Price Plan Customers
Board File No. EB-2010-0218**

Dear Mr. Murphy:

On June 24, 2010 the Board issued a Proposed Determination (the "June Proposed Determination") to mandate time-of-use (TOU) pricing for Regulated Price Plan consumers. Interested parties were invited to make submissions on the June Proposed Determination by July 8, 2010.

The Board received 21 written comments on the June Proposed Determination from representatives of electricity distributors, retailers, consumers, and the Independent Electricity System Operator (IESO) in its role as the Smart Metering Entity (SME). The comments are available for viewing on the Board's website at www.oeb.gov.on.ca.

The comments from electricity distributor representatives expressed concern with the performance and stability of the SME's meter data management and repository (MDM/R) and the ability of the MDM/R to support mandatory implementation of TOU pricing as contemplated in the June Proposed Determination. The particular issues about which the electricity distributors raised concerns include:

1. the ability of the MDM/R to support high volume TOU billing that will be required with a mandatory implementation;
2. possible performance problems indicated by recent changes to MDM/R protocols for load profile data transfers;
3. the stability of planned MDM/R software upgrades;
4. the testing of the system's final readiness has not been completed; and
5. the adequacy of resource and service levels at the SME to accommodate TOU rollout.

In order to assess these concerns and any impact on the proposed mandating of time-of-use pricing, the Board requires further information from the SME relating to the MDM/R. The Board therefore requests that the IESO, in its role as the SME, provide to the Board a response to the concerns expressed by distributors regarding MDM/R readiness and performance.

Given the urgency of this matter the Board requests that you provide a response no later than July 22, 2010.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

cc: Przemek Tomczak, Director, Smart Metering
Helen Lainis, Senior Regulatory Analyst