



PUBLIC INTEREST ADVOCACY CENTRE
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November 19, 2010

VIA COURIER AND EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: NOTICE OF PROPOSAL TO AMEND A CODE
PROPOSED AMENDMENTS TO THE SMART SUB-METERING CODE
AND THE DISTRIBUTION SYSTEM CODE
BOARD FILE NO.: EB-2010-0321**

The following are VECC's Comments with respect to the above noted NOA of the DSC and Proposed USM Code.

Summary of USM Code Provisions and Costs

Part III of the ECPA and Part II of Ontario Regulation 389/10 create a new legislative framework for "suite metering" (which includes "unit smart metering" and "unit sub-metering"). "Unit smart metering" is conducted by licensed distributors and includes providing and maintaining unit smart meters in a multiunit complex, including billing and collecting payment. "Unit sub-metering" is conducted by licensed unit sub-meter providers and includes providing and maintaining unit sub-meters in a multi-unit complex, including billing and collecting payment.

Under the new legislative framework, unit sub-metering can now be offered in multi-unit complexes which includes, but is not limited to, condominiums, residential complexes as defined in the *Residential Tenancies Act, 2006*, and commercial buildings that have two or more demised premises.

The provisions of the ECPA dealing with the installation of suite meters (i.e., unit smart meters and unit sub meters) and the use of suite meters for billing will

come into force on January 1, 2011. Ontario Regulation 389/10 will also come into force on January 1, 2011.

The USM Code is intended to protect the interests of consumers with respect to the adequacy, reliability and quality of electricity service as they pertain to the licensed activities of the smart sub-metering provider by setting out the minimum standards and conditions with which a unit sub-metering provider must comply. ***[Note price protection is excluded]***

The USM Code provides for standards in the type of metering equipment to be used by smart sub-metering providers as well as billing and collection practices that smart sub-metering providers must follow. The USM Code also includes provisions regarding the disclosure of information to consumers of smart sub-metering providers. These provisions will ensure that consumers within condominiums receive adequate information to make informed decisions about their consumption of electricity and ***are treated in a similar manner to those consumers served by a licensed distributor.*** *[emphasis added]*

VECC COMMENTS

1. No OEB Oversight of Rates and Charges

VECC continues to advocate that consumers, particularly vulnerable consumers, should be provided with service price protection. The solution is for the OEB to prepare an Appendix to the USM License setting out the range of standard rates and charges that licensees may charge. Otherwise, the USM service provider must make application to the Board for alternative rates and charges and justify these in a public forum.

Currently distributors are subject to a parallel provision for specific service fees and charges.

2. Implementation of LEAP Low Income Service Conditions to the USM and DSC

In a parallel exercise EB-2007-0722, the OEB is proposing Low Income customer-related amendments to electricity distributors' terms and conditions of service under the DSC and RSC. Also work is underway on amendments to GDAR.

Eligible Low Income consumers should be subject to the same provisions and terms of service, regardless of whether they are direct distribution service customers or customers of the unit smart meter and unit sub meter providers,

VECC assumes that the Low Income provisions in the DSC and RSC will apply to the sub-metered consumers. However the USM Code does not reflect this.

This will require inserting the Low Income amendments to the DSC and RSC starting with the definition of Eligible Low Income Consumer and proceeding from there.

Accordingly VECC urges the Board to implement parallel service amendments for eligible Low Income sub-metered consumers and prepare a revised USM Code now rather than amend it in future.

Note on Interests Represented

VECC is a coalition of groups that represents the interests of those energy consumers who, because of their household income, or other distinguishing characteristic such as age, language, literacy, etc, have a set of concerns that may differ in kind, and, in magnitude, from those of more affluent residential consumers as well as commercial and industrial consumers. The Vulnerable Energy Consumers Coalition (VECC) is currently comprised of the Ontario Coalition of Senior Citizens (OCSCO), and the Federation of Metro Tenants Association.

OCSCO is itself a coalition of over 120 senior groups, as well as individual members, across Ontario. OCSCO represents the concerns of over 500,000 senior citizens through its group and individual memberships. OCSCO's objective is to improve the quality of life for Ontario Seniors.

The Federation of the Metro Tenants Association is a non-profit corporation composed of over ninety-two affiliated tenants associations, individual tenants, housing organizations, and members of non-profit housing co-ops.

Although the organization is not itself a member of VECC, the Public Interest Advocacy Centre (PIAC) in Ottawa assists in the representation of the interests of vulnerable consumers by ensuring the availability of competent representation and advice to the VECC intervention.

Respectfully Submitted on the 18th Day of November, 2010



Michael Buonaguro
Counsel for VECC