Glen A. Winn 14 Carlton St. Toronto, Ontario M5B 1K5

Telephone: 416.542.2517 Facsimile: 416.542.3024 regulatoryaffairs@torontohydro.com



January 14, 2011

via RESS e-filing - signed original to follow by courier

Ms. Kirsten Walli Board Secretary Ontario Energy Board PO Box 2319 2300 Yonge St, 27th floor Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Completion of THESL Interrogatory Responses to SSMWG OEB File No. EB-2010-0142

THESL has received from the Smart Sub-Metering Working Group (SSMWG) its Notice of Motion dated January 14, 2011, requesting production of responses by THESL to certain interrogatories posed by the SSMWG. The Notice of Motion states among other things that THESL failed to produce answers to SSMWG (first round) interrogatories 11, 12, and 13.

THESL checked its records in this regard and can confirm that while paper copies of these three interrogatory responses were produced and distributed to parties requesting paper copies, it appears that through inadvertence THESL omitted these responses when compiling the electronic version filed on December 6, 2010. THESL acknowledges its error in this matter and regrets any inconvenience caused.

THESL attaches the completed set of interrogatory responses and will file the same via RESS immediately.

Please contact me if you have any questions.

Yours truly,

[original signed by]

Glen A. Winn Manager Regulatory Applications & Compliance

:GAW/CJM/acc

cc: J. Mark Rodger, Counsel for THESL Intervenors of Record for EB-2010-0142

1 INTERROGATORY 1:

2 **Reference(s): EB-2010-0233**

3

4 THESL, in Board File EB-2010-0233, filed an Application for a Licence to "engage in

5 the commercial offering or commercial provision of smart sub-metering systems,

6 equipment and technologies, and any associated equipment, systems and technologies".

- THESL indicates in its Application that it is not currently providing these services and
 intends to start providing them on January 1, 2011.
- a) Please confirm that this Application signals THESL's intention to offer competitive
 unit sub-metering and to compete directly with private sector smart sub-meter
 providers.

b) If THESL only intends to use a smart sub-metering licence in order to acquire

existing unit sub-metering providers, then please confirm that intention and explain
how the time period during which unit sub-metering will be provided (rather than unit

smart metering) will be minimized.

c) If THESL intends to use a smart sub-metering licence to carry on business beyond

acquiring an existing unit sub-metering provider and immediately converting all

- customers to unit sub-metering, please provide examples of situations where THESL
- intends to undertake unit sub-metering, rather than unit smart metering (i.e. its current
 suite metering program).
- d) If THESL intends to use a smart sub-metering licence to carry on business beyond
 acquiring an existing unit sub-metering provider and immediately converting all
- 23 customers to unit sub-metering, please explain how THESL's unit sub-metering
- 24 activities will differ from its unit smart metering activities, including:
- i. What customers will be targeted;
- 26 ii. What customers will be served;

1		iii. How will the pricing be different?			
2	e)	If THESL intends to use a smart sub-metering licence to carry on business beyond			
3		acquiring an existing unit sub-metering provider and immediately converting all			
4		customers to unit sub-metering, please explain in detail all of the services that			
5		THESL's unit sub-metering business will offer to prospective customers of the			
6		business.			
7	f)	Please explain why it is appropriate for THESL to undertake unit sub-metering			
8		activities, even if only by way of acquisition, within the utility rather than through an			
9		affiliate when those activities are already offered in the competitive marketplace.			
10	g)	What is the methodology which THESL's unit sub-metering business will use for the			
11		purposes of calculating unit sub-metering rates or charges?			
12	h)	Please explain in detail how the costs and revenues of THESL's unit sub-metering			
13		activities will be determined, tracked and allocated.			
14	i)	Please indicate whether THESL intends to include unit sub-metering assets in its rate			
15		base. If the answer is Yes, please explain why this is appropriate in light of the			
16		OEB's findings in the Enbridge Gas Distribution EB-2009-0172 Decision (December			
17		22, 2009) that assets that support a utility's activities in a competitive marketplace			
18		should not be included in rate base.			
19	j)	Please explain in detail what steps, processes and/or rules will be implemented to			
20		address the following concerns:			
21		i. THESL's electric distribution business cross-subsidizing its unit sub-metering			
22		business;			
23		ii. Protecting the confidentiality of information collected by either of the electrical			
24		distribution business or the unit sub-metering business;			
25		iii. Ensuring that prospective customers of the unit sub-metering business do not			
26		have preferential access to electricity distribution services;			

1	iv. Preventing the electricity distribution business from acting in a manner than
2	provides an unfair business advantage to the unit sub-metering business;
3	v. Preventing customer confusion that may arise from the relationship between the
4	electrical distribution business and the unit sub-metering business.
5	k) Please provide all references in THESL's 2011 rate application (EB-2010-0142) that
6	discuss or relate to its unit sub-metering activities, including the financial impact of
7	those activities (including rate base, expenses and revenue requirement impact). If
8	there are no direct references to THESL's planned unit sub-metering activities in the
9	rate application, please explain why and please provide references to where the
10	financial impacts of the planned unit sub-metering activities are aggregated with other
11	activities.
12	1) Please advise if the proposed unit sub-metering business will be providing any
13	services to the electricity distribution business. For the purposes of your response to
14	this question, please also identify any services that the electricity distribution business
15	is currently providing which will be assumed by the unit sub-metering business.
16	m) Please provide all documents related to THESL's plans for its unit sub-metering
17	activities, including (but not limited to):
18	i. Strategic plans
19	ii. Budgets
20	iii. Minutes from any management or Board of Directors meetings where
21	this was discussed
22	iv. Marketing materials
23	v. Internal communications (memos, emails etc.);
24	vi. Business Case Analysis.

1 **RESPONSE:**

2	a)	THESL does not accept the citation of a separate proceeding as the only reference
3		forming the basis for this interrogatory and does not accept that the question pertains
4		to any approved issue in this proceeding. THESL therefore declines this
5		interrogatory.
6		
7	b)	THESL declines this interrogatory for the reasons given in response a).
8		
9	c)	THESL declines this interrogatory for the reasons given in response a).
10		
11	d)	THESL declines this interrogatory for the reasons given in response a).
12		
13	e)	THESL declines this interrogatory for the reasons given in response a).
14		
15	f)	THESL does not accept the premise of the question, which is that THESL would
16		carry on sub-metering activities within the utility.
17		
18	g)	THESL declines this interrogatory for the reasons given in response a).
19		
20	h)	To the extent that THESL undertakes non-utility sub-metering activities, it will
21		maintain separate financial records of those activities and employ standard fully-
22		allocated costing methodologies to separate non-utility costs from utility costs.
23		
24	i)	THESL does not intend to include sub-metering assets in its utility ratebase.
25		
26	j)	THESL declines this interrogatory for the reasons given in response a).

1	k)	THESL will not undertake sub-metering activities within the regulated utility and
2		therefore there are no direct references, financial or otherwise, to THESL's planned
3		unit sub-metering activities in this rate application.
4		
5	l)	THESL declines this interrogatory for the reasons given in response a).
6		

7 m) THESL declines this interrogatory for the reasons given in response a).

1 INTERROGATORY 2:

2	Re	erence(s): D1/T3/S2, p.6
3		
4	a)	Please provide a breakdown of what part of the \$58M increase in service and meter
5		assets forecast for the 2009 to 2011 period relates to "implementing suite metering in
6		bulk-metered condominiums".
7	b)	Please advise of the amounts related to its suite metering program that THESL has
8		closed to rate base or the amount for which THESL seeks approval to close to rate
9		base for 2008 and 2009 and 2010 (if any) by year.
10	c)	Please advise how THESL has forecast its capital spend for its suite meter programs
11		for 2010.
12		
13	RF	SPONSE:
14	a)	\$1.6 million of the \$58 million relates to "implementing suite metering in bulk-
15		metered condominiums".
16		
17	b)	\$0.7 million and \$1.4 million were closed to rate base for the suite metering program
18		in 2008 and 2009 respectively. THESL forecasts that \$4.5 million will be closed to
19		rate base in 2010.
20		
21	c)	THESL has fixed unit pricing for suite meter material and resource costs through
22		2011. The capital spending forecast is based on the application of the fixed pricing to
23		the projected number of new installations. The number of new installations is based
24		on:
25		The number of signed agreements at buildings where construction was scheduled
26		for 2010 completion;

1	ii)	Projections made by Trilliant (the third party that manages many of THESL's
2		suite meter projects) of how many new buildings could require metering services
3		in future months and years;
4	iii)	Planned new construction that had been planned or scheduled through THESL's
5		Customer Connections and Maintenance Department; and
6	iv)	Anticipated conversions of existing bulk-metered buildings to individual
7		metering.

1 **INTERROGATORY 3:**

2 **Reference(s):** D1/T7/S1, p.16, Table 2

3

4 Please explain why the Suite Metering Capital Budget is forecast to decrease in 2010 and

5 2011 from the actual spending in 2009.

6

7 **RESPONSE:**

- 8 THESL anticipated that condominium construction would slow down after the first
- 9 quarter of 2010, and that fewer units would require suite meters. THESL prepared the

10 2010 budget and 2011 forecast accordingly.

11

- 12 THESL also installed more suite meters than initially forecast in 2009, resulting in a
- 13 higher than anticipated actual spend.

INTERROGATORY 4: 1

Reference(s): D1/T8/S7, p. 5, Table 2 2

3

THESL includes the actual suite meter installations for 2008 and 2009, and forecasts for 4 2010 and 2011 for new individually-metered condominium suites, and multi-residential 5 buildings converted from bulk metered to individually-suite metered units (Table 2). 6 a) Does THESL offer suite metering to commercial properties? If so, does Table 2 7 include any meters installed in commercial applications, and if so, how many in each 8 year? 9 b) Of the 5,400 individually-metered suite meter installations forecast for the end of 10 11 2010, what percentage or number are forecast to be revenue generating at the end of 2011? Does THESL adjust its revenue forecasts to reflect the fact that some of the 12 13 forecast metered suites will not be revenue producing in 2011? c) When does THESL count a newly constructed (i.e. not a conversion from a bulk 14 15 meter) individually metered suite as a customer? Does this occur when the meter is installed, upon registration of the condominium's declaration, upon occupancy or at 16 some other time? 17 d) Please compare the actual/forecast number of suite meter installations for 2009 and 18

19 2010 to the forecasts in THESL's 2010 rate case, and provide explanations for any variances. 20

21

25

RESPONSE: 22

a) THESL offers individual metering both to commercial properties, and to commercial 23 accounts that would reside in primarily residential properties. Table 2 includes 78 24 commercial meters installed in 2008, 85 commercial meters installed in 2009, and 14

- meters installed to date in 2010, with one commercial project active and expected to
 be completed in 2010.
- 3

4

- b) THESL forecasts all of its 2010 suite meter installations to be revenue generating by
- year end 2011. THESL does not adjust revenue forecasts to reflect that some metered
 suites will not be revenue producing in 2010.
- 7
- c) THESL typically reports a suite metered customer as a new customer at the time of
 the first reading of the meter, which occurs shortly after occupancy and the creation
 of an accompanying new THESL account.
- 11
- 12 d)

	2010 Rate Filing	Actual/Forecast	Variance
2009	4964	5534	570
2010	5400	5400	0

The 2009 variance is the result of some unexpected installations that were completed
 at condominiums where a late year decision was made to convert to individual
 metering.

Witness Panel(s): 3

1 **INTERROGATORY 5:**

2 **Reference(s): F1/T6/S1, p.4**

3

4 Please provide more detail, including cost estimates, about how the continued growth of

5 suite metering installations has impacted and will impact THESL's customer service

- 6 costs.
- 7

8 **RESPONSE:**

9 Suite meter installations are regarded as typical customer growth, and as such are not

specifically identified as a Customer Services O&M cost. Suite meters are part of

11 common pool of Customers Services activities. There is no basis for assigning different

12 costs for suite meters from other accounts in the same customer class.

1 **INTERROGATORY 6:**

2 **Reference(s):** K1/T1/S1, pp.9-10

3

K1/T4/S1

4

5 Please provide a breakdown of the actual/forecast number of customers in the residential

6 sector as set out in Table 1 at K1/T4/S1 to show the number of THESL's suite metered

7 customers, divided between new buildings and conversions (retrofits).

8

9 **RESPONSE:**

A	В	С	D=A+B+C
Suite-metered	Suite-metered	Residential customers	2011 Test year
customers (active	customers (active	excluding suite	mid-year number of
accounts, cumulative	accounts, cumulative	metered customers	residential customers
mid-year): retrofits	mid-year): <u>new</u>	(mid-year)	
	<u>buildings</u>		
3,178	16,316	603,912	623,406

10 Notes:

11	1)	Columns A and B: suite-metered customers (activated conversions/installations)
12		under THESL Suite Metering Program.
13	2)	Column C includes conventional residential customers (houses) and other
14		individually metered customers in multi-suite buildings
15	3)	Column D exhibits the number of total residential customers forecast as shown in
16	i	Table 1 at Exhibit K1, Tab 4, Schedule 1.

1 INTERROGATORY 7:

2	Reference(s):	none
---	----------------------	------

3

4 Please produce a copy of all brochures, postcards, posters, and/or other information

- 5 available in hard copy or on-line (including copies of all Web page screen prints)
- 6 provided or available to developers, building owners, or condominium corporations that
- 7 promote, explain or deal with the suite metering program.
- 8

9 **RESPONSE:**

- 10 The following documents are provided as Appendix A to this Schedule:
- Suite Call Centre Info Form Nov 08
- Suite Meter Case Study 1
- Suite Meter Case Study 2
- Suite Meter Case Study 3.pdr
- Suite Meter Conservation Tips V2.1
- Suite Meter EMS Pocket Folder BIP Nov 2008
- Suite Meter Info Sheet 10
- Suite Meter Letter
- Suite Meter Postcard Nov 08
- Suite Metering for Condos Nov. 2010
- Suite Meter Welcome Kit_tl4_11x17 Nov 08
- Suite Meters _ Toronto Hydro Electric System Web Page 1
- Suite Meters _ Toronto Hydro Electric System Web Page 2
- Suite Meters _ Toronto Hydro Electric System Web Page 3
- Suite Meters _ Toronto Hydro Electric System Web Page 4

Toronto Hydro-Electric System Limited 5800 Yonge Street Telephone: 416-542-8000 Toronto, Ontario Facsimile: 416-542-3429 M2M 3T3 www.torontohydro.com



Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-1 Filed: 2010 Dec 6

electric system

Please fill out this information in full:

ATT: Maria D'Orazio – Accounts Receivable

New Customer Information¹

Name:	······································
Residence Telephone #:	
Business Telephone #:	
Employer:	
Driver's License #:	
Date Of Birth (dd/mm/yy):	
Previous Address:	· · · · · · · · · · · · · · · · · · ·
Customer Signature:	

Property Owner / Landlord Information

Contact Name:	 	
Mailing Address:	 	
Contact Telephone #:	 	
Contact Fax #:		

Please ensure this form is completed; if you have any question or concerns please contact Maria D'orazio – Accounts Receivable Phone:416-542-3100 ext. 50037

Please refer to our Privacy Policy at www.torontohydro.com/electricsystem/privacypolicy for more information regarding our use of your personal information.

Thank you, Toronto Hydro-Electric System Limited

The '**Personal Information Protection and Electronic Documents Act**' came into effect January 1, 2004 for all provincially-regulated businesses. This new federal law now applies to all personal information collected, used or disclosed by all private sector companies in the course of doing business with their customers.

We recognize that your information is private. We have developed a Privacy Policy for Toronto Hydro-Electric System Limited (THESL), in compliance with the new law, that governs our collection, use disclosure and protection of your personal information.

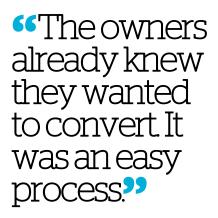
You can access our Privacy Policy at <u>www.torontohydro.com/electricsystem/privacypolicy</u> or you can call us at 416-542-8000 to request a copy of this policy. We are committed to protecting your privacy and would like to take this opportunity to inform you about the personal information we collect, how it is used, how we protect your confidentiality and your rights with respect to this information.

What is this information used for?

- To identify or contact customers, respond to customer inquiries and otherwise maintain business relations with customers.
- To deliver and maintain electricity service.
- To bill and collect payment
- To establish credit worthiness.
- To sign up for pre-authorized payment.
- For legal, regulatory and electricity market operation requirements.
- To help prevent or investigate fraud, theft of power or other breaches of the law.
- To provide customers with information about THESL services, the electricity industry and rates.
- To request customer participation in surveys or contests.
- To notify customers about events or causes sponsored by THESL or its parent company, Toronto Hydro Corporation.

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-2 Filed: 2010 Dec 6 (2 pages)





Don Sawyer, Canlight Hall Management Inc.

The board sees the environmental benefits of suite metering

Overall electricity consumption has been reduced

Canlight Hall Management is implementing a number of energy reduction programs in their buildings. When they introduced the idea of suite metering to the board at 21 Markbrook Lane, they found it was already under consideration. Some owners admitted that previously they had no incentive to use less electricity. After the conversion, there is keen interest in reducing use and finding ways to save.

Owners have changed habits

Don Sawyer of Canlight Hall Management mentioned that suite metering was brought up at the recent Annual General Meeting of the board. "Some owners had specific tips they shared. They've changed how they're using electricity, even unplugging appliances, computers and televisions when they go out for the day. It's been a big change in perception here."

For more information visit www.torontohydro.com/suitemeters





Working with Toronto Hydro was easy

The actual conversion process went seamlessly. Once the agreement was in place, Toronto Hydro took over and installed the meters and ensured that the owners had all the information they needed about their Toronto Hydro bill and where they could access further information on the website. When asked about that aspect of the project, Sawyer simply says, "Things went fine. It has been a very positive experience."

Canlight Hall is managing costs in common areas

In conjunction with the conversion to suite metering, Canlight Hall Management is reducing electricity usage in the common areas of the buildings. This will allow them to manage the common condominium fees. Programs underway include complete energy audits of their buildings, lighting retrofits for all common areas, new controllers on garage fans that could cut energy use by 50% and upgrades to the chiller.

It's simply good management

Sawyer and his team are working with all appropriate programs to make their buildings as energy efficient as possible. "We start with the audits and we look at everything – electricity, gas and water. Working with Toronto Hydro and the suite meter program is a key part of that. Today, that's just responsible and part of being a leading property management company."



For more information visit **www.torontohydro.com/suitemeters**

Or contact Leo Guidolin today at: Tel: 416.542.3100 ext. 50327 Email: lguidolin@torontohydro.com





Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-3 Filed: 2010 Dec 6 (2 pages)



This condo board sees both the cost and environmental benefits.

Michael Kudrac, Cape Property Management Ltd.

Suite metering is fair for all condo owners

Flawless conversion to suite metering

When Cape Property Management took over One Lawlor Avenue, the conversion to suite metering was high on the list of energy efficiency improvements for the building. Michael Kudrac had worked on a similar conversion and understood the process, its benefits and the ease of working with Toronto Hydro.

"The project was flawless," said Kudrac. "Toronto Hydro delivered above and beyond our expectations."

Toronto Hydro hosted an information session for owners

Anytime there are changes to people's homes, there are bound to be questions. Toronto Hydro representatives worked with the condominium board to organize an information session for all owners to attend.

"That really helped," said Kudrac. "The Toronto Hydro rep was able to answer everyone's questions. He also left materials for owners to read."

toronto hydro <u>elec</u>tric system



Beeches Condominium

One Lawlor Avenue 20 suites, 5 retail units Built in 2006 Suite Meter conversion June 2009



The conversion was completed in one day

Once the condominium board approved the conversion, a date was set, and the work was completed within one day. Now every owner is a Toronto Hydro customer and pays for the electricity they use in their suites. The common fees have been appropriately reduced. Owners still pay their share for electricity used in hallways, garages, elevators and other common requirements.

Suite metering is fair to all owners

Kudrac points out two characteristics of this group of owners. "They were already environmentally aware and conscious of how they used electricity. But of course, they had no real way of measuring, so they like the fact that they can see what they use. Also, a percentage of our owners are snowbirds – they spend a few months down south each year, so when they're away, they're not consuming electricity. Suite metering is especially important to them."

Easy for owners and property management companies

Toronto Hydro's expertise and responsiveness made an impression on Kudrac. "Toronto Hydro's customer service is great. They answer my calls, they show up when they say they will, they do a great job and they clean up after themselves. I'll continue to work with them on other buildings. Makes life easy for me."



For more information visit www.torontohydro.com/suitemeters

Or contact Leo Guidolin today at: Tel: 416.542.3100 ext. 50327 Email: lguidolin@torontohydro.com

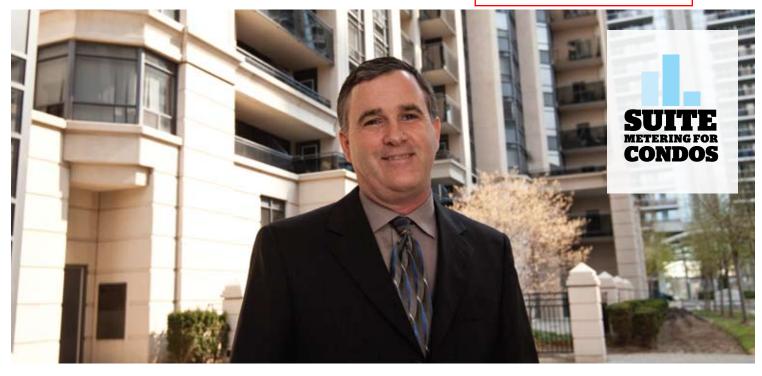




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CASE STUDY | Toronto Hydro-Electric System Limited

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-4 Filed: 2010 Dec 6 (2 pages)



Toronto Hydro's clear communications convinced the condo boards.

David Blois, Wilson Blanchard Management Inc.

Electricity budget reduced by 50 per cent

Luxury towers look for even greater savings

As they were going to tender for suite metering in 2009, the boards of Broadway One and Broadway Two condominiums on Beecroft Road were also preparing their 2010 budgets. In anticipation of savings from suite metering, they reduced the line item for electricity by 50 per cent, which was then reflected in the fees for common areas.

David Blois of Wilson Blanchard Management Inc. feels this is appropriate for budgeting, but believes the results will show even greater savings.

Electricity use reduced by 15% in suites

Working with Toronto Hydro-Electric System (Toronto Hydro), Blois calculates that electricity usage in the suites has already decreased by approximately 15 per cent.

Like many other condos, a large percentage of these suites are rented. In the past, when electricity was included in the fees for the common areas, many tenants had little incentive to manage their electricity use. Early indications are that tenants and owners alike are now more conscious of how they're using electricity.



For more information visit torontohydro.com/suitemeters



Billing transparency and high service levels appeal to boards

In choosing Toronto Hydro, the boards took into account the transparency and clarity in the billing process, the significant customer care department and the security of working directly with the regulated public utility. Blois mentions that the boards felt that the utility was more strictly governed and this was reassuring.

Blois adds, "We were also satisfied that should Toronto Hydro have any issue over billing with a customer, they would resolve it directly and it would not come back to the condominium corporation in any way."

Reduction in carbon footprint

"The board members and other suite owners have long expressed an interest in doing what they can within their buildings to be environmentally responsible. Wilson Blanchard had reduced the

SUITE METERING FOR CONDOS

For more information visit torontohydro.com/suitemeters

Or contact us today at: Tel: 416.542.3443 Email: suitemeters@torontohydro.com carbon footprint in the common areas by switching garage lighting to high efficiency fluorescents and implementing variable speed drives for the common hallway ventilation systems at each building. Suite metering was a natural continuation of their conservation efforts."

Informative meetings and consulting in advance

Toronto Hydro hosted presentations to the boards which allowed everyone to ask questions and get answers. For those unable to attend, Toronto Hydro left literature.

Smooth transition

Blois was very impressed with Toronto Hydro's implementation. "They had a site supervisor here at all times. The job was completed at each building in about three weeks with minimal disruption. Communication throughout was excellent."





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Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-5 Filed: 2010 Dec 6 (2 pages)



Conservation Tips for Condo Suites

There are many ways to manage your electricity costs. See the tips on the back of this sheet and find more at www.torontohydro.com.





Heating/Cooling

- Set your air conditioner at 25°C when you're home and 28°C when away. You can even turn it off if you're not going to be home.
- Set your heat/thermostat at 20°C when you're at home and 18°C overnight.
- Use drapes/blinds in the summer to keep the heat out. And close them when you're going to be out of the suite.
- Arrange your furniture and drapes so they don't block or obstruct heat vents, radiators and baseboard heaters.
- Try to avoid opening windows when the outdoor temperature is uncomfortably cooler than inside.
- Open a window or use ceiling fan. Often air conditioning isn't really needed.
- Rather than adjusting your thermostat when you're cold, consider making yourself more comfortable by putting on another layer of clothing. Sweaters, jackets and flannel shirts can be removed when you're active and put back on when you're at rest.

Appliances/Lighting

- Fight phantom load unplug electronics that draw power even when they're turned off.
- An uncrowded fridge works more efficiently than a crowded one. However, freezers work best when they are two thirds full.
- Turn off the monitor if you're not going to use your computer for more than 20 minutes.
- Use power bars with on/off switches, automatic shutoff, or integrated timers.
- Replace your high-use incandescent light bulbs with ENERGY STAR[®]-qualified compact fluorescent light bulbs (CFLs) wherever it makes sense. Available in a wide variety of styles to match your lighting needs, they use up to 75 per cent less electricity and last up to 10 times longer.
- Install dimmer switches and use dimmable CFLs.

Laundry

- Wash laundry in cold water whenever possible.
- Always select your washing machine's cold water rinse rinsing in hot or warm water won't make your laundry any cleaner.
- Wait until you have a full load before doing laundry.
- Although they are more expensive, front-loading washing machines use one-half to one-third less energy than traditional models because they use less water.
- Remove and clean the washer's agitator once a month. Clean the filters of both water hose inlets on the back of the machine once a year.

Cooking

- Thaw frozen foods before cooking; they will require less cooking time and less energy.
- Unless you're baking, preheating the oven isn't necessary especially for roasts or casseroles. When appropriate, use the broiler. It saves energy and requires no pre-heating
- Use a toaster oven or microwave instead of the oven, whenever possible.
- Use pots with tight-fitting lids. Your food will cook faster.
- Use the oven light to check on your food instead of opening the door.
- Use an automatic shut-off kettle.
- Always set your dishwasher to air dry and only run it when full.
- Allow hot food to cool before placing it in your refrigerator.
- Vacuum your refrigerator coils to keep them efficient.
- Use the oven's self-cleaning option after cooking. You can take advantage of the existing heat.
- Rinse dishes in a tub of clean water. It uses more energy to run them under hot running water.

For more information visit us at www.torontohydro.com/suitemeters





Appendix A-6 Filed: 2010 Dec 6 (1 page)

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-7 Filed: 2010 Dec 6 (4 pages)



1111

Benefits of Suite Metering

Toronto Hydro-Electric System's suite metering program provides many benefits.

It helps make units more marketable because it reduces maintenance fees. This is important to many first-time buyers who are looking for every possible saving.

Also, the Toronto Hydro name is a badge of reassurance. Customers know our company, recognize our trucks on the street and are confident that we are the best choice for the delivery of reliable electricity.

It's also socially responsible. People who pay for their own electricity consumption usually use less, and today, that's important. Suite metering is a fair way to allocate costs. Those who consume more, pay more.

> toronto hydro electric system



The right choice for today and tomorrow

Toronto Hydro Delivers

Today everyone is seeing the advantages of individual suite metering for condominium units. For condo owners, it means they can better control their energy costs. All charges on the bill are regulated by the Ontario Energy Board and suite owners can work with the retailer of their choice. As direct customers of Toronto Hydro, they'll be able to take advantage of popular energy conservation programs, many of which include incentives.

Suite-metered units work with Time-of-Use pricing

All suite-metered units have "smart meters" that work with Timeof-Use pricing. When introduced, this pricing structure will offer further incentive to owners to control their electricity use, and to time-shift use whenever possible. Doing laundry and using the dishwasher in the evenings or on weekends are two obvious examples of taking advantage of Time-of-Use pricing.

Toronto Hydro will take care of everything

We offer a complete service for the supply and installation of individual suite meters. From assessment, system design and project management to post-installation end user customer seminars and full customer service support, Toronto Hydro has developed a suite metering solution to meet everyone's needs.

It's reassuring to work with the leader

- The process is seamless. We take care of all coordination and follow-up with unit owners.
- We are the established experts in the field.
- We are regulated by the Ontario Energy Board.
- Condo owners will receive the same level of service as our other 687,000 customers.
- We have been in business for nearly 100 years. We're owned by the City of Toronto.

The Toronto Hydro bill reassures customers



500 400

650

The Toronto Hydro-Electric System bill is a good example of the quality of communications we deliver to our customers.

YOUR ELECTRICITY CHARGES It's easy to see the various components that go into the charges for electricity.

HISTORICAL INFORMATION DRIVES CONSERVATION This helps explain bill amounts and encourages wise use.

OTHER CHARGES

This is where other services and taxes are shown, followed by previous charges and payments.

TOTAL AND DUE DATE

Quick, concise communication on one line.

YOUR ELECTRICITY USAGE -ALL THE DETAILS

For those who want to know the details, this easy-to-understand chart provides the calculations.

CLEAR LAYOUT, RESEARCHED FOR ACCEPTANCE

We've taken great care with the communications on the bill. Research shows that customers can understand it at a glance.

Vour clostricity b	:11		(OT			
Your electricity b	III		toronto hydro electric system			
Account Number		Statement Date	Aug 12 2009			
000 000 000 000 0000 0		Amount Due	\$69.71			
Meter Number		Due Date	Aug 28 2009			
000000		Amount Paid				
CONDO OCCUPANT 5 SMITH DR. NORTH YORK, ON		Contact us at 416.542.8000	Web site www.torontohydro.com			
			16 monthly late payment interest charge e applied if received after due date			
Your Electricity Charges		Compare y	our daily usage			
Electricity 518.800 KWH @ 5.700 cents/KWH	29.57	Read Date 24 JUL 09	kWh Usag Still Barriston St			
Delivery	29.70	24 JUN 09 25 MAY 09	44			
Regulatory	3.62	-				
Debt Retirement Charge	3.50					
Your Total Electricity Charges	66.39					
G.S.T. (G.S.T. Registration 89671 8327 RT0001)	3.32	konvetay, o s	1 1 1 1 1 10 15 20 25 30			

Your previous charges Amount of last bill Total Payments-Thank you Balance Forward

Total Due by Aug 28 2009

Your electricity usage

Meter Number		Number of Days		Units Self- Contained		Previous Reading	kWh Used	Loss Factor Adjustment	Adjusted kWh Used
0000000	JUN 24 2009 To JUL 24 2009	30	Act.	1	78378	- 77878 •	500 2	K 1.0376	 \$18,800

143.93

143.93

0.00

\$69.71

Please detach and return this section with your payment made payable to Toronto Hydro-Electric System Ltd.

Account Number: 000 000 000 000 0000 0

CONDO OCCUPANT 5 SMITH DR.

NORTH YORK, ON M2M 3T3

Statement Date: Aug 12 2009

A 1.5% monthly late payment interest charge will be applied if received after due date

Due Date: Amount Paid:

Amount Due:

\$69.71 Aug 28 2009

PowerWISE correction: Refrigerator Roundup requires fridges and freezers to be 15 years old, not 10 years old.

00000 00000000000000000 00000000 00000000

:13569-900:



Your Toronto Hydro advantage

Toronto Hydro-Electric System will:

- Provide and arrange for installation of one meter point per condominium suite, at **no cost** to the suite owner, condominium corporation or developer.
- Establish each condominium unit owner as a Toronto Hydro-Electric System customer.
- Perform all account management activities, including meter reading, billing, meter maintenance, collection, and reconnect/ disconnect activities.

Condominium boards and builders will:

- Agree on behalf of each suite/unit owner that Toronto Hydro-Electric System will be the meter service provider.
- Permit meter installation at service connection points recommended by Toronto Hydro-Electric System or its subcontractors.
- Be responsible for any on-site upgrades required to accommodate the new metering equipment.
- Arrange access for Toronto Hydro-Electric System personnel to carry out any required maintenance or service activities.

For more information visit us at www.torontohydro.com/suitemeters



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Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-8 Filed: 2010 Dec 6 (1 page)



March 09, 2009

Dear Sir or Madam,

Today, many condominiums across the city are choosing to individually meter their suites. Property Managers and condominium boards can choose between sub-metering or individual metering. What's the difference?

A licensed sub-metering company typically installs sub-meters behind the bulk meter. Then they bill and collect from unit owners on behalf of the condominium corporation which they return to the corporation. But there are three issues to keep in mind:

- 1. The condominium corporation is still responsible for paying the bill based on the bulk meter. If any individual owners are delinquent in their payments, it is up to the condominium to make good.
- 2. Secondly, the administrative fees charged by the sub-metering services are un-regulated.
- 3. Lastly, in most cases, the condominium corporation will own the metering system and will be responsible for re-certifying it every six years.

Toronto Hydro's approach is different

We supply and install our Smart Meter system at no cost^{*} to the condominium or suite owners. Suite owners become customers of Toronto Hydro and are billed directly by Toronto Hydro. We own and maintain the system forever. All of our charges are regulated by the Ontario Energy Board.

Our experience shows that many condominium corporations prefer this arrangement because it is simpler and places a lesser obligation on the condominium corporation.

Suite meters are smart meters

All new suite meters will work with Time-of-Use pricing. When introduced, this pricing structure offers further incentive to owners to control their electricity use.

No cost to suite owner or condominium corporation

When a building converts to suite metering, Toronto Hydro-Electric System will:

- Provide and arrange for installation of one meter point per condominium unit, at no cost to the suite owner or condominium corporation
- Establish each customer as a Toronto Hydro-Electric System customer, responsible for their own bill
- Perform all account management activities including meter reading, billing and meter maintenance

Learn more about the benefits of suite metering at **www.torontohydro.com/suitemeters**. To book an appointment, or for more information, please contact me directly.

Sincerely,

Sen Suidelin

Leo Guidolin, CET, CEM, CDSM Suite Metering Co-ordinator Tel: 416-542-3100 ext. 50327 Email: lguidolin@torontohydro.com

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-2 Filed: 2010 Dec 6 (2 pages)



This condo features suite metering. And thats a good thing.

Your

Suite

Meter

Putstou

In Control







The right choice for individual control

This condominium features individual suite metering for electricity. That means you can control your electricity costs by managing your usage. That's much better than having to pay a share of the building's total electricity use where you could be paying more than you consume.

Your meter is a smart meter

Here's more good news – all suite meters are based on smart metering technology and are programmed to accommodate Time-of-Use billing, when introduced. Time-of-Use rates can help you control how much you pay for electricity.

For more information visit us at www.torontohydro.com/suitemeters



Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-10 Filed: 2010 Dec 6 (2 pages)

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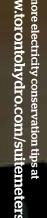
www.torontohydro.com/suitemeters



^{*}Source: "Heating and Cooling your Home: A Conse Government of Ontario, 2004.

ation Guide,'

they're not on.



I



Use compact fluorescent bulbs wherever possible. They're

much more efficient than the old incandescent bulbs.

and stereos when they're not being used. If you go away Turn off lights and equipment such as computers, TVs

computer and any other equipment. They all use

for more than a day, consider unplugging your TV,

electricity to remain in stand-by mode, even when

P Energy-efficient appliances help you save, too. Consider

22° Celsius.*

how you use them to save electricity.

Typically you use nearly 50% of your electricity for

heating and cooling. So in the summer, try to keep

your thermostat at 25° Celsius. In the winter aim for

4

<u>O</u>M

Toronto

Hydro

lectric System

A few electricit

onservation ideas



• Your new home ning 🍤 las suite metering. und that's a good

Suite metering gives you control of your electricity costs

your choice. regular bill from us for the electricity used in your suite. You can select the retailer of That means you will be a customer of Toronto Hydro-Electric System and you will get a Your condominium has an individual suite meter for the electricity that you use.

could be paying more than you consume. much better than having to pay a share of the building's total electricity use where you use electricity wisely and practise conservation, it will be reflected in your bill. That's It also means you can control your electricity costs by managing your usage. So if you

Your meter works with Time-of-Use rates

day. Typically the lowest rates apply early in the morning, again in the evening and on weekends and holidays. When Time-of-Use rates are introduced, the charge for electricity will vary during the

You can take advantage of this by shifting some of your electricity use to the lowest cost times. For example, you could do your laundry or run your dishwasher during these off-peak hours.

and this is an easy way to do your part. That helps reduce your bill, and also helps our environment. Every little bit counts















What about electricity in the building's common areas?

building's electricity use down. ground garages and outdoor lighting. As a condominium owner, you should ensure lighting in the hallways, operating elevators, lighting and running fans in underthat the best choices are being made for electricity use in these areas too, to keep the Your monthly condominium fees will include your share of the electricity used for

Questions about your meter, bill, payment options or account?

your meter, bill, payment options and conservation programs. Take a moment to famil-The Toronto Hydro-Electric System Web site has everything you need to know about iarize yourself with the bill and consider the various payment options.

Sign up for electronic billing

Electronic

every month to help you budget. our pre-authorized payment plan which deducts the same amount from your account It takes just minutes to sign up at www.torontohydro.com/ebills. You can also choose billing is the most convenient way to take care of paying your electricity bill.

Go to www.torontohydro.com to learn more

If you still have questions, our customer service department will be pleased to help you.

For more information see

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 7 Appendix A-11 Filed: 2010 Dec 6 (4 pages)



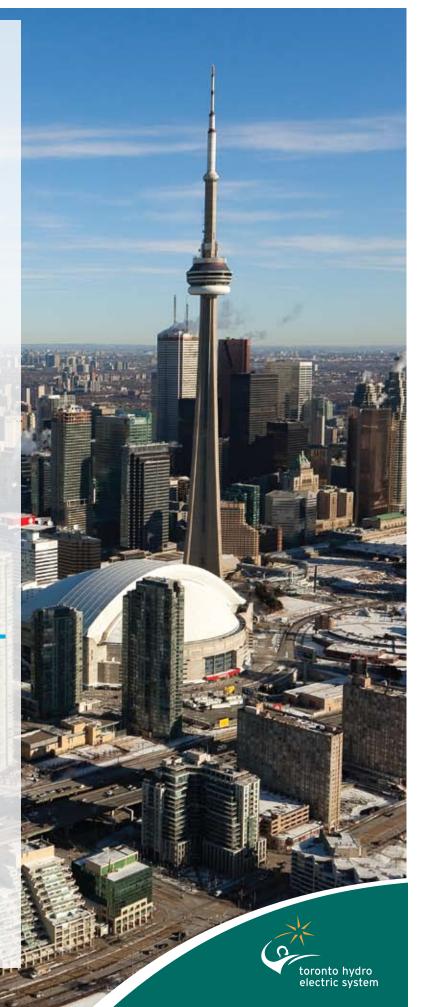
Suite Metering Delivers Proven Savings Make the Switch Today

Making the switch to suite metering provides many benefits to both condo boards and unit owners.

With individual suite meters, unit owners pay for the electricity they use in their suite. This means condo boards pay only for electricity used in common areas, substantially reducing their operating expenses.

When unit owners become responsible for their own usage, they become more aware of how they use electricity and generally use less. That's fair for each owner, socially responsible and good for the environment.

Working with Toronto Hydro-Electric System Limited (Toronto Hydro) for suite metering is reassuring for everyone. Customers know our company, recognize our trucks on the street and are confident that we are the best choice for the delivery of reliable electricity.



The right choice for today and tomorrow

Toronto Hydro delivers

Today, everyone is seeing the advantages of individual suite metering for condominium units. For unit owners, it means they are individually responsible for electricity use in their suite and can therefore better control their costs. Condo corporations are responsible only for costs associated with common areas, significantly reducing one of their biggest expenses.

Once the conversion is complete, suite owners can stay with Toronto Hydro as their electricity supplier of choice, or select another electricity retailer. As direct customers of Toronto Hydro, they'll be able to take advantage of popular energy conservation programs, many of which include incentives. It's also important to know that all charges on their electricity bill are regulated by the Ontario Energy Board.

Suite-metered units work with Time-of-Use pricing

All suite-metered units have "smart meters" that work with Time-of-Use (TOU) pricing. This pricing structure offers further incentives to unit owners to control their electricity use, and to time-shift use, whenever possible. Doing laundry and using the dishwasher during off-peak or mid-peak hours are two obvious examples of taking advantage of Time-of-Use pricing. To help unit owners monitor their usage and encourage time-shifting, Toronto Hydro provides each customer with a secure online dashboard, where they can log in and see their electricity usage by the day, week, billing period or any period they choose.



"Anita" assists customers on their Time-of-Use dashboard to explain exactly what they're looking at, and provide electricitysaving tips.

Toronto Hydro will take care of everything

We offer a complete service to convert your building to suite meters. We do the assessment, the system design and take care of project management. We supply and install the individual suite meters and take care of post-installation. We also offer seminars and full customer support to unit owners. Toronto Hydro has developed a suite metering solution to meet everyone's needs.



The Toronto Hydro bill reassures customers



W/h Usage

130

213

319

256

322

179

133

The Toronto Hydro-Electric System bill is a good example of the quality of communications we deliver to our customers.

YOUR ELECTRICITY CHARGES It's easy to see the various components that go into the charges for electricity.

HISTORICAL INFORMATION DRIVES CONSERVATION

This helps explain bill amounts and encourages wise use.

OTHER CHARGES

This is where other services and taxes are shown, followed by previous charges and payments.

TOTAL AND DUE DATE

Quick, concise communication on one line.

YOUR ELECTRICITY USAGE -

ALL THE DETAILS

For those who want to know the details, this easy-to-understand chart provides the calculations.

CLEAR LAYOUT, RESEARCHED FOR ACCEPTANCE

We've taken great care with the communications on the bill. Research shows that customers can understand it at a glance.

Your electricity bill to hydro Statement Date Jul 17 2010 Account Number 000 000 000 000 0000 0 Amount Due \$568.68 Meter Number Due Date Aug 02 2010 0000000 Amount Paid Web site Contact us at CONDO OCCUPANT 416.542.8000 www.torontohydro.com 5 SMITH DR. SUITE 109 A 1 5% monthly late payment interest charge NORTH YORK ON Page will be applied if received after due date 1 / 1 Your Electricity Charges Compare your daily usage Electricity Read Date 30 JUN 10 Time-of-Use - Summ 01 MARY 10 1000 11.02 111.283 KWH On-peak (Highest Price) @ 9.9 ¢/KWH 02 MAR 10 46.329 KWH Mid-peak (Mid Price) @ 8.0 c/KWH 3.71 01 JAN 10 1 224.723 KWH Off-peak (Lowest Price) @ 5.3 ¢/KWH 11.91 02 NOV 09 10 03 5EP 09 47.71 Delivery 05 JJL 09 100 3.13 OF MALY OF Regulatory 07 MAR 09 12 2.58 Debt Retirement Charge swhetay o ż 80.06 Your Total Electricity Charges Time-of-Use Comparison 4.02 G.S.T. (G.S.T. Registration 89671 8327 RT0001) 25/ H.S.T. (H.S.T. Registration 89671 8327 RT0001) H - Highest Price M - Mid Price Your previous charges - Lowest Price 484.60 Amount of last bill Total Payments-Thank you 0.00 484.60 **Balance** Forward

Total Due by Jun 06 2010



Tour electricity usinge								
Meter Number	er Meter Reading ber Period		Read Type	kWh Used	Loss Factor Adjustment	Adjusted kWh Used		
0000000	May 01 2010 To Jun 30 2010	60	Act.	368.480	X 1.0376	 382.335 		

\$568.68

For more information on Time-of-Use consumption please visit www.torontohydro.com

Please detach and return this section with your payment made payable to Toronto Hydro-Electric System Ltd.

Account Number: 000 000 000 000 00	00 0	Statement Date: Jul 17 2010	A 1.5% monthly late payment will be applied if received after	
			Amount Due:	\$568.68
CONDO OCCUPANT			Due Date:	Aug 02 2010
5 SMITH DR. SUITE 109 NORTH YORK ON			Amount Paid:	

00000 00000000000000000 00000000 00000000

113569-9001

COMING SOON: Changes to your bill -NEW ACCOUNT NUMBER & change in

istorical usage graph



Your Toronto Hydro advantage

Toronto Hydro-Electric System will:

- Provide and arrange for installation of one meter point per condominium suite, at **no cost*** to the suite owner, condominium corporation or developer.
- Establish each condominium unit owner as a Toronto Hydro-Electric System customer.
- Perform all account management activities, including meter reading, billing, meter maintenance, collection, and reconnect/disconnect activities.

Condominium boards and builders will:

- Agree on behalf of each suite/unit owner that Toronto Hydro-Electric System will be the meter service provider.
- Permit meter installation at service connection points recommended by Toronto Hydro-Electric System or its subcontractors.
- Be responsible for any on-site upgrades required to accommodate the new metering equipment.
- Arrange access for Toronto Hydro-Electric System personnel to carry out any required maintenance or service activities.

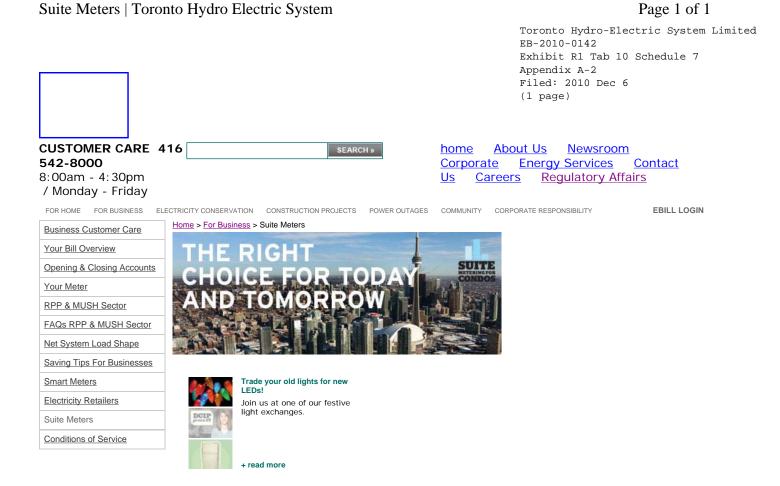
For more information visit us at torontohydro.com/suitemeters

The figure and star design is a trademark of Toronto Hydro Corporation used under license. *Pending site review









Individual suite meters are a good idea for everyone. Suite owners can control how much electricity they use and pay for. And now, with Time-of-Use (TOU) rates, they can time-shift activities like dishwashing and laundry to better manage their costs. Builders, landlords and property managers know that suite meters are equitable and therefore, desirable.

PEOPLE WHO PAY FOR ELECTRICITY USE LESS

SUITE METERS

Condo Boards

Research has proven that people who pay for their own electricity <u>Suite Owners</u> consumption usually use less. Today, that's important. Suite metering is a fair way to allocate costs. <u>Builders</u>

Those who consume more, pay more. Also, since the electricity used in suites is paid directly, the overall monthly maintenance fees can be adjusted accordingly.

<u>Smart builders</u> include suite metering right from the start.

<u>Condo boards</u> and property managers know it pays to switch to suite metering.



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Suite metering means you can control your electricity costs by managing your usage. So if you use electricity wisely and practice conservation it will be reflected in your bill. That's much better than having to pay a share of the building's total electricity use where you could be paying more than you consume.

YOUR METER WORKS WITH TIME-OF-USE RATES

SUITE METERS

With Time-of-Use rates, the charge for electricity varies during the <u>Builders</u> day. Typically the lowest rates apply early in the morning, again in the evening and on weekends and holidays. <u>Condo Boards</u>

You can take advantage of this by shifting some of your electricity use to the lowest-cost times. For example, you could do your laundry or run your dishwasher during these off-peak hours.

That helps reduce your bill, and also helps our environment. Every little bit counts and this is an easy way to do your part. Learn more about Time-of-Use rates <u>here</u>.

WHAT ABOUT ELECTRICITY IN THE BUILDING'S COMMON AREAS?

Your monthly condominium fees will include your share of the electricity used for lighting in the hallways, operating elevators, lighting and running fans in underground garages and outdoor lighting.

ARE YOU A NEW CUSTOMER?

Download our New Customer Information form.

SIGN UP FOR ELECTRONIC BILLING

Click above to view sample electricity bill

CONDECTION AND

Electronic billing is the most convenient way to take care of paying

your electricity bill. It takes just minutes to sign up at <u>Toronto</u> <u>Hydro eBills</u>. You can also choose our <u>pre-authorized payment plan</u> which deducts the same amount from your account every month to help you budget.

CONSERVATION IDEAS FROM TORONTO HYDRO-ELECTRIC SYSTEM

- Typically you use nearly 50% of your electricity for heating and cooling. So in the summer try to keep your thermostat at 25 degrees Celsius. In the winter, aim for 22 degrees Celsius.*
- Energy-efficient appliances help you save, too. Consider how you use them to save electricity.
- Use compact fluorescent bulbs wherever possible. They're much more efficient than the old incandescent bulbs.
- Turn off lights and equipment such as computers, TVs and stereos when they're not being used. If you go away for more than a day, consider unplugging your TV, computer and any other equipment. They all use electricity to remain in stand-by mode, even when they're not on.

*Source: "Heating and Cooling your Home: A Conservation Guide," Government of Ontario, 2004.

OUR BILL IS CLEAR AND UNDERSTANDABLE

The Toronto Hydro bill is a good example of the quality of communications we deliver to our customers. It has a clear layout and has been researched for customer acceptance.

It outlines the various components that go into the charges for electricity and breaks out taxes and any other service charges. It also shows historical use, which allows customers to make comparisons over similar time periods. This encourages efficient use of electricity.

Questions or Comments

If you'd like to know more about suite metering for your suite, please contact:

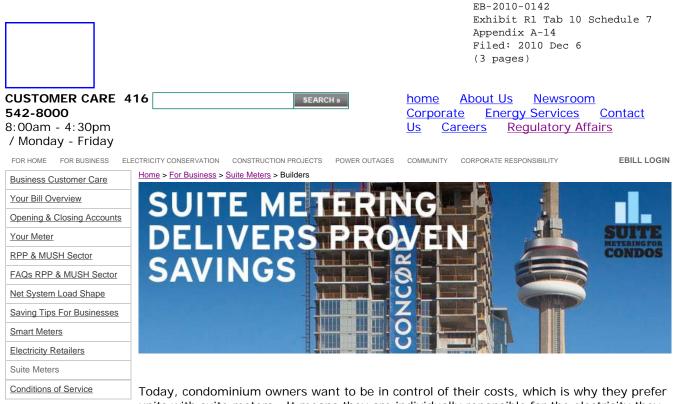
Maria D'orazio

Tel: 416-542-3100 ext. 50037



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Toronto Hydro-Electric System Limited



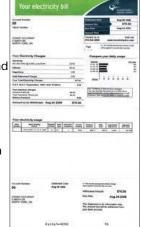
units with suite meters. It means they are individually reponsible for the electricity they use in their unit. Suite meters also mean that condo corporations may reduce costs that have previously been associated with common areas. After the sale, your relationship with Toronto Hydro-Electric System Limited (Toronto Hydro) continues to pay off. Customers know our company and are confident that we're the best choice for the delivery of reliable electricity.

TORONTO HYDRO WILL TAKE CARE OF EVERYTHING SUITE METERS

For builders, it's reassuring to work with the leader. We offer complete service to implement suite meters in your building. We do the assessment, the system design and project management. We supply and install one meter point per condominium suite, at no cost to you, the suite owner or the condominium corporation. We will also take care of postinstallation and establish each suite owner as a Toronto Hydro customer.

Suite Owners

Condo Boards



Thereafter, we will perform all account managment activities including meter reading, billing, meter maintenance, collection, and reconnect/disconnect activities.

To help with your communications to potential buyers, we've developed postcards and posters that outline the benefits of suite meters, making it easier to close sales. These materials can be customized with your logo and printed by Toronto Hdyro for use in your sales suites, free of charge.

- <u>View postcard</u>
- <u>View posters</u>
- Order materials

Click above to view sample electricity bill (pdf 192k)

SUITE METERED UNITS WORK WITH TIME-OF-USE PRICING

All suite-metered units have "smart meters" that work with TOU pricing. This pricing structure will offer further incentives to unit owners to control their electricity use, and to time-shift use whenever possible.

Doing laundry and using the dishwasher in the evenings or on weekends are two obvious examples for taking advantage of TOU pricing.

To help unit owners monitor their usage and encourage timeshifting, Toronto Hydro provides each customer with a secure online dashboard, where they can log in and see their electricity usage by the day, week, billing period or any period they choose.

WORKING WITH US IS REASSURING FOR OWNERS

Suite owners know Toronto Hydro, recognize our trucks on the street and are confident that we're the best choice for the delivery of reliable electricity.

They can decide to stay with Toronto Hydro as their electricity supplier of choice, or select another electricity retailer. As direct customers of Toronto Hydro, they'll be able to take advantage of popular energy conservation programs.

It's also important to know that all charges on their electricity bill are regulated by the Ontario Energy Board.

OUR BILL IS CLEAR AND UNDERSTANDABLE

The Toronto Hydro bill is a good example of the quality of communications we deliver to our customers. It has a clear layout and has been researched for customer acceptance.

It outlines the various components that go into the charges for electricity and breaks out taxes and any other service charges. It also shows historical use, which allows customers to make comparisons over similar time periods. This encourages efficient use of electricity.

RESPONSIBILITIES OF THE BUILDER

We try to make it as easy as possible to work with us. Here is what we ask of you to ensure that the process is efficient.

- Agree on behalf of each suite/unit owner that Toronto Hydro will be the meter service provider.
- Permit meter installation at service connection points recommended by Toronto Hydro or its subcontractors.
- Be responsible for any onsite upgrades required to accommodate the new metering equipment.
- Arrange access for Toronto Hydro personnel to carry out any required maintenance or service activities.

Questions or Comments

If you'd like to know more about suite metering for your suite, please call 416-542-3443 or email <u>suitemeters@torontohydro.com</u>

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<u>Click here</u> to contact us

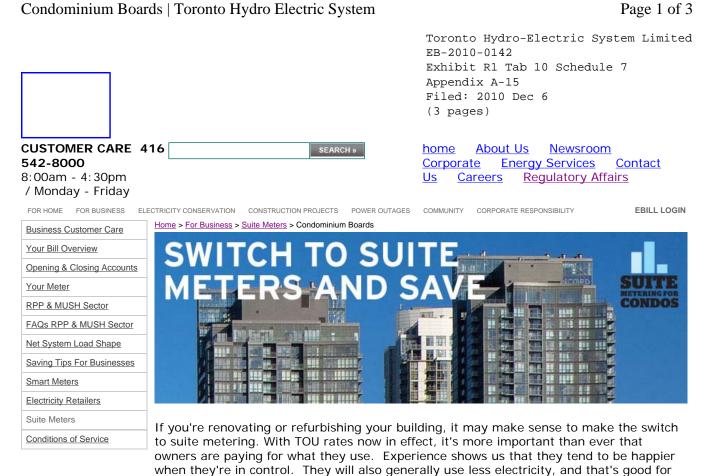








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all of us.

IT'S EASY TO WORK WITH US

Toronto Hydro will take care of everything. We offer a complete service for the supply and installation of individual suite meters at no cost to the condominium board. We will meet with your board and then provide the assessment, system design, full installation and all necessary project management. Post-installation we can host owner seminars outlining our full customer service support.

It's reassuring to work with the leader:

- We are the established experts in the field.
- We are regulated by the Ontario Energy Board.
- Condo owners will receive the same level of service as our other 687,000 customers.
- We have been in business for nearly 100 years. The City of Toronto is our marjority shareholder.

YOUR SUITE OWNERS GET REGULATED ELECTRICAL RATES

It's important to know that all charges on a Toronto Hydro bill are regulated by the Ontario Energy Board. Suite owners still have the option of working with the retailer of their choice.

As direct customers of Toronto Hydro, they'll be able to take advantage of popular energy conservation programs, many of which include incentives.

SUITE METERS

Suite Owners

Builders



- <u>Case Study -</u> <u>Wilson</u> <u>Blanchard</u> <u>Management</u> Inc.
- <u>Case Study -</u> <u>Cape Property</u> <u>Management</u> <u>Ltd.</u>
- <u>Case Study -</u> <u>Canlight Hall</u> <u>Management</u> <u>Inc.</u>

LEARN MORE ABOUT

SUITE METERED UNITS WORK WITH TIME-OF- SUITE METERS USE PRICING

Click here to contact us.

All suite-metered units have smart meters that work with TOU pricing. This pricing structure will offer further incentive to owners to control their electricity use, and to time-shift use whenever possible. Doing laundry and using the dishwasher in the evenings or on weekends are two obvious examples for taking advantage of Time-of-Use pricing. Learn more about Time-of-Use rates <u>here</u>.

YOUR TORONTO HYDRO ADVANTAGE

Toronto Hydro will:

- Provide and arrange for installation of one meter point per condominium suite, at **no cost*** to the suite owner, condominium corporation.
- Establish each condominium unit owner as a Toronto Hydro customer.
- Perform all account management activities, including meter reading, billing, meter maintenance, collection, and reconnect/disconnect activities.

* Pending site review

OUR BILL IS CLEAR AND UNDERSTANDABLE

The Toronto Hydro bill is a good example of the quality of communications we deliver to our customers. It has a clear layout and has been researched for customer acceptance.

It outlines the various components that go into the charges for electricity and breaks out taxes and any other service charges. It also shows historical use, which allows customers to make comparisons over similar time periods. This encourages efficient use of electricity.

RESPONSIBILITIES OF THE CONDO BOARD

- Agree on behalf of each suite/unit owner that Toronto Hydro will be the meter service provider.
- Permit meter installation at service connection points recommended by Toronto Hydro or its subcontractors.
- Be responsible for any onsite upgrades required to accommodate the new metering equipment.
- Arrange access for Toronto Hydro personnel to carry out any required maintenance or service activities.

Questions or Comments

If you'd like to know more about suite metering for your buildings, please call 416-542-3443 or email <u>suitemeters@torontohydro.com</u>

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1 **INTERROGATORY 8:**

2 **Reference(s):** none

3

4 Please provide a copy of all offers, contracts, agreements, undertakings, or other

5 documents which THESL requests that condominium developers and/or condominium

6 corporations execute, or any terms and conditions which THESL deems to be in effect

- 7 where a developer or condominium corporation agrees that THESL may undertake suite
- 8 metering in a building.
- 9

10 **RESPONSE:**

- 11 Please see documents provided as Appendix A to this Schedule:
- 1) Suite Meter Customer Agreement Retrofit (v07,Aug9.10) Template
- 13 2) Suite Meter Customer Agreement (v11,Aug9.10) Template

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 8 Appendix A-1 Filed: 2010 Dec 6 (14 pages)

SUITE METER INSTALLATION AND SERVICE AGREEMENT FOR NEW CONDOMINIUM DEVELOPMENTS

THIS SUITE METER INSTALLATION AND SERVICE AGREEMENT FOR NEW CONDOMINIUM

DEVELOPMENTS (the "Agreement") is made effective this ______ day of _____, 20__ (the "Effective Date")

BETWEEN:

Toronto Hydro-Electric System Limited

a corporation incorporated under the laws of Ontario

(hereinafter called "Toronto Hydro")

and

a corporation incorporated under the laws of Ontario (hereinafter called the "**Developer**")

RECITALS.

- 1. Toronto Hydro is in the business of supplying, installing and maintaining suite meter systems to multiresidential buildings;
- 2. Developer is the builder and owner of the multi-residential building(s) located at ______ (collectively,

as applicable, hereinafter referred to as the "Building");

3. Developer wishes to retain Toronto Hydro to supply, install and maintain a suite meter system and provide suite meter services for the Building upon the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. INTERPRETATION

- 1.1 All capitalized terms in this Agreement shall have the meaning as defined in Schedule 5;
- 1.2 All dollar amounts in this Agreement are expressed in Canadian dollars, unless otherwise stated; and
- 1.3 The recitals hereto shall form an integral part of this Agreement as if specifically restated herein.
- 2. SCHEDULES The following schedules and appendices are attached to and form part of this Agreement:
 - (i) SCHEDULE 1 Supply and Installation of Suite Meter System
 - (ii) SCHEDULE 2 Suite Meter Services

- (iii) SCHEDULE 3 Additional Cost Items
- (iv) SCHEDULE 4 Assignment and Assumption Agreement
- (v) SCHEDULE 5 Defined Terms

In the event of a conflict between the terms of any schedule and the terms of this Agreement, the terms of this Agreement shall govern.

3. SUPPLY AND INSTALLATION OF THE SUITE METER SYSTEM

3.1 The Developer appoints Toronto Hydro to supply and install the suite meter system described in Schedule 1 (the "**Suite Meter System**") at the Building and provide the corresponding suite meter services as described in Schedule 2 (the "**Suite Meter Services**") throughout the Term all in accordance with the terms and conditions of this Agreement.

3.2 Toronto Hydro shall provide the Suite Meter System and the Suite Meter Services at no cost to the Developer, save and except for any on-site upgrades required to accommodate the installation of the Suite Meter System as specified in Schedule 3 to this Agreement ("Additional Cost Items"). Toronto Hydro shall invoice Developer for the Additional Cost Items, if any, and Developer shall make payment to Toronto Hydro not later than thirty (30) days following receipt of the invoice. All amounts not received from the Developer when due shall bear interest at the lesser of (i) 2% per month; or (ii) the maximum allowed by Applicable Laws, from the due date to and including the date of payment in full.

4. OWNERSHIP AND ACCESS

4.1 Notwithstanding the installation or attachment of the Suite Meter System in and to the Building, all components of the Suite Meter System shall remain the property of Toronto Hydro and no part of the Suite Meter System shall become the property of the Developer.

4.2 During the Term and for a period of six (6) months after the expiry or termination of the Term, the Developer will provide Toronto Hydro with access to the Suite Meter System located in the Building as reasonably required by Toronto Hydro to allow Toronto Hydro to fulfill its obligations under this Agreement including, without limitation, to allow for: (i) the installation, inspection and maintenance of the Suite Meter System; (ii) the removal of the Suite Meter System pursuant to Section 8.1; (iii) to provide the Suite Meter System; and (iv) the performance of any necessary services related to an emergency pertaining to the Suite Meter System.

5. ELECTRICITY ACCOUNT

5.1 The parties agree and acknowledge that following the installation of the Suite Meter System:

(a) and upon registration of the condominium corporation for the Building under the *Condominium Act, 1998*, Toronto Hydro shall establish each residential and retail condominium unit owner in the Building as a separate and individual Toronto Hydro electricity distribution customer and residential or commercial rate account holder, as applicable; and

(b) the Developer shall not be responsible for the payment of the electricity account of the individually metered residential or commercial account holder referred to in (a) above but shall remain the account holder for the current general service account at the Building and for any unsold condominium units following registration of the condominium for the Building under the *Condominium Act, 1998*, and shall continue to make

payment for electricity consumption for the Building common areas and any of the unsold condominium units noted above.

6. TERM

6.1 Subject to any termination rights herein, the term of this Agreement shall be for a term of twenty (20) years, starting on the Effective Date (the "**Term**").

7. TERMINATION

7.1 <u>Termination for Convenience</u>. Either party may elect to terminate this Agreement at any time following the completion of the first five (5) years of the Term by providing the other party with at least one (1) year prior written notice.

7.2 <u>Termination for Material Default</u>. If one of the parties (the "**Defaulting Party**") fails to fulfil any material obligation under this Agreement or breaches any representation or warranty contained herein, then the other party (the "**Non-Defaulting Party**") may, without prejudice to any other right or remedy the Non-Defaulting Party may have, notify the Defaulting Party in writing that the Defaulting Party is in default of its contractual obligations and instruct the Defaulting Party to correct the default within thirty (30) Business Days immediately following the receipt of such notice. If the Defaulting Party fails to correct the default in the time specified, then, without prejudice to any other right or remedy, the Non-Defaulting Party may terminate this Agreement by providing written notice thereof.

7.3 <u>Termination for Bankruptcy</u>. If bankruptcy or insolvency proceedings are instituted by or against either party, or either party is adjudicated a bankrupt, becomes insolvent, makes an assignment for the benefit of creditors or proposes or makes arrangements for the liquidation of its debts, or a receiver or receiver and manager is appointed with respect to all or part of the assets of either party, the other party may, without prejudice to any other rights or remedies it may have, immediately terminate this Agreement.

8. EFFECT OF TERMINATION

8.1 Upon the expiry of the Term or any earlier termination of this Agreement, the Developer shall forthwith pay to Toronto Hydro any unpaid amounts payable to Toronto Hydro under this Agreement accruing to the date of expiry or termination and Toronto Hydro shall remove the Suite Meter System installed at the Building and return the Building to a bulk meter system.

8.2 Notwithstanding any other terms herein, in the event of termination by the Developer pursuant to Section 7.1 (Termination for Convenience) or a termination by Toronto Hydro pursuant to Section 7.2 (Termination for Material Default) or Section 7.3 (Termination for Bankruptcy), the Developer shall forthwith pay to Toronto Hydro any direct reasonable costs incurred by Toronto Hydro associated with disconnecting and removing the Suite Meter System installed at the Building and returning to the Building to a bulk meter system.

8.3 The termination of this Agreement shall not affect any rights or obligations which may have accrued prior to such termination or any other right which the terminating party may have arising out of either the termination or the event giving rise to the termination.

9. **REPRESENTATIONS AND WARRANTIES**

9.1 The Developer represents and warrants to Toronto Hydro that:

(a) it is entitled to enter into this Agreement in respect of the Building and it has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement

constitutes a legal, valid, and binding obligation of the Developer, enforceable against the Developer in accordance with its terms;

(b) the entering into of this Agreement and the performance of the terms of this Agreement by the Developer do not breach or contravene any provision of any agreement to which the Developer is bound or which otherwise affects the Building;

(c) it shall obtain and maintain, for the Building during the Term, insurance covering such risks and in such amount as a prudent owner of a building the same as or similar to the Building would maintain and as may be required pursuant to the *Condominium Act*, 1998 (Ontario); and

(d) it shall not cause or voluntarily permit any tampering with or modification or alteration to the Suite Meter System (or any part thereof); and

(e) it shall permit Toronto Hydro to install suite metering promotional materials (including cladding and boarding) at the Building's construction site, subject to the Developer retaining a right of approval on the location of such promotional materials.

9.2 Toronto Hydro represents and warrants to the Developer that:

(a) it has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement constitutes a legal, valid, and binding obligation of Toronto Hydro, enforceable against Toronto Hydro in accordance with its terms;

(b) the installation, operation and maintenance of the Suite Meter System shall be in compliance with all Applicable Laws;

(c) it shall obtain and maintain in full force and effect during the Term of this Agreement commercial general liability and property insurance as it relates to the supply and installation of the Suite Meter System and Suite Meter Services.

10. SUBCONTRACTORS Toronto Hydro may subcontract any or all of its obligations under this Agreement.

11. FORCE MAJEURE If, by reason of Force Majeure, either party hereto (the "Frustrated Party") is delayed or unable, in whole or in part, to perform or comply with any obligation or condition of this Agreement, then it will be relieved of liability and will suffer no prejudice for failing to perform or comply or for delaying such performance or compliance during the continuance and to the extent of the inability so caused from and after the happening of the event of Force Majeure. The party affected by the event of Force Majeure shall as soon as reasonably practicable, give prompt notice thereof stating the date and extent of Force Majeure, and take all reasonable steps to resume compliance with its obligations provided, however, that settlement of strikes, lockouts and other industrial disputes shall be within the discretion of the Frustrated Party. The Frustrated Party will give prompt notice of the cessation of the event of Force Majeure to the other party.

12. LIMITATION OF LIABILITY Toronto Hydro and its Representatives shall not be liable in contract, tort (including negligence), or otherwise, for incidental, consequential, indirect, special, or punitive damages of any kind, or for the loss of revenue or profits, loss of business, loss of information or data, or other financial loss, arising out of or in connection with the installation, use, inability to use, performance, failure or interruption of the Suite Meter System or the Suite Meter Services, even if Toronto Hydro has been advised of the possibility of such damages and regardless of whether such damages were foreseeable.

13. CONFIDENTIAL INFORMATION The parties agree and acknowledge that: (a) subject to Applicable Laws or court order, each party shall maintain in strict confidence the terms of this Agreement and any and all proprietary and confidential information about the business or operations of the other party or any of their Affiliates, which it acquires in any form from the other party (the "**Disclosing Party**") by virtue of this Agreement ("**Confidential Information**") and will not disclose to any third party or make use of such Confidential Information for itself or any third party without the prior written consent of the Disclosing Party; and (b) notwithstanding the foregoing, (i) Toronto Hydro is subject to MFIPPA and may be required to disclose Confidential Information concerning this Agreement in accordance with the provisions of MFIPPA; and (ii) the parties shall be permitted to disclose the Confidential Information, provided such Representatives have agreed to comply with and be bound by the provisions of this Section 13.

14. ASSIGNMENT

14.1 Save and except for Toronto Hydro's right to assign this Agreement to any of its Affiliates and the Developer's obligation to assign this Agreement pursuant to Sections 14.2, neither party may assign this Agreement or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned or delayed.

14.2 Upon registration of the condominium corporation for the Building under the *Condominium Act*, 1998, (Ontario), the Developer will: (a) provide written notice of the registration to Toronto Hydro and; (b) execute and cause the condominium corporation to execute, and deliver to Toronto Hydro an assignment and assumption agreement in the form attached hereto as Schedule 4 (the **"Assignment and Assumption Agreement"**) pursuant to which the condominium corporation shall assume all of the obligations of the Developer under this Agreement and Toronto Hydro shall release the Developer of all of its obligations under this Agreement as of the effective date of the Assignment and Assumption Agreement. The Developer hereby agrees and acknowledges that it shall remain responsible for all obligations under this Agreement and for the consumption of electricity at the Building until such time as Toronto Hydro receives an executed Assignment and Assumption Agreement evidencing the condominium corporation's assumption of the Developer's obligations.

15. RELATIONSHIP OF THE PARTIES Nothing contained in this Agreement shall be construed to constitute either party as the partner, employee or agent of, or joint venturer with the other party, nor shall either party have any authority to bind the other in any respect, it being intended that each party shall remain an independent contractor of the other.

16. SEVERABILITY If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not affect the enforceability or validity of the remaining provisions of this Agreement and such unenforceable or invalid portion shall be severable from the remainder of this Agreement.

17. NO WAIVER A waiver of any provision of this Agreement shall not constitute either a waiver of any other provisions or a continuing waiver, unless otherwise expressly indicated in writing.

18. ENUREMENT This Agreement and everything contained herein shall enure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.

19. NOTICE All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been validly and effectively given on the same day if personally served, the next Business Day if sent by facsimile or similar means of recorded communication or on the fifth (5th) Business Day if sent by registered mail. Notices shall be addressed as follows or at such other address of which the addressee may from time to time have notified the other party:

to the Developer:	to Toronto Hydro:		
Name:	Name:	Leo Guidolin	
Title:	Title: Address:	Suite Metering Coordinator 5800 Yonge St. Toronto, On. M2M 3T3	
Address:	Telephone: Facsimile:	(416) 542-3100 x 50327 (416) 542-3501	
Telephone:	Email:	lguidolin@torontohydro.com	
Facsimile:	With a copy to:		
Email:	Name: Title: Address: Telephone: Facsimile: Email:	Lawrence Wilde General Counsel 14 Carlton St. Toronto, On. M5B 1K5 (416) 542-2896 (416) 542-2540 wilde@torontohydro.com	

20. GOVERNING LAW This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario and the laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of Ontario with respect to any matter arising under or related to this Agreement.

21. ENTIRE AGREEMENT

21.1 This Agreement, including all schedules referred to herein and subsequent amendments, constitutes the entire agreement between the Developer and Toronto Hydro relating to the subject matter hereof. This Agreement supersedes the terms of any purchase order, all prior correspondence, representations, warranties, covenants, collateral undertakings, discussions, negotiations, understandings or agreements, oral or otherwise, express or implied, unless otherwise provided in this Agreement.

21.2 No modification or amendment to this Agreement shall be binding on the parties unless agreed to in writing and executed by an authorized Representative of each party.

22. FURTHER ASSURANCES. The Developer agrees to execute such further assurances and documents, including any bills of sale, and to do all such things and actions which shall be necessary or proper for the carrying out of the purposes and intent of this Agreement.

23. **EXECUTION AND DELIVERY.** This Agreement may be executed in counterparts and delivered by electronic means, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

24. SURVIVAL. In addition to the terms of this Agreement that by their nature survive the expiry or termination of this Agreement, the terms of Sections 9 (Representations and Warranties), 12 (Limitation of Liability), and 13 (Confidential Information) shall survive the expiry or termination of this agreement for a period of five (5) years.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first written above:

Per:	Per:	
Name:	Name:	Susan Davidson
Title:	Title:	Senior Vice-President, Customer Care
I have authority to bind the Developer.	I have auth	nority to bind Toronto Hydro.

Toronto Hydro-Electric System Limited

SCHEDULE 1 SUPPLY AND INSTALLATION OF SUITE METER SYSTEM

(i) Supply of Suite Meter System

Toronto Hydro will provide at no cost to the Developer:

- one (1) suite meter per residential or retail suite in the Building;
- one (1) meter point for the common area or "house" electrical load; and
- one meter (1) point to measure the total load of the Building.

If more than one (1) suite meter is required for any residential or retail suite in the Building, such suite meters will be supplied and installed at the expense of the Developer in accordance with the amount documented in Schedule 3 to this Agreement.

(ii) <u>Components of the Suite Meter System</u>

The main components of the Suite Meter System to be installed by Toronto Hydro at the Building will consist of the following:

- Quadlogic Mini Closet, MC5 for all voltages configurations;
- Quadlogic Scan Transponder, ST5 (data collector and communications device);
- Quadlogic Socket Meter, S 20 socket base meters for all voltage and current configurations;
- Instrument Transformers, 2DARL-201 or equivalent;
- Instrument Transformer interface box(es); and.
- a Local Area Network for meter reading data communications that utilizes the existing electrical distribution system in the building for data transmission.

The Suite Meter System shall be based on Toronto Hydro's single line layout. Any variations from this layout may result in Additional Cost Items, which Additional Cost Items shall be listed in Schedule 3.

(iii) Installation of the Suite Meter System

The installation activities to be performed by Toronto Hydro at no cost to the Developer consist of the following:

- supply and installation of the Suite Meter System;
- testing, sealing and registration of suite meters with Measurement Canada;
- recertification of the Suite Meter System, as required;
- project management of the installation of the Suite Meter System, including required safety inspections;
- inspection and approval of Suite Meter System by the Electrical Safety Authority; and
- commissioning of the Suite Meter System.

SCHEDULE 2 SUITE METER SERVICES

During the Term, Toronto Hydro shall provide the following Suite Meter Services in respect of the Suite Meter System installed at the Building at no additional cost to the Developer:

- data acquisition (ie. meter reading to determine electricity consumption);
- data storage (ie. electronic record of data acquisition);
- data management (ie. the use of acquired data to validate billing information);
- suite meter communication to Toronto Hydro for billing purposes; and
- operations, maintenance, troubleshooting, and repair work to maintain the Suite Meter System to required Measurement Canada and Toronto Hydro standards.

SCHEDULE 3 ADDITIONAL COST ITEMS

Developer shall be responsible for the following Additional Cost Items required to accommodate the installation of the Suite Meter System, as applicable:

- security staff to escort Toronto Hydro staff or its subcontractor to the Suite Meter System installation location;
- cost of electrician for standby purposes during planned outages;
- cost of fuel for use with backup generators during planned outages;
- cost of replacing parts belonging to the Customer which are found to be defective at the time of the installation of the Suite Meter System.

SCHEDULE 4

ASSUMPTION AND ASSIGNMENT AGREEMENT

THIS ASSUMPTION AND ASSIGNMENT AGREEMENT (the "Agreement") made the _____ day of _____

BETWEEN:

_____, a corporation incorporated under the laws of ______("Developer")

-and-

_____, a corporation created pursuant to the *Condominium Act, 1998* (Ontario) ("**Condo Corporation**")

-and-

Toronto Hydro-Electric System Limited, a corporation incorporated under the laws of Ontario ("Toronto Hydro")

WHEREAS pursuant to the terms and provisions of a Suite Meter Installation and Service Agreement for New Condominium Developments dated _____, 20___ (the "Suite Meter Agreement"), made between Toronto Hydro and the Developer with respect to the supply and installation of suite meters and related services to the Building by Toronto Hydro.

AND WHEREAS the Condo Corporation has agreed to assume the rights and obligations of the Developer under the Suite Meter Agreement effective as of the date first written above (the "Effective Date").

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), the parties hereto covenant and agree as follows:

1. INTERPRETATION

1.1 Definitions. In this Agreement, unless something in the subject matter or context is inconsistent therewith, capitalized words not otherwise defined herein shall have the meaning ascribed thereto in the Suite Meter Agreement.

1.2 Severability. In the event that any of the covenants herein shall be held unenforceable or declared invalid for any reason whatsoever, to the extent permitted by law, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such unenforceable or invalid portion shall be severable from the remainder of this Agreement.

1.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein.

1.4 Enurement. This Agreement and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

2. ASSIGNMENT BY DEVELOPER AND ASSUMPTION BY THE CONDO CORPORATION

2.1 Assignment. As at the date of this Agreement, the Developer hereby assigns to the Condo Corporation all interest in and to the Suite Meter Agreement including all rights, obligations and liabilities thereunder.

- **2.2 Assumption**. As of the date of this Agreement, the Condo Corporation hereby:
 - (a) assumes all rights, obligations and liabilities of the Developer under the Suite Meter Agreement;
 - (b) agrees to pay all amounts owing by the Developer, if any, under the Suite Meter Agreement, in the manner set forth in the Suite Meter Agreement; and
 - (c) agrees to do, observe, perform, keep and be bound by every term, covenant, proviso, condition and agreement contained in the Suite Meter Agreement to be done, observed, performed and kept by the Developer as if the Condo Corporation were an original party to the Suite Meter Agreement and as such had executed the Suite Meter Agreement.

3. REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Condo Corporation. The Condo Corporation represents and warrants the following to Toronto Hydro:

- (a) the Condo Corporation is a condominium corporation created and validly existing under the laws of Ontario.
- (b) the Condo Corporation has all necessary power and authority to enter into this Agreement and to assume the rights, obligations and liabilities of the Developer under the Suite Meter Agreement and to do all acts and things as are required hereunder or thereunder to be done, observed or performed by it in accordance with their terms.
- (c) the Condo Corporation has taken all necessary action to authorize the execution, delivery, observance and performance of this Agreement and the observance and performance of the Suite Meter Agreement in accordance with its terms.

4. CONSENT BY TORONTO HYDRO AND RELEASE OF DEVELOPER

4.1 Consent. Toronto Hydro hereby acknowledges and agrees to the assignment by the Developer and the assumption by the Condo Corporation of the rights, obligations and liabilities of the Developer under the Suite Meter Agreement as of the date of this Agreement.

4.2 Release. Toronto Hydro hereby releases and discharges the Developer from and after the Effective Date, from all obligations and liabilities under the Suite Meter Agreement.

5. GENERAL

5.1 Amendments. This Agreement may not be modified or amended except with the written consent of the parties hereto.

5.2 Further Assurances. The parties hereto agree that they will from time to duly execute and deliver such instruments and take such further action as may be required to accomplish or give effect to the purposes of this Agreement.

5.3 Execution and Delivery. This Agreement may be executed in counterparts and delivered by electronic means, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first above written.

_____ [CONDO CORPORATION]

By:__

Name: Title:

[DEVELOPER]

By:

Name: Title:

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED

By:

Name: Susan Davidson Title: Senior Vice-President, Customer Care

SCHEDULE 5 DEFINITIONS

In this Agreement, the following definitions shall apply:

"Affiliates"	shall have the meaning as prescribed in the Business Corporations Act (Ontario);
"Applicable Laws"	means all federal, provincial and municipal statutes, regulations, codes, by- laws, orders in council, directives, rules, guidelines and ordinances applicable to this Agreement, including without limitation all applicable OEB codes, rules or guidelines;
"Business Day"	means a day on which banks are open for business in the City of Toronto, Ontario, but does not include a Saturday, Sunday, or a statutory holiday in the Province of Ontario;
"Force Majeure"	means events beyond the reasonable control of a party applying reasonable diligence and foresight given the nature of the Work and Services being provided under the Agreement, including, as applicable, any acts of God and the public enemy, the elements; fire; accidents; vandalism; sabotage; power failure; strikes, lockouts or any other industrial, civil or public disturbances; any laws, orders, rules, regulations, acts or restraints of any government or governmental body or authority, civil or military, including the orders and judgments of courts and any other similar causes or acts;
"MFIPPA"	means the <i>Municipal Freedom of Information and Protection of Privacy Act</i> (Ontario) and the regulations thereunder, each, as amended;
"OEB"	means Ontario Energy Board;
"Representatives"	in respect of a party, means such party's directors, officers, employees, agents and contractors, the party's Affiliates, and all such Affiliates' respective directors, officers, employees, agents and contractors.

Y:\THC\Corporate\Legal Svcs\Commercial\Senior Solicitor Commercial\DRL\THESL FILES\ACTIVE FILES\Suite Metering Customer Agreements\Templates\Suite Meter Customer Agreement (v11, Aug 9.10).docx

Toronto Hydro-Electric System Limited EB-2010-0142 Exhibit R1 Tab 10 Schedule 8 Appendix A-2 Filed: 2010 Dec 6 (10 pages)

SUITE METER INSTALLATION AND SERVICE AGREEMENT FOR CONDOMINIUM RETROFITS

THIS SUITE METER INSTALLATION AND SERVICE AGREEMENTFOR CONDOMINIUM RETROFITS (the "Agreement") is made this ______ day of ______, 20__ (the "Effective Date")

BETWEEN:

Toronto Hydro-Electric System Limited

a corporation incorporated under the laws of Ontario

(hereinafter called "Toronto Hydro")

and

Condominium Corporation •

a condominium corporation registered with the provisions of the Condominium Act, 1998(Ontario)

(hereinafter called the "Condo Corp")

RECITALS.

- 1. Toronto Hydro is in the business of supplying, installing and maintaining suite meter systems to multiresidential buildings;
- Condo Corp is the condominium corporation in respect of, the multi-residential building(s) located at (collectively, as applicable, hereinafter referred to as the "Building");
- 3. Condo Corp wishes to retain Toronto Hydro to supply, install and maintain a suite meter system and provide suite meter services for the Building upon the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. INTERPRETATION

- 1.1 All capitalized terms in this Agreement shall have the meaning as defined in Schedule 4;
- 1.2 All dollar amounts in this Agreement are expressed in Canadian dollars, unless otherwise stated; and
- 1.3 The recitals hereto shall form an integral part of this Agreement as if specifically restated herein.
- 2. SCHEDULES The following schedules and appendices are attached to and form part of this Agreement:
 - (i) SCHEDULE 1 Supply and Installation of Suite Meter System
 - (ii) SCHEDULE 2 Suite Meter Services
 - (iii) SCHEDULE 3 Additional Cost Items

(iv) SCHEDULE 4 – Defined Terms

In the event of a conflict between the terms of any schedule and the terms of this Agreement, the terms of this Agreement shall govern.

3. SUPPLY AND INSTALLATION OF THE SUITE METER SYSTEM

3.1 The Condo Corp appoints Toronto Hydro to supply and install the suite meter system described in Schedule 1 (the "**Suite Meter System**") at the Building and provide the corresponding suite meter services as described in Schedule 2 (the "**Suite Meter Services**") throughout the Term all in accordance with the terms and conditions of this Agreement.

3.2 Toronto Hydro shall provide the Suite Meter System and the Suite Meter Services at no cost to the Condo Corp, save and except for any on-site upgrades required to accommodate the installation of the Suite Meter System as specified in Schedule 3 to this Agreement ("Additional Cost Items"). Toronto Hydro shall invoice Condo Corp for the Additional Cost Items, if any, and Condo Corp shall make payment to Toronto Hydro not later than thirty (30) days following receipt of the invoice. All amounts not received from the Condo Corp when due shall bear interest at the lesser of (i) 2% per month; or (ii) the maximum allowed by Applicable laws, from the due date to and including the date of payment in full.

4. OWNERSHIP AND ACCESS

4.1 Notwithstanding the installation or attachment of the Suite Meter System in and to the Building, all components of the Suite Meter System shall remain the property of Toronto Hydro and no part of the Suite Meter System shall become the property of the Condo Corp.

4.2 During the Term and for a period of six (6) months after the expiry of the Term, the Condo Corp will provide Toronto Hydro with access to the Suite Meter System located in the Building as reasonably required by Toronto Hydro to allow Toronto Hydro to fulfill its obligations under this Agreement including, without limitation, to allow for : (i) the installation, inspection and maintenance of the Suite Meter System; (ii) the removal of the Suite Meter System pursuant to Section 8.1; (iii) to provide the Suite Meter Services; and (iv) the performance of any necessary services related to an emergency pertaining to the Suite Meter System.

5. ELECTRICITY ACCOUNT

5.1 The parties agree and acknowledge that following the installation of the Suite Meter System:

(a) and upon registration of the condominium corporation for the Building under the *Condominium Act, 1998*, Toronto Hydro shall establish each residential and retail condominium unit owner in the Building as a separate and individual Toronto Hydro electricity distribution customer and residential or commercial rate account holder, as applicable; and

(b) the Condo Corp shall not be responsible for the payment of the electricity account of the individually metered residential or commercial account holder referred to in (a) above but shall remain the account holder for the current general service account at the Building and for any unsold condominium units following registration of the condominium for the Building under the *Condominium Act, 1998*, and shall continue to make payment for electricity consumption for the Building common areas and any of the unsold condominium units noted above.

6. TERM.

6.1 Subject to any termination rights herein, the term of this Agreement shall be for a term of twenty (20) years, starting on the Effective Date (the "**Term**").

7. TERMINATION.

7.1 <u>Termination for Convenience</u>. Either party may elect to terminate this Agreement at any time following the completion of the first five (5) years of the Term by providing the other party with at least one (1) year prior written notice.

7.2 <u>Termination for Material Default</u>. If one of the parties (the "**Defaulting Party**") fails to fulfil any material obligation under this Agreement or breaches any representation or warranty contained herein, then the other party (the "**Non-Defaulting Party**") may, without prejudice to any other right or remedy the Non-Defaulting Party may have, notify the Defaulting Party in writing that the Defaulting Party is in default of its contractual obligations and instruct the Defaulting Party to correct the default within thirty (30) Business Days immediately following the receipt of such notice. If the Defaulting Party fails to correct the default in the time specified, then, without prejudice to any other right or remedy, the Non-Defaulting Party may terminate this Agreement by providing written notice thereof.

7.3 <u>Termination for Bankruptcy</u>. If bankruptcy or insolvency proceedings are instituted by or against either party, or either party is adjudicated a bankrupt, becomes insolvent, makes an assignment for the benefit of creditors or proposes or makes arrangements for the liquidation of its debts, or a receiver or receiver and manager is appointed with respect to all or part of the assets of either party, the other party may, without prejudice to any other rights or remedies it may have, immediately terminate this Agreement.

8. EFFECT OF TERMINATION

8.1 Upon the expiry of the Term or any earlier termination of this Agreement, the Condo Corp shall forthwith pay to Toronto Hydro any unpaid amounts payable to Toronto Hydro under this Agreement accruing to the date of expiry or termination and Toronto Hydro shall remove the Suite Meter System installed at the Building and return the Building to a bulk meter system.

8.2 Notwithstanding any other terms herein, in the event of termination by the Condo Corp pursuant to Section 7.1 (Termination for Convenience) or a termination by Toronto Hydro pursuant to Section 7.2 (Termination for Material Default) or Section 7.3 (Termination for Bankruptcy), the Condo Corp shall forthwith pay to Toronto Hydro any direct reasonable costs incurred by Toronto Hydro associated with disconnecting and removing the Suite Meter System installed at the Building and returning the Building to a bulk meter system.

8.3 The termination of this Agreement shall not affect any rights or obligations which may have accrued prior to such termination or any other right which the terminating party may have arising out of either the termination or the event giving rise to the termination.

9. REPRESENTATIONS AND WARRANTIES

9.1 The Condo Corp represents and warrants to Toronto Hydro that:

(a) it is entitled to enter into this Agreement in respect of the Building and it has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement constitutes a legal, valid, and binding obligation of the Condo Corp, enforceable against the Condo Corp in accordance with its terms;

(b) the entering into of this Agreement and the performance of the terms of this Agreement by the Condo Corp do not breach or contravene any provision of any agreement to which the Condo Corp is bound or which otherwise affects the Building;

(c) it shall obtain and maintain, for the Building during the Term, insurance covering such risks and in such amount as a prudent owner of a building the same as or similar to the Building would maintain and as may be required pursuant to the *Condominium Act*, 1998 (Ontario); and to provide evidence thereof to Toronto Hydro upon request; and

(d) it shall not cause or voluntarily permit any tampering with or modification or alteration to the Suite Meter System (or any part thereof); and

(e) It shall permit Toronto Hydro to install suite metering promotional materials (including cladding and boarding) a the Building's construction site, subject to the Condo Corp retaining a right of approval on the location of such promotional materials.

9.2 Toronto Hydro represents and warrants to the Condo Corp that:

(a) it has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement constitutes a legal, valid, and binding obligation of Toronto Hydro, enforceable against Toronto Hydro in accordance with its terms;

(b) the installation, operation and maintenance of the Suite Meter System shall be in compliance with all Applicable Laws; and

(c) it shall obtain and maintain in full force and effect during the Term of the Agreement commercial general liability and property insurance as it relates to the supply and installation of the Suite Meter System and Suite Meter Services.

10. SUBCONTRACTORS Toronto Hydro may subcontract provision any or all of its obligations under this Agreement.

11. FORCE MAJEURE If, by reason of Force Majeure, either party hereto (the "**Frustrated Party**") is delayed or unable, in whole or in part, to perform or comply with any obligation or condition of this Agreement, then it will be relieved of liability and will suffer no prejudice for failing to perform or comply or for delaying such performance or compliance during the continuance and to the extent of the inability so caused from and after the happening of the event of Force Majeure. The party affected by the event of Force Majeure shall as soon as reasonably practicable, give prompt notice thereof stating the date and extent of Force Majeure, and take all reasonable steps to resume compliance with its obligations, provided, however, that settlement of strikes, lockouts and other industrial disputes shall be within the discretion of the Frustrated Party. The Frustrated Party will give prompt notice of the cessation of the event of Force Majeure to the other party.

12. LIMITATION OF LIABILITY Toronto Hydro and its Representatives shall not be liable in contract, tort (including negligence), or otherwise, for incidental, consequential, indirect, special, or punitive damages of any kind, or for the loss of revenue or profits, loss of business, loss of information or data, or other financial loss, arising out of or in connection with the installation, use, inability to use, performance, failure or interruption of the Suite Meter System or the Suite Meter Services, even if Toronto Hydro has been advised of the possibility of such damages and regardless of whether such damages were foreseeable.

13. CONFIDENTIAL INFORMATION The parties agree and acknowledge that: (a) subject to Applicable Laws or court order, each party shall maintain in strict confidence the terms of this Agreement and any and all

proprietary and confidential information about the business or operations of the other party or any of their Affiliates, which it acquires in any form from the other party (the "**Disclosing Party**") by virtue of this Agreement ("**Confidential Information**") and will not disclose to any third party or make use of such Confidential Information for itself or any third party without the prior written consent of the Disclosing Party; and (b) notwithstanding the foregoing, (i) Toronto Hydro is subject to MFIPPA and may be required to disclose Confidential Information concerning this Agreement in accordance with the provisions of MFIPPA; and (ii) the parties shall be permitted to disclose the Confidential Information, provided such Representatives have agreed to comply with and be bound by the provisions of this Section 13.

14. ASSIGNMENT Toronto Hydro has the right to assign this Agreement to any of its Affiliates. Subject to the forgoing sentence, neither party may assign this Agreement or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned or delayed.

15. RELATIONSHIP OF THE PARTIES Nothing contained in this Agreement shall be construed to constitute either party as the partner, employee or agent of, or joint venturer with the other party, nor shall either party have any authority to bind the other in any respect, it being intended that each party shall remain an independent contractor of the other.

16. SEVERABILITY If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not affect the enforceability or validity of the remaining provisions of this Agreement and such unenforceable or invalid portion shall be severable from the remainder of this Agreement.

17. NO WAIVER A waiver of any provision of this Agreement shall not constitute either a waiver of any other provisions or a continuing waiver, unless otherwise expressly indicated in writing.

18. ENUREMENT This Agreement and everything contained herein shall enure to the benefit of, and be binding upon, the parties hereto and their respective successors and permitted assigns.

19. NOTICE All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been validly and effectively given on the same day if personally served, the next Business Day if sent by facsimile or similar means of recorded communication or on the fifth (5th) Business Day if sent by registered mail. Notices shall be addressed as follows or at such other address of which the addressee may from time to time have notified the other party:

to the Condo	
Name:	
Title:	
Address:	
Telephone:	
Facsimile:	

to Toronto Hydr	to Toronto Hydro:				
Name:	Leo Guidolin				
Title:	Suite Metering Coordinator				
Address:	5800 Yonge St. Toronto, On. M2M 3T3				
Telephone:	(416) 542-3100 x 50327				
Facsimile:	(416) 542-3501				
Email:	lguidolin@torontohydro.com				
With a copy to:					
Name:	Lawrence Wilde				
Title:	General Counsel				
A status a st					
Address:	14 Carlton St. Toronto, On. M5B 1K5				
Address: Telephone:	14 Carlton St. Toronto, On. M5B 1K5 (416) 542-2896				
	,				

20. GOVERNING LAW This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario and the laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of Ontario with respect to any matter arising under or related to this Agreement.

21. ENTIRE AGREEMENT

21.1 This Agreement, including all schedules referred to herein and subsequent amendments, constitutes the entire agreement between the Condo Corp and Toronto Hydro relating to the subject matter hereof. This Agreement supersedes the terms of any purchase order, all prior correspondence, representations, warranties, covenants, collateral undertakings, discussions, negotiations, understandings or agreements, oral or otherwise, express or implied, unless otherwise provided in this Agreement.

21.2 No modification or amendment to this Agreement shall be binding on the parties unless agreed to in writing and executed by an authorized Representative o each party.

22. FURTHER ASSURANCES The Condo Corp agrees to execute such further assurances and documents, including any bills of sale, and to do all such things and actions which shall be necessary or proper for the carrying out of the purposes and intent of this Agreement.

23. EXECUTION AND DELIVERY This Agreement may be executed in counterparts and delivered by electronic means, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

24. **SURVIVAL** In addition to the terms of this Agreement that by their nature survive the expiry or termination of this Agreement, the terms of Sections 9 (Representations and Warranties), 12 (Limitation of Liability), and 13 (Confidential Information)shall survive the expiry or termination of this agreement for a period of five (5) years.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first written above:

	Toronto Hydro-Electric System Limited	
Per:	Per:	
Name:	Name:	Susan Davidson
Title:	Title:	Senior Vice-President, Customer Care
I have authority to bind the Condo Corp.	l have au	thority to bind Toronto Hydro.

SCHEDULE 1 SUPPLY AND INSTALLATION OF SUITE METER SYSTEM

(i) Supply of Suite Meter System

Toronto Hydro will provide at no cost to the Condo Corp:

- one (1) suite meter per residential or retail suite in the Building;
- one (1) meter point for the common area or "house" electrical load; and
- one meter (1) point to measure the total load of the Building.

If more than one (1) suite meter is required for any residential or retail suite in the Building, such suite meters will be supplied and installed at the expense of the Condo Corp in accordance with the amount documented in Schedule 3 to this Agreement.

(ii) <u>Components of the Suite Meter System</u>

The main components of the Suite Meter System to be installed by Toronto Hydro at the Building will consist of the following:

- Quadlogic Mini Closet, MC5 for all voltages configurations;
- Quadlogic Scan Transponder, ST5 (data collector and communications device);
- Quadlogic Socket Meter, S 20 socket base meters for all voltage and current configurations;
- Instrument Transformers, 2DARL-201 or equivalent;
- Instrument Transformer interface box(es); and
- a Local Area Network for meter reading data communications that utilizes the existing electrical distribution system in the building for data transmission.

The Suite Meter System shall be based on Toronto Hydro's single line layout. Any variations from this layout may result in Additional Cost Items, which Additional Cost Items shall be listed in Schedule 3.

(iii) Installation of the Suite Meter System

The installation activities to be performed by Toronto Hydro at no cost to the Condo Corp consist of the following:

- supply and installation of the Suite Meter System;
- testing, sealing and registration of suite meters with Measurement Canada;
- recertification of the Suite Meter System, as required;
- project management of the installation of the Suite Meter System, including required safety inspections;
- inspection and approval of Suite Meter System by the Electrical Safety Authority; and
- commissioning of the Suite Meter System.

SCHEDULE 2 SUITE METER SERVICES

During the Term, Toronto Hydro shall provide the following Services in respect of the Suite Meter System installed at the Building at no additional cost to the Condo Corp:

- data acquisition (ie. meter reading to determine electricity consumption);
- data storage (ie. electronic record of data acquisition);
- data management (ie the use of acquired data to validate billing information);
- suite meter communication to Toronto Hydro for billing purposes; and
- operations, maintenance, troubleshooting, and repair work to maintain the Suite Meter System to required Measurement Canada and Toronto Hydro standards.

SCHEDULE 3 ADDITIONAL COST ITEMS

The Condo Corp shall be responsible for the following Additional Cost Items required to accommodate the installation of the Suite Meter System, as applicable:

- security staff to escort Toronto Hydro staff or its subcontractor to the Suite Meter System installation location;
- cost of electrician for standby purposes during planned outages;
- cost of fuel for use with backup generators during planned outages;
- cost of replacing parts belonging to Customer which are found to be defective at the time of the installation of the Suite Meter System.

SCHEDULE 4 DEFINITIONS

In this Agreement, the following definitions shall apply:

"Affiliates"	shall have the meaning as prescribed in the <i>Business Corporations Act</i> (Ontario);
"Applicable Laws"	means all federal, provincial and municipal statutes, regulations, codes, by- laws, orders in council, directives, rules, guidelines and ordinances applicable to this Agreement, including without limitation all applicable OEB codes, rules or guidelines;
"Business Day"	means a day on which banks are open for business in the City of Toronto, Ontario, but does not include a Saturday, Sunday, or a statutory holiday in the Province of Ontario;
"Force Majeure"	means events beyond the reasonable control of a party applying reasonable diligence and foresight given the nature of the Work and Services being provided under the Agreement, including, as applicable, any acts of God and the public enemy, the elements; fire; accidents; vandalism; sabotage; power failure; strikes, lockouts or any other industrial, civil or public disturbances; any laws, orders, rules, regulations, acts or restraints of any government or governmental body or authority, civil or military, including the orders and judgments of courts and any other similar causes or acts;
"MFIPPA"	means the <i>Municipal Freedom of Information and Protection of Privacy Act</i> (Ontario) and the regulations thereunder, each, as amended;
"OEB"	means Ontario Energy Board;
"Representatives"	in respect of a party, means such party's directors, officers, employees, agents and contractors, the party's Affiliates, and all such Affiliates' respective directors, officers, employees, agents and contractors.

Y:\THC\Corporate\Legal Svcs\Commercial\Senior Solicitor Commercial\DRL\THESL FILES\ACTIVE FILES\Suite Metering Customer Agreements\Templates\Suite Meter Customer Agreement - Retrofit (v07, Aug 9.10).doc

1 **INTERROGATORY 9:**

2 **Reference(s):** none

3

4 Please provide a breakdown of the total amounts actually spent on THESL's suite

5 metering program in 2008 and 2009, to date in 2010, and the forecast for 2010 and 2011.

6 Please provide for each of these years the number of buildings in which suite meters were

- 7 installed or are forecast to be installed.
- 8

9 **RESPONSE:**

10

Year	Actual Spend	Forecast
2008	2.3	-
2009	3.5	-
2010 (at Q3 end)	3.8	-
2010 (Q4)	-	1.4
2011	-	2.8

11 THESL completed installation of suite metering at 20 buildings in 2008, and 30 buildings

in 2009. By year-end 2010, installations will be completed or are expected to be

13 substantially completed at 33 buildings.

14

15 THESL does not forecast the number of buildings in which suite meters will be installed.

1 INTERROGATORY 10:

2 **Reference(s):** none

3

4 Please advise how the pending legislative changes in the *Energy Consumer Protection*

5 Act, the Ontario Energy Board Act, 1998 and the Residential Tenancies Act, as well as in

6 related Regulations, are expected to change or impact upon THESL's suite metering

7 program, and whether there are any budget updates or changes or customer number

8 forecast updates or changes as a result.

9

10 **RESPONSE:**

a) THESL anticipates that the pending legislative changes will increase the number of

requests to provide individual metering. Some of these requests will be satisfied by

13 traditional individual metering installations, while some will require what has come to

be referred to as the suite metering solution. However, no substantial changes are

15 anticipated to THESL's suite metering program.

16

b) THESL has not developed any budget updates or customer number forecasts in
 consideration of the pending legislative changes.

1 INTERROGATORY 11:

Reference (s):	none
	Reference (s):

3

4 In EB-2007-0680, THESL produced a business plan for its Suite Metering Program,

5 entitled "Draft – Project Plan for Individual Suite Metering in Condominium Buildings".

6 A copy of this business plan was filed on November 12, 2007, in response to VECC

- 7 Interrogatory 9 in EB-2007-0680.
- 8

9 Please advise as follows:

a) Has this business plan been updated, or has THESL prepared a new or revised

business case or plan in respect of condominium suite metering? If so, please

12 produce copies of same.

b) Does THESL contemplate undertaking suite metering in any *Residential Tenancy Act*

buildings (new and/or to be converted) in 2011? If so, how many, and what is

15 THESL's forecast of the total cost to suite meter these buildings? Does THESL seek

16 recovery or plan to capitalize and request approval to clear to rate base any amounts

associated with the installation and operation of suite meters in *Residential Tenancy*

18 Act buildings in 2011?

19

20 **RESPONSE:**

a) THESL has neither updated the previous business plan nor prepared a new or revised
 business case or plan.

23

24 THESL is contemplating undertaking individual metering in Residential Tenancy Act

buildings, and is considering doing so in 2011. At this point, THESL has not

developed a forecast of the total cost. THESL does not specifically seek recovery or

- 1 plan to capitalize or clear rate base amounts in Residential Tenancy Act buildings, but
- 2 will conduct each of those activities in accordance with existing internal policies and
- 3 processes.

1 INTERROGATORY 12:

2 Reference(s): C1/T1/S1 (Conditions of Service)

3

4 THESL is currently taking the position that the treatment and calculation of the amount

5 of the expansion deposit paid by a condominium developer, which THESL is required to

6 return under the *Distribution System Code* ("DSC") to the condominium developer, is

7 dependent upon whether THESL suite meters the condominium or whether the

8 condominium is sub-metered by a licensed smart sub-meter provider.

9

More specifically, THESL is advising condominium developers, on or about the time that they are provided with an Offer to Connect, that if THESL suite meters the building, the expansion deposit will be returned in an amount equal to the percentage of the actual connections which are ultimately constructed. In other words, if a condominium developer forecasts 199 residential units and 1 common elements meter, and the condominium developer constructs a building with such connections, the developer will receive 100% of the expansion deposit.

In contrast, THESL is advising condominium developers that if the condominium is smart sub-metered by a licensed smart sub-metering provider, the expansion deposit will be returned only to the extent that actual demand meets the forecast incremental demand in the developer's request to connect. Stated differently, if a developer forecasts a demand of 500 kW, and the actual demand which the building achieves in its first year of existence is 400 kW, the condominium developer will be refunded only 80% of the expansion deposit.

- 1 Clause 3.2.23 of the DSC provides as follows:
- "Once the facilities are energized and subject to sections 3.2.22 and 3.2.24, the 2 distributor shall annually return the percentage of the expansion deposit in 3 proportion to the actual connections (for residential developments) or actual 4 demand (for commercial and industrial developments) that materialized in that 5 year (i.e., if twenty percent of the forecasted connections or demand materialized 6 in that year, then the distributor shall return to the customer twenty percent of the 7 expansion deposit). This annual calculation shall only be done for the duration of 8 the customer connection horizon as defined in Appendix B. If at the end of the 9 customer connection horizon the forecasted connections (for residential 10 developments) or forecasted demand (for commercial and industrial 11 developments) have not materialized, the distributor shall be allowed to retain the 12 remaining portion of the expansion deposit." 13 14 Given the above, please respond to the following questions: 15 Does THESL acknowledge that a residential condominium development remains a 16 a) residential development regardless of who meters the building? 17 18 b) Does THESL acknowledge that a significant portion of the demand load of every large multi-residential condominium is generated by the common elements of the 19 building and is a commercial rate customer even when THESL meters the building? 20 c) Does THESL treat the demand load generated by the common elements of a building 21 22 any differently for the purposes of returning an expansion deposit to the condominium developer in situations where THESL suite meters the building? 23
- d) Please provide any analysis, justifications, studies, or other basis for treating
- residential condominium developers differently under Clause 3.2.23 of the DSC, by

1		reason of their engaging a licensed smart sub-metering provider versus THESL for
2		the purposes of metering the building.
3	e)	Has THESL forecast the additional expansion deposit revenues that it will retain as a
4		result of the above expansion deposit policy which it has adopted?
5	f)	Please reference and attach copies of THESL's Conditions of Service which it relies
6		upon for the purposes of adopting the above-stated expansion deposit return policy
7		and please advise when, if ever, those provisions of the Conditions of Service have
8		been the subject of any review or discussion by the OEB.
9		
10	RF	SPONSE:
11	a)	THESL acknowledges that the end-uses present in a given building do not change
12		depending on the party that provides metering. However, for purposes of connection
13		to THESL's electricity distribution system, a bulk-metered residential condominium
14		with more than 6 units is a commercial customer. In condominiums, only residential
15		customer units directly metered by THESL are considered by THESL to be
16		residential customers; common areas and commercial condominium units are
17		commercial customers.
18		
19	b)	Yes.
20		
21	c)	In the case where THESL provides suite metering to a large condominium, both the
22		residential and commercial loads present in the building are treated correctly in
23		accordance with the provisions of the Distribution System Code.
24		
25	d)	THESL does not accept the premise of the question, which is that differential
26		treatment somehow turns on whether a sub-meterer provides service.

THESL's current Board-approved tariff provides as follows: 1 2 **"RESIDENTIAL SERVICE CLASSIFICATION** 3 This classification refers to an account where the electricity is used exclusively in 4 a separately metered living accommodation. Customers shall be residing in 5 single-dwelling units that consist of a detached house or one unit of a semi-6 detached, duplex, triplex or quadruplex house, with a residential zoning. 7 Separately metered dwellings within a town house complex or apartment building 8 also qualify as residential customers. Bulk metered residential buildings with up 9 to six units also qualify as residential customers." 10 11 If a condominium development meets these requirements, it is classified as 12 13 residential; if not, it is classified as general service i.e., commercial. 14 15 e) Expansion deposits are deposits, not revenues. 16 f) THESL's Conditions of Service are filed at Exhibit C1, Tab 5, Schedule 1. The 17 expansion deposit "policy" follows from the approved tariff and the Distribution 18 19 System Code. THESL has no information on whether its Conditions of Service in this respect have ever been reviewed or discussed by the OEB. 20

1 INTERROGATORY 13:

2 Reference(s): C1/T1/S1 (Conditions of Service)

3

4 In respect of THESL's expansion deposit return policy, and the different application of

5 that policy to developers who obtain suite metering from THESL rather than from smart

6 sub-metering providers, please provide copies of all internal memoranda, notes,

7 communications, business plans, executive management team minutes, emails, and all

8 correspondence with third parties which relate to this issue.

9

10 **RESPONSE:**

11 THESL declines this interrogatory on the basis that the requested production would be onerous and could not be completed with reasonable effort within the prescribed time 12 period for response. It is not clear that any documents meeting the above description 13 exist and an exhaustive search would be required to determine this. Furthermore, the 14 15 material would have no probative value since THESL's "policy" in this regard has been fully explained and justified by reference to Board-approved documents, namely 16 THESL's tariff and the Distribution System Code, as set out in previous responses to the 17 same intervenor. 18