



Oakville Hydro
Electricity Distribution Inc.
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June 17, 2011

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

Dear Ms. Walli:

**Re: Oakville Hydro Electricity Distribution Inc.
Application for an Exemption from the Mandated Time-of-Use Pricing
Date for Regulated Price Plan Consumers
Board File Number: EB-2010-0218**

On August 4, 2010, the Board issued its determination under Section 1.2.1 of the Standard Supply Service Code to mandate Time-of-Use ("TOU") pricing rates for Regulated Price Plan ("RPP") consumers. The determination established mandatory TOU implementation dates for each electricity distributor.

In its determination, the Board also acknowledged that distributors may encounter extraordinary and unanticipated circumstances during the implementation of TOU pricing and requested that any distributor encountering such circumstances bring these matters to the Board's attention.

In accordance with the Board's direction, Oakville Hydro hereby advises the Board that it has identified a firmware problem with its commercial meters. During testing, Oakville Hydro discovered that the time clock in these meters was being adjusted on an irregular basis several times per day. This resulted in improper time-alignment of the TOU consumption intervals. Measurement Canada witnessed the testing.

The vendor has advised distributors that, while these meters should not be relied upon for TOU billing purposes, the total reported consumption data is accurate and can be used for billing. For Oakville Hydro, this problem affects 3,413 consumers in the General Service less than 50 kW rate class and 1,173 consumers in the Residential rate class who reside in apartment buildings that have had commercial meters installed. These consumers will continue to be billed on RPP tier pricing until such time as the issue has been resolved.

Oakville Hydro is working with the vendor to implement a firmware solution and expects that it will begin to convert these consumers to TOU pricing in December 2011. Complete implementation of TOU pricing is expected to occur by the end of February 2012. This schedule takes into consideration the requirement for Measurement Canada testing and approval as well as Oakville Hydro's internal testing. However, if there is a significant delay in the delivery of the manufacturer's firmware upgrade, Oakville Hydro may be required to apply for a further extension to its mandated TOU implementation date.

This issue will not affect the conversion of the balance of Oakville Hydro's RPP consumers to TOU pricing.

Oakville Hydro respectfully requests that the Board consider these unanticipated circumstances and adjust Oakville Hydro's mandatory TOU implementation date to March 2012.

Should you have any questions or require any further information please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in cursive script that reads "Maryanne Wilson".

Maryanne Wilson, CGA
Manager, Regulatory Affairs
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