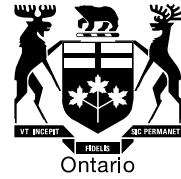


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**BY E-MAIL**

July 18, 2011

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Bluewater Power Distribution Corporation. – Extension to Mandated Time-of-Use Pricing Date for Regulated Price Plan Consumers  
Board File No.: EB-2011-0224**

Please find enclosed Board Staff's interrogatories with respect to the above application.

Please forward the interrogatories along with this cover letter to the applicant in this proceeding.

Yours truly,

*Original Signed By*

George Dimitropoulos  
Advisor, Licence Applications

Attachment

**Board Staff Interrogatories**  
**Application for Extension to Mandated Time-of-Use Pricing Date for**  
**Regulated Price Plan Customers**  
**Bluewater Power Distribution Corporation**  
**EB-2011-0224**  
**Dated July 18, 2011**

**Board Staff Interrogatory #1**

Preamble

Bluewater Power Distribution Corporation (“Bluewater”) filed an application dated June 6, 2011 with the Ontario Energy Board for a licence amendment granting an extension in relation to the mandated date for the implementation of time-of-use (“TOU”) pricing rates for Regulated Price Plan consumers.

Bluewater has applied for an extension to its mandated TOU pricing date of October 2011 and requested a new date of January 2012. Bluewater states the extension is necessary due to a four week delay in the deployment of a version upgrade by the IESO and Bluewater’s testing schedule conflicting with the planned IESO upgrade.

In its application, Bluewater states that its ability to meet its October 2011 mandatory TOU date has been compromised because of delays to the IESO’s version ‘R7.2 and Energy IP 2011 Measurement Canada solution’ (“R7.2”). Bluewater states that:

*...it would be possible to achieve an October 2011 target by continuing to develop within the legacy system and, then, upgrade that system to R7.2. Clearly, that would create an inefficient and costly duplication of effort since the legacy system would be in operation for a period of just over one month before being replaced by the revised requirement to comply with the R7.2 protocol. We do not believe that would be a prudent course of action given the costs and the drain on our resources. In any event, this theoretical option is not practically achievable. The same internal staff would be required to develop and test both the legacy system and the R7.2 system. Given the time required for testing, that would lead to an overlap in effort. It is simply not possible for the same staff to work on two overlapping implementations.*

*...[Bluewater’s] situation is extraordinary and unanticipated as our testing schedule is in the unfortunate position of being at the exact time that the planned IESO upgrade to version R7.2 is taking place. Without the IESO planned version upgrade, Bluewater Power would have achieved the original October 2011 TOU billing date.*

## **Question**

1. Please provide the analysis has Bluewater conducted regarding the costs and resources required to develop and test both the IESO's legacy system and the R7.2 system. If no analysis has been conducted, please explain why.

## **Board Staff Interrogatory #2**

Bluewater's application includes an "IESO Enrollment & TOU Billing Timeline" diagram. The diagram indicates that Bluewater is proposing a five month TOU billing rollout schedule (i.e., January 2012-May 2012). The diagram also indicates that Bluewater is proposing new Unit Testing dates of July 2011-September 2011. Bluewater has previously scheduled Unit Testing for April 2011-June 2011.

## **Questions**

1. Please confirm the status of Bluewater's smart meter deployment and TOU implementation as of July 1, 2011.
2. Please explain in detail why Bluewater requires a five month TOU billing rollout schedule.
3. Please explain in detail why Bluewater did not meet its original Unit Testing dates.