



Oakville Hydro
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August 4, 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-2011-0245**

Please find enclosed, Oakville Hydro's responses to the interrogatories of Ontario Energy Board Staff in the above noted proceeding.

Respectfully submitted,

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

Maryanne Wilson, CGA
Manager, Regulatory Affairs
mwilson@oakvillehydro.com
905-825-4422

**Application for Extension to Mandated Time-of-Use Pricing Date
for Certain Regulated Price Plan Consumers
Oakville Hydro Electricity Distribution Inc.
EB-2011-0245**

**Oakville Hydro Responses to Board Staff Interrogatories
Filed August 5, 2011**

Board Staff Question One

Preamble

Oakville Hydro Electricity Distribution Inc. (“Oakville Hydro”) filed an application dated June 17, 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 certain Regulated Price Plan consumers. Oakville Hydro has requested an extension to its mandated TOU pricing date of June 2011 and requested a new date of March 2012. Oakville Hydro states that it has identified a firmware problem with its commercial meters which will result in a delay in implementing TOU pricing for certain affected customers. Oakville Hydro states that this delay would affect 3,413 consumers in the General Service <50 kW rate class and 1,173 in the Residential rate class. Oakville Hydro also states that the problem with the commercial meters will not affect the transition of the balance of Oakville Hydro’s RPP consumers to TOU pricing.

Questions

- a) Please confirm the status of Oakville Hydro’s smart meter deployment and TOU implementation as of July 1, 2011.

RESPONSE:

Oakville Hydro’s is not able to query account status on a historical basis. However, Oakville Hydro can confirm that it had installed 62,350 smart meters as of June 30, 2011. Oakville Hydro can also confirm that there are 116 smart meters left to be installed. 112 of these smart

meters are commercial polyphase meters that had been on back order. Oakville Hydro plans to install these meters by the end of September 2011. The remaining four meters are single phase meters that are not accessible. Oakville Hydro will continue to work with these customers to install these smart meters.

As of June 30, 2011 Oakville Hydro had converted 43,019 customers to TOU pricing. This represents approximately 69% of Oakville Hydro's eligible RPP customers. As of July 27, 2011, Oakville Hydro had converted 54,752 customers to TOU pricing. This represents approximately 88% of Oakville Hydro's eligible RPP customers.

- b) Please provide greater detail on the firmware problem encountered including any documentation from the vendor on the firmware problem and solution as well as the schedule for delivery of the upgrade.

RESPONSE:

On May 25, 2011, Sensus released a “Product Information Notice” (the “Notice”) that described the firmware problem and advised that distributors should not rely on the meter data from ALPHA A3 meters for TOU billing purposes. A copy of the Notice is provided as Appendix A to this submission.

Although, the Notice states that Sensus expected to complete testing the week of May 30, 2011 and to receive Measurement Canada approval to load the firmware upgrade within two to three weeks after submission, the upgrade has not yet been delivered. It is Oakville Hydro’s understanding that Sensus is still awaiting Measurement Canada approval to load the new version of its firmware.

In the Notice, Sensus also advised that they would be working on a deployment schedule for its Canadian distributors and that they would be contacting distributors to schedule an upgrade. Although Oakville Hydro has requested an update, Sensus has not yet released an implementation schedule.

In preparing its application, Oakville Hydro estimated that the firmware upgrade would be delivered in the fall of 2011 and that Oakville Hydro could begin internal testing immediately. It is expected to take several weeks to test and implement the firmware upgrade. Oakville Hydro expects to begin to convert the affected customers to TOU pricing beginning in January 2012 and to complete the rollout by the end of February 2012.

- c) Are there any other factors (internal and/or external) that Oakville Hydro has identified that may hinder its ability to comply with their requested mandatory TOU date?

RESPONSE:

Oakville Hydro is dependent upon Sensus for the delivery of a firmware upgrade which solves this problem and Sensus requires the approval of Measurement Canada before it can release the upgrade. Should Sensus be unable to deliver a firmware solution in a timely manner, Oakville Hydro may not be able to comply with its requested mandatory TOU date.

Sensus has also indicated that there are other Canadian distributors that are affected by this issue and that it will be working on a deployment schedule. Oakville Hydro's ability to comply with its requested mandatory TOU date will be dependent upon Sensus' deployment schedule.

- d) Please provide the details of and rationale for Oakville Hydro's proposed TOU billing implementation schedule for its affected General Service <50kW and Residential customers, including:
- i. billing cycle dates
 - ii. number of customers on each billing date.

RESPONSE:

Oakville Hydro expects to begin to convert the affected customers to TOU pricing beginning in January 2012 and to complete the implementation in February 2012. Therefore, Oakville Hydro has requested a mandatory TOU implementation date of March 2012.

Oakville Hydro's proposed implementation schedule is provided below. Should the delivery of the firmware upgrade be accelerated, Oakville Hydro will adjust its implementation schedule accordingly.

TOU Implementation Schedule ALPHA A3 Meters	
Billing Cycle Date	Number of Customers
02/01/2012	141
03/01/2012	7
04/01/2012	193
05/01/2012	18
06/01/2012	61
09/01/2012	148
10/01/2012	20
11/01/2012	11
12/01/2012	656
13/01/2012	27
16/01/2012	865
17/01/2012	5
18/01/2012	1
19/01/2012	55
20/01/2012	1
23/01/2012	30
24/01/2012	3
25/01/2012	23
26/01/2012	1
27/01/2012	10
30/01/2012	796
31/01/2012	18
01/02/2012	185
02/02/2012	16
03/02/2012	129
06/02/2012	37
07/02/2012	29
08/02/2012	57
09/02/2012	222
10/02/2012	2
13/02/2012	53
14/02/2012	26
15/02/2012	324
16/02/2012	104
17/02/2012	23
20/02/2012	20
21/02/2012	55
22/02/2012	217
Total	4586

Subject: <u>Suspect Interval Data on Elster ALPHA A3 Meters</u>		PIN: <u>EM-25-May-2011-1</u>	
		Date: <u>May 25, 2011</u>	
Distribution:	Sensus Internal & Sales: <input checked="" type="checkbox"/>	Distributors & Agents: <input checked="" type="checkbox"/>	Customers: <input checked="" type="checkbox"/>

Dear Valued Sensus Customer:

Sensus has investigated and confirmed that interval data delivered in the FlexNet Supervisory Message from Elster ALPHA A3 meters running FlexNet communications firmware version 1.2.B is suspect due to improper time-alignment of the consumption intervals. This is caused by delays of metrology register read requests from the FlexNet communications board or by metrology real-time clock adjustments by the network.

Therefore, Sensus recommends that ALPHA A3 meters (w/512k Flash) with FlexNet board firmware Version 1.2.B should not be relied on for time aligned Time-Of-Use (TOU) interval billing of customers.

Sensus has developed a firmware update for the FlexNet communications (radio) module in the Elster ALPHA A3 meters that addresses these issues. Therefore, any customers intending to use the Elster ALPHA A3 meters for TOU billing purposes are required to execute the following actions before initiating TOU billing. **To be clear, Elster meter metrology firmware will not be updated.**

Actions for Resolution:

1. Sensus will release V2.1.3.0 FlexNet radio firmware from System Test week of May 30, 2011
2. Elster FlexNet radio firmware Version 2.1.3.0 will be immediately submitted to Measurement Canada for approval. It is expected that Sensus will receive Measurement Canada approval (via a Modification Acceptance Letter) to load this firmware image within the next 2-3 weeks with work commencing immediately upon receipt of the approval.
3. Sensus will distribute this new firmware to customers for over-the-air update of their Elster meter populations. In the coming days, Sensus' Project Management will be working on a deployment schedule for all Canadian customers and your specific Project Manager will be in contact with you directly to schedule the upgrade.
4. Sensus AEMs and Project Managers will aid customers in over the air updating of all Elster meters in their meter populations. There are no RNI FlexWare version dependencies, however on-air firmware upgrades are most efficient when run using FlexWare version 2.2.x or greater.

Important: To the extent that these same meters are being used as consumption meters, all reported consumption data is accurate and can be used for billing purposes.

Sincerely,
Chuck Armatys