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March 7, 2008

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

**Re: EB-2007-0662 – LPMA Comments on Revised Proposed Amendments to
Affiliate Relationships Code for Electricity Distributors and Transmitters**

Please find attached three copies of the submissions of the London Property Management Association on the EB-2007-0662 Revised Proposed Amendments to Affiliate Relationships Code for Electricity Distributors and Transmitters dated February 11, 2008.

Sincerely

Randy Aiken
Aiken & Associates

Attachment

LONDON PROPERTY MANAGEMENT ASSOCIATION
COMMENTS ON THE BOARD'S REVISED PROPOSED AMENDMENTS TO
THE AFFILIATE RELATIONSHIPS CODE FOR ELECTRICITY
DISTRIBUTORS AND TRANSMITTERS

These are the comments of the London Property Management Association ("LPMA") on the Revised Proposed Amendments to Affiliate Relationships Code for Electricity Distributors and Transmitters dated February 11, 2008.

LPMA has reviewed the revised proposed amendments and finds the revisions to be, in general, balanced and appropriate. The revised proposed amendments reflect a minimal number of changes, reflecting the fact that there does not appear to be any need at this time for a fundamental change in either the approach or the principles underlying the current version of the Affiliate Relationships Code. A number of comments follow on specific revisions.

Definition of "Confidential Information"

At the top of page 10 of the Board's letter, the Board indicates that it is proposing to further revise the definition of "confidential information" to include a reference to wholesalers, for consistency with the provisions of the licenses issued to utilities. However, the Attachments do not include the reference to wholesalers. LPMA submits that the revised definition, as found on page 3 of Attachment D should read as follows:

"confidential information" means information the utility has obtained relating to a specific smart sub-metering provider, *wholesaler*, consumer, retailer or generator in the process of providing current or prospective utility service" (emphasis added).

Section 2.6.1

It appears that the word "wholesaler" has been omitted from the second half of the sentence that makes up section 2.6.1. LPMA submits that this section, as found in Attachment D should read as follows:

“A utility shall not release to an affiliate confidential information relating to a smart sub-metering provider, wholesaler, consumer, retailer or generator without the consent of that smart sub-metering provider, **wholesaler**, consumer, retailer or generator” (emphasis added).

This addition would make Section 2.6.1 internally consistent, and consistent with the wording in Section 2.6.2.

Definition of “Energy Service Provider”

LPMA supports the revised definition of energy service provider. In particular, LPMA supports the addition of the references to street lighting services, sentinel lighting services, metering (including smart sub-metering that is the subject of the Smart Sub-Metering Code and wholesale metering), and billing for electricity or natural gas services.

It is unclear, however, to the LPMA why the addition of water heaters is necessary in this definition. The definition already included appliance sales, service and rentals. The addition of water heater sales, service and rentals appears to be redundant given that water heaters would appear to be appliances. If a more narrow definition of an appliance is being used, then it would appear that other equipment should be included in this list related to the supply of electricity or gas, such as fireplaces, furnaces and other heating equipment.

LPMA strongly supports the conclusion that CDM activities should continue to be included in the definition of an energy service provider. As the report notes, CDM activities are, for the most part, not monopoly activities. LPMA believes that for CDM to work effectively and be cost effective, the market for CDM activities needs to be widespread. This will most likely be achieved if a competitive market evolves for these services. In this context, it is extremely important that distributors do not undermine this market through energy service provider affiliates.

LPMA notes, however, that the definition of energy service provider includes a reference to “demand-side management programs”. This appears to be the wording used for gas

utilities (i.e. DSM) rather than to “conservation and demand management programs” (i.e. CDM). LPMA recommends that this wording be changed to reflect the terminology that is more familiar to the electricity sector.

Anticipated Costs and Benefits

The Board has concluded that the implementation of the revised Affiliated Relationships Code will require utilities to incur any material costs. LPMA agrees with this conclusion. If any utility believes that it will incur material costs, it should be required to bring evidence to the Board, through an Application, which can be tested by all stakeholders before that utility incurs these expenses. This transparent procedure would ensure that utilities are properly interpreting the ARC requirements and meeting those requirements through a least cost approach that does not harm ratepayers.