



EB-2012-0100
EB-2012-0211

IN THE MATTER OF subsections 78(2.1), (3.0.1), (3.0.2) and (3.0.3) of the *Ontario Energy Board Act, 1998*;

AND IN THE MATTER OF subsection 53.8(8) of the *Electricity Act, 1998*;

AND IN THE MATTER OF Ontario Regulation 453/06 made under the *Ontario Energy Board Act, 1998*;

AND IN THE MATTER OF an Application by the Independent Electricity System Operator as Smart Metering Entity for an Order fixing a Smart Metering Charge for July 1, 2012 to December 31, 2017;

AND IN THE MATTER OF a proceeding on the Ontario Energy Board's own motion to review the options for and ultimately determine the appropriate allocation and recovery of the Smart Metering charge pursuant to section 19 of the *Ontario Energy Board Act, 1998*.

PROCEDURAL ORDER NO. 2

JULY 6, 2012

On March 28, 2007, the Independent Electricity System Operator ("IESO") was designated as the Smart Metering Entity (the "SME") by Ontario Regulation 393/07 made under the *Electricity Act, 1998*. In its role as the SME, the IESO is managing the development of the meter data management/repository ("MDM/R") to collect, manage, store and retrieve information related to the metering of customers' use of electricity in Ontario. The Board assigned File No. EB-2012-0100 to this application.

The IESO, in its capacity as the SME, has applied to the Ontario Energy Board (the

“Board”) for approval of a SMC of \$0.806 per Residential and General Service <50kW customer per month which the IESO proposes to collect from all licensed electricity distributors (“Distributors”) for the period July 1, 2012 to December 31, 2017.

The SME has also asked for an annual automatic adjustment mechanism to update the billing determinant with the annual changes in the number of Residential and General Service <50kW Customers listed in the OEB Electricity Distributor Handbook; a variance account to deal with changes in the SME costs, or any revenue surplus; and approval of the Smart Metering Agreement for Distributors for use by the SME and Distributors.

The application was filed on March 23, 2012 under subsections 78(2.1), (3.01), (3.0.2) and (3.0.3); Ontario Regulation 453/06 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B) (the “Act”) and subsection 53.8(8) of the *Electricity Act, 1998*. The Board assigned File No. EB-2012-0100 to this application.

Pursuant to section 19 of the Act, the Board commenced a proceeding on its own motion to review the options for and ultimately determine the appropriate allocation and recovery of the SMC. The Board assigned File No. EB-2012-0211 to this proceeding.

Pursuant to its powers under section 21(5) of the Act, the Board combined the hearing of the SME application for the SMC with the Board’s proceeding on its own motion to determine the appropriate allocation and recovery of the SMC (the “Combined Proceeding”).

The Board issued a Notice of Application May 18, 2012 with respect to this Combined Proceeding.

By way of letter issued on May 31, 2012 the Board declared the Electricity Distributors Association (“EDA”) and distributors to be intervenors in the Combined Proceeding.

On June 22, 2012, the Board issued its Decision on intervenor requests and cost eligibility.

Preliminary Issue

In Procedural Order No. 1, the Board asked for submissions on the following preliminary issue (“Preliminary Issue”):

Given section 5.4.1 of the DSC and section 3.2 of ES-2007-0750, what is the scope of the Board’s approval of an agreement between the SME and Distributors?

In a letter to the Board dated July 4, 2012, the EDA requested that it be permitted to file its submission on the Preliminary Issue in reply at the same time as the SME. In the letter, it stated that the scope of approval will have a direct influence on the rights and obligations of the EDA in the proposed SME/Local Distribution Company Agreement.

While the EDA itself does not have any rights and obligations in the proposed SME/Local Distribution Company Agreement, the Board will permit the EDA, in its capacity as representative of 75 publicly and privately owned distributors, to make its submission in reply no later than July 13, 2012. All other aspects of Procedural Order No. 1 will remain unchanged.

The Board considers it necessary to make provision for the following procedural matters. The Board may issue further procedural orders from time to time.

THE BOARD ORDERS THAT:

1. The SME and the EDA may file a reply submission with the Board and forward a copy to all other parties **on or before July 13, 2012.**

All filings to the Board must quote the file number, EB-2012-0100/EB-2012-0211, be made through the Board’s web portal at <https://www.errr.ontarioenergyboard.ca>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender’s name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document

Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to boardsec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Bell at michael.bell@ontarioenergyboard.ca.

Issued at Toronto, July 6, 2012.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary