



Energizing Our Community

1913 - 2013

Telephone: (705) 326-7315
Fax: (705) 326-0800

February 7, 2014

Via web portal and by courier

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

Dear Ms. Walli:

**Re: Proposed Amendments to the Distribution System Code
Board File No.: EB-2013-0311**

Orillia Power Distribution Corporation (Orillia Power) agrees that customers with a monthly average peak demand during a calendar year of over 50 kW and less than or equal to 500 kW are in a unique position among electricity consumers in Ontario. Orillia Power supports enabling spot pricing based on actual consumption data for this group of customers. Orillia Power does not take issue with the actual wording of the proposed amendment to the DSC. Our concern is with the Board's expectation that distributors will install interval metering systems that communicate through the distributor's Advanced Metering Infrastructure (AMI) installed as part of the Smart Meter Initiative.

Orillia Power has concerns over quality of data, quality of communication and validation of data for customers with any MIST capable meter that is expected to communicate through an AMI. Customers with a monthly average peak demand during a calendar year of over 50 kW are billed distribution and transmission charges based on demand. Orillia Power's meters, both interval and non-interval, are based on 5 minute reads and rolling 15 minute kW, kVA and KVAR. Interval meters are settled using MV90, a robust system that provides exceptional quality of data, communication, validation of data, etc.

Under certain circumstances, an AMI may have issues with data collection and communication. This was clearly demonstrated during a recent power outage in December 2013. This situation is currently addressed through the MDMR's VEE



360 West St. S., P.O. Box 398, Orillia ON L3V 6J9
info@orilliapower.ca www.orilliapower.ca
Keith McAllister, P.Eng. - President & Chief Executive Officer
Patrick J. Hurley, B.Math, CMA - Chief Financial Officer

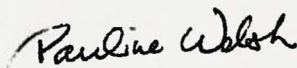


processes which will fill data gaps as required. A similar process applied to estimate demand will be more challenging and estimation may not be appropriate to arrive at a fair and accurate peak demand for billing purposes. In addition, for MIST meters requiring more data (15 min kW, kVA and kVAR values) compared to residential meters, an AMI may not be able to reliably transfer the necessary information for VEE and settlement. Orillia Power believes billing that includes demand-based charges should be settled using the more robust MV90 system for collection, communication and VEE.

With respect to the proposed amendment 5.1.3 a), Orillia Power proposes a period of time to allow distributors to use meters in stock. In this period of time, the distributor can develop a new meter standard while exhausting existing inventory. With respect to the proposed amendment, 5.1.3 b), Orillia Power proposes extending the period after the date the proposed amendment comes into force to 6 years from 5, which coincides with Measurement Canada's resale period. Both proposals will minimize stranded asset costs that will ultimately impact the customer.

Thank you for the opportunity to provide these comments.

Sincerely,



Pauline Welsh
Manager of Regulatory Affairs

cc. Keith McAllister, President and CEO
Pat Hurley, CFO