



February 11, 2015

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

Dear Ms. Walli:

**Re: Proceeding in respect of Billing Frequency, the Use of Estimated Bills and Billing Accuracy
EB-2014-0198
Comments on Proposed Amendments to the Distribution System Code**

On February 5, 2015, the Ontario Energy Board (the "Board") posted Proposed Amendments to the Distribution System Code in respect of billing frequency, the use of estimated bills and billing accuracy. The Board invited comments from industry stakeholders, including from EnWin Utilities Ltd. ("EnWin").

Billing Frequency

EnWin bills its customers on a monthly basis, as do most local distribution companies ("LDCs") in Ontario. The Board is now proposing to move all non-seasonal Residential and GS<50kW customers in Ontario to that higher service standard.

EnWin agrees that frequent billing provides customers with timely feedback on the cost implications of their consumption levels and patterns. Given the seasonal pattern of consumption for these rate classes and the intended purpose of provincially mandated Time of Use ("TOU") commodity pricing, timely feedback is valuable.

It is noteworthy, however, that the widespread introduction of electronic portals and other sophisticated communication technologies, it is easier than ever for customers to obtain feedback about their consumption levels and patterns. In fact, products such as EnWinConnect allow for that feedback within 24 hours and conservation and demand management ("CDM") programs such as PeakSaver Plus allow for that feedback instantaneously.

As a result, with the passage of time and the corresponding increases in new technologies and programs, the role of the bill as the sole or even primary tool for obtaining meaningful information about consumption levels and patterns is fading. Similarly, the persistence of Equal Payment Plans and the growth of Pre-Authorized Payment negate much of the traditional role of the bill as a communication tool.

Estimated Billing

The role of LDCs in estimating bills for Residential and GS<50kW customers has significantly changed since the introduction of smart meters, TOU, and the provincial Meter Data Management / Repository (“MDM/R”). As a result, it is not clear whether the proposed amendments will achieve the intended result or do so in the most efficient manner.

Each month, the Independent Electricity System Operator (“IESO”) MDM/R requires 720 hourly reads from each smart meter as part of the process of generating TOU charges. As part of its prescribed function, the MDM/R commonly estimates one or more of these 720 reads where the hourly read is not available or there are other issues with the read. It appears that each of these estimations will violate the propose Code provisions.

There are, of course, many good reasons to estimate meter reads. It provides a non-invasive, cost-effective interim solution. This is the basis for Validating, Estimating, and Editing (“VEE”) protocols in Ontario and other jurisdictions. As the Board has noted, it is key that the estimation process is reasonable and estimation must not become a chronic crutch in lieu of remediation of an underlying metering or meter reading deficiency.

However, the Board’s proposed wording for the Code amendment does not appear tailored to these dynamics. The requirement to bill based on “an actual meter read” belies a couple key facts. First, there will be approximately 720 actual meter reads on a fully functioning smart meter that renders perfect information to the MDM/R. Second, pursuant to the MDM/R VEE Standard for the Ontario Smart Metering System, the actual meter read may not be sufficient or necessary to render a Measurement Canada compliant bill.

The Board’s proposed wording also creates an unreasonable maximum requirement of generating a bill based on “estimated consumption once every 12 months.” It is not likely the Board’s intent that a maximum of 1 of the 8,760 consumption reads per month may be estimated; however, this is a plain reading interpretation of the proposed section.

EnWin proposes that the Board examine the monthly reporting data produced by the MDM/R for each LDC. Those reports produce a metric for estimated billing. EnWin anticipates that the Board could develop Code provisions that use the available MDM/R metrics to set performance thresholds. For example, the Board could create a “comply or explain” obligation where an LDC has more than 2% of its total intervals estimated in a month.

In addition to avoiding the pitfalls of the proposed language, approaching the Code in this way would avoid any incremental costs associated with new reporting while ensuring standardized reporting across the sector.

While the foregoing addresses most of the issue, there is still the issue of the individual customer whose bill or series of bills are largely based on estimated intervals rather than actual intervals. EnWin submits that the Board should work with the IESO to ascertain what data is or can be made readily available to identify these situations. The information is there. Using it is both efficient and promotes standardized reporting in the sector.

In this customer-specific piece, EnWin once more recommends that the Board develop the revised wording using a “comply or explain” approach. There are situations where the estimated reads are most appropriate and EnWin respectfully submits that the Board will want to exercise its judgment in evaluating the merits of compliance in certain circumstances. For example, there may be insurmountable property access issues or police involvement that are precluding faulty meter replacement.

Billing Accuracy

EnWin’s submits that “correct meter readings” should be revised to read “correct metering information”. That is, the correct metering information may include estimated interval values produced by the MDM/R (or the LDC in the case of non-smart metered customers) in addition to correct meter readings.

In order to ensure clarity for customers, the term “metering” is important in the definition. However, from an interpretation standpoint, it will be necessary to accept the outputs of the MDM/R or other systems that perform VEE for non-smart metered customers, as “metering” information, even though it might be more precisely considered “billing” information. This logical interpretation is consistent with Board and Measurement Canada allowances.

Concluding Comments

Serving customers well in our business requires providing them with timely information and using suitable practices and equipment to calculate electricity bills. EnWin offers this submission with the goal of advancing those outcomes, while reflecting the nuances of contemporary metering arrangements, terminology, and taking advantage of the MDM/R data.

Yours very truly,

EnWin Utilities Ltd.



Per: Andrew J. Sasso, BComm, LLB, LLM, AccDir
Director, Regulatory Affairs & Corporate Secretary