



# **ONTARIO ENERGY BOARD**

## **BOARD STAFF SUBMISSION**

**Application for Unit Sub-Metering Licence**

**ND Energy Inc.**

**EB-2015-0208**

August 10, 2015

## **BACKGROUND**

ND Energy Inc. filed an application dated June 23, 2015 with the Ontario Energy Board under section 60 of the Ontario Energy Board Act, 1998, for a Unit Sub-Metering licence. The granting of this licence would enable the applicant to provide unit sub-metering services in Ontario.

A Notice of Application and Written Hearing was issued on July 20, 2015 which established deadlines for the filing of submissions by interested parties and for responses by the applicant.

This submission is provided by Board staff following a review of the application and evidence filed in this proceeding.

## **STAFF SUBMISSION**

Following a review of the application and evidence filed in this proceeding, Board staff supports granting a unit sub-metering licence to ND Energy Inc. However, Board staff is of the view that the licence should be granted for two years. Board staff submits that the issuance of a two year term licence would allow the applicant to enter the market and demonstrate that it can be a reliable market participant. A two year licence would allow the Board to better review ND Energy Inc.'s progress in acclimating itself to the unit sub-metering market.

ND Energy has provided pro forma financial statements, a business plan along with the financial statements of its parent company. While this information is useful in assessing the applicant's financial viability, Board staff is of the view that actual financial statements that directly relate to ND Energy Inc. while it is engaged in unit sub-metering activities would be of greater use to the Board. After two years,

should the applicant apply to renew its unit sub-metering licence, it would be able to provide actual financial results as it relates to engaging in unit sub-metering services to the Board. With these financial results, the Board would have greater confidence in licensing an applicant for a longer term licence.

In addition, during the two year period the applicant would be given the opportunity to demonstrate that it conducts its business in compliance with its legal and regulatory obligations. ND Energy has experience in property management but has not identified any past unit sub-metering experience. As a new entrant to the market, a two year term licence would allow ND Energy to acquire the necessary experience and technical expertise in providing unit sub-metering services and demonstrate this fully to the Board during a renewal application proceeding.

All of which is respectfully submitted.