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BY EMAIL AND WEB POSTING

March 9, 2017

NOTICE OF PROPOSAL TO AMEND A CODE

PROPOSED AMENDMENT TO THE DISTRIBUTION SYSTEM CODE

OEB FILE NO.: EB-2017-0125

**To: All Licensed Electricity Distributors
Smart Metering Entity
Independent Electricity System Operator
All Other Interested Parties**

The Ontario Energy Board (OEB) is giving notice under section 70.2 of the *Ontario Energy Board Act, 1998* (OEB Act) of a proposed amendment to the Distribution System Code (DSC).

A. Background

The OEB proposes a revision to the DSC whereby section 5.4.1 is to be deleted in its entirety. Section 5.4.1, which was added to the DSC on June 27, 2007, reads as follows:

s.5.4.1 A distributor shall, upon being requested to do so, enter into an agreement with the Smart Metering Entity or the IESO, in a form approved by the Board, which sets out the respective roles and responsibilities of the distributor and the Smart Metering Entity or the IESO in relation to metering and the information required to be exchanged to allow for the conduct of these respective roles and responsibilities.

The SME licence was first issued in 2011 (EB-2007-0750), based on a five-year term. It was then renewed in 2016 for a period of one year. The “form” of the agreement between the Smart Metering Entity (SME) and local distribution utilities (LDCs) was first approved by the OEB on January 17, 2013, with a termination date of January 26, 2016 (consistent with the term of the SME licence).

In November 2015, the SME applied to renew its licence and its agreement with LDCs (the SME/LDC Agreement) for a further five-year term (EB-2015-0297). The OEB granted the application for a renewal, but only for a one-year term.

On September 30, 2016, the SME filed a further application to renew its licence and extend the SME/LDC Agreement, based on a 20-year term (EB-2016-0284). While it granted the licence renewal, on a five-year term, the OEB denied the SME’s request for a renewal of the SME/LDC Agreement. The OEB found that the requirement for the SME/LDC Agreement was no longer necessary, stating as follows:

When the DSC was amended to include this provision in 2007, the SME and LDC relationship was in its infancy. In fact the SME already has clear statutory authority for, among other things, collecting and managing information and data, and storing the information and data related to the metering of consumers’ consumption or use of electricity in Ontario, including data collected from LDCs.

Specifically, the *Electricity Act, 1998* authorizes the SME to directly or indirectly collect consumer information and manage and aggregate the data. Moreover, this same legislation mandates LDCs to provide information to the SME.

By the terms of their licences, it is abundantly clear that each LDC “shall comply with all applicable provisions of the [OEB] Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation”.

B. Proposed Amendments to the DSC

The OEB proposes that the DSC be amended by deleting, in its entirety, section 5.4.1.

~~s.5.4.1 A distributor shall, upon being requested to do so, enter into an agreement with the Smart Metering Entity or the IESO, in a form approved by the Board, which sets out the respective roles and responsibilities of the distributor and the Smart Metering Entity or the IESO in relation to metering and the information required to be exchanged to allow for the conduct of these respective roles and responsibilities.~~

The SME has clear and sufficient statutory authority for, among other things, collecting and managing information and data, and storing the information and data related to the metering of consumers' consumption or use of electricity in Ontario, including data collected from LDCs (under sections 53.8 and 53.14 of the *Electricity Act, 1998*). Moreover, LDCs are also mandated to provide information requested from them by the SME (in accordance with section 53.15 of the *Electricity Act, 1998*).

The SME and LDCs have demonstrated their acute awareness of their roles and responsibilities. It is no longer necessary that the OEB be involved in overseeing the routine exchange of information between the SME and LDCs.

D. Coming into Force

The OEB proposes that this amendment to the DSC come into force on the date that the amendment is published on the OEB's website after having been made by the OEB.

E. Cost Awards

The OEB does not intend to provide for an award of costs in this proceeding.

F. Invitation to Comment

All interested parties are invited to submit written comments on the proposed DSC amendment by **March 23, 2017**.

Three (3) paper copies of each filing must be provided, and should be sent to:

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

The OEB requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. A user ID is required to submit documents through the OEB's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the Board's website at www.ontarioenergyboard.ca, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the OEB's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@ontarioenergyboard.ca.

Those that do not have internet access should provide a CD containing their filing in PDF format.

Filings to the OEB must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2017-0125** and include your name, address, telephone number and, where available, your e-mail address and fax number.

If the written comment is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the Board's offices or placing the written comment on the OEB's website, the OEB will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the OEB's offices and will be placed on the OEB's website.

This Notice and all written comments received by the OEB in response to this Notice will be available for public viewing on the OEB's web site at www.ontarioenergyboard.ca and at the office of the OEB during normal business hours.

If you have any questions regarding the proposed DSC amendment described in this Notice, please contact Irina Kuznetsova at irina.kuznetsova@ontarioenergyboard.ca or at 416-440-8138. The OEB's toll free number is 1-888-632-6273.

DATED at Toronto, March 9, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary