Filed: December 4, 2018 EB-2018-0316 Exhibit A Tab 1 Schedule 1 Page 1 of 4

ONTARIO ENERGY BOARD

IN THE MATTER OF subsections 74 and 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, designated as the Smart Metering Entity, for an Order approving fees for access to data by third parties

APPLICATION

- 1. The applicant, the Independent Electricity System Operator ("IESO"), is a corporation without share capital continued under Part II of the *Electricity Act*, 1998 ("Electricity Act").
- 2. On March 28, 2007, the IESO was designated as the Smart Metering Entity ("SME") by Ontario Regulation 393/07 made under the Electricity Act. The regulation came into effect on July 26, 2007. The objects of the SME as outlined in the Electricity Act include, in addition to other objects and business activities, to facilitate the collection and management of information and data and to store the information and data related to the metering of consumers' consumption or use of electricity in Ontario and to provide and promote non-discriminatory access by distributors, retailers, the IESO and other persons to this information and data.

Filed: December 4, 2018 EB-2018-0316 Exhibit A Tab 1 Schedule 1 Page 2 of 4

- 3. On September 30, 2016 the SME filed an application with the Ontario Energy Board ("OEB") to renew its licence, EB-2016-0284. A Third Party Access Implementation Plan for third party access to the data in the Meter Data Management Repository ("MDM/R") ("Implementation Plan") was included in the application as Appendix A. In its November 24, 2016 decision the OEB renewed the SME's licence and required the SME to collect the following information associated with each smart meter (modified where necessary to sufficiently render it non-personal information):
 - (a) The postal code;
 - (b) The distributor rate class;
 - (c) The commodity rate class; and

(d) Occupant change data.

- 4. Any reference to "data" in this application means any of the information and data related to the metering of consumers' consumption or use of electricity in Ontario, including the information required to be collected by the OEB, as noted in paragraph 3, above.
- 5. The SME began collecting the data on January 1, 2017 as required by the OEB. Since that date the SME has been consulting and working with stakeholders on providing third-parties with access to the data. The SME now proposes to provide third-party access to the data as described in this application.
- 6. The SME, hereby applies to the OEB for an order under subsections 74, 78(2.1),
 (3.0.1), (3.0.2) and (3.0.3) of the Ontario Energy Board Act, 1998 ("OEB Act"):
 - (a) authorizing the SME to charge market price for third party access ("TPA") to the data;

- (b) any reference to "market price" in this application means the service provided by the SME through a competitive market-based model where prices will be set based on what the market is prepared to pay;
- (c) approving the establishment of a new sub-account, the Benefits Account, under the Balancing Variance Account ("BVA") to track the net revenue generated from TPA; and
- (d) amending the SME's licence to allow the SME to:
 - (i) provide access to the data to any person who meets the terms of access established by the SME and enters into a Data Use Agreement ("DUA") with the SME; and
 - (ii) annually report the net revenue generated by TPA accumulated in the Benefits Account, a sub-account of the BVA.
- 7. The SME has filed evidence in support of this application as identified in the Exhibit List. The SME may amend its pre-filed evidence from time to time prior to, and during, the course of the OEB's proceeding. In particular, should the SME identify a material change to its application, the SME will advise the OEB and update its pre-filed evidence. The SME reserves the right to amend its application accordingly, including making any necessary adjustments to the orders sought in this application.
- 8. The SME requests that a copy of all documents filed with the OEB by each party to this proceeding be served on the SME and the SME's counsel in this proceeding, as follows:

Filed: December 4, 2018 EB-2018-0316 Exhibit A Tab 1 Schedule 1 Page 4 of 4

(a) The SME:

Ms. Miriam Heinz Advisor, Regulatory Affairs Independent Electricity System Operator

Mailing address: 120 Adelaide Street West, Suite 1600 Toronto, Ontario M5H 1T1

Tel: 416 969-6045 Fax: 416 969-6383 Email: regulatoryaffairs@ieso.ca

(b) The SME's counsel:

Mr. Patrick G. Duffy Stikeman Elliott LLP

Mailing address: 5300 Commerce Court West 199 Bay Street Toronto, Ontario M5L 1B9

Tel: (416) 869-5257 Fax: (416) 947-0866 Email: pduffy@stikeman.com

DATED at Toronto, Ontario, this 4th day of December, 2018

INDEPENDENT ELECTRICITY SYSTEM

By its counsel in this proceeding Patrick G. Duffy

SMART METERING ENTITY FEES FOR ACCESS TO DATA BY THIRD PARTIES (EB-2018-0316)

Exhibit	Tab	Schedule	Description		
A – ADMINISTRATION					
А	1	1	Application		
А	2	1	Exhibit List		
Α	3	1	Background		
B – SUPPORTING EVIDENCE					
В	1	1	Terms of Access Principles		
В	2	1	The Proposed Data Products		
В	3	1	The Proposed Pricing Model		
В	4	1	SME Variance Accounts		
В	5	1	Consultations on Third Party Access <u>Attachment 1</u> – SME presentation - November 9, 2018 <u>Attachment 2</u> – SAC minutes / records of most recent presentation materials <u>Attachment 3</u> – DSAC membership list		
В	6	1	Prior OEB Decisions Approving Licence Amendments		

EXHIBIT LIST

Page Intentionally Blank

BACKGROUND

2 On January 26, 2016, the OEB issued a decision renewing the SME's licence to December 31,

3 2016, and requiring the SME to collect certain information and data, as noted in paragraph 3 of

this Application (Exhibit A-1-1), and to prepare and file a plan to provide access to the data to
third parties.

6 On September 30, 2016, the SME filed an application to renew its licence for five years, which

7 included the Implementation Plan as Appendix A to the application. The application was

8 approved as filed by the OEB in a decision issued on November 24, 2016.

9 On August 31, 2017 the SME filed an application for the SMC and the SME's revenue

requirement for the period January 1, 2018 to December 31, 2021 (EB-2017-0290). The

11 application included evidence on the status of implementing TPA and next steps¹. The SME

and intervenors reached settlement on all issues and the OEB approved the settlement proposal

13 on March 1, 2018.

1

14 The evidence in the SMC application provided an update on the actions and stakeholdering

15 conducted up to August 31, 2017 and described the SME's intent to make a TPA submission to

the OEB in 2018 with a proposed pricing model for the data, one that would leverage the value

17 of the data to provide a benefit to the SME ratepayers.

Since filing the SMC application the SME has continued to engage with stakeholders and work
on the development of TPA through multiple forums, including the Data Strategy Advisory
Council ("DSAC"), the SME Steering Committee ("SSC"), the IESO's Stakeholder Advisory
Committee ("SAC"), meetings with the Information and Privacy Commissioner of Ontario
("IPC") and with the public at large through two public webinars. The stakeholdering by the
SME is discussed in further detail at Exhibit B-5-1.

¹ EB-2017-0290, Exhibit C-1-1 – Third Party Access Status and Next Steps

Page Intentionally Blank

1

TERMS OF ACCESS PRINCIPLES

2 The SME will provide third party access to the data, on appropriate terms. This will take two

3 forms:

4 (a) the principled assessment of each request for access to the data; and

5 (b) the contractual terms upon which access to the data shall be granted.

6 These are described in more detail below:

7 Principled Assessment of Requests for Access

Each request for access to the data will be reviewed and assessed by the SME based on the
principles set out below. The SME shall modify or decline a request the request is not in keeping
with the principles set out below:

- (a) *Privacy* The SME respects privacy and is committed to the protection and privacy of 11 personal information. The data being collected by the SME is not personal information; 12 it is de-identified information.¹ As the risk of re-identification is not zero, the SME will 13 take steps to protect the data and prevent its re-identification. The SME may modify a 14 request or decline to provide access to the data where it believes that acceding to such a 15 request would impede the SME's ability to meet its privacy obligations or would 16 compromise the de-identification of a premise as per guidelines established by the 17 Information and Privacy Commissioner of Ontario². 18
- (b) Security The SME is entrusted with the electricity consumption data of Ontarians and
 works to ensure that the data remains secure by maintaining administrative, technical
- 21

and physical safeguards to protect against unauthorized disclosure, use, alteration and

¹ There are no personal identifiers in the data set that will be used for TPA, and additional privacy filters will be in effect to mitigate the risk of re-identification of a premise.

² De-identification Guidelines for Structured Data, June 2016, Information and Privacy Commissioner of Ontario.

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 1 Schedule 1 Page 2 of 4

destruction of the data. The SME will modify or deny any request for access to the data 1 2 that may compromise the safeguards or the security of any of the data. 3 (c) *Ethical Works* – the SME has high ethical standards and promotes the ethical use of the data. The SME reserves the right to deny or modify a request that is not in keeping with 4 SME's ethical standards as determined by the SME, including, as applicable, with input 5 6 from its independent third party access Ethics Review Committee as discussed on page 3, below. 7 (d) *Compliance* – The SME is a creature of statute and is a regulated entity. The SME acts in 8 9 accordance with its legal and regulatory obligations, and will assess each request to ensure fulling such a request would not interfere with its ability to adhere to its 10 legislative and regulatory requirements. 11 12 (e) *Ratepayer value* – The SME will undertake third party access in a manner that recovers costs and provides value to the SME's ratepayer. The SME will create value for the SME 13 ratepayer by returning net revenues to the ratepayer, as well as providing a public 14 benefit through the generation of accessible reports for the public good. 15 (f) Accessibility – The SME is committed to treating all people in a way that respects their 16 dignity and independence and meeting the needs of stakeholders with disabilities in a 17 timely manner. In considering an access to information request, the SME will take 18 19 reasonable measures to prevent and remove barriers to accessibility and to meet the requirements under the Accessibility for Ontarians with Disabilities Act, 2005. 20 (g) Quality – The SME wants to be a source for clear, reliable data. Where a request seeks 21 data that is not of a sufficiently high quality, the SME reserves the right to deny or 22 modify such a request. 23 (h) *Technology* – The SME works with sophisticated technology, and will ensure that those 24 requesting access to the data have a sufficient minimum level of technological capability 25 26 to receive, handle, safeguard and securely destroy the data. The SME reserves the right

,

1	to deny or modify a request where the requester does not have sufficient technical
2	capabilities or controls in place.
3	Contractual Terms Upon Which Access Will be Granted
4	The SME will enter into a DUA with each person that will be granted TPA to the data. While the
5	specific terms of any agreement may vary, broadly speaking the DUA will include the following
6	provisions; namely it will:
7 8	(a) Set out the authorized purpose for which the data is to be used, and make clear that the data shall only be used for such authorized purpose;
9	(b) Make clear the respective parties' rights, title and interest in the data;
10 11	(c) Require the person requesting the data to agree not to re-identify or attempt to re- identify the data;
12 13	(d) Place appropriate safeguards and security obligations on the party requesting access to the data;
14 15 16	(e) Require the person requesting access to the data to have in place sufficient policies and procedures to provide for the security of the data, including those relating to the retention and destruction of information;
17 18	(f) Limit sharing the data to only those persons who have been granted access to the data in accordance with the DUA;
19 20	(g) In the event of any security incident or breach, specify that the data requestor must notify the SME;
21 22	(h) Require the parties to keep the data confidential, except as expressly set out in the DUA; and
23 24	(i) Make clear that the SME has the authority to assess and verify compliance with the terms of the DUA.
25	Ethics Review Committee
26	As noted on page 2, item (c) Ethical Works, enabling access to the data by third parties entails
27	the responsibility of ensuring that the data provided by the SME is used for only ethical
28	purposes. Therefore, the SME will evaluate each request to determine whether the request
29	would promote the ethical use of the data. Where the SME has concerns about the ethical use of

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 1 Schedule 1 Page 4 of 4

the data, as set out in its Implementation Plan, it will engage an Ethics Review Committee

2 ("Committee"). While de-identification techniques protect against the re-identification of a

3 premise, they do not protect against the disclosure of attributes relating to groups of individuals

4 that may lead to non-ethical uses of data.

5 The Committee will provide guidance and support to the SME, as needed, on issues affecting

6 TPA in general and on a case by case basis, providing guidance as required, for specific requests

7 to access the data. The members of the Committee will be chosen by the SME, from reputable

8 industry experts, who will be summoned as required to provide input and guidance to the SME

9 on specific matters.

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 2 Schedule 1 Page 1 of 2

1	THE PROPOSED DATA PRODUCTS
2	The SME anticipates that there will be interest from both the private and public sector to utilize
3	the data.
4	The SME expects to initially have the following three types of offerings:
5 6	(a) Public Offerings – high level aggregations (no further de-identification required, reports available at no cost to third parties);
7 8	(b) Standard Private Offerings – pre-designed extracts based on popular data requests, with standard, validated de-identification filters; and
9 10	(c) Custom Offerings – unique (or first-time) data requests that will require a custom approach to the provision of access.
11	Public Offerings
12	These products will be available without charge through a publicly accessible webpage; those
13	who access these products will be required to agree to certain terms and conditions before
14	access will be granted.
15	These highly aggregated products, will be standard reports that meet or exceed public level de-
16	identification rules and will be available without charge, through a publicly accessible webpage;
17	Sample sets may include: monthly, seasonal or quarterly aggregated consumption data by
18	Postal District (i.e. first digit of the Postal Code).
19	Standard Private Offerings
20	Standard private offerings will be made available at a cost to third party requestors who will be
21	also be required to sign a form of a Data Use Agreement (DUA).
22	SME's stakeholdering and development of the DSAC pilots established an interest from a
23	number of third parties in de-identified electricity consumption data for several purposes,
24	including:
25	(a) to support community energy plans for municipalities;

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 2 Schedule 1 Page 2 of 2

1 (b) to identify areas of priority for energy efficiency; and

2 (c) to establish baselines to measure progress toward specific regional goals.

3 A number of standard products can be developed that would support the need for such

4 information, with some examples provided below:

(a) Hourly or daily consumption data aggregated by 6, 5, 4 or 3 digit Postal Code at the municipal level, specifying the Distributor Rate Class and Commodity Rate Class; and

(b) Visualization, such as choropleth maps¹, displaying consumption data by sectors for a given time period.

9 Custom Private Offerings

5 6

7

8

Private and public organizations may require a level of customization, either in the format in
which the data would be delivered, or in the additional values derived from consumption data
(e.g. certain percentiles, standard deviations, etc.). While some custom reports may only require
modifications to existing standard queries, others may require more thorough consideration as
well as custom and more complex data and context risk assessments, and the application of
additional de-identification parameters.
The experience with the DSAC pilot cases has shown that the rules and protocols of de-

identification can be applied for a set of requests with the same variables, and standardization

18 of the output files or services may benefit some users.

19 Over time as market exposure increases and the SME gains a greater understanding of market

- 20 demand for the data and combinations of the data with other information it is anticipated that
- the SME will expand its offerings with new and additional products and formats for value

22 creation.

¹ A Choropleth map is a thematic map in which areas are shaded or patterned, by geographical boundaries, in proportion to the measurement of the statistical variable being displayed on the map, such as population density or per-capita income.

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 3 Schedule 1 Page 1 of 3

THE PROPOSED PRICING MODEL

Except for public offerings, the SME proposes to charge third parties market prices for access to 2 the data. The OEB will retain oversight of the net revenue generated as a result of TPA through 3 the SME's annual filing, by May 31st each year, which will include the Benefits Account in the 4 BVA. 5 6 The SME's proposed pricing model will generate revenue based on a formula which accounts for the depth (most granular data point is hourly electricity consumptions) and breadth 7 (geography, with highest being the total number of smart meters with collected data) of the 8 data. For example, requests for access seeking more detailed data, either from a larger number 9 10 of postal codes, or the level of granularity of consumption, may cost more than requests for less detailed data. 11 It is anticipated that in time, the SME's product offering and value creation formats will evolve. 12 While these have not been determined at this time they may include: 13 (a) offering subscription services such as regular updates; 14 (b) charging a royalty to organizations committed to long term business with the SME; and 15 (c) implementing usage discounts to account for volumes and long term commitments. 16 The market price that the SME will be charging will ensure full cost recovery of all costs related 17 to data extraction and additional analysis, as required, from the third parties, such that the 18 SME's ratepayers will not subsidize TPA. 19 The SME will track its costs associated with providing TPA and recover these through the price 20 21 charged to third parties for access.

1

Filed: August 31, 2017 EB-2017-0290 Exhibit B Tab 3 Schedule 1 Page 2 of 3

	Page 2 of 3
1	The SME anticipates the costs to provide TPA will include the following categories:
2 3	(a) SME staff costs for employees dedicated to the SME (data analysts, developer, project manager, management, others);
4 5	(b) costs for services from the IESO staff that are not dedicated to the SME (legal, regulatory, communications, others); and
6 7 8	(c) external legal, consultants or other costs incurred by the SME to review and assess applications and privacy requirements incurred in the development of products and pricing and applications for access.
9	In its 2018 Revenue Requirement Submission ¹ , the IESO filed a cost allocation study prepared
10	by an independent consultant, BDR North America Inc. (the "BDR Allocation Study") ² . The
11	SME reviewed the BDR Allocation Study and will be following the recommendations and
12	conclusions in the study to ensure that SME ratepayers will not be subsidizing TPA.
13	The SME will work to ensure that TPA related costs are charged to TPA by implementing the
14	recommendations in the BDR Allocation Study, including:
15 16	(a) the detailed tracking of time used by employees on tasks and the allocation of vendor costs that directly serve TPA functions; and
17 18	(b) the use of a time tracking system to allocate total employee compensation costs (salary, pension and benefits) to TPA functions.
19	The SME has prepared the time tracking system that will be used by its staff to track any time
20	spent in support of TPA activities. The SME has also prepared its bill tracking system to allow
21	all bills related to TPA to be allocated as supporting TPA activities in general or to individual
22	TPA applications as appropriate.
23	The SME's work on TPA may be supported by resources from the IESO's mainstream business
24	as required, primarily in the areas of finance, settlements, legal, regulatory, information
25	technology, and human resources. This support work will be resourced on a time and material
26	basis. The IESO will fully allocate and bill the SME for all staff time or resources used to assist

¹ EB-2018-0143

² Report on Methodology for the Allocation of Shared Costs To Certain Identified Activities

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 3 Schedule 1 Page 3 of 3

1 in the provision of TPA in a manner consistent with the recommendations in the BDR

2 Allocation Study.

- 3 The SME will track all costs in providing TPA so that no TPA related costs will flow back or be
- 4 charged to SME ratepayers unless TPA related work is required by regulatory or licence

5 requirements.

.

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 4 Schedule 1 Page 1 of 2

SME VARIANCE ACCOUNTS

All net revenues from TPA will be accumulated and tracked in a new sub-account, the Benefits 2

Account, under the BVA. Any net revenue from TPA will be utilized for the benefit of the 3

SME's ratepayers. 4

In its March 1, 2018, Decision and Order on the SMC application, the OEB approved the 5

establishment of the BVA and approved three sub-accounts of the BVA which are described 6

below: 7

20

1

(a) Costs Account - to record any changes in the SME's forecast costs; 8

- (b) Revenue Account to record any revenue surplus or deficiency relative to the forecast 9 revenue; and 10
- (c) Service Level Credits Account to record any service level credits received by the SME 11 from IBM or distribution to MDM/R service recipients under section 7.6 of the previous 12 SME/LDC Agreement. 13

The BVA was proposed by the SME as it was recognized that its actual costs and revenues 14 would vary from the assumptions used to calculate the SMC. As a result, at any point in time 15 there could be either an over-collection or under-collection of revenue by the SME. 16

The OEB approved a threshold of \$0.05 per meter as a reasonable threshold for the rebating 17 funds to ratepayers and to avoid the administrative burden of rebating an amount below the 18 threshold. The calculation to apply the threshold is the surplus in the BVA in excess of the 19

proposed operating reserve of \$2.5 million, divided by the number of meters in the most

recently published OEB Yearbook. If the resulting amount exceeds \$0.05 per meter then the 21

amount will be rebated back to ratepayers. 22

This rebate is automatically administered three months after the filing of the SME's annual 23

report with the OEB on April 30th. 24

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 4 Schedule 1 Page 2 of 2

1 The SME is seeking approval to establish a new sub-account under the BVA, the Benefits

2 Account. The proposed Benefits Account will track the net revenues generated by TPA.

3 The SME will report on the balance in the BVA and each of the associated sub-accounts in the

annual report which will be filed with the OEB by May 31st each year as approved in the OEB

5 decision on the SMC application.

6 The SME is not proposing to alter the operating reserve of \$2.5 million in the BVA or the

7 methodology used to calculate the return of funds to SME ratepayers when funds in the BVA

8 are in excess of the approved operating reserve, both of which were approved in the OEB

9 decision on the SMC application (EB-2017-0290). As such, any net revenue earned from TPA

10 will be the benefit of SME ratepayers.

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 5 Schedule 1 Page 1 of 2

CONSULTATIONS ON THIRD PARTY ACCESS

1

23

The consultations and stakeholdering undertaken by the SME on TPA up to August 2017 was 2 described in the SMC application. Since that time the SME has continued to consult through the 3 DSAC, the IESO's Stakeholder Advisory Committee and with the public through two public 4 webinars. 5 On November 9, 2018, the SME held its second public webinar concerning third party access. 6 7 There were 42 participants, representing a broad range of audiences. The SME's presentation provided at the webinar is included in this application as Attachment 1 to this exhibit. The 8 presentation materials and the recordings of the two webinars held, November 9, 2018 and 9 10 November 7, 2017, are available on the IESO's stakeholder engagement webpage at the 11 following location: a) SME presentation: http://www.ieso.ca/Sector-Participants/Engagement-12 Initiatives/Engagements/Smart-Metering-Entity-Third-Party-Access-Implementation-13 <u>Plan</u> 14 On October 17, 2018 the SME provided an update on third party access to the IESO's SAC 15 which is included as Attachment 2 to this exhibit. The SME also made provided an update to 16 the SAC on April 27, 2018 and that presentation and the minutes from both meetings are 17 available on the IESO's website at the following location: 18 b) SAC: http://www.ieso.ca/sector-participants/engagement-initiatives/stakeholder-19 advisory-committee/meetings-and-materials 20 The SME's Data Strategy Advisory Council assisted the SME in the development of third party 21 access through multiple meetings beginning in June, 2017. Stakeholders participating in the 22

24 Distributors Association and provincial government and the DSAC membership list is included

DSAC included LDCs and private companies with observers from the OEB, Electricity

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 1 Schedule 1 Page 2 of 2

1 as Attachment 3 to this exhibit. Agenda's, presentation materials and minutes from each DSAC

2 meeting are available on the IESO's website at the following location:

3 4 c) DSAC: <u>http://www.ieso.ca/sector-participants/smart-metering-entity/data-</u> strategy-advisory-council

1	PRIOR OEB DECISIONS APPROVING LICENCE AMENDMENTS
2	Subsections 78(2.1), (3.0.1), (3.0.2) and (3.0.3) of the Ontario Energy Board Act, 1998 ("OEB Act")
3	establish that the OEB approval is required for any fee(s) the SME charges.
4	Section 74 of the OEB Act allows the OEB to amend any licence issued by the OEB. The SME is
5	seeking the OEB to amend its licence as allowed under section 74 to allow the SME to charge
6	market prices for TPA to the data, upon appropriate terms.
7	The SME is aware of two instances where the OEB has determined that it would allow licenced
8	entities to charge market pricing for a service. In these decisions the OEB utilized section 74 of
9	the OEB Act to amend their licences to allow them to charge market rates for this service. These
10	decisions are described below:
11	(a) Toronto Hydro-Electric System Limited ("Toronto Hydro") was required by a March 7,
12 13	2005 Decision and Order in EB-2003-0049 to give Canadian carriers and cable companies access to its distribution poles for wireless attachments at a regulated rate ¹ . A May 16,
14	2014 oral Decision ² approved a licence amendment under section 74 of the OEB Act to
15	allow Toronto Hydro to charge market rates for wireless pole attachments ³ ; and
16	(b) A January 2016 decision approved licence amendments, under section 74 of the OEB
17	Act, allowing electric LDCs to charge market rates for wireless pole attachments ⁴ . This decision followed a consultation by the OEB ⁵ , the Wireless Attachment Consultation, in
18 19	which "The comments received generally support that electricity distributors should be
20	able to charge market rates for wireless pole attachments. ⁶ " In this decision, the OEB
21	stated that it was "in the public interest to amend the licences of all rate-regulated
22	electricity distributors in order to allow them to charge market rates for wireless pole
23	attachments. 7" And ordered that electricity distribution licences be amended to include

¹ OEB staff submission, EB-2013-0234, May 15, 2014, page 1

² EB-2013-0234, Oral Decision, May 16, 2014

³ Please see the oral transcript in EB-2013-0234 for discussion of the deemed provision

⁴ EB-2016-0015, Decision and Order, January 28, 2016

⁵ EB-2014-0365, the Wireless Attachment Consultation, initiated December 11, 2014

⁶ EB-2014-0365, July 30, 2015, OEB letter on next steps

⁷ EB-2016-0015, Decision and Order, January 28, 2016, page 2

Filed: December 4, 2018 EB-2018-0316 Exhibit B Tab 6 Schedule 1 Page 2 of 2

the following wording which had been included in Toronto Hydro's licence since 2014 1 2 as shown below: The Licensee shall: 3 (a) annually report the net revenue, and the calculations used to determine that net 4 revenue, earned from allowing wireless attachments to its poles. Net revenues will 5 be accumulated in a deferral account approved by the Board; 6 7 (b) credit that net revenue against its revenue requirement subject to Board approval in 8 rate proceedings; and (c) provide access for wireless attachments to its poles on commercial terms normally 9 10 found in a competitive market. [emphasis added] 11 In each of these decisions, the OEB determined it would not continue to regulate the pricing for a service or services provided by licenced entities as this was in the public interest. 12 In this application, the SME is seeking similar licence amendments as those provided in the 13 decision on wireless attachment as described above to allow it to: 14 (a) provide access to the data to any person who meets the terms of access established by 15 the SME and enters into a DUA with the SME; and 16 (b) annually report the net revenue generated by TPA which will be tracked in the Benefits 17 Account, a sub-account of the BVA. 18 Third party access to the data is a service which the SME has not previously provided and 19 20 which the OEB has not previously regulated. However, it is envisioned that this service would be provided through a competitive market-based model where prices will be set based on the 21 characteristics of the data and what the market is prepared to pay. This is in the best interest of 22 23 SME ratepayers as the financial risk to the SME's ratepayers is minimal, given that the proposed pricing model will recover the costs incurred by the SME associated with providing the service. 24 As explained above, there is the potential for significant financial benefit for the SME ratepayer. 25 Transparency will be maintained as the SME will report annually on the net revenues generated 26 27 through TPA.