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BY EMAIL
rmoubarak@sutherlaw.com

August 27, 2020

Rob Moubarak
Mitrex Inc.
3300 Highway No. 7 Suite 904
Vaughan ON L4K 4M3

Dear Mr. Moubarak:

**Re: Mitrex Inc.
Applications for Electricity Retailer Licence and Unit Sub-metering Licence
OEB File Numbers EB-2020-0172/0173**

On August 17, 2020, the OEB received Mitrex Inc.'s (Mitrex) responses to the questions that were sent to Mitrex in the letter dated July 15, 2020. After reviewing the responses, the OEB has determined that additional information/clarification is required in order to further proceed with the above mentioned applications.

Please provide responses to the following:

Application for an Electricity Retailer Licence:

1. In the application for an electricity retailer licence you have indicated that the only source of electricity to be sold is the power generated by the solar generating facilities owned and operated by Mitrex. Although in its responses, Mitrex has provided a document called "Terms and Conditions of Electricity for a Home", it is not clear what type of products Mitrex intends to offer to its customers and what price it intends to charge for the specific product offerings.

- a. Please describe in details each product that Mitrex intends to offer to its customers. In your response please confirm the source of commodity, i.e. Mitrex's own generation, buying directly from another generator, etc

- b. Explain how the pricing will be determined for each Mitrex's product offering.
- c. Describe Mitrex's intended approach to customer acquisition.
- d. Provide a detailed description of the marketing/advertising campaign that Mitrex has planned to begin customer acquisition including the sales channels intended to be used.

2. Compliance with Legal and Regulatory Requirements:

Describe Mitrex's plan to ensure compliance with its legal and regulatory obligations in Ontario by providing responses to the following questions:

- a. Please provide Mitrex's plan to ensure compliance with its legal and regulatory obligations outlined in the Electricity Retail Code of Conduct (Code), the *Energy Consumer Protection Act, 2010* (ECPA) and regulations under the ECPA.
- b. Please describe in detail the processes and procedures to be put in place to monitor compliance with legal and regulatory obligations. Please provide the names, titles and contact information of all individuals who will be accountable for compliance, complaint handling, and quality assurance and describe fully their expertise in this area. Include work experience descriptions of these individuals with the response to this question.
- c. How will adherence to legal and regulatory obligations in Ontario be monitored by Mitrex's staff?
- d. Please describe the processes and procedures to be put in place to expeditiously investigate and resolve complaints as required by the Code.

3. Relevant Experience

Mitrex has filed resumes of several individuals, who are assumed to be involved in Mitrex's electricity retailing business activities. None of these individuals have reported experience in retailing electricity.

- a. Please explain how Mitrex intends to conduct its electricity retailing business activities in compliance with legal and regulatory obligations, considering that its key individuals do not have relevant experience with retailing electricity.

4. Financial Information

In support of its financial position Mitrex has filed proforma financial statements. In its overview of proforma income statement, Mitrex stated that it will generate revenues from the sale of electricity and a one-time charge (\$1/SQFT) on the installed systems. Mitrex also stated that electricity buyers will sign the 30 year contracts to pay 10 cents/KWH that will increase 1% per year.

- a. Please indicate how much capacity Mitrex intends to install each year and provide a breakdown of revenue by type, i.e. revenue from installation and revenue from the sale of electricity.
- b. Please provide a number of contracts Mitrex intends to sign each year.
- c. Please explain why Mitrex expects its customers to sign the 30 year contracts when this contradicts section 3.2 of the Code, which states that a retailer shall not enter into any contract with a low volume consumer that has a term of more than five years.
- d. Considering that Mitrex intends to provide unit sub-metering services, please explain why the fees for these services have not been included in revenue projections. If this was an oversight, please adjust revenue projections and include assumptions for estimating additional revenue.

Application for a Unit Sub-metering Licence:

1. Based on the information provided in the application, it does not appear that Mitrex Inc. has any previous experience in unit sub-metering. Please explain what resources are available to Mitrex Inc. to set up unit sub-metering business.
2. Please provide a detailed list of all unit sub-metering services Mitrex Inc. intends to provide and describe qualifications and experience of Mitrex Inc.'s personnel who will be responsible for each unit sub-metering service that Mitrex intends to provide.
3. Compliance with Unit Sub-metering Code (USM Code)

If licensed, Mitrex has to comply with provisions of the USM Code as a condition of its licence.

- a. As per section 2.3.1 of the USM Code, metering data collected by a unit sub-meter provider shall be subjected to a validating, estimating and editing (VEE) process if it is to be used for billing purposes. As per section 2.3.4 of the USM Code, a unit sub-metering provider shall document and make available its VEE process and criteria, and allow scrutiny of its process by consumers, retailers, the OEB and Measurement Canada.
 - i. Describe what processes and procedures would be put in place by Mitrex to ensure that correct and validated data is used for the billing process.
 - ii. Describe how Mitrex would ensure that errors resulted from potential hardware/software malfunctions are detected and fixed before issuance of the invoices to the customers.

- b. As per section 3.3.3 of the USM Code, if any consumer makes a complaint to a unit sub-meter provider regarding its services, the unit sub-meter provider shall expeditiously investigate the complaint and take all appropriate and necessary steps to resolve the complaint.
 - i. Describe how Mitrex plans to ensure compliance with its legal and regulatory obligations in Ontario. In your response, describe the staff, policies, processes and procedures to be put in place to ensure compliance.
 - ii. Provide names and titles of all individuals who are or will be accountable for compliance, complaint handling and quality assurance, and describe fully their expertise in each applicable area.

- c. As a licensed unit sub-metering provider, Mitrex will be required to provide Ontario Electricity Support Program rate assistance to eligible consumers.

Please confirm that you are aware of this requirement and describe Mitrex's technical ability to meet this obligation.

The OEB will resume processing your applications once the above information has been filed. If the above information is not filed within 30 days of the date of this letter, the OEB may close the file for these applications.

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Please email additional material in Word or in searchable Adobe Acrobat (if available) with the Registrar at registrar@oeb.ca.

Any questions relating to this letter or your applications should be directed to Irina Kuznetsova, Advisor at Irina.Kuznetsova@oeb.ca. Please refer to the OEB file numbers noted above in all future correspondence to the OEB regarding your applications.

Yours truly,

John Pickernell
Manager, Applications Administration