

February 2, 2022

VIA EMAIL

Ms. Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge St., Suite 2700
Toronto, ON M4P 1E4
Email: registrar@oeb.ca

Dear Ms. Marconi:

Re: Alectra Utilities Corporation (“Alectra Utilities”), Application for an Amendment to its Electricity Distribution Licence – ED-2016-0360

Alectra Utilities (“Alectra”) seeks approval for an amendment to its distribution license to temporarily exempt it from the requirement to implement Metering Inside the Settlement Timeframe (“MIST”) infrastructure for all customers with a monthly average peak demand of over 50 kW. Alectra previously sought an exemption from the Ontario Energy Board (“OEB”) which was granted until December 31, 2021 for all rate zones except for the Guelph rate zone, for which the extension was granted until July 30, 2022 (EB-2021-0123).

Background

On May 21, 2014, the OEB introduced an amendment to the Distribution System Code (“DSC”) in order to effect changes to the metering of energy delivery to certain customers. Specifically, the amendment sought to encode similar metering treatment for customers with a monthly average peak demand of over 50 kW to that of customers billed on Time-of-Use (“TOU”) or hourly prices, through the use of MIST meters. The following section of the DSC describes electricity distributors’ obligations in this regard:

5.1.3 For the purposes of measuring energy delivered to the customer, a distributor shall:

(a) install a MIST meter on any new installation that is forecast by the distributor to have a monthly average peak demand during a calendar year of over 50 kW; and

(b) have until August 21, 2020 to install a MIST meter on any existing installation that has a monthly average peak demand during a calendar year of over 50 kW.

As a result of the COVID-19 pandemic and following the Emergency Order declared on March 17, 2020 by the Government of Ontario, the OEB provided a temporary extension for electricity distributors in respect of the date for compliance (for part (b) of section 5.1.3 noted above). The temporary extension was implemented through a Decision and Order issued by the OEB on July 23, 2020, in which Schedule 3 of all electricity distributors' licenses were amended, allowing for completion by March 31, 2021. The Decision and Order issued by the OEB indicated that if distributors required extension beyond March 31, 2021, they would be required to make a separate application.

On March 24, 2021, Alectra filed an application with the OEB for an extension of the temporary exemption from section 5.1.3 (b) of the DSC to December 31, 2021, and for Guelph Rate Zone customers to July 30, 2022. On March 31, 2021 the OEB granted Alectra an extension until December 31, 2021, and for Guelph Rate Zone customers to July 30, 2022, to be fully compliant with section 5.1.3(b).

For clarity, Alectra notes that it is generally compliant with DSC section 5.1.3 (a), wherein any new service that qualifies for a MIST meter has such infrastructure installed as standard operating procedure. Alectra is able to provide MIST enabled billing for new connections for both Regulated Price Plan ("RPP") and non-RPP GS>50 customers (with the exception of the Guelph rate zone, addressed below).

Throughout 2021, Alectra made significant progress towards achieving compliance for 5.1.3 (b), however, continued to encounter several challenges in its ongoing MIST conversion program rollout, primarily due to the pandemic as a result of supply constraints, staffing issues, and a variety of other priorities related to the pandemic.

Application

With regard to existing installations that require conversion to the new MIST infrastructure (i.e., 5.1.3, part (b)), Alectra has been working diligently towards meeting the requirement. Over the course of 2021, Alectra managed to surpass more than 3,000 meter installations by contracting for additional field resources and prioritizing the work accordingly. As a result, Alectra has achieved more than 95% of the required installation of the physical assets in the field across its service territories. This represents significant progress since Alectra previously requested extension.

The work that remains for the few remaining field installations continues to be impacted by suppliers facing ongoing pandemic-related challenges, resulting in delays to delivery schedules, and therefore Alectra's implementation plans. Alectra's vendors have advised that the materials necessary to complete the remaining meter installations will not be fully available until Q3 2022.

With many of the field installations now complete, Alectra is now working to ensure the back-office support and systems are in place to execute the transition to interval billing for the impacted customers. This is complex work that includes alignment with meter data management protocols for the account within the Customer Care and Billing ("CC&B") system and which requires significant resource commitments to conclude. The process to align the billing system with the installed infrastructure in the field generally takes several hours per account. While Alectra is prioritizing this work, it has also been contending with several other pandemic related priorities that have impacted resourcing, but which are also in the best interest of customers. For example, items such as the administration of customer reclassifications due to demand changes or the administration of the Ontario Electricity Rebate is intensive work that has significant and material benefit for customers. As a result, Alectra still has work to do to align the billing system with the metering infrastructure, which will be priority work in 2022. Alectra has been working to align its implementation plans with suppliers' ability to meet their delivery schedules and recalibrating its resourcing plans to undertake the work necessary to align billing processes for those meters that have been installed. On the later point, Alectra is currently investigating whether some of this work can be outsourced for efficiency and expediency.

Regarding the Guelph Rate Zone ("GRZ"), Alectra previously reported to the OEB that virtually all MIST meters have been installed where required. However, as previously noted, the GRZ Customer Information System ("CIS") is not capable of billing consistent with MIST. Alectra has developed 'work arounds' to ensure that MIST-enabled billing is available for non-RPP customers and is able to bill under the Tiered option for RPP customers, should that be requested. However, the TOU option is currently unavailable due to an inability to communicate with the MDM/R. Alectra Utilities' plan is to convert all of the eligible accounts to MIST accounts when the GRZ CIS is incorporated into Alectra Utilities' Customer Care & Billing ("CC&B") system for billing and other purposes, at which time all available options will be deployable. However, as a result of the aforementioned items above, this work too has been delayed. In the meantime, Alectra continues to investigate what work arounds might be available to provide TOU optionality to GS>50 customers that are RPP eligible and with MIST meters in the interim.

For the reasons set out above, Alectra Utilities seeks approval for a further temporary exemption. Alectra requests that the OEB amend its license to exempt it from the requirement to implement MIST metering for all customers to whom the code applies (excluding the Guelph Rate Zone) until December 31, 2022. Alectra Utilities requests that the exemption for the Guelph Rate Zone be extended to July 31, 2023 as the integration of the Customer Information System effort continues. During this time, Alectra will continue to focus on the installation of meters in the field as the

infrastructure is delivered, as well as aligning the back-office systems to support interval billing for meters installed in 2021.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

Christine E. Long
Vice President, Regulatory Affairs
Alectra Utilities Corporation