

OEB Additional Question

- a. Please provide a detailed explanation on how a 10-year SME licence would help the SME with respect to long term planning as noted in the application, and how a 5-year licence would impair it in comparison to a longer-term licence.

SME Response

The Smart Metering Entity (SME) submits that a 10-year licence term would provide greater long-term regulatory certainty to support prudent strategic planning and investment decisions. Such certainty is particularly important given the mature and enduring nature of the SME's responsibilities, which require sustained investment in technology, operational capabilities, and market services that deliver value to Ontario's electricity sector over an extended time horizon.

In its response to the OEB's questions on August 4, 2026, the SME provided further information on how the SME has enhanced the value of Meter Data Management and Repository (MDM/R) data to-date. As outlined in those responses, the MDM/R has delivered significant value through a centralized provincial approach to smart meter data management and provides a foundation for continued modernization of Ontario's electricity sector. A 10-year licence term would provide greater certainty and continuity to support the SME in sustaining and building on these benefits over a longer planning horizon, including enabling the SME to:

- Plan for and undertake strategic investments in software and technology platforms, data systems, and operational infrastructure, including ongoing modernization and lifecycle management of the MDM/R through multi-year projects;
- Maintain and continuously improve the organizational capabilities required to reliably operate the province-wide MDM/R and support a modern and evolving electricity market; and
- Establish stable, long-term working relationships and arrangements with suppliers, service providers, LDCs and other MDM/R service recipients.

The Independent Electricity System Operator was designated the SME in 2007. As further outlined in the SME's August 4, 2026 responses, the centralized MDM/R provides value to Ontario by reducing duplication, supporting consistent province-wide data management, and enabling broader uses of smart data. The SME delivers significant value to ratepayers by providing a centralized, regulated, and standardized province-wide data management service and has expanded its mandate to include initiatives such as non-discriminatory access to MDM/R data and the collection of data related to the metering of electricity conveyed into a distributor's system.

The SME is a mature entity that supports government-directed electricity-sector activities and the continued evolution of the MDM/R for the benefit of LDCs, other MDM/R service recipients and Ontario ratepayers.

While the SME acknowledges that it could continue to fulfill its mandate under a five-year licence renewal term, should the OEB determine that such a term is appropriate, the SME believes a longer licence term provides additional value.

A longer licence term would support the SME's with delivering reliable and cost-effective services to Ontario through a more enduring regulatory framework by:

- Promoting regulatory certainty and efficiency by reducing the frequency of licence renewal applications and the associated administrative requirements for both the SME and the OEB;
- Better aligning the licence term with the SME's long-term planning horizon; and
- Reinforcing the SME's role as a mature, established, and essential component of Ontario's electricity sector, rather than a transitional or time-limited program, consistent with the longer licence terms of the LDCs it supports.