



Grimsby Power Incorporated

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December 23, 2008

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Young Street
Toronto, Ontario
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Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli

Re: Board File EB 2008-0179
Grimsby Power 2009 Incentive Regulation Mechanism Rate Application Interrogatory

Please find attached Grimsby Power's response regarding your correspondence dated December 18, 2008 in reference to the Smart Meter Adder.

Yours truly,

Barbara Lattimer
Executive Assistant

Attachment

Board Staff Interrogatories
2009 Incentive Regulation Mechanism Rate Application
Grimsby Power Incorporated
EB-2008-0179

Smart Meter Adder – Non-Implementing Distributor

Ref: Manager's Summary (Page 5)

1. Please provide a statement which confirms that Grimsby Power Incorporated is not planning to start a smart meter program in the rate test year and indicate the steps that Grimsby Power Incorporated intends to take in order to mitigate future rate impacts related to the implementation of smart meters. This is a requirement in OEB Guideline G-2008-0002, "Smart Meter Funding and Cost Recovery," issued October 22, 2008.

Response:

Grimsby Power is a part of the Niagara Erie Power Association ("NEPA"), a consortium comprising of nine LDCs in the Niagara Region that is pursuing a collective approach to Smart Meter/AMI implementation. NEPA engaged the services of Util-Assist, Inc. to facilitate the process; a service that Util-Assist is also providing to other utility consortiums in Ontario working towards Smart Meter/AMI implementation. NEPA has prepared technical and economic models for evaluating Smart Meter/AMI suppliers and installers and temporary Operational Data Storage (ODS) providers. Pursuant to O. Reg. 427/06, NEPA "piggybacked" on the London Hydro RFP process for selecting a Smart Meter/AMI supplier. The evaluation process was facilitated by London Hydro and overseen by a Fairness Commissioner authorized by the Ministry of Energy.

Grimsby Power is, at this time, scheduled to begin deployment of smart meters in the first quarter of 2010.

As a non-implementing distributor, Grimsby Power is following the guideline of the Board in its Guideline G-2008-0002, "Smart Meter Funding and Cost

Recovery,” issued October 22, 2008 and applying for the standard 30 cent funding adder.

Grimsby Power will continue to follow the Board’s guidelines regarding future implementation funding adders required and implement rate mitigation measures, if necessary.

Grimsby Power will follow the Board’s direction to mitigate future rate impacts, if any, resulting from the implementation of smart metering.