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TO: All Licensed Electricity Distributors Electricity Distributors Association Smart Metering Entity All Other Interested Parties

RE: Extension of Compliance Deadline for Making All Regulated Price Plan Pricing Options Available to Net Metered Customers

In a <u>Bulletin</u> issued on January 17, 2023, Ontario Energy Board (OEB) staff expressed the view that electricity distributors must offer net metered customers on the Regulated Price Plan (RPP) the choice between tiered, time-of-use (TOU), and the new ultra-low overnight (ULO) pricing option. This letter updates the expected timing for distributors to come into compliance with the requirements set out in the Bulletin by no later than **January 1, 2024**.

OEB staff acknowledged, in the Bulletin, that it may take time for some distributors to make the necessary changes to their billing systems and internal processes that would enable RPP consumers to participate in net metering while paying TOU (or ULO) prices. In addition, it was recognized that some distributors may want to consider the option of relying on the Meter Data Management and Repository (MDM/R) for billing net metered customers if the Smart Metering Entity (SME) were to begin offering that functionality. It was for these reasons OEB staff stated that compliance action would not be taken against distributors on this matter before May 1, 2023.

Shortly after the Bulletin was issued, the Ministry of Energy posted a <u>proposal</u> to make regulatory changes to enable the SME to collect and manage bi-directional smart metering data through the MDM/R. In addition, a number of distributors and the Electricity Distributors Association identified challenges with meeting the May 1, 2023 compliance deadline, including the potential regulatory changes.

In a <u>letter</u> to distributors on April 19, 2023, OEB staff acknowledged the concerns that had been raised and assured distributors that OEB staff would refrain from taking compliance action while the matter was under review, and indicated that further guidance to the industry would be forthcoming.

On June 20, 2023, amendments to Ontario Regulation 393/07 (Smart Metering Entity) under the Electricity Act, 1998 were filed. As the Ministry of Energy's Decision Notice explains, the amendments enable the SME, as of July 1, 2023, "to process and manage bi-directional smart metering data through the province's Meter Data Management/Repository (MDM/R)." The Ministry's Decision Notice also explains that beginning January 1, 2025, the SME will have exclusive authority over bi-directional smart meter data. Until then, distributors can choose either to rely on the MDM/R for the data they need to bill net metered customers or process the generation data themselves (as some distributors are already doing).

In light of these regulatory amendments, OEB staff will extend the compliance date originally set out in the Bulletin to **January 1, 2024**. By this date, distributors must be able to offer net metered customers their choice of RPP pricing plan, either by relying on the expanded MDM/R functionality or by using the distributor's own in-house billing solution. In setting this new date, OEB staff has considered the information provided by the SME that the MDM/R will be ready to accept generation data from net metered customers as of November 1, 2023. The January 1, 2024 date provides the distributors who wish to use the MDM/R a reasonable timeframe to register their net metering accounts with the MDM/R and make necessary billing system changes. OEB staff has also considered the input from net metered customers who have contacted the OEB expressing significant concerns that they have been denied the ability to choose their RPP pricing plan.

Any distributor that anticipates difficulties in offering all RPP pricing options to their net metered customers by January 1, 2024 should contact lndustryRelations@oeb.ca as soon as possible.

Yours truly,

Brian Hewson Vice President Consumer Protection & Industry Performance