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IESO SENIOR MANAGEMENT UPDATE

To: Stakeholder Advisory Committee
Date: March 2, 2011
Subject: Meter Data Management & Repository (MDM/R) and Time-of-Use Rate Briefing Note

Information Item

Provincial MDM/R Production System Status and Operations

The Meter Data Management and Repository (MDM/R) system is actively processing smart meter data and producing time of use (TOU) billing quantities for customer invoices.

Twenty three LDCs and over 2.57 million meters are enrolled in the production system. The MDM/R is processing reads from over 1.88 million meters per day. By the end of December, over 1.6 million customers in the Province were on time-of-use billing.

Overall, the current production system (Release 6.3) continued to operate reliably into December. In January, the MDM/R production environment experienced several significant service disruptions and lesser incidents. All of these disruptions and incidents were successfully recovered from, diagnosed and, through the application of a variety of corrective measures, the system is again operating reliably. Although some service disruptions represent the normal growing pains of a new state-of-the-art system like the MDM/R, the IESO is committed to achieving the stable and reliable operation of the MDM/R at increasing volumes.

With the actions already taken, additional plans in motion, and with the support of the LDCs, we are confident that the MDM/R will continue to adequately support LDC enrolment and the implementation of TOU billing under the Board's TOU mandate.

The deployment of EnergyIP R7.0 to the production system was delayed until early March to allow sufficient time for additional defect corrections and testing by LDCs. LDC regression testing is progressing well.

Smart Metering Entity (SME) Governance and SME License

On November 15, 2010, the Ontario Energy Board (OEB) issued a Procedural Order in which it ordered the IESO to either file evidence to seek a permanent SME license or provide more sufficient rational for the need to extend the temporary license.

On November 30, 2010, the IESO filed a written submission with the OEB. In its submission, the IESO stated that in September 2010, it signed a Memorandum of Understanding with the Electricity Distributors Association around the transition of SME governance to the LDC industry.

Following a second procedural order and comment period, the OEB granted the IESO a license as the SME for a five year period ending January 26, 2016. The OEB advised that the next hearing on an SME licence should be triggered by actual events when they occur. The OEB noted that if a new entity becomes designated as the SME before the five year term expires, that new entity may apply for a licence at that time. If the IESO will no longer be an SME, the IESO could request to have its licence cancelled.

The MDM/R Operations Working Group, representing the LDCs in and soon to be in production with the MDM/R, has met on four occasions and is providing valuable input in the operation of the MDM/R.

LDC Schedule and Status for Interfacing with the MDM/R

Thirty LDCs are actively testing with the MDM/R, with most of the remaining LDCs in various stages of preparations to integrate with the MDM/R.

Many LDCs have made significant schedule changes to their planned testing and enrolment activities. These changes have resulted in many of their enrolment testing schedules slipping from Q1 2011 to Q2 2011. The IESO is continuing to work with LDCs to support their enrolment activities.

LDC Support and Training Requirements

The IESO continues to make resources available to LDCs in support of their time of use implementation plans.

The IESO on boarded a new trainer to the team who comes with significant MDM/R project management experience. The trainer provides additional capacity if needed to enroll more LDCs at a time than originally planned.

The IESO added resources to the Quality Assurance team to provide additional capacity to respond to LDC support requests and testing of new releases of the MDM/R and the Measurement Canada solution.

The IESO implemented a new process and tool to enable more efficient response and resolution of LDC information and support requests. Feedback from the MDM/R Operations Working Group and production LDCs has been very positive.



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The IESO received requests from LDCs to increase the level of availability of the web services to support web presentation of consumption information to their customers. The IESO is working with IBM on the infrastructure and operations solution options to address these requirements.

The IESO continues to adjust our training and workshop session offerings to meet the needs of the LDCs. Training sessions on the use of the MDM/R's graphical user interface (GUI) are conducted both on-site at our facilities and at LDC facilities. Please refer to the SME website (<http://www.smi-ieso.ca/training>) for more details on training and the training calendar for the first half of 2011.

Audit of the MDM/R

PricewaterhouseCoopers (PwC) has completed an update to their audit of the design and operating effectiveness of MDM/R operations. The IESO has received an unqualified opinion for the audit period April 1, 2010 to November 30, 2010. The auditor's report indicates that the IESO's description of controls presented fairly, in all material respects, the controls the IESO and IBM had in place at the end of the audit period. In addition, the auditor's report states that the controls that were tested were operating with sufficient effectiveness to provide reasonable assurance that the control objectives were achieved during the audit period.

Measurement Canada

In December, the IESO contracted for the development and delivery of software to support the 2011 Measurement Canada solution requirements within the required timeframes, and for software to enable early LDC testing of the new billing interface.

The final session of the Cumulative Register Read Working Group (CRRWG) was held on January 19th to review the requirements and implementation schedule of the 2011 MC Solution. The materials for these sessions are posted on the SME website. Further work on the MC solution will be conducted through other existing forums. No technical issues were raised with the solution requirements. Actions have been instituted to mitigate schedule risk.

The IESO agreed to provide Measurement Canada with sample meter data so they could get a better quantitative understanding of how the various AMI technologies in the province behave with respect to differences between interval data, cumulative register reads and TOU billing quantities. The gathering of this data is underway with delivery to Measurement Canada targeted for early March.

The initial portions of the next release of EnergyIP (R7.2), required for the Measurement Canada solution, were delivered at the end of January and are being deployed on an internal system for initial IESO testing.