

Memorandum

To: Stakeholder Advisory Committee

From: Sorana Ionescu, Director, Smart Metering

Date: October 19, 2016

Subject: IESO Business Update – SME Licence Order Working Group

The IESO appreciates the discussions at SAC meetings as the Smart Metering Entity (SME) Licence Order Working Group works towards meeting the requirement outlined in the Ontario Energy Board's (OEB) Order dated January 26, 2016. This memorandum provides an update on the SME's work to date.

The SME filed a Licence Renewal Application with the OEB on September 30 seeking a 20 year term. As of October 1, 2016, ahead of the OEB's required date of January 1, 2017, the SME is able to receive from the LDCs the information required by the OEB's January 2016 licence renewal decision and order including: a) The postal code, b) distributor rate class, c) commodity rate class and d) occupant change data. Also included in the application, as required by the Decision, was the implementation plan for third party access to the data.

The SME, with support from the Working Group members, observers, advisors and the IPC has currently completed the analysis and development efforts for the additional data collection in the Meter Data Management/Repository (MDM/R), in compliance with all privacy laws, **in a manner that sufficiently renders the data as non-personal**, and has developed the Third Party Access Implementation plan which was appended to the SME Licence Renewal Application on September 30, 2016.

A multi-channel, comprehensive communication effort has been undertaken since March, to ensure that the wider audiences are aware of the OEB Order's implementation status and the future plans to bring Third Party Access to fruition. Working Group materials are posted on the IESO's Stakeholder Engagement website: <http://www.ieso.ca/Pages/Participate/Stakeholder-Engagement/Working-Groups/Smart-Metering-Entity-SME-Licence-Order-Working-Group.aspx>

Communications Channel	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017
Working Group Meetings	✓	✓	✓	✓	✓	-	✓	Oct 27	Nov 29	Dec 15	Jan 19
IESO Stakeholder Engagement Website		✓	✓	✓	✓		✓				
IESO Stakeholder Advisory Committee			✓			✓		✓			
IESO Webinars			✓	✓	✓						
IESO Province Wide LDC Event "Enhancing the Value of Data"							Sept 9				
EDA Website / eBlast		✓	✓	✓	✓	✓					
EDA LDC Surveys		✓				✓					
SSC Meetings and LDC Open Calls	✓			✓			✓				
MDM/R Technical Panel Meetings					✓						
GO LIVE Communication											

The SME Licence Order Working Group efforts focused on the two main work streams:

- I. Additional data collection and,
- II. Third Party Access implementation plan.

I. Additional Data Collection

Based on a recommendation from the IPC, the SME contracted with Privacy Analytics, Inc. (PAI); a renowned leader in re-identification risk assessments and data de-identification with years of experience operating in the world's most strict data compliance environments. During the first stage of engagement, PAI was responsible for:

- a) evaluating the risks of re-identification of the dwellings within the extended set of smart metering data that will be collected by the SME effective January 1st, 2017, and
- b) recommending any required changes to the MDM/R to protect the privacy represented in the data set. The outcome of this stage was to produce a detailed conceptual re-identification risk determination report, which was issued in June 2016.

Based on the Consultant's recommendations, the IPC's review and discussions with the Working Group, the IESO will implement the following data collection process:

- Collect the full (6 character) postal code
- Generalize the occupancy change date to just the year
- Collect the Distributor Rate Class and the Commodity Rate Class
- Mask the Premise Address and the City fields

To date, all but one LDC have confirmed their readiness to comply with the OEB Order and provide the additional data into the MDM/R by synchronizing the new data elements with the MDM/R Production environment, resulting in the following overall schedule:

- ✓ 7 LDCs in October 2016
- ✓ 40 LDCs in November 2016
- ✓ 20 LDCs in December 2016

The analytical applications of the newly added information into the MDM/R are envisioned to add value to the electricity system and customers, support regional/provincial planning, aid in the design of distribution rates and pricing programs and the subsequent assessment of the effectiveness of those programs, and the design and evaluation of new innovative energy programs, products and services that could enhance the customer experience and help Ontarians better manage their electricity costs.

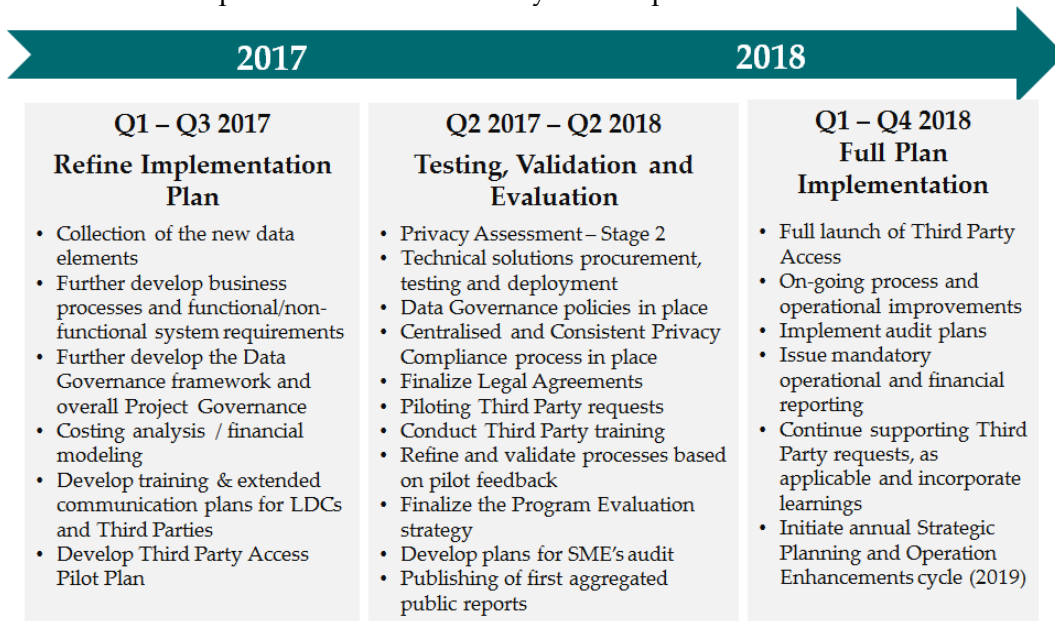
I. Third Party Access Development and Implementation Plan

To ensure a proper risk analysis for the wide range of organizations that are expected to request access to the data, PAI has further recommended the following dual approach to the analysis:

- a) complete a one-time Re-identification Risk Determination (RRD) Service of the smart meter data, using 6-months of the enhanced data set once it has been collected, and
- b) review and provide feedback on the IESO’s Third Party Access Framework to provide a de-identification strategy for each of the Recipient Scenarios which would need to be applied to the data set to ensure that the re-identification risk is "very small" for each intended class of recipient.

For privacy considerations, it is important to note that the data elements that would be made available for Third Party Access would be provided in a **generalized and/or aggregated format** based on the risk of re-identification as it relates to the data sample and the requester’s risk profile, following a consistent privacy compliance framework. This framework will be developed in consultation with the Privacy Consultant and the IPC in the coming months.

The timelines for the completion of the Third Party Access plan are shown below:



The designed processes and systems for Third Party Access will have no impact on the primary MDM/R services including the high service levels that the SME provides to the MDM/R service recipients. Furthermore, in implementing Third Party Access the SME will consider the use of existing systems and processes to achieve operational and cost efficiencies.

The IESO will continue to keep SAC updated on work progress and will solicit input at key moments of the Third Party Access plan development and implementation in 2017.