Canadian Solar Industries Association
L'Association des Industries Solaires du Canada

Suite 208-2378 Holly Lane
Ottawa, Ontario CANADA K1V 7P1

tel: 1-613-736-9077
1-866-5CANSIA
fax: 1-613-736-8938
e-mail:info@cansia.ca

www.cansia.ca

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Ontario Energy Board
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4

Attention: Board Secretary

Re: Reasonable rate to recover the costs associated with embedded generators having a nameplate capacity of < 10 kW, Board File No. EB-2009-0326

CanSIA RESPONSES TO VULNERABLE ENERGY CONSUMERS COALITION INTERROGATTOROES

The Proposal suggests that the costs to LDCs associated with billing, metering, administration and settlement will be minimal and should be socialized (page 2).

Question One

What is the basis for CanSIA's claim that these costs are minimal?

Response

It is CanSIA's understanding that LDCs routinely conduct meter change-outs and upgrades while often times the customer is not even aware of this service. It is CanSIA's understanding that electricity rate payers are not charged for the installation of other standard meters such as Smart Meters, thus CanSIA argues that adding an additional MicroFIT meter to a second socket and performing a simple calculation over a billing period is viewed as a minimal increase in activity and thus could happen along with other LDCs regular activities.

Question Two

If it is based on current circumstances, could this change as the number of microFIT generators locating in a particular LDC increases?

Response

It is CanSIA's belief that LDC costs associated with embedded generation (i.e. MicroFIT) will come down on average as the volume of projects increases.

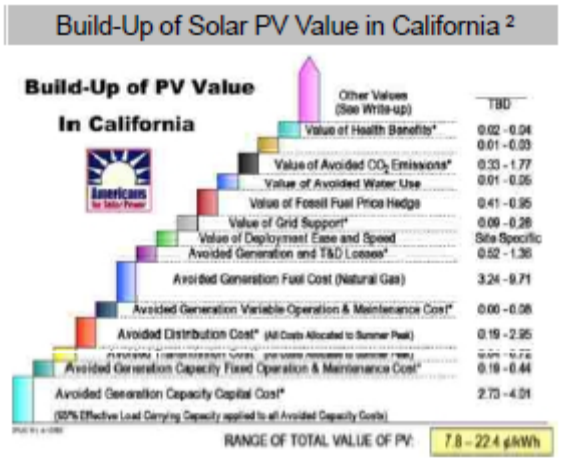
Question Three

In the event that the costs cannot be socialized under the current statutory framework (i.e., the GEGEA and Ontario Regulation 330/09), who should be responsible for these costs: the microFIT generator or the host distributor's rate payers?

Response

CanSIA is suggesting LDCs absorb these costs as part of their routine activities. This is also standard practice in terms of installing smart meters – as there is currently no charge to the consumer and also makes the electrical grid work more effectively and efficiently. The numerous benefits of distributed generation (i.e. MircoFIT Generation) to society are not in dispute. CanSIA argues there is a definite benefit to LDCs and rate payers to have MicroFIT and other embedded generation, because it will reduce their peak load generating costs and defers their need to increase transmission and distribution capacity. Ontario requires a large amount of peak power due to our use of air conditioners in the summer.

The graph below provides some evidence that there are substantial economic benefits to the implementation of PV power through embedded generation. This graph provides information from a U.S. perspective however the information can serve as a guide for all jurisdictions.

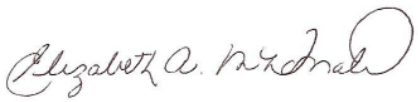


Source: "Build-up of PV Value in California". By Lori Smith Schell, PhD, Shirley Neff, Steve McClary. (Testimony), Americans for Solar Power before the California Energy Commission, San Francisco, California April 13, 2005.

CLOSING

CanSIA appreciates this opportunity to provide input regarding the OEB proceeding to determine a just and reasonable rate to recover the costs associated with embedded generators having a nameplate capacity of up to 10 kW and looks forward to working cooperatively with the OEB.

Yours Truly,



Elizabeth A. McDonald

President