

Key Issues Regarding RRFE: The Generator Perspective

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- I. **The Challenges: Outcome Based Regulation that Works for Customers (including Generators), Suppliers, Distributors, Transmitters.**
 1. Currently, the relatively low level of certainty, predictability, and assurance of rational transmission and distribution infrastructure investment on a regional level is seriously compromising development and timely generator connections.
 2. Generators and loads cannot make efficient and effective business and investment decisions as a result of uncertain and changing cost sharing and infrastructure models.
 3. First-in/free-rider problems and other unintended and perverse consequences result from current rules exacerbated by the potential for changing approaches to cost responsibility rules and the planning framework (which do not appropriately value overall network benefits).
 4. Current treatment of regulated generator assets may impede efficient and effective operation of the power market.

- II. **The Expectations: What the RRFE may Achieve**
 1. Stable and predictable conditions to support an appropriate investment pace for efficient development of infrastructure, including requisite generator connections for varied renewable and traditional sources of power supply (including thermal, hydro, solar, both roof-mounted and ground-mounted, wind, biomass, biogas, high efficiency cogeneration and small-scale CHP facilities connected to district energy systems).
 2. A nuanced approach to address the differences in sources of supply (addressing differences in fuel type and whether the generation asset is prescribed/regulated).

- III. **The Resulting Framework: Efficiency and Effectiveness for all Electricity Stakeholders:**
 1. Predictable conditions, and an effective and measured approach, in which to make the significant long-term investment decisions that are necessary for all customers (including generators), suppliers (including generators), transmitters and distributors.
 2. A robust, standardized framework for assessment of not only costs but sector-wide benefits in the determination of critical infrastructure investment decisions.

This material has been submitted by APPrO, the Association of Power Producers of Ontario, after consultations amongst six generator associations (CanWEA, the Canadian Wind Energy Association, OWA, the Ontario Waterpower Association, CanSIA, the Canadian Solar Industries Association, the Biogas Association, and CDEA, the Canadian District Energy Association.) Contact for further information: jake.brooks@appro.org

Without prejudice