



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2018-0227

HYDRO ONE REMOTE COMMUNITIES INC.

Application for a Licence Amendment

BY DELEGATION, BEFORE: Brian Hewson
Vice President
Consumer Protection & Industry Performance

November 15, 2018

DECISION AND ORDER

Hydro One Remote Communities Inc. (HORCI) filed an application on August 23, 2018 under section 74 of the *Ontario Energy Board Act, 1998* (OEB Act) for an order of the OEB granting HORCI an amendment to its electricity distribution licence ED-2003-0037. The amendment seeks an exemption from the requirements under sections 2.1.5, 2.1.14(a), (b), (c) and 2.1.14.1 of the Electricity Reporting and Record Keeping Requirements (RRR) and Section 6.7.2 of the Distribution System Code (DSC).

This Decision and Order is being issued by the Delegated Authority without holding a hearing pursuant to section 6(4) of the OEB Act.

HORCI has applied for the exemption from the above mentioned sections of the RRR and section 6.7.2 of the DSC to reflect certain statutory exemptions that apply to HORCI and its unique operating circumstances. The relevant sections of the DSC and RRR are reproduced in Appendix A.

HORCI has applied for exemption from section 2.1.5 of the RRR due to its unique operational environment, extremely low customer density and absence of an integrated transmission system, which makes its operations unique and not comparable to that of other distributors. In addition, HORCI has stated that given it is exempt from section 70 (2) of the OEB Act and its rates are set under rules established under the Rural or Remote Electricity Rate Protection (RRRP) regulation (O. Reg. 442/01), the data is not required by the OEB.

Sections 2.1.14(a), (b), (c) and 2.1.14.1 of the RRR require electricity distributors to provide information on net metering and embedded generation. HORCI has applied for exemptions from these sections of the RRR and section 6.7.2 of the DSC since it is exempted section 2 (1) of the Ontario Regulation 541/05¹ from the requirements to allow the eligible generator to convey electricity into the distributor's distribution system for a credit on a net metering basis.

¹ O. Reg. 541/05: NET METERING under the OEB Act
Section 3. (1):

Subsection 2 (1) does not apply to the following types of distributors:

1. A distributor that distributes electricity solely in a community listed in Ontario Regulation 199/02 (Hydro One Inc.) made under the *Electricity Act, 1998*.

The OEB finds that the reasons provided by HORCI are sufficient to support the applicant's request for exemptions from the requirements set out in sections 2.1.5, 2.1.14(a), (b), (c) and 2.1.14.1 of the RRR and section 6.7.2 of the DSC. After considering the application, the OEB finds it to be in the public interest to grant the requested amendment.

IT IS ORDERED THAT:

1. Hydro One Remote Communities Inc.'s electricity distribution licence ED-2003-0037, specifically Schedule 3 of the licence, is amended to reflect an exemption from the requirements of sections 2.1.5, 2.1.14(a), (b), (c) and 2.1.14.1 of the Electricity Reporting and Record Keeping Requirements and section 6.7.2 of the Distribution System Code.

The amended licence is attached to this Decision and Order.

DATED at Toronto November 15, 2018

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

APPENDIX A

Distribution System Code

6.7.2 A distributor shall, upon request, make net metering available to eligible generators in its licensed service area in accordance with the Net Metering Regulation, on a first-come first-served basis, unless the cumulative generation capacity from net metered generators in its licensed service area equals one percent of the distributor's annual maximum peak load for the distributor's licensed service area, averaged over three years, as determined by the Board from time to time.

Electricity Reporting and Record Keeping Requirements

2.1.5 A distributor shall provide in the form and manner required by the Board, annually, by April 30, the information set out in sections 2.1.5.1 to 2.1.5.6 related to performance based regulation for the preceding calendar year.

2.1.14 A distributor shall provide in the form and manner required by the Board, annually, by April 30, the following net metering and embedded generation information for the preceding calendar year:

- a)** Number of net metered generators (as defined in section 6.7.1 of the Distribution System Code) by renewable energy source;
- b)** Total installed capacity (kW) of net metered generators by renewable energy source;
- c)** Total installed capacity (kW) of storage devices used by net metered generators by renewable energy source;
- d)** Number of embedded generation facilities connected to the distributor's distribution system, excluding those counted in (a) above; and
- e)** Total installed capacity (kW) of the embedded generators referred to in (d) above.

2.1.14.1 A distributor shall provide in the form and manner required by the Board, annually, by April 30, the annual maximum peak load (kW) for the distributor's licensed service area that is used to calculate the distributor's maximum "cumulative generation capacity from net metered generators" (as described in section 6.7.2 of the Distribution System Code). The information provided must be for the preceding three calendar years.