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August 23, 2019

**VIA RESS AND COURIER**

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Distributed Energy Resources Connections Review Initiative  
Board File No.: EB-2019-0207**

We are counsel to the Association of Power Producers of Ontario (**APPrO**). Please find enclosed APPrO's Notice of Intervention requesting participant status and cost eligibility in the above-noted proceeding.

Sincerely,

A handwritten signature in black ink that reads "Jonathan McGillivray". The signature is fluid and cursive, with the first name being particularly prominent.

Jonathan McGillivray

cc. All Participants in EB-2019-0207  
All Licensed Electricity Distributors and Transmitters  
All Other Interested Stakeholders  
David Butters and Jake Brooks, APPrO

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O. 1998, c. 15, Sched. B, as amended;

**AND IN THE MATTER OF** the initiative to review the  
Ontario Energy Board's (the **Board's**) requirements in  
regard to the connection of distributed energy resources  
(**DERs**) by licensed electricity distributors.

**EB-2019-0207**

**NOTICE OF INTERVENTION & REQUEST FOR COST ELIGIBILITY  
OF  
ASSOCIATION OF POWER PRODUCERS OF ONTARIO  
(APPrO)**

**August 23, 2019**

**A. Application for Intervenor Status**

1. The Association of Power Producers of Ontario (**APPrO**) hereby requests status to participate in the Board's initiative to review its requirements in respect of the connection of DERs by licensed electricity distributors (the **DER Connections Review**). The purpose of the DER Connections Review is to identify barriers to the connection of DERs and standardize and improve the connection process where appropriate. It will focus on connection of electricity generation and storage facilities to the distribution system, either in front of or behind the distributor's meter. This notice of intervention is filed pursuant to Rule 22 of the Board's *Rules of Practice and Procedure*, including Rule 22.05, and the Board's letter dated August 13, 2019.

**B. APPrO and its Interest in the Proceeding**

2. APPrO is a non-profit organization representing a wide range of organizations active in the Ontario electricity industry. APPrO members own and/or operate a large number of facilities which collectively produce more than 90 per cent of the electricity generated in Ontario. APPrO's generator members produce electricity from clean and renewable resources including nuclear, co-generation, hydro-electric, natural gas, wind, wood waste, and solar energy. APPrO's membership is not limited to electricity generators. It also includes fuel suppliers and marketers, contractors, equipment suppliers, consultants, local distribution companies, legal services providers, financial organizations, and customer service providers. APPrO's mission is to achieve an economically and environmentally sustainable electricity sector in Ontario that supports the business interests of electricity generators, ratepayers, and the provincial economy.
3. APPrO members are customers of transmission and distribution utilities in Ontario, and many have current distribution connection applications in development or underway. APPrO members often experience challenges associated with building and operating distribution connections, including DER connections. These challenges can in many cases be mitigated or worsened as a consequence of the business models adopted by distributors in response to prevailing rules and technical requirements outlined in the Distribution System Code.
4. APPrO has been an active, Board-approved, cost eligible intervenor in several Board proceedings, including the Board consultation on Rate Design for Commercial Industrial

Customers (EB-2015-0043); the Board's consultation process regarding proposed amendments to the Distribution System Code associated with connection cost responsibility of renewable generation (EB-2009-0077); the Board's consultation process to examine its policies regarding cost responsibility for generation and load connections to transmission systems (EB-2008-0003); the Post-2020 DSM Framework Consultation (EB-2019-0003); DSM Mid-Term Review (EB-2017-0127/EB-2017-0128); Enbridge's 2014-2018 IRM Proceeding (EB-2013-0459); Union's application for an order or orders approving a one-time exemption from its approved rate schedules to reduce certain penalty charges applied to direct purchase customers who did not meet their contractual obligations (EB-2014-0154); Union's 2013 Rebasing Proceeding (EB-2011-0210); Union's 2014-2018 IRM Proceeding (EB-2013-0202); and Union's and Enbridge's applications for approval of their 2015-2020 DSM plans (EB-2015-0029/EB-2015-0049) and many others. APPrO has participated similarly in numerous electricity hearings (e.g., transmission project development planning, transmission and distribution cost responsibility proceedings, RRFE). APPrO is also an active participant in the Utility Remuneration and Responding to DERs consultation (EB-2018-0287/EB-2018-0288) with which the DER Connections Review will be coordinated.

5. APPrO has a direct and substantial interest in the DER Connections Review in that its members are directly affected by the Board's approach to DER connections. APPrO has a substantial interest in the DER Connections Review, including insofar as it addresses barriers to the connection of DERs, standardizing and improving the connection process where appropriate, and connecting electricity generation to the distribution system. APPrO will also address the benefits of sector transformation related to embedded generation, DERs, and DER connections. Electricity producers, along with their essential business partners and thermal hosts, will be materially affected by the outcome of this proceeding.

**C. Nature and Scope of APPrO's Intended Participation**

6. APPrO intends to be an active participant in the DER Connections Review and will act responsibly to coordinate with other intervenors where common issues may arise and be otherwise addressed. APPrO otherwise intends to participate actively in order to provide comments, test evidence in accordance with the stipulated processes and timelines, and provide argument/submissions. It reserves the right to adduce evidence should the Board's procedures provide for same.

**D. Costs**

7. APPrO is both cost award eligible and should be granted cost award eligibility in accordance with sections 3.03(a), 3.03(b), 3.04(d), 3.06, and 3.07 of the Board's *Practice Direction on Cost Awards* (the **Practice Direction**) on the grounds that:
- (a) APPrO primarily represents electricity producers that are consumers of services that are regulated by the Board. Electricity producers, including those providing DERs, make significant payments to electricity utilities for services ranging from connection costs to impact studies, including rates and charges for distribution services, maintenance costs for specified equipment, communication fees, and payments for 'forced' upgrades when a utility upgrades its systems.<sup>1</sup> APPrO should therefore be afforded cost eligibility in accordance with section 3.03(a) of the Practice Direction.
  - (b) APPrO represents the DER and distributed generation policy perspective that is relevant to the Board's mandate set out in section 1 of the *Ontario Energy Board Act*, as amended, including as it relates to customer protection, efficiency, and innovation. APPrO should therefore be afforded cost eligibility in accordance with section 3.03(b) of the Practice Direction.
  - (c) APPrO's members are electricity producers and DER providers that make significant payments to electricity utilities for Board-regulated services. In the context of the DER Connections Review, APPrO's members are not commercial entities that are primarily representing their own commercial interests. APPrO is a non-profit industry association representing members that are consumers of Board-regulated services. Further, and as a result of the DER connection trend that the DER Connections Review expressly sets out to address, some of APPrO's members are "prosumers" in the electricity sector. In an era when consumers can realistically install load management, storage, and distributed generation equipment on their side of the meter, it is no longer appropriate to maintain an inflexible distinction between consumers and producers. A greater number of customer types now exists, and their participation in regulatory processes such as the DER Connections Review should be facilitated. APPrO respectfully submits

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<sup>1</sup> This list provides only a partial sample. A complete list is available upon request.

that facilitating reduced customer costs and increased choice through distributed generation resources constitute factors relevant to the public interest in the Proceeding and support APPrO's request for cost eligibility in accordance with section 3.04(d) of the Practice Direction.

- (d) APPrO's members moreover include DER providers, including embedded and other distributed generators, that are customers of the distributors that are directly in issue in the DER Connections Review. The Board has previously expressly determined that generators are customers of distributors, who (for cost award purposes) are considered to be the applicants in the context of a consultation.<sup>2</sup> The Board should not depart from its past practice in this respect and APPrO should therefore be afforded cost eligibility in accordance with section 3.06 of the Practice Direction, and notwithstanding any determination that would otherwise be made pursuant to section 3.05.
- (e) Finally, the DER Connections Review raises unique and unprecedented issues and impacts affecting both electricity distribution system benefits and rate mitigation for embedded or other generation customers. APPrO submits that these impacts and the rapid integration of potentially beneficial DERs constitute special circumstances that warrant a finding that APPrO should be afforded cost eligibility in accordance with section 3.07 of the Practice Direction.

- 8. APPrO is moreover not proposing simply to represent its members' interests. APPrO proposes, as it has demonstrated in past proceedings, to make the case for improvements in regulatory policy that will benefit all rate payers, by bringing to bear public interest insights, experience, and expertise that arise from the policy perspectives of its members in their capacity as consumers of Board services. APPrO therefore respectfully requests that the Board afford APPrO cost eligibility in the DER Connections Review.

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<sup>2</sup> EB-2015-0043, Decision on Cost Eligibility (July 16, 2015), p. 2, available online at: <http://www.rds.oeb.ca/HPECMWebDrawer/Record/487076/File/document>. See also EB-2009-0077, Decision on Cost Eligibility (June 29, 2009), pp. 2-3, available online at: <http://www.rds.oeb.ca/HPECMWebDrawer/Record/132691/File/document> and EB-2008-0003, Decision on Cost Eligibility (July 29, 2008), pp. 2-3, available online at: <http://www.rds.oeb.ca/HPECMWebDrawer/Record/73158/File/document>.

**E. APPrO's Representatives**

9. APPrO hereby requests that further communications with respect to the DER Connections Review be sent to the following:

**Association of Power Producers of Ontario**

67 Yonge Street, Suite 1040  
Toronto, ON M5E 1J8

Attention: David Butters, President and CEO  
Telephone: 416-322-6549  
Email: [david.butters@appro.org](mailto:david.butters@appro.org)

Attention: Jake Brooks, Executive Director  
Telephone: 416-322-6549  
Email: [jake.brooks@appro.org](mailto:jake.brooks@appro.org)

AND TO ITS COUNSEL

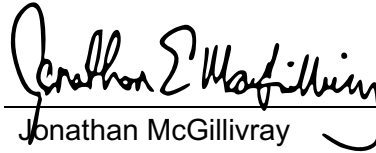
**DeMarco Allan LLP**

Bay Adelaide Centre  
333 Bay Street, Suite 625  
Toronto, ON M5H 2R2

Attention: Lisa (Elisabeth) DeMarco  
Telephone: 647-991-1190  
Facsimile: 1-888-734-9459  
Email: [lisa@demarcoallan.com](mailto:lisa@demarcoallan.com)

Attention: Jonathan McGillivray  
Tel: 647-208-2677  
Facsimile: 1-888-734-9459  
Email: [jonathan@demarcoallan.com](mailto:jonathan@demarcoallan.com)

ALL OF WHICH IS RESPECTFULLY  
SUBMITTED THIS  
23<sup>rd</sup> day of August, 2019.

A handwritten signature in black ink, reading "Jonathan McGillivray". The signature is written in a cursive style with a large initial 'J' and a long, sweeping underline that extends to the right.

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Jonathan McGillivray  
DeMarco Allan LLP  
Counsel for the Association of Power  
Producers of Ontario