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September 16, 2019

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Our File No. 194155

**VIA RESS, EMAIL AND COURIER**

Ontario Energy Board  
2300 Yonge Street  
27th Floor  
Toronto, Ontario  
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Attention: Kirsten Walli,  
Board Secretary

Dear Ms. Walli:

**Re: EB-2019-0207: OEB, Distributed Energy Resources Connections Review Initiative**

Please find enclosed herewith BOMA's comments on the Board's letter dated August 13, 2019.

Yours truly,

**FOGLER, RUBINOFF LLP**

Thomas Brett

TB/dd

Encls.

cc: All Parties (*via email*)

**ONTARIO ENERGY BOARD**

**Distributed Energy Resources Connections Review**

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**Comments on the Board's Letter dated August 13, 2019 of  
Building Owners and Managers Association, Greater Toronto ("BOMA")**

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September 16, 2019

**Tom Brett**  
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**Counsel for BOMA**

BOMA is pleased that the Ontario Energy Board ("OEB") is commencing a review of connection of distributed energy resources ("DER"). While BOMA understands that the purpose of this initiative is to identify any barriers to the connection of DER, BOMA does not agree that the objective should be to simply standardize the connection process, or even to focus only on the distribution connection process for distributed electricity generation and storage facilities, either in front or behind the distributor's meter.

Distributed energy resources are site-specific, dependent upon site-specific synergies and resource availabilities. BOMA understands that there is a parallel process to investigate how to enable DER in Ontario (Responding to Distributed Energy Resources EB-2018-0288). That initiative will address broader policy questions regarding the value of DER and new DER services. BOMA, respectfully, points out that these are not separate issues, and it is insufficient that connection review will be co-ordinated with the Responding to Distributed Energy Resources consultation, or be separated from the issues of bypass charges, connection charges, and ensuring that Ontario has the ability to deploy DER fully, for reasons that go far beyond technical issues and timelines.

BOMA has no doubt that the OEB has heard from customers, DER providers, industry associations, and distributors, regarding the challenges and barriers in relation to the connection of DER, but those concerns are limited to the connections process.

BOMA understands that customers and DER providers are concerned that the lack of clear rules and uncertainty of definitions is leading to lost opportunities due to connection delays and added costs. DER providers and customers have expressed concern that these challenges and barriers are inhibiting the adoption of cost saving energy management technologies in Ontario. BOMA also understands that electricity distributors have raised questions about the impact of these

technologies on their systems, and the lack of clarity regarding the treatment of these new technologies. BOMA agrees that the lack of clear rules and distributors' limited experience with DER have led to very different approaches to the connection of DER in different service areas. To sum up, stakeholders have expressed concerns that the rules regarding the timeframes and cost responsibility for connections are unclear, and that technical requirements are undefined. These issues were also identified by the Advisory Committee on Innovation in its Report to the OEB. However, BOMA suggests that the proposed solution of standardization is limited with respect to developing DER.

BOMA recognizes that the current rules and technical requirements, outlined in the Distribution System Code, as they relate to the connection of DER, were developed several years ago. Since the last review of these requirements, there has been a significant shift in desire for both customers and distributors to increase and improve the adoption of DER, and forward-looking local governments also understand the importance of DER to dealing with emergency situations.

BOMA agrees with OEB staff's view that it is apparent distributors have varying experience with DER; some have adopted a conservative approach to the connection process, and the adoption of different approaches has led to delays, and acts as a barrier to Ontario taking full advantage of the benefits of DER. BOMA shares OEB staff's concern that the lack of clear regulatory requirements is inhibiting these new technologies, customers' opportunities to use these technologies to manage energy use and costs, as well as Ontario's ability to benefit from the development of DER, not only for electricity supply, increased efficiency and resource conservation, but an important tool to improve resiliency in the face of ever-increasing climate-related crises. As BOMA members house many, or perhaps all, of the most important financial institutions in Canada, this is a critical issue.

BOMA disagrees with the OEB's view that consistency is required across Ontario, except in terms of policy direction and principles with respect to cost responsibility and timelines. BOMA is also concerned that in the case of technical requirements, a degree of standardization and consistency may not be appropriate, as they would freeze the DER connection process rather than evolve it. BOMA disagrees with proceeding with developing additional regulatory requirements, where appropriate to standardize the connection process, while ensuring reliability on the distribution system and fairness to customers in terms of cost sharing.

Above, BOMA has stated its concern with the OEB's proposed "additional regulations" approach:

- The need for standardization and clarity of definitions, terminology and regulatory rules in respect to DER
- The need for clear rules regarding cost responsibility for connection of DER to ensure fairness to DER customers and all other customers of the distributor
- More detailed and comprehensive timelines for the connection process to ensure the timelines are well understood
- Appropriate standardization of connection technical requirements.

BOMA's responses to the questions in the OEB staff letter follow:

- Are the objectives for the DER Connections Review initiative clear?
  - They are clear, but inappropriate.
- Have staff identified the right topics for the DER Connections Review, and do stakeholders have any specific concerns that they want to identify?

- There are many more, and more important topics such as ownership of the generation or storage resources; the ability for customers with locally geographic synergies (needs for heat and power), enabling links to customers who may not have balanced needs for heat and power to benefit from proximity; the ability for generation and storage to become fungible commodities. It is time to stop using the “crossing a public street” test as the limit on DER development and use.
- Are there any proposed solutions that stakeholders wish to identify at this point?
  - Any proposed solutions within this narrow scope of work are premature and would be ill chosen.
- What is the best approach for development of solutions to the issues identified?
  - Merge the policy and technical process, or solve the policy matters before technical matters negate solutions.

**\*ALL OF WHICH IS RESPECTFULLY SUBMITTED\***