

Aiken & Associates

578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624
E-mail: randy.aiken@sympatico.ca

Sept. 16, 2019

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

Dear Ms. Walli,

RE: EB-2019-0207 – Distributed Energy Resources Connection Review Initiative - London Property Management Association Comments on Questions Identified in OEB Letter Dated August 13, 2019

These are the comments of the London Property Management Association (“LPMA”) on the issues and questions in the Proposed Approach section of the Ontario Energy Board (“Board”) letter of August 13, 2019 Re: Distributed Energy Resources Connections Review Initiative.

LPMA understands that this initiative is focused on addressing connection process timelines, connection cost responsibility matters and technical connection requirements both for the distribution system and any requirements of transmitters for connection Distributed Energy Resources (“DER”). Broader policy questions regarding the value of DERs and new DER services are being dealt with through the EB-2018-0288 initiative.

LPMA supports the development of a competitive market for DER and DER services. In order for a competitive market to exist and thrive, the rules must be known by all parties involved, otherwise there will be barriers to entry and to expansion within the market.

ISSUES

LPMA generally agrees with the high level issues identified by Board staff. The following are brief comments on each of these issues.

- The need for standardization and clarity of definitions, terminology and regulatory rules in respect to DERs

In order for a competitive market to evolve and flourish in the province, there needs to be a level of basic standardization and clarity with respect to definitions, terminology and regulatory rules with respect to DERs. All parties must be on the same page and not wasting time debating who means what.

There are a lot of technical aspects associated with the connection of DERs to the grid system. Standardization (where appropriate and possible) and clarity of definitions and terminology across all distributors would enable DER providers to deal with multiple distributors without having to start at square one to figure out what one distributor means using their terminology which is different from the terminology used by another distributor. Similarly, distributors would be in a better position to deal with multiple DER providers if the providers used the same terminology and definitions as one another.

- The need for clear rules regarding cost responsibility for connection of DERs to ensure fairness to DER customers and all other customers of the distributor

LPMA supports the development of an aid-in-construction type of analysis that would be applied across the province to ensure fairness to both DER customers and all other customers of the distributor. Again clear rules are needed to remove any impediment to the development of a robust competitive market for DER and DER services.

The Board should also consider the size of the DERs with respect to cost responsibility for connections. DERs are likely to vary significantly in size and connection costs may also vary significantly. Similar to the various customer rates ranging from residential to large users, the Board should consider multiple rate/connection classes for DERs.

- More detailed and comprehensive timelines for the connection process to ensure the timelines are well understood

LPMA believes this issue is important, but should not be standardized across all distributors. Timelines may vary by distributor for appropriate reasons. While it believes that the timelines should not vary widely by distributor, LPMA believes it is more important to focus on detailed and comprehensive timelines within a distributor. The timelines should not only be well understood by the distributor and by the potential DER and DER service providers, but there should be a level of accountability by the distributor. As noted below, LPMA supports the introduction of a scorecard metric for distributors to meet with respect to the timelines for the connection process.

- Appropriate standardization of connection technical requirements

LPMA believes standardization is critical for a competitive market to flourish in the province. This standardization should enable manufacturers to compete with one another on an equal footing. It should enable distributors to compete with one another to attract and retain needed DER and DER services.

However, LPMA believes that the word ‘appropriate’ is key in the above issue. There may well be circumstances where pure standardization is not the best option. The Board should be careful not to impose standardization to the point where it becomes an impediment to a party that is providing or receiving DER and/or DER services.

Additional Issues

As noted above, LPMA believes that the establishment of a scorecard metric associated with the connection of DERs is appropriate and is needed to ensure that distributors follow the timelines that may be implemented by the Board. There should be penalties for failing to meet the assigned metrics.

QUESTIONS

- Are the objectives for the DER Connections Review initiative clear?

The Board has identified the high level objectives with respect to the DER Connections Review initiative of developing additional regulatory requirements where appropriate to standardize the connection process while ensuring reliability of the distribution system and fairness to customers in terms of cost sharing.

LPMA believes that these objectives, while general and broad in nature, are clear. It may be the case that as the initiative goes forward, more specific objectives may be needed. However, at this point, LPMA believes that the general objectives are clear and sufficient to start with.

- Have staff identified the right topics for the DER Connections Review and do stakeholders have any specific concerns that they want to identify?

While staff have identified a number of topics for the DER Connections Review, it is not clear to LPMA that they have identified all of the relevant topics. LPMA expects that the working group(s) proposed by the Board will provide a more exhaustive list of topics for the Board to consider, given the experience that will be brought to the working group(s) from distributors and DER providers. It is likely that more topics will be identified as the parties work through the technical details associated with DER and DER services.

- Are there any proposed solutions that stakeholder wish to identify at this point?

LPMA believes it is too early in the process for proposed solutions. Until the specific problems have been clearly and concisely described, any proposed solutions may be too general in nature and of limited value at this time. Given the technical nature of many of the issues identified to date with respect to DER connections, specific solutions will be needed for specific problems. It is always better to know what the specific problems are before solutions are sought. Solutions in search of a problem are usually a problem in themselves.

- What is the best approach for development of solutions to the issues identified?

In the view of LPMA, the best approach for the development of solutions to the issues identified – and to any other issues that may arise – is through a combination of working groups and Board processes.

With respect to the more technical aspects of connecting DERs to the grid and coming up with standardized definitions and clarity of terminology, LPMA believes that technical working groups should be formed with equal representation from distributors and potential DER providers. Board staff would also be part of the working group and the Board may also want to include representation from ratepayer groups. This working group should report back at regular intervals to all parties in the process with respect to the progress being made.

Similarly, with respect to the regulatory rules and the rules regarding cost responsibility, LPMA believes that a second working group should be formed, made up of equal representation from distributors and ratepayers. Board staff would also be part of this working group and the Board may also want to include DER providers to help with the more technical matters that may arise that would have an impact on regulatory rules and/or rules regarding cost responsibility. Again this working group should report back at regular intervals to all parties in the process with respect to the progress being made.

Following the conclusion of the working group efforts, LPMA submits that Board staff would put together a working paper describing potential solutions to the issues identified. The Board should then hold a series of technical conferences to deal with questions and ensure understanding by all parties involved. Given the technical nature of many of the issues associated with the connection of DERs and DER services, LPMA believes that such technical conferences would be invaluable to parties.

Following the technical conferences, the Board could determine future steps that would be necessary, appropriate or useful.

Sincerely,

Randy Aiken

Randy Aiken

Aiken & Associates

Consultant to London Property Management Association