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## WATERLOO NORTH HYDRO INC.

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September 13, 2019

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
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**Attention: Ms. Kirsten Walli, Board Secretary**

Dear Ms Walli:

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

Pursuant to the OEB's letter of August 13, 2019, Waterloo North Hydro Inc. (WNH) is providing high level comments and feedback in response to the questions listed in relation to Distributed Energy Resources Connections Review Initiative, EB-2019-0207.

WNH has actively participated in the submission by the Electricity Distributor's Association (EDA) on this file and supports its recommendations and comments. In addition to the EDA submission, WNH would like to provide the following comments:

WNH would like to caution the OEB and the greater Ontario Energy Sector on the reliance of DERs to manage future capacity needs. At some point there is a limit to the quantity of DERs that can be present and relied on in the distribution system. WNH foresees that the distribution system will need to continue to be invested in using traditional construction and planning that it has seen for over a century.

WNH notes that in order to proceed effectively and with industry support from LDCs, the funding mechanism to ensure full cost recovery of the distribution system must be tested, finalized and implemented in a timely manner. This will ensure that customers will understand the full cost of their investments as well as will ensure LDCs are able to manage their businesses effectively including the reduction of stranded assets and unfair costs to the remaining customer base.

Lastly, WNH would like to reference the OEB's letter dated July 17, 2019 which outlined the various stakeholder engagement opportunities related to this file. In Attachment A to the letter it provided OEB staff's key takeaways from initial stakeholder feedback. Under point 3 it listed the priority issues including the following:

- Modernize the connection process and requirements
- Clarify the role of distributors with respect to DERs
- Establish tools and approaches to co-ordinate and optimize DERs
- Support consistent valuation of costs and benefits

This first request for response appears to address point 1. WNH is looking forward to continuous involvement and stakeholdering for the remaining points as these are very important components to the overall process and should not be overlooked.

Yours truly,

***Original Signed By***

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