



September 16, 2019

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

Dear Ms. Walli:

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

This letter of comment is in response to the Ontario Energy Board (the “OEB”) letter issued on August 13th, 2019 which formally commenced a province wide initiative to review the requirements in regard to the connection of distributed energy resources (DERs) by licensed electricity distributors (DER Connections Review).

In its letter, the OEB provided to LDCs an overview of four issues which are to be considered in the DERs Connection Review initiative and the OEBs approach to addressing the issues. Synergy North Corporation would like to elaborate on the overview of these barriers and provide more information to support the development of solution recommendations.

Synergy North Corporation (“Synergy North”) is a licensed electricity distributor which was recently established through an amalgamation of its predecessor companies Thunder Bay Hydro and Kenora Hydro on January 1st 2019 and serves over 55,000 customers in Northwestern Ontario. These customers are located in the geographic regions of Thunder Bay, Fort William First Nations, Keewatin and Kenora. Synergy North is pleased to provide the attached comments and consideration on behalf of its customers over all of its geographic locations for the “Distributed Energy Resources Connections Review Initiative”.

Synergy North appreciates the OEBs opportunity to provide comments on the DER Connections Review and respectfully requests that any subsequent action taken by the OEB be consistent with the comments set forth herein. Synergy North looks forward to remaining engaged in this consultation. Please direct any questions relating to this submission to Brittany Ashby (807) 343-1054 or bashby@synergynorth.ca.

Respectfully,

Brittany Ashby, BMGMT

Supervisor, Business & Regulatory Affairs
SYNERGY NORTH
34 Cumberland Street North
Thunder Bay, Ontario
P7A 4L4



Synergy North DER Connection Review Initiative Letter of Comment:

Synergy North has reviewed the OEB's four (4) high level issues posing barriers to DER adoption. This letter of comment addresses the barriers to connection of DERs and aims to provide insight that could result in appropriate standardization and improvements to the connection process across the province. Please see the points below for specific concerns that Synergy North would like to identify.

1. Application Standardization

Synergy North agrees with the OEB that the standardization of definitions, terminology and rules across Ontario's licensed distributors will ease the connection process for both utilities and the customers within the industry. Synergy North recommends that the OEB consider providing licensed distributors across the province with an updated standardized "DER template". The OEB should take into consideration that the multitude of forms provided individually by each LDC results in confusion among applicants working in multiple jurisdictions, and it would be beneficial to all stakeholders to standardize these forms across LDCs.

2. Terminology

Synergy North supports the OEB's suggestion to include a review of the DER terminology with particular emphasis and attention to the phrase "Offer to Connect". Synergy North has noted that the terminology "Offer to Connect" infers to generators that they are already approved and hold an offer to connect to the network. It has been the experience of Synergy North that the "Offer to Connect" stage of the process is misleading to its customers and is better described as an "estimate" to connect. This terminology results in customer confusion during the DER connection process as they are still required to submit customer information, meet technical requirements and provide their payment prior to an offer being presented from the licensed distributor. Synergy North requested that the OEB take time during its review for "terminology" during the DER review initiative to prevent miscommunication across the province to its stakeholders.

3. Cost Responsibility:

Synergy North agrees with the OEB that there is a province wide need for clearer definitions regarding cost responsibility for connections of DERs to ensure fairness between DER customers and the other rate class customers of the distributor. A strong emphasis throughout the DER connection review initiative should be given to generator cost responsibility (Gross Load Billing) across licensed distributors. Focusing on establishing cost responsibility definition would be beneficial for standardization of costs directly incurred by the generator versus costs allocated and spread amongst the rate payers and could prevent scenarios of cross subsidization and cost recovery. Synergy North believes that a defined set of standardized cost responsibility rules will be beneficial in the event that there are upgrades required to the distribution network in order to connect the generator which subsequently benefit other customers in the network. A discussion of possible cost sharing and direct cost allocation could be a topic for the DER Connections review.

4. Connection Timelines

Synergy North has experienced that there have been many concerns related to connection timelines. In both of Synergy Norths geographic regions, delays have occurred mainly due to incomplete or inaccurate applications. When the licensed distributor does not have completed applications, it is difficult to continue the process. It should be recognized that the allotted time does not begin until all information has been fully received and the application is considered “complete”. Efficiencies in the DER connection review can be gained during scenarios where the transmitter is also performing a Connection Impact Assessment (CIA) and they are completed in parallel. For these connections, Synergy North suggests that there should be additional time and circumstance considerations. Synergy North recommends that the OEB open consideration to amend the DSC for a timeline of “60 days” + “60 days” for two CIAs.

5. Technical Requirement

From Synergy Norths strict standpoint the standardization of technical requirements across Ontario will improve connection procedures for consultants working in multiple jurisdictions and promote efficiency. Care will need to be taken to consider regional IESO protection requirements (i.e. under frequency load shedding). In the current Distribution System Code, under subsection 6.2.1 it states that section 6.2 does not apply to load displacement generators. It is Synergy North’s experience these generators are still connected in parallel with the distribution network and must therefore follow all the same technical requirements as other generators. It is expected that the latest CSA 22.3 No. 9 should cover many technical requirements once it has been finalized.

One technical issue which a distributor experiences relates to the customer care of energy storage applicants, most licensed distributors are processing and treating these customers in a similar manner as other DERs. However, energy storage could be given special consideration as it will only be supplying energy during peak load hours and increase load during light loading hours by charging. Synergy Norths concern is that the devices have the capability of supplying generation at any time and generation at the minimum load should also have consideration.

Additionally, Synergy North requests that the OEB consider DER communication and monitoring requirements in its review. Communication and Monitoring requirements can vary greatly between licensed distributors; and Synergy North has observed this varying trend for even small sized DER projects.

Synergy North has identified one other possible technical requirement topic for DER Connection Review and this would be to consider a standardized approach to short circuit capacity management, aggregate effects of many small generators on passive anti-islanding systems and requirements for a visible open disconnect.



Conclusion:

In conclusion Synergy North finds the four issues for the DER connections review initiative to be clear, and would also agree that the OEB staff have identified the correct topics at a high level for the DER connections review as categorized and addressed above.

Synergy North considers the best approach for the development of solutions to be gathering stakeholders involved in the DER Connection process such as licensed distributors, and representatives from the IESO and the OEB to discuss the issues and potential barriers. Stakeholder Engagement is best used for standardization projects to fully understand the scope and challenges within the industry. Stakeholder Engagement also makes available more resources and if more data is required on any particular issues, then industry studies can be performed reasonably quickly. Synergy North has interest in participating in the potential OEB DER Connection Review working group to discuss these identified issues in depth and offer our companies perspective. Synergy North offers its assistance, and requests that the OEB direct any questions relating to this submission to one of the following:

Brittany Ashby, BMGMT
Supervisor, Business & Regulatory Affairs
SYNERGY NORTH
34 Cumberland Street North
Thunder Bay, Ontario
P7A 4L4
Phone: 807-343-1054
E-mail: BAshby@synergynorth.ca

Daniel Dillon, P. Eng
Distribution Engineer
SYNERGY NORTH
37 Front St.
Thunder Bay, ON
P7A 8B2
Phone: (807) 343-1037
E-mail: DDillon@synergynorth.ca