



**BY E-MAIL AND WEB POSTING**

November 18, 2019

To: All Licensed Electricity Distributors  
All Licensed Electricity Generators  
All Licensed Electricity Storage Companies  
All Other Interested Parties

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

## **Background**

On August 13, 2019, the Ontario Energy Board (OEB) issued a [letter](#) commencing an initiative to review its requirements in regard to the connection of Distributed Energy Resources (DERs) by the licensed electricity distributors (DER Connections Review). The letter identified high level issues for review and invited comments on those issues and any proposed solutions. Stakeholders were also asked for their views on the right approach to address these issues. This letter provides an overview of the comments received from stakeholders and outlines the next steps to address the issues.

As explained in the prior correspondence the DER Connections Review will focus on the technical requirements, process and cost related aspects of connecting new storage and generation to distribution systems, both in front of and behind the meter. Overall, stakeholders are very supportive of the DER Connections Review Initiative and expect that this initiative will address key challenges being faced by customers as they adopt storage and generation technologies. Most stakeholders indicated that there are ongoing issues regarding the DER connection requirements that need to be addressed in a timely manner.

Stakeholders supported engaging in discussion on the issues through a working group, with potential for sub-groups to address specific issues or topics. There was also indicated the need for coordination of this initiative with other policy initiatives, in particular the OEB's Responding to Distributed Energy Resources and Utility Remuneration policy consultations given the many related issues.

## Stakeholder Views on the Issues

The OEB received the responses from customers, vendors, industry associations, distributors, generators, environmental groups and regulatory bodies. Stakeholders were generally supportive of the DER Connections Review objectives identified in the OEB letter:

- The need for standardization and clarity of definitions, terminology and regulatory rules in respect to DERs
- 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
- More detailed and comprehensive timelines for the connection process to ensure the timelines are well understood
- Appropriate standardization of technical requirements for connections

Stakeholders want to focus on technical requirements, process issues and cost responsibility and provided the following key comments:

- Customers support the need for clear consistent rules and standardization of the connection process across the province. There is concern that the lack of clear rules and uncertainty of definitions is leading to lost opportunities due to connection delays and added costs.
- Customers and distributors are looking for clarity on cost responsibility rules to ensure fairness to DER customers and all other customers of the distributor.
- DER providers identified issues with definitions, terminology and regulatory rules in respect to connecting DERs.
- Distributors and DER providers are seeking clarity on technical requirements and appropriate standardization of technical requirements for connection.
- Distributors and DER providers are seeking solutions to reduce connection timelines and better define the connection process to ensure that the timelines are well understood by all stakeholders.

Additional issues proposed by stakeholders for consideration were the following:

- Establish appropriate incentives such as performance metrics on the Distributor scorecard with respect to facilitating DER connections.
- Include safety considerations as part of process and technical requirements.

## Next Steps

Stakeholders were generally supportive of establishing a working group given the technical nature of the DER connections issues. A few stakeholders suggested using a technical conference along with working groups as a way to involve a broader range of stakeholders. Several stakeholders also identified the ongoing work of several industry groups that could be both informative and assist in identifying solutions to the connections issues.

Based on the advice from stakeholders, OEB staff is proposing to form a working group. The working group will review the issues with the objective of developing a set of recommendations for the OEB's consideration. It is conceivable given the diverse issues that the working group may establish sub-groups to focus on specific issues; this is something OEB staff would like to discuss at the first meeting. OEB staff acknowledges the work of the industry groups identified by stakeholders and will be inviting these groups to participate in the working group. Appendix A lists stakeholders who have expressed an interest in participating in a working group. In keeping with stakeholders' view that there should be a broad range of views involved in the working group, other stakeholders may wish to join the working group and should respond to the request below.

Given the strong support for the need to address the connections issues and for the OEB to move forward on this initiative, OEB staff will hold initial meetings in December with the aim of finalizing recommendations in 2020. OEB staff expect issues may be addressed in stages and therefore recommendations for regulatory actions may be undertaken in stages to address consumer and industry concerns.

The initial meeting will be scheduled for December 4<sup>th</sup> 2019 at 9:30 a.m. at the OEB offices at 2300 Yonge Street in Toronto. A conference bridge will be provided for those not attending in person.

Stakeholders that intend to participate in the working group are requested to send a confirmation via e-mail to [Veronica.Mendes@oeb.ca](mailto:Veronica.Mendes@oeb.ca) no later than November 22nd, 2019 indicating whether they will attend in person or via teleconference.

## Cost awards

The OEB reminds participants that cost awards will be available in relation to participation in the working group. As determined in the OEB's September 10, 2019 Decision on Cost Eligibility, the maximum number of cost eligible hours per participant to prepare for, attend and report on working group meetings is up to 1.5 times the meeting time. The OEB reminds participants that only the stakeholders who have already been approved for cost eligibility can claim hours for the working group.

Questions about the DER Connections Review should be directed to Catherine Ethier at [Catherine.Ethier@oeb.ca](mailto:Catherine.Ethier@oeb.ca) or at 416-544-5155.

Yours truly,

*Original signed by*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance

## Appendix A

### DERs Connections Initiative (EB-2019-0207)

#### List of Stakeholders Who Expressed Interest in Participating in the Working Group \*

Advanced Energy Management Alliance  
Alectra Utilities Corporation Bruce Power  
Canadian Solar Industries Association  
CIMA +  
Clean Air Council  
Energy Probe Research Foundation  
Electrical Safety Authority  
Evolugen  
Hydro One Networks Incorporated  
Independent Electricity System Operator  
London Property Management Association  
Ontario Home Builders Association  
Ontario Sustainable Energy Association  
Ontario Society of Professional Engineers  
Pollution Probe  
Synergy North Corporation  
Waterloo North Hydro Incorporated.

\* based on comments received in response to the OEB's on August 13, 2019 [letter](#)