



City of Ottawa
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Ms. Christine Long
Board Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

February 17th, 2021

Re: Sector Evolution Consultations: Utility Remuneration (EB-2018-0287) and Responding to Distributed Energy Resources (EB-2018-0288)

Dear Ms. Long,

The City of Ottawa is pleased to have the opportunity to provide post stakeholder comments to the Ontario Energy Board following February 3rd meeting on Post Covid and Distributed Energy Resource (DER) impacts. We are particularly interested in all discussions in DERs as we see them as an avenue to meeting the targets of our community energy plan, Energy Evolution which was passed unanimously by Ottawa City Council on October 28th, 2020.

The City of Ottawa attended the first OEB meeting on DER's in September of 2019 because we see alignment between recognizing the value of DER's broadly and the City of Ottawa's climate change goals more specifically. Also, we wanted to convey the urgency of the need to help mitigate the climate emergency which by then had been recognized by both Ottawa City Council and Canada's Parliament.

Energy Evolution presents a fully integrated "most feasible" scenario for reducing greenhouse gas (GHG) emissions. Energy Evolution is based on urban growth planning and IESO forecasts and it details the requirements for energy conservation and efficiency, growth in renewable energy supply and fuel substitution required to meet our Council approved GHG emission reduction target and reduction timeline. The rigour and unique perspective of this energy planning process provides a useful dimension to discuss initiatives by other entities that work on energy transition and GHG emissions mitigation. This includes OEB's ongoing work on DER's and the most recent report by ICF which was discussed two weeks ago.

In ICF's report, we note that the amount of DER penetration in the high scenario is considerably less than what is called for in the Energy Evolution. Ottawa's per capita share of DER's from the high scenario of the ICF report would see installations of 120 MW of solar and 117 MW of storage by 2030 whereas the requirements identified in Energy Evolution are 574 MW and 310 MW respectively. It is also notable that the ICF report did not consider municipal energy plans as one of the policy adjustments factors in the study terms of reference.

Recommendations:

The discussion on DER's started with a common sense call to realize the hidden value in DER's. Momentum has understandably been lost with the pandemic, but it is vital to re-establish progress and we feel the following approach would be the most constructive:

- Allow stakeholders to take actions to encourage DER's when there is value in doing so. Do not make the threshold for determining value overly high. A practical threshold would be that of reasonable certainty as opposed to absolute certainty. Laudably, system planners are working to set up systems to evaluate wire vs. non-wire solutions for example. It would be a good approach to start with a simple framework that can later be improved. To take the time to study benefits in great detail basically endorses the status quo in the short and medium term. This would be unfortunate as the weight of the evidence continues to suggest that encouraging DER's is better than incurring delay.
- The DER mandate should include all forms of zero-emission DER's including wind and hydropower. The ICF paper only discussed solar and battery storage. Ottawa has vast rural areas and Energy Evolution requires that we consider wind and hydropower opportunities to meet our renewable energy generation targets.
- A specific comment in the ICF report suggested the grid supportive capabilities should be supported by the DER investor or operator. If this is the only option would reject the rigidity of such an approach. For example, if it's in a local distribution company perceives value in supplying or incenting the provision of a grid capability, they should have the latitude to act.
- Forge ahead as was suggested at the February meeting. Do not try to second guess the capacity of prospective stakeholders as this work is ongoing and has already taken a considerable amount of time. The City of Ottawa is ready to continue to support initiatives on DER's.
- Keep an eye out for unintended consequences. Although the City of Ottawa is imploring the OEB to move quickly, being alert to, planning and adjusting for unintended consequences is important. An example might be in the standardization of the process for grid connection assessments (when

required). We do not want a standardized approach to be overly rigid and end up needlessly discouraging connections which were previously less cumbersome.

In closing allow me to comment that I was impressed by the thoughtfulness and professionalism of OEB staff at the February 3rd meeting. Overall, this meeting gave me confidence that good outcomes from this process will be achieved.

In constructive spirit,

A handwritten signature in black ink, appearing to read "Mike Fletcher", with a long horizontal flourish extending to the right.

Mike Fletcher,
Project Manager
Climate Change and Resiliency
Economic Development and Long-Range Planning Branch
Planning, Infrastructure and Economic Development Department
City of Ottawa

cc: Andrea Flowers, City of Ottawa (via email)
Alain Miguelez, City of Ottawa (via email)
All Parties (via e-mail)