



**BY EMAIL AND WEB POSTING**

August 5, 2021

**NOTICE OF PROPOSAL TO AMEND A CODE**

**PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE TO  
FACILITATE CONNECTION OF DISTRIBUTED ENERGY RESOURCES**

**BOARD FILE NO.: EB-2021-0117**

**To: All Licensed Electricity Distributors  
All Licensed Electricity Generators  
All Licensed Electricity Storage Companies  
All Participants in Consultation Process EB-2019-0207  
All Other Interested Parties**

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The Ontario Energy Board (OEB) is giving notice under section 70.2 of the *Ontario Energy Board Act, 1998* (Act) of proposed amendments to the Distribution System Code (DSC). These proposed amendments are intended to reduce the overall timeline and provide clarity and consistency in the process for connecting a distributed energy resource (DER) to an electricity distributor's system.

**A. Background**

Inquiries to the OEB from electricity distributors and proponents of DER projects, as well as work done by the Ontario Energy Association (OEA)<sup>1</sup> and the Electricity Distributors Association<sup>2</sup> on connections, demonstrated the potential for improving the existing processes for connecting DERs to licensed electricity distributors' systems.

On August 13, 2019, the OEB issued a [letter](#) (August letter) to initiate a policy consultation to review its requirements in regard to the connection of DERs (DER Connections Review). The purpose of the DER Connections Review was to identify any barriers to the connection of DERs and, where appropriate, to standardize and improve the connection process. In its letter, the OEB explained that for the purpose of the

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<sup>1</sup> [Report of the OEA Interconnection Working Group](#)

<sup>2</sup> [Connecting Devices: A Best Practice Guide for Standardized Distributed Energy Resources Connections](#)

initiative it was focusing on the connection of electricity generation and storage facilities either in front of or behind the distributor's meter.

Based on the industry policy papers as mentioned above and comments from stakeholders the OEB identified the following high-level issues to be addressed in the consultation:

1. The need for standardization and clarity of definitions, terminology and regulatory rules in respect of DERs
2. 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
3. The need for more detailed and comprehensive timelines for the connection process to ensure the timelines and responsibilities are well understood
4. Appropriate standardization of connection technical requirements

### Working Group Process

In November 2019, the OEB issued a [letter](#) announcing the formation of a Working Group comprised of various stakeholders, representing generation proponents and developer proponent groups; distributors; a transmitter; the Electrical Safety Authority; and the Independent Electricity System Operator (IESO), to provide advice to OEB staff on issues and potential solutions that would in turn help the OEB identify improvements to the connection of DERs including any appropriate revisions to the DSC.

OEB staff held a series of Working Group meetings during which several recommendations were put forward. Materials related to the Working Group including agendas, presentations, and meeting notes are available on the [OEB's website](#). The Working Group's recommendations<sup>34</sup> to date have focused on process standardization and timelines. The OEB appreciates the efforts of the members of the Working Group and its sub-groups in developing the recommendations for improvements to the connections process. The OEB understands that the Working Group will continue its work with a focus on the connection assessment and technical requirements.

### Summary of Notice and Approach to Amendments

The OEB has considered the Working Group's recommendations regarding timelines and standardization of information requirements as well as the procedures for connection assessments and finds that they have merit. In arriving at this conclusion,

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<sup>3</sup> [Tranche 1 Recommendations](#), - [www.oeb.ca/sites/default/files/DER-connections-review-wg-presentation-20200325.pdf](http://www.oeb.ca/sites/default/files/DER-connections-review-wg-presentation-20200325.pdf)

<sup>4</sup> [Tranche 2 Recommendations](#) - [www.oeb.ca/sites/default/files/DER-Connections-WG-Tranch2-Meeting3-2021-02-16-Presentation.pdf](http://www.oeb.ca/sites/default/files/DER-Connections-WG-Tranch2-Meeting3-2021-02-16-Presentation.pdf)

the OEB has been guided by its objectives as set out in section 1 of the Act. The OEB believes that the establishment of more comprehensive and standardized information requirements and processes, both through the proposed amendments to the DSC and the establishment of the *Distributed Energy Resources Connection Procedures* (DERCP), will serve to promote economic efficiency and cost effectiveness in the generation and distribution of electricity and (in keeping with the OEB's newest objective, added to section 1 of the Act in December, 2020<sup>5</sup>) will facilitate innovation in the electricity sector. The improvements to the connection process are expected to provide customers with greater opportunity to take advantage of DERs as a means to manage energy costs and their reliability and energy demands on the grid.

The proposed amendments to the DSC address matters within Chapter 6 of the DSC (Distributors' Responsibilities) and, more particularly, section 6.2 (Responsibilities to Generators). Among other matters, section 6.2 establishes the rules for connection of generation facilities to distribution systems. The provisions for connecting loads differ from those for connecting generation facilities, and the OEB considers it appropriate to maintain the separation of those provisions. Load customers and customers with generation facilities are charged for service in different ways. Generation facilities and loads have different effects on the system and consequently the quality and reliability of service to other customers.

In developing its recommendations, the Working Group first established a scoping statement of a DER and a means of categorization related to their impact on the distribution system to focus their discussions. The OEB has adopted the Working Group's scoping statement as a definition of DERs and approach to categorizing facilities for the purpose of the DSC amendments, as this assists in ensuring a more standardized connections process. The definition and approach are described below, as is the rationale for adopting this approach to categorizing facilities.

The definition of a DER for the purpose of this Notice and the proposed DSC amendments is:

Distributed Energy Resource (DER) is an electricity source or sink that is connected to a local distribution system or connected to a host facility within the local distribution system. A DER includes generation facilities, and energy storage facilities

Storage has been identified specifically in the definition because of its potential for impact on a distribution system similar to that of a generation facility, even though it is acknowledged that it has multiple purposes and may have very different implications for

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<sup>5</sup> *Protect, Support and Recover from COVID-19 Act (Budget Measures), 2020*, S.O. 2020, c. 36, Sched. 34, s.1

the grid. The OEB has adopted the view<sup>6</sup>, that a storage facility is a facility that is capable of withdrawing electrical energy (i.e. charging as a load), storing energy for a period of time, and injecting energy (i.e. discharging as a generating facility), minus any losses. This view of a storage facility confirms that for discrete periods of time, a storage facility either functions as a load facility or as a generation facility. This has an implication as to the applicable cost responsibility rules for connection of the facility and the incremental costs a distributor incurs when connecting a DER customer to the distribution system.

The DSC currently classifies customer connections as being either load or generation. In an effort to take a new look at connection issues, the Working Group approached the connections review using a new paradigm. Instead of focusing on the activity occurring behind the meter, the new paradigm focused on the power flow at the connection point and how it impacts the distribution system. This approach allowed the Working Group to review the issues and established rules and processes that would be unencumbered by customer activity and DER technology type. The new connection paradigm classifies connections as either non-exporting (where electricity only flows from the distribution system to the customer) or exporting (where electricity flows in from the customer to the distribution system). A non-exporting connection is intended to support one directional power flow while an exporting connection is intended to allow power flows in both directions (i.e. to and from the distribution system). The direction and magnitude of power flow can affect the technical requirements and the level of assessment that a connection requires. The proposed amendments make some distinctions between exporting or non-exporting connections.

With this Notice, the OEB is proposing amendments to address many of the Working Group's recommendations for improvements to the connections process. The OEB acknowledges the Working Group is continuing its evaluation of the technical requirements for assessing and connecting DERs but believes the proposed amendments, while incremental, will have a positive impact on the connections process by reducing barriers to customers adopting new technologies, and by making the connection process more efficient and predictable through the standardization of information to be exchanged by proponents and distributors across Ontario. The proposed amendments, which are described in detail in the next section, generally involve:

- Providing new definitions in the DSC that reflect the new approach to categorizing facilities as either exporting or non-exporting based on power flow at

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<sup>6</sup> OEB Storage Licence definition of a storage facility: "storage facility" means a facility that is connected to a Transmission or Distribution System and is capable of withdrawing electrical energy from the Transmission or Distribution System (i.e. charging), and then storing such energy for a period of time, and then re-injecting only such energy back into the Transmission or Distribution System, minus any losses (i.e. discharging).

the connection; and removing a definition of load displacement generation as the new approach to categorizing the connection behaviour makes that definition no longer necessary.

- Improvements to the exchange of information at the preliminary consultation stage<sup>7</sup> that are expected to standardize the communication interaction between the distributor and applicant and make the process more efficient.
- New provisions requiring the use of template forms<sup>8</sup> for the Preliminary Consultation Information Request by a customer, the Preliminary Consultation Report prepared by the distributor in response to the application, and for the connection impact assessment application to be submitted to distributors. The reason for these proposed changes is that the OEB expects the use of templated forms will provide consistency across distributors not only in what information is required but how it is communicated to applicants. This consistency should in turn assist applicants in preparing their connection requests in at least two ways: applicants will know what information is required and how it is to be presented in advance of approaching the relevant distributor; and for applicants and proponents with projects in multiple distributors' service areas, standardized forms will allow for more efficient preparation of connection-related applications. OEB-mandated templates should also prevent duplication in effort on the part of distributors in developing their own forms and internal process flows.
- Changes in the timelines and steps where a proposed DER connection would require an assessment by either a host distributor or a transmitter, or both. These changes will clearly identify concurrent assessment steps which should reduce the overall time for responding to a DER connection proposal and thus allow customers to more quickly connect their DERs.
- A new clause<sup>9</sup> clarifying that cost responsibility rules apply to connection of storage and generation facilities and the application of Chapter 3 to DER connections. This is not a change to the rules for cost responsibility only a recognition that DERs have potential to create revenues for distributors that should be considered in the determinations of capital contributions.
- The principal amendments to the DSC that are being proposed are in relation to the removal of many detailed process steps related to connecting generators. This new approach is described in more detail below.

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<sup>7</sup> Section 6.2.9

<sup>8</sup> Section 6.2.11

<sup>9</sup> Section 6.2B

Implementation of Distributed Energy Resources Connection Procedures

During the Working Group process, proponents suggested that the OEB's processes for connection of generation facilities in Chapter 6 and Appendix F of the DSC were not clearly understood by proponents. This lack of clarity led to distributors adopting different approaches to meet the DSC requirements, or in some cases not applying processes set out in the Code.

The Act provides that a code issued under section 70.1 of the Act may incorporate by reference, in whole or in part, any standard, procedure or guideline.<sup>10</sup> The OEB is proposing through its amendments to the DSC to require distributors to follow processes in the DERCP, while removing existing requirements from the DSC. The OEB believes that this will have a number of advantages for stakeholders, and that it will facilitate innovation and create the potential for improved economic efficiency and cost effectiveness for both proponents and distributors. By moving to a DERCP, the OEB will be able to more nimbly address changes in the sector and provide more flexibility to distributors and proponents as DERs play a greater role in the distribution system. Unique distributor issues may also be addressed more readily by moving to a procedure document rather than DSC-based rules.

The DERCP will incorporate procedures and information requirements that were to some extent previously included in the DSC. The DERCP will set out detailed information that may be required depending on the circumstances of the connection. The OEB expects the DERCP to be more accessible to distributors and proponents as a stand-alone process document. The OEB expects the approach should allow for more adaptability for change while ensuring that the core regulatory requirements, including a requirement that distributors comply with the DERCP, remain as set out in the DSC. The requirements that are being moved to the DERCP are discussed below.

The Working Group recommended changes to the current connection process to better reflect information flow, responsibilities, and concurrent activities. The process flow charts in the DERCP include many changes suggested by the Working Group to provide clarity. Better understanding of the linkages between process steps as well as clarity around which activities should proceed concurrently should improve response times and shorten the assessment period thus allowing proponents to implement projects more quickly. The OEB has reviewed these changes and incorporated them into the DERCP in keeping with the objective to support a robust barrier free connection process through standardization where appropriate.

The DERCP will include instructions to proponents for filling out the forms and examples of completed forms and sample single line diagrams to assist proponents in developing

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<sup>10</sup> See subsection 70.1(4) of the Act.

quality applications that can be more easily and quickly processed, thus reducing delays from resubmissions and additional reviews.

The DERCP will include a process to verify that a submitted application is complete. This verification step will take place in advance of the previous Connection Impact Assessment (CIA) processes based on size. The OEB is adding this step because proponents in the Working Group observed that distributors did not always advise them of problems with applications until much of the CIA assessment period had passed. The verification step ensures that proponents provide all the necessary information that a distributor needs to assess the connection. The completion of this application verification process provides a discrete confirmation to proponents that the distributor considers the application to be complete and the assessment timeline has begun for the processing of the application. The OEB anticipates that the improved clarity around the timelines and information requirements as well as improved application quality via the use of standardized application form templates will reduce the overall application processing timelines.

The DERCP will include the definitions that categorize projects based on size of the generation facility; flowcharts of the process for each category of generation facility with plain language accompaniment; and standardized forms for the Preliminary Consultation Information Request, Preliminary Consultation Report and Connection Impact Assessment Applications.

Distributors making connection information more readily available and understandable will help make the applicability of those rules clearer for proponents and customers.

## **B. Proposed Amendments to the DSC**

This section provides details on the proposed amendments to the DSC including the OEB's rationale for the changes. Appendix A to this Notice contains the proposed amendments to the DSC showing both additions (underlined) and deletions (strikethrough text). Appendix B contains a clean version of the DSC as it would appear if all proposed amendments are adopted.

### Definitions

The OEB proposes to amend an existing definition in section 1.1 of the DSC as well as add several new definitions to support the proposed changes:

- Amend the definition of “Emergency Backup Generation Facility” to make it clear that it is generation that only provides emergency energy for a customer when the distribution system is unavailable.

- A new definition of “system power” to support the definition of Emergency Backup Generation Facility.
- New definitions for “exporting connection” and “non-exporting connection” to clarify other requirements.
- A new definition for “restricted feeder” to support a new requirement for distributors to publish a list of their restricted feeders.
- A new definition for “Distributed Energy Resources Connection Procedures” to support requirements for connecting distribution energy resources to the distribution system.
- A new definition for “storage facility” to support requirements in the definition of distribution energy resources.

### *Proposals to Improve the Preliminary Consultation Process Including Information Packages*

The OEB is proposing amendments to section 6.2.3 of the DSC that deals with initial contact by a customer with a distributor about connecting a DER. The proposed amendments set out the material that must be made available to a potential proponent as a connection information package, including a new requirement that it be available electronically. The OEB is proposing this change because it expects that the provision of more standardized information, and in an electronic format, will make the initial consultation process more efficient for both the proponent and the distributor during the initial stages of a project. The information package includes a sample Protection Philosophy developed by the Working Group. The Protection Philosophy provides an example to proponents of necessary technical requirements to improve the customer’s connection application and reduce delays in processing applications.

The proposed amendments to section 6.2.3 include a new requirement for distributors to maintain a restricted feeder list<sup>11</sup> (or interactive tool) that identifies feeders within a distributor’s system with no capacity for further connections. This proposed amendment will assist proponents by avoiding costs that may otherwise have been incurred in pursuing connections where there is no capacity on the distributor’s system. The OEB is of the view that the amendments to section 6.2.3 that improve accessibility to information about the distributor’s system, technical requirements and its available capacity should assist proponents when making DER investment decisions.

Section 6.2.9 of the DSC currently requires a distributor to meet with a person who requests a meeting within 15 days and specifies the information that must be exchanged. In the Working Group meetings, stakeholders noted that while the DSC

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<sup>11</sup> This requirement may alternatively be satisfied by an on-line, interactive tool.



provides for a meeting, much of the information being exchanged at this stage is in writing. The proposed amendments to section 6.2.9 specify a written exchange in the first instance rather than a meeting. The proposed amendments are intended to reduce much of the detail in section 6.2.9 of the DSC regarding pre-application consultation between proponents and distributors by replacing details in the DSC with template forms in the DERCP. The Working Group developed proposed template forms to support the initial information sharing. The OEB has considered the templates and has included them in the DERCP.

Section 6.2.9.1 of the DSC requires a distributor to hold a meeting within 15 days of a proponent requesting a preliminary consultation meeting and providing the required information. The OEB is proposing to change that requirement into a requirement that the distributor respond to a Preliminary Consultation Information Request with a Preliminary Consultation Report within 15 days. Proposed section 6.2.9.1(b) would still permit a proponent to request a meeting with the distributor while waiting for, or after receiving, a Preliminary Consultation Report.

Section 6.2.9.3 currently allows a person to ask for meetings regarding three potential DER connection locations at no charge. A proposed amendment to that section would allow a customer to instead request three Preliminary Consultation Reports at no charge. The section does not currently establish a time frame over which the three free meetings may be held. The proposed amendment provides for three Preliminary Consultation Reports at no charge per calendar year. The OEB is making this change to provide clarity on the number of requests available to a proponent, and because the OEB believes that a written report will be of greater assistance to both proponents and distributors.

#### Proposals to Clarify Treatment of Load Displacement and Emergency Backup Generation Facilities

Section 6.2.1 currently allows a distributor to exempt a load displacement generation facility (a non-exporting connection) and an emergency backup generation facility from the connection assessment requirement. However, in the absence of a defined process for a load displacement project, and because these non-exporting projects may still impact short circuit capacity on the distribution system, some distributors still used the processes in section 6.2 to assess load displacement projects, although the review was usually less rigorous for these non-exporting connections. This difference in interpretation sometimes caused conflict with proponents that held the view that this clause prohibited assessment of these types of projects. The proposed DSC amendment to 6.2.1 makes it clear that only emergency backup generation facilities may be exempted from the connection assessment requirement. It also confirms that an

emergency backup generation facility must have a transfer switch to isolate it from the distribution system within 100 milliseconds.

*Proposals to Improve the Connection Impact Assessment Process*

The OEB is proposing amendments that will remove the detail in sections 6.2.5 and 6.2.6 regarding the process for applying to connect, and connecting, micro-embedded generation facilities. The detailed processes and steps will be set out in the DERCP, with the DSC referring to the use of the procedures and forms set out in the DERCP. All timelines in relation to the application for, and connection of a micro-embedded generation facility will remain in the DSC.

The OEB proposes to amend section 6.2.12 of the DSC, that currently contains specific processes for connection assessments for small generation facilities, to refer to the processes in the DERCP. All related timelines will remain in the section along with an amendment that requires the use of the forms and procedures set out in the DERCP.

Similar to the treatment of small generation connections, the OEB proposes to amend section 6.2.13, which addresses the process and steps for assessing the connection of mid-sized and large generation facilities, by moving those provisions to the DERCP. The DSC will continue to require the distributor to comply with specified timelines that distributors are required to meet in relation to connecting facilities. Section 6.2.23 will now reference CSA C22.3. No 9 as the technical standard for DER connections rather than Appendix F.1, and the OEB proposes to delete Appendix F.1. This will ensure the DSC is consistent with current standards for the safe and efficient operation of these generators.

The OEB proposes that Section 6.2.11 of the DSC, that currently specifies the information needed for an application for connection, be changed to a reference to forms available in the DERCP. No change is being made to the requirement in section 6.2.13 that a CIA must be processed within 60 (or in some cases 90) days of a distributor receiving a complete application for a mid-sized or large project

Currently, section 6.2.14A requires a distributor to advise the operator of an upstream system of an application within 10 days of an application. A proposed amendment to section 6.2.14A would require distributors to request a study from an upstream system within 15 days of receipt of an application to connect, if a study is required. This amendment is intended to ensure that the distributor provides the necessary information for a host distributor or transmitter to begin their assessment as soon as possible after a submitted application has been deemed complete. The OEB believes that this amendment will avoid unnecessary delays in coordination across various parties, which in turn may delay connections of DERs. The OEB understands that this was identified as a significant barrier to timely connection by the Working Group. Flowcharts in the

DERCP will show how studies for the distributor, any host distributor, and the transmitter, if necessary, will be processed concurrently to reduce the overall process time.

Section 6.2.20 currently requires the distributor to act promptly to connect a generation facility to its distribution system upon the applicant entering into the Connection Agreement, and on receipt of all necessary approvals, including where applicable, a copy of the authorization to connect from the Electrical Safety Authority (ESA). In practice, however, the ESA provides the copy of that authorization directly to the distributor. The OEB proposes to amend section 6.2.20 to align the connection timeline with the actual build/inspection process whereby the ESA provides the copy of the authorization to connect directly to the distributor.

Section 6.2.23 currently identifies Appendix F.1 as the reference for material on the process for connecting a generation facility to a distribution system. The OEB proposes to amend this section to refer to the DERCP for the reasons discussed previously. Appendix F.1 will be deleted in its entirety and replaced by the information in the DERCP.

#### Proposal to Clarify Cost Responsibility for Connection of Distributed Energy Resources

Chapter 3 of the DSC establishes rules for connections including cost responsibility as supported by Appendix B – Methodology and Assumptions for an Economic Evaluation. The OEB is not proposing any changes to the cost responsibility rules. The OEB is proposing a new section 6.2B to make it clear that the requirements of Chapter 3 and Appendix B apply to the connection of DERs.

A distributor may incur incremental capital costs and ongoing operational and maintenance costs to connect a new DER customer, including, without limitation, new storage and generation customers. The method a distributor uses to calculate the portion of these costs which a connecting customer must pay in advance in the form of a ‘capital contribution’ is prescribed.<sup>12</sup>

Storage has potential for impacting a distribution system as a load when it is charging and as a generation facility when it discharges electrical energy. The OEB has adopted the view<sup>13</sup> that a storage facility is a facility that is capable of withdrawing electrical

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<sup>12</sup> See DSC section 3.2.5 and DSC Appendix B. The calculation is adjusted where other customers will benefit from the expansion. Subtracting expected distribution revenues from a DER customer’s capital contribution avoids the potential to over-recover costs where a new DER customer will pay distribution rates in the normal course.

<sup>13</sup> OEB Storage Licence definition of a storage facility: “storage facility” means a facility that is connected to a Transmission or Distribution System and is capable of withdrawing electrical energy from the Transmission or Distribution System (i.e. charging), and then storing such energy for a period of time, and then re-injecting only such energy back into the Transmission or Distribution System, minus any losses

energy (i.e. charging as a load), storing energy for a period of time, and injecting energy (i.e. discharging as a generating facility), minus any losses. This view of a storage facility confirms that it is both a load and a generation facility for regulatory purposes and thus the DSC requirements for both load and generation facilities apply to storage facilities. Where a DER customer has an associated load and can withdraw electricity from the distributor's system, a distributor must determine the need for any up-front capital contribution by calculating the present value of the distributor's costs over a prescribed period, net of the present value of future revenue the distributor expects to receive from the DER customer through their payment of distribution rates.<sup>14</sup>

### Proposals for Appendix F

Consistent with the proposed amendments above in terms of removing details on the connection process, the OEB proposes to delete Appendix F of the DSC, which consists of process descriptions and technical requirements, in its entirety. The material is either moved to the DERCP or updated as shown below. As discussed previously, the separate procedures document will allow the OEB to be more flexible in adapting to the rapidly changing needs of evolving technology and innovative uses. As it relates to the technical requirements, and consistent with the proposed amendment to section 6.2.13, the OEB proposes to replace the DSC reference to Appendix F.2 with a reference to CSA C22.3 No. 9 which is the standard for Interconnection of Distributed Energy Resources and Electricity Supply Systems, in order to ensure that the DSC reflects the most current CSA standard.

### Housekeeping issues

The OEB is also taking this opportunity to amend the DSC to change all references to the Ontario Power Authority and the OPA to the Independent Electricity System Operator and the IESO as appropriate, to reflect the amalgamation of the IESO and OPA.

Typographical errors in the connection agreements specified in Appendix E have also been corrected.

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(i.e. discharging).

<sup>14</sup> Subtracting expected distribution revenues from a DER customer's capital contribution avoids the potential to over-recover costs where a new DER customer will pay distribution rates in the normal course.

### **C. Anticipated Costs and Benefits**

There OEB expects the costs of implementing these proposed changes to be minimal. Distributors will have to adopt the proposed template forms and post them to their websites. Distributors will need to make other changes to their websites, including posting full connection packages. The OEB expects distributors will incur some initial costs to compile lists of restricted feeders, and distributors will have to make some internal process adjustments to update and post the list on a regular basis. There will also be a cost to implement the new requirement to request upstream studies where necessary.

However, the OEB expects that any costs distributors may incur will be significantly exceeded by the benefits that will come from the increased efficiency for both customers and distributors from the improved and streamlined processes and ability to undertake assessments on a concurrent basis. These anticipated benefits are explained further below.

Changing the preliminary consultation meeting in 6.2.9 to a written process is expected to save time and money for both the proponents and distributors since the process is more efficient and involves fewer personnel with less technical expertise. Additionally, the proposed amendments will build on the recommendations of the Working Group to improve the connection process. The OEB believes the proposed amendments will provide clarity and consistency in processes both from project to project and across distributors. More particularly, the OEB expects that the proposed amendments will achieve the following beneficial outcomes:

- Removing the exemption for load displacement generation facilities will clarify that these types of projects need to be assessed for their impact on the distribution system and thus provide a level of certainty to both proponents and distributors.
- The requirement for a restricted feeder list will help proponents avoid pursuing projects that have no chance of connection, saving both the proponent and the distributor time and money.
- The use of standardized application forms and report templates specified by the OEB will bring consistency across the province to the DER connection process, allowing both proponents and distributors to reduce costs through process and information predictability. It is also expected to reduce the costs for smaller distributors that rarely receive connection applications, and that will be able to rely on a prepared form. Moreover, standardization in the forms will serve as a learning tool that supports audits, promotes problem solving, and facilitates the development of mistake-proofing tools such as checklists or time stamps.

- The emphasis on concurrent reviews by distributors and hosts and/or transmitters should reduce review time significantly.
- The proposed changes should result in savings in time, effort and costs for both proponents and distributors.

#### **D. Coming into Force**

The OEB proposes that the proposed amendments to the DSC, as set out in Appendix A, will come into force 6 months from the date that the final Code amendments are published on the OEB's website after having been made by the OEB.

#### **E. Invitation to Comment**

The OEB invites comments from any interested stakeholder on the proposed amendments. Anyone interested in providing written comments on the proposed DSC amendments in Appendix A are invited to submit them by **September 16, 2021**. Your written comments must be received by the Registrar by **4:45 p.m.** on that date.

The OEB is also issuing with the proposed DSC amendments a draft of the DERCP as Appendix C. While the DERCP does not form part of the DSC, the OEB recognizes that the amendments and the DERCP are closely related and to fully understand the amendments and implications of the changes requires a consideration of the DERCP. The OEB will consider stakeholder views and comments on the DERCP as part of the OEB's work to ensure that the DERCP will facilitate the connection of DERs as expected by the OEB.

#### Instructions for Submitting Comments

Stakeholders are responsible for ensuring that any documents they file with the OEB **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2021-0117** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [Filing Systems page](#) on the OEB's website

- Stakeholders are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance

This Notice, including the proposed DSC amendments in Appendix A, and all related written comments received by the OEB will be available for public viewing on the OEB's web site at [www.oeb.ca](http://www.oeb.ca).

## **F. Cost Awards**

Cost awards will be available under section 30 of the Act to those that are eligible to receive them in relation to written comments provided on the proposed DSC amendments in this Notice and the DERCP.

Costs will be recovered from all rate-regulated licensed electricity distributors apportioned based on respective customer numbers.

Appendix D contains important information regarding cost awards for this Notice and comment process, including in relation to eligibility requests and objections. The deadlines for filing cost eligibility requests and objections will be strictly enforced to facilitate a timely decision on cost eligibility.

If you have any questions regarding the proposed amendments to the Code described in this Notice, please contact Catherine Ethier at [Catherine.Ethier@oeb.ca](mailto:Catherine.Ethier@oeb.ca). The OEB's toll free number is 1-888-632-6273.

**DATED at Toronto, August 5, 2021**

**ONTARIO ENERGY BOARD**

*Original Signed By*

Christine E. Long  
Registrar

### Attachments:

Appendix A — Proposed Amendments to the Distribution System Code – Comparison Version to Current Code

Appendix B — Proposed Amendments to the Distribution System Code Clean Version

Appendix C — Proposed Distributed Energy Resource Connection Procedures

Appendix D — Cost Awards

**Appendix A**

**to**

**Notice of Proposed Amendments to the  
Distribution System Code**

**August 5, 2021**

**EB-2021-0117**

**Proposed Amendments to the Distribution System Code –  
Comparison Version to Current Code**

*Note: Underlined text indicates proposed additions to the Distribution System Code and strikethrough text indicates proposed deletions from the Distribution System Code. Numbered titles are included for convenience of reference only.*

*[see separate document attached]*



**Appendix B**  
**to**  
**Notice of Proposed Amendments to the**  
**Distribution System Code**

**August 5, 2021**

**EB-2021-0117**

**Proposed Amendments to the Distribution System Code – Clean Version**

*Note: The wording in this appendix represents the text of the DSC should all proposed amendments in Appendix A be adopted. Numbered titles are included for convenience of reference only.*

*[see separate document attached]*

**Appendix C**  
**to**  
**Notice of Proposed Amendments to the**  
**Distribution System Code**  
**August 5, 2021**  
**EB-2021-0117**

**Proposed Distributed Energy Resource Connection Procedures**

*Note: The DERCP does not form part of the DSC, However the OEB recognizes that the amendments and the DERCP are closely related and to fully understand the amendments and implications of the changes requires a consideration of the DERCP.*

*[see separate documents attached]*

## Appendix D

to

### Notice of Proposed Amendments to the Distribution System Code

**August 5, 2021**

**EB-2021-0117**

#### **Cost Awards**

#### **Cost Award Eligibility**

The OEB will determine eligibility for cost awards in accordance with its [Practice Direction on Cost Awards](#). Any participant in this process intending to request cost awards (and has not already been determined eligible for cost awards in the OEB's EB-2019-0207 Decisions issued on September 10, 13, or 23, 2019 or on January 13, 2020) must file a written submission with the OEB by **August 16, 2021**, identifying the nature of their interest in this process and the grounds on which they are eligible for cost awards (addressing the OEB's cost eligibility criteria in section 3 of the OEB's *Practice Direction on Cost Awards*). An explanation of any other funding to which the participant has access must also be provided, as should the name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known. All requests for cost eligibility will be posted on the OEB website.

Licensed electricity distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If an electricity distributor has any objections to any of the cost eligibility requests, those objections must be filed with the OEB by **August 23, 2021**. Any objections will be posted on the OEB website. The OEB will then make a final determination on the cost eligibility of the requesting participants.

#### **Eligible Activities**

Cost awards will be available in relation to providing comments on the proposed DSC amendments in Appendix A, to a **maximum of 10 hours**.

#### **Cost Awards**

The OEB will apply the principles in section 5 of its *Practice Direction on Cost Awards*, when determining the amount of the cost awards. The maximum hourly rates in the OEB's Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or same type of participant will make every effort to

communicate and co-ordinate their participation in this process. Cost awards are made available on a per eligible participant basis, regardless of the number of professional advisors that an eligible participant may wish to retain.

The OEB will use the process in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards; i.e., the OEB will act as a clearing house for all cost award payments in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the OEB website at [www.oeb.ca](http://www.oeb.ca) on the "Rules, Codes, Procedures & Forms" webpage.