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Sept. 16, 2021

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

Dear Ms. Long,

RE: EB-2021-0117 – Proposed Amendments to the Distribution System Code to Facilitate Connection of Distributed Energy Resources – Comments of London Property Management Association

Introduction

By a letter dated August 5, 2021, the Ontario Energy Board (“OEB”) gave notice under section 70.2 of the *Ontario Energy Board Act, 1998* of proposed amendments to the Distribution System Code (“DSC”) that 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.

In general, the London Property Management Association (“LPMA”) supports the proposed changes to the DSC and believes that the changes will result in a more timely, cost effective and efficient process for both distributors and proponents of DERs.

The comments that follow are related to the main changes proposed for the DSC.

Distributed Energy Resources Connection Procedures (“DERCP”)

LPMA supports the creation of the DERCP for a number of reasons.

First, it provides for consistency across distributors. This is important for proponents that operate in more than one distributor territory. Different rules, processes and procedures

from one distributor to another results in increased costs and extended timelines for DER proponents. These proponents, which includes property owners and managers among many others, will be more likely to proceed with potential DER projects if the process is standardized across distributors. Not only does this reduce the costs of dealing with different processes, standards, etc., from distributor to distributor, it also allows proponents to leverage the knowledge they gain from one project to future projects.

Second, by moving the detailed steps for the DER connection process out of the DSC into a separate document, LPMA believes that the information will be more understandable for DER proponents.

Third, the DERCP provides a guide or roadmap to the entire DER connection process from start to finish in one place, along with expected timelines for different stages of the process. This will add to the level of confidence of DER proponents in the process.

Finally, the DERCP provides guidance to distributors and should remove any uncertainty that they may have in terms of how to deal with and evaluate such projects.

Definitions

LPMA believes that some of the definitions in the DSC and in the DERCP should be modified.

First, LPMA notes the following definition proposed for the DSC:

“Distributed Energy Resources Connection Procedures” means the document approved by the Board that contains procedures for distributors and guidance for proponents on the processes for connecting distributed energy resources to the distribution system. Distributed Energy Resource (DER) means 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.

LPMA believes that this paragraph should be split into two parts: a definition of Distributed Energy Resources Connection Procedures and a definition of Distributed Energy Resources. While the DERCP and the DER are related, they are separate concepts and should be included in the definitions as separate items. LPMA submits that the above paragraph be changed to the following, and reflected in both the DSC and DERCP:

“Distributed Energy Resources Connection Procedures” means the document approved by the Board that contains procedures for distributors and guidance for proponents on the processes for connecting distributed energy resources to the distribution system.

“Distributed Energy Resource” (DER) means 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.

In addition to the above, LPMA believes that it is important to define two of the terms used in the definition of a DER, namely a “sink” and a “host facility”. While these terms may have a clear definition to those in the industry, some customers/proponents may not have a clear understanding of these terms. LPMA believes that definitions should be included in at least the DERCP document that will be used by customers/proponents.

LPMA is also concerned with the use of “exporting connection” and “non-exporting connection”. While LPMA has no issue with the definition of either of these terms, LPMA believes that the names may cause confusion. Specifically, the use of the term “exporting” may cause confusion among potential proponents. Some may confuse this “exporting” term with the export tariff associated with the export of electricity out of the province. LPMA submits that in place of “exporting”, the OEB should label these activities as “injecting”.

LPMA notes that while the definitions of “non-exporting connection” and “exporting connection” are both included in the proposed amendments to the DSC, they do not appear to be included in the DERCP. Given that these are some of the most relevant definitions related to DER connections, LPMA believes that they should be included in the DERCP. This would enhance the stand-alone value of the DERCP to DER proponents.

Other Considerations

The OEB may want to consider how it will track and evaluate the impact on distributors and proponents of the processes outline in the DERCP.

Over time, as experience is gained with the steps set out in the DERCP, there may be opportunities or challenges that are identified. LPMA suggests that distributors report to the OEB or to a continuing working group on a at least annual basis of any opportunities or challenges to the current form of the DERCP. This could include a potential to shorten some timelines set out in the DERCP as both distributors and proponents gain experience. It could involve issues with the forms used in the applications where proponents do not provide an application that is substantially complete. Distributors are in the best position to provide information to the OEB as to the reasons for the incomplete applications and the problems being encountered by proponents. This may lead to changes in the forms/process to decrease the number of applications that are not substantially complete.

With experience gained, distributors will be better positioned to determine if changes to the timelines are needed. For example, some timelines may be able to be shortened, while others may need to be extended.

Again, with experience gained, distributors may be able to narrow the cost estimates that are proposed to be within +/- 50% in the current draft of the DERCP. If this range can be reduced as experience is gained, the DERCP should be updated to reflect a narrower range. This would provide more confidence to potential DER proponents in terms of the potential actual costs.

LPMA also believes that the performance of the distributors in meeting their timeline requirements should be monitored and reported to the OEB.

All of the above suggestions should, in the view of LPMA, be broken down by micro, small, mid-sized and large projects, as their may be different outcomes in terms of timelines and number of applications from proponents that do not provide an application that is substantially complete.

Yours very truly,

Randy Aiken
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