

NOTICE OF PROPOSAL TO AMEND A CODE
PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE TO
FACILITATE CONNECTION OF DISTRIBUTED ENERGY RESOURCES

Comments of the Power Workers' Union (PWU)

INTRODUCTION

1. On August 13, 2019, the Ontario Energy Board (“OEB” or “the Board”) issued a letter to initiate a policy consultation to review its requirements regarding the connection of distributed energy resources (“DERs”) (the “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 initiative, it was focusing on the connection of electricity generation and storage facilities either in front of or behind the distributor’s meter.
2. OEB identified the following high-level issues to be addressed in the consultation:
 - i. The need for standardization and clarity of definitions, terminology, and regulatory rules in respect of DERs
 - ii. 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
 - iii. The need for more detailed and comprehensive timelines for the connection process to ensure the timelines and responsibilities are well understood
 - iv. Appropriate standardization of connection technical requirements
3. In November 2019, the OEB issued a letter announcing the formation of a Working Group comprised of various stakeholders 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 Distribution System Code (“DSC”).

4. On August 5, 2021, the Board issued a notice of proposed amendments to the DSC which are intended “to reduce the overall timeline and provide clarity and consistency in the process for connecting a DER to an electricity distributor’s system.”¹

5. The PWU is providing the following comments on aspects of the proposed amendments.

A. General Comment on Consultation Process

6. The OEB states that the Working Group’s recommendations to date have focused on “process standardization and timelines” and adds that “the OEB understands that the Working Group will continue its work with a focus on the connection assessment and technical requirements.”²

7. It is clear, therefore, that the current proposed amendments are being considered before the Working Group’s work in connection to this consultation is completed. In other words, it is possible for further proposals to amend the DSC are issued when the Working Group completes the work related to connection assessment and technical requirements. Connection assessment and technical requirements can have implications on standard processes and timelines that are being considered in this round of DSC amendments. The PWU questions the efficacy of issuing the current proposals before the Working Group has finalized its work and its recommendations with respect to connection assessment and technical requirements. Nevertheless, the comments below are made on the assumption that the Board proceeds with some amendments in relation to the current proposals at this time.

B. Proposed DSC Amendments

¹ Notice of Proposal to Amend a Code, page 1

² Ibid, page 2

a) Definitions, Terminologies

8. The PWU has reviewed and in general is supportive of the addition to the DSC of definitions and terminologies needed to establish the DSC baseline that is relevant to the current DER consultation.

9. The PWU, however, has concern over the appropriateness of the term and definition of “restricted feeder.” The Board defines “Restricted feeder” as any feeder owned by the distributor that has zero capacity for connection of generation facilities even if the constraint is caused by an upstream asset that it does not own.³

10. The PWU’s understanding is that this new definition for “restricted feeder” is needed to support a new requirement for distributors to publish a list of their restricted feeders⁴. In other words, by requiring distributors to publish a list of feeders that have zero capacity, DER applicants would be able to avoid pursuing projects that have no chance of connection, saving both the proponent and the distributor time and money. However, a feeder may be restricted to an applicant, not because it has zero capacity, but because there is not sufficient capacity due to the size of generation or storage proposed for connection. In a sense, such insufficient capacity feeder would be ‘restricted’ to the individual applicant that seeks a higher capacity feeder.

11. In this respect, the PWU recommends the use of a term akin to “Zero Capacity Feeder” for the purpose of publishing a list of feeders that have zero capacity for connection and the use of the term “Restricted feeder” or “Insufficient Capacity Feeder” in the communication between a distributor and a proponent, and included in the Distributed Energy Resources Connection Procedures (“DERCP”), in instances where applications are refused due to insufficient capacity to accommodate the requested connection. These recommendations would have two benefits: first, proponents would know in advance that just because the feeder they are seeking is not on the list of zero capacity feeders does not necessarily mean that their applications will be accepted, and

³ Appendix B, page 2

⁴ Notice of Proposed amendments, page 13

secondly, the distributor would have a formalized reason/explanation for refusal of applications in cases of insufficient capacity, which in turn would improve transparency and trust between the distributor and the proponent.

b) Distributed Energy Resources Connection Procedures (DERCP)

12. The PWU supports the proposed establishment of the Distributed Energy Resources Connection Procedures (“DERCP”). Removing existing requirements (procedures, processes, standards, rules, etc.) from the DSC to the DERCP would not only improve efficiency and cost-effectiveness, but also would enable the OEB and stakeholders to efficiently address changes in the DER sector and provide more flexibility to distributors and proponents. Moreover, it would be easier to address unique and specific distributor issues by moving to a procedure document rather than DSC-based rules.

c) List of “Restricted Feeders”

13. Section 6.2.3 of the DSC provides that a distributor shall promptly make available a generation connection information package to any person who requests this package. The package must be made available electronically on the distributor’s website. It must also be available in hard copy at the distributor’s premises for customers who request it.

14. Among the types of information the package shall contain is the newly added (6.2.3 (g)), i.e. “Restricted Feeders.” The distributor is required to publish a list of “restricted feeders”, by name and feeder designation, that the distributor operates and are known not to have any short circuit capacity to accommodate a DER connection. The list must be updated as necessary to capture system reconfiguration or expansions and shall be updated at least every 3 months⁵.

1. Appendix A, page 2

15. The PWU is of the view that the requirement that distributors should update the list at least every 3 months would put undue administrative burden on distributors. The PWU notes that the Working Group considered different options including updating the list once a year, 6 months or on a “best effort” basis. The PWU believes 6 months would be a reasonable timeframe that balances the interests of both distributors and proponents.

16. Moreover, it should be recognized that the status of a feeder could change between updates of the list, i.e., the fact that a feeder is not on the list of “restricted feeders” does not necessarily mean that it is available for connection at a particular point in time. That in turn means proponents could find themselves pursuing projects that have no chance of connection, thereby wasting time and money of the distributor and of themselves. In this regard, it would be helpful if distributors explicitly state that the list contains information on feeders up to the point of the date of the update; that feeders not on the list could in fact be “restricted”; and that the only reliable information about the state of a feeder is one that is obtained through direct inquiries made to the distributor. This, in the PWU’s view, would avoid unnecessary mistrust and miscommunication between the distributor and the proponent.

d) Cost Responsibility

17. The PWU supports the addition of a new clause clarifying that cost responsibility rules apply to connection of DERs-storage and generation facilities- and Chapter 3 of the DSC applies to DER connections. The PWU is also satisfied that the addition of the new clause does not mean a change to the existing rules for cost responsibility but a recognition that DERs have potential to create revenues for distributors that should be considered in the determinations of capital contributions⁶.

All of which is respectfully submitted

⁶ Notice of Proposed Amendments, page 5