

January 21, 2022

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

Reference #: EB-2019-0207/ EB-2021-0117

Dear Registrar:

**RE: Distributed Energy Resources (DER) Connections Review,  
Reference #: EB-2019-0207/ EB-2021-0117**

We are responding to your request for submissions relating to the “Distributed Energy Resources (DER) Connections Review”.

Stem is a global leader in AI-driven energy storage services with over 970 systems and software platforms installed or under contract across six U.S. states, Ontario, and Japan delivering energy bill savings with utility and grid benefits. Based upon our experience, we believe energy storage can offer significant advantages to Ontario electricity consumers.

Stem continues to be supportive of the DER Connections Review process. We are supportive of the OEB’s commitment to modernize regulation to keep pace with the sector evolution. More specifically, we are in alignment with the OEB’s goal to improve connection timelines and provide clarity and consistency in the process for connecting a generation or storage DER.

Stem is of the opinion that the proposed changes will help address some of the long-standing obstacles relating to the connection of energy storage projects. More specifically, we believe that adding “storage facility” in the DSC and the standardization of forms along with application process and timelines will ensure predictability and reduce project and investment risk. In addition, by making grid information more readily available such feeder information, may support reducing LDC operating costs and facilitate project development where and when it is needed.

While we are supportive of the overall direction, we offer the following recommendations for further improvement:

**DSC 6.2.9.1** indicates only three preliminary consultation reports (PCR) per person per year and after such a distributor can recover reasonable costs. Does this mean, for example, Stem could only apply to Alectra for three PCR’s? What is a reasonable cost and will they be OEB approved? We recommend that these questions be addressed through the Process Working Group.

**DSC 6.2.16** reads as *“In the case of an application for the connection of a mid-sized or large embedded generation facility, once the impact assessment is provided to the applicant, the distributor and the applicant have entered into an agreement on the scope of the project and the applicant has paid the distributor for the cost of preparing a detailed cost estimate of the proposed connection, the distributor shall provide the applicant with a detailed cost estimate and an offer to connect by the later of 90 days after the receipt of payment from the applicant and 30 days after the receipt of comments study results comments from a transmitter or distributor that has been advised requested that has been advised under section 6.2.14A 6.2.17”*.

It is important to understand that applicants do not enter in an agreement on the scope of the project (Connection Cost Agreement) until detailed estimate has been paid for and completed. We assume that this section is attempting specify that the distributor has 90 days to complete the detail estimate, but the wording is unclear and the process needs further discussion. We recommend that this section be reviewed by the Process Working Group.

**DSC 6.2.18** stipulates that “capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility at the time the connection cost agreement is executed;” and another deposit is required if the project is not connected within 15months.

We need to better understand how \$20,000 and 15 months were arrived at. We recommend that further discussion occurs in the Process Working Group.

We appreciate the opportunity to provide these comments and report to you. As mentioned above we are supportive of the proposed changes. We strongly urge the OEB to continue to work with the sector to finalize some important details outlined above. We look forward to continuing this discussion with you, your team and participating in the DER Connections Advisory Group.

Respectfully,

Jesse Laine  
Director of Deployments, Canada