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Reply To: Albert M. Engel
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Our File No. 220546

VIA EMAIL: registrar@oeb.ca

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

Attention: Nancy Marconi, Registrar

Dear Ms. Marconi:

**Re: EB-2022-0074: Design of an Optional Enhanced Time of Use (TOU) Rate
Written Comments of BOMA**

Background

In November 2021, the Minister of Energy requested that the Ontario Energy Board (OEB) report back and advise on the design(s) of an optional enhanced time of use (TOU) rate to further incent demand-shifting away from peak periods to lower demand periods. The Minister requested this report back by April 1, 2022. As part of this work, the OEB invited stakeholders to a meeting on February 17, 2022 to present its proposed design of an optional enhanced TOU rate. The invitation letter also invited stakeholders to provide written comments by February 25, 2022.

On February 16, 2022, the Electricity Distributors Association filed a written request for an extension to March 3, 2022 for written comments in light of the nature of the questions asked in the consultation materials. The OEB decided to grant the requested extension.

Summary

BOMA took part in the February 17, 2022 meeting and supports the proposed use of strong price signals (10:1 ratio between on- and off-peak) which will modify customer behaviour in order to levelize year-round load profiles for the grid, reduce overall energy and capacity costs, lower the carbon content of Ontario's electricity supply and thereby assist our members in meeting their

carbon reduction goals. While the proposed rate only applies to RPP customers and is therefore not directly applicable to our members, BOMA welcomes government action which helps create opportunities (through rate structures with storage and demand response) to reduce the current price differential between electricity and natural gas, which is a significant barrier to electrification and carbon reduction.

Responses to Questions Posed

- Price Design – Questions 1-4:
The evidence from the pilots indicates that the proposed price design will be effective and that risks around cost recovery are understood and addressed.
- Cost Recovery – Questions 5-8:
While this proposed rate structure does not apply directly to BOMA members, we do support the general principle that CDM costs, including under-recovery, be shared by all ratepayers. The relative cost benefit to CDM participants versus non-participants should be maintained to effectively incentivize desired behaviour. As electrification and distributed energy continue to change the province's load profile, future changes to price-setting methodology should be expected in order to adjust incentives to new realities and maintain the financial benefits of participation.

Yours truly,

FOGLER, RUBINOFF LLP



Albert M. Engel

AME/dd