

Ms. Nancy Marconi Acting Registrar Ontario Energy Board 2300 Yonge Street Suite 2700 Toronto, Ontario M4P 1E4 Via Email <u>registrar@oeb.ca</u> March 3, 2022

Dear Ms. Marconi:

Re: EB-2022-0074 – Design of Optional Enhanced Time of Use ("TOU") Rate

The Quinte Manufacturers Association ("QMA" or "Association") offers the following comments concerning the design of an optional enhanced time of use rate for electricity customers.

The QMA has reviewed the TOU documentation and participated in the virtual stakeholder meeting hosted by the Ontario Energy Board on February 17, 2022. The Association is of the view that the proposed price design is likely to be most helpful to residential customers who have the flexibility and see value in shifting their electricity usage behaviour.

The cost of electricity is a significant factor in the per unit cost of production for our members. While certain manufacturers may see value in the proposed price plan, for many, production operations and schedules are not easily adjusted to match optimal pricing periods for electricity consumption. Electricity price signals can not always trigger an instant response from manufacturers. External factors such as customer demands and contract commitments; and market conditions can influence manufacturing to a much greater degree. Consequently, interest in distributed energy resources to better serve local manufacturing purposes, such as large battery storage, is growing and the proposed TOU price plan may encourage quicker adoption of these options in an effort to better control electricity costs.

Manufacturers recognize the need to fully recover electricity costs from consumers, but at the same time, certainty in electricity costs and stable electricity pricing is crucial. Using the proposed baseline load profile of customers appears to be an appropriate way to determine proper pricing and hopefully, provide value for electricity customers considering the Optional Enhanced TOU Rate.

Respectfully,

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Michael McLeod

Cc: C. Davis chandyd@electrocables.com