

DECISION AND ORDER ON COST AWARDS EB-2019-0207

Distributed Energy Resources Connections Review

By Delegation Before: Brian Hewson

Vice President, Consumer Protection &

Industry Performance

March 25, 2022

INTRODUCTION AND SUMMARY

On August 13, 2019, the Ontario Energy Board (OEB) issued a <u>letter</u> commencing an initiative to review its requirements in regard to the connection of distributed energy resources (DERs) by licensed electricity distributors (DER Connections Review). The letter indicated that cost awards would be available under section 30 of the *Ontario Energy Board Act, 1998*, and the OEB has determined that the licensed rate-regulated electricity distributors in Ontario will pay the costs.

The OEB issued Decisions on September 10, 2019, September 13, 2019, September 23, 2019 and January 13, 2020 that determined the following participants in this consultation process were eligible for cost awards¹ (eligible participants):

- Association of Major Power Consumers in Ontario (AMPCO)
- Building Owners and Managers Association (BOMA)
- Canadian Manufacturers & Exporters (CME)
- Consumers Council of Canada (CCC)
- Energy Probe Research Foundation (Energy Probe)
- Environmental Defence (ED)
- London Property Management Association (LPMA)
- Ontario Chamber of Commerce (OCC)
- Pollution Probe
- School Energy Coalition (SEC)

The Decisions noted that cost awards would be available in relation to participation in the Working Group. In the Decisions, the OEB requested that participants with similar viewpoints coordinate their activities to reduce costs, and advised that this effort will be taken into account during the decision on awards of costs.

The maximum number of cost-eligible hours per participant to prepare for, attend and report on Working Group Meetings was limited to 1.5 times the meeting time.

The OEB has issued two previous Decisions & Orders on Cost Awards in this proceeding: a June 25, 2020 Decision & Order in relation to DER Connections Review activities from August 1, 2019 to March 31, 2020; and an April 29, 2021 Decision & Order on Cost Awards for DER Connections Review activities from August 1, 2019 to March 31, 2020 (the April 2021 Decision & Order).

¹ Decisions on Cost Eligibility are available on the OEB website at <u>Distributed Energy Resources (DER) Connections</u>
<u>Review</u>

On February 11, 2022, the OEB issued a Notice of Hearing for Cost Awards (the Notice) in relation to DER Connections Review activities from March 2, 2021 to February 2, 2022.

The OEB received cost claims from BOMA, CME, Energy Probe, ED, OCC and Pollution Probe. AMPCO, CCC, LPMA and SEC did not file a cost claim. No objections were received from any licensed rate-regulated electricity distributors.

OEB Findings

The OEB has reviewed the cost claims filed by BOMA, CME, Energy Probe, ED, OCC and Pollution Probe to ensure they are compliant with the OEB's *Practice Direction on Cost Awards*.

The claims by Energy Probe, ED, and Pollution Probe are approved.

In the matter of the claims by CME and OCC, these parties share a consultant for the purpose of participating in the consultation. To determine the maximum allowable number of hours that could be claimed by CME and OCC, the OEB has followed the approach described in the April 29, 2021 Decision & Order. Specifically, the OEB will allocate the actual meeting time based on time in attendance equally between CME and OCC, and each party will be allowed preparation and reporting time equivalent to 0.5x the actual meeting time identified in the Notice. This will allow these parties to recover the cost of their shared consultant's meeting attendance plus an amount related to preparation for, and reporting to each client, since it is reasonable to expect the consultant to communicate separately with each client. The claims by CME and OCC are consistent with this approach.

The cost claim submitted by BOMA exceeds the maximum number of hours set out in the OEB's Notice for one category. The OEB will not award costs to BOMA in excess of the 4.5-hour maximum for the "Process SubGroup Meeting #2 – December 9, 2021". The OEB has therefore reduced BOMA's claim from 9.0 hours to the allowed maximum of 4.5 hours for this activity.

The OEB finds that otherwise, each of these eligible participants is entitled to 100% of its reasonably incurred costs of participating in this consultation.

The OEB finds that the claims of CME, Energy Probe, ED, OCC and Pollution Probe and the adjusted claim of BOMA are reasonable and shall be apportioned to, and reimbursed by each rate-regulated licensed electricity distributor based on their respective number of customers. The OEB approves cost awards as follows:

•	Building Owners and Managers Association	\$4,940.93
•	Canadian Manufacturers & Exporters	\$2,237.41
•	Energy Probe Research Foundation	\$2,108.70
•	Environmental Defence	\$5,718.38
•	Ontario Chamber of Commerce	\$2,144.18
•	Pollution Probe	\$4,288.36

The approved amounts are set out in Schedule A to this Decision and Order.
Under the Cost Assessment Model, cost assessments for distributors are based on customer numbers. The OEB typically applies a \$25 materiality threshold. Any amounts below this threshold are re-allocated to utilities that are invoiced a material amount.

Process for Paying the Cost Awards

The amount payable by each rate-regulated licensed electricity distributor in relation to costs awarded to each eligible participant is listed in Schedule A to this Decision and Order. The amounts will not be paid directly by the distributor to the eligible participants.

The OEB will use the process set out in section 12 of the Practice Direction on Cost Awards to implement the payment of the approved cost awards whereby the OEB will act as a clearing house for all payments of cost awards. Consistent with this process, each distributor is issued one invoice that covers all cost awards payable for the relevant period. As a result, the invoice may cover cost awards payable in relation to a number of proceedings and consultations, including this proceeding.

THE ONTARIO ENERGY BOARD THEREFORE ORDERS THAT:

 Each distributor in Schedule A to this Decision and Order shall make a payment to the OEB in accordance with the invoice set out in Schedule A. The payment shall be due at the same time as all other cost assessments under section 26 of the OEB Act.

DATED at Toronto March 25, 2022

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance

Schedule A
OEB's Decision and Order on Cost Awards

EB-2019-0207

Electricity Distribution System	Building Owners & Managers Association	Canadian Manufacturers & Exporters	Energy Probe Research Foundation	Environmental Defence	Ontario Chamber of Commerce	Pollution Probe	Cost Awards
	\$	\$	\$	\$	\$	\$	\$
Algoma Power Inc.	11.36	5.15	4.85	13.15	4.93	9.86	49.30
Alectra Utilities Corporation	987.40	447.12	421.40	1,142.76	428.49	856.99	4,284.17
Bluewater Power Distribution Corporation	35.44	16.05	15.12	41.01	15.38	30.76	153.75
Brantford Power Inc.	38.44	17.41	16.41	44.49	16.68	33.37	166.80
Burlington Hydro Inc.	65.26	29.55	27.85	75.52	28.32	56.64	283.14
Canadian Niagara Power Inc.	28.16	12.75	12.02	32.59	12.22	24.44	122.17
Centre Wellington Hydro Ltd.	6.70	3.04	2.86	7.76	2.91	5.82	29.08
EPCOR Electricity Distribution Ontario Inc	16.63	7.53	7.10	19.24	7.22	14.43	72.15
E.L.K. Energy Inc.	11.81	5.35	5.04	13.67	5.13	10.25	51.26
Energy+ Inc.	62.79	28.43	26.80	72.67	27.25	54.50	272.43
Entegrus Powerlines Inc.	56.87	25.75	24.27	65.81	24.68	49.35	246.73
Enwin Utilities Ltd.	85.75	38.83	36.60	99.25	37.21	74.43	372.07
ERTH Power Corporation	22.11	10.01	9.44	25.59	9.59	19.19	95.93
Essex Powerlines Corporation	28.80	13.04	12.29	33.33	12.50	24.99	124.95
Elexicon Energy	158.19	71.63	67.51	183.08	68.65	137.30	686.36
Festival Hydro Inc.	20.46	9.27	8.73	23.68	8.88	17.76	88.78
Greater Sudbury Hydro Inc.	46.03	20.85	19.65	53.28	19.98	39.95	199.73
Grimsby Power Incorporated	11.01	4.99	4.70	12.75	4.78	9.56	47.79
Halton Hills Hydro Inc.	21.58	9.77	9.21	24.97	9.36	18.73	93.61
Hydro One Networks Inc.	1,329.71	602.13	567.50	1,538.94	577.04	1,154.09	5,769.41
Hydro Ottawa Limited	321.61	145.63	137.26	372.21	139.57	279.13	1,395.41
Innpower Corporation	16.75	7.59	7.15	19.39	7.27	14.54	72.70
Kingston Hydro Corporation	26.76	12.12	11.42	30.97	11.61	23.22	116.10
Kitchener-Wilmot Hydro Inc.	92.65	41.96	39.54	107.23	40.21	80.42	402.00

Electricity Distribution System	Building Owners & Managers Association	Canadian Manufacturers & Exporters	Energy Probe Research Foundation	Environmental Defence	Ontario Chamber of Commerce	Pollution Probe	Cost Awards
	\$	\$	\$	\$	\$	\$	\$
Lakefront Utilities Inc.	10.02	4.54	4.28	11.60	4.35	8.70	43.49
Lakeland Power Distribution Ltd.	13.10	5.93	5.59	15.17	5.69	11.37	56.86
London Hydro Inc.	152.48	69.05	65.07	176.47	66.17	132.34	661.57
Milton Hydro Distribution Inc.	36.94	16.73	15.77	42.76	16.03	32.06	160.29
Newmarket-Tay Power Distribution Ltd.	41.76	18.91	17.82	48.33	18.12	36.25	181.20
Niagara Peninsula Energy Inc.	53.05	24.02	22.64	61.40	23.02	46.05	230.18
Niagara-on-the-lake Hydro Inc.	9.07	4.11	3.87	10.50	3.94	7.88	39.37
North Bay Hydro Distribution Limited	23.39	10.59	9.98	27.07	10.15	20.30	101.48
Oakville Hydro Electricity Distribution Inc.	68.33	30.94	29.16	79.09	29.65	59.31	296.49
Orangeville Hydro Limited	11.94	5.41	5.10	13.82	5.18	10.37	51.82
Oshawa PUC Networks Inc.	55.96	25.34	23.88	64.77	24.29	48.57	242.82
Ottawa River Power Corporation	10.78	4.88	4.60	12.48	4.68	9.36	46.77
PUC Distribution Inc.	32.54	14.74	13.89	37.66	14.12	28.24	141.20
Synergy North Corporation	54.71	24.78	23.35	63.32	23.74	47.49	237.40
Tillsonburg Hydro Inc.	6.92	3.14	2.95	8.01	3.00	6.01	30.04
Toronto Hydro-Electric System Limited	744.24	337.02	317.63	861.35	322.97	645.95	3,229.15
Wasaga Distribution Inc.	13.16	5.96	5.62	15.24	5.71	11.43	57.12
Waterloo North Hydro Inc.	55.19	24.99	23.55	63.87	23.95	47.90	239.46
Welland Hydro-Electric System Corp.	22.39	10.14	9.56	25.91	9.72	19.43	97.14
Westario Power Inc.	22.65	10.26	9.67	26.22	9.83	19.66	98.30

Electricity Distribution Total 4,940.93 2,237.41 2,108.70 5,718.38 2,144.18 4,288.36 21,437.96

^{*}total intervenor costs of \$205.19 were reallocated to the companies listed in the Schedule A based on the s.26 Cost Assessment Model to eliminate charges under \$25. This option is in line with the Practice Direction on Cost Awards (section 12.02) which permits the OEB to determine how to apportion costs between regulated entities.