

TERMS OF REFERENCE

FRAMEWORK FOR ENERGY INNOVATION: DISTRIBUTED RESOURCES AND UTILITY INCENTIVES

1. BACKGROUND

The Framework for Energy Innovation (FEI) consultation aims to strengthen utility focus on cost effectiveness and providing value for energy consumers. Any regulatory policies stemming from the FEI consultation are expected to contribute to increased regulatory clarity in the treatment of innovative technologies and approaches, as well as further support the deployment and adoption of novel, cost-effective solutions in ways that enhance value for consumers, inclusive of Indigenous consumers.

The FEI consultation's near-term workstreams and working group members (FEIWG) are attached as Appendix A and B, respectively.

2. OBJECTIVE

The main objective of the FEIWG is to identify options, develop proposals and prepare written recommendations for the OEB's consideration related to the DER usage and DER integration workstreams. This will include:

1. Sequencing tasks and determining a schedule for when the tasks in each workstream can be completed, with particular attention to those that can be completed within the next 6-12 months (FEI project plan). In doing so, coordination with relevant IESO-related initiatives on cross-cutting issues should be considered and reflected appropriately in the FEI project plan.
2. Identifying tasks within each workstream that require in-depth technical analysis that are better addressed through a sub-working group(s) and establishing any required FEI sub-working group(s) as well as terms of reference, as appropriate.
 - a) Any FEI sub-working group(s) should be drawn primarily from FEIWG members. Should additional skills, capacity or representation from the sector be required the sub-working group may supplement its membership appropriately.
3. Reviewing the work of the FEI sub-working group(s) and providing feedback, as necessary.
4. Developing options and preparing written recommendations for the OEB's consideration.

3. DELIVERABLES

1. A detailed FEI project plan related to the DER Usage and DER Integration workstreams.
2. Written recommendations produced by the FEIWG and/or any FEI sub-working group(s) pertaining to issues under the DER Usage and DER Integration workstreams, as required.
3. Identifying and suggesting relative priority of subsequent issues and areas of focus to be addressed in subsequent phases and workstreams of the FEIWG, and any other matter requiring the OEB's attention.
4. Other deliverables that may be requested by the OEB (e.g., periodic presentations to the OEB).

4. MEMBERSHIP AND STRUCTURE

The FEIWG comprises representatives from consumer interests, DER developers and providers, regulated utilities as well as other interests, as set out in Appendix B.

The FEIWG will select one of its members to serve as the lead (FEIWG Lead) with OEB staff at the inaugural meeting of the FEIWG.

If a member is unable to attend a FEIWG meeting, an alternate may attend in their place with approval from FEIWG Lead and/or OEB staff. If for any reason a member is unable to continue their role on the FEIWG, it is expected the entity(s) they represent will nominate a new member to replace them. Any OEB approved observers can attend FEIWG meetings but not as participants.

5. TERM

The term of the FEIWG is estimated to be for an initial period of 12 months.

6. ROLES & RESPONSIBILITIES

6.1. FEIWG Lead

- Establish and maintain a pace of work to adhere to the project plan.
- Work with OEB staff to develop meeting schedules and agendas.

- Moderate FEIWG meetings – guide, support, and advance collaborative discussion and make reasonable effort to help reach group consensus on issues.
- Facilitate, delegate, and otherwise assist in the development of preparatory materials and FEIWG written recommendations by, among other things:
 - Assigning work to FEIWG members, as required.
 - Reviewing draft materials prepared by FEIWG members and submitting final documents to the OEB for consideration.
- Work with OEB staff to obtain OEB guidance and direction to address emerging and/or other developments, when necessary.
- Designate an alternate Lead to assume the Lead's responsibilities in his or her absence.
- The term of Lead will be for an initial period of 12 months.

6.2. FEIWG Members

- Review all meeting materials prior to each meeting, giving thought to any questions that may be posed in the materials to ensure a productive dialogue.
- Actively engage in FEIWG discussions and participate thoughtfully and constructively.
- Complete all tasks assigned by the FEIWG Lead and produce quality work.
- Make best efforts to achieve FEIWG's milestones and deliverables.
- Attend all meetings or find a suitable alternate to attend on their behalf.
- The term of the member will be for an initial period of 12 months.

6.3. OEB Staff

- With the FEIWG Lead, co-lead the working group to assist FEIWG in achieving its mandate, milestones and deliverables.
- Facilitate the production of research and written products for discussion of the FEIWG.
- Attend all FEIWG and FEI sub-working group(s) meetings and provide administrative support including:
 - Scheduling meetings and arranging hosting facilities which will, unless otherwise notified, be held virtually via an online meeting application.
 - Working with FEIWG Lead to prepare an agenda for all meetings.
 - Preparing meeting notes and action items and circulating to FEIWG members for review.

- Posting meeting materials on the FEI consultation webpage.
- Provide the OEB with periodic updates, as necessary, on the overall progress of the FEIWG, including, but not limited to, a description of activities undertaken by the FEIWG, identification of emerging issues and priorities, and other applicable topics.
- Facilitate OEB guidance and direction to the FEIWG, where necessary.

7. MEETINGS

The FEIWG is expected to meet once every two weeks but the frequency may change in response to needs and in recognition of stakeholders' interest and involvement in other applications and processes before the OEB.

The agenda for the meetings will be decided by the FEIWG Lead in consultation with the FEIWG members and OEB staff. The agenda will be finalized and issued to the FEIWG, along with any appropriate supplementary materials, by OEB staff at least 2 days prior to the meeting.

All meeting materials will be posted on the OEB's website to allow stakeholders to follow the FEIWG's progress.

8. PARTICIPANT COSTS

Cost awards will be available to eligible members on the FEIWG, and any sub-working group(s) established by the FEIWG, and will cover preparation, attendance, and reporting time in relation to each working group meeting. The maximum number of cost eligible hours to prepare for, attend and report on working group meetings is:

- Per Eligible Participant: up to 1.5 times of actual attended meeting time.
- FEIWG Lead: up to 2.5 times of actual attended meeting time, in the event the selected FEIWG Lead is a member representing an entity that is eligible for an award of costs.

Issued: May 10, 2021

Revised: June 16, 2021

Appendix A

FEI Near-term Workstreams

Workstream # 1 - DER Usage: This workstream is intended to investigate and support utilities' use of DERs they do not own as alternatives to traditional solutions to meet distribution needs. The near-term activities will focus on:

- Establishing a working definition of DERs.
- Developing a number of high-value, non-utility-owned DER use cases as alternatives to traditional solutions to meet distribution system needs, based on relevant players' knowledge of needs and alternative solutions.
- Defining an approach to measure the benefits of these DER use cases relative to costs and assess the value of DERs relative to traditional distribution investments.
- Developing appropriate incentives for distributors to adopt DERs for distribution uses that do not require equity investment by the utility.

Workstream # 2 - DER Integration: This workstream is intended to ensure that utilities' planning is appropriately informed by DER penetration and forecasts. The near-term activities will focus on:

- Identifying information distributors require regarding existing DERs to effectively operate and make future system plans.
- Establishing appropriate reporting requirements.

The progress made on these near-term priorities will inform subsequent areas of focus, issues to be addressed and activities to be undertaken, consistent with the incremental approach to work.

Appendix B

FEI Working Group Members

Interest	Nominated By	Representative
Consumers	Anwaatin	Dr. Don Richardson
	- Association of Major Power Consumers in Ontario - Industrial Gas Users Association	Ian Mondrow
	- Canadian Manufacturers & Exporters - Ontario Chamber of Commerce	Marc Brouillette
	Consumers Council of Canada	Julie Girvan
	School Energy Coalition	Jay Shepherd
DER Providers	Demand Power Group	Allen M. Freifeld
	Enel	Sarah Griffiths
	Energy Storage Canada	Geoff Osborne
	Powerconsumer	Adam White
	Versorium Energy	Chris Codd
Other	- ChargePoint - Electric Vehicle Society	Cara Clairman
	Pollution Probe	Michael Brophy
	Environmental Defence	Kent Elson
	Independent Electricity System Operator	Brennan Louw Phillip Chisulo (Alternate)
Utilities	Alectra Utilities	Indy Butany-DeSouza
	Electricity Distributors Association	Kathi Farmer
	Elexicon Energy	Falguni Shah
	Enbridge Gas	Cara-Lynne Wade
	ENWIN	Nimal Weeratunga
	EPCOR	Darren McCrank
	Hydro One Networks	Spencer Gill
	Toronto Hydro Electric System	Andrew Sasso

Updated: May 26, 2021