

January 25, 2023

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

Submitted via email: registrar@oeb.ca

Dear Ms. Long

NOTICE OF PROPOSAL TO AMEND A CODE  
BOARD FILE NO.: EB-2021-0117

Thank you for the opportunity to comment on the proposed amendments to the Ontario Distribution System Code, per the Notice issued January 5, 2023.

Energy Storage Canada (ESC) is the national voice for energy storage in Canada today. We focus exclusively on energy storage and speak for the entire industry. We represent the full value chain range of energy storage opportunities in our own markets and internationally.

ESC offers the following comments on the proposed DSC amendments

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**1) The Ontario Energy Board is proposing amendments to sections 1.2, 6.2.4.2, 6.2.4.3, 6.2.8A, 6.2.8B and 6.2.12 to eliminate the capacity allocation exemption for small embedded generation facilities.**

ESC supports this proposal. As stated in the Notice, the proposed changes will create a more level playing field between projects and enable distributors to better assess system capacity and technical requirements to facilitate the connection of DERs.

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**2) The Ontario Energy Board is proposing amendments to sections 6.2.18, 6.2.18A, 6.2.18B, 6.2.18D 6.2.18H, 6.2.18I and 6.2A.3 of the DSC that would eliminate Capacity Allocation Deposits.**

ESC supports the proposed changes in sections 6.2.18, 6.2.18B, 6.2.18D, 6.2.18H, 6.2.18I, and 6.2.18H to eliminate capacity allocation deposits.

ESC would ask the Ontario Energy Board to review 6.2.18(a) and 6.2.18A

6.2.18A states.....

*“For any proponent that executed a connection cost agreement prior to the date of coming into force of this section, but is not yet connected to the distributor’s distribution system, the distributor shall notify the proponent of that embedded generation facility, within 60 days of this section coming into force, that a connection cost deposit equal to 100% of the total allocated cost of connection ~~and a capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility~~ must be paid within 60 days of the distributor’s notice as a condition of the applicant maintaining its current capacity allocation”.*

6.2.18 A distributor shall enter into a connection cost agreement with an applicant in relation to a small embedded generation facility, a mid-sized embedded generation facility or a large embedded generation facility. The connection cost agreement shall include the following:

(a) a requirement that the applicant pay a connection cost deposit equal to 100% of the total estimated allocated cost of connection at the time the connection cost agreement is executed.

ESC believes 6.2.18A could be eliminated.

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### **3) Proposals to revise Connection Cost Deposit Refund Process & Timeline DSC 6.2.18F**

*Currently, section 6.2.18F of the DSC provides that “the distributor shall at the time of connection refund to the applicant the amount by which the connection cost deposit exceeded the costs related to connecting the embedded generation facility”. The OEB proposes to amend this section to clarify the timing of such refunds, and to enhance information exchanges between a distributor and applicant regarding the completion of a connection to facilitate the timely commencement of operations.*

6.2.18F (a) ESC fully supports the proposed change whereby if permission to operate has been issued, the distributor will provide a list of which items remain to be completed as part of the agreed upon scope of work. items . When implemented this will provide better consistency and communications between the developer and local distributor.

6.2.18F (b) Providing a preliminary cost report 60 days after permission to operate is a significant step forward in determination of potential refund to the developer and links directly to proposed timelines outlined in 6.2.18F(c/d)

6.2.18F (c) ESC supports the development and potential implementation of prescribed refund timelines. We believe section 6.2.18F(c) could be improved by inserting the words “as soon as possible but no longer than the 180 days or 220 days for an embedded distributor”.

6.2.18F(d) (i/ii) ESC supports the wording as presented in the proposed amendment. Having specified number of days to provide the refund directly linked to completion of the agreed upon scope of work ensures all project refunds are treated in a similar manner.

6.2.18H In reviewing this section, it appears the proposed wording is looking how to handle existing capacity allocation deposits being held by the distributor, interest to be paid and when to refund the capacity allocation deposit.

ESC would like to see all capacity allocations deposits currently held by local distributors be returned 30 days after the proposed amendments come into force.

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6.2.18I ESC supports the revised wording with the removal of the reference to capacity allocation deposit in this section. The change reflects the only deposit is the estimated connected costs provided in the connection impact assessment.

6.2.18I Some clarification and/or guideline needs to issued to Distributors as the timeframe interest is applied to the refund portion of connection cost deposit. ESC feels the prescribed interest rate shall be applied on the refund portion from the date of connection cost deposit is paid to the distributor.

Energy Storage Canada supports the Ontario Energy Board's ongoing efforts to improve the interconnection process of Distributed Energy Resources.

Yours truly,



Robert Tremblay  
Policy Manager  
Energy Storage Canada