

ONTARIO ENERGY BOARD

**PHASE 2 OF THE GENERIC HEARING ON
UNIFORM TRANSMISSION RATES**

EB-2022-0325

**CLARIFYING QUESTIONS REGARDING BACKGROUND
REPORT**

OF

**DISTRIBUTED RESOURCE COALITION
("DRC")**

April 15, 2024

Question: DRC-1

Reference: • Issues 5 and 6, page 5-6 of 24

Preamble: Hydro One Networks Inc. (“**HONI**”) references the OEB’s statement from 2002 that “the output of some renewable source generation equipment has advanced from under 1 MW per unit to just under 2 MW per unit”.

It goes on to allege that certain customers are engaged in avoidance activities that involve the installation of multiple generation units.

- a) Please describe HONI’s understanding of how renewable source generation equipment has developed since 2002 as it pertains to the OEB’s quoted statement that “the output of some renewable source generation equipment has advanced from under 1 MW per unit to just under 2 MW per unit”.
- b) In the instances of avoidance that HONI alleges, did it perform any review as to whether the approach to installation might have reasons other than avoidance of the applicable gross billing threshold?
- c) If the answer is yes, please describe those efforts and what HONI discovered.
- d) What are any other reasons that HONI is aware of, aside from avoidance of the threshold, as to why commercial and industrial customers might choose to install multiple units as opposed to one larger unit with the same output potential?

Question: DRC-2

Reference: • Issues 5 and 6, page 7 of 24

Preamble: HONI states that solar facilities are often designed to include multiple sets of arrays, with each array having their own inverter. It provides various facts concerning inverter capacity and states that no customers with embedded solar generation are being billed on a gross load basis.

- a) Please describe the viability of approaches that would reduce the number of units in a larger facility, as well as any disadvantages to any such alternatives from the perspective of the owner of the solar facility, aside from consequences relating to the gross load billing threshold.
- b) Does it remain HONI's understanding that inverter capacity for solar generation "is typically small (under 0.5 MW)"?
- c) What is HONI's understanding as to the percentage of inverter capacity in Ontario that is: a) over 0.5 MW; b) over 1 MW; and c) over 2 MW?
How has this changed, generally speaking, over the past ten years?
- d) What is HONI's understanding as to the percentage within each of the categories listed in the previous question of inverters with bidirectional capacity?
- e) What is the largest inverter capacity in Ontario that a single customer exercises that HONI is aware of? How has this changed, generally speaking, over the past ten years?
- f) Does it remain the case today that "no customers with embedded solar generation are being billed on a gross load basis"?

Question: **DRC-3**

Reference: • Issues 5 and 6, page 8 of 24

Preamble: HONI states that it has determined that 1,268 MW of embedded solar generation is currently exempt from gross load billing charges, while more than half of the installed embedded wind generation capacity is being billed on a gross load basis.

- a) Does HONI's cited figure of 1,268 MW of embedded solar generation as currently exempt from gross load billing charges include residential in addition to industrial and commercial users?
- b) Regardless of the answer, please provide the number of users (approximations if necessary) that constitute the cited figure of 1,268 MW of embedded solar generation, broken down by user category (i.e., residential, commercial and industrial, or otherwise as determined by Hydro One along these same lines).
- c) Please provide the number of users (approximations if necessary) that constitute the cited comparable figure for wind generation, broken down by user category (i.e., residential, commercial and industrial, or otherwise as determined by Hydro One along these same lines).
- d) What percentage of HONI's cited figure of 1,268 MW of embedded solar generation as currently exempt from gross load billing charges is represented by embedded solar generation with bi-directional capacity?

Question: **DRC-4**

Reference: • Issues 5 and 6, page 10 of 24

Preamble: HONI states that some customers have questioned HONI's practice of applying gross load billing to energy storage

- a) What are the characteristics of customers that have questioned Hydro One's practice of applying gross load billing to energy storage? Do they include any customers who are not directly engaged in energy storage activities themselves?

ALL OF WHICH IS RESPECTFULLY
SUBMITTED THIS

15th day of April, 2024

A handwritten signature in black ink, appearing to read "Nick Daube", written in a cursive style.

Nicholas Daube
Resilient LLP
Counsel for DRC