

# Brookfield Properties

May 1, 2024

Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario M4P 1E4

**Re: Brookfield Submission on the Ontario Energy Board's Distribution System Expansion for Housing Development Cost Recovery Options  
EB-2024-0092**

Brookfield thanks you for the opportunity to participate in the Ontario Energy Board's (OEB's) stakeholder meeting on April 3, 2024 on "Distribution System Expansion for Housing Developments: Exploring Connection and Revenue Horizon Options".

The timely design and construction of necessary energy infrastructure and system expansions, as well as the significant financial burden being placed on developers to fund the expansions, continues to be a considerable obstacle to increasing the housing supply in Ontario.

While the OEB's consultation was predominantly focused on the review of the system expansion connection horizon and the revenue horizon, we feel that the OEB and provincial government need to broaden their scope and look at the electrical system as a whole. This will ensure that there is a balance between the costs being allocated to new growth and to the existing rate payers.

Currently, there is a shortfall in electrical infrastructure to electrify many new communities in the province, resulting from a lack of long-term and short-term planning. There are many instances across the province where sufficient electrical supply is not available for development build-out within Secondary Plan areas and Settlement Boundaries that have been designated for growth.

In addition, the current approach by many local distribution companies (LDCs) places the financial burden of expansions to the distribution infrastructure on the First Contributors (e.g. first development to proceed in a Secondary Plan). This approach is imbalanced and places a significant upfront financial responsibility on the First Contributors with little certainty regarding cost recovery, particularly with the current 5-year connection horizon. LDCs are typically private companies that make profits and pay dividends to their shareholders. The profits from the LDCs should be used to fund infrastructure expansions that bring new ratepayers to their system, rather than placing the financial burden onto developers along with a limited connection horizon within which costs can be recovered.

As noted in the Minister's Letter of Direction of November 2023, the timely delivery of electricity transmission and distribution systems, which are supported by a regulatory environment which provides certainty for proponents, are key components to Housing, Transportation, and Job Creation priority.

We believe there are many additional avenues that should be explored beyond the connection and revenue horizons, including:

- long-term and short-term planning for electrical infrastructure to accommodate growth in a timely manner;
- LDC funded expansions; and
- alternate financing arrangements which provide certainty for cost recovery;

We thank you again for the opportunity to participate in this consultation and trust that the OEB will take them into consideration as you respond to the Minister, and look forward to further consultation on this matter.

Yours truly,



**Rayna Thompson, Senior Director, Land Development**

Brookfield Properties

[Rayna.Thompson@brookfieldpropertiesdevelopment.com](mailto:Rayna.Thompson@brookfieldpropertiesdevelopment.com)