

June 27, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge St, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

Re: Electric Vehicle Integration (EVI): Ontario Energy Board Delivery Rates for Electric Vehicle (EV) Charging

The Electricity Distributors Association (EDA) represents local hydro distribution companies (LDCs) across Ontario. Ontario's electricity customers know that their LDC is their frontline representative to the electricity system. LDCs are knowledgeable about what their customers want, and more importantly, need from both a global and specific rate class perspective. Insights into customers' existing and future needs for electricity and delivery services support LDCs in appropriately planning their distribution systems and deploying technology on an ongoing basis. LDCs aim to meet their customers' expectations and needs both operationally and from a rate consideration by actively contributing to being a 'part of the solution'.

Background

Last year the Minister of Energy, in his 2022 Letter of Direction, asked the OEB to provide guidance to electric utilities when planning for EVs to ensure that Ontario is ready for the expected growth in this sector. The Minister in 2023 continued this full endorsement to proceed as quickly as possible and asked the Ontario Energy Board (OEB) to take the results of its work and provide clear direction to the sector. As part of its EVI planning the OEB retained Power Advisory (PA) to prepare analysis and present a report in April 2023 on "*Electric Delivery Rates for Electric Vehicle Charging*". Since then, PA has provided further research and analysis to the OEB. On June 13, 2024, the OEB and PA jointly presented the variant of the Low Load Factor Rate (LLFR) or Electric Vehicle Charge (EVC) implemented on Retail Transmission Service Rates (RTSRs) to the broader stakeholder community including LDCs. As Ontario's independent energy regulator, the OEB sets the delivery rates energy utilities can charge and has an obligation to set fair, just, and reasonable rates, allocating costs responsibly amongst classes to those that are directly benefitting from those investments.

This submission provides our members' comments on matters arising in the above-named consultation. While we are generally supportive of the work prepared by PA on this proposal to better facilitate our customers' EV needs, our members will be directly affected by the outcome of this initiative, and we have some comments for OEB consideration. On behalf of all our

members, we appreciate the OEB for progressing on this issue and for providing this opportunity to comment on the recommendations presented in the OEB EVI Engagement and key concepts for LLFR. The following submission is organized by the OEB's three areas of interest as well as their sub-categories of discussion:

- (1) General Eligibility Requirements
- (2) Alternative Rate Designs & Bill Impacts, and
- (3) Implementation of Alternative Rates.

(1) General Eligibility Requirements:

In its presentation the OEB has proposed that EV charging stations meet four eligibility requirements to qualify for the proposed adjusted RTSR/EVC rate sub-grouping:

- (1) Demand – EV charging stations would have to have a demand between 50 kW and 4,999 kW.
- (2) Public Accessibility – EV charging stations would have to be publicly accessible.
- (3) Low Load Factor – EV charging stations would have to have a load factor of 15% or lower.
- (4) Metering - EV charging stations would have to be separately metered.

Outlined below are our comments and advice to assist the OEB in considering the impacts of the four eligibility criteria and the administrative considerations that will need to be addressed to roll out the LLFR – EVC.

EVC Rate Mandatory Offering, Customer Opt-In, Customer Attestation:

We are supportive of the voluntary Opt-In/Self Declaration of the customer into the proposed EVC rate as this approach would not require LDCs to have insights into the end-uses of the customer and would support a business model of trust in our customers. Further, it would not be realistic to expect LDCs to police/monitor whether the customer uses electricity exclusively for EV charging or for other purposes, and the attestation should be satisfactory for a customer to opt into the rate class.

We would like very clear and prescriptive clarity of the criteria as well as the delineation and the role of the LDC in the ongoing eligibility assessment. We request that the OEB carefully evaluate whether permitting an exclusive rate class for a particular end-use of electricity policy is equitable and examine the impacts of offering the new rates to a broader set of customers.

We suggest that the OEB take time to **consider the appropriate level of signing authority required by the customer of the self-declaration and attestation**, such as an engineer or energy consultant, which would validate the customer's self-declaration. However, it should be incumbent on the customer to provide the assurance that the appropriate signing authority has participated in the self-declaration process, particularly if the review of the EVC rate sub-group is only performed on an annual basis. This validation step on behalf of the customer would

serve two purposes: 1) ensures customer commitment to the rate class and eligibility and safeguarding that self-declaration is taken seriously with the understanding that the OEB does not accept misrepresentation, and 2) effectively reduces administration of incomplete and invalid opt-in documents submitted for processing.

We propose that the OEB limit the frequency that a participant may opt in and out of the RTSR/EVC rate sub-group to once annually, in accordance with the similar practice of the ICI program. An annual opt-in and-out procedure will limit the administrative burden of enrolments on the LDC's part.

Eligibility Requirement 1: Demand Between 50Kw and 4,999 kW:

The four proposed eligibility criteria will add layers of (potentially manual) verification into existing LDC procedures and impose several administrative tasks onto LDCs to manage this specific EVC rate sub-group and its RTSR rates. While LDCs currently have similar procedures for customer self-declaration on other lines of the bill, to assess, monitor and review customer classes on an annual basis, **the addition of these four criteria into a new EVC process will require added LDC resources to bill and monitor.** If LDCs are required to measure peak and billing demand for participants consistent with how they measure for customers in their GS 50-4999 kW rate classes, this would also require initial setup, training, and overall staff review.

It was not clear in the presentation or the responses in the FAQs released June 21, 2024 (Questions #29, 30, and 37) whether the OEB was proposing that LDCs re-review the eligibility criteria on a monthly, quarterly or annual basis. We request that the OEB provide clear and illustrative examples of how load factor should be calculated for qualification, and if it was intended to be included as an added procedure to LDCs' annual customer class review process.

We also note that currently load factor is not a process which is being tracked by LDCs for the use of billing purposes. Further investigation and testing may need to occur in LDC billing departments to determine if the load factor is being captured within the same systems – i.e. billing to metering systems or both, and if there is capability of applying this to customer accounts.

In our discussions with members, it was revealed that the interpretation of the OEB proposal lent itself into two areas of eligibility. It would be helpful for LDCs if the OEB could clarify its intent for one of the following two options (or otherwise):

- 1) Customers with an average monthly load factor of less than or equal to 15% over the 12 months prior to LDC rate reclassification maintain eligibility, **or**
- 2) Customers with a monthly load factor that does not exceed 15% in any month in the 12 months prior to LDC rate reclassification maintain eligibility.

Clear communication will serve both the LDCs and customers and avoid confusion and friction. **We support the alignment of reviewing the rate class qualifications on an annual basis and**

propose flexibility and safeguards for a scenario where a customer consistently exceeds the 15% load factor threshold over a period. We suggest that this activity could trigger a review of their EVC classification and eligibility, and the LDC be able to reclassify the customer based on 4-6 months of data. This should be executed as only a safeguard in practice, and as a condition in the self-declaration.

Net Metering:

We believe that to successfully implement the EVC rate to the appropriate sub-grouping of GS 50 kW and 4,999kW customers, the OEB will need to consider net metering in its eligibility criteria. Net metering considerations will be a necessary qualifier for LDCs in reviewing eligibility and rate class review to understand whether EVC rate customers are eligible to participate in net metering. If so, specific guidance related to billing and eligibility would allow for consistency and billing accuracy throughout the sector. We also suggest that participating EVC rate customers should not be restricted from participating in net metering; and if accepted, then a clear communication to customers of this eligibility would also be required.

Eligibility Requirement 2: Public Accessibility:

The considerations put forward by the OEB on slide 15 appear to be reasonable; however, we request that whichever decision is made on this section is very clearly illustrated in the communication to LDCs and customers. We believe that participating customers should be required to have at least one fast charging station, and lower-level chargers (i.e., Level 2) should be permitted behind a participating EVC rate meter and should not be limited to a defined maximum share of overall load, as the EVC rate is intended to help establish and proliferate charging assets in the public space. Limiting the scope of EV models adds a level of unnecessary complication, and hinderance of market development.

Eligibility Requirement 3: Load Factor up to 15%:

Based on the Power Advisory analysis that most stations were well below 15%, we are satisfied that the proposed approach in which LDCs apply their existing procedures for dealing with participants whose monthly load factors occasionally exceed 15% is reasonable. We do not recommend using any load factor above 15%, and **we propose that the OEB set a sunset date for this current EVC threshold and schedule a review of the EVC in two to three years.** At the time of review stakeholders and the OEB should be able to better understand the EVC profiles, and assess the efficacy of the rate, and its use and implementation. At that time, an increase could possibly be considered.

Eligibility Requirement 4: Separately Metered:

We support separate meters on properties which EV charging is considered a secondary service so that we ensure that the EVC rate is applied to only the electricity demand for EV charging services. In the case of separate meters there are several defining features which will need to be addressed by the OEB to guarantee that LDCs are applying the same criteria to customers across the province.

Auxiliary loads proposed by the OEB staff seem reasonable, and we agree that lower-level chargers should be permitted behind a participating EVC rate meter and should not be limited to a defined maximum, as the EVC rate is intended to help establish and proliferate charging assets within the public space. Also, in terms of administrative burden and reporting, we believe that a simplistic approach is best at this point of implementation.

We also encourage the OEB to **ensure that auxiliary load is clearly defined** through the Opt-In/Self-declaration stage of the process and communications with the customer clearly explain that additional load elements may cause future ineligibility should the combined load factor exceed 15%. Customers should be required to validate in their self-declaration that only the acceptable list of auxiliary allowances is connected at the facility, and that they understand the impact of overages. LDCs are not equipped to police and validate these connections, especially after the meter has been connected at the customer point. If our proposed sunset date of the established EVC method and a predetermined two-to-three-year review of the EVC is accepted by the OEB, this listing may be refined at a future date following discovery and development in this rate sub-group.

(2) Alternative Rate Designs & Bill Impacts:

Rate Class or Sub-Class Consideration:

LDCs confirm that the current data justifies the application of the EVC rate designated for EV charging customers exclusively, as it is intended to proliferate charging assets in the public space. Customers with a low load factor that are not EV charging stations should not be eligible for this rate structure **at this time** and this could be incorporated in a future review of EVC LLFR at a later date. Whether or not EVC is its own rate class or sub-grouping, we expect that the OEB will clearly define the intention of the use of this rate to be for EV charging customers – consistent with the Minister’s Letter of Direction.

While a new rate class is not required, in the billing system structures the EVC rate for all GS class between 50kW and 4,999kW with individual metering will be maintained as a separate category, and sub-grouping of the rate classifications. Therefore, administratively this is still a burdensome exercise to attach the rate to its individual EVC rate profile. While we recognize that a new rate class would create more data requirements for cost allocation and rate design, it really depends on the life cycle and purpose of this rate class, which likely cannot be fully reviewed until 2-3 years’ time. In the meantime, we agree that the EVC can be handled as a sub-group classification in the same way as the transformer allowance/discount for customers that have their own transformers, or the Interval Classification of RTSR rates. We propose a sunset date of the EVC, or firm review date soon once data has been properly collected, and several IRMs and COS applications have gone forward.

EVC Rate Options A, B, and C:

Load Factor	Option A1: (a single \$/kW rate)	Option B: (a stepped \$/kW rate)	Option C: (a \$/kWh rate)
0 to 3%	0.13 * RTSR * kW	0.03 * RTSR * kW	1.7262 ÷ Number of hours in billing period * RTSR * kWh
3 to 7%		0.09 * RTSR * kW	
7 to 11%		0.16 * RTSR * kW	
11 to 15%		0.22 * RTSR * kW	
above 15%	1 * RTSR * kW	1 * RTSR * kW	1 * RTSR * kW

Each of the options presented by Power Advisory will require complex billing setups for LDCs. It is not possible to adjust existing GS 50-4999 kW billing configurations and system modifications to only include the EVC rate. The more complex the rate structure, the more complicated the system changes would be, and system modifications would need to occur to accommodate the calculations in the back end, including building reports. As discussed above, separate rate profiles will need to be created for each of the rate classes that will now have eligibility for EVC. While there are multiple billing systems across the sector, the majority held the same concern which we have outlined below.

Unfavourable Options:

Option B is deemed to be the most complicated and unfavourable option from an LDC billing system and customer management perspective. It requires multiple billing codes to become functional, and depending on the number of applicable rate classes, this can become a large billing and verification exercise. This includes after calculating the load factor for a month, the systems logic would then need to be applied to determine the stepped rate to be charged for that month. This is a very complex process, and there is uncertainty as to whether every billing system could accommodate this methodology in its setup. The varying load factor application was noted to be very complex for customers and could lead to the most confusion. There is also a probability that billing systems will not be able to process this many calculations within similar batches of current rate classes, and the EVC would become its own billing cycle, and therefore add a large amount of administrative burden onto LDCs to provide our customers with this option. Option B also was noted in discussion to place more importance on the load factor scaling in its calculation which could be controversial.

While many of our members have expressed an interest in Option C, they also recognize that there is a high possibility of customer confusion, as there are inconsistent interpretations of factors and potential for inconsistent application. Option C provides a discount on a \$/kwh basis when the original rate is based on \$/kw. It is not intuitive why one would mix billing determinants. There would also need to be system calculations to determine the number of

days in the billing period, not hours. The more changes to the system, the longer this would take to implement and monitor, and it limits future options. This would also make settlement of the DVA more complex if the billing was to become kWh and not kW. Option C has the potential to result in manual adjustments each month, which LDCs prefer to avoid for billing accuracy purposes.

Favourable Option:

Our strong recommendation is to adopt Option A for the roll out of this rate sub-grouping (i.e. our proposed 2–3-year interim period). Option A presents the simplest alternative rate providing benefit to customers, and clear guidelines for calculating that benefit. Option A is a relatively cost-effective option with respect to implementation and is a practical choice for a relatively small quantity of participating customers. Options B and C require relatively extensive billing system customizations.

Considerations for EVC Rate Design:

Considerations should be given for the lead times required for multiple systems to roll out the EVC, including those who share billing system providers.

It will be necessary to perform a periodic (i.e., not more than annual) reclassification review to identify and manually reconfigure customer accounts which are no longer eligible for EVC rates on an ongoing basis based on load factor patterns. This process should be left to LDCs to manage in accordance with the reclassification work that they already undertake (i.e., no further rules should be prescribed). Option A is relatively easy to communicate to customers, particularly as discussed below using OEB Calculator or Bill Impacts Model.

(3) Implementation of Alternative Rates:

Implementation Date:

The OEB has proposed to establish an implementation date of January 1st, 2026. While we support that date and advance notice, we also note that depending on the accepted methodology, there could be many complexities based on each LDC's individual billing system and rate structure. We also note the upcoming rate changes expected to impact other line items on the electricity bill. For these reasons, we request that the OEB accommodate the LDCs' individual practices and allow for a range of implementation dates, as was allowable during the implementation of Ultra-Low Overnight RPP pricing.

We propose that the implementation dates range from January 1st, 2026, to May 1st, 2026.

This range allows for each utility to align its regular rate change procedure with its roll out of EVC more efficiently.

We propose a sunset date of the EVC that is accepted following this consultation and implementation. Following a predetermined two-to-three-year period of EVC, we will have both provincial and distribution specific data to compare and stakeholders can re-review the policy which is established through this work for effectiveness and opportunities.

Provincewide Parameter:

We support the OEB's proposal for a provincewide parameter for the initial roll out of the EVC. We agree that rolling out one rate methodology is simpler on the onset of this initiative and while both customers and LDCs become familiar with the impacts of the EVC methodology. However, we propose that in two to three years, once we have historical and comparative data (especially if EVC is determined to be separately metered), that the policy be reviewed again, and LDCs have an opportunity to propose specific customization to their individual EVCs.

Distributors should have flexibility in the future to establish and implement distributor-specific procedures to address customer trends based on a historical analysis, such as customers that may occasionally or frequently exceed the 15% load factor threshold. This is consistent with the current obligation to undertake rate reviews/reclassifications. The ideal procedure may vary depending on the final EVC rate design option.

Deferral and Variance Account 1584 & 1586:

During the presentation discussion of DVA recording the OEB has stated that, all else being equal, an RTSR revenue shortfall will occur upon opting into the EVC rate, until base RTSRs are reset. It is expected that this shortfall would be reclaimed in the disposition of Deferral and Variance Account 1584 and 1586. However, it was not discussed or recognized that the recovery of this would not be recovered from customers for two or more years depending on the approval. For example, if the rate change occurs in 2026, the ending 2026 DVA balance wouldn't be disposed of until 2028. Therefore, the OEB should be mindful of the delay and impacts would not surface until later.

In this proposal consideration we also noted that a missing element of the evaluation was quantifying the impact to the RTSR amount charged by the IESO based on the settlement invoice and balancing it with the cost-side of settlement. We request that OEB staff consider how it might suitably balance and quantify the impact of the EVC customers into the DVA and ongoing monitoring of the balances in the DVA. If this is properly monitored, this would make a review of the load factor and quantification later (following sunset of the current established EVC) to be more informative and valuable.

Request a Deferral Account: Capturing Incremental Costs:

In addition to the considerations above and recognizing the increase in billing complexity, administration of EVC, resources and staff that will be required to offer the EVC as well as monitor the eligibility criteria, **we recommend the OEB establish a deferral account for incremental costs of EVC implementation.** The impacts of EVC, Non-RPP Class B Optionality, and MRP Implementation during a time that many LDCs are upgrading their billing and settlement systems to be capable of calculating many complex billing structures could result in a material cost, pushed down on the distributors.

EVC Rate Implementation through RTSR Workform and IRM Rate Generator Model

We appreciate that the OEB will revise both models to facilitate implementation of the EVC Rate. Our members would like to be involved in the revisions to contribute their thoughts to the impact of the RTSR Workform.

Some specific areas of concern which LDCs would like addressed in the IRM Rate Generator Model / RTSR Workform are:

- 1) In Tab 10. Current Rate Class of the IRM Rate Generator Model, whether LDCs will be required to split their GS 50-4,999 kW rate classes, and non-loss adjusted kWh and kW by EVC sub-grouping metering and rate, and how this can be done in the first year of implementation without historical data. If LDCs will be required to split these rate classes, LDCs seek clarity on whether estimates and projections will be acceptable.
- 2) If customers remain in the Interval Metered General Service rate class, whether they are considered eligible.
- 3) In the transition year, whether LDCs will be required to calculate the input rate based on the option or whether the OEB will automate this in the model.
- 4) How these rates will flow to the Final 19. tariff sheet and Tab 20. Bill Impacts.
- 5) Whether EVC-related RTSR costs would be included in the GS>50 line or whether there would be a separate line item.

Example of Tab 10. Current Rate Class:

Rate Class	Rate Description	Unit	Rate	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW
Residential Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0081	335,982,135	0
Residential Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0058	335,982,135	0
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0077	128,770,649	0
General Service Less Than 50 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0053	128,770,649	0
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	3.0259	5,204,280	16,689
EVC - General Service 50 To 999 kW Service Classification	EVC - Retail Transmission Rate - Network Service Rate	###	###	SPLIT?	SPLIT?
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0233	5,204,280	16,689
EVC - General Service 50 To 999 kW Service Classification	EVC - Retail Transmission Rate - Line and Transformation Connection Service R	###	###	SPLIT?	SPLIT?
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	3.2099	226,327,939	559,335
EVC - General Service 50 To 999 kW Service Classification	EVC - Retail Transmission Rate - Network Service Rate - Interval Metered	###	###	SPLIT?	SPLIT?
General Service 50 To 999 kW Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate - Ir	\$/kW	2.2365	226,327,939	559,335
EVC - General Service 50 To 999 kW Service Classification	EVC - Retail Transmission Rate - Line and Transformation Connection Service R	###	###	SPLIT?	SPLIT?
General Service 1,000 kW Or Greater Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	3.2099	145,455,212	466,710
EVC - General Service 1,000 kW Or Greater Service Classification	EVC - Retail Transmission Rate - Network Service Rate	###	###	SPLIT?	SPLIT?
General Service 1,000 kW Or Greater Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2365	145,455,212	466,710
EVC - General Service 1,000 kW Or Greater Service Classification	EVC - Retail Transmission Rate - Line and Transformation Connection Service R	###	###	SPLIT?	SPLIT?
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0077	1,974,808	0
Unmetered Scattered Load Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0053	1,974,808	0
Sentinel Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.2938	112,347	335
Sentinel Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5971	112,347	335
Street Lighting Service Classification	Retail Transmission Rate - Network Service Rate	\$/kW	2.2818	5,320,907	14,996
Street Lighting Service Classification	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5643	5,320,907	14,996

Example of Tab 19. Final Tariff Sheet:

GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	###
Distribution Volumetric Rate	\$/kW	###
Rate Rider for Disposition of Capacity Based Recovery Account (2023) - effective until April 30, 2024 Applicable only for Class B Customers	\$/kW	###
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2023) - effective until April 30, 2024	\$/kW	###
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	###
Rate Rider for Disposition of LRAMVA 2023 Prospective - effective until April 30, 2024	\$/kW	###
Retail Transmission Rate - Network Service Rate	\$/kW	###
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	###
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	###
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	###
Retail Transmission Rate - Network Service Rate - EVC	\$/kW	###
Retail Transmission Rate - Line and Transformation Connection Service Rate -EVC	\$/kW	###

RRR Reporting:

Much like the concern above for ‘**Tab 10. Current Rate Class of the IRM Rate Generator**’, we seek clarity on whether there will be adjustments to the RRR templates to account for this new sub-group in General Service for EVC, particularly in the 2.1.5 Demand and Consumption reporting, given these customers are proposed to be separately metered on consumption.

Bill Calculator:

During the consultation and following our review of the ‘EVC Rate Presentation FAQs’ which were released on June 21st, 2024, it is evident that there are many varying degrees of understanding on the development and application of the RTSR rates. To better assist LDC and OEB staff to effectively communicate the EVC “Opt-In” bill impacts with customers and stakeholders, we strongly encourage the OEB staff to develop an EVC Bill Calculator which can process and display sample bills for the EVC customer opting in and staying out of the RTSR rate groupings.

Currently the Bill Calculator only applies to Residential and Small Business Class and buries the RTSR rates into Delivery. This is the same display as what the customers would see on the current electricity bills they receive, and they may not recognize the benefit because of the grouping. This lack of visibility confuses customers and may lead to poor decision making on the customer end. Please see below:

RTSR →

TIME-OF-USE	ULTRA-LOW OVERNIGHT	TIERED
Your Electricity Charges	Your Electricity Charges	Your Electricity Charges
Electricity	Electricity	Electricity
475 kWh On-Peak @ 18.2 c/kWh \$86.45	400 kWh On-Peak @ 28.6 c/kWh \$114.40	750 kWh @ 10.3 c/kWh \$77.25
450 kWh Mid-Peak @ 12.2 c/kWh \$54.90	837.5 kWh Mid-Peak @ 12.2 c/kWh \$102.18	1750 kWh @ 12.5 c/kWh \$218.75
1575 kWh Off-Peak @ 8.7 c/kWh \$137.03	527.5 kWh Weekend Off-Peak @ 8.7 c/kWh \$45.89	
	735 kWh Ultra-Low Overnight @ 2.8 c/kWh \$20.58	
Delivery \$137.17	Delivery \$137.36	Delivery \$138.53
Regulatory Charges \$15.59	Regulatory Charges \$15.59	Regulatory Charges \$15.59
Total Electricity Charges \$431.13	Total Electricity Charges \$436.00	Total Electricity Charges \$450.12
HST \$56.05	HST \$56.68	HST \$58.52
Ontario Electricity Rebate (-\$83.21)	Ontario Electricity Rebate (-\$84.15)	Ontario Electricity Rebate (-\$86.87)
Total Amount \$403.97	Total Amount \$408.53	Total Amount \$421.76

Bill Impact Model:

Another tool which would be useful to display the bill impacts to the customer of their choice and the methodology used for calculating the bill is the IRM Rate Generators Bill Impact Tab. However, rather than displaying current and proposed rates, the OEB could create a model that displayed current and opt-in EVC. Depending on the rate structure of the rate class, this may be required in multiple rate classes between General Service > 50kW to General Service 4,999 kW. Preparing this template for customer communications of each LDC will provide more insight into the complexities considered for each LDC customer. Please see below:

Customer Class: GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION									
RPP / Non-RPP: Non-RPP (Other)									
Consumption: 45,360 kWh									
Demand: 70 kW									
Current Loss Factor: 1.0469									
Proposed/Approved Loss Factor: 1.0469									
	Current OEB-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 123.27	1	\$ 123.27	\$ 123.00	1	\$ 123.00	\$ 5.73	4.65%	
Distribution Volumetric Rate	\$ 3.7604	70	\$ 263.23	\$ 3.9393	70	\$ 275.75	\$ 12.52	4.65%	
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-100.00%	
Volumetric Rate Riders	\$ 0.5484	70	\$ (38.39)	\$ -	70	\$ -	\$ 38.39	-100.00%	
Sub-Total A (excluding pass through)			\$ 348.11			\$ 404.47	\$ 56.36	16.19%	
Line Losses on Cost of Power	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	
Total Deferral/Variance Account Rate	\$ 0.7347	70	\$ 51.43	\$ 1.1645	70	\$ 81.52	\$ 30.09	58.50%	
Riders	\$ 0.0420	70	\$ (2.94)	\$ 0.0583	70	\$ (4.08)	\$ (1.14)	-38.81%	
CBR Class B Rate Riders	\$ 0.0026	45,360	\$ (117.94)	\$ 0.0023	45,360	\$ (104.33)	\$ 13.61	-11.54%	
GA Rate Riders	\$ 0.0058	70	\$ 56.41	\$ 0.0058	70	\$ 56.41	\$ -	0.00%	
Low Voltage Service Charge	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-	
Smart Meter Entry Charge (if applicable)	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-	
Additional Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	-	
Additional Volumetric Rate Riders	\$ -	70	\$ -	\$ -	70	\$ -	\$ -	-	
Sub-Total B - Distribution			\$ 335.07			\$ 433.98	\$ 98.91	29.52%	
Includes Sub-Total A									
RTSR - Network	\$ 3.7445	70	\$ 262.12	\$ 3.9893	70	\$ 279.25	\$ 17.14	6.50%	In the manager's summary, discuss the reasoning for the change in RTSR rates
RTSR - Connection and/or Line and Transformation Connection	\$ 2.6461	70	\$ 185.23	\$ 3.2215	70	\$ 225.51	\$ 40.28	21.75%	In the manager's summary, discuss the reasoning for the change in RTSR rates
Sub-Total C - Delivery (including Sub-Total B)			\$ 782.41			\$ 938.74	\$ 156.33	19.98%	
Wholesale Market Service Charge (WMS)	\$ 0.0045	47,487	\$ 213.69	\$ 0.0045	47,487	\$ 213.69	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0007	47,487	\$ 33.24	\$ 0.0007	47,487	\$ 33.24	\$ -	0.00%	
Standard Supply Service Charge	\$ 0.25	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ -	0.00%	
Average IESO Wholesale Market Price	\$ 0.1076	47,487	\$ 5,109.64	\$ 0.1076	47,487	\$ 5,109.64	\$ -	0.00%	
Total Bill on Average IESO Wholesale Market Price			\$ 6,139.24			\$ 6,295.57	\$ 156.33	2.55%	
HST		13%	\$ 798.10		13%	\$ 818.42	\$ 20.32	2.55%	
Ontario Electricity Rebate		19.3%	\$ -		19.3%	\$ -	\$ -	-	
Total Bill on Average IESO Wholesale Market			\$ 6,937.34			\$ 7,113.99	\$ 176.65	2.55%	

To better translate the impacts of the options into terms which our customers understand most, we suggest the OEB display the three low load factor rate options in either the Bill Impact Modelling, or Bill Calculator, and not as displayed in terms of rate changes displayed in response to #7 of the FAQ.

While the response to question #7 of the FAQ – Bill Impact Savings of LLFR (as seen below) displays the projected variance range in a comprehensive way for rates analysts, this analysis does not translate into useful terms to LDC customers, and we noted confusion during the presentation. LDCs know that customers prefer to discuss electricity and savings in the format of bill calculator and bill impacts and what the customers can expect to see on their actual bills. We encourage the OEB to combine the bill calculator and bill impact (detailed line item) to display customer choice for an enhanced customer experience.

Bill Impact Savings of Low Load Factor Rates for 300kW Public DCFC, Various Load Factors, Compared to Status Quo

Option 2a

Load Factor	Minimum (\$/kWh)	Average (\$/kWh)	Maximum (\$/kWh)	Minimum (%)	Average (%)	Maximum (%)
5%	0.077	0.130	0.196	12%	30%	40%
10%	0.039	0.065	0.098	11%	23%	31%
15%	0.026	0.043	0.065	10%	19%	26%

Option 2b

Load Factor	Minimum (\$/kWh)	Average (\$/kWh)	Maximum (\$/kWh)	Minimum (%)	Average (%)	Maximum (%)
5%	0.080	0.135	0.204	13%	31%	42%
10%	0.037	0.062	0.094	10%	23%	30%
15%	0.023	0.039	0.058	9%	17%	23%

Option 2c

Load Factor	Minimum (\$/kWh)	Average (\$/kWh)	Maximum (\$/kWh)	Minimum (%)	Average (%)	Maximum (%)
5%	0.081	0.136	0.206	13%	31%	42%
10%	0.037	0.062	0.093	10%	22%	30%
15%	0.022	0.037	0.056	8%	17%	22%

Communication to Customers:

We agree with the OEB's presentation of EVC that the simple method (option A) will be a better methodology to communicate to customers, over the other two complex options, especially if LDCs and the OEB can dedicate time and effort to build customer tools, e.g. bill calculator and bill impacts model, using a methodology which illustrates more clearly the benefits of one choice over another.

We also strongly recommend that whichever path is chosen and reviewed later that the OEB give significant consideration to the naming of this EVC sub-group RTSR rate. LDCs shared with

the stakeholder group that customer confusion has developed from the name of “U-Lo/Ultra Low” title for the third option of RPP rates. Therefore, we strongly encourage that the naming of the EVC sub-group RTSR rate be one that is clear to the eligible customers, and especially not misleading to others.

Conclusion

We appreciate the opportunity to provide our comments to the OEB as it continues to expand the analysis presented by PA to fully quantify system impacts and explore implementation costs and considerations. Our members found the presentations and stakeholder conversations to be very useful. We encourage the OEB to continue engaging with us in the development of the models and customer communications as we move forward to implementation. We also encourage the OEB to consider a limitation and set review of this process in two to three years’ time, once historical data and comparators have been set.

Regardless of the chosen path, our members were encouraged by the OEB staff’s commentary to give consideration for LDC implementation, administrative burden, and customer impacts. LDCs and their customers will benefit from appropriate lead times, clear communication materials for eligibility, updated OEB bill calculators and thorough bill testing. Building these items into a workplan will create less burden and confusion to the customer and the implementation process will go a long way. Often the simplest approach will be the easiest approach to implement and understand quickly.

We also hope that in its planning for EVC that the OEB considers other billing changes occurring in the industry (e.g. MRP go-live, Non-RPP Class B Options, Billing System Changes) as well as regularly scheduled rate change timelines such as January 1st and May 1st, and partners with LDCs to coordinate a reasonable and efficient approach to implementation timelines.

We look forward to working with the Ontario Energy Board to find the most appropriate rate structure for which LDCs can successfully implement EVI over the next two years. Please do not hesitate to contact Brittany Ashby, Senior Regulatory Affairs Advisor, at bashby@eda-on.ca or at 416.886.4420, if you have any questions or require anything further.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted Wigdor", is written over a light blue circular stamp. The stamp contains the text "EDC" and "Ontario Energy Board" around a central logo.

Ted Wigdor
Vice President, Policy, Government & Corporate Affairs