

D'ORAZIO GROUP of COMPANIES

December 03, 2024

Ontario Energy Board

Attention: Mr. Brian Hewson and Mr. Harneet Panesar

Reference: Hydro Distribution Code in Ontario

OEB Notice of Proposal to Amend a Code November 18, 2024

Dear Sirs:

Further to your request, we have reviewed the Ontario Energy Board's (OEB's) Notice of Approval to Amend a Code dated November 18, 2024 and comment as follows:

1. This document is specifically focused on "Housing Developments" rather than the Industrial/Commercial Developments. Given that we develop both Residential and Industrial/Commercial properties, we would like to see the same terms and conditions being offered to Housing Developments extended to Industrial/Commercial Developments.
2. The OEB is proposing to amend the Distribution System Code (DSC) to extend the Connection Horizon to fifteen(15) years and the Revenue Horizon to forty(40) years as per our original request. We are in support of both these amendments as they should result in a lower percentage of the hydro costs being attributed to the Developer.
3. As part of this amendment, we would like the OEB to clearly address financial responsibilities for Transformer Station Works, which we believe should be the cost of the Local Distribution Company (LDC) (ie Alectra, Milton Hydro, Hydro One as applicable).
4. We would also encourage the OEB to address the external expansions to developments in order to protect the investments made by developers to provide hydro capacity at the frontage of their sites. Currently, the first Developer or Developers Group requiring external capacity expansion to a community has to pay in full for that expansion. We believe that a formal cost sharing formula through the LDC would ensure that the Developers are only responsible for their proportionate share of the expansion and that any future connections to that external expansion would be paid for by whomever is connecting to the expansion.
5. Finally, we would like the OEB to include a provision in the DSC to account for greater electrical usage in the Revenue Horizon. LDCs are currently implementing new standards that will allow the new hydro expansions to provide more hydro capacity for future EV Chargers and/or reduced carbon heating sources but are using historical usage figures to input into their Economic Evaluation Models (EEM). The result of which is Developers are paying more to mitigate future risk without the possibility of benefiting from the increased electrical demands. There should be a mechanism in place that allows LDCs to determine if larger than historical amounts of energy are being consumed and, if so, to adjust their EEM for the development(s) accordingly.

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We believe that this is an opportune time to discuss these matters with the OEB so that they can implement changes to the Distribution System Code (DSC) that are practical, and deliverable given the current realities of the industry.

We look forward to working with OEB and the other industry and government partners to finalize these matters.

We trust that this information is satisfactory for your current purposes, however, if there are any questions or concerns do not hesitate to call.

**Yours truly,
DMHH PARTNERSHIP**



James A. D'Orazio, B.A., MBA

copy to:

BILD - Ms. Paula Tenuta