



December 6, 2024

Ontario Energy Board
2300 Yonge Street, 27th Floor
P.O Box 2319
Toronto, Ontario
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RE: EB – 2024 - 0092

PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE TO FACILITATE THE CONNECTION OF HOUSING DEVELOPMENTS AND RESIDENTIAL CUSTOMERS

Thank you for the opportunity to participate in the Ontario Energy Board's consultation on the above titled DSC amendments.

Armland Group has been managing greenfield development for over 20 years for one of Canada's largest homebuilders.

We thank you for the opportunity to comment on the proposed DSC amendments. Please find our comments enclosed. Our focus is to help the Board align the terminology used with these amendments to those use in the Planning Act. We feel this alignment will ensure that any communications between developers and LDCs will use similar language.

We wish to thank the Board for its efforts to address some of the issues raised by industry. We trust that you will take these comments into careful consideration, and we look forward to additional conversations on these important discussions.

Sincerely,

A handwritten signature in black ink, reading "Lisa La Civita", written in a cursive style.

Lisa La Civita, MCIP, RPP
Senior Development Manager

c.c. Nick A. Iozzo – ARCK Holdings Inc.
Paula Tenuta – BILD SVP, Policy and Advocacy

Notice of Proposed Amendments to the Distribution System Code

November 18, 2024

EB-2024-0092

Proposed Amendments to the Distribution System Code

1. Section 3.2.23 and 3.2.24(b) of the Distribution System Code are amended by replacing the phrase “five-year customer connection horizon” with the phrase “customer connection horizon determined in accordance with Appendix B”.
2. Section 3.2.27 of the Distribution System Code is amended by:
 - i. replacing the phrase “five-year customer connection horizon” with the phrase “customer connection horizon determined in accordance with Appendix B”; and
 - ii. replacing the phrase “for a period of up to five years” in paragraph (a) with the phrase “for the period of the customer connection horizon determined in accordance with Appendix B”.
3. Sections 3.2.27B and 3.2.27D of the Distribution System Code are amended by replacing the phrase “as defined in” with the phrase “determined in accordance with”.
4. Paragraph (a) under the heading “Specific Parameters/Assumptions” in Part B.1 of Appendix B to the Distribution System Code is deleted and replaced with the following:
 - (a) A customer connection horizon determined in accordance with the rules set out under “Customer Connection Horizon” below.
5. Paragraph (b) under the heading “Specific Parameters/Assumptions” in Part B.1 of Appendix B to the Distribution System Code is deleted and replaced with the following:
 - (b) A customer revenue horizon determined in accordance with the rules set out under “Customer Revenue Horizon” below.

6. The text of the footnote associated with paragraph (d) under the heading “Specific Parameters/Assumptions” in Part B.1 of Appendix B to the Distribution System Code is amended by deleting the words “five year”.
7. Part B.1 of Appendix B to the Distribution System Code is amended by adding the following immediately after paragraph (d) under the heading “Specific Parameters/Assumptions”:

Rules for Determining the Customer Connection Horizon and the Customer Revenue Horizon

In this section:

“housing development” means a project to construct multiple residential accommodations on a piece of land that will be divided into multiple parcels and offered for sale, and that will be comprised predominantly of residential accommodations but may also include public buildings, industrial and commercial buildings or space appropriate for such buildings;

“qualifying housing development” means a housing development that meets the following criteria:

- (a) the developer (s) for the housing development (s) has requested a customer connection horizon that exceeds five (5) years;
- (b) the connection of the last residential customer in the housing development (s) is forecast to occur more than five (5) years from the date of the request to connect;
- (c) the developer has provided the distributor with:
 - i. an draft approved plan of subdivision, or an approved Secondary or approved block plan for the housing development (s); and
 - ii. evidence that the developer or group of developers under the direction of a trustee owns the land on which the housing development will be built or has written authorization to build the housing development on that land from the landowner; and
- (d) an initial offer to connect the housing development had not been accepted by the developer on or before November 18, 2024.

Customer Connection Horizon

- (a) The customer connection horizon begins on the energization date of the first expansion project facilities.
- (b) Subject to paragraph (c), the customer connection horizon for a qualifying housing development shall be based on the date on which the last residential customer is forecasted to connect to the expansion, provided that the customer connection horizon shall not exceed fifteen (15) years.

- (c) Where an expansion is being constructed to connect a qualifying housing development and one or more other customers, the customer connection horizon for all such customers shall be the longest customer connection horizon applicable to any one of them.
- (d) In all other cases, the customer connection horizon is five (5) years. A distributor may extend the customer connection horizon in appropriate cases for up to 15 years, in which case the distributor will provide the Board with an explanation for the extension.

Customer Revenue Horizon¹

- (a) The maximum customer revenue horizon for a non-residential connection is twenty-five (25) years, calculated from the forecast in-service date of the first new customer connection.
- (b) Subject to paragraph (c), the customer revenue horizon is forty (40) years for the connection of any of the following:
 - i. A residential customer, calculated from the forecast in-service date of the new customer connection;
 - ii. A property as defined by the municipality to allow multiple residential units or a multi-use building that is predominantly residential uses or in the Condominium Act, a residential complex as defined in the Residential Tenancies Act, 2006 or a property that includes one or more dwellings and that is owned or leased by a co-operative as defined in the *Co-operative Corporations Act*, whether bulk metered or suite metered (as defined in the *Energy Consumer Protection Act, 2010*), calculated from the forecast in-service date of the new building connection; and
 - iii. A housing development, calculated from the forecast in-service date of the first residential customer connection.
- (c) Where an initial offer to connect was accepted by the developer or other customer on or before November 18, 2024, the customer revenue horizon set out in paragraph (b) does not apply and the maximum customer revenue horizon is twenty-five (25) years, calculated from the forecast in-service date of the first new customer connection.

¹ For the economic evaluation of a specific project, revenues should be calculated based on the forecasted customer or load additions within the customer connection horizon. For example, if customer additions are forecasted in year 3, the economic evaluation model should account for incremental revenues from year 3 through year 25. This approach applies to paragraphs (a) through (c).

8. Appendix B of the Distribution System Code is amended as follows:

- The phrase “Customer Connection Horizon” wherever it appears is replaced with the phrase “customer connection horizon”;
- The phrase “Customer Revenue Horizon” wherever it appears is replaced with the phrase “customer revenue horizon”;
- The letter “d” is deleted from the end of the word “overheadsd” in item (b) under the heading “Net Present Value (“NPV”) in Part B.2; and
- The phrase “Annual Municipal Tax B” in item (b) under the heading “Net Present Value (“NPV”) in Part B.2 is replaced with the phrase “Annual Municipal Tax - ”.