February 18, 2025

VIA RESS

Ontario Energy Board
P.O. Box 2319,
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Attention: Registrar

Dear Ms. Marconi,

Re: Transmission Connections Review
Board File No.: EB-2024-0126

We are counsel to the Distributed Resource Coalition ("**DRC**") in the above-noted stakeholder consultation on the amendments to the Transmission System Code's ("**TSC**") proposed by the Ontario Energy Board (the "**OEB**" or "**Board**") as set out in the Board's Notice of Proposal to Amend a Code dated January 27, 2025. DRC's comments on the proposed amendments are provided in addition to its previous comments on issues of the review of the TSC submitted on May 17, 2024.

About DRC

DRC is a group of electricity customers and consumers, consisting of end-use residential customers, non-profit organizations, and owners' associations. DRC's members are directly affected by and interested in: (i) optimizing existing energy assets; (ii) efficiently facilitating the integration of existing and innovative distributed energy resources ("**DERs**"), including electric vehicles ("**EVs**"), to achieve customer and grid solutions; and (iii) providing input on direct customer needs and local distribution company opportunities relating to EVs. DRC's members for the Review include, subject to further update, the Electric Vehicle Society ("**EVS**") and Plug'n Drive ("**PnD**").

DRC's Comments

DRC generally supports the proposed amendments and creation of a third energy storage customer category. DRC supports the Board's proposed amendments to the TSC to enable the connection of energy storage. The proposed amendments are an important step in modernizing Ontario's regulatory framework to better accommodate energy storage as a core component of the energy transition. DRC agrees with the OEB that the creation of a third energy storage type of customer is necessary to remove current administrative burdens and regulatory uncertainty that have complicated energy storage connections. Standardizing a connection agreement for storage customers is also anticipated to significantly improve efficiency and predictability for project developers and enable greater investment in energy storage.

However, DRC strongly recommends that DERs, including behind-the-meter storage and Vehicle-to-Grid ("**V2G**") and Vehicle-to-Home ("**V2H**") systems, be expressly included as part of the new definitions proposed for the TSC to ensure they fully reflect the growing role of decentralized, customer-driven storage solutions. This approach helps remove existing barriers to storage deployment by ensuring that cost allocation and connection requirements reflect the unique operational characteristics of storage facilities. By streamlining the connection process and addressing cost-related challenges, the proposed amendments support the deployment of energy storage at scale, enabling a more flexible, resilient, and cost-effective electricity grid.

DRC recommends including DERs in the proposed storage facility and customer definitions. DRC wishes to emphasize the importance of ensuring that the definitions of "storage facility" and "storage customer" in the proposed amendments to TSC include DERs, including emerging energy storage applications such as V2G and V2H, and other large deployable energy storage solutions.

With the anticipated electrification and energy transition, EVs will increasingly serve as mobile energy storage assets that can discharge power back to the grid (V2G) or support home and building energy needs (V2H). These technologies have significant potential to enhance grid flexibility, improve resilience, and optimize local energy use. However, their effective integration requires clear regulatory recognition and appropriate connection policies in the TSC.

The TSC amendments provide an opportunity to clarify how large, aggregated storage assets of varying sizes, including aggregated EV systems through emerging technology applications like virtual power plants ("**VPPs**"), fit within the regulatory transmission framework and the proposed amendments to the TSC. The OEB should ensure that the TSC and other policies governing energy storage are amenable to the recognition of such aggregated systems and enable the participation of these emerging technologies necessary for the energy transition.

DRC recommends providing further clarity to the definitions of "storage facility" and "storage customer" to encompass large, grid-scale aggregated battery storage systems and VPPs. This will help avoid regulatory uncertainty and ensure that all storage projects benefit from the same transparent connection processes and cost responsibility principles. Recognizing DER-based storage within the customer classification framework will also help facilitate the expansion of distributed energy networks, empowering customers to contribute to system efficiency and decarbonization.

Cost responsibility and technical requirements. DRC's previous submissions emphasized the need for a cost responsibility framework that fairly allocates connection and system upgrade costs for energy storage and DERs. DRC continues to recommend that the OEB ensure that energy storage and emerging technology DER projects are not subject to cost structures originally designed for traditional generation or load customers, as this creates significant financial barriers to deployment and energy innovation.

Similarly, DRC reiterates the importance of ensuring that the technical requirements governing storage and DER interconnections are designed to facilitate, rather than hinder, their integration. Connection standards should reflect the operational characteristics of storage and DERs, allowing for streamlined and efficient grid participation.

Recommendation to facilitate the energy transition and DER-related storage. As Ontario moves toward a more decentralized and flexible electricity system, proactive regulatory measures will be essential to enable customer-driven investments in energy storage, demand response, and other distributed technologies. DRC encourages the OEB to continue identifying and addressing regulatory barriers that impact the widespread adoption of DERs, including large EV-integrated storage solutions. It is essential that the Board prioritize similar action to enable V2G, V2H, and VPP participation in Ontario's electricity system to meet growing demand for clean, reliable, and readily dispatchable energy.

DRC looks forward to continued engagement in this process and supports further refinements to the TSC that align with Ontario's broader energy transition objectives and the widespread adoption of DERs and large-scale EV storage solutions.

Sincerely,

Lisa (Elisabeth) DeMarco, Resilient LLP, counsel for DRC

c. Devin Arthur, EVS
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