Elson Advocacy

September 10, 2025

Ritchie Murray
Registrar, Acting
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Mr. Murray:

Re: Hydro Ottawa 2026-2030 Rates
EB-2024-0115

I am writing on behalf of Environmental Defence Canada pursuant to *Procedural Order #2* to describe the areas we intend to focus on at the technical conference and to provide time estimates.

We have questions further to the interrogatories listed below and on the subjects described below.

To help save time and costs, we have included our follow-up questions below. If Hydro Ottawa is willing to undertake to provide answers via undertaking responses, we will not require any time at the technical conference. Enbridge was recently able to agree to this approach in phase III of its rebasing case. If this approach is not accepted by Hydro Ottawa, we request 150 minutes for the technical conference.

1. **1-ED-5 (a):** This interrogatory reads as follows:

> "Hydro Ottawa indicates that all micro-generation projects "were connected within the prescribed time frame or at an agreed-upon date with the customer." Please indicate for each year the percent connected (i) within the prescribed time frame and (b) an agreed-upon date. For the five most recent projects connected on an agreed-upon date, please provide the correspondence in which the customer agreed upon an alternative date (with personal information redacted)."

HOL indicated that its records do not track the information in a manner that allows the percentage to be easily calculated. EDC therefore requests that an estimate be calculated on a best-efforts basis, such as an estimate based on reviewing a sufficient number of the most recent projects to generate a statistically valid estimate. We also ask for the relevant email correspondence. HOL questioned the relevance of the correspondence, and we confirm that it is relevant to testing HOL's assertion that it met the relevant metric 100%

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of the time, including whether customers were granted free choice as to whether to agree to an extended time period.

2. **2-ED-10:** The response to this interrogatory refers to an assessment of the "feasibility of using fast-switching protective devices to eliminate 100% of existing short-circuit constraints." Please elaborate on this response with details on the technology and the cost thereof. Links to manufacturer websites for said devices would be helpful.

3. **2-ED-12:** The response to this interrogatory states that "Hydro Ottawa updated standards for underground residential transformer and service wire sizes to account for the impacts of electrification, specifically looking to accommodate a Level 2 charger at every home." Do these updated standards also account for the electrification of home heating? If not, when will that be considered for inclusion in the standard? Please also speak at a high level to how the standard might change if the electrification of home heating were to be accounted for.

4. **2-ED-14:** With respect to service upgrades, this interrogatory response states as follows: "the existing meter and secondary conductor are removed by Hydro Ottawa, when possible, at no additional cost to the customer." Will the new meter and conductor be *installed* at no cost to the customer? Please list all the types charges that may be levied on a residential customer upgrading to 200 amp service, including an estimated average cost for cost categories that are variable and not always required (e.g. conductor upgrades).

5. **2-ED-18:** This interrogatory explores the cost of meter replacement for customers adopting net metering. Where a customer needs a bi-directional meter to install a DER, would HOL agree to apportion a portion of the cost to the AMI 2.0 program on the assumption that the replacement would likely occur in the near term regardless of the decision to install a DER? Also, are all bi-directional meters installed for customers adopting net metering also AMI 2.0 meters?

6. **2-ED-23:** This interrogatory asked HOL to compare its load forecasts with the cost-optimal pathway set out in the Cost-Effective Pathways Study prepared for the Ontario Government.[1] HOL declined to ask Black & Veatch to do so. However, HOL should be capable of doing so, at least at a high level and/or with caveats. We ask that this be done. It is relevant to assessing the load forecasts underling the application.

7. **2-ED-24:** We ask for the same with respect to the Canadian Climate Institute report.[2]

8. **2-ED-28**: This interrogatory asked:

> "If a residential customer increases their service (e.g. from 40 amp to 200 amp), how will that impact the various peak load forecasts (if at all). For the purpose of this question, please assume that the customer's peak and annual load remains the

[1] https://www.ontario.ca/files/2025-06/mem-cost-effective-energy-pathways-study-for-ontario-en-2025-06-10.pdf
[2] https://climateinstitute.ca/wp-content/uploads/2024/06/Heat-Exchange-Report-Canadian-Climate-Institute.pdf

same. The purpose of this question is to determine whether efforts to help customers avoid service upgrades when electrifying heating or transportation can help reduce costs driven by peak demand in any part of the electricity system."

HOL indicated as follows:

"If a residential customer increases their service size, this would not impact the peak load forecasts since Hydro Ottawa's load forecasting process does not consider the forecast contribution to coincident system peak demand from individual customers."

As a follow up, we ask that HOL answer the same question but on the assumption that, say, 2000 residential customers increase their service without impacting their peak or annual load.

9. **8-ED-33:** This interrogatory response indicates that the fixed charges for GS<50 will be increasing despite being above the ceiling. Is this an error? If not, please explain how this is consistent with the decision on the fixed/variable split in the most recent HOL case.

10. **8-ED-34:** This interrogatory response on page 3 calculates the cost of gross load billing in HOL's UTRs. Please provide a breakdown of the generators that contribute to this gross load adjustment by MW and type (gas, solar, etc.) for each year.

11. **8-ED-37(b):** HOL indicates that the charges for micro connections are $564.24.

    a. Does this include tax?

    b. Are there any additional charges for micro connections (e.g. an application fee)?

    c. Is this charge solely attributable to the meter replacement?

    d. Does HOL conduct site assessments for micro connections (if yes, how often)?

    e. Does HOL collect a deposit for micro connection site assessments?

    f. The DSC reads as follows: "3.1.5 A For micro-embedded generation facility customers, a distributor shall define a basic connection and recover the cost of the basic connection through a charge to the customer. The basic connection for each micro-embedded generation facility customer shall include, at a minimum, the supply and installation of any new or modified metering." Please provide the documentation wherein HOL has defined the basic micro-generation facility connection in accordance with this section. If no such documentation exists, why, and when will it be drafted? Will Hydro Ottawa commit to making this information available online?

    g. Why does HOL charge for meter replacements for micro generation facilities up-front instead of via the basic charge referred to above?

12. **8-ED-37(b)**: The notes on page 3 to the tables in this IR refer to "Additional Charges" but there is no column or row for additional charges in the table. Is there a row or column missing?

13. **8-ED-38:** This interrogatory was answered based on the assumption that "Hydro Ottawa is not able to treat DERs with a nameplate capacity above 10kW as a micro-generation connection." However, that is incorrect, per s. 6.2.24 of the DSC, which reads as follows

> "A distributor may by written agreement with an applicant who is proposing to connect a small, mid-sized or large embedded generation facility provide that the process for connecting the generation facility to be followed is the process set out for a smaller category of embedded generation facility, including a micro-embedded generation facility."

Please provide an updated response to the interrogatory based on that information. Also, in the response to (c), please provide a table comparing (i) the average all-in cost and (ii) the full process time from application to connection, for (i) micro applications and (ii) simplified small applications.

14. **8-ED-39:** The response to part (b) indicated that a certain power factor correction solution was not cost effective. Please provide the analysis and cost-benefit calculations. Can Hydro Ottawa contract with existing inverter-based DERs to assist with power factor correction? Also, please provide a response to (d). It is relevant to determining if the scope of the HOL study was appropriate.

15. **8-ED-40:** Please provide an answer to this interrogatory. It will be very difficult to resolve loss factor issues without this information. The question is clearly relevant to those issues. It is not onerous to reach out to CIMA+ to ask the question and HOL cannot say it is impractical without even trying.

16. **8-ED-41:** Part (d) reads as follows:

> "Some LDCs assess alternatives with respect to conductors and transformers by comparing the all-in lifetime cost of each alternative (e.g. different sized conductors, different transformer brands) in a way that includes the forecast volume of losses arising from each alternative. Does Hydro Ottawa do this? If not, why not? If yes, please provide the internal guides or documentation that detail this."

HOL indicated that it did not, but did not explain why. We have attached the Hydro One methodology to assessing transformers, which states as follows:

> "The cost-of-losses formula determines the operating cost of the transformer over its lifetime and sums it with the capital cost to produce a Net Present Value for the lifetime cost of the transformer. The TOC of alternative transformer designs can be compared so that the utility can select those with the lowest TOC. This allows

> the utility to assess whether or not there is economic benefit in paying a higher capital cost in order to obtain a transformer with reduced losses and lower operating costs."

This allows Hydro One to minimize lifetime costs. Will HOL adopt a similar methodology? If not, why not? Please explicitly explain why HOL would not seek to minimize lifetime costs.

Hydro One also considers whether it is cost-effective to use an upsized conductor to reduce transmission losses in order to minimize lifetime costs.[3] Will HOL do so going forward? If not, why not? Please explicitly explain why HOL would not seek to minimize lifetime costs.

17. **8-ED-44:** HOL indicates that is charges $16/month for MicroFIT whereas all other major distributors charge $5/month or less. Please explain what is different about HOL that would justify charging more? A letter from the OEB to distributors dated November 19, 2024 stated as follows:

> "As part of its annual review of the microFIT charge for 2025, OEB staff has, in accordance with the established methodology, updated the microFIT-related costs for those electricity distributors that had an OEB-approved cost of service application in the previous year. The resulting calculation supports that an update to $5.00 is appropriate.
>
> The OEB reminds distributors that they may request a distributor-specific microFIT charge as part of their cost of service applications. Any distributor that applies for a distributor-specific charge will be required to demonstrate that its costs lead to a materially different charge than the province-wide charge."

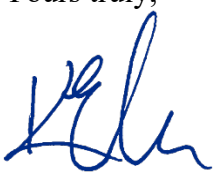
Please provide the required evidence to demonstrate that HOL's costs lead to a materially different charge than the province-wide charge. Exhibit 8, Tab 4, Schedule 2, Attachment A, p. 1 does not explain: (a) why HOL's requirements are greater, (b) why so much time is required each month, (c) why the processes cannot be automated, and (d) why postage and cheques costs are incurred. In answering the question, please address each of these.

18. **8-ED-44:** HOL indicates that the MicroFIT classification is being amended to ensure it covers generators after their MicroFIT contracts expire. However, the heading appears to cover all micro generation as it reads "MicroFIT AND OTHER GENERATION <10kW." But the description does not, stating that "[t]his classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program." See Exhibit 8, Tab 5, Schedule 1, Attachment B, ORIGINAL, Page 30. Please propose alternative wording that would resolve the inconsistency and not simply include all micro generation facilities.

[3] EB-2021-0110, Exhibit I, Tab 9, Schedule B2-ED-008, Page 7.

Please let us know if any further information is required.

Yours truly,



Kent Elson
cc: Parties to the above proceeding