

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

**RE: Submission to the OEB re: EB-2025-0060 Distribution System Operator Capabilities,
Response to OEB's October 14th DSO Capabilities Stakeholder Presentation**

PowerShare Group thanks the OEB for the opportunity to respond to the OEB's recent DSO Capabilities presentation. We appreciate the OEB's commitment to stakeholder engagement and the thoughtful evolution of its roadmap approach since the July Stakeholder Symposium.

About the PowerShare Group

PowerShare is a collaboration of forward-looking Ontario Local Distribution Companies (LDCs) committed to advancing DSO capabilities and enabling a more flexible, customer-driven electricity system. By aligning strategies and sharing expertise, PowerShare empowers small and mid-sized LDCs to deliver innovative, scalable solutions that benefit both the grid and their communities.

Founding members include:

- Bluewater Power Distribution Corporation
- Burlington Hydro Electric Inc.
- Essex Powerlines Corporation
- Greater Sudbury Hydro Inc.
- Kingston Hydro Corporation
- Lakefront Utilities Inc.
- London Hydro Inc.
- Milton Hydro Distribution Inc.
- PUC Distribution Inc.
- Welland Hydro Electric System Corp.

The group recognizes the vital role of DERs in Ontario's energy transition and is working collaboratively to develop tools and practices that support LDCs in managing these resources effectively. PowerShare is pursuing a **shared-service approach** to developing DSO capabilities, leveraging common systems, processes, and expertise to achieve economies of scale, affordability and consistency across multiple service territories.

Building on successful DER pilot projects, PowerShare is now focused on defining the operational, technical and regulatory requirements to make DSO capabilities standard practice. By developing common, replicable approaches, the group aims to enable LDCs to take on enhanced roles in DER coordination and market facilitation as part of everyday operations.

Response to OEB Questions

1. Are the proposed roadmap elements appropriate?

Yes, the proposed roadmap elements are broadly appropriate and reflect a thoughtful response to stakeholder feedback. The phased, capability-focused approach aligns well with the sector's current trajectory, recognizing that Ontario's LDCs have been steadily advancing their capabilities over many years, each at a pace suited to their unique circumstances.

We particularly support the roadmap's openness to multiple DSO capability delivery models, including shared services, and its emphasis on enabling DSO functionality from the outset rather than deferring innovative approaches to later phases.

2. Do the roadmap elements adequately reflect the sector's current state and Ontario's needs and priorities? If not, how should the elements be changed?

Yes, the roadmap generally reflects the sector's current state. It recognizes that Ontario's LDCs are not starting from zero, and that many have already adopted DSO-like functions or are actively modernizing their grids or integrating DERs.

The roadmap's recognition of foundational capabilities is a positive step. To note, we believe the vision for DSOs should be articulated broadly: DSO capabilities encompass a wide range of functions beyond just local energy markets (LEMs) or DER integration. The OEB should ensure that exploration of the full spectra of foundational and advanced capabilities is retained in the roadmap.

3. How could the roadmap elements be modified or clarified to improve the strategy for developing and implementing DSO capabilities in Ontario?

We believe the OEB's roadmap provides a solid foundation for advancing DSO capabilities in Ontario. The details in the roadmap should be refined over time ensuring careful consideration of local needs within the context of the broader provincial energy transition. Recognizing that the need for DSO capabilities will be determined by local context, LDCs should deliver DSO capabilities at pace with the local needs. Although LDCs will advance at various paces, a minimum standard of readiness for engaging in DSO capabilities needs to be established both technically and through policy evolution in anticipation of local, regional and provincial needs.

As the strategy is refined, we suggest the OEB continue to prioritize practical progress towards a clear, integrated provincial DSO & DER strategy that supports the respective roles of the IESO and LDCs, aligns funding mechanisms to expected capabilities or services, and prioritizes interoperability and flexible technical standards.

Respectfully submitted,

PowerShare Group

