



BY EMAIL AND WEB POSTING

October 27, 2025

To: All Licensed Electricity Distributors
All Licensed Electricity Transmitters
All Licensed Electricity Generators
The Independent Electricity System Operator
All Other Interested Parties

Re: Review of the Valuation of Distributed Energy Resources and Invitation to Stakeholder Meeting (EB-2025-0268)

What You Need to Know

- **The OEB is conducting a review of distributed energy resource (DER) valuation in response to the Directive issued by Ontario's Minister of Energy and Mines with the Integrated Energy Plan.**
- **The OEB is seeking stakeholder input on the findings of the review and proposed recommendations and/or OEB actions regarding the overall regulatory and compensation frameworks to appropriately reflect the system value of DERs.**
- **Stakeholders are invited to a meeting on November 24, 2025, with written comments due December 12, 2025.**

The OEB is undertaking a comprehensive review of DER valuation, in response to the Minister of Energy and Mines' Integrated Energy Plan (IEP) Directive. The Directive includes a number of actions for the OEB to undertake in order to consider how best to unlock the value of DERs, lower barriers to participation and support smarter planning and investment. This review aims to assess current DER compensation and costs and recommend changes or provide an update on actions by the OEB regarding the overall regulatory and compensation frameworks to appropriately reflect the system value of DERs.

To support this work, the OEB will engage stakeholders through a meeting on November 24, 2025, followed by written comments. That feedback will inform a report the OEB will submit to the Minister of Energy and Mines.

Background

Item 11 of the IEP Directive requires the OEB to undertake a review of the valuation of DERs. The OEB is expected to submit its report to the Minister by March 31, 2026. This report back could include consideration of:

- Compensation mechanisms that reflect the value of DERs (e.g., value of DER tariff, adders to reflect differences in regional and temporal value).
- Demand/delivery charges for resources that provide grid services (e.g., DERs and storage).
- Procurement and program mechanisms that support cost-effective DER deployment at local and bulk levels.

The OEB will publish a detailed summary of its review and proposed recommendations in advance of the stakeholder meeting. Stakeholders are invited to review the materials and provide feedback on the OEB's findings and proposed recommendations. Specific areas on which stakeholder feedback is requested will be included in the materials.

Invitation to Participate in Stakeholder Meeting

The OEB is inviting interested stakeholders to a virtual meeting on November 24, 2025, from 9:30 a.m. to 12:30 p.m. to discuss the review. In this meeting, the OEB will present further information about DER valuation and gather stakeholder input. To register for the meeting, please email Registrar@oeb.ca by November 21, 2025, and include "Review of the Valuation of Distributed Energy Resources (EB-2025-0268)" in the subject line. The correspondence must include the name of the organization/participant, as well as their phone number and email address.

After the meeting, stakeholders will have an opportunity to provide written comments by December 12, 2025. Following receipt of written comments, the OEB will report back to the Minister by March 31, 2026.

Cost Awards

Cost awards will be available to eligible participants under section 30 of *the Ontario Energy Board Act, 1998*. Cost awards will be recovered from all licensed rate-regulated electricity distributors.

Further information regarding cost awards can be found in Appendix A to this letter.

Any questions relating to this letter should be directed to Nicola Charles, Senior Advisor, Innovation at Nicola.Charles@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Ritchie Murray
Acting Registrar

Attachment(s):
Cost Award Matters

Appendix A

Cost Award Matters

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its [*Practice Direction on Cost Awards*](#). Any person intending to request an award of costs must file with the OEB a written submission to that effect by **November 3, 2025**. The submission must identify the following:

- The grounds on which the person believes that it is eligible for an award of costs (addressing the OEB's cost eligibility criteria as set out in section 3 of the *Practice Direction on Cost Awards*).
- An explanation of any other funding to which the person has access.
- The name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known.

All requests for cost eligibility will be posted on the OEB's website. If a licensed rate-regulated electricity distributor has any objections to any of the requests for cost eligibility, such objections must be filed with the OEB by **November 10, 2025**. Any objections will be posted on the OEB's website. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Eligible Activities

The eligible activities are as follows:

Activities Eligible for Cost Awards	Maximum number of hours
Preparation for November 24 stakeholder meeting	6 hours
Attendance and participation in the November 24 stakeholder meeting	3 hours
Written comments on recommendations of proposed solutions	12 hours

Cost Awards

When determining the amount of the cost awards, the OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. The maximum hourly rates set out in the Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and co-ordinate their participation in this process. In accordance with section 12 of its *Practice Direction on Cost Awards*, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards*.

How to File Materials

Please quote file number **EB-2025-0268** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, phone number and email address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Stakeholders are encouraged to use RESS. Those who have not yet [set up an account](#) or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll-free)