



Milton Hydro Distribution Inc.

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November 12, 2025

Mr. Ritchie Murray

Acting Registrar

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Milton Hydro Distribution Inc. – Written Comment on EB-2025-0156

Milton Hydro Distribution Inc. appreciates the opportunity to provide comments on the proposed framework for Stream 2 Local Electricity Demand Side Management (eDSM) programs.

The Regulatory Working Group's proposal is aligned and responsive to the Ministerial Directives issued on November 7, 2024 to the Independent Electricity System Operator (IESO) and to the Ontario Energy Board (OEB) on December 9, 2024, which call for enabling local eDSM programs delivered by Local Distribution Companies (LDCs) to contribute to system value. These directives recognize the role of LDCs in supporting Ontario's energy transition and economic development by using demand-side management to address distribution constraints.

Milton Hydro supports the Regulatory Working Group's recommendation that the majority of local eDSM programs be approved through Delegated Authority. This approach reflects a practical and efficient regulatory pathway that enables timely deployment of local programs to meet system needs. It also empowers LDCs to respond to local constraints with solutions that are cost-effective and customer-focused, while maintaining appropriate oversight through the working group's proposed use of the Measures and Assumptions List (MAL), and third-party review from the Province of Ontario's trusted third-party steward, the IESO. Requiring the majority of local eDSM programs to be approved by a Panel of Commissioners would introduce unnecessary regulatory burden and is likely to impede Milton Hydro's ability to access and benefit from these programs in a timely and cost-effective manner.



Milton Hydro also supports the inclusion of performance-based incentives for successful program delivery. These incentives recognize the value of LDC-led innovation and align with the government's direction to provide utilities with appropriate motivation to implement non-wires solutions that benefit customers.

In addition, Milton Hydro supports the proposed use of an eDSM Variance Account (eDSMVA) with no materiality threshold. All local eDSM programs will have a positive ratio of benefits to costs which supports full cost recovery even if it is less than my LDC's materiality threshold. No materiality threshold will be additional incentive for LDCs to participate in eDSM Stream 2 programs.

Milton Hydro encourages the OEB to proceed with the Working Group's proposal and implement a streamlined approval process that empowers LDCs to deliver local eDSM programs effectively and in alignment with provincial policy direction.

Submitted by:

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