

BY EMAIL AND RESS

November 19, 2025

Mr. Richard Murray
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Mr. Murray,

Re: EB-2019-0207 – OEB Proposed Amendments to the DSC – Hydro One Networks Inc.’s Comments

On October 28, 2025, the Ontario Energy Board (“OEB”) issued a Notice of Proposal to amend the Distribution System Code (DSC) to lower barriers to Distributed Energy Resource (DER) connections in support of goals articulated in the Ontario’s Integrated Energy Plan (IEP) (the “Notice”). Hydro One Networks Inc. (“Hydro One”) has reviewed the proposed amendments and provides the following comments for the OEB’s consideration:

1.0 Micro-Embedded Generation Facility Definition

The OEB proposes to amend the DSC by updating the definition of a micro-embedded generation facility to reflect a new limit of 12kW (increased from 10kW) and related DSC Appendix E.

In the Notice, the OEB has set a proposed enforcement date of February 1, 2026 for the proposed DSC amendments, including the new proposed definition for a micro-embedded generation facility. Since the Notice was issued, Hydro One has duly undertaken an assessment to determine the time and effort that will be required to update its connection processes and documentation to implement the new definition. Hydro One has determined that an additional three months (approximately) will be needed to fully implement the new proposed definition in practice. This is attributable mainly to the time required to update customer interfaces and associated IT/digital support systems, while managing other ongoing competing priorities and planned work. Furthermore, Hydro One will need to establish a process and resource plan for the increased volume of work expected to be driven by incremental capacity requests from existing micro-embedded generation facilities and identify any updates to technical connection requirements and processes. Hydro One also notes that the proposed enforcement date follows the year-end holiday period, and the resource availability will be limited during this period of approximately three weeks.

Considering all these factors, Hydro One requests that the proposed enforcement date for the implementation for the new micro-embedded generation facility definition be extended to May 31, 2026.

2.0 Commercial General Liability Insurance Requirements

The OEB proposes to add a new section 9.2 to the DSC to provide residential customers with an exemption to the commercial general liability insurance requirement. Also, the OEB proposes to amend section 9.1 in Appendix E to:

Appendix E: Connection agreement form for small and mid-sized DERs

9.1 [...]

Prior to execution of this Agreement, the Customer shall provide the Distributor with a valid certificate of insurance, either under the Customer's name or the name of a third party that has a generation agreement with the Customer. The Customer shall provide the Distributor with prompt notice of any cancellation of the Customer's insurance by the insurer or any change that causes the insurance policy to no longer meet the requirements of section 9.1.

9.2 Section 9.1 shall not apply to residential customers. For residential customers, the Customer and the Distributor will indemnify and save each other harmless for all damages and/or adverse effects resulting from either party's negligence or willful misconduct in the connection and operation of the Customer's generation facility or the Distributor's distribution system.

Hydro One has concerns with the proposed language in Section 9.2, which would unduly expose a distributor to higher risks arising from the operation of generation facilities by residential customers. Exempting the residential DER customer base from insurance requirements would increase the utility's exposure to financial risk, particularly in scenarios where the residential customer is deemed liable for damages but doesn't have insurance to cover their liability. The increased financial risk and associated costs faced by the utility would fall squarely on the shoulders of the ratepayers.

The OEB states in the Notice that the intention of this amendment is to exempt residential customers from having to provide *commercial* insurance, but not from any or all insurance requirements. Hydro One therefore proposes that Section 9.2 be revised to require for residential DER customers to provide a certificate of general liability insurance for their DER facility. Currently, Hydro One requires residential customers to provide proof of insurance when installing a DER facility. Hydro One has not encountered any issues in requesting that residential DER customers provide a certificate of insurance and believes that this requirement remains appropriate.

3.0 Section 6.2.4.2 Capacity Allocation Process Exemption

The OEB proposes to amend section 6.2.4.2 of the DSC to remove the exemption from the capacity allocation process requirements for embedded generation facilities that are not embedded retail generation facilities.

Hydro One is supportive of this proposed amendment.

4.0 Section 6.2.12 CIA Timelines for Small Embedded Generation Facilities

The OEB proposes the following amendments to section 6.2.12 of the DSC to improve connection timelines:

- *Revise subsection 6.2.12 b) to allow an additional 15 days for completion of CIA studies for small DER projects in cases where there is no reinforcement or expansion and where host distributor coordination is required;*
- *Clarify subsection 6.2.12 c) to confirm that the existing 90-day timeline for small DER projects with reinforcement or expansion already accommodates the additional time needed for host distributor coordination.*

Hydro One is supportive of this proposed amendment.

5.0 Section 6.2.25 Technical Requirements

The OEB proposes to amend section 6.2.25 of the DSC to replace the Canadian Standards Association (CSA) standard C22.3 No. 9 requirement with a general provision that DERs must meet the applicable industry standards identified by the distributor.

Hydro One is supportive of this proposed amendment.

6.0 Housekeeping Amendment (Section 1.2)

The OEB proposes to remove the definition of load displacement from section 1.2 of the DSC.

Hydro One is supportive of this proposed amendment.

Hydro One appreciates the opportunity to comment on the proposed amendments in Notice. Please do not hesitate to contact myself or Yoon Kim (yoonskim@hydroone.com) if you would like to discuss these comments or have further questions

An electronic copy of this response has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,



Jason Savulak