

Elson Advocacy

March 2, 2026

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

Dear Mr. Murray:

**Re: Alectra Utilities Corporation Distribution Rates Beginning January 1, 20227
EB-2025-0252**

I am writing on behalf of Environmental Defence to provide time estimates for the technical conference and to propose that Alectra answer the below questions by way of undertakings in lieu of Environmental Defence asking these questions at the technical conference.

Environmental Defence anticipates 280 minutes of technical conference questions on the topics outlined below. However, if Alectra is able to commit to provide written responses to the following questions, Environmental Defence would be able to forgo any technical conference time:

Interrogatory #1-ED-1

In response to this interrogatory, Alectra stated as follows: “Alectra Utilities considered NWS options for all significant distribution investments as part of the capital planning process.” How does Alectra define “significant” in this sentence and interrogatory response? If that involves a financial threshold, please explain.

Interrogatory #1-ED-2

In this interrogatory response, Alectra provided details regarding the extent to which it has met the deadlines set out in the DSC and DERCP regarding micro connections. However, it did not provide similar requested information regarding the other DER categories (small, mid-sized, large). Please provide a table listing the deadlines in the DSC and DERCP applicable to those DER categories. For each deadline, please provide an estimate of Alectra’s compliance rate (i.e. the percentage of instances in which it met the applicable deadline). A five-year average would be ideal. If a complete response would be too onerous, please provide a response based on random sampling and indicate how Alectra ensured the sampling was random and sufficiently statistically significant.

Interrogatory #2-ED-9

This interrogatory requested internal NWS screening documentation. The response refers to a “description” of the “Preliminary NWS Framework” but does not actually attach said document. Please provide a copy of the relevant internal document. If no such document exists, please explain what Alectra is referring to when it speaks of its Preliminary NWS Framework.

Interrogatory #2-ED-10

This interrogatory requested DER connection forecasts by type. The response is unclear and incomplete. The response includes two tables, one for the number of connections and the other for the total MW. But the row titles do not match in each table. Also, one is entitled “DER Technology” and the other is entitled “REG Technology.” Also, table 2 refers to “net metering,” which is not technology specific. Please provide a single consistent table listing the forecast DER connections (# and MW) by type, including solar, energy storage, gas, biomass, diesel, and any other relevant DER types.

Interrogatory #2-ED-11

This interrogatory response provides unit cost estimates for residential development connections but did not provide a breakdown between connections for all-electric developments and those with gas heating. Please provide that requested breakdown. Although Alectra does not track which developments are and are not all-electric as part of its regular operations, that information should be obtainable by Alectra. If it would be onerous to obtain this information for all residential subdivision connections, please provide a response based on random sampling and indicate how Alectra ensured the sampling was random and sufficiently statistically significant.

Also, what does EEM stand for?

Interrogatory #2-ED-14

This interrogatory response lists a relevant station that has thermal constraints whereas the response to 2-ED-12 indicated that all DER connection constraints were short circuit constraints, not thermal constraints. Please explain the potential conflict.

Interrogatory #2-ED-17

The response to this interrogatory is unclear. Can Alectra confirm that any fossil fuel equipment that it owns that may be replaced over the rate period will be replaced with electric equipment? If not, please provide a response to parts (b) and (c) of this question.

Interrogatory #2-ED-18

The response to part (c) of this interrogatory is not entirely clear. We asked:

c) If all homes heated with gas were to be electrified by 2050, approximately what percent of the conductors and transformers that Alectra expects to install over the rate term would need to be replaced by 2050 to meet the increased demand (with all other aspects of Alectra's load forecast remaining unchanged)? Please provide as much of a specific answer to this question as possible and make and state assumptions as necessary. For instance, Alectra could assume that homes are electrified via 50% air-source and 50% ground-source heat pumps.

Alectra responded saying:

c) The conductors and distribution transformers installed over the 2027-2031 period of this application would be sufficiently sized to meet increased demand driven by electrification.

Does Alectra's answer mean that the conductors and distribution transformers installed over the 2027-2031 period of this application would be sufficiently sized to meet increased demand driven by 100% electrification of all homes currently heated with gas by 2050? If not, please provide the rest of the information sought in part (c) of the interrogatory.

Interrogatory #2-ED-18

This interrogatory asked, among other things, for Alectra to discuss "the feasibility and potential savings from offering customers seeking a service upgrade an alternative option via a load sharing device (e.g. circuit pauser or 17 smart panel)." The word "offer" in the question was not ideal, or too imprecise. In response, Alectra noted that selling such technologies to its customers could be outside of its allowable business activities.

Please provide an updated answer to the interrogatory on the assumption that Alectra would encourage alternatives to services upgrades through allowable activities, such incentives for customers to pursue such options as a non-wires alternative.

Residential service upgrades are expected to cost \$113.40 million over the rate period, including \$52.90 million in costs that will be borne by ratepayers and added to rate base. Additional commentary on this potential solution to avoid or reduce said costs is warranted.

Also, Alectra described the technology at issue in this interrogatory as being behind-the-meter, but that does not appear to apply to the SPAN edge, which is "utility-grade infrastructure, only available to utility companies for deployment" (<https://www.span.io/products/edge>). In light of

this, what is Alectra's position on whether directly offering this to customers as an alternative to service upgrades would be within Alectra's allowable business activities?

Interrogatory #2-ED-22

High-rise residential buildings and commercial buildings tend to be summer peaking if they are heated with gas but winter peaking if they are heated with electricity. Also, electrically-heated buildings tend to have relatively lower summer peak demand due to more efficiency cooling systems (e.g. geothermal cooling, which is much more efficient than traditional air conditioning).

- a) Does Alectra agree? If not, please explain why.
- b) Assuming the above statement is true, please comment on whether electrically-heated buildings will cause fewer distribution costs compared to gas-heated buildings because Alectra is summer peaking.
- c) Please indicate whether demand charges for these customer types differ in the summer versus the winter.
- d) If demand charges are the same in the winter and the summer, would Alectra agree that electrically-heated buildings are overcharged vis-à-vis gas-heated buildings due to their lesser contribution to the distribution system peak (which is in the summer)?
- e) Please provide a table showing all of Alectra's proposed demand charges, and a revised set of demand charges that differentiate between summer and winter demand, which would reflect the fact that winter demand is less expensive to serve. This can be done on a high-level, illustrative, best-efforts basis. If Alectra is unwilling to do this, please provide all the data necessary for Environmental Defence to hire a consultant to do so.
- f) Does Alectra agree that having different summer and winter demand charges would be more consistent with cost causality? If not, why not?
- g) If Alectra opposes differential summer and winter demand charges, please comment on other ways that the differential costs arising from summer and winter demand can be reflected in the distribution charges paid by Alectra customers.

Interrogatory #2-ED-24

Please confirm the percent of residential meters that Alectra plan to replace with an AMI 2.0 meter by the end of the rate term. Please also confirm the total overall percent of residential customers that Alectra expects will have an AMI 2.0 meter by the end of the rate term.

Interrogatory #2-ED-25&26

These two interrogatories asked Alectra to compare its load forecasts with two pathways studies that examine the most cost-effective pathway to decarbonize the province through an optimization model. Both studies include forecasts of how much of electrification of space heating will occur. Alectra declined to compare its load forecasts to these pathways studies. However, this comparison is relevant to an assessment to Alectra's load forecasts. Please

undertake the comparison. A very high-level comparison is sufficient, such as indicating the approximate direction and degree of divergence, if any.

On a going forward basis, when Alectra is undertaking energy transition planning and forecasting long-term load growth, does it agree to consider optimization-based pathways studies examining the most cost-effective pathway to decarbonize the province as one potential input and scenario?

Interrogatory #8-ED-34

This interrogatory response included the following: “The total cost of postage and printing in 2025 was \$11,328,238 in relation to 1,091,369 total customers, resulting in an annual per-customer postage & printing cost of \$10.38. Postage and printing costs are not tracked by rate class.” However, the number of customers receiving paper bills is 506,672 not 1,091,369. Also, the cost of paper billing likely includes more than postage and printing, such as staffing costs and costs for the systems used to prepare and send out the bills. Please provide an all-in estimate of the cost paper billing per customer receiving paper billing. If Alectra believes it is materially different for residential versus non-residential customers, please provide that breakdown on a best-efforts basis.

Interrogatory #8-ED-35

In this interrogatory response, Alectra declined to provide “a high-level, best-efforts, order-of-magnitude comparison between the cost to serve a single residential customer in the highest population dense area within Alectra territory versus a single residential customer in the lowest population dense area within Alectra territory. Please provide a quantitative answer using an expedient approach. Please account for capital costs and operational costs. If Alectra is unsure how to calculate an answer, please contact us for suggestions.”

- (a) Information of this nature is relevant to Alectra’s proposed rate design and rate harmonization proposals, including whether differential residential services charges should be levied based on density. Please try to provide a response on a best-efforts basis.
- (b) Hydro One’s density-based residential service charges are as follows:

	Urban density year-round	Medium density year- round	Low density year-round
Monthly service charge (\$/month)	\$42.20	\$72.06	\$85.46

If Alectra were to adopt the same or similar categories, what would its proposed residential monthly residential services charges be per category? Please provide a response on a best-efforts basis. Approximate ranges with caveats would be sufficient. In

responding, Alectra may use Hydro One’s density categories or base its response on different density categories (e.g. a density categorization that may be simpler for rate calculations). If Alectra is unwilling to answer, please provide the data necessary for Environmental Defence to retain its own consultant to do so.

Interrogatory #8-ED-36

Approximately what percent of call centre calls could be eliminated by customers obtaining the information online or using an automated alternative (i.e. what percent are avoidable)? A rough estimate based on the professional judgement of a call centre manager is sufficient. Please provide all of the figures in this interrogatory response, but limited only to those calls that are avoidable (e.g. the number of interactions, the total cost, and the cost per interaction).

Interrogatory #8-ED-48

- (a) Do the tables in this interrogatory response account for all project management and commissioning costs? If not, please add those.
- (b) Does table 1 mean that there will be no cost to a customer connecting a micro DER if that customer already has a bidirectional meter (e.g. an AMI 2.0 meter)? If not, please explain.
- (c) Please explain the reference to Gross Load Billing as a connection charge in tables 2 & 3.

Interrogatory #8-ED-49

This interrogatory was answered based on the assumption that Alectra is not able to treat DERs with a nameplate capacity above 12kW 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.”

- (a) Please provide an updated response to the interrogatory based on that information. For (b), the reference should be to above 12 kW. 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.

When preparing the response, please comment on the IREC Model Interconnection Procedures, 2023, which indicate that DERs should be able to avoid a connection impact assessment if they meet certain screens and their capacity is 50 kW nameplate and 25 kW exporting. See <https://irecusa.org/resources/irec-model-interconnection-procedures-2023/>.

- (b) Would Alectra study or consider any of the other screens outlined in the IREC Model Interconnection Procedures as a means to utilize s. 6.2.24 of the DSC to reduce the connection cost and time of eligible DER connections?

Interrogatory #8-ED-50

- (a) Please provide a forecast of the revenue that Alectra expects to generate annually with the proposed \$295 disconnect/reconnect fee for each year in the rate term.
- (b) If the fee is approved, would Alectra agree to make all references to the fee clear that it is one charge for both the disconnection and reconnection so as to provide more transparency for customers seeking service upgrades?
- (c) Would Alectra consider a policy of waiving said fees in support of provincial policy, such as where the disconnection/reconnection is needed for a DER connection, electric vehicle charger installation, or heat pump installed with the support of a rebate under the Home Renovation Savings Program?

Interrogatory #8-ED-51

- (a) Please confirm that the savings from avoided distribution system losses from a more efficient transformer or larger conductor will depend on the forecast loading on the equipment.
- (b) In light of (a), please confirm that there may be a forecast load threshold under which an upsized conductor is not warranted, but over which it is cost-effective. Please calculate where that threshold is with respect to all standard conductor sizes considered and/or installed by Alectra.
- (c) Alectra indicates that conductor sizes have been standardized to balance cost and benefits relating to distribution system loss avoidance. Please provide all underlying studies and calculations underlying this standardization, including, but not limited to: the assumed incremental cost of upsizing, the assumed loading, the assumed loss reductions from upsizing, the value of avoided losses, and the value of avoided losses at the time of system peak.

Interrogatory #8-ED-51

In this response, Alectra declined to estimate the value of avoided distribution and transmission system losses arising from power being sourced from a DER versus a traditional hub-and-spoke source. Alectra did not justify declining to do so. Please provide the estimated value (e.g. \$/MWh) on a best-efforts basis with any simplifying assumptions as necessary.

Conclusion

If Alectra is able to provide written responses to these questions, we will not be required to attend the technical conference, saving considerable time at the technical conference and cost of all parties present. If Alectra ultimately responds by indicating that it is declining to provide an

answer for one of the reasons allowed by the OEB Rules of Practice, Environmental Defence requests the opportunity to have a call with Alectra to discuss the non-answer, the rationale for it, and whether alternative information may be provided.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Elson', written in a cursive style.

Kent Elson

cc: Parties in the above proceeding