

Elson Advocacy

March 17, 2026

Ritchie Murray

Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Mr. Murray,

**Re: GrandBridge Energy Inc. – Non-Wires Solutions Program
EB-2025-0265**

I am writing on behalf of Environmental Defence Canada to make submissions on the non-wires solutions program proposed by GrandBridge Energy. Environmental Defence requests that the program be approved, but with the caveat that it be treated as a pilot that utilities can learn lessons from, and not taken as a blueprint for future NWS programs, as the program could be and should be approved in future iterations.

Need

The need for the non-wires solutions program has been set out in detail in the GrandBridge application and the Board Staff submissions. Environmental Defence supports and agrees with the GrandBridge and Board Staff comments regarding the need for the program.

Program design

The non-wires solutions program could be substantially improved in a future iteration. However, the current design will nevertheless meet needs and provide lessons learned for future iterations of the program. The areas for future consideration and improvement include the following:

1. **No “always on” non-wires solutions:** Efficiency measures that are “always on” will not be eligible to participate in the program.¹ This includes efficiency measures that consistently reduce system peak without needing to be dispatched, such as efficiency measures that reduce cooling load at the time of peak electricity demand on the distribution system. Although these measures are not dispatchable, they do not need to be dispatched because they are “always on,” and therefore provide the same benefit. These measures provide far more benefits to the electricity system because they are long-lasting, whereas one-time capacity payments for existing DERs provide only a transitory benefit. They should not be ineligible for participation through aggregators.

¹ Response to ED-10.

2. **No aggregators for residential customers:** Although it is not entirely clear from the evidence, it appears that aggregators of residential DERs are not eligible to participate.² Reducing the pool of potential participants is not in the interest of customers and cost-effectiveness.
3. **No front-of-the-meter resources:** The program eligibility criteria excludes front-of-the-meter resources.³ Although we understand the complications with front-of-the-meter resources outlined by GrandBridge, they are not insurmountable. Front-of-the-meter resources are worth considering because they can sometimes be larger and therefore benefit from economies of scale.
4. **Excessive reliance on gas-powered DERs:** The program is expected to rely on existing gas resources to a significant degree.⁴ This is not consistent with Ontario's clean energy objectives outlined in the Integrated Energy Plan.
5. **Disadvantages for new resources:** The short timing in the procurement process may make it difficult for new resources to participate. This is a concern because there are only 18 MW of existing dispatchable DER capacity in the relevant area.⁵ The program could benefit from adjustments to increase the viability of new DER procurement, including allowing longer lead times.

Environmental Defence is not asking the OEB to require the applicant to change its program design in light of approaching need-date. However, we propose that this program be treated as a pilot to learn from, not a precedent to replicate in full in future NWS applications. Environmental Defence also asks GrandBridge and its consultants to consider the above comments as it hones its procurement practices over the duration of the program.

Reporting

Environmental Defence requests that GrandBridge file with the OEB and serve on the parties a report upon completion of the program detailing the results and the lessons learned. This will be valuable as this is one of the first non-wires solutions programs to be considered by the OEB.

Benefit-Cost Analysis and Incentive Mechanism

OEB Staff argues that the applicant has not complied with the BCA Framework and therefore should be ineligible for incentive payments on the basis that the applicant did not calculate distribution capacity benefits. There is no basis for this submission in the words or the spirit of the BCA Framework.

² Response to OEB Staff-26(a).

³ Response to OEB Staff-26(c).

⁴ Response to ED-3(b).

⁵ Response to OEB Staff-27.

The BCA Framework lists distribution capacity benefits as a benefit that must “be included in the BCA.”⁶ The applicant did calculate the capacity benefits and include them in its benefit-cost analysis by conservatively estimating those benefits to be \$0.⁷ The BCA Framework requires that certain benefits and costs be calculated – it does not require that the those benefits and costs have a certain value (e.g. that certain benefits be greater than \$0).

The problem with OEB Staff’s interpretation of the BCA Frame can be illustrated with reference to the mandatory impact categories under the energy system test (“EST”). The mandatory benefit categories under the EST include “avoided energy costs.”⁸ The corollary of the OEB Staff interpretation of the BCA Framework is that an NWS program must have non-zero values for this benefit to pass the EST. That makes no sense. An NWS could involve shifting demand from peak times to non-peak times, resulting in no avoided energy costs, but still provide overall energy system benefits.

In theory, the applicant could have estimated a distribution capacity deferral benefit by estimating the cost of advancing the facility solution forward by three years (despite that not actually being feasible). This would have provided a notional estimate of the deferral benefits. However, the applicant took the better approach of assuming the deferral benefits to be nil, therein making the overall cost-benefit analysis more conservative. The applicant should not be punished for doing so.

Conclusion

This program is modest in size and therefore can serve as a pilot project that utilities across the province can learn from. It should be allowed to proceed on that basis.

Yours truly,



Kent Elson

⁶ OEB, *Benefit-Cost Analysis Framework for Addressing Electricity System Needs*, p. 18-19.

⁷ Response to OEB Staff-4(a).

⁸ OEB, *Benefit-Cost Analysis Framework for Addressing Electricity System Needs*, p. 21.