

February 2, 2010

Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Via RESS and by courier

Dear Board Secretary:

Re: Draft Filing Requirements: Distribution System Plans under the Green Energy Act - Board File No. EB-2009-0397

The Electricity Distributors Association (EDA) is the voice of Ontario's local distribution companies (LDCs). The EDA represents the interests of over 80 publicly and privately owned LDCs in Ontario.

The EDA has reviewed the proposed Draft Filing Requirements for Distribution System Plans under the Green Energy Act (GEA), which were issued for comment on December 18, 2009.

The EDA generally supports the proposed filing requirements and the clarifications provided to distributors regarding their distribution system plans.

EDA members note that all distributors must file a Basic GEA Plan containing an assessment of the distribution system's capacity to accommodate connection of renewable generation facilities, and an indication of anticipated future generation and future connection investments over the next 5 years. The draft filing requirements indicate that a Detailed GEA Plan, containing material investments planned over the next 5 years for connections and Smart Grid, will only be required if a materiality threshold is reached as the Detailed GEA Plan will include specific proposed capital expenditures (page 6). The EDA would like clarification on whether specific capital expenditures that are always below the threshold would be reviewed only when the distributor subsequently applies to recover these costs.

The proposed materiality thresholds indicated that "the costs of all distributor's GEA-related projects" will be used. EDA members would like to clarify whether "costs" include total capital and OM&A costs, as considered in later sections.

EDA members note that the Ontario Energy Board (OEB) filing requirements propose that the Detailed GEA Plans should be filed with the Ontario Power Authority (OPA) and the OPA will provide a letter of comment that should be filed as part of the OEB Distribution System Plans (page 7). EDA members would like a clarification on whether the letter of comment from OPA must be obtained prior to filing of Plans, and if so, whether the OPA would be expected to send its letter under a specific timeframe to prevent any delays in LDC filings. In addition, members asked whether criteria would be established for the OPA to use in commenting on the plans.

EDA members have also requested the option of filing a GEA Plan during an IRM period. Distributors may want the opportunity to test the prudence of planned projects in advance, instead of booking costs to the deferral accounts and risking disallowance at the time of account disposition.

The GEA Plans include an “identification of any expenditures (capital or OM&A expense) related to GEA activities or projects that are already included in the distributor’s approved capital plans or funded through rates (including any approved adders)” (page 8). EDA members asked whether capital and OM&A amounts contained in deferral accounts for GEA activities or projects (noted on page 17) should also be identified in the plans.

Under the process describing the OEB’s approval of Plans, the filing requirements note that “issues of need, project selection, project budget and prioritization of expenditures that are addressed through the Plan approval process in sufficient detail will not be revisited in subsequent proceedings except in relation to material deviations”. EDA members feel that clarification on what would be considered a material deviation would be beneficial.

The EDA understands that further changes to these filing requirements will likely be necessary as directions on smart grid investments are clarified and experience is gained with renewable generation connections.

Yours truly,

“original signed”

Maurice Tucci
Policy Director, Distribution & Regulation