



April 19, 2013

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St., Suite 2700
Toronto, ON, M4P 1E4

via email and Courier

RE: Proposed Amendments to the Distribution System Code
Board File: EB-2012-0246

Dear Ms. Walli:

These are the submissions of a group of large distributors, (together, the “Group”), in response to the Board’s March 28, 2013 Notice of Proposal to amend the Distribution System Code (“Notice of Proposal”). The Group comprises Enersource Hydro Mississauga Inc., Horizon Utilities Corporation, Hydro Ottawa Limited, PowerStream Inc., Veridian Connections Inc. and Hydro One Networks Inc. (Hydro One).

On January 25, 2013 members of the Group provided comments to the Board on the *Board Staff Discussion Paper on Issues Related to the Connection of Micro-Embedded Generation Facilities* (“Discussion Paper”). The Group appreciates this opportunity to provide further comments.

The Group is pleased with many of the Board’s proposals, specifically:

- A 30-day timeline for “indirect” connections (*i.e.*, where a new connection is not required) that require a site assessment;
- Addition of the associated definitions of “day” and “business day”;
- Permission for distributors to collect a connection deposit up to a maximum of \$500 (refundable under certain conditions) for connections that require a site assessment;
- Harmonization of connection timelines for micro-embedded generation facilities with those for connection of new, low voltage services and the supporting alignment of section 6.2.7 with sections 7.2.1 and 7.2.3 of the Distribution System Code (“DSC”);
- Requirement that distributors define a basic connection for micro-embedded generation facilities and recover the cost of connection through a basic connection charge; and
- The decision to deal with the matter of upstream cost responsibility outside of this present consultation.

Notwithstanding, the Group believes that additional amendments to the DSC will further enable the OPA’s micro-fit program and allow distributors to process micro-embedded generation connections in a timely and cost-effective manner. The Group’s proposals are set out below.

Proposed Further Amendments

- *Require application processing on a “business day” basis*

As written, the proposed amendments contemplate the use of calendar days for application processing, and business days for connections. The Group notes, however, that all other connection-related requirements of the DSC are presented in business days. The Group recommends that timelines for both application processing and connections, be based on “business days”. This will reduce the potential for confusion for distributors and customers alike.

In addition, requiring application processing on a calendar basis will obligate distributors to use weekend and/or overtime hours at greater expense, to meet related DSC requirements during high volumes of applications. The Group believes that load customers will be poorly served if distributors are forced to observe calendar days to process micro-embedded generation applications.

- *Require application processing 90% of the time*

The Group notes on page 3 of the Notice of Proposal the Board’s discussion not to amend section 6.2.6 of the DSC by adding a 90% requirement, due to the 30-day timeline requirement for site assessments amendment and the deposit collection amendment.

However, the 100% absolute threshold requirement for application processing will force distributors to place micro-embedded connections (specifically site assessment visits) in higher priority than other work. Distributor staff that carry out site assessments are the same ones that perform other connection and restoration work. Therefore, if a distributor is in a situation where a trade-off is required between other work and a site assessment, the distributor would be forced to choose the site assessment to maintain compliance.

The Group urges the Board to amend DSC section 6.2.6 to require application processing 90% of the time. This requirement will serve to provide fair treatment of all customers (*i.e.*, load customers and micro-embedded connections).

- *Truly align section 6.2.7 with sections 7.2.1 and 7.2.3 of the DSC*

The Board’s discussion in its Notice of Proposal stated in part,

The Board believes it is appropriate to harmonize the connection timelines for micro-embedded generation facilities with those for the connection of a new low voltage service request. The Board is therefore proposing to amend section 6.2.7 of the DSC to align with sections 7.2.1 and 7.2.3 of the DSC.¹

However, the Board’s proposed changes to the DSC do not fully mirror the treatment of load customers. For this reason the Group proposes that an “all applicable service conditions satisfied” requirement be included for Connections in section 6.2.7.

¹ Notice of Proposal, Page 6



Other Matters

In its Notice of Proposal the Board also stated,

The Board is of the view that consumption by micro-embedded generation facilities should be incorporated into the monthly service charge. Other than this change to incorporate consumption, the Board is not proposing additional changes to the methodology used to determine the province-wide fixed monthly service charge.

The Board also believes that non-micro-fit, non-net-metered micro-embedded generation facilities should be included in the microFIT rate class. Currently, such facilities are being billed at the higher GS<50 monthly charge because they are not eligible for the microFIT charge.²

Members of the Group look forward to participating in any hearing that the Board will convene to address these matters.

Yours truly,

[Original signed on behalf of the Group by]

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² Ibid., page 11