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BY EMAIL AND WEB POSTING

August 28, 2023

**TO: All Licensed Electricity Distributors
All Participants in Consultation Process EB-2019-0207
Other Interested Parties**

**RE: System Investments for Electric Vehicle Integration (EVI)
EB-2023-0071**

This letter summarizes recent guidance and resources available to electricity distributors to help them in planning their systems for the efficient integration of electric vehicles (EVs), and informs the sector of an expansion of scope to an existing consultation, the [Distributed Energy Resources \(DER\) Connections Review](#) (EB-2019-0207), to now include a review of matters pertaining to system readiness for EV charger connections.

This letter is being issued by the Ontario Energy Board (OEB) following the completion of a January 2023 [Survey of Electricity Distributors and EV Charging Service Providers](#) in relation to EV integration (the EV Survey). In the EV Survey, distributors noted areas where they may benefit from additional regulatory guidance. Resources relevant to those areas are summarized in Table 1 below.

The OEB has also identified the need for further review of system readiness for EV charging. The OEB has therefore expanded the scope of the DER Connections Review consultation. Originally focused on the technical and process aspects of connecting DERs and EV charging stations, this consultation will now ensure OEB staff and interested parties can work collaboratively to identify opportunities for enhancements to guidance on system readiness for demand from EV charging.

The OEB noted the survey results that revealed potential uncertainty among distributors regarding the use of Non-Wires Alternatives (NWAs) to address system needs, including those arising from increased demand from EV charging. The OEB reminds distributors that they may file applications for approval of incentive mechanisms related to the use of third-party DERs, in accordance with the [Filing Guidelines for Incentives](#)

[for Electricity Distributors to Use Third-Party DERs as Non-Wires Alternatives](#). As well, the OEB is actively working on a Benefit-Cost Analysis Framework, targeting March 2024 for completion of the first phase of that work. For parties seeking staff guidance on rate treatment and legal and regulatory requirements for project proposals involving innovative solutions to meet distribution system needs, the [Innovation Sandbox](#) remains available to ensure sector participants can receive timely guidance from OEB staff.

Interested parties are encouraged to subscribe for updates on EV-related activities through the [EV Integration Initiative](#). Any questions related to this letter should be directed to industryrelations@oeb.ca.

Yours truly,

Nancy Marconi
Registrar

Table 1: Summary of Select Resources Relevant to Planning for EV Integration

Issue & Feedback in EV Survey	Resource	Description
<p>Visibility of Residential EV Charger Connections</p> <p>A majority of responding distributors reported low confidence in their awareness of the location of residential chargers.</p>	<p>Dataset on EVs in Ontario by Forward Sortation Area</p> <p><i>Available through Ministry of Transportation.</i></p>	<p>Ministry of Transportation provides data on the number of EV registrations within a Forward Sortation Area (a geographic area represented by the first three digits of a postal code).</p>
	<p>Dataset on EVs in Ontario by Postal Code</p> <p><i>Available through Ministry of Energy.</i></p>	<p>Ministry of Energy now makes available to distributors a dataset of EV registrations by six-digit postal code.</p>
<p>Planning for EVs</p> <p>In the context of increased demand from EV load, distributors sought continued guidance on the OEB's expectations with respect to their ability to recover costs through the distribution system planning and rate application process.</p>	<p>Filing Requirements for Electricity Distribution Rate Applications (Filing Requirements)</p>	<p>Filing Requirements require distributors to demonstrate they have planning processes in place for future capacity needs, including in relation to EVs.</p>
	<p>Load Forecast Guideline for Ontario</p> <p><i>Prepared by Regional Planning Process Advisory Group (RPPAG).</i></p>	<p>Guideline indicates that distributors should conduct sensitivity analysis to capture uncertainty in the demand forecast, including future developments that may not be captured by historical trends (for example, in relation to the EV demand as adoption increases over time).</p>
	<p>Improving the Electricity Planning Process in Ontario: Enhanced Coordination between Municipalities and Entities in the Electricity Sector</p> <p><i>Prepared by RPPAG.</i></p>	<p>Document identifies information distributors need from municipalities to improve load forecast accuracy, including in relation to load from EVs.</p>
	<p>OEB Staff Bulletin on Residential Customer Connection & Service Upgrades</p>	<p>Bulletin offers guidance on to distributors regarding basic connection and reminds distributors of their obligations under the Distribution System Code when determining cost responsibility for residential subdivision connections and residential customer service upgrades.</p>

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Issue & Feedback in EV Survey	Resource	Description
<p>Deployment of NWAs to Meet Increased Demand from EVs</p> <p>Distributors reported greatest uncertainty related to using rate funding to deploy NWA solutions, including those involving DERs, to meet increased demand from EV charging.</p>	<p><u>Conservation & Demand Management (CDM) Guidelines</u></p>	<p>Guidelines elaborate on the use of CDM solutions (broadly defined as activities that reduce instantaneous electricity demand, a definition that could encompass managed charging) to meet distribution system needs, and how they could be funded through rates.</p>
	<p><u>Framework for Energy Innovation: Setting a Path Forward for DER Integration (FEI Report)</u></p>	<p>The FEI Report provides guidance that applies to the consideration of NWAs (which could include activities involving managed charging services). It sets out the OEB's expectation that distributors would factor DER integration into their planning and consider NWA solutions to meet system needs. It also provides guidance on the ways in which distributors would be expected to justify DER-enabling investments.</p>
	<p><u>Filing Guidelines for Incentives for Electricity Distributors to Use Third-Party DERs as NWAs</u></p>	<p>Guidelines identify the information distributors should include in their applications for incentive mechanisms related to the deployment of NWA solutions to meet distribution system needs.</p>
	<p><u>Innovation Handbook</u></p>	<p>This handbook summarizes OEB policies and related materials that have supported innovative projects and proposals, including in relation to EV integration.</p>