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-- Name --

Kashish Parikh

-- Do you reside in the impacted service area? -- Yes

-- Comments --

To the Ontario Energy Board:

I am a residential Toronto Hydro customer writing to share my comments on Toronto Hydro's application for approval of a Non-Wires Solutions (NWS) Incentive Mechanism, including a proposed 25% Margin-on-Payments (MoP) incentive rate effective May 1, 2026 to December 31, 2029.

I support the use of non-wires solutions in principle. Demand response and similar programs are generally a more cost-effective way to manage peak load than building incremental distribution infrastructure, and I recognize that Toronto Hydro is facing real and growing system needs. To that extent, I would rather see ratepayer funds directed toward NWS than toward avoidable capital expenditures.

That said, I have three concerns I would ask the OEB to weigh carefully before approving the application as filed:

**Justification for the 25% rate.** The application proposes a specific MoP rate of 25%, but it is not obvious to a residential ratepayer why 25% is the right number rather than something lower. I would ask the OEB to test whether Toronto Hydro has demonstrated, with evidence, that 25% is the minimum incentive needed to achieve sufficient program participation and the resulting system benefits. A lower rate that still achieves the program's objectives would be preferable from a ratepayer perspective.

**Distribution of benefits.** The participants earning payments under the LDR program are, in practice, likely to be larger commercial and industrial customers with the load flexibility to respond to dispatch events. Residential customers fund the program through distribution rates but have limited ability to participate. I would ask the OEB to consider whether the proposal adequately addresses this asymmetry, and whether there are reasonable measures to expand residential access or otherwise ensure residential ratepayers see commensurate benefits.

**Treatment of the deferral account and future disposition.** I would ask the OEB to ensure that the proposed deferral account, and any future disposition of MoP amounts, is structured so that ratepayers retain visibility into actual program costs and avoided-cost benefits over the term of the mechanism, and that any clearance of the account is supported by clear evidence of ratepayer benefit.

I am not opposed to the NWS Incentive Mechanism, and I do not wish to delay programs that address legitimate system needs. I am asking that the OEB scrutinize the proposed incentive rate and the distributional impact on residential ratepayers before granting approval.

Thank you for the opportunity to comment.

-- Was AI used for the letter of comment? -- Yes