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**Sent:** Friday, May 8, 2026 9:20 PM

**To:** [REDACTED]; Office of the Registrar <Registrar@oeb.ca>; [REDACTED]

[REDACTED]

**Subject:** Comments on Toronto Hydro’s Non Wires Solutions Incentive Mechanism (File EB-2026-0129)

Dear OEB,

I am writing about Toronto Hydro Electric System Limited’s application for approval of its proposed Non-Wires Solutions Incentive Mechanism (EB-2026-0129). For several years, customers have been asked to use less electricity and to accept higher bills, while at the same time being strongly encouraged, if not effectively required, to purchase electric appliances, heat pumps, and electric vehicles. This is increasing demand on the grid, yet many people are already experiencing more frequent outages, brown-like conditions and reliability issues in some areas. Paying more for electricity and for new equipment while receiving less reliable service creates a sense of unfairness and loss of trust.

Years ago, Time of Use pricing was introduced to encourage people to shift their electricity use away from peak hours. Later, tired pricing was added to limit how much electricity households are “allowed” to use before paying higher rates. In both cases, the main targets were ordinary customers, while major business and data centres appear to keep expanding their electricity use with less visibility or equivalent sacrifice. This creates a sense that the same tools are being used over and over to ask little taxpayers to change their behaviour instead of demanding that the largest users and the grid planning system itself adapt to real growth.

I support using smart tools to reduce waste and avoid unnecessary infrastructure, but this proposal appears to be treating demand management and incentive programs as a longer term solution to a problem that will still require major grid upgrades. Ontario is pushing electrification of homes, cars and industrial uses at the same time that population and building density are growing. That will increase peak demand, especially in already stressed parts of Toronto.

**My main concerns are:**

**1. This kicks the hard problem down the road**

Non wires solutions can delay big infrastructure projects, but they cannot cancel them. If peak demand keeps rising, the same substations, transformer and lines will still have to be built later, likely at higher prices, while customer continue to pay. This in not a fair way to manage long-term cost of the grid.

In many cases, repeatedly paying customers, aggregators, or third-party providers to temporarily reduce electricity use may ultimately cost more than building the infrastructure required to meet actual long-term demand. These programs include administrative overhead, contracts, verification systems, consultant costs, and ongoing financial incentives that must be renewed year after year. By contrast, substations, transformers, and transmission upgrades are long-lived public assets that can provide reliable service for decades once built. If Ontario already expects major electrification growth, it may be more economical and transparent to invest directly in durable grid infrastructure rather than relying too heavily on continuous payment-based demand-reduction programs.

## **2. It can be unfair to ordinary customers.**

Most of these programs benefit large businesses, industrial users, or organized third-party providers who can afford batteries, automation, and software. Many homeowners, small landlords, and renters cannot easily participate. This risks creating a system where a few get paid incentives while everyone else bears the full cost of the grid.

## **3. It can weaken long-term planning**

If utility is repeatedly told to “manage” demand instead of building needed infrastructure, there is less pressure to plan clearly for the future. This can leave the grid running closer to its limits, increasing the risk of local reliability problems, especially as EVs, heat pumps, and new construction grow.

## **4. It adds hidden complexity and cost.**

Running a distributed resource program, tracking payments, monitoring participation and managing contracts, adds layers of complexity. This means more consultants, legal work and staff time which still flows back into rates, even though it is not visible as a new substation.

## **5. It can bias the system toward big players.**

Demand response and incentive programs strongly favour large organizations that can shift loads easily. That can lock in a grid that is shaped more by private contracts and big player programs than by straightforward, transparent public planning for everyone’s needs.

## **6. It distorts incentives for utilities.**

The 25% margin on payments incentive creates a strong financial reason for Toronto Hydro to focus on managing external programs rather than investing in long lived, publicly accountable infrastructure. This can align the utility’s profit motive more with contract base programs that with clear, ratepayer centred grid planning.

## **7. It reduces public control and transparency**

When key decisions are made through small scale programs, private contracts, and incentive-driven tweaks, it becomes harder for ordinary customers to see how the grid is being shaped. This weakens democratic oversight and makes it more difficult to hold anyone accountable for long-term reliability and fairness.

Before approving this 25% Margin on Payments incentive mechanism, I urge the Board to require a clear, public plan that:

- Shows how much demand reduction this program can realistically achieve.
- Compare that to the expected growth from EV’s, heat pumps, new building, and population growth
- Guarantees that long term grid capacity will still be built where and when it is needed, not just deferred

The best solution is to:

- Build the grid backbone for the real growth we are planning for
- Use demand management and local generation to reduce the size and cost of those projects
- Recognize that large scale solar generation should not come at the expense of productive farmland, or near farmland especially at a time when agricultural land is already scarce and food supply pressures are increasing
- Make sure the rules are fair and transparent for everyone, not just big players.

Thank you for the opportunity to comment