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From: Ontario Energy Board <webmaster@oeb.ca>
Sent: Friday, May 15, 2026 2:20 PM
To: Office of the Registrar <Registrar@oeb.ca>
Subject: Redacted - Letter of Comment - EB-2026-0129

-- Name --

Brian Oliveira

-- Do you reside in the impacted service area? -- No

-- Comments --

Dear Registrar,

I am writing as a residential Toronto Hydro customer regarding Toronto Hydro's application for approval of its proposed Non-Wires Solutions Incentive Mechanism.

I found the notice difficult to understand at first. After spending some time with it my understanding is that Toronto Hydro is asking for approval to apply a 25% Margin-on-Payments incentive on payments made to participants in its Local Demand Response / Non-Wires Solutions program, and to record those incentive amounts in a deferral account for future recovery or disposition; i.e. Toronto Hydro wants to pay certain customers or third-party participants to reduce electricity demand in specific areas, so that some conventional grid infrastructure work can be avoided or delayed. Toronto Hydro is then asking to earn an additional 25% incentive based on those payments.

I want to be clear that I understand the proposed 25% Margin-on-Payments incentive is not a direct 25% increase to my electricity bill. My concern is not based on that misunderstanding. My concern is that the proposal does not clearly explain, in plain language, how the incentive will be calculated, how it may eventually be recovered from customers, who benefits from the payments, and how the OEB will confirm that customers are better off after all costs are factored.

I am not opposed to the basic idea. My background is in architecture and project management, so I understand the value of solving a problem creatively instead of always defaulting to the most expensive capital solution. Sometimes the smarter fix is not the biggest fix. If non-wires solutions can reduce peak demand, avoid unnecessary infrastructure, and save customers money in the long run, that seems worth considering.

My concern is about how this is measured and controlled.

From a customer's perspective, the proposal appears to reward Toronto Hydro based on payments made under the program. That makes me wonder whether the incentive is tied closely enough to actual results. I would be more comfortable if the reward was clearly tied to verified customer benefit, not just to the amount of money paid out to program participants.

The simple question I keep coming back to is this:

How do we make sure customers are not paying for a program, paying an additional 25% incentive, and then later still paying for the same infrastructure that was supposedly avoided or deferred?

That is the part I believe needs serious review.

I respectfully ask the OEB to consider requiring the following 6 items be included and clearly distributed to Toronto hydro customers before approving the application:

1. Clear proof that customers are better off Toronto Hydro should show, in plain language, that the program saves customers money after all costs are included. That should include participant payments, administration, verification costs, carrying charges, and the proposed 25% incentive.

2. Verification of actual performance It should not be enough to show that demand reduction was contracted or forecast. Toronto Hydro should have to show that demand was actually reduced when and where it was needed. I also think there should be a clear precedent-based framework for how this is tested, so future applications do not create a 'catch-22' where customers are asked to accept incentives before anyone can clearly prove whether the benefits were real.

3. No double payment by customers If infrastructure is said to be avoided or deferred because of this program, there should be a clear check later to confirm whether that infrastructure was actually avoided, or whether it was simply delayed. I.e. The infrastructure in question should be identified with more specificity. If it is later built anyway, customers should clearly know that they are not paying twice.

4. Transparent reporting Toronto Hydro should report the actual participant payments, the incentive amounts, the amount of demand reduction procured, the amount actually delivered, and the infrastructure costs avoided or deferred.

5. A plain-language explanation of who benefits I don't think anyone is looking for private customer names, but I think the public should understand the nuance around types of participants receiving payments. Are they large commercial customers, industrial customers, institutions, aggregators, battery operators, data centres, or others? This matters because residential customers may help fund the program but may not have much ability to participate directly, or who's values may not align with the types of businesses this supports.

6. A clear explanation of why 25% is the right number I understand incentives may be needed to change utility behaviour, but 25% is still a very significant margin. Toronto Hydro should be able to explain why that amount is necessary and why a lower percentage over a longer period of time would not achieve the same result.

I also think the OEB should be cautious about treating "deferred" infrastructure the same as "avoided" infrastructure. Generally a capital item can be smart if the timing is wrong or the scope is uncertain. But deferring necessary work can also create larger issues in the long-run. Toronto is growing, electrification is increasing, and the grid will need long-term investment. Non-wires solutions should complement proper infrastructure planning, not become a way to push unavoidable work into the future.

For that reason, I ask that the OEB not approve the application unless Toronto Hydro's evidence is fully tested. I also support the idea that the final hearing format should not be decided until after interrogatory responses are available. If the written record does not leave the public informed sufficiently, or is convoluted in its addressing of the program being requested, then an oral or technical hearing should be considered.

Again, I am not opposed to innovation or demand management. I am opposed to customers being asked to fund an incentive without clear, understandable proof that it leaves us better off.

Thank you for the opportunity to comment, and thank you Toronto Hydro for continuing to seek innovative solutions.

-- Was AI used for the letter of comment? -- No