

OEB's latest guidance on distributed energy resources connections

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On November 26, 2020, the Ontario Energy Board (OEB) issued two letters as its latest guidance for licensed electricity distributors on the connection of customers with Distributed Energy Resources (DER) projects arising from its DER Connections Review consultation (EB-2019-0207) (DER Consultation).

[The First Letter](#) identifies information requirements and provides sample forms for aiding discussions between DER proponents and distributors at the initial stages of a DER connection project. [The Second Letter](#) provides a sample protection philosophy for use with DER connection projects intended for self-supply that use non-exporting, inverter-based technologies.

Using these sample forms as guidance represents, in the OEB's view, good utility practice by the distributor.¹

Background and discussion

In August 2019, the OEB initiated the DER Consultation to review its requirements regarding the connection of DERs by licensed electricity distributors, to identify any barriers to the connection of DERs, and to standardize and improve the connection process where appropriate.

OEB staff engaged a working group to develop recommendations for addressing the issues identified by stakeholders in regards to the connection of DERs (Working Group). **The Working Group's membership represents the interests of distributors, consumer groups, firms with DER projects, as well as generation technology and environment advocacy groups.**

One of the issues identified by stakeholders was the ability of DER proponents to **determine a specific project's potential in a timely way to support efficient investments.**

The First Letter includes recommendations developed by the Working Group for the information that should be exchanged between DER proponents and distributors at the beginning of a potential DER connection project in order to determine if it is feasible to proceed to the connection impact assessment stage. Having considered Section 6.2.9

and 6.2.9.1 of the Distribution System Code (DSC)², the Working Group developed sample forms of a Preliminary Consultation Application for customers/proponents and a Preliminary Consultation Report for distributors containing the expected information from each party. Although these sample forms may be customized according to the **distributor's specific requirements, information in these sample forms should be included** to minimize costs for DER providers and their customers where they operate across multiple distributor service areas.

In addition to the above issue, the Working Group raised concern with the lack of clear technical requirements for connections, which can lead to insufficient information from proponents in a connection application submitted to a distributor.

The Second Letter addresses this by providing a sample protection philosophy developed by the Working Group that may be shared with a customer or contractors working on their behalf seeking connection for a non-exporting, inverter-based DER for load displacement. This template is an aid to improve information being submitted for the connection assessment process described in Appendix F.1 of the DSC and is not intended to displace the technical requirements outlined in Appendix F.2 of the DSC³.

A proponent will need to submit detailed protection settings after the utility has completed the impact assessment of the submitted connection application. Like the sample forms in the First Letter, the use of the protection philosophy as a common approach will likely reduce costs for both distributors and their customers and facilitate responses to DER connection inquiries from customers.

The Working Group continues to review technical and process requirements and may develop further information or guidance for distributors and DER providers in the upcoming months. BLG is closely monitoring developments in this area.

¹ **Letter from the Ontario Energy Board Re: EB-2019-0207 Information and Template Forms for Preliminary Consultations on DER Connections**, dated November 26, 2020, page 2; and **Letter from the Ontario Energy Board Re: EB-2019-0207 Guidance - Protection Philosophy for DER Connections**, dated November 26, 2020, page 2 and Attachment page 1.

² [Distribution System Code](#) Last revised on March 1, 2020 (Originally Issued on July 14, 2000)

Section 6.2.9 specifies information that persons considering applying for the connection **of a generation facility to a distributor's system must provide to a distributor if the** proponent requests a preliminary meeting with the distributor. Section 6.2.9.1 sets out the information that distributors must provide in response to a person requesting a meeting.

³ **Appendix F.1 of the DSC provides the standardization of connection processes, size categories and the time frames for connecting embedded generation facilities to the distribution system.**
Appendix F.2 provides the technical requirements for generator connection.

By

[John A.D. Vellone](#), [Flora Ho](#)

Expertise

[Corporate Commercial](#), [Energy – Power](#), [District Energy](#)

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BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

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