

September 24, 2014

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
PO Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

RE: Niagara Peninsula Energy Inc.  
2015 Consolidated Distribution System Plan – OPA Letter of Comment

Dear Ms. Walli:

On September 23, 2014, NPEI filed its Consolidated Distribution System Plan (“DSP”) together with its 2015 COS Rate Application (EB-2014-0096).

As indicated in the DSP cover letter, NPEI requested an IRRP status update for Group 3 (Southern Ontario) from the OPA on August 12, 2014, but had not yet received the OPA’s letter at the time of filing. NPEI included email correspondence with the OPA on this matter in Appendix A of the DSP.

Please find attached the OPA’s Letter of Comment, which NPEI received from the OPA on September 24, 2014.

If any further information is required, please contact the undersigned.

Sincerely,



Suzanne Wilson, CPA, CA  
Vice-President, Finance  
Niagara Peninsula Energy Inc.  
(905) 353-6004  
Suzanne.Wilson@npei.ca

**OPA Letter of Comment**  
**Niagara Peninsula Energy Inc.**  
**Distribution System Plan**

**September 24, 2014**



## Introduction

On March 28, 2013, the Ontario Energy Board (“the OEB” or “Board”) issued its Filing Requirements for Electricity Transmission and Distribution Applications; Chapter 5 – Consolidated Distribution System Plan Filing Requirements (EB-2010-0377). Chapter 5 implements the Board’s policy direction on ‘an integrated approach to distribution network planning’, outlined in the Board’s October 18, 2012 Report of the Board - A Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach.

As outlined in the Chapter 5 filing requirements, the Board expects that the Ontario Power Authority (“OPA”) comment letter will include:

- the applications it has received from renewable generators through the FIT program for connection in the distributor’s service area;
- whether the distributor has consulted with the OPA, or participated in planning meetings with the OPA;
- the potential need for co-ordination with other distributors and/or transmitters or others on implementing elements of the REG investments; and
- whether the REG investments proposed in the DS Plan are consistent with any Regional Infrastructure Plan.

## Niagara Peninsula Energy Inc. – Distribution System Plan

On August 8, 2014, Niagara Peninsula Energy Inc. (“NPEI”) provided its Distribution System Plan (“Plan”) to the OPA. The OPA has reviewed NPEI’s Plan and has provided its comments below.

### *OPA FIT/microFIT Applications Received*

On page 39-40 of its Plan, NPEI indicates that 17 FIT projects have been connected in its service area, totalling of approximately 12.47 MW of capacity. On page 41, NPEI indicates that it has connected 294 microFIT projects between 2010 and 2013, totalling approximately 2.7 MW of installed renewable generation capacity.

According to OPA’s information, to date, the OPA has received and offered contracts to 19 FIT applications, totalling approximately 12.54 MW. The OPA has also received and offered contracts to 323 microFIT projects, totalling approximately 2.91 MW of capacity in NPEI’s distribution service territory.

The OPA finds that NPEI’s Plan is reasonably consistent with the OPA’s information regarding renewable energy generation applications to date.

*Consultation / Participation in Planning Meetings; Coordination with Distributors / Transmitters / Others; Consistency with Regional Plans*

The OPA notes that Niagara Peninsula Energy Inc. is part of Group 3 and the Niagara Region for regional planning purposes. At the present time, neither a Regional Infrastructure Plan (“RIP”), nor an Integrated Regional Resource Plan (“IRRP”) has commenced for NPEI’s service territory, and planning may not commence until 2015 when Hydro One Transmission will kick off the needs screening process. The OPA has no comment therefore on the following three items outlined in the Chapter 5 filing requirements, relating to a specific RIP or IRRP, namely:

- whether the distributor has consulted with the OPA, or participated in planning meetings with the OPA;
- the potential need for co-ordination with other distributors and/or transmitters or others on implementing elements of the REG investments; and
- whether the REG investments proposed in the DS Plan are consistent with any Regional Infrastructure Plan.

However, section 5.2.2 of the Plan speaks to NPEI’s coordinated efforts with third parties such as the OPA, Hydro One and LDCs on regional planning and accommodating renewable energy generation. Niagara Peninsula Energy Inc.’s Plan also identifies that there is ongoing collaboration with parties through its focus, as a core business value, on customer and stakeholder engagement. The OPA looks forward to working with Niagara Peninsula Energy Inc. on regional planning once that process is triggered for NPEI’s area, and appreciates the opportunity to comment on the information provided as part of its Distribution System Plan at this time.