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BY EMAIL AND WEB POSTING

March 7, 2023

**NOTICE OF AMENDMENTS TO A CODE TO FACILITATE CONNECTION OF
DISTRIBUTED ENERGY RESOURCES**

AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE

BOARD FILE NO.: EB-2019-0207

**To: All Licensed Electricity Distributors
All Licensed Electricity Generators
All Licensed Electricity Storage Companies
All Participants in Consultation Process EB-2019-0207
All Other Interested Parties**

The Ontario Energy Board (OEB) is giving notice, under Section 70.2 of the *Ontario Energy Board Act, 1998 (Act)*, of final amendments to the Distribution System Code (DSC) to facilitate the connection of Distributed Energy Resources (DERs). These amendments, which will come into force on June 7, 2023, will provide further clarity and consistency in the process for connecting a DER to an electricity distributor's system.

A. Background

On January 5, 2023, the OEB issued a [Notice of Proposal to Amend the Distribution System Code](#) (January Notice) in which it proposed a number of amendments (January Proposed Amendments) to the DSC that were aimed at providing further clarity and consistency in the process for connecting DERs, including:

- Eliminating the “capacity allocation exempt small embedded generation facility” exemption to create a more level playing field between projects, as well as enable electricity distributors to better assess system capacity and technical requirements to facilitate the timely connection of DERs. Removing this exemption for this category of generation facilities will also help ensure distributors are better prepared for further DER adoption and the assignment of capacity on a more equitable basis.

- Eliminating “capacity allocation deposit” requirements to remove potential obstacles to connecting DERs over 10 kilowatts as a result of customers being required to pay a deposit for the capacity allocation in addition to other costs borne by proponents made during the development of DER projects and prior to their connection. This amendment also aligns with the Minister of Energy’s October 21, 2022 [Letter of Direction](#) in two ways: (1) it facilitates innovation by removing a cost in the development of DERs; and (2) it will reduce administrative burden for distributors, thereby supporting the OEB’s work to reduce red tape.
- Revising the connection cost deposit refund process and timeline to provide clarity on the timing of connection cost deposit refunds, as well as assist in standardizing the connection process for customers, which is a key objective of the DER Connections Review. This amendment is also expected to reduce administrative efforts for distributors in terms of managing the deposits. The revisions to the timeline and process have the following key components:
 - A written notice from a distributor to an applicant to confirm that the applicant’s connection is sufficiently complete to commence operations, which will also include any remaining tasks/activities to be completed.
 - A preliminary connection cost report from a distributor to an applicant to show the amount of cost incurred on connection related tasks/activities that are complete.
 - Prescribed time periods, including allowances where a host distributor is involved, between the above-mentioned communications and the issuance by a distributor of a connection cost refund to an applicant, where applicable.

The OEB received eight (8) written comments in response to the January Proposed Amendments, all of which are posted on the OEB’s [website](#).

Having considered the submissions, the OEB is now making amendments to the DSC as set out in the January Proposed Amendments, with one non-material change discussed in Section B. The final amendments are set out in Appendix A (blackline relative to the existing DSC) and Appendix B (final text for DSC) of this Notice.

These amendments, made as a result of suggestions from the DER Connections Review Working Group (Working Group), directly support the OEB’s mandate to facilitate innovation and align with the direction in the Minister’s [Letter of Direction](#) further electrification and the transition to cleaner energy, and reduce administrative burden for distributors. The OEB expects these amendments will provide customers with greater opportunities to take advantage of DERs, which in turn will help manage their energy costs and enhance reliability.

Established in November 2019, the Working Group provides advice to OEB staff to facilitate the connection of DERs. The OEB appreciates the ongoing and collaborative efforts of the members of the Working Group and its sub-groups.

As the Working Group continues its discussion through the next stage of the DER Connections Review, more recommendations will be developed to support DER adoption by further streamlining the connection process. The OEB also expects that, as this consultation has been broadened to align with the Letter of Direction, the Working Group will develop recommendations to improve connection processes for EV charging stations. More information regarding the DER Connections Review can be found at the OEB's [Engage with Us site](#) for this project.

B. Stakeholder Comments

The stakeholder comments generally supported the January Proposed Amendments and suggested a need for additional clarification. The OEB considered all comments and has determined that no material changes need to be made to the January Proposed Amendments. The OEB is adopting the January Proposed Amendments with one non-material revision related to the connection cost deposit refund process and timeline.

Eliminate the “Capacity Allocation Exempt Small Embedded Generation Facility” exemption.

Stakeholder comments strongly supported this proposed amendment. One stakeholder proposed that the OEB also consider expanding definitions of different DER types within the connection processes and a distributor's conditions of service to reflect the evolution of DER types and functions.

The OEB notes that the Working Group's discussions related to the DER connection processes are ongoing. The OEB expects that the Working Group will be considering various types of DERs and making additional recommendations that will support further DER adoption, with references to specific types of DERs as appropriate. The OEB does not consider it necessary to expand the definitions of DERs at this time.

Eliminate Capacity Allocation Deposit

Section 6.2.18A of the DSC requires a distributor to notify any proponent of an embedded generation facility that executed a connection cost agreement prior to the date of coming into force of that section, but is not yet connected to the distributor's distribution system, that a connection cost deposit equal to 100% of the total allocated cost of connection and a capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility must be paid within 60 days of the distributor's notice as a condition of the applicant maintaining its current capacity allocation. The OEB proposed to remove the reference to the capacity allocation deposit from that section.

Two stakeholders proposed that section 6.2.18A be eliminated in its entirety as 6.2.18(a) provides that 100% of the total connection cost must be paid at the time the connection cost agreement is executed. The OEB considers this proposal is related to the connection cost deposit, which is beyond the scope of the January Proposed Amendments. Further, the OEB does not believe the co-existence of section 6.2.18A and 6.2.18 (a) is inconsistent or creates any issues or confusion. More specifically, Section 6.2.18A pertains to situations where the connection cost agreement is already executed, while section 6.2.18(a) pertains to connection agreements that are yet to be executed. While the OEB will not remove 6.2.18A in its entirety, this matter may be considered in the future.

One stakeholder suggested that section 6.2.18H which references “capacity allocation deposit” would no longer be necessary if the proposed amendments are implemented. The OEB notes that the intent of amending, rather than removing, this section is to ensure that any existing capacity allocation deposit the distributor is currently holding, or is holding at the time the proposed amendments come into force, is refunded to the customer in accordance with that section. It is therefore necessary to retain the reference to capacity allocation deposit in that section. Another stakeholder suggested that the proposed timeline for the return of capacity allocation deposits be changed, so that all capacity allocation deposits currently being held by distributors be returned 30 days after the proposed amendments come into force. The OEB believes that the current refund timeline is more appropriate and provides distributors the time to implement the changes and process refunds.

With regards to the removal of the capacity allocation deposit, a stakeholder commented that distributors continue to risk processing an application where the proponent is not fully committed to the continuation of the project, as it creates an administrative burden on the distributors. The stakeholder sought additional direction from the OEB to protect distributors’ financial risk to perform these assessments or a mechanism by which distributors could recover lost costs in the event of any issues with applicants. The OEB believes that the comments do not require further changes to the January Proposed Amendments and expects that, if desired, this matter can be considered in future Working Group discussions.

Revise Connection Cost Deposit Refund Process and Timeline

Three stakeholders recommended additional wording to indicate that the connection cost deposits be due “as soon as possible and no later than” the relevant time period. Specifically, to include this additional wording under the proposed amendments to Section 6.2.18F (c). The OEB has considered this submission and will proceed with this non-material change, which will help establish the OEB’s expectation that the excess deposit will be refunded in a timely manner.

A stakeholder suggested the amendment also include a flexible communication procedure that permits deviation from the standard approach, and a notification methodology should unforeseen delays or cost increases occur that result in an adjustment to the standard connection process. The OEB does not believe that such

revisions are warranted to the DSC in relation to the communications for the refund process, and that such matters can be addressed directly between the distributor and the customer.

With respect to the proposed amendments under section 6.2.18F, one distributor sought clarification with regards to the “permission” being granted by the distributor to the applicant to operate, and the conditions under which it is provided. The stakeholder suggested a new section to be added to the DSC to outline that authority to provide permission, along with the ability for distributors to set terms and conditions for the completion of any outstanding items, as well as the ability to revoke that permission if these terms are not met. The OEB will not make a further change to the DSC at this time, but expects that this matter will be considered in future Working Group discussions.

Interest on Connection Cost Deposit

A distributor proposed that the OEB clarify how interest should be calculated on a connection cost deposit where a refund must be issued, so that a consistent approach can be taken by all distributors. Specifically, the distributor suggested section 6.2.18I should clarify that interest only be paid on excess connection cost deposit collected by the distributor, starting from the date that the connection deposit was received. Other stakeholders also suggested clarification be provided to distributors on the timeframe that interest is applied to the refund portion of excess connection cost deposit. The OEB understands the issue and will consider providing guidance regarding the interest calculation in the future.

Other Comments

Some stakeholders provided comments on new matters which the OEB has determined are beyond the scope of the proposed amendments under consideration in this process.

C. Anticipated Costs and Benefits

The anticipated costs and benefits associated with the final DSC amendments are set out in the January Notice. Interested parties should refer to that Notice for further information in that regard.

D. Coming into Force

A distributor suggested that there was a need for a transition period before the amendments to DSC Section 6.2.18F come into force, allowing distributors an appropriate amount of time to effectively implement new requirements within their organizations and ensure effective monitoring systems are in place to track compliance with requirements and timelines. The OEB will therefore provide distributors with three months to implement the amendments to the DSC.

E. Cost Awards

Cost awards related to this consultation will be addressed in separate correspondence.

If you have any questions regarding this Notice or the final amendments to the DSC, please contact IndustryRelations@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

DATED at Toronto, **March 7, 2023**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

Attachments:

Appendix A — Final Amendments to the Distribution System Code – Comparison
Version to Existing Code

Appendix B — Final Amendments to the Distribution System Code – “Clean” Version

Appendix A

to

**Notice of Amendments to the
Distribution System Code**

March 7, 2023

EB-2019-0207

**Amendments to the Distribution System Code –
Comparison Version to Existing Code**

[see separate document attached]

Appendix A
to
Notice of Amendments to the
Distribution System Code
March 7, 2023
EB-2019-0207
Amendments to the Distribution System Code –
Comparison Version to Current Code

Note: Black underlined text indicates additions to the Distribution System Code and strikethrough text indicates deletions from the Code. Numbered titles are for convenience of reference only.

References to the Ontario Power Authority and OPA have been changed to Independent Electricity System Operator and IESO as appropriate throughout the Code.

Where only a portion of a section of the Code is shown below, the balance of the section remains unchanged.

1.2 Definitions

~~“capacity allocation exempt small embedded generation facility” means an embedded generation facility which is not a micro-embedded generation facility and which has a name-plate rated capacity of 250 kW or less in the case of a facility connected to a less than 15 kV line and 500 kW or less in the case of a facility connected to a 15 kV or greater line;~~

1.7 Coming into Force

...

The amendments to section 1.2, 6.2 and 6.2A made by the Board on March 7, 2023 come into effect on June 7, 2023.

Section 6 of the Distribution System Code is amended as follows:

6.2.4.1 Subject to section 6.2.4.2, a distributor shall establish and maintain a capacity allocation process under which the distributor will process applications for the connection of embedded generation facilities. The capacity allocation process shall meet the following requirements:

...

(e) an applicant shall have its capacity allocation removed if:

...

- iii) any required deposits payable to the distributor pursuant to section 6.2.18A, ~~6.2.18B~~, or 6.2.18C have not been received by the date specified by the distributor;

...

6.2.4.2 Section 6.2.4.1 does not apply to an application to connect a micro-embedded generation facility, ~~a capacity allocation exempt small embedded generation facility~~, or an embedded generation facility that is not an embedded retail generation facility. Applications to connect to which the capacity allocation process does not apply, including by virtue of section 6.2.1, shall be processed by a distributor in accordance with this Code as and when received.

6.2.4.3 ~~Any application to connect a capacity allocation exempt small embedded generation facility that was received by a distributor prior to the date of coming into force of this section shall be processed by the distributor in accordance with the provisions of this Code applicable to such generation facilities as though the application to connect had been received by the distributor on the date of coming into force of this section.~~

Connection of other Generation Facilities

6.2.8A ~~Notwithstanding any other provision of this Code, a distributor shall, for the purposes of determining the connection feasibility of a capacity allocation exempt small embedded generation facility and of determining the impact of such facility on the distributor's distribution system and on any customers of the distributor, treat any capacity associated with a generation facility that has a capacity allocation referred to in section 6.2.4.1 as available capacity.~~

6.2.8B ~~Where a distributor believes that, by virtue of the operation of section 6.2.8A, the connection of a capacity allocation exempt small embedded generation facility cannot reasonably be managed by the distributor without adversely affecting the capacity allocation of a generation facility, the distributor shall promptly so notify the Board in writing. In such a case, and notwithstanding any other provision of this Code, the distributor shall not take any further steps to connect the capacity allocation exempt small embedded generation facility without further direction from the Board~~

Small Embedded Generation Facility

6.2.12 Subject to sections 6.2.4.1(b), 6.2.4.1(c) and 6.2.4.2, a distributor shall follow the process as set out in the *Distributed Energy Resources Connection Procedures* to process a request for connection of a small embedded generation facility. The distributor shall provide an applicant proposing to connect a small embedded generation facility with its assessment of the impact of the proposed generation facility, a detailed cost estimate of the proposed connection and an offer to connect within:

- (a) 60 days of the receipt of the application where no distribution system reinforcement or expansion is required; and
- (b) 90 days of the receipt of the application where a distribution system reinforcement or expansion is required.

~~An offer to connect made to an applicant proposing to connect a capacity allocation exempt small embedded generation facility may be revoked by the distributor if not accepted by the applicant within 60 days.~~

6.2.18 A distributor shall enter into a connection cost agreement with an applicant in relation to a small embedded generation facility, a mid-sized embedded generation facility or a large embedded generation facility. The connection cost agreement shall include the following:

- (a) a requirement that the applicant pay a connection cost deposit equal to 100% of the total estimated allocated cost of connection at the time the connection cost agreement is executed;
- (b) ~~applies only to an exporting generation facility: if the applicant does not have an executed IESO contract which includes a requirement for security deposits or similar payments, a requirement that the applicant pay a capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility at the time the connection cost agreement is executed;~~
- (c) ~~applies only to an exporting generation facility: if the applicant does not have an executed IESO contract which includes a requirement for additional security deposits or similar payments, a requirement that if fifteen (15) calendar months following the execution of the connection cost agreement the embedded generation facility is not connected to the distributor's distribution system, the applicant must pay an additional capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility on the first day of the sixteenth(16th) calendar month following the execution of the connection cost agreement;~~
- (d) ~~if the applicant has an executed IESO contract which includes a requirement for security deposits or similar payments, the distributor shall not require the applicant to pay a capacity allocation deposit or an additional capacity allocation deposit;~~

....

6.2.18A For any proponent that executed a connection cost agreement prior to the date of coming into force of this section, but is not yet connected to the distributor's distribution system, the distributor shall notify the proponent of that embedded generation facility, within 60 days of this section coming into force, that a connection cost deposit equal to 100% of the total allocated cost of connection ~~and a capacity allocation deposit equal to \$20,000 per MW of capacity of the embedded generation facility~~ must be paid within 60 days of the distributor's notice as a condition of the applicant maintaining its current capacity allocation.

6.2.18B ~~For any proponent that executed a connection cost agreement prior to the date of coming into force of this section, but is not yet connected to the distributor's distribution system and for which fifteen (15) calendar months or more have elapsed since the date on which the proponent executed a connection cost agreement, the distributor shall notify the proponent of that embedded generation facility, within 60 days of this section coming into force, that an additional capacity allocation deposit equal to \$20,000 per MW of capacity for the embedded generation facility must be paid within 60 days~~

~~of the distributor's notice as a condition of the applicant maintaining its current capacity allocation. For clarity, this additional capacity allocation deposit is in addition to any deposit that may be required under section 6.2.18A.~~

~~6.2.18D Any connection cost deposit, capacity allocation deposit or additional capacity allocation deposit required to be obtained by the distributor pursuant to this Code shall be in the form of cash, letter of credit from a bank as defined in the Bank Act, or surety bond. The distributor shall allow the applicant to select the form of any required connection cost deposit, capacity allocation deposit and/or additional capacity allocation deposit.~~

~~6.2.18F If, following the connection of an embedded generation facility to the distributor's distribution system the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the costs allocated to the applicant and related to connecting the generation facility to the distributor's distribution system, the distributor shall at the time of connection refund to the applicant the amount by which the connection cost deposit exceeded the costs related to connecting the embedded generation facility.~~

Following the connection of an embedded generation facility to the distributor's distribution system a distributor shall, upon providing its permission to operate to an applicant as set out in the *Distributed Energy Resource Connection Procedures*:

- (a) at the time of providing its permission to operate to an applicant, where the agreed project scope for the connection has not yet been completed, provide a list of the incomplete elements of the agreed project scope for the connection;
- (b) no later than 60 days after providing its permission to operate, provide the applicant with a preliminary connection cost report specifying the total actual connection costs incurred and allocated to the applicant, including any host distributor and/or transmitter costs, as of the date upon which the distributor issued its permission to operate;
- (c) where the agreed project scope for the connection has been completed at the time the permission to operate has been provided by the distributor, and where the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, refund to the applicant the amount of the unused connection cost deposit as soon as possible and no later than:
 - i) 180 days after providing its permission to operate, where the distributor is not an embedded distributor; or
 - ii) 210 days after providing its permission to operate, where the distributor is an embedded distributor;
- (d) where the agreed project scope for the connection has not been completed at the time the permission to operate has been provided by the distributor:
 - i) where the agreed project scope for the connection, including those elements of the agreed project scope identified pursuant to subsection (a), is completed within 90 days after the distributor provides its permission to operate, and where the distributor

determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, the distributor shall refund to the applicant the amount of the unused connection cost deposit within the number of days specified in subsection (c);

- ii) where the agreed project scope for the connection, including those elements of the agreed project scope identified pursuant to subsection (a), is completed more than 90 days after the distributor has provided its permission to operate, and where the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, the distributor shall refund to the applicant the amount of the unused connection cost deposit within:

- (1) 90 days of the completion of the agreed project scope for the connection, where the distributor is not an embedded distributor; or,
- (2) 120 days of the completion of the agreed project scope for the connection, where the distributor is an embedded distributor.

6.2.18H The distributor shall refund to the applicant the amount of any capacity allocation deposit or additional capacity allocation deposit, including interest as calculated according to section 6.2.18I, provided by the applicant to the distributor no later than 30 calendar days after the applicant connects to the distributor's distribution system, the earlier of 30 calendar days after the applicant receives the distributor's permission to operate or December 4, 2023.

6.2.18I ~~Where any connection cost deposit, capacity allocation deposit or additional capacity allocation deposit is provided by an applicant to a distributor in the form of cash and where the distributor refunds all or any portion of such connection cost deposit, capacity allocation deposit or additional capacity allocation deposit to the applicant in accordance with this Code, the return of such deposit or deposits shall be in accordance with the following conditions:~~

- (a) interest shall accrue monthly on the deposit amounts commencing on the receipt of the deposit required by the distributor; and
- (b) the interest rate shall be at the Prime Business Rate set by the Bank of Canada less 2 percent.

6.2A Connection Process for Distributor-owned Generation Facilities

6.2A.3 In applying section 6.2 in relation to a generation facility that will be owned by the distributor to whose distribution system the generation facility will be connected, the following shall apply:

...

For the purposes of this section: (i) "deposit" means ~~a capacity allocation deposit, an additional capacity allocation deposit and~~ a connection cost deposit, ~~as applicable~~; and (ii) "Accounting Guidelines" means all requirements established by the Board and in effect at the relevant time in respect of the accounting records, accounting principles and accounting separation standards to be followed by the distributor in relation to a generation facility owned by the distributor,

including the “Guidelines: Regulatory and Accounting Treatments for Distributor-Owned Generation Facilities” (G-2009-0300).

Appendix B
to
Notice of Amendments to the
Distribution System Code

March 7, 2023

EB-2019-0207

Amendments to the Distribution System Code – Clean Version

[see separate document attached]

Appendix B
to
Notice of Amendments to the
Distribution System Code
March 7, 2023
EB-2019-0207

Final Amendments to the Distribution System Code

Note: The wording in this appendix presents the text of the sections of the DSC that have been amended, as they will appear once the amendments come into force. Numbered titles are for convenience of reference only.

References to the Ontario Power Authority and OPA have been changed to Independent Electricity System Operator and IESO as appropriate throughout the Code.

Where only a portion of a section of the Code is shown below, the balance of the section remains unchanged.

1.7 Coming into Force

...

The amendments to section 1.2, 6.2 and 6.2A made by the Board on March 7, 2023 come into effect on June 7, 2023.

6.2.4.1 Subject to section 6.2.4.2, a distributor shall establish and maintain a capacity allocation process under which the distributor will process applications for the connection of embedded generation facilities. The capacity allocation process shall meet the following requirements:

...

(e) an applicant shall have its capacity allocation removed if:

...

iii) any required deposits payable to the distributor pursuant to section 6.2.18A or 6.2.18C have not been received by the date specified by the distributor;

...

6.2.4.2 Section 6.2.4.1 does not apply to an application to connect a micro-embedded generation facility or an embedded generation facility that is not an embedded retail generation facility. Applications to connect to which the capacity allocation process does not apply, including by virtue of section 6.2.1, shall be processed by a distributor in accordance with this Code as and when received.

6.2.4.3 [Revoked]

Connection of other Generation Facilities

6.2.8A [Revoked]

6.2.8B [Revoked]

Small Embedded Generation Facility

6.2.12 Subject to sections 6.2.4.1(b), 6.2.4.1(c) and 6.2.4.2, a distributor shall follow the process as set out in the *Distributed Energy Resources Connection Procedures* to process a request for connection of a small embedded generation facility. The distributor shall provide an applicant proposing to connect a small embedded generation facility with its assessment of the impact of the proposed generation facility, a detailed cost estimate of the proposed connection and an offer to connect within:

- (a) 60 days of the receipt of the application where no distribution system reinforcement or expansion is required; and
- (b) 90 days of the receipt of the application where a distribution system reinforcement or expansion is required.

6.2.18 A distributor shall enter into a connection cost agreement with an applicant in relation to a small embedded generation facility, a mid-sized embedded generation facility or a large embedded generation facility. The connection cost agreement shall include the following:

- (a) a requirement that the applicant pay a connection cost deposit equal to 100% of the total estimated allocated cost of connection at the time the connection cost agreement is executed;
- (b) [Revoked]
- (c) [Revoked]
- (d) [Revoked]

....

6.2.18A For any proponent that executed a connection cost agreement prior to the date of coming into force of this section, but is not yet connected to the distributor's distribution system, the distributor shall notify the proponent of that embedded generation facility, within 60 days of this section coming into force, that a connection cost deposit equal to 100% of the total allocated cost of connection must be paid within 60 days of the distributor's notice as a condition of the applicant maintaining its current capacity allocation.

6.2.18B [Revoked]

6.2.18D Any connection cost deposit required to be obtained by the distributor pursuant to this Code shall be in the form of cash, letter of credit from a bank as defined in the Bank Act, or surety

bond. The distributor shall allow the applicant to select the form of any required connection cost deposit.

6.2.18F Following the connection of an embedded generation facility to the distributor's distribution system a distributor shall, upon providing its permission to operate to an applicant as set out in the *Distributed Energy Resource Connection Procedures*:

- (a) at the time of providing its permission to operate to an applicant, where the agreed project scope for the connection has not yet been completed, provide a list of the incomplete elements of the agreed project scope for the connection;
- (b) no later than 60 days after providing its permission to operate, provide the applicant with a preliminary connection cost report specifying the total actual connection costs incurred and allocated to the applicant, including any host distributor and/or transmitter costs, as of the date upon which the distributor issued its permission to operate;
- (c) where the agreed project scope for the connection has been completed at the time the permission to operate has been provided by the distributor, and where the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, refund to the applicant the amount of the unused connection cost deposit as soon as possible and no later than:
 - i) 180 days after providing its permission to operate, where the distributor is not an embedded distributor; or
 - ii) 210 days after providing its permission to operate, where the distributor is an embedded distributor;
- (d) where the agreed project scope for the connection has not been completed at the time the permission to operate has been provided by the distributor:
 - i) where the agreed project scope for the connection, including those elements of the agreed project scope identified pursuant to subsection (a), is completed within 90 days after the distributor provides its permission to operate, and where the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, the distributor shall refund to the applicant the amount of the unused connection cost deposit within the number of days specified in subsection (c);
 - ii) where the agreed project scope for the connection, including those elements of the agreed project scope identified pursuant to subsection (a), is completed more than 90 days after the distributor has provided its permission to operate, and where the distributor determines that the amount of the connection cost deposit provided by the applicant exceeded the actual costs incurred by the distributor that were allocated to the applicant, the distributor shall refund to the applicant the amount of the unused connection cost deposit within:

- (1) 90 days of the completion of the agreed project scope for the connection, where the distributor is not an embedded distributor; or,
- (2) 120 days of the completion of the agreed project scope for the connection, where the distributor is an embedded distributor.

6.2.18H The distributor shall refund to the applicant the amount of any capacity allocation deposit or additional capacity allocation deposit, including interest as calculated according to section 6.2.18I, provided by the applicant to the distributor no later than the earlier of 30 calendar days after the applicant receives the distributor's permission to operate or December 4, 2023.

6.2.18I Where any connection cost deposit is provided by an applicant to a distributor in the form of cash and where the distributor refunds all or any portion of such connection cost deposit to the applicant in accordance with this Code, the return of such deposit shall be in accordance with the following conditions:

- (a) interest shall accrue monthly on the deposit amounts commencing on the receipt of the deposit required by the distributor; and
- (b) the interest rate shall be at the Prime Business Rate set by the Bank of Canada less 2 percent.

6.2A Connection Process for Distributor-owned Generation Facilities

6.2A.3 In applying section 6.2 in relation to a generation facility that will be owned by the distributor to whose distribution system the generation facility will be connected, the following shall apply:
...

For the purposes of this section: (i) "deposit" means a connection cost deposit and (ii) "Accounting Guidelines" means all requirements established by the Board and in effect at the relevant time in respect of the accounting records, accounting principles and accounting separation standards to be followed by the distributor in relation to a generation facility owned by the distributor, including the "Guidelines: Regulatory and Accounting Treatments for Distributor-Owned Generation Facilities" (G-2009-0300).