

**20th Meeting Distribution Supply Code
Task Force
January 11 & 12, 2000
OEB Hearing Room #2, 25th Floor**

Day 1; Tuesday, January 11

		<u>Present</u>
1.	<u>Attendees:</u>	
	Ken Quesnelle	Woodstock PUC T
	John Alton	Lincoln Hydro T
	Stephen Au	Toronto Hydro T
	Rene Gatien	Guelph Hydro T
	Tom Godfrey	Sault Ste Marie PUC T
	Mary Ellen Richardson	ECS T
	Gord Ryckman	OHSC T
	John Savage	MEST T
	Lisa Brickenden	OEB T
	Nabih Mikhail	OEB T
	Kirsten Walli	OEB T
	Tanya Bodell	PHB Hagler Bailly T
	Graham Brown	OPGI T
	Jane Scott	Ottawa Hydro T
	Ron LaPier (recording secretary)	Sarnia Hydro T
	George Mychailenko	Brantford Hydro
	Darius Vaiciunas	Collingwood PUC T
	Curtis Cesarin	Caledon Hydro
	Kevin Henderson	Caledon Hydro T
	Lorne Pasche	Welland Hydro T
	Mike Angemeer	Hydro Mississauga
	Kevin Bell	Great Lakes Power T
	John O'Neill	MEA T
	Bruce Bacon	ECS
	Ted Olechna	ESA T
	Luc VanOverberghe	Measurement T
		Canada

2. **Review of previous meeting #19 minutes from December 22, 1999**

Approved into the record.

3. **Opening Remarks from the Chair**

Discussion of the agenda for the expected double headers in January and any problems under the expected breakout sessions for day two.

4. **Additional Items for Agenda:**

- 1) Work not yet assigned discussion needs to occur.
- 2) Commitments to subgroup meetings January 12, 2000 at 1000am
O&M Sub group is OK for tomorrow
Expansions are OK for tomorrow
Distributor Relationships Group is OK to meet tomorrow
Conditions of Supply sub group can meet tomorrow as well

5. **Review of Action Items**

No specific review was made.

6. **Work In Progress Report (Appendix 20A)**

Ken posted the chart and summary is in the Appendix; sub groups were asked to update their portions of the chart during the course of the two days.

7. **Review of Summaries of Recommendation:**

a) **Embedded Generation Sub-Group**

1)1 **Draft SOR on Maintenance Requirements for Embedded Generators**

Draft #5 dated December 23rd, 1999 (Appendix 20B)

Changes were made based on comments from the last meeting. Jane Scott reviewed the changes.

A general question regarding the treatment of existing embedded generators and should any existing agreements be grandfathered going forward. The OEB would like to see consistency, but any binding agreements would have to be treated differently.

The SOR was put forward for a vote. Vote was unanimously in favour.

1)2 **Draft SOR on Connection Process for New Embedded Generators**

Ron presented the document (Appendix 19F) for review.

A question around whether the requirement for an RTU connection should be included in the list of Protective requirements. This should be dealt with in the Connection Agreement and/or the Conditions of Supply, as well as the commercial terms for Reserve/Back-up costs for the connection

**The SOR was put forward for a vote. Vote was unanimously in favour.
Ron will revise and send the final document to Tanya.**

2) **System Expansions Sub-Group**

- 2)1 Draft SOR on Economic Evaluation Model for Distribution System Expansion
(Appendix 20C)

Ken discussed the document and some questions were asked of the Sub Group members. It was reported that a further SOR on System Enhancements would be forthcoming.

Action: All DSC members are asked to review in detail this large impact issue.

3) **Operations & Maintenance Sub-Group**

- 1) Draft SOR on Distribution System Inspection Requirements (Appendix 19J)

Request for clarification of some items was reviewed and some minor comments were made and noted.

The SOR was put forward for a vote. Vote was not unanimous. Dissenting Opinion will be forwarded directly to Tanya for inclusion.

- 2) Draft SOR on Power Quality (Appendix 18N)

The document was tabled for first time discussion. Lorne presented it. Comments were received and noted.

The SOR was voted on in principle. The vote was unanimous. Lorne will make the revisions and send the final revisions to Tanya.

- 3) Draft SOR on Distributor Obligations Regarding System Losses (Appendix 19K)

This is the final draft based on previous comments. It was voted on in principle on December 8th and is presented today for final review for content only.

This SOR is approved for inclusion in the DSC.

- 4) Draft SOR on Customer Obligations During Emergencies and Unplanned Outages
(Appendix 18G) dated December 2, 1999

John O'Neill presented the draft SOR to the group for discussion. A discussion around the definition of Emergency and Unplanned outages. Are these currently defined and if not should they be? It was suggested that emergencies and unplanned outages be treated the same in the SOR.

The SOR was voted on in principle. The vote was unanimous. John will make the revisions and send the final revisions to Tanya.

- 5) Draft SOR on Relocation of Distributor Plant
(Appendix 18H) Dated December 2, 1999

The SOR was presented for discussion by John O'Neill. Discussion pointed out that the SOR really deals with plant on a road allowance, because any other location should be on an easement or covered under another agreement i.e. rail allowance, private agreement with customer, etc.

It was suggested by some that the name of the agreement should be changed to **Relocation of Distributor Plant on Public Road Allowance** and deal with the issues and process related to Public Road Allowance applications. However, others suggested that the whole issue be removed from the DSC because the location of plant is governed by a number of other pieces of legislation or other easement agreements.

The OEB needs answers to the following:

What is the Distributor obligated to do when it receives a request to relocate plant? And is the Distributor allowed to expect the right to recover the costs of performing the plant relocation?

John will revise this SOR for another review at a later meeting.

Continuation of Meeting # 20 - Day 2- Wednesday, January 12

8. Opening Comments & Schedule for the Second Day:

Ken briefly reviewed the anticipated schedule for the day. It was agreed that the Task Force would break up into sub groups from 10:00 am to approximately noon. Following lunch the full Task Force would meet again to review agenda items not completed the previous day, address issues arising from the sub groups and review the work plan and assign new work items.

It was noted that many members are serving on more than one sub group and that some subgroups may not need to meet at this time.

Additional subgroup members in attendance for the break out session included Romano Sironi, Quan Tran and Curtis Cesarin.

9. Conditions of Supply Document

The Conditions of Supply Sub Group sought guidance from the full Task Force regarding the direction they should take in their work. The question is whether the subgroup should develop an index that forms a mandatory format which the distributors must use to write or re-write their conditions of supply. Alternatively, an index of issues that is cross referenced by distributors could be produced.

The advantages and disadvantages of each approach were discussed in detail. The main concern against the mandatory index format is that it would need to be extremely lengthy and complex to address every possible scenario in the province. Most utilities would not need such an all encompassing document. Distributor Conditions of Supply documents must respond to evolving customer issues as they arise in different locations. It was agreed that the main objective is to ensure that distributors address in their conditions of supply all issues as required by the DSC; a generic index cross referenced to the Distributors document(s) achieves this goal.

The consensus of the Task Force is that the subgroup should develop an index of issues which the DSC obligates distributors to address in the conditions of supply document. Distributors will then provide a cross reference that indicates where in their conditions of supply document the specific issues are addressed.

10. **Break Out Sessions:**

Sub committee break out sessions occurred from approximately 10:30 until 12:00. Minutes of the breakout sessions were recorded separately by the subgroups.

11. **Afternoon Follow Up to Morning Subgroup Meetings**

The main Task Force reassembled following lunch; each sub group gave a brief report as follows.

11.1 **Expansions Sub Group:**

Ken Quesnelle updated the Task Force regarding sub group discussions during the morning break out session. Topics highlighted include:

- 11.1 Several areas where the impact of the Economic Model for Evaluating Proposed Expansions needs to be analyzed have been identified.
- 11.2 The concern that the present model does not reflect the cost to rebuild a portion of the system several times during its life cycle has been noted.
- 11.3 There is also need to clarify what is meant by Astandard@ in the context of the SOR, i.e would standard refer to a utility standard feeder capacity?
- 11.4 Members should keep in mind that the SOR is focused on economic analysis to identify funds required external to rates and to enable comparison of offers from more than one distributor.
- 11.5 The need to consider the impact of this model when the expansion is of a magnitude that is a significant portion of the existing utility load has been recognized
- 11.6 There is also need to consider the impact of the model on utilities that are heavily leveraged and may not be able to take on additional debt to finance a large expansion. It is also noted that many utilities have operated debt free and therefore do not have a borrowing history with financial institutions.

The next meeting of the Expansions Sub Group is scheduled for January 19 at 9:00am at the OEB.

Action: All members are asked to forward comments on the model to the subgroup; please provide page and section references.

11.2 Operations Maintenance Group:

Lorne Pasche reported that the Operations & Maintenance Sub Group met and will be submitting at least four SORs to the next meeting of the Task Force. An update to the Work In Progress Chart was provided.

11.3 Distributor Relations Sub Group

Gord Ryckman reported that the Distributor Relations Sub Group did not meet in the morning. A meeting date of January 21, 2000 at 9:30 am at Guelph Hydro was arranged among sub group members.

11.4 Conditions of Supply Sub Group

Darius Vaiciunas reported that the Conditions of Supply Sub Group met the previous afternoon following the main Task Force meeting as well as during the break out period. The Work In Progress chart was updated accordingly. Further sub group work will be exchanged among sub group members electronically.

Conditions of Supply Sub Group members are:

Ron LaPier

Jane Scott

Tom Godfrey

George Mychailenko

Gord Ryckman

Stephen Au

Darius Vaiciunas

11.5 Embedded Generation Sub Group

The Embedded Generation Sub Group did not meet during the break out session; the Work In Progress chart was updated.

12. **Draft SOR on New Feeder Positions at an Existing Shared Transformer Station**

This SOR was designated Appendix 20D. It was prepared by the Distributor Relations Sub Group and was circulated electronically prior to the meeting.

Discussion on this SOR was extensive.

It was noted that the former Regional Supply Planning function appears to no longer exist, although there clearly is a need for the function to continue.

Concern was expressed that this SOR assumes that costs associated with additional capacity at an existing Transmission Company transformer station will be handled on a user pay basis. No rulings giving this direction have been issued by the OEB. Indications from the OHSC hearing suggest that the present pooled approach will continue, for the next few years at least, with Distributors continuing to have the option to build their own TS. The need to deal separately with a shared TS compared to a TS that serves only one distributor was also questioned. It was noted that this issue was originally approached as a Relations between Distributors issue.

Task Force members agreed that continuation of the existing pooled approach to Transformer station capacity and Distributor option to build their own TS would be preferred, as described in the SOR on Relations between Distributors - TS Transformation.

Task Force members agreed that the SOR on New Feeder Positions at Existing Shared TSs would be withdrawn and replaced with a new SOR as noted below.

Action: **Tanya Bodell** will prepare an SOR that describes Distributor obligations in the areas of forecasting its load growth, communicating to the Transmission Company its need for new transformer station capacity, and participating in joint planning studies. The expectation of Transmission Company reply will also be addressed in the SOR.

This new SOR will replace Appendix 20D which will be withdrawn. It was suggested that much of the background information from Appendix 20D will be useful in the new SOR.

A DSC Task Force position on treatment of costs associated with additional transformer station capacity will also be prepared for submission to the Transmission System Code Task Force.

13. **Review of Work Plan and Assignment of Work Plan Items:**

The Work In Progress chart and Work Plan were reviewed and volunteers sought and new topics assigned as follows:

13.1 **Connections - Work Plan Item - A,2**

Sub Group Members: Ken Quesnelle
Curtis Cesarin
Gord Ryckman
Quan Tran
Rene Gatien

13.2 Obligation to Provide Customer Information - Work Plan Item B,1 & B,2

The Sub Group on Conditions of Supply will undertake this activity. Sub Group members include; Ron LaPier, Jane Scott, Tom Godfrey, George Mychailenko, Gord Ryckman, Stephen Au, Darius Vaiciunas.

13.3 Disconnection / Reconnection

Lorne Pasche and a Toronto Hydro representative to be confirmed shortly will form a subgroup.

13.5 Metering

This subgroup was formed in December and will be having its first meeting on January 14 at the OEB .It was confirmed that the following individuals will participate on the Metering Sub Group:

Kevin Bailey,	Welland
Rob Reid,	Great Lakes Power
Don Trafford,	Ottawa
Angela Zapp,	Schlumberger
Bob Brockman,	OHSC
Jim Butler,	Hydro Mississauga
Steve MacDonald	Toronto Hydro
Tim Vanderheide	Sarnia Hydro
Luc VanOverBerghe	Measurement Canada
John O'Neill	MEA

13.4 Unauthorized Energy Use

An SOR on Distributor Obligations Regarding Unauthorized Energy Use has been presented to the Task Force. Work Plan items F2 and F3 dealing with customer and retailer obligations have not been addressed.

Although the focus of the DSC is Distributor rights and obligations it is necessary to have a documented consideration of customer and retailer obligations regarding un authorized energy use to ensures that the distributor is adequately protected.

It was agreed that F2 and F3 dealing with Customer & Retailer obligations regarding unauthorized energy use would be assigned to the Metering Sub Group.

13.5 Submetering:

It was agreed that submetering would be assigned to the Metering Sub Group.

13.6 Other Services

This issue was discussed in some detail. Draft OEB Guidelines on Interpretation of Section 71 indicates that several traditional utility activities will no longer be allowed to be carried out by Distributors. Of particular concern is street lighting and joint use. Street lighting and power distribution systems are extremely intermingled and not easily separated. Joint use among distributors, cable companies and telephone companies is extensive right across the province. It was noted that joint use is merely leasing of space on a pole and in that way is very similar to leasing vacant office space to another party. Concern was expressed regarding the complexity and inefficiency of establishing an affiliate for joint use activities.

Action Kirsten Walli will research the current status of the guideline on Section 71 and how it is anticipated to apply to street lighting and joint use.

13.6 Monitoring & Enforcement

It was agreed that this issue will be addressed towards the end of the process when other Work Plan items are nearing completion.

14.0 Future Meetings

DSC Task Force: January 25 & 26 @OEB
 February 8 & 9 @ OEB
 February 22 & 23 @OEB

Expansions Sub-Group January 19, 2000 @ OEB Offices

Distributor Relationships January 21, 2000 @ Guelph 9:30 am
Sub-Group

Metering Sub-Group January 14, 2000 @ OEB Office 0930am

Action for All: Members are asked to forward updated SORs to the OEB via e-mail as soon as possible in order that they may be circulated to all members prior to future meetings.

The meeting was adjourned at approximately 3:15 pm.

List of Appendices associated with these minutes:

Appendix 20A:	Updated Work in Progress Report
Appendix 20B:	Draft SOR on Maintenance Guidelines for Embedded Generation
Appendix 20C:	Draft SOR on Economic Evaluation Model for Distribution System Expansion
Appendix 20D:	Draft SOR on New Feeder Positions at an Existing Shared Transformer Station
*Appendix 19F:	Draft SOR on Connection Process for New Embedded Generators
*Appendix 19J:	Draft SOR on Distribution System Inspection Requirements
*Appendix 18N:	Draft SOR on Power Quality
*Appendix 19K:	Draft SOR on Distributor Obligations Regarding System Losses
*Appendix 18G:	Draft SOR on Customer Obligations During Emergencies and Unplanned Outages
*Appendix 18H:	Draft SOR on Relocation of Distributor Plant

*Carried forward unchanged from last meeting