

Minister of Energy

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Ontario

June 18, 2003

RECEIVED

JUN 18 2003

**CHAIR
ONTARIO ENERGY BOARD**

Mr. Paul Vlahos
Interim Chair
Ontario Energy Board
Suite 2601
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Mr. Vlahos:

Enclosed is a copy of a Minister's Directive issued under Section 27.1 of the *Ontario Energy Board Act, 1998* recently approved by the Lieutenant Governor in Council. The Order in Council is dated June 4, 2003. The Directive requires the Board to review and enhance license conditions to address the need for standardization, consistency and clarity with regards to procedures and requirements for connecting generation facilities to distribution systems. The Directive also requires the Board to complete this activity in a manner suitable for implementation by no later than November 30, 2003.

I would appreciate the Board proceeding to take the appropriate steps to implement the attached directive.

Sincerely,

A handwritten signature in black ink, appearing to read "John Baird".

John Baird, MPP
Minister

Enclosure



Ontario

Executive Council
Conseil des ministres

Order in Council
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

WHEREAS it is desirable to increase the capacity of electricity generation in Ontario in order to increase the province's supply of electricity, the reliability of the electricity system and to reduce the province's reliance on external sources to meet heightened demand.

AND WHEREAS it is desirable that such increased capacity be supported by private sector investment in distributed capacity, predominantly utilizing cleaner energy sources, including alternative and renewable energy sources.

AND WHEREAS the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.1 of the *Ontario Energy Board Act, 1998* to promote energy conservation as well as the use of cleaner energy sources, including alternative and renewable energy sources.

AND WHEREAS subsection 70(6.1) of the Act, once enacted, will require the Board to provide license conditions for each license issued to a distributor which provide for the necessary criteria required to connect generation facilities to the distributor's distribution system.

NOW THEREFORE the Directive attached hereto, is approved.

Recommended: 
Minister of Energy

Concurred: 
Chair of Cabinet

Approved and Ordered JUN - 4 2003
Date


Administrator of the Government

MINISTER'S DIRECTIVE

TO: THE ONTARIO ENERGY BOARD

I, John Baird, Minister of Energy, hereby direct the Ontario Energy Board (the "Board") under section 27.1 of the *Ontario Energy Board Act, 1998* (the "Act") as follows:

1. To promote the addition of new generation, which predominantly utilizes cleaner energy sources, including alternative and renewable energy sources, the Board shall facilitate the connection of new generation to local distribution systems. To accomplish this, the Board shall review and enhance license conditions for the purposes of subsection 70 (6.1) of the Act, in a manner suitable for implementation by no later than November 30, 2003. In undertaking this review, the Board shall address the need for standardization, consistency and clarity of connection procedures and requirements, including:
 - i. technical requirements to address system operations issues, including reliability, power quality, safety and measurement;
 - ii. application requirements and procedures, including timelines for distributor actions; and
 - iii. any other requirements or procedures that the Board deems appropriate and which are consistent with this directive.

2. In carrying out this directive, the Board shall give precedence to paragraph 6 under section 1 of the Act, which establishes the Board's objective to promote the use of cleaner energy sources including alternative and renewable energy sources. In this regard, the Board may implement conditions specific to connecting, to distribution systems, generators to whom the regulations made under clause 88 (1) (g.1) apply, and may implement conditions which facilitate the connection of generators in any other circumstances that the Board deems appropriate.



Minister of Energy



Date