



BY EMAIL AND WEB POSTING

December 16, 2020

**To: All Registered Stakeholders
All Other Interested Parties**

**Re: Consultation on the Deferral Account – Impacts Arising from the COVID-19
Emergency (EB-2020-0133)
Utility Remuneration and Responding to Distributed Energy Resources
Integrated Consultations (EB-2018-0287 and EB-2018-0288)**

As stakeholders will be aware, the Ontario Energy Board (OEB) launched a consultation earlier this year on the Deferral Account – Impacts Arising from the COVID-19 Emergency (DA Consultation). In order to effectively and efficiently address the framework for the operation of the deferral account, OEB staff has prepared a proposal (Staff Proposal), released today which has now been posted on the webpage for the [DA Consultation](#). Stakeholders are invited to provide comments on the Staff Proposal so that they are appropriately accounted for and integrated into this policy work.

This letter also sets out next steps in the integrated consultations related to the evolution of the sector.¹

Background

On May 14, 2020, the OEB commenced the DA Consultation. Through a letter issued on [July 17, 2020](#), the OEB advised that OEB staff would prepare a preliminary Staff Proposal to facilitate and focus stakeholder comments.

On [September 24, 2020](#), the OEB advised that it had commissioned a consultant, London Economics International LLC (LEI), to provide expert reports to support the DA Consultation and to assist in confirming the scope and next steps of the OEB's sector evolution consultations.

¹ Utility Remuneration ([EB-2018-0287](#)) and Responding to Distributed Energy Resources ([EB-2018-0288](#))

LEI Reports

LEI's research has been organized into five distinct reports, each of which is available to stakeholders on the respective webpages of the [DA Consultation](#) and the [sector evolution consultations](#):

1. *COVID-19 Impact Study*
2. *A Report on Regulatory Principles, Policies and Accounting Treatments Applied in Other Jurisdictions in Response to COVID-19*
3. *A Report on Gains and Losses from Differences in Load and Production*
4. *A Report on the OEB's Cost of Capital Parameters and the Impacts of COVID-19*
5. *COVID-19 Impact on Distributed Energy Resources*

Next Steps in the DA Consultation

Two stakeholders provided feedback following our July and September letters regarding the form the consultation could take following the issuance of the Staff Proposal. Over the course of the consultation, there has been interest expressed by some other stakeholders for an expeditious conclusion to this work in order to provide certainty to stakeholders on a timely basis. The OEB was aided by this feedback in designing its next steps and has determined that it will convene a webinar to provide stakeholders with an opportunity to ask clarifying questions to LEI regarding its reports (#1 to #4 above) and to OEB staff regarding the Staff Proposal. The OEB will seek two rounds of written comments from stakeholders shortly following the webinar.

The webinar will be held on **January 14, 2021 from 1:00 pm to 3:30 pm**. Details for the webinar will be communicated in due course. The OEB is inviting stakeholders to provide written comments on the Staff Proposal by **January 25, 2021**. Stakeholders are also invited to file reply comments addressing other stakeholders' comments by **February 4, 2021**. The OEB requests any such reply comments be kept brief (no more than 5 pages).

The OEB anticipates finalizing any guidance in spring 2021. While the OEB has not ruled out any opportunities for stakeholders to comment on a draft of the eventual guidance that will be issued, stakeholders' comprehensive comments on the Staff Proposal will maximize the prospects for a timely conclusion to this consultation.

Next Steps in the Sector Evolution Consultations

As described in the September letter, the OEB has commissioned an additional report from ICF. Its *DER Impact Study* is expected to be completed in early January.

Following publication of the ICF report, interested stakeholders will be invited to a meeting where LEI and ICF will present the results of their studies. In addition to discussing the experts' reports, stakeholders will be invited to discuss the implications of the studies on next steps in the OEB's policy work.

The OEB intends to move forward with this consultation. The timing is opportune to undertake policy work that anticipates and supports continued evolution and innovation in the sector, notwithstanding that current conditions may be generally dampening demand for new and incremental distributed resources amid the continued COVID-19 pandemic. Accordingly, the OEB believes it important to confirm the appropriate scope, sequencing and pacing of the issues to be addressed, especially in the near term, through the consultation initiatives. As it does so, the OEB remains committed to prioritizing its engagement work and bearing in mind the participatory capacity of stakeholders whose contributions are crucial to the development of effective policy. Further details about the stakeholder meeting will be provided following the publication of ICF's report.

Any questions relating to the sector evolution consultations should be sent to SectorEvolution@oeb.ca.

Cost Awards for the DA Consultation

Costs will be available to those participants who have been determined by the OEB to be eligible, as follows:

Activity Eligible for Cost Awards	Maximum Number of Hours
Preparation for and attendance at the webinar	5 hours
Written comments on the Staff Proposal	25 hours
Reply comments on the Staff Proposal	10 hours

How to File Materials

Please quote file number, **EB-2020-0133** for all materials filed and kindly submit them in searchable/unrestricted PDF format with a digital signature through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice>.

Filings should clearly state the sender's name, postal address, telephone number, fax number and e-mail address and please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at www.oeb.ca/industry. Stakeholders are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the web portal can contact registrar@oeb.ca for assistance.

All communications should be directed to the attention of the Registrar at the address below and be received by end of business on the required date.

With respect to distribution lists for all electronic correspondence and materials related to the DA Consultation, stakeholders should include Fiona O'Connell at fiona.oconnell@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

DATED at Toronto, December 16, 2020

ONTARIO ENERGY BOARD

Original signed by

Christine E. Long
Registrar