
ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O.
1998, Section 70.2

AND IN THE MATTER OF the Ontario Energy Board (the
"Board") notice of proposal to amend the Distribution System
Code (the "Code"), Chapter 3 (Connections and Expansions).

**SUBMISSION OF THE
INDEPENDENT ELECTRICITY SYSTEM OPERATOR****Introduction**

1. The Independent Electricity System Operator (the "IESO") appreciates the opportunity to comment on the proposed changes to Chapter 3 (Connection and Expansion) of the Distribution System Code.

Chapter Three Proposal

2. The IESO acknowledges the changes to Chapter 3 are aimed at providing greater clarity regarding the rights and obligations of electricity distributors with respect to expansion and connections.

3. The IESO wishes to bring a concern to the Board's attention regarding the proposed Section 3.1.1. The Code cites several reasons a distributor may refuse connecting, or maintain connecting, a customer. Focusing on item (c), the IESO notes it is possible that a connection would not adversely affect a distribution system but concurrently creates problems on the connected transmission system that forms part of the IESO-controlled grid¹.

4. The Code notes that distributor's currently have an obligation to identify an impact on the transmission system. Section 6.2.17 requires a distributor to notify a transmitter "where the distributor believes [the transmitter's system] may be impacted by the proposed generation facility..." A broader tenet may be constructive in Chapter 3 permitting a distributor to refuse a connection to a customer² where a customer materially affects the reliability and safety of the

¹ The most likely instance of material impact could arise with generators connected to higher distribution voltages (i.e., 44 kV). Due process must be carried out by the distributor, transmitter and the IESO to connect and/or approve proposed generation facilities.

² The Code defines customer as a load or embedded generator (Section 1.2)

transmission system³. As such, the IESO asks the Boards to consider the following suggestion for Section 3.1.1 (c):

“...materially adverse effect on the reliability or safety of the distribution or transmission system;”

Contact Information

5. Subsequent questions or correspondence on this matter should be directed to the following personnel:

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Respectively submitted on this 15th day of December 2005,



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³ Reliability concerns include excessive tap-changer operations on step-down transformers, generator stability following a system disturbance, etc.