

## Ontario Energy Board

# Innovation Sandbox

2024 Grid Innovation Fund Regulatory Partner

April 23, 2024

### **OEB Innovation Sandbox Overview**

#### **Overview:**

Applicants are expected to seek and receive (subject to OEB approval) regulatory guidance as a condition of the **first Milestone**.

Established in 2019, the Sandbox supports pilot projects testing new activities, services and business models in Ontario's electricity and natural gas sectors.

### The Sandbox provides two types of supports:

Information Service: An informal way to speak with OEB staff about the OEB's regulatory framework and how it applies to your idea or concept.

Project-specific Support: OEB staff can provide written guidance specifically tailored to a project. Staff can also help with requesting temporary relief from a regulatory barrier.



### Examples of Regulatory Support Available to Innovators

Some examples of Sandbox support available to innovators that may be applicable to this call include:

#### **Customized Guidance Letters**

The OEB is able to provide customized letters to project proponents that may articulate **staff interpretation** of regulatory considerations and answers to questions on regulation applicable to the project.

### Temporary Exemptions from Licencing Requirements

The OEB has the ability to **grant exemptions** from the requirement to be licensed as an electricity distributor, retailer, wholesaler, unit sub-meter provider or gas marketer for a pilot or demonstration project that furthers its statutory objective to facilitate innovation in the electricity sector.



### What is NOT Eligible for the Innovation Sandbox?

- Demonstrations of technical feasibility alone (i.e., without the prospect for better or more efficient service or value to consumers).
- Projects that enable certain subsets of consumers to avoid costs by shifting them onto others.
- Exemptions from regulatory requirements on a permanent basis.
- Requests to change a utility's revenue requirement or rates.
- Requests for exemptions that are not within the OEB's power to give. The OEB may grant exemptions from its own regulatory requirements, such as OEB codes, rules and licences. However, subject to certain exceptions, the OEB cannot grant exemptions to requirements that are found in statutes or regulations.



### How the Innovation Sandbox Works

Successful applicants will receive regulatory guidance as a condition of the first Milestone.

#### **Project Selection**

IESO staff will identify successful proponents and projects.

Successful applicants will be directed by the IESO to the OEB's Innovation Sandbox.

### **Initial Meeting**

OEB staff will reach out to schedule an initial meeting within 10 days of signing the contribution agreement.

#### **OEB Review**

OEB staff will schedule follow-up meetings as needed to discuss questions or request additional information, discuss regulatory requirements that may be at issue and consider what supports can best move the project forward.

### **Support Provided**

OEB will provide guidance, as applicable, to fulfill the first milestone requirement.



# Thank you

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