

## ISSUES LIST

### A. The Integrated Power System Plan (“IPSP”)

**The Electricity Act, section 25.30(4):**

**The Board shall review each integrated power system plan submitted by the OPA to ensure it:**

- **complies with any directions issued by the Minister and**
- **is economically prudent and cost effective.**

Issues:

**Conservation** (including conservation vehicles and load reduction initiatives as listed in the Supply Mix Directive)

1. Does the IPSP define programs and actions which aim to reduce projected peak demand by 1,350 MW by 2010, and by an additional 3,600 MW by 2025?
2. Has the OPA, in developing the IPSP, identified and developed innovative strategies to accelerate the implementation of conservation, energy efficiency and demand management measures?
3. Is the mix of conservation types and program types included in the Plan to meet the 2010 and 2025 goals economically prudent and cost effective?
4. Would it be more economically prudent and cost effective to seek to exceed the 2010 and 2025 goals?
5. Is the implementation schedule for conservation initiatives economically prudent and cost effective?

**Renewable Supply** (including sources of renewable energy as listed in the Supply Mix Directive)

6. Does the IPSP assist the government in meeting its target for 2010 of increasing the installed capacity of new renewable energy sources by 2,700 MW from the 2003 base, and increase the total capacity of renewable energy sources used in Ontario to 15,700 MW by 2025?
7. Is the mix of renewable resources included in the Plan to meet the 2010 and 2025 targets economically prudent and cost effective?

8. Would it be more economically prudent and cost effective to seek to exceed the 2010 and 2025 targets?
9. Is the implementation schedule for the renewable resources in light of lead times for supply and transmission economically prudent and cost effective?

### **Nuclear for Base-load**

10. Does the IPSP plan for nuclear capacity to meet base-load requirements and limit the installed in-service capacity of nuclear power over the life of the Plan to 14,000 MW?
11. What is the base-load requirement after the contribution of existing and committed projects and planned conservation and renewable supply?
12. Is the IPSP's plan to use nuclear power to meet the remaining base-load requirements economically prudent and cost effective?
13. In the context of the determination of economic prudence and cost effectiveness, is the IPSP sufficiently flexible to accommodate building new nuclear plants or refurbishing existing plants or both?
14. Is the schedule for implementing base-load resources in light of lead times for supply and transmission economically prudent and cost effective?

### **Natural Gas**

15. Does the IPSP maintain the ability to use natural gas capacity at peak times and pursue applications that allow high efficiency and high value use of the fuel?
16. Has the OPA, in developing the IPSP, identified opportunities to use natural gas in high efficiency and high value applications in electricity generation?
17. How can gas be used for peaking, high value and high efficiency purposes?
18. How can gas-fired generation contribute to meeting transmission capacity constraints?
19. Is the IPSP's plan for additional gas resources for peaking, high value and high efficiency purposes and for contributing to transmission capacity constraints economically prudent and cost effective?

## **Replacement for Coal-Fired Generation**

20. Does the IPSP plan for coal-fired generation in Ontario to be replaced by cleaner sources in the earliest practical time frame that ensures adequate generating capacity and electricity system reliability in Ontario?
21. How do existing, committed and planned conservation initiatives, renewable resources and nuclear power contribute to meeting the contribution that coal-fired generation currently provides to meeting Ontario's electricity needs with respect to capacity (6,434 MW), energy production (24.7 TWh) and reliability (flexibility, dispatchability, and the ability to respond to unforeseen supply availability)?
22. What are the remaining requirements in all of these areas?
23. Will the IPSP's combination of gas and transmission resources meet these remaining requirements in the earliest practical timeframe and in a manner that is economically prudent and cost effective?

## **Transmission**

24. Does the IPSP plan to strengthen the transmission system to:
- (a) Enable the achievement of the supply mix goals set out in the Supply Mix Directive?
  - (b) Facilitate the development and use of renewable energy resources such as wind power, hydroelectric power and biomass in parts of the province where the most significant development opportunities exist?
  - (c) Promote system efficiency and congestion reduction and facilitate the integration of new supply, all in a manner consistent with the need to cost effectively maintain system reliability?
25. What is the effect, if any, on the IPSP of the results of the OEB consultation *Review of Cost Responsibility Policies for Connection to Electricity Transmission Systems*?
26. Is the IPSP strategy for transmission economically prudent and cost effective?

## **Consultation with non-Aboriginal Interests in Developing the IPSP**

27. Has the OPA, in developing the IPSP, consulted with consumers, distributors, generators, transmitters and other persons who have an interest in

the electricity industry in order to ensure that their priorities and views are considered in the development of the Plan?

### **Procurement-Related Issues in Developing the IPSP**

28. Has the OPA, in developing the IPSP, identified and developed innovative strategies to encourage and facilitate competitive market-based responses and options for meeting overall system needs?

29. Has the OPA, in developing the IPSP, identified measures that will reduce reliance on procurement under section 25.32(1) of the Act?

30. Has the OPA, in developing the IPSP, identified factors that it must consider in determining that it is advisable to enter into procurement contracts under subsection 25.32 of the Act?

### **Environmental Issues in Developing the IPSP**

31. Has the OPA, in developing the IPSP, ensured that safety, environmental protection and environmental sustainability are considered?

32. Has the OPA, in developing the IPSP, ensured that for each electricity project recommended in the Plan that meets the criteria set out in subsection 2(2) of Regulation 424/04, the Plan contains a sound rationale including:

(a) an analysis of the impact on the environment of the electricity project;  
and

(b) an analysis of the impact on the environment of a reasonable range of alternatives to the electricity project?

### **IPSP in General**

33. Do the forecasts relied upon by the OPA in developing the IPSP, and the uncertainties attributed to them, present a reasonable range of future outcomes for planning purposes?

34. Does the IPSP meet its obligation to provide adequate electricity system reliability in all regions of Ontario?

## **B. Procurement Processes**

1. Do the OPA's procurement processes provide for simpler procurement processes for electricity supply or capacity to be generated using alternative

energy sources or renewable energy sources, or both, where the supply or the capacity or the generation facility or unit satisfies the prescribed conditions?

2. In developing its procurement processes, has the OPA complied with the following principles:

(a) Procurement processes and selection criteria must be fair and clearly stated and, wherever possible, open and accessible to a broad range of interested bidders;

(b) To the greatest extent possible, the procurement process must be a competitive process;

(c) There must be no conflicts of interest or unfair advantage allowed in the selection process; and

(d) To the greatest extent possible, the procurement process must not have an adverse impact outside of the OPA procurement process on investment in electricity supply or capacity or in measures that will manage electricity demand as described in subsection 25.32(1) of the Electricity Act.

3. Should the Board approve the OPA's proposed procurement processes as being appropriate for managing electricity supply, capacity and demand in accordance with the IPSP?

## C. Aboriginal Peoples Consultation for both the IPSP and the Procurement Processes

1. Have all Aboriginal Peoples whose existing or asserted Aboriginal or treaty rights may be affected by the IPSP or the procurement processes been identified, have appropriate consultations been conducted with these groups, and if necessary, have appropriate accommodations been made with these groups?