



Regional Infrastructure Planning – Planning Process Working Group

Meeting Date: December 5, 2012 **Time:** 9:30 am – 4:30 pm

Location: 2300 Yonge Street, 25th Floor, ADR room

Board Staff: Chris Cincar, Ashley Hayle, Andres Mand

Board staff explained that the purpose of the fourth Planning Process Working Group (“PPWG”) meeting was to address the following:

1. Discuss and finalize the draft Meeting Notes from the previous meeting;
2. Discuss the York Region regional planning experience (OPA)
3. Discuss Regional Coordination of the Smart Grid (Board staff)
4. Discuss the key elements that require further discussion and the action items:
 - a. Revisions to flowchart - Regional Infrastructure Planning Process (Board staff)
 - b. Broader stakeholder consultation and increased process transparency
 - c. Revised table of LDCs in each region and regional maps (Hydro One/OPA)
5. Other Matters and Next Steps

Discussion of Draft Meeting Summary

There were no suggested changes to the draft meeting summary from the previous meeting.

York Region regional planning experience (OPA)

The OPA discussed the York Region regional planning experience which included the lessons learned. The OPA provided a document which provided the summary of what was explained to the PPWG. The document is posted on the OEB website along with this meeting summary.

Within the discussion, the OPA made reference to the terms of reference (ToR) for this regional plan and noted the ToR is a very important document. Board staff asked the OPA to explain what was covered in an OPA ToR for the regional plans that have been done to date since many members of the PPWG had never seen one. The OPA explained the ToRs included the following:

- Describes the "need" (e.g., load growth, assets reaching end of life, etc.) that triggered the region plan
- Assumptions used
- Resources required
- Identifies the members of the technical study team and their roles (i.e., "who" does "what")
- Who the lead of the regional planning study is (and noted that the lead is important because they guide the study and make the decisions)
 - Transmitter if a wires solution
 - OPA if a broader mix of solutions
- The different phases / stages in the process
- The type of consultation process planned
- Criteria to be used for the evaluation of options
 - Economic
 - Community acceptance

Board staff asked the OPA if they could share a ToR with the members of the PPWG. The OPA agreed to do so and noted that they would provide the ToRs for North York region and KWCG region. The OPA also noted that they would create and provide a template ToR once the PPWG reviewed and discussed the two ToRs at the next meeting.

ACTION: OPA TO PROVIDE THE TORs FOR NORTH YORK AND KWCG REGIONAL PLANS.

Regional Coordination of the Smart Grid

Board staff explained that the discussion related to Smart Grid was intended to focus solely on planning and coordination of the Smart Grid on a regional basis and identified that another working group was addressing matters directly related to the Smart Grid. In relation to regional coordination, staff went through the three relevant excerpts in the Board Report with the PPWG and also noted the Smart Grid Directive to the Board which identified regional coordination.

Board staff suggested that since the transmitter would be taking the lead in relation to regional infrastructure planning that it may be appropriate for the transmitter to coordinate the development of the Smart Grid amongst the LDCs in each region. However, a transmitter noted that they were not the appropriate entity to undertake that coordination.

It was suggested that the regions for smart grid coordination would need to be larger than those being developed for regional planning purposes.

It was also noted that it was difficult to discuss the coordination of Smart Grid since it had not yet been defined.

Thunder Bay Hydro identified that they were coordinating it for the smaller distributors in their region for a small fee and, as a result of the economies of scale, there were significant cost savings.

Innisfil Hydro suggested that Smart Grid should be included in the regional plan Term of Reference (ToR) as part of the needs assessment and there was a need to ensure a dialogue between LDCs in a region for coordination purposes. Innisfil Hydro also added that their SCADA system was nearing its end of life and they were planning to put in the same system as PowerStream to ensure they were compatible and could communicate without the need for additional subsequent investments.

The LDCs noted that regional coordination of Smart Grid may be premature at this point as there is currently not a good definition of Smart Grid and each LDC is at different stages in terms of vision and development of Smart Grid within their systems. In addition, clearer vision from either the Government or the Board's parallel Smart Grid Working Group may pre-determine the extent of regional coordination.

A large consumer representative identified the need for coordination amongst LDCs to ensure compatibility by using an example of the lack of LDC coordination in the past. The example used was when Toronto Hydro amalgamated and the five LDCs had used three different vendors and five different systems that could not communicate with each other.

It was agreed that the participation of LDCs in a formal Regional Infrastructure Planning process provides an opportunity for LDCs to exchange information on Smart Grid programs and development in their respective distribution systems. This will provide LDCs, within a region, an opportunity to look for opportunities to co-operate and/or collaborate on Smart Grid development where synergies and opportunities to do so exist. This would become particularly important in situations where targeted CDM and/or DG are part of the preferred solution to meet the regional needs in which case an effective and coordinated Smart Grid may be a crucial component of that solution.

Discussion of Action Items

Revisions to flowchart - Regional Infrastructure Planning Process

The PPWG discussed each step in the process (set out in the revised flowchart) and identified further changes that should be made to the flowchart.

The process set out in the flowchart included the following stages/steps:

1. Regional Planning Triggers (e.g., regular plan review, directive, etc.)
2. Needs Screening
3. Planning Approach Decision (Regional Infrastructure Plan or Integrated Regional Resource Plan or Regional Planning not needed)
4. Regional Planning Study / Terms of Reference (ToR)
5. Investments that could or should proceed independent of the need to complete a Regional Planning process (for example, to meet short term needs, only a distribution solution)
6. Regional Infrastructure Planning
7. Approvals (Environmental Assessment, Leave to Construct application, Rate application)

For each of the above stages/steps in the process, the PPWG discussed the following elements that should be considered:

1. *Description / Accountability*: identify the Lead, other participants (i.e., LDCs) and their roles.
2. *Information / Input Required*: the determinant of “what” the “need” is in the region.
3. *Process Steps*: the activities associated with each stage of the regional planning process.
4. *Risks / Decisions / Deliverables*: capturing the assumptions, considerations, factors influencing the process and determining what was required (e.g., product) to be completed before moving to the next stage in the process.

There was agreement that following the Needs Screening stage, a Screening Summary document should be produced and the transmitter would take the lead at this stage because of their direct relationship with the transmission customers (LDC and Industrial customers).

Most of the discussion focused on which entity (Transmitter or OPA) should take the lead in each of the other steps in the regional planning process and at what stages there should be broader consultation. There was agreement on which entity should be the lead at all the stages except the ToR stage.

A generator representative suggested that there should be a draft ToR with broader consultation on that before the ToR was finalized.

AMO identified that it was essential to involve the municipalities that were affected early in the planning process because they can provide valuable information such as growth projections, potential barriers to growth (e.g., lack of other infrastructure) and early consultation with municipalities would result in greater community acceptance.

The OPA and Hydro One noted that the degree of broader stakeholder consultation should depend on the regional plan (i.e., not the same for all) and suggested that broader stakeholder consultation should not take place until the options to address the need were sufficiently defined so that stakeholder input would be valuable in the process. A transmitter also noted that the appropriate timing and level of stakeholdering needs to be determined for the front end of the regional planning process for overall planning efficiencies and facilitating the downstream planning processes.

Concerns were also expressed that, where it was determined that an Integrated Regional Resource Plan was needed, that process could hold up the Regional Infrastructure Plan.

ACTION: BOARD STAFF TO MAKE FURTHER REVISIONS TO THE FLOWCHART TO REFLECT THE DISCUSSION AT THE MEETING AND CIRCULATE IT TO THE PPWG FOR REVIEW.

Broader stakeholder consultation and increased process transparency

Broader stakeholder consultation and increased process transparency in the regional planning process was covered in the discussion above.

Revised Table of LDCs in Regions and Regional Maps (Hydro One/OPA)

Revised maps setting out the regions for regional planning purposes were provided to the PPWG members. There was no discussion since only minor refinements had been made to the maps.

A revised table identifying the LDCs in each region was also provided to the PPWG members. Hydro One explained the additions to the table which included the following: (1) Embedded LDCs (identified by the type of “connection – Tx or Dx”); (2) Number of transformation stations (TS) for each LDC; (3) Number of delivery points for each LDC.

Hydro One clarified that the table only included regions within Hydro One’s transmission system and only the embedded LDCs in Hydro One’s distribution system were identified.

Other Matters and Next Steps

The PPWG members and Board staff agreed there was not a need for any further working group meetings to discuss the elements in the regional planning process. However, there was agreement that the PPWG should meet one more time, primarily to discuss the report to the Board (as well as the action items).

The PPWG members also identified their desire to get input on the report from the broader stakeholder community before a final report is provided to the Board by the PPWG.

Next Scheduled Meeting

December 11, 2012