



Regional Infrastructure Planning – Planning Process Working Group

Meeting Date: November 28, 2012 **Time:** 9:30 am – 4:30 pm

Location: 2300 Yonge Street, 27th Floor, Main Boardroom

Board Staff: Chris Cincar, Ashley Hayle, Andres Mand

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

1. Discuss and finalize the Meeting Notes from the previous meeting;
2. Discuss the final element in the Board staff Memorandum (“Increased Process Transparency”);
3. Discuss the three action items from the previous meeting as follows:
 - a. “Unbundled Information” – Load Forecast (OPA);
 - b. Identify the distributors in each region and the revised regional maps (Hydro One)
 - c. Regional Infrastructure Planning Process document (Board staff)
4. Regional Coordination of the Smart Grid

Discussion of Draft Meeting Summary

A distributor suggested a clarification be added that the intent was for distributors to only provide the supporting unbundled information underlying the net and gross load forecasts where it was determined that the unbundled information was needed (i.e., not in all cases).

It was also suggested that elaboration should be added in relation to the reference to “Plan B”. That elaboration was that the “Plan B” should identify all of the risks associated with “Plan A” and options to address those risks.

Other minor clarifications and changes were suggested.

The PPWG agreed with all of the suggested clarifications and changes that were identified.

Remaining Element: Board staff Memorandum

During the first PPWG meeting, the first five key elements set out in the Board Report were addressed. The PPWG focused on the remaining elements -- “Other Potential Key Elements” -- set out in the Board staff Memorandum in the second meeting. During this meeting, the PPWG discussion focused on addressing the final element in the Board staff Memorandum table -- “Increased Process Transparency”.

(9) Increased Process Transparency

There was agreement that there should be greater transparency in relation to the regional planning process. The discussion focused on “when” in the process the applicable documentation should be shared with a broader group of stakeholders, “what” documentation should be stakeholdered, “where” the applicable documentation should be posted (i.e., which website) and “how” the stakeholder input should be used.

There was agreement that applicable documentation associated with each regional plan should be posted on the OEB website and the distributors involved in the regional plan should provide links from their respective websites to the regional plan and related documentation on the OEB website. It was also suggested that interested stakeholders receive notification when a new regional plan is implemented similar to OEB notifications when something is added to “What’s New”.

There was also agreement that stakeholder input and concerns would be considered by the transmitter, the OPA and distributors involved in developing the regional plan. In other words, there would not be a response provided to every stakeholder regarding their input like an OEB interrogatory process.

“What” the applicable documentation should be and “when” in the regional planning process it should be stakeholdered were discussed together because they are connected.

There was agreement that the Terms of Reference should be posted for information purposes so that interested stakeholders would know what area the regional plan covered (i.e., which distributors were

involved). There was also agreement that the “Final” Regional Infrastructure Plan and the associated Integrated Regional Resource Plan (where applicable) should be posted on the OEB website. However, there was not agreement on “when” in the process the “Draft/Interim” regional plan should be stakeholdered and the level of detail that should be provided to stakeholders. The OPA felt that the draft Integrated Regional Resource Plan that identified the need should be stakeholdered to get input on the options to address the need -- mix of generation, CDM and wires solutions. Others felt it should take place later in the process.

In relation to the level of detail, a transmitter identified the need for legal input associated with confidentiality matters.

Action Items

“Unbundled Information” – Load Forecast (OPA)

The OPA explained the document circulated to the PPWG members focused on the type of load forecast and the associated information used for regional plans done to date. It also set out the types of supporting unbundled information that the OPA felt would be needed from distributors to explain the difference between the gross and net load forecasts that they provided.

The OPA noted that the desired information in the document was not exhaustive. The OPA also noted that they did not want to tell distributors how to do their load forecasts but there was a need to understand how each distributor prepared their forecasts since they all did not use the same methodology.

It was agreed that additional information not identified in the OPA document that should be provided by distributors is five year historical information related to their actual annual peak demand. The purpose of this information was to serve as check against the load forecast (i.e., show if there is a significant difference).

A transmitter identified that distributors provide load forecasts based on coincident peak for their territory. A distributor that has been involved in the KWCG regional planning process noted that an issue was that each distributor involved in a regional plan has a different coincident peak.

A transmitter identified that it was important to receive the load forecast at the “bus” level. However, a distributor noted that the smaller distributors would likely not be able to provide a load forecast at that level of granularity as they did not have SCADA and therefore the load forecast could only be provided at the “TS” level. It was suggested that there may be a need to use a proxy in such cases.

It was noted that it should be a ‘median’ annual peak forecast as that serves as a reference point. The OPA noted that, once they receive a ‘median’ forecast from the distributors, the OPA then applies an adjustment of 5%-6%.

There was also discussion regarding the linkage between the regional planning process and the load forecast. At the “screening” stage (at the broader predetermined regional level), only the net and gross load forecasts are necessary. However, once a “need” is determined and a regional plan is triggered (at the sub-regional level), then all of the supporting ‘unbundled’ information should be provided by the distributors involved in the regional plan. It was noted by the OPA that only the net and gross load forecast would be adequate to identify if there was a ‘need’ in the region at the ‘screening’ stage and all distributors should not be burdened with providing all of the supporting information at that stage.

It was also noted that, while the focus had been on distributors that require additional capacity (i.e., load is expected to *increase*), it was also important to know if load was expected to *decrease* for regional planning purposes.

The OPA invited comments on the document.

ACTION ITEM: MEMBERS OF THE PPWG TO PROVIDE COMMENTS, IF THEY HAVE ANY, TO THE OPA ON THE LOAD FORECAST DOCUMENT IN ADVANCE OF THE NEXT PPWG MEETING.

Distributors in each Region and Revised Regional Maps (Hydro One)

Hydro One clarified that the table they prepared setting out the distributors in each region only included distributors that were directly connected to the transmission system and their entire territory fell within the region; i.e., did not identify embedded distributors and distributors that would be included in more than one region.

Hydro One noted that they would attempt to revise the table for the next meeting to include boundary and embedded distributors. However, Hydro One also noted that assembling a detailed list of main, boundary and embedded distributors for each region would take a significant amount of effort and that it may not be possible for the next meeting. Hydro One also added that, with respect to embedded distributors, they can only identify those that are embedded within the Hydro One distribution system.

There was also discussion that focused on the Central/ESSA region in relation to it being more complicated than the others as it was quite large and included a large number of distributors and, as a result, perhaps it should be broken up into two regions. It was decided to keep the Central/ESSA region as one predetermined region since any regional infrastructure plans would be implemented at the sub-regional level (i.e., predetermined regions were only being established for the information protocol for the “screening” process).

The OPA and Hydro One noted they would give more thought to determine if any more refinements were needed to the maps setting out the predetermined regions.

The discussion turned to issues related to the large directly connected load customers in each region. A transmitter noted that some were unwilling to provide forecast information and the OEB can only compel entities that are licensed to provide the necessary load forecast information and to be involved in the regional planning process. It was noted that the large directly connected load customers could provide input at the stakeholder consultation stage of the regional planning process.

ACTION ITEM: OPA AND HYDRO ONE TO ASSESS IF MAPS SETTING OUT THE PREDETERMINED REGIONS NEEDED TO BE FURTHER REFINED FOR THE NEXT PPWG MEETING.

ACTION ITEM: HYDRO ONE TO AMEND TABLE THAT IDENTIFIED THE DISTRIBUTORS WITHIN EACH REGION TO INCLUDE MAIN DISTRIBUTORS, EMBEDDED DISTRIBUTORS AND BOUNDARY DISTRIBUTORS.

Regional Infrastructure Planning Process document (Board staff)

Board staff explained that the flowchart in the document was intended to take into account PPWG comments on the proposed process flowchart prepared by Hydro One and the OPA for the previous meeting that set out the steps in the regional planning process and it would need to be further refined and expanded based on further discussions of the PPWG. Board staff added to the flowchart the relationship between the regional infrastructure planning process and the Board approval process related to applications that the plans would support. Also added was “Planning Triggers” before the “Needs Screening” stage which could be a directive. All of the discussion at the meeting focused on the flowchart.

It was noted that, where it was determined that an OPA led Integrated Regional Resource Plan was required, the flow chart could be expanded to identify “Near Term”, “Mid Term” and “Long Term”.

It was also noted that “Stakeholder Consultation” was not identified in the flowchart and there was a discussion regarding where it should be added. Some members were of the view that broader Stakeholder Consultation should occur at the “Planning Approach” stage (i.e., whether an Integrated Regional Resource Plan was needed or go straight to a Regional Infrastructure Plan) while others were of the view that it should occur later in the process – after the “Planning Approach” was determined and within the development of the Integrated Regional Resource Plan or Regional Infrastructure Plan before they were finalized. It was determined that this matter required further discussion.

Board staff suggested that a “time based” flowchart may be useful to address the timing issues that had been identified and discussed, particularly where it is determined that an Integrated Regional Resource Plan was needed first and the Regional Infrastructure Plan could not be implemented until the Integrated Regional Resource Plan was completed. However, that would be a separate document if the PPWG decided that a “time based” flowchart was necessary to establish a more structured regional infrastructure planning process.

ACTION ITEM: BOARD STAFF TO AMEND FLOWCHART SHOWING THE REGIONAL PLANNING PROCESS BASED ON PPWG MEMBER COMMENTS FOR THE NEXT PPWG MEETING.

Regional Coordination of Smart Grid

There was not sufficient time to fully address this item identified in the agenda and it was therefore decided that regional coordination of the smart grid would be discussed as part of the next working group meeting.

Other Matters

In the first meeting, Board staff noted that it would likely be beneficial for the working group members if Hydro One and the OPA walked them through one of the existing regional planning processes that involved one of the distributors in the working group. Board staff asked the OPA and Hydro One to do this at the next working group meeting. The OPA and Hydro One agreed to discuss the York Region regional plan which also involved Powerstream.

ACTION ITEM: HYDRO ONE, THE OPA AND POWERSTREAM TO DISCUSS THE YORK REGION REGIONAL PLANNING EXPERIENCE AT THE NEXT PPWG MEETING.

Next Scheduled Meeting

December 5, 2012