



Meeting Summary

Regional Planning Process Advisory Group

Meeting Date: September 15, 2015 **Time:** 10:00 a.m. – 3:00 p.m.

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

Attendees:

RPPAG Members: Irv Klajman (Powerstream, Chair), Iain Angus (City of Thunder Bay), Jake Brooks (APPrO), Bob Chow (IESO), Ajay Garg (Hydro One), Edith Chin (Enbridge), Ahmed Maria (IESO), Kazi Marouf (Guelph Hydro), Tomo Matesic (Entegrus), Wade Morris (Innisfil Hydro), Bruno Pereira (Milton Hydro), Ray E. Quinn (Northern Region)

OEB Staff: Chris Cincar, Emay Cowx, Azalyn Manzano

Guests: Julia McNally (IESO), Sachna Bobal (Hydro One)

Meeting Agenda:

1. Review of Last Meeting Minutes
2. Discussion of Local Planning vs. Regional Infrastructure Planning
 - a) Local Planning Processes Initiated to Date
 - b) Criteria Currently Used to Determine Local vs. Regional Planning
3. Status Updates
4. Develop Survey Tool to Measure Effectiveness of Regional Planning Process
5. IRRP Update
 - a) Feedback on 7 IRRPs Issued
 - b) Status Update on Current and Planned IRRP Processes
6. Other Business
7. Next Meeting

1. Review of Last Meeting Minutes

The group reviewed the previous Meeting Summary notes (May 26, 2015).

RPPAG Members approved the final document for posting on the OEB website, with a minor revision to add a name of one member from the IESO.

2. Discussion of Local Planning vs. Regional Infrastructure Planning

a) Local Planning Processes Initiated to Date

Hydro One gave a presentation on the planning approaches that can result from a Needs Assessment and/or Scoping Assessment process for a region.

Hydro One also provided a list of Local Planning projects that they are currently working on with LDCs. There are presently 15 in total.

Currently, after a Needs Assessment process is completed, a study team (comprised of IESO, HONI and all the LDCs involved) can recommend either:

- a Scoping Assessment to determine which planning approach is most appropriate (IRRP, RIP or Local Planning); or
- a Local Planning approach be initiated immediately where the study team does not believe regional coordination is required.

The question of mechanisms for appeal was raised, as to whether or not a group (e.g. environmental) within a planning area could appeal the decision to go with local planning rather than a regional planning approach.

It was noted there are currently no mechanisms for appeal unless the decision to use local planning is made at the Scoping Assessment stage where there is an opportunity for public input.

b) Criteria Currently Used to Determine Local vs. Regional Planning

OEB staff raised the question of whether formal criteria should be developed to determine when a regional or local planning approach should be taken. OEB staff noted that they had thought a decision to use local planning at the Needs Assessment stage would be limited to cases where only one LDC was involved and would be used less frequently. It was noted the original report by the PPWG could then be revised to incorporate such criteria.

One suggestion was, if more than one LDC was involved, then it should go to the Scoping Assessment stage to determine the appropriate planning approach. On the

other hand, if it concerned only one LDC and the Transmitter, then it could be deemed local planning.

It was noted it was not that straightforward. For example, it may not always be local planning where only one LDC was involved and the process would therefore have to remain flexible to be able to cover single LDCs that are not small entities (e.g. Toronto Hydro, Powerstream, Hydro Ottawa) and may need regional planning. It was suggested that other conditions could be added to broaden the one LDC criteria.

It was also suggested that a Scoping Assessment should possibly always be done before any planning approach is selected (either local, RIP, or IRRP), when more than one LDC was involved, rather than basing it solely on the study team's judgment. This would give stakeholders an opportunity to provide their input on which approach should be taken, including any decisions to defer to local planning. Where there is only one LDC, it would continue to be left to the study team's judgment.

It was identified that the current process developed by the PPWG reflected the potential for decisions to be made at the Needs Assessment stage to use a local planning approach and there is a need to conduct the appropriate level of planning to ensure efficiency in the regional planning process.

Action Item:

- **Hydro One will provide a write-up explaining how the study team determines local planning should be used at the Needs Assessment stage, for discussion at the next meeting.**

3. RIP Status Updates and Annual Report to OEB

Hydro One provided a summary of all Regional Planning work currently scheduled.

The target date for the completion of the first wave (Group 1) of RIPs is the first quarter of 2016.

Hydro One also explained to the group that they are required to provide an Annual Report to the OEB each November which provides a comprehensive update on the status of regional planning across Ontario (i.e., addresses each region). It was noted the Annual Report includes the status of all IRRP processes which the IESO provides to Hydro One a month in advance for incorporation.

4. Develop Survey Tool to Measure Effectiveness of Regional Planning Process

Emay led a discussion of a first draft of a scoping document for the survey tool to measure the effectiveness of the overall Regional Planning Process. The primary purpose of the survey is to get feedback in order to identify gaps in the current process developed by the PPWG. The scoping document specifically included a note for the Advisory Group related to the importance of defining how “effectiveness” would be measured for this purpose.

Hydro One noted that they have been using a survey to get feedback from LDCs to identify areas for improvement in the planning process stages that they lead, such as the Needs Assessment, and they could share it with the group to assist in developing the broader survey.

A potential issue regarding the validity of the survey tool was raised; that is, the survey may not necessarily measure effectiveness. Instead, it might only measure the participants’ “perception” of effectiveness.

The group discussed the following points regarding the survey:

- The questions should be about the effectiveness of the “process” (e.g., gaps in the process and documentation, etc.), and the interactions between the parties involved -- not the process outcomes (e.g., wires investments identified in a RIP).
- The survey participants should be those responsible for the “process deliverables” in each planning phase, such as the study team and others identified by the study team as integral in the process.
- Rather than only focusing solely on LDCs, there should be different types of questions to get input from the IESO, Hydro One, the Local Advisory Committees (LAC) and other interest groups.
 - o A comment was made about citizens possibly having different expectations of the regional planning process (e.g., timing of the meetings being too far apart and not moving fast enough).

There was support for the survey to include documentation as part of the process evaluation. For example, it was noted that the outcome of the IRRP process is the IRRP Report and the quality of that report could have a direct impact on the effectiveness of the subsequent RIP process.

A question was also raised regarding whether or not the survey should go to municipalities engaged by the LDCs for feedback. It was suggested that it likely should given the current focus on the importance of municipal and electricity infrastructure coordination.

Given that the RIPs will not be completed until Q1 2016, the Advisory Group has decided to move forward with a box-by-box review of the stages done to date under the new PPWG process (i.e., Needs Assessment, Scoping Assessment).

For the Needs Assessment box, the survey could include questions about how effective the Needs Assessment was, whether timelines were met, and if there were gaps in the process.

For the Scoping Assessment box, it could include questions on how well the process went, whether or not the right decision was made in terms of planning approach, and how certain activities conducted in the process went (e.g., engagement and communication). It could also ask if the decision-making was made in a timely fashion, and if the process involved the right people.

OEB staff stated that, based on the previous discussion, one of the possible gaps in the current process is the lack of formal criteria to guide the decision on whether to go with a local planning approach directly from the Needs Assessment.

Action Items:

- **Hydro One will provide a sample of the survey they conduct to get feedback from LDCs to help inform the development of the survey scoping document for the broader regional planning process.**
- **Emay will start to put together the framework for the survey recipients (i.e., questions for each of the 2 first boxes that will be intended to reflect their relative roles in the process). This will be circulated by email to the RPPAG members for comments prior to the next meeting.**
- **Hydro One and the IESO will provide links to a couple of Needs Assessment (NA) and Scoping Assessment (SA) reports completed to date for the group to review in advance of the next meeting.**
- **The Advisory Group members will review the NA and SA reports and look for gaps and inconsistencies, for the purpose of providing suggestions on possible changes for discussion at the next meeting.**

5. IRRP Update

IESO provided a presentation on completed and initiated IRRP processes, how developments and advances affect the IRRP process and status updates on IRRP community engagement.

a) Feedback on 7 IRRPs Issued

Of the eight IRRPs released, seven of them are legacy IRRPs. All of the IRRPs involve meeting provincial CDM targets. The IRRPs are mostly being driven by near-term capacity and/or reliability needs in consideration of aging assets that need to be replaced at the same time. Most therefore involve shorter term “wires” infrastructure work, but the goal is for the IRRPs to consider needs and activities in the longer term going forward with a broader range of solution options. For example, the current Metro Toronto IRRP focuses primarily on utilizing the remaining capacity from existing infrastructure in conjunction with CDM and DG options.

IESO presented seven developments/advancements that they are working on and would be incorporated in future IRRPs where appropriate:

- 1) Enhancements in forecasting, with the TS level appearing to be the right level of granularity, including growth drivers;
- 2) CDM integration which takes into account embedded generation, and the opportunity to target CDM to provide more value in constrained areas;
- 3) A shift away from relying on historical trends to “unbundling” historical load forecasts due to the increased emphasis on DG and CDM; recorded peak has been dropping, but that does not necessarily mean there is no load growth;
- 4) DG integration in terms of the complexity of its costing and evaluation, as DG becomes a more viable supply option in the future;
- 5) Decision-making processes that involve multi-criteria analysis;
- 6) Reporting and monitoring to identify major developments outside of the five year cycle in the IRRP process; and
- 7) Community self-sufficiency in the face of grid parity and a longer-term outlook.

Three longer-term supply approaches were also discussed: *Community Self-Sufficiency (especially with the prevalence of solar and gas)*, *Delivered Provincial Resources (such as grid resources that run efficiently and are already paid for)*, and *Centralized Local Resources*.

b) Status Update on Current and Planned IRRP Processes

The first half of 2016 will see all the IRRP processes, both current and planned, online.

Where the IRRP has identified longer-term issues that require engagement, IESO has created Local Advisory Committees (LACs) that are managed by the applicable study team.

The issue of cost allocation was also raised, with the example of Ottawa looking into net zero impact houses. IESO noted they had been requested to model how much more it

would cost to be self-sufficient compared to traditional system infrastructure upgrades. Within the context of discussing communities becoming self-sufficient, it was pointed out that the province has sunk costs that still need to be paid for.

The issue of cost allocation was also raised in the traditional sense. OEB staff explained a policy consultation process would be initiated in the near future as recently identified by the OEB in a Procedural Order related to a Hydro One LTC application proceeding.

There was some discussion regarding LAC access to information on cost impacts when LACs are looking at alternatives. It was noted LACs will play an important role as different communities have different preferences. For example, it was pointed out that some communities are much more receptive to having generation than others.

The question of training manuals for LAC participants was also raised. The IESO noted they have not created a formal training manual. However, they have provided an orientation manual which includes the LAC's terms of reference, the local LDCs Conditions of Service, and the region's IRRP.

6. Other Business

- The question arose as to whether or not there was a response to the letter regarding First Nations involvement. It was noted there has been no response to date.
- A concern was also raised regarding the OEB cost award process. It was noted the cost of administration far outstripped the amount to be contributed by certain LDCs. OEB staff noted they would look into whether process changes were possible for these types of Advisory Groups where the cost awards are relatively small.
- Similar to previous meetings, there was discussion throughout this meeting regarding the scope for the group; specifically, in relation to the IRRP process as the regional planning process encompasses both the IRRP and RIP processes and it is difficult, if not impossible, to “divorce” the IRRP and RIP processes and focus solely on RIP.

7. Next Meeting

The next RPPAG meeting will be on December 3, 2015.