

# Ontario Power Authority Submission

**EB-2013-0192**

## Proposal to Amend the Licence of the Ontario Power Authority

**July 4, 2013**



1 **Proposal to Amend the Licence of the Ontario Power Authority:**  
2 **Ontario Power Authority Submission**

3 On June 3, 2013, the Ontario Energy Board (“Board”) issued a Notice of Proposal to amend the licence of  
4 the Ontario Power Authority (“OPA”) (“Notice”), which included proposed amendments intended to  
5 address the OPA’s obligations in the regional planning process in Ontario.

6 The OPA has actively participated in the events leading up to this Notice, including participating in the  
7 Process Planning Working Group (“PPWG”), which was convened by the Board to set out the details of  
8 an appropriate regional infrastructure planning process in Ontario. The PPWG developed,  
9 stakeholdered and produced the “Planning Process Working Group Report to the Board: The Process for  
10 Regional Infrastructure Planning in Ontario” (“Working Group Report”); released in its final form on  
11 May 17, 2013. The Working Group Report was endorsed by the Board.

12 On June 19, 2013, the Board issued Procedural Order No. 1 (“PO1”), which outlined the scope and  
13 schedule for this proceeding. The OPA appreciates that, in PO1, the Board provided clarity on the scope  
14 of the proceeding. In PO1, the Board stated, “This proceeding is focused on determining the OPA’s  
15 obligations in the regional planning process in a manner that is consistent with the Working Group  
16 Report, and to determine the appropriate timelines in relation to carrying out those obligations.”  
17 Further, the Board clarified that any submissions on the process in the Working Group Report, including  
18 how the OPA carries out its integrated regional resource planning process, “are not within the scope of  
19 this proceeding and will therefore not be considered by the Board.”

20 The OPA fully supports the Board in its initiative to produce a more structured, accountable and  
21 transparent regional planning process in Ontario. The OPA appreciates the opportunity to provide  
22 written submissions on the proposed amendments, which are a result of significant engagement with  
23 the sector undertaken by the Board.

24 **Written Submissions**

25 Section X.1 of the proposed amendments provides a definition of an Integrated Regional Resource Plan,  
26 and reads as follows:

27 *“Integrated Regional Resource Plan” means a document prepared by the Licensee that*  
28 *identifies the appropriate mix of investments in one or more of conservation, generation,*  
29 *transmission facilities or distribution facilities in order to address the electricity needs of*  
30 *a region in the near-, mid-, and long-term;*

31 The OPA envisions that Integrated Regional Resource Plans will be produced in two forms: Interim  
32 Integrated Regional Resource Plans and Integrated Regional Resource Plans. An Interim Integrated  
33 Regional Resource Plan will address the electricity needs of a region in the near-term (up to five years),  
34 whereas an Integrated Regional Resource Plan will address the electricity needs of a region in the near-,  
35 mid-, and long-term (up to twenty years). The OPA envisions that these plans will be living documents,  
36 and anticipates that they will be updated from time to time. It is the understanding of the OPA that the

1 above definition will apply to Integrated Regional Resource Plans produced on or after the date that  
2 these amendments come into force.

3 Section X.2.2 (b) and (c) of the proposed amendments state that the Licensee shall:

4 *(b) Complete an Integrated Regional Resource Plan, within one year of determining that*  
5 *an integrated regional resource planning process is necessary for a region, and inform*  
6 *the lead transmitter of any investment in transmission and/or distribution facilities that*  
7 *are required to meet the electricity needs of the region. The Licensee shall provide the*  
8 *Integrated Regional Resource Plan to all licensed distributors and licensed transmitters in*  
9 *the region and post it on its website upon completion;*

10 *(c) Notify the lead transmitter of any investment in transmission and/or distribution*  
11 *facilities that are necessary to meet the electricity needs of the region over the next five*  
12 *years, where the Licensee has not completed an Integrated Regional Resource Plan*  
13 *within one year, in accordance with section X.2.2(b);*

14 Recognizing the importance of stakeholder engagement in the development of electricity system plans,  
15 on May 6, 2013, the Minister of Energy sent a letter to the OPA and the Independent Electricity System  
16 Operator (“IESO”), requesting the OPA and the IESO to “develop recommendations for a new integrated  
17 regional energy planning process that would focus on improving how large energy infrastructure  
18 projects are sited in Ontario”. The Minister’s letter requests that these recommendations contain  
19 concrete proposals that “feature transparent mechanisms for seeking input from municipalities,  
20 Aboriginal communities, and other stakeholders” in the development of regional plans, as well as  
21 “required policy and regulatory changes” to implement the recommendations. The OPA and IESO are  
22 currently engaging Ontarians in the development of these recommendations, which are due to the  
23 Minister by August 1, 2013.

24 Recognizing the priorities expressed in the Minister’s letter and the importance of community  
25 engagement to obtaining societal acceptance of energy infrastructure projects, the OPA submits that  
26 greater flexibility in the timelines proposed in section X.2.2 is necessary in order to allow for sufficient  
27 engagement of municipalities, First Nations and Métis communities, and other stakeholders in the  
28 development of Integrated Regional Resource Plans. Additionally, based on feedback received through  
29 the OPA and IESO engagement sessions to date, the OPA submits that along with area transmitters and  
30 distributors, Integrated Regional Resource Plans should also be provided to area municipalities.  
31 Furthermore, the recommendations provided to the Minister on August 1, 2013 may have additional  
32 impacts on Integrated Regional Resource Plans.

33 For this reason, the OPA recommends the following revisions to section X.2.2 (b) and (c):

34 *(b) ~~Prepare Complete~~ an Interim Integrated Regional Resource Plan, within one year of*  
35 *determining that an integrated regional resource planning process is necessary for a*  
36 *region. The Interim Integrated Regional Resource Plan, shall identify any investments*  
37 *that are required to meet the electricity needs of the region over the next five years.*

1 **The Licensee shall ~~and~~ inform the lead transmitter ~~and participating distributors~~ of any**  
2 **investment in transmission and/or distribution facilities that are required ~~per the Interim~~**  
3 **Integrated Regional Resource Plan, and ~~to meet the electricity needs of the region.~~ The**  
4 **Licensee shall provide the ~~Interim~~ Integrated Regional Resource Plan to all licensed**  
5 **distributors, ~~and~~ licensed transmitters ~~and municipalities~~ in the region and post it on its**  
6 **website; ~~upon completion;~~**

7 **(c) ~~Notify~~ Prepare an Integrated Regional Resource Plan, within two years of**  
8 **determining that an integrated regional resource planning process is necessary for a**  
9 **region. The Integrated Regional Resource Plan shall identify any investments that are**  
10 **required to meet the electricity needs of the region over the next twenty years. The**  
11 **Licensee shall inform the lead transmitter ~~and participating distributors~~ of any**  
12 **investment in transmission and/or distribution facilities that are ~~necessary~~ required ~~per~~**  
13 **the Integrated Regional Resource Plan, and shall provide the Integrated Regional**  
14 **Resource Plan to all licensed distributors, licensed transmitters and municipalities in**  
15 **the region and post it on its website; ~~to meet the electricity needs of the region over~~**  
16 **the next five years, where the Licensee has not completed an Integrated Regional**  
17 **Resource Plan within one year, in accordance with section X.2.2(b);**

18 Below is a 'clean' version of the OPA's proposed revisions to sections X.2.2 (b) and (c), for the Board's  
19 convenience:

20 *(b) Prepare an Interim Integrated Regional Resource Plan, within one year of determining*  
21 *that an integrated regional resource planning process is necessary for a region. The*  
22 *Interim Integrated Regional Resource Plan shall identify any investments that are*  
23 *required to meet the electricity needs of the region over the next five years. The Licensee*  
24 *shall inform the lead transmitter and participating distributors of any investment in*  
25 *transmission and/or distribution facilities that are required per the Interim Integrated*  
26 *Regional Resource Plan, and shall provide the Interim Integrated Regional Resource Plan*  
27 *to all licensed distributors, licensed transmitters and municipalities in the region and post*  
28 *it on its website;*

29 *(c) Prepare an Integrated Regional Resource Plan, within two years of determining that*  
30 *an integrated regional resource planning process is necessary for a region. The*  
31 *Integrated Regional Resource Plan shall identify any investments that are required to*  
32 *meet the electricity needs of the region over the next twenty years. The Licensee shall*  
33 *inform the lead transmitter and participating distributors of any investment in*  
34 *transmission and/or distribution facilities that are required per the Integrated Regional*  
35 *Resource Plan, and shall provide the Integrated Regional Resource Plan to all licensed*  
36 *distributors, licensed transmitters and municipalities in the region and post it on its*  
37 *website;*

1 The OPA submits that these revisions would allow for greater flexibility in the timelines for preparing  
2 Integrated Regional Resource Plans, and would improve alignment with the priorities expressed in the  
3 Minister's May 6, 2013 letter. The OPA also submits that it would be useful to have the Board's  
4 Standing Committee review the timelines and process stages associated with the development of an  
5 Integrated Regional Resource Plan to reflect any lessons learned through experience in the execution of  
6 the Integrated Regional Resource Planning process.

7 The OPA appreciates the opportunity to provide written submissions in this matter, and looks forward  
8 to working together with transmitters, distributors, municipalities, First Nations and Métis communities,  
9 and other stakeholders in the development of regional plans.