OEB Regional Planning Process Review Consultation

Regional Planning Process Advisory Group (RPPAG) – Meeting #1

EB-2020-0176

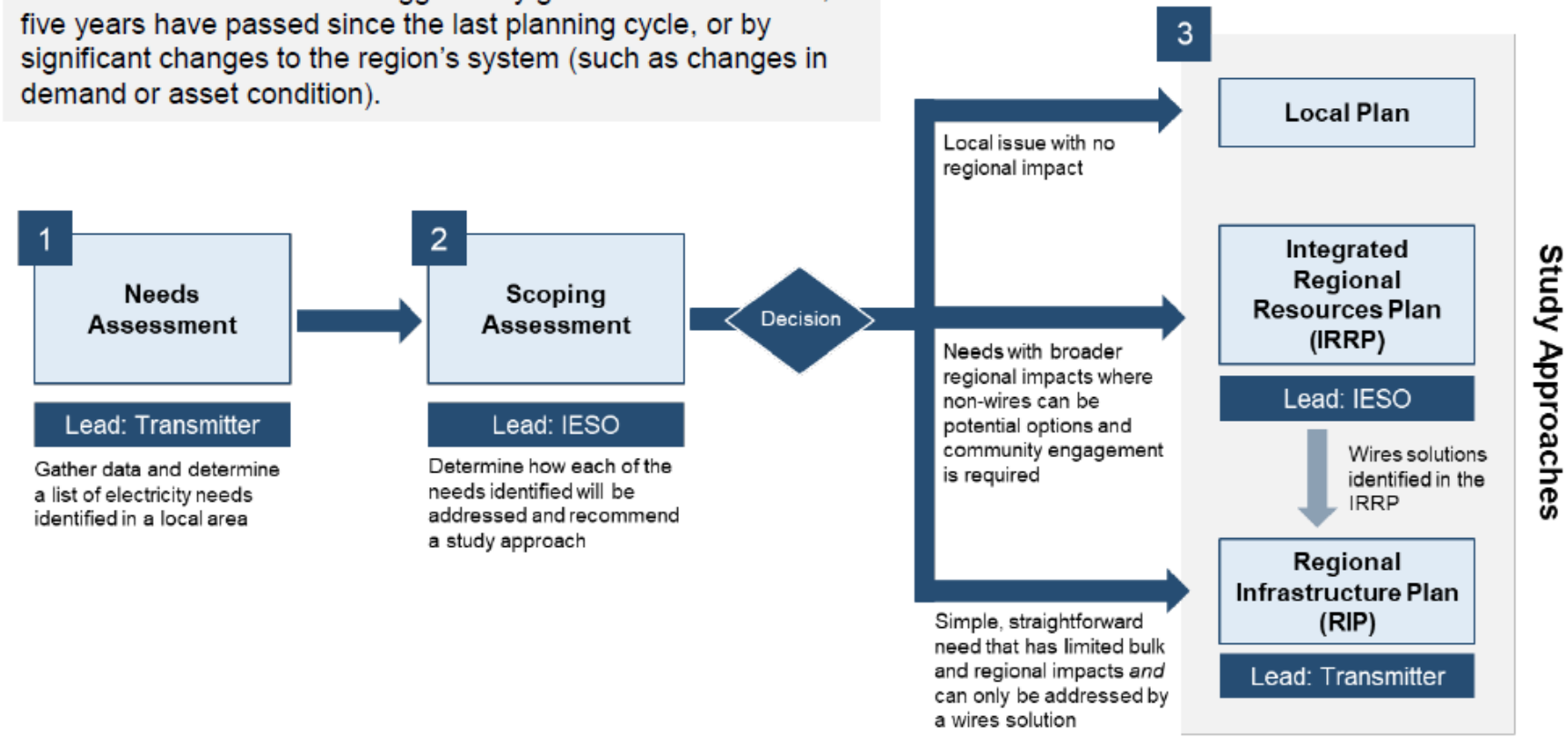
February 17, 2021

Agenda

- Welcome and Introduction
- Agenda Review
- IESO Recommendations
  - Overview & Discussion
  - Prioritization
- Other Potential Recommended Changes
- RPPAG Process Matters
- Next Steps and Action Items

Current Regional Planning Process – *Stages and Roles (context)*

Need Assessments can be triggered by government directives, if five years have passed since the last planning cycle, or by significant changes to the region's system (such as changes in demand or asset condition).



IESO's Regional Planning Review – Recommendations

Streamline & Standardize load forecast development

- To increase consistency, *base assumptions and methodologies* for load forecasting should be used by all Technical Study Team members (LDCs, transmitter, IESO) using agreed upon templates (e.g., net vs. gross)
- Forecasts should be *formally* reviewed annually to assess accuracy
- Two load forecast options were identified
  - Option 1 – Occurs only once (same comprehensive forecast used for all stages to avoid duplication of work)
  - Option 2 – Occurs twice (10-year high level forecast for Needs Assessment *and* 20-year comprehensive forecast for IRRP & RIP to evaluate options)
- Option 2 essentially represents status quo
- Option 1 may prevent duplication of work, but requires more resources during the Needs Assessment stage

IESO's Regional Planning Review – Recommendations

Clarify difference in Scope between IRRP and RIP products & Optimize Timelines between the two stages

- An IRRP is conducted to determine the appropriate mix of solutions (CDM, DERs, wires) to address regional needs
- A RIP is then developed to further assess the 'wires' options to support applications to the OEB
- The OEB currently allows 18 months for an IRRP and 6 months for a RIP (i.e., 24 months in total)
- IESO noted there is currently duplication of work on 'wires' options by IESO in IRRP and transmitter in RIP
- IESO recommended 'wires' related work in the IRRP (including load forecast) should not be revisited during the RIP process (unless a significant change occurs)

IESO's Regional Planning Review – Recommendations

Better Consideration of Cost Responsibility

- IRRPs and RIPs do not currently address the allocation of costs (i.e., who pays)
- Technical Study Team members often unsure of the financial implications of recommended solutions
- Greater understanding is needed to achieve a consensus on the most cost effective solutions for all impacted parties
  - That understanding includes cost recovery mechanisms for 'non-wire' solutions (e.g., storage)
  - Contributing factor is lack of specificity in the TSC regarding when a specific customer is responsible for paying transmission *network* upgrade costs due to a *connection* upgrade[1]

[1] Not identified in IESO Final Report but was discussed during IESO's Advisory Group meetings

IESO's Regional Planning Review – Recommendations

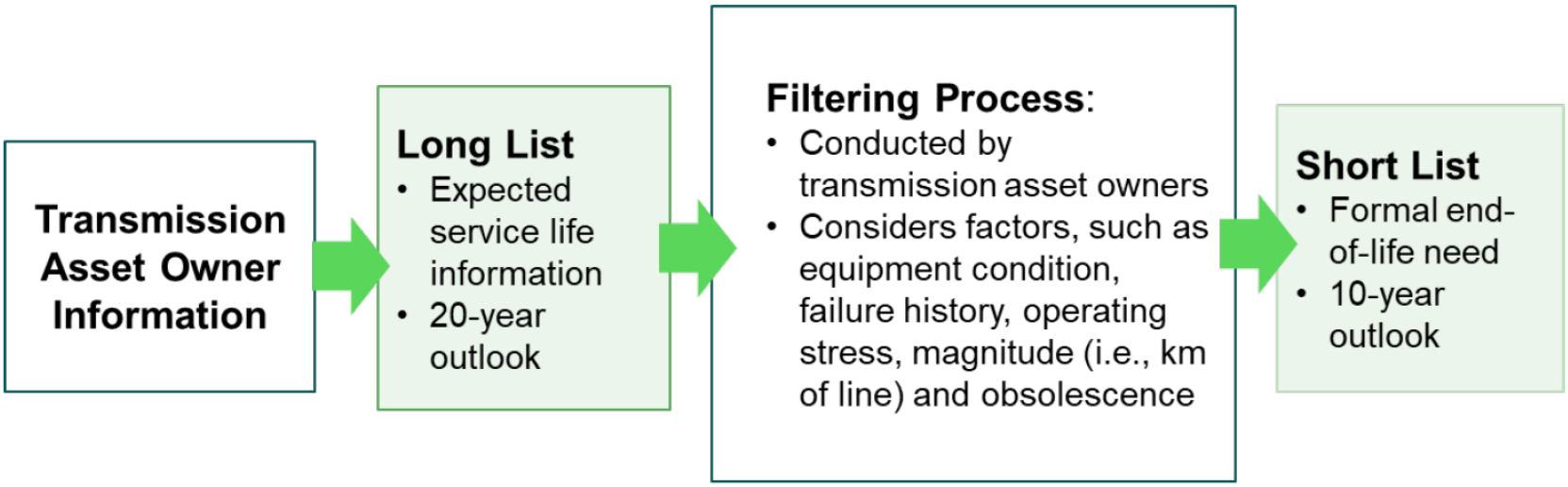
Better address end-of-life (EOL) asset replacement in regional planning process

- Incorporate a process where transmission asset owners or TAOs (Transmitters & specific LDCs) develop a *long list* of the expected service life (ESL) of major high voltage (HV) assets (for *long term* planning)
  - Provided annually to IESO
  - Transformers, circuit breakers, transmission lines, etc.
- Include a *short list* of end-of-life (EOL) transmission assets as an input to the process to address *near term* needs
- Purpose of the new ESL information process is to provide a longer lead time to study opportunities for non like-for-like replacements in the regional planning process
  - Non like-for-like could be a wires and/or non-wire alternative

IESO's Regional Planning Review – Recommendations

Better address EOL asset replacement in regional planning process (cont'd)

Long List



IESO's Regional Planning Review – Recommendations

Improve Integration & Coordination with Related Processes

- Accountability shared by IESO and OEB
- Includes bulk transmission planning, end-of-life (EOL) replacement, **distribution planning,** connection assessments, **OEB regulatory proceedings (i.e., applications),** markets & procurement mechanisms (e.g., non-wires), energy efficiency program planning
- For each related process, identify the following:
  - What, when, and how data and information should be shared
  - Common stakeholders and strategies for overlapping engagement
  - Key decision points that impact or are impacted by regional planning decisions
  - Any overlap in accountabilities, scope, and objectives process

IESO's Regional Planning Review – Recommendations

Clarify process stages and products

- Formally document changes to the process by updating the initial PPWG Report (as the RPPAG Report) that sets out the current process

Prioritization of IESO Recommendations

- ☐ Streamline & Standardize load forecast development
- ☐ Clarify difference in Scope between IRRP and RIP products & Optimize Timelines between the two stages
- ☐ Better Consideration of Cost Responsibility
- ☐ Better address end-of-life (EOL) asset replacement in the regional planning process
- ☐ Improve Integration & Coordination with Related Processes
- ☐ Clarify process stages and products

Other Potential Recommended Changes

- For discussion – Opportunity for RPPAG members and OEB staff to identify other potential changes to the regional planning process

RPPAG Process Matters

- Aspects of regional planning process that are out of scope
- Approach to adopt a recommended change (e.g., where not full consensus)
- RPPAG Deliverable to OEB – Report, PowerPoint Deck
- Frequency of meetings
- Process following RPPAG meetings (see next slide)

Next Steps and Action Items

- Continue working group meetings until all IESO recommendations (and any other recommendations) have been fully addressed
- Prepare document for OEB consideration setting out all the preliminary recommendations
- If the OEB has concerns with any recommendations, the RPPAG will need to further consider recommendation
- After the OEB issues for broader stakeholder feedback, RPPAG will need to: consider that feedback, determine if any changes should be made and provide final recommendations to the OEB for review / endorsement
- After the OEB endorses the changes, the RPPAG will revise the document that sets out the current Regional Planning Process created by the initial industry advisory group (i.e., PPWG)

Meeting Schedule

- Meeting #1 - ~~February 17, 2021 @ 9:30 am~~
- Meeting #2 - Week of March 15 @ 9:30 am
- Meeting #3 - Week of April 19 @ 9:30 am
- Meeting #4 - Week of May 17 @ 9:30 am
- Meeting ….#N - TBD

Questions / Comments?