



## Meeting Notes

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### Regional Planning Process Advisory Group (EB-2020-0176) RPPAG Meeting #1

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**Meeting Date:** February 17, 2021

**Time:** 9:30 am –2:30 pm

**Location:** Ontario Energy Board  
Zoom

**Attendees:**

<u>STAKEHOLDER NAME</u>	<u>ORGANIZATION</u>
Riaz Shaikh	Alectra Utilities
Charles Conrad	Association of Power Producers of Ontario
Amber Crawford	Association of Municipalities of Ontario
Jie Han	Canadian Niagara Power Inc., Algoma Power Inc., Cornwall Electric
Iain Angus	Common Voice Northwest
Faisal Habibullah	Elexicon Energy
Fiona Oliver Glasford	Enbridge
Travis Lusney	Non-Wires Solution Working Group
Robert Reinmuller	Hydro One
Ajay Garg	Hydro One
Ahmed Maria	Independent Electricity System Operator
Devon Huber	Independent Electricity System Operator
Jac Vanderbaan	London Hydro
Michael Brophy	Pollution Probe
Mark Rubenstein	School Energy Coalition

Matthew Higgins	Toronto Hydro-Electric System Ltd.
Chris Codd	Versorium Energy
Brian Hewson	Ontario Energy Board
Ryan Holder	
Chris Cincar	
Jason Craig	
Natasha Gocool	

*These notes summarize the information provided during the working group meeting and key points of the issues presented in the published materials.*

## Meeting Agenda

### 1. Introduction:

- The Vice President responsible for the initiative welcomed participants and identified the primary focus was to increase the efficiency of the regional planning process.
- OEB staff outlined the purpose of the meeting as follows:
  - to review the IESO recommendations and prioritize them;
  - to discuss other potential recommendations identified by the RPPAG members; and
  - to discuss RPPAG process matters.
- There were no agenda items added to the discussion by the RPPAG members.

### 2. IESO Recommendations

- OEB staff provided an overview of the current Regional Planning Process and the IESO's recommendations related to changes to the process that the OEB was taking the lead on.
- The IESO recommendations discussed were as follows:
  1. Streamline and Standardize Load Forecast Development:
    - Two load forecast options were identified:
      - i. Occurs only once (same comprehensive forecast used at all stages to avoid duplication of work)
      - ii. Occurs twice (10-year high level forecast for Needs Assessment and a 20-year comprehensive forecast for IRRP and RIP to evaluation options)
  2. Clarify differences in Scope between Integrated Regional Resource Planning (IRR) and Regional Infrastructure Planning (RIP) products and Optimize timelines between the two stages
  3. Better Consideration of Cost Responsibility
  4. Better address End-of-Life (EOL) asset replacement in Regional Planning Process
  5. Improve Integration and Coordination with Related Processes

## 6. Clarify Process Stages and Products

### Streamline and Standardize Load Forecast Development

- OEB staff provided an overview of the IESO recommendation related to streamlining and standardizing the development of load forecasts.
- It was noted the IESO recommended the forecast be standardized for all members of the Technical Study Teams (i.e., IESO, transmitter, LDCs in region) through the use of agreed upon templates. OEB staff identified net vs. gross load forecasts as an example where the IESO had identified inconsistencies across distributors.
- It was also noted that the IESO recommended a review be completed on an annual basis and that review should be formalized
- Two options were discussed:
  - Option 1 - One comprehensive 20-year forecast that would be used throughout all the stages in the regional planning process
  - Option 2 - Two forecasts, with a high level forecast (10 years) provided during the Needs Assessment stage and a comprehensive forecast (20 years) during the IRRP and RIP stages to evaluate options
- OEB staff discussed considerations to take into account. One was that roughly half of the regions in Ontario did not require regional planning in the first cycle covering all the regions. As a result, a forecast was completed and the process did not go beyond the first stage in many regions since no regional needs were identified. In addition, Option 2 essentially represents the status quo and the intent under the current approach was to use a shorter term gross and net load forecast (without the need for LDCs to provide the ‘unbundled’ information showing how they arrived at their ‘net’ forecast) as a screening tool to avoid imposing additional administrative burden on LDCs associated with preparing a long term net load forecast (with all of the ‘unbundled’ information provided) where it was obvious regional planning was not necessary.
- A concern was raised about the accuracy related to using the same comprehensive forecast throughout the entire regional planning process as the process takes over two years to complete. A member identified that formalizing an annual review, as recommended, may address that concern.
- Another member indicated having a comprehensive forecast early in the process would help with planning, as it allows the planning process to be more transparent with more information provided.
- There was broad support to develop a Guideline to standardize load forecasts and that it be shared publicly. Members noted consistency was important in the regional planning process as the load forecast is critical in determining system needs.

- Another member indicated that Option 2 (involving two forecasts) would be better for areas in the Northwest, primarily due to the nature of the mining industry.

**Discussion Outcome:** Members agreed with the IESO recommendation to standardize load forecasts and some form of Guideline should be established to address the current inconsistencies. Further discussion is required on whether Option 1 or Option 2 is more appropriate, and whether an annual review should be formalized.

**Action Item:** No action at this time.

### Clarify the difference in Scope between IRRP and RIP products and Optimize timelines between stages

- OEB staff explained the relationship between the Integrated Regional Resource Planning (IRR) and Regional Infrastructure Planning (RIP) process to provide context to the RPPAG members for the discussion of the IESO's recommendation.
- The current process entails the OEB allowing 18 months for the IRRP process which is captured within the IESO's licence conditions. After that, an additional 6 months is taken to complete the RIP process, totaling a 2-year timeframe.
  - OEB staff added that the IESO can take an additional 6 months to complete an IRRP process as long as the IESO notifies the OEB of the reasons for requiring the additional time.
- It was noted that the IESO's recommended wires related work in the IRPP should not be revisited in the RIP process unless a significant change occurs.
  - It was indicated it was rare for a load forecast to be revised at the RIP stage.
- OEB staff identified that Hydro One made a suggestion in their comments to the IESO on their Strawman which involved the RIP process being initiated before the IRRP process was completed to do the more detailed analysis of the 'wires' options while the IESO focused on the 'non-wire' alternatives.
- One member questioned the need for a RIP as the IRRP provided a relatively detailed analysis of wires options. In contrast, it was noted that IRRPs were going further than envisioned in assessing wires options which should be left for the RIP.
- Another member noted that the RIP is not limited to further analysis of the recommended wires solutions in the IRRP. It also includes all the Local Plans in a region and it therefore consolidates all the wires solutions in one document.
- A member noted the RIP is essentially an execution plan based on the analysis and wires related recommendations identified in the IRRP stage.

- OEB staff added that a RIP is currently required as part of applications to the OEB while an IRRP is not.
- A member stated it was difficult to determine the appropriate scope of the IRRP and RIP products due to the uncertainty related to the scope of the RPPAG in terms of 'non-wires' alternatives.
- It was noted that this IESO recommendation is focused primarily on whether there is duplication that can be eliminated related to 'wires' solutions in order to gain efficiencies in the regional planning process.

**Discussion Outcome:** Members agreed that there is a need to review this IESO recommendation in more detail, in order to determine if and how efficiencies can be best achieved.

**Action Item:** No action at this time.

### Better Consideration of Cost Responsibility

- OEB staff provided an overview of the IESO recommendation related to adding the allocation of costs to the regional planning process.
- OEB staff noted that the IESO had indicated that, during the RIP stage, the Technical Study Team members do not know the financial implications associated with the potential solutions and a greater understanding of how parties would be impacted at a high level is needed.
- OEB staff noted their understanding is this recommendation did not intend the development of detailed cost estimates.
- It was also noted that the [Transmission System Code](#) does not specify when a customer must contribute to the cost of a transmission *network* upgrade where it is triggered by the customer's *connection* upgrade. It was clarified that this issue was not identified in the IESO's final report but was discussed during the IESO Advisory Group meetings.
  - A member stated that this lack of clarity creates an implementation risk that should be reviewed by this group and the goal should be to minimize the risk.
- OEB staff identified that a [OEB Bulletin](#) had been issued in 2006 identifying the circumstances under which a customer should be required by the transmitter to contribute to the cost of a network upgrade.
- Members expressed the view that the industry is likely not aware of that OEB Bulletin and suggested it be codified.
- Another member suggested reviewing the benefits of incorporating cost responsibility in the process before reaching a final decision on whether to do so.
- A member suggested that a methodology for a cost benefit analysis should be developed to maintain consistency and provide a resource to evaluate wires and non-wire alternative solutions.

**Discussion Outcome:** Members broadly supported the IESO recommendation to incorporate a better understanding of cost responsibility as part of the regional planning process. Further discussion is necessary related to what type of cost information would be included in regional plans and the stage in the process it would be taken into account. There was also strong support related to the OEB initiating a Code amendment process to reflect the current Bulletin that addresses cost responsibility associated with transmission Network upgrades in the TSC.

**Action Item:** No action at this time.

#### Better Identify End-of-Life (EOL) Asset Replacement in Regional Planning Process

- OEB staff provided an overview of the IESO recommendation.
- The IESO's recommendation involves incorporating 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 over 20 years for *long term* planning purposes and the IESO had identified HV assets such as transformers, circuit breakers and transmission lines.
- The IESO also recommended the development of a *short list* of end-of-life (EOL) transmission assets over 10 years as an input to the process to address *near term* needs.
- A member stated that a 10-year timeframe provides good visibility for the planning process and anything beyond 10 years would not provide useful information in relation to determining EOL assets.
- Another member expressed a concern related to providing ESL information over 20 years as it would impose costs on transmitters and distributors, which would ultimately be borne by ratepayers, and questioned whether it would be beneficial.
- It was noted that decisions on when to take an asset out of service are also made based on the condition of the asset – not only the asset age – and the ESL information would provide no indication of asset condition.
- A member noted that the purpose of taking a longer-term approach by collecting the ESL information over 20 years was to provide more time to study opportunities for non like-for-like replacements including non-wire alternatives and different wires options.
- Another member noted the ESL information over 20 years would be beneficial to municipalities to provide a longer lead time for planning purposes.
- A member questioned collecting the ESL information for assets like all circuit breakers.
- IESO staff emphasized that, while they would be collecting the EOL and ESL information from the TAOs, it was only for planning purposes and TAOs would continue to make the decision on when an asset was replaced.

- A member suggested if an asset replacement list is created it should be shared publicly as doing so would benefit the regional planning process.

**Discussion Outcome:** Members did not raise any concerns with the IESO's recommendation to formalize the TAOs providing the short list related to EOL assets based on a 10-year outlook to the IESO. Further discussion is needed related to requiring the TAOs provide ESL information over a 20-year timeframe or whether a 10-year outlook is sufficient to plan for alternative solutions such as non-wire options.

**Action Item:** No action at this time.

### Improve Integration and Coordination with Related Processes

- OEB staff provided an overview of the IESO's recommendation and identified this one was shared by the OEB and the IESO.
- Within this initiative, the OEB will primarily focus on the distribution planning and regulatory proceeding processes included in the list of related processes identified by the IESO.
- Members suggested looking at the overlap in processes between the OEB and the IESO to determine any shared accountability and whether improved coordination can be achieved to improve the regional planning process.
- It was noted that IESO regularly monitors the regulatory proceedings at the OEB and submits comments to the OEB, if the IESO feels a change is required.
- It was also noted that improved coordination with procurement processes was needed.

**Discussion outcome:** Members agreed that there was a need to review the related processes identified by the IESO to determine where improvements can be made related to integration and coordination.

**Action Item:** No action at this time.

### Clarify Process Stages and Products

- OEB staff informed the members that this recommendation did not require any discussion as it would be implemented at the end of the this process and involved revising the PPWG Report that was produced by the initial working group to establish the current Regional Planning process to formalize any changes made to the process.
- OEB staff indicated that RPPAG members would not be expected to draft the revisions to the current report. Instead, OEB staff will attempt to reflect any changes that were adopted and circulate a revised draft of the PPWG Report for RPPAG member review.

**Discussion Outcome:** OEB staff will prepare a revised draft of the PPWG Report after the RPPAG has reached a conclusion on all the IESO recommendations for RPPAG member review.

**Action Item:** None at this time.

#### Prioritization of IESO Recommendation:

- OEB staff presented the list of IESO recommendations to the RPPAG members and clarified that OEB staff had not prioritized them in any way. The list only reflected the order they were addressed in the presentation.
- Members expressed a range of views such as focusing on some of the easier ones first (to gain momentum) to addressing the most critical recommendations first.
- After some discussion, it became clear that achieving consensus on prioritizing the recommendations would not be possible within the time allotted in the meeting. OEB staff therefore suggested that a better approach would be for each member to provide a prioritization of the recommendations following the meeting to OEB staff.
- A member noted that the letter issued by the OEB stated that the scope of the RPPAG was not limited to addressing the IESO's recommendations and wanted to include others related to non-wires alternatives but the scope of the RPPAG's mandate was uncertain which made it difficult to determine others that could be proposed.
- OEB staff noted that issues related to how the IESO carries out its IRRP process are out of scope and that all the recommendations in the IESO's Final Report related to non-wires alternatives identified the IESO as the lead were also out of scope.
- IESO staff indicated that they were holding a webinar the week after this RPPAG meeting to discuss the recommendations they were leading and noted that may give the RPPAG members a better understanding of the RPPAG's scope.
- It was agreed that each RPPAG member would provide the IESO recommendations prioritized, from their perspective, to OEB staff after the IESO webinar to make the process easier in arriving at a single prioritized list.

**Discussion Outcome:** The RPPAG members will separately determine their prioritization of the recommendations following the IESO webinar.

**Action Items:** OEB staff to circulate a link to the IESO webinar to the group. RPPAG members to provide IESO recommendations prioritized to OEB staff.

### 3. Other Potential Recommended Changes

- RPPAG members were given the opportunity to identify any other potential changes to the regional planning process that they felt were needed.
- It was reiterated that identification of the RPPAG's scope within this initiative is important in order to identify other potential changes.
- Members suggested potential overlap on issues should be identified related to non-wire alternatives with the OEB DER Initiatives that are already underway and the recommendations from the IESO's Final Report that the IESO will be taking the lead on (which are primarily focused on non-wire alternatives).
- IESO staff noted their webinar on February 22<sup>nd</sup> would likely assist the group on this item as well.
- OEB staff noted that there was an additional item that went beyond the IESO's recommendations and it was a new Local Planning Appendix that had been finalized by the initial RPPAG and the OEB had endorsed it.
  - OEB staff explained the purpose of the new Appendix was to formalize criteria to determine when regional planning was not required. However, due to the timing of the IESO's launch of their review (in response to a directive from the Government), OEB staff felt it would not be appropriate to post it until after the IESO's review was completed. OEB staff added they would circulate it to the group.

**Discussion Outcome:** Members to identify any other potential changes to the regional planning process after the IESO's webinar.

**Action Item:** OEB staff to circulate the Local Planning Appendix to RPPAG members.

### 4. RPPAG Process Matters

- The approach to adopt a recommended change where there is not full consensus was discussed.
- In arriving at a conclusion on each recommendation, the group identified it was important to try to reach a consensus.
- A member suggested that, where the group cannot reach a consensus, member voting should be used and a two-thirds majority of the vote should be required in order to adopt a recommendation. No concerns with that approach (or alternative approaches) were identified by the group.
- The RPPAG deliverable to be used to provide the RPPAG's final recommendations to the OEB for review was also discussed.
- Members discussed options including a Report and a PowerPoint presentation.
- It was suggested that a Report would be necessary because the rationale underlying the recommendation would need to be provided.

- It was also noted that, if it was a Report, it should be kept relatively brief since it would be the OEB's Executive Team, including the CEO, that will be reviewing it.
- OEB staff noted the RPPAG meetings will be held on a monthly basis and the week for each month was identified in the PowerPoint presentation that had been circulated.

**Discussion Outcome:** A two-thirds majority of the vote should be used in order to adopt a recommendation on any non-consensus items and the deliverable to the OEB should be a brief report.

**Action Items:** No action at this time.

## 5. Next Steps and Action Items

- OEB staff identified the next steps to the group
  - Continue the RPPAG meetings until all the IESO recommendations (and any other recommendations the group agrees on) have been fully addressed.
  - Prepare a document for OEB consideration setting out all the RPPAG's preliminary recommendations.
  - The RPPAG's recommendations will then be issued for broader stakeholder feedback.
  - The RPPAG will then review the feedback to determine if any changes should be made and subsequently provide final recommendations to the OEB for review and endorsement.
  - After the OEB endorses the changes, the RPPAG will then revise the document that sets out the current Regional Planning Process that was created by the initial industry advisory group (i.e., PPWG).

### Action Items:

1. RPPAG members to attend IESO Webinar: February 22, 2021
  - OEB staff to email the IESO webinar link to the group
2. Prioritization of IESO Recommendations
  - Members to provide the IESO recommendations prioritized to OEB staff
3. Local Planning Appendix
  - OEB staff to circulate the Local Planning Appendix to RPPAG members
4. Meeting Scheduling
  - OEB staff to circulate potential dates to the group to schedule the next RPPAG meeting

**Next RPPAG Meeting:** March 19, 2021