



## Meeting Notes

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Regional Planning Process Advisory Group  
(EB-2020-0176)  
RPPAG Meeting #2

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**Meeting Date:** March 19, 2021

**Time:** 9:30 am – 3:00 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
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

Ryan Holder

Ontario Energy Board

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:

- OEB staff welcomed participants and provided instructions on how to participate during the meeting using Zoom.
- OEB staff outlined the purpose of the meeting as follows:
  - to clarify the scope of the RPPAG;
  - to clarify the difference in scope between the IRRP and RIP products and optimize the timelines between them; and
  - to discuss how to better address End-of-Life Asset Replacement.
- There was a new agenda item from the Association of the Municipalities of Ontario (AMO) that was added to inform RPPAG members and those listening in (i.e., not for discussion as out of scope):
  - [Bill 257](#), Schedule 2: Related to amendments to OEB Act and is focused on broadband infrastructure projects. It was noted any questions about Bill 257 can be directed to AMO.

### 2. Clarify the Scope of RPPAG

- In reviewing the RPPAG's scope, OEB staff indicated that the previous RPPAG had also requested clarity on the scope as it was limited to the RIP process and the previous group wanted to address IRRP issues such as non-wires solution development and stakeholder engagement. *[Note: To clarify, in referring to the RIP process, the RPPAG's scope is not limited to the RIP "stage" in the process. The RIP process has also always included the Needs Assessment stage and the Scoping Assessment stage within the RPPAG's scope].*
- OEB staff noted that, at that time, the OEB agreed the RPPAG scope should be broadened to include some (but not all) aspects of the IRRP process because the RPPAG recommendations need to be limited to where the OEB has the legislative authority to make changes.
- The broadening of the RPPAG's mandate included the following:
  - To review the efficacy of the IESO's IRRP reports since the IESO licence defines what the IRRP reports must include and those reports have a direct impact on the RIP process; and
  - Assess whether the appropriate level of detail is provided in relation to 'non-wires' and 'wire' solutions in the IRRP reports.

- In addition, the OEB had encouraged the IESO to bring out-of-scope IRRP matters to the RPPAG for discussion to provide IESO with feedback for their purposes.
- All out-of-scope issues will be documented and moved to the appropriate OEB or IESO initiative, where applicable.
- A member stated that this scope clarification will provide assistance in clarifying processes and procedures for inputs and outputs in the Regional Planning Process
  - For instance, a member enquired about RIP outputs for wire solutions in rate applications and Section 92 (i.e., leave to construct) applications.
  - HONI provides annual status letters documenting ongoing projects as another output.
  - It was noted that transmitters and LDCs are fully engaged during the RIP phase and have opportunities to address any concerns related to wires solutions recommended in the IRRP reports.
- OEB staff also indicated that the IESO licence obligations related to regional planning serve as a useful guide since the IESO's licence is an OEB regulatory instrument and those licence conditions do not specify 'how' the IESO should carry out the IRRP process.
- A member suggested a need to assess the appropriateness and thoroughness of the RIP process as part of this consultation involving the RPPAG. For example, if it goes directly to wires solution, there is no stakeholder engagement for communities.
- A member suggested that, as part of the scope, the OEB review should look at other related issues that will surface during this consultation where process inefficiencies can be addressed.
- Another member requested clarity on when non-IESO recommendations would be addressed was needed. For example, could a non-IESO recommendation be addressed after addressing each two IESO recommendations.
- OEB staff noted that the RPPAG needs to focus on addressing all the IESO recommendations first due to a Government directive to the OEB and all other issues will be recorded in the Issues Tracking Tool for tracking purposes.
  - Issues raised that are outside of the RPPAG scope will be assessed and moved to another OEB initiative for further discussion where it's within the OEB's mandate such as the Responding to DERs consultation that is focused on addressing non-wires solutions.
- Another member suggested that the scope be mindful of the long term energy planning (LTEP) consultation process that is currently underway and other municipal factors that may affect the process.
- IESO staff noted, during the IRRP process, the IESO reaches out to communities and municipalities, to address their concerns regarding energy

supply and reliability plans and the IESO considers those concerns to address overall reliability.

- A member stated that there were concerns that communities were not included in the IRRP process with the Technical Working Groups limited to utilities and the IESO.
- IESO requested that members inform them where there were instances in which communities were not given a voice.
- A member suggested looking at other jurisdictions to get an idea of how they deal with reliability and development issues.
  - It was noted that this initiative needs to look at improving the Regional Planning Process in a manner that is Ontario-centric because Ontario is unique with about 60 LDCs and the focus is to find efficiencies in a process that already exists to minimize the costs to Ontario consumers.
- A member suggested this initiative consider looking into resource adequacy for optimizing standards
  - It was noted, in the IRRP process, the IESO does consider resource adequacy and reliability by integrating provincial and local needs.
- A member suggested mapping out the non-wire alternative issues and align it with the current IESO and OEB initiatives to ensure all issues are covered.
  - IESO staff noted that they would discuss this request internally with the applicable IESO staff and provide an update at the next RPPAG meeting.

**Discussion Outcome:** The RPPAG's scope will focus on the IESO recommendations and, once they have been addressed, it can be broadened to address other issues related to the regional planning process that are within OEB's legislative authority. It must also be an issue that is not already being addressed as part of another OEB or IESO initiative.

**Action Item:** IESO staff to provide some clarity at the next RPPAG meeting related to their non-wire alternative (e.g., DER) initiatives. No commitment was made at the meeting but OEB staff will provide a similar update.

### 3. Clarify the difference in scope between IRRP and RIP products and optimize the timelines between them

- In reviewing the difference in scope between IRRP and RIP products, RPPAG members were reminded that the IRPP is led by the IESO and provides the appropriate mix of solutions to address regional needs.
- A RIP is subsequently developed with the process led by the transmitter to further assess the wires options to support applications submitted to the OEB.
  - This process entails an 18-month IRRP followed by a 6-month RIP and those timelines were established by the OEB.

- In developing both products, the same Technical Working Group is involved. Only the lead on the process changes.
- The IESO had identified duplication of work on the ‘wires’ side in the IRRP process and the transmitter-led RIP process as an issue and recommended the ‘wires’ related work (which includes forecast) not be revisited nor changed within the RIP process – only further developed unless there is a significant change.
- Members were reminded that the IESO’s Final Report related to their review of the regional planning process had stated that each deliverable in the process should provide incremental value. The RIP process should therefore focus on advancing recommendations in the IRRP and the IESO suggested the PPWG report be updated to clarify process steps and identify hand off points to achieve those goals.
- For context, OEB staff noted the PPWG report, which sets out the current regional planning process, identifies three scenarios to implement a RIP process
  - Directly from a Scoping Assessment (if no potential for ‘non-wire’ solutions in region)
  - Before the IRRP process is fully completed but sufficient analysis has been carried out to determine that a ‘wires’ option is the most appropriate approach
  - Upon completion of the IRRP process (i.e. issuance of final IRRP report)
- OEB staff also highlighted differences between the IRRP and RIP:
  - IRRP addresses both near- and medium-term (10 years) and long term (20 years)
  - RIP focuses on near-to and medium-term (10 years) in more detail
    - RIP adjusts assumptions in the IRRP where it is necessary
    - RIP addresses all wire needs in each region including those in local plans (while an IRRP does not)
    - RIP is required to support all transmitter and LDC applications submitted to the OEB (while an IRRP is not)
- This IESO recommendation included “establishing mechanisms for formal agreement from Technical Working Group members” and the group discussed that aspect first.
- A member suggested the Technical Working Group (TWG) essentially endorses the IRRP and RIP products now without a formal sign off.
- Another member indicated that a change to require formal sign offs would require the identification of an organization’s logo and staff member, and it should not be mandatory given staff members change over time and it suggests their company is signing off.
- A concern was also expressed that certain TWG members, such as those from an LDC, are focused only on the needs and solutions in their area that

impact them and sign-off would suggest they were signing off on everything in an IRRP or RIP with some of the recommended solutions beyond their area of expertise and/or in another area of the region.

- It was also noted that requiring formal sign-off by each member could cause delays in the planning process and it could make it more difficult to achieve a consensus.
- It was noted voting, in the absence of consensus, is not an appropriate approach as one entity could have a large stake in the regional plan while another has a very small stake, but both would have an equal vote.
- Another member suggested a section be added to the IRRP and RIP template so a TWG member could document a specific concern to avoid suggesting they were opposed to the entire IRRP or RIP. That would formalize a concern without the need for every member to sign off.
- The IESO indicated that the lack of formal mechanism had not been an issue to date as they could not recall an instance where there was disagreement but they were focused on the future and the need for some formal way to indicate where there was not consensus.

A member suggested the potential for non-consensus could increase going forward due to the growth in various types of potential solutions (e.g., DERs).

**Discussion Outcome:** The group consensus was that formal sign off by each TWG member should not be implemented as it introduced too many issues including delays in the process (i.e., reduced efficiency). At the same time, the current approach implies all TWG members support all aspects of a regional plan as it does not provide an avenue to identify a differing view. The approach that would avoid the concerns associated with all members signing off would be to introduce a formal mechanism for a TWG member to identify a specific concern, as they would have the opportunity to do so without suggesting they opposed the entire regional plan.

The RPPAG discussions also highlighted a broader reason supporting why a sign off should not be required. It could result in one TWG member standing in the way of implementing a regional plan -- many of which have upstream impacts and would therefore affect the IESO's ability to plan at the provincial level. The middle ground approach discussed above between the status quo and requiring formal sign off would allow a TWG member to formally identify a concern for when they came to the OEB with an application without introducing the potential provincial planning issue.

- The discussions then turned to OEB staff's broader questions included in the presentation
  - Are wires options being evaluated in the IRRP process to the extent that permits an adequate comparison between all potential options (as the PPWG envisioned) or is the evaluation currently going

- beyond that?
- Is there any evidence that demonstrates unnecessary duplication of work is occurring in the RIP process?
  - With the RIP process (including completing a RIP Report) limited to 6 months, how much efficiency can be gained within the RIP process?
  - IESO staff noted that they felt they had been striking the right balance and were not going into too much detail.
  - There was no discussion of any evidence that demonstrates unnecessary duplication of work is occurring in the RIP process.
  - A member raised a concern that it seemed it was being suggested that the RIP process should be eliminated and they felt it should be retained because it is the only document in the process that includes all recommended wires solutions that were identified in Local Plans and the IRRP.
  - OEB staff asked about earlier comments provided to the IESO related to their Strawman document where a transmitter suggested a potential option may be to implement the RIP process before the IRRP process is fully completed to increase efficiency of the regional planning process since it can take a fair amount of time to finalize a public report.
    - The transmitter indicated that they no longer believe that is a viable option and that “formal” implementation of a RIP should await the issuance of the final IRRP Report as per the status quo. The transmitter clarified that there have been cases where they have “informally” started developing the RIP internally before the full IRRP process is completed and that some RIP processes have taken less than 6 months.
  - IESO staff clarified that their recommendation did not necessarily relate to any change to the current 6-month timeframe provided to transmitters to complete a RIP. It also depends on the circumstances.
    - For example, if the RIP occurred after the Scoping Assessment process, a substantial amount of forecasting effort would be necessary since there would be no IRRP. However, if the RIP is initiated after an IRRP process, less effort would be needed as there should not be any duplication.
  - A transmitter indicated that they do not typically undertake a new forecast for the RIP after the IRRP. Instead, they contact the LDCs and other large customers in the region and ask if any major changes have occurred that would trigger the need for a new load forecast. It was noted there have only been a few exceptional cases where LDCs have provided a revised forecast during the RIP process.

**Discussion Outcome:** The IESO’s recommendation was focused on eliminating duplication to increase efficiency – not on reducing the 6-month RIP timeline. There is not a material amount of duplication involved in the IRRP and RIP processes, as recommended solutions in IRRPs are not

typically revisited and there is only a new forecast during the RIP process where a significant change has been identified. Members agreed the RIP process should be retained as it does add value given it includes all recommended wires solutions, while an IRRP does not, and it is required to support applications to the OEB to obtain approval to implement those solutions. While it was concluded the RIP process should not be “formally” implemented before the IESO issues the final IRRP Report, it should be implemented “informally”, to the extent possible, prior to the final IRRP report to enhance process efficiency.

**Action item:** No action at this time

#### **4. Better Address End-of-Life (EOL) Asset Replacement**

- RPPAG members were reminded that the IESO recommendation related to incorporating a process for transmission asset owners (TAO), which includes certain LDCs and transmitters, to develop a long list of expected service life (ESL) of major high voltage assets (HV) for long term planning.
  - This information would be provided annually to the IESO;
  - It would incorporate a short list for end of life (EOL) transmission assets as an input into the regional planning process to address near term needs; and
  - The purpose of longer-term ESL information is to provide a longer lead time to study opportunities for non-like-for-like replacements.
- OEB staff asked IESO staff to explain their recommended approach in more detail and answer questions from the group.
- The IESO staff person (Megan Lund) that worked on developing the recommended approach explained how the long list would be used to create the short list of EOL assets. The ESL information would essentially serve as a “leading indicator” of EOL. An example was provided involving an assessment of whether a 230 kV network conversion (from 115 kV) would be a cost effective way of addressing the needs in the region, as such a major conversion project would require a considerable lead time and the benefit comes from relying on that ESL information to help inform this type of opportunity.
- IESO staff indicated that, while ESL information was currently not being provided, improvements had been made since the regional planning process was implemented by extending the timeframe for EOL information to 10 years which better enabled cost effective measures that provide the best solutions for asset replacement.
- A member questioned the value of providing the 20-year ESL information as it only took asset age into account and not asset condition. They also expressed the view that the extension from 5 years to 10 years involving EOL information was sufficient.

- A member asked if a review had been done related to the practice in other jurisdictions. OEB staff noted that they recalled a reference to a jurisdictional review in the IESO's advisory group discussions. IESO staff confirmed that a jurisdictional review had been completed and offered to share it with the RPPAG.
- Another member suggested focusing on opportunities in areas that are expected to require capacity or system reliability upgrades as opposed to establishing a long list of assets based on information across the entire province.
- One member was of two views. While they questioned the value and need to look out 20 years for asset replacement purposes, they noted the information should be provided if the IESO saw value in it and the information was not proprietary in nature as it involved assets that were all ratepayer funded.
- It was noted that planning further ahead would help avoid emergency replacement of assets which tends to be more costly to ratepayers.
- After some discussion, the group agreed the ESL information should be provided to the IESO to enhance the asset replacement process and the focus turned to 'how' the information should be provided.
- It was noted that there were too many assets to provide as part of the suggested long list and providing all the information would therefore just result in a "data dump" to the IESO, as well as many debates that would not be beneficial.
- OEB staff asked members if a pilot project related to the IESO's recommended "long list" involving the ESL of assets would be an option to ascertain what information (e.g., scope of assets) should be included and how much value it would provide given the lack of agreement on how beneficial such a list would be.
- IESO staff indicated they needed the information associated with their recommended long list but they did not want a "data dump".
- Hydro One suggested a "middle of the road approach" – rather than all or nothing -- that involved creating a filtering mechanism to help identify EOL assets where there are "real opportunities" related to solutions that are not like-for-like.
- IESO supported that approach and suggested creating a small group involving Hydro One and any other RPPAG members that were interested which would look into filtering options and come back to the next RPPAG meeting with a proposal related to creating a filtered list based on ESL indicators.

**Discussion Outcome:** Members did not raise any concerns associated with the IESO's recommended "short list" of end-of-life (EOL) assets. The discussion focused on IESO's recommended "long list" based on asset expect to service (ESL). The discussion evolved from opposing views to

agreement in principle that an ESL “long list” should be developed and provided to the IESO. The outstanding matter is what that “long list” should entail. To help inform what it should entail, a sub-group was established to discuss filtering options and strive to develop a proposal over the next month involving an agreed upon filtering mechanism.

**Action Item(s):**

- RPPAG volunteer members consisting of Robert Reinmuller (Hydro One), Ahmed Maria (IESO), Riaz Shaikh (Alectra Utilities), Amber Crawford (AMO), and Matthew Higgins (Toronto Hydro) will meet to discuss ESL asset filtering options and report back on their progress involving a proposal to the RPPAG members at the next meeting.
- IESO staff to share consultant report related to the jurisdictional review on EOL asset replacements.

**5. Next Steps and Action Items**

- OEB staff identified the next RPPAG meeting would be scheduled during the week of April 18, 2021.
- The next two IESO recommendations on the prioritized list will be addressed at the next RPPAG meeting
  1. Better consideration of Cost Responsibility in the regional planning process
  2. Streamline & Standardize Load Forecast development
- In response to OEB staff identifying that cost responsibility would be discussed at the next meeting, a member noted it was complicated to determine when a specific customer should pay for transmission “network” upgrades given those costs are typically recovered from all consumers and suggested that the OEB Bulletin that provided guidance (which had been referenced at the first RPPAG meeting) be circulated to RPPAG members in advance of the next meeting. OEB staff agreed to do so.
- Another member suggested that a discussion related to cost allocation associated with investments would not be useful unless the “other side of the coin” (i.e., benefits) were also discussed.
- OEB staff clarified that the IESO recommendation was limited to better considering cost responsibility in the regional planning process. OEB staff added that the OEB currently had no rules related to determining the benefits within that context and it was not within the scope of this advisory group to make recommendations on how the benefits associated with investments, such as non-wire alternatives, should be determined beyond addressing a need.
- A member requested that the prioritized list of IESO recommendations be circulated again to the group for further discussion at the next meeting to clarify its purpose. OEB staff agreed to do so.



**Action Items:**

1. Prioritized list of IESO Recommendations
  - OEB staff to circulate chart to clarify its purpose at the next meeting
2. Proposal: Filtering Mechanism to create Expected Service Life “Long List” –
  - Volunteer RPPAG members to meet and discuss filtering options and provide a proposal to the RPPAG members at the next meeting
3. OEB staff to circulate OEB Bulletin that provided guidance to transmitters related to circumstances where a specific customer should pay for transmission network upgrades (caused by their new/upgraded connection to the network)
4. IESO staff to provide Jurisdictional Scan Report related to EOL assets

**Next RPPAG Meeting:** April 21, 2021