



Meeting Notes

Regional Planning Process Advisory Group (EB-2020-0176) RPPAG Meeting #4

Meeting Date: May 25, 2021

Time: 9:30 am – 3:00 pm

Location: Ontario Energy Board
Zoom

Attendees:

<u>RPPAG MEMBER</u>	<u>ORGANIZATION</u>
Riaz Shaikh	Alectra Utilities
Charles Conrad	Association of Power Producers of Ontario
Amber Crawford	Association of Municipalities of Ontario
Iain Angus	Common Voice Northwest
Faisal Habibullah	Elexicon Energy
Cara-Lynne Wade	Enbridge
Travis Lusney	Non-Wires Solution Working Group
Robert Reinmuller	Hydro One
Ajay Garg	Hydro One
Ahmed Maria	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	Vesorium Energy



Guest Presenters

Megan Lund Independent Electricity System Operator

Ontario Energy Board staff

Ryan Holder

Chris Cincar

Jason Craig

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Natalia Gómez

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.
 - OEB staff outlined the purpose of the meeting as follows:
 - to provide an update on the OEB 2006 Bulletin related to cost responsibility,
 - to provide a progress update on the Expected Service Life (ESL) proposal,
 - to provide an update on the Load Forecast proposal,
 - to discuss the final IESO recommendation related to Improving Integration & Coordination with related processes, and
 - to discuss any outstanding issues related to the other IESO recommendations.

2. OEB Staff – Update on 2006 Bulletin

- As a follow up on the [OEB 2006 Bulletin](#) related to Cost Responsibility, OEB staff advised the group that OEB Management supported an update to the Bulletin and the RPPAG members could play a role in that update by providing input on suggested changes.
 - OEB Management will then consider any suggested changes that the RPPAG agrees on (i.e., not each RPPAG member suggested changes separately).

Action Item: RPPAG members should review the OEB 2006 Bulletin on Cost Responsibility for the purpose of discussing it at a future RPPAG meeting.

3. Expected Service Life (ESL) Proposal - Progress Update

- A presentation was provided to the group by Megan Lund (IESO) related to the proposal update for the Expected Service Life (ESL) and End of Life (EOL) information.

- The purpose of the update was to respond to OEB staff's request to clarify the difference between what has now been agreed upon and what the IESO initially recommended in relation to the ESL and EOL information as follows:
 - a) **ESL Information:** Clarify difference between what has now been agreed upon (Asset Demographics) and what IESO initially recommended – scope of information and timeframe (formerly referred to as "Long List")
 - b) **EOL Information:** Clarify difference between what has now been agreed upon and what IESO initially recommended – scope of information and timeframe (formerly referred to as "Short List")
 - c) **ESL & EOL Information:** Clarify which entities are now being recommended to collect information from and what IESO initially recommended (all Transmission Asset Owners or TAOs)
- It was indicated that both of the revised proposed processes will achieve the same goal (as the initially recommended approaches) of providing better insight into mid-to long-term asset replacement needs and having a formalized process in place for the IESO to obtain the ESL and EOL information.
- For ESL information, an "Asset Demographics List" will now be provided. It was formerly referred to as the "Long List". It will now be provided by only HONI as opposed to all Transmission Asset Owners or TAOs (i.e., all transmitters and all LDCs that own transmission assets). It was previously limited to a 20-year outlook. Now, there is no time limitation. The primary purpose is for bulk planning; however, it could also be beneficial for regional planning purposes.
- It was initially recommended that the Long List be updated every year. A benefit under the revised approach related to the Asset Demographics List is less frequent updates will be necessary. With the focus solely on HONI (rather than all TAOs) at the outset, information on close to all major transmission assets at the bulk level will still be provided to the IESO. The revised process will therefore be more efficient in two ways.
- For EOL information, the 10-year Outlook list will serve a similar function to the original "short list" that was initially recommended. It will act as an input into the regional planning process. There is not a material change from the "short list" as it still involves broadening the horizon on future asset replacement needs to 10 years. This information will also continue to be provided to the IESO by all TAOs (i.e., not only HONI).
- It was initially recommended that all TAOs would provide the EOL information on an annual basis. The revised process for EOL information will be more efficient with less frequent updates in aligning it with the regional planning cycle which is every 5 years. The same benefit will continue to be achieved with the information being an input into the Needs Assessment (i.e., first stage in regional planning process). However, a

formal mechanism to ensure all TAOs provide this EOL information to the IESO has not been discussed.

- While not part of the regional planning process, HONI will also be required to provide a 10-year outlook for bulk assets on a yearly basis as an input to the bulk planning process.
- Amalgamating the 10-year Outlook on EOL assets into one document was discussed. IESO staff noted a concern was doing so could be misleading because regional planning does not take place in all regions at the same time and some of the information would be five years out of date. It was added that a five-year lag for EOL information can be significant in terms of data quality.
 - A member noted that a consolidated list of EOL asset information with a note explaining the data quality issue would be an improvement over the status quo (e.g., stakeholder reviewing a report for each region and make their own list).
- The debate continued from the previous meeting related to making the Asset Demographic List (ADL) public or categorizing it as 'confidential'.
- A member from HONI continued to have concerns regarding how the information may be used by some parties and discussed how some may come to the wrong conclusions as bulk planning is complex. Another member noted that the group should take into account the obligations under NERC for critical infrastructure information.
- It was noted that the reasons provided such as complexity and people possibly arriving at the wrong conclusion when they review the ADL information are not a justification for keeping the information confidential from stakeholders (beyond the IESO). It was suggested only system security concerns should result in it being confidential.
- Another member stated that certain stakeholders, besides the utilities in the Technical Working Groups, need to have an understanding of what assets need to be replaced in the short and long term. Providing access to the ADL information to other stakeholders will result in them being more informed and a more efficient regional planning process.
- From the municipal perspective, a concern was raised that lack of access to the information will negatively impact future plans, such as future needs that require electrification. Transparency is key principle as there is a need to know the information related to the assets currently in place to plan for the future.
- It was noted that the discussions seemed to focus on the extremes of only the transmitter and IESO having access to the information versus everyone having access. Instead, there was a need to focus on providing access to key stakeholders (e.g., large customers, municipalities, DER investors, etc.) that are involved in the process (i.e., middle-ground). And if education is required, figure out a way to start building up that education rather than keeping the information confidential.

- HONI suggested that an option to make it accessible, while retaining a certain degree of control over it, could involve a requirement to sign a non-disclosure agreement (NDA), before accessing the information.
- There was further debate and it became evident that full RPPAG agreement was not going to be achieved in the meeting and it was agreed that the ESL subgroup should attempt to come to a resolution. Later in the meeting, it was determined that HONI members should discuss it internally (including legal staff) and with IESO staff, as well as look at practices in other jurisdictions, and report back before it was further discussed by the broader group.
- Before moving on to the next Agenda item, OEB staff suggested that a relatively common approach that is used for other purposes be considered; that is, creating a portal, with a simple login and password requirement to be granted access to the information once the person or entity has registered.
- A [template](#) for the 10-year outlook on End-of-Life (EOL) Equipment Information that is intended to be used for Regional Planning purposes had been circulated to the RPPAG members prior to the meeting for review.
 - HONI clarified that three templates had been created. The other two were for bulk planning -- EOL information and ESL-related Asset Demographic list.

Key Discussion Outcome: The broader group had no issues with the change in approach (relative to the initially recommended long list and short list) as it achieved the same purpose in a more efficient manner. However, there was still not agreement on who should have access to the Asset Demographic List information. It was initially determined that the subgroup should address the issue. However, it was then determined that HONI members should first discuss it internally (and with IESO staff), look at practices in other jurisdictions, and report back to the broader group.

Action item: HONI members to discuss stakeholder access to Asset Demographic list information internally and with IESO staff, as well as look at practices in other jurisdictions, and come back to the broader group with an update for discussion purposes.

4. Load Forecast Subgroup: Update (Standardization Proposal and Option Recommendation)

- Matthew Higgins (Toronto Hydro) provided an update to the group on the ongoing work conducted by the Load Forecast Subgroup.
- The subgroup reviewed two issues related to load forecasts used in the regional planning process. One was focused on increasing standardization and consistency across LDCs. The other issue was identifying which load

forecast option should be adopted (of the two approaches IESO had suggested for consideration).

- It was noted that the subgroup is currently in the process of putting together a guidance document related to standardization for the RPPAG members to review and the subgroup will provide an update at the next meeting.
- It was noted that the subgroup is reviewing approaches to normalize weather and attempt to make it consistent across regions.
- The subgroup will look at defining the information for key assumptions to deal with inconsistency issues, establishing additional considerations to build into the process as it moves through the IRRP process, and address scenario planning around electrification.
- As noted, the Load Forecast subgroup was also tasked with recommending one of the options IESO suggested for adoption by the RPPAG – Options 1 & 2 -- and a third option that was essentially a middle-ground between those two options.
 - **Option 1** (One-time detailed comprehensive for Needs Assessment and all subsequent stages, not updated)
 - **Option 2** (Higher level for Needs Assessment, Detailed Comprehensive update if IRRP required)
 - **Option 3 -Hybrid** (Higher level for NA if not IRRP in last cycle, Comprehensive for NA if IRRP required in last cycle)
- The Load Forecast subgroup recommended Option 2 based on the following summary of their discussion.
- The subgroup looked at whether there would be enough of benefit to outweigh the costs of moving to a 20-year detailed, comprehensive forecast at the beginning of the process (i.e., Needs Assessment) and having all LDCs do it. It was noted, if that approach was adopted, it would impose a significant incremental and unnecessary burden on LDCs in regions where an IRRP is not required.
- At the other end of the spectrum, there are currently a number of LDCs that already prepare detailed 10-year forecasts every year, which are used at the Needs Assessment stage and they are typically accurate (i.e., little, if any, change for those that proceed to IRRP stage).
- The general consensus was that costs would outweigh the benefits of doing a comprehensive 20 year forecast up front and it would be an inefficient use of LDC resources.
- As a result, there was a relatively quick consensus on Option 2 (10 year forecast first) since it is efficient and effective for Needs Assessment purposes. It also still results in a comprehensive 20-year forecast where it is necessary (i.e., IRRP required).
- OEB staff indicated that the initial working group that established the process had a similar discussion and reached the same conclusion.

Key Discussion Outcome: The Load Forecast subgroup recommended Option 2 because it was more efficient, as Option 1 would result in imposing unnecessary incremental work on many LDCs. Option 2 is also consistent with the current approach and has proven to be effective for Needs Assessment purposes. It also still results in a comprehensive forecast if an IRRP is required. The Load Forecast subgroup will continue its work on developing a guidance document to standardize load forecasts for consistency purposes. A draft of that document will be circulated to the broader group in advance of the next meeting for discussion purposes.

Action Item: The Load Forecast subgroup to circulate the standardization guidance document to the broader group for review and feedback at the next meeting.

5. IESO Recommendation: Improve Integration & Coordination with Related Processes

- RPPAG members reviewed the IESO recommendation to improve integration and coordination with related processes including the primary forms of process integration:
 - Data Sharing: Where output from one process informs another and common data can be shared between two processes
 - Coordination: Where it would be optimal to share multiple needs together for solution development and consensus is required between two parties
 - Hands Off: Where one process ends and is taken over by the second.
- Specific processes identified by the IESO included the following:
 - *End-of-Life (EOL) asset replacement, Distribution planning & Bulk planning, Regulatory proceedings (i.e., transmitter & distributor rate / LTC applications), Community energy planning, Connection assessments & approvals, Markets or procurement mechanisms (competitive Transmission, Generation, NWAs), Energy efficiency program planning.*
- OEB staff indicated that the OEB and IESO decided to share implementation of this recommendation based on which organization had oversight over the applicable process.
- OEB staff explained how processes that are the OEB's responsibility are currently coordinated. For example, the OEB requires that utility applications include the applicable regional plan and a distribution system plan. The OEB also requires the transmitter to prepare a Needs Assessment report which includes EOL needs as part of the formalized regional planning process.
- OEB staff added that the IESO likely identified itself as the primary lead because they have procurement processes that are relatively new or not tested yet such as the Capacity Auction, Competitive Transmission procurement and NWA procurement.

- OEB staff asked the group whether they felt any other processes should be added for potential improvements in coordination. Staff added that they felt coordination with Municipal Planning was key, particularly for load forecasting purposes as that is the basis for identifying needs as part of the Needs Assessment.
- A member suggested, as an outcome of this initiative, it should be documented in the Planning Process Working Group (PPWG) report that sets out the regional planning process that LDCs should consult with municipalities for regional planning needs.
- It was noted LDCs do consult municipalities. However, not all municipalities have energy plans and, to the extent they do, it can be difficult to translate municipal planning information into electricity planning needs (i.e., LDC load forecast) and some education of municipal planning staff is needed.
- It was added that about 60% of municipalities in Ontario are small with less than 10,000 people and they don't have the staff resources or the expertise to prepare an energy plan.
- It was also noted that a difficulty with reflecting Community Energy Plans in load forecasts is they can be political documents that include "high level vision statements" and some are more like a "wish list" than a technical document.
- In terms of incorporating municipal planning information in the regional planning process, members agreed it is an ongoing learning process and the responsibility resides with the LDCs and the IESO.
- Based on their involvement in Community Energy Planning, a member identified an area where they felt there was a need for improved coordination was between electricity planning and natural gas planning. They discussed an example where two infrastructure projects were planned at the same time -- one project to expand energy supply to a community on the electricity side (about \$70 million) and another project on the gas side (about \$60 million). It was noted that the actual energy needs of consumers in that municipality were therefore not considered in an integrated way. It was further noted there was a need to break down some of those silos and look at optimizing solutions for consumers, so the issue should either be incorporated into a process already on this list or added as distinctly different one.
 - Another member added that type of scenario could become more prevalent going forward as natural gas infrastructure gets expanded into more communities.
 - Another reason identified for the need for increased coordination was the gas phase out that was being contemplated.
 - Enbridge's current IRP application to the OEB was also discussed which involves non-pipeline alternatives, which are similar in nature to non-wire alternatives.
- OEB staff suggested that it be added as a separate item to the list since not all areas in the province had a Community Energy Plan. Staff added they

had not seen much discussion in IRRPs they had reviewed in the past where there was a discussion of natural gas projects.

Key Discussion Outcome: Of the processes identified by the IESO, the need for coordination is primarily related to their procurement processes since they are new and some have not yet been implemented. The focus of the discussion related to additional processes not identified in the IESO report included the need for better coordination with municipal planning and natural gas planning. While there is agreement municipal planning information is important in determining electricity needs, it can be difficult for LDCs to translate that information into a load forecast and the related electricity needs, particularly where it involves community energy plans.

Action items: No action required by the members at this time.

6. IESO Recommendations: Outstanding Issues

Clarify the Difference in Scope between the RIP and IRRP products and optimize the timelines between two stages:

- Within the context of this recommendation, OEB staff asked the IESO about a related recommendation that had been in the IESO Straw Man document and the Implementation Table that was no longer reflected in the IESO's Final Report, where it stated no further work is needed. That recommendation involved reviewing the IRRP process to increase efficiency by striving to better align the time taken to complete an IRRP with the complexity of each one (i.e., not take the maximum of 18 months regardless of complexity).
- A member from IESO noted that was no longer being recommended because it was found that no additional process changes are needed as there is enough flexibility in the process. The appropriate timelines for each IRRP can be specified during the scoping process.

Better Consider Cost Responsibility:

- OEB staff identified that they wanted to clarify a matter involving the IESO recommendation related to Cost Responsibility. That the intent was not to include detailed estimates of how costs would be allocated in the regional plans.
- It was clarified the intent was that the issue of 'who pays' should be discussed to ensure the affected LDCs have a correct understanding and this group was not planning to recommend that detailed cost estimates be included in each regional plan.
- A member enquired if cost estimates will be ruled out of the process.
 - OEB staff noted that their understanding of IESO's recommendation was high-level cost estimates would be discussed to provide an understanding of how costs would be allocated in terms of a preferred solution (e.g., ballpark).



Action items: No action required by the members at this time.

7. Additional Item

General Education on Regional Planning Process

- The discussion related to the need for education on cost responsibility and the need for increased coordination with other processes, as well as the various types of information involved in the process, resulted in the group concluding that there was a need to better educate stakeholders on the regional planning process, in general, such as the stages in the process, the documents produced, the information involved (inputs/outputs), etc.
- For example, if staff at municipalities better understood what information that LDCs and the IESO need in order to prepare the load forecast, the regional planning process should become more efficient (e.g., determining the regional needs).
- It was noted that this type of general education had not been done since the OEB endorsed the formalized regional planning process in 2013.
- This general education could be done through webinars and would include any changes to the regional planning process that are endorsed by the OEB as a result of the RPPAG's recommendations.
- OEB staff noted the IESO has established Local Advisory Committees (LACs) in the regions to better educate people at the community level and obtain their input. However, it was noted that information tended to be region-specific and this discussion was related to general education campaign on regional planning.

Key Discussion Outcome: The group concluded that there was a need to better educate stakeholders on the regional planning process in general such as the stages in the process, the documents produced, information required, etc. This would be one of the additional “other” recommendations to be provided by the RPPAG to the OEB for endorsement. The group also concluded that further work on developing this recommendation was needed at the next RPPAG meeting.

Action items: No action required by the members at this time.

8. Next Steps and Action Items

- OEB staff identified that RPPAG members would be contacted with possible dates to schedule the next meeting.
- OEB staff indicated they will draft a brief high-level document that reflects their understanding of where the RPPAG members have landed in terms of the IESO-related recommendations.
 - RPPAG members will review the document and discuss it at the next meeting in order to finalize those recommendations, so the next step can begin which entails the drafting of a brief report to the OEB that explains the underlying rationale for those recommendations in more detail.
- The next meeting will also involve a discussion of “other” recommendations that the RPPAG may wish to also include in that report prepared for OEB review (in addition to general regional planning education).

Action Items:

1. Asset Demographic List: Update for Further Discussion

In relation to access to the Asset Demographics list information, HONI staff will further discuss this matter internally, including legal staff, in terms of what information can be made available to stakeholders and a potential process to provide access. HONI will also further discuss the matter with the IESO and obtain information on the practice in the other interconnected jurisdictions and report back to the broader group at the next meeting for discussion purposes.

2. Streamline and Standardize Load Forecast Development:

Load Forecast subgroup will meet to discuss and finalize a draft of the guidance document related to load forecast standardization and circulate it to the broader group for review and feedback at the next meeting.

3. Draft Summary of RPPAG Recommendations:

OEB staff to prepare a high-level draft document that includes a summary of staff's understanding of the RPPAG recommendations related to those that were included in the IESO's Final Report for OEB consideration and circulate it for discussion at the next meeting.

Next RPPAG Meeting: July 14, 2021