

Overview of the RPPAG Subgroup Load Forecast Guidance Document

Regional Planning Process Advisory Group (RPPAG)

Meeting #1 (Phase 2)

August 11, 2022

Agenda

- Origins and members of the Subgroup
- Objective of the Guidance Document
- Overall approach to demand forecasting in regional planning
- Scope of the Guidance Document
- Key areas of refinement in the process

Origins of the Subgroup

- IESO Regional Planning Process Review Report, issued in February 2021, called for a streamlined and standardized process for demand forecast development to increase consistency, efficiency and transparency
- OEB formed the Regional Planning Process Advisory Group (RPPAG) to lead implementation of IESO recommendations within their mandate, including those related to the demand forecast process
- RPPAG recommended that a subgroup be formed to develop a guidance document to standardize the process

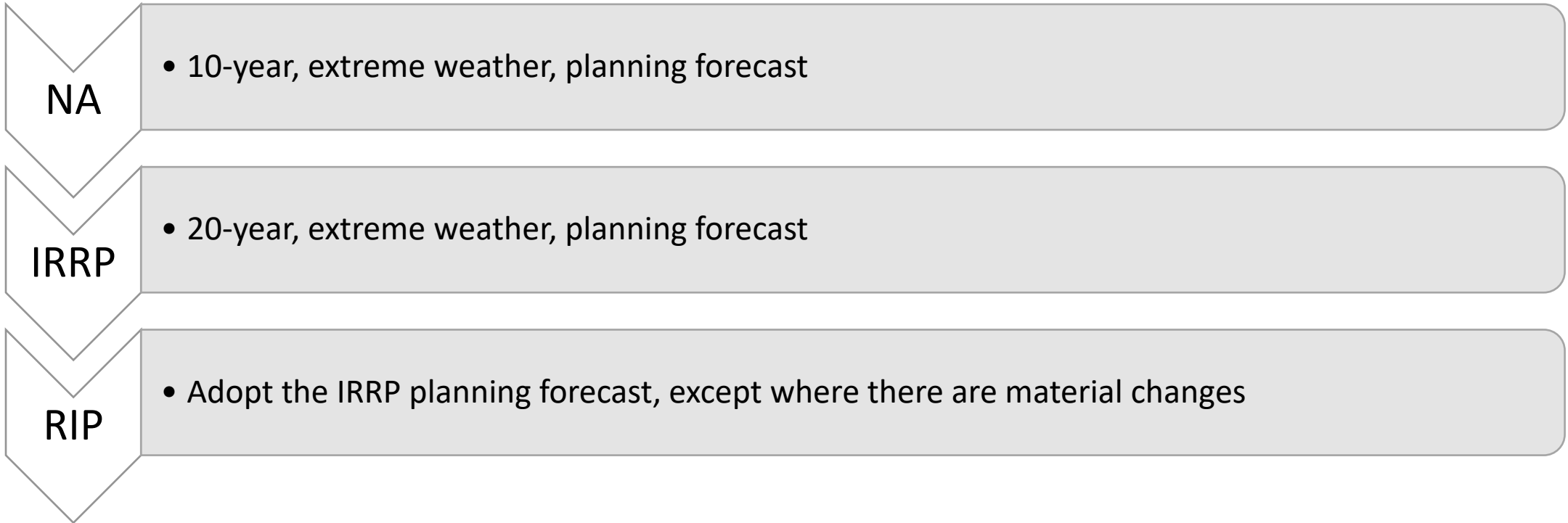
Subgroup Members

- Alectra Utilities
- Association of Municipalities Ontario
- Enbridge
- Hydro One
- IESO
- London Hydro
- Pollution Probe
- School Energy Coalition
- Toronto Hydro (*lead*)
- OEB staff (*provided non-technical input*)

Objective of the Guidance Document

- Provide guidance for the IESO, transmitters and LDCs in developing demand forecasts used in various phases of regional planning (NA, IRRP, RIP) to drive consistency, efficiency and transparency
- Outline the “baseline” approaches within the process recognizing that variations can be warranted by local characteristics and circumstances
- Guidance document should not preclude evolution of the process when considering changing trends and data

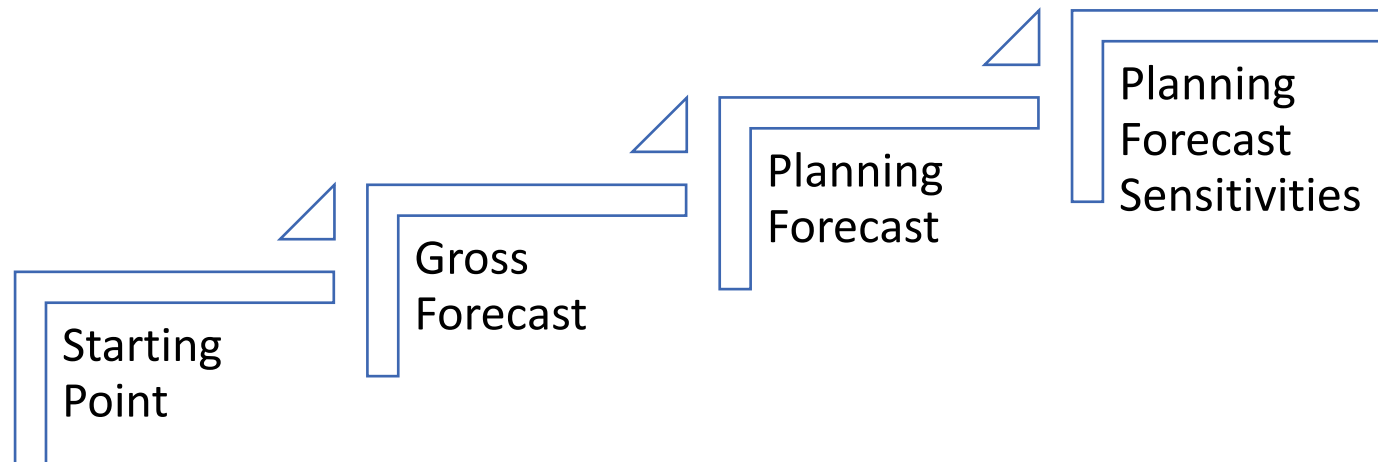
Approach to Demand Forecasting in Regional Planning



“Planning Forecast” means net of forecast CDM and DG output

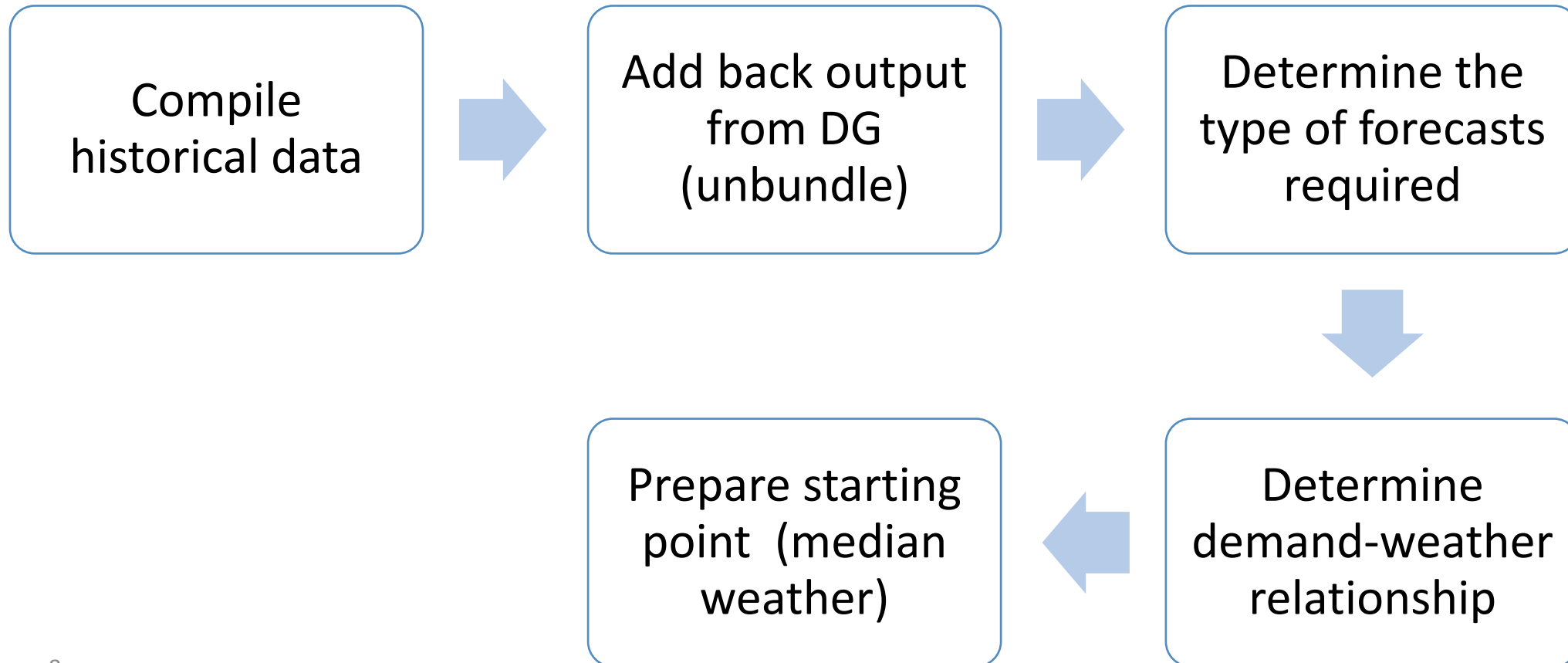
Scope of the Guidance Document

- The guidance document covers the key steps involved in the development of the regional planning demand forecast and specifies the key responsibilities and data requirements



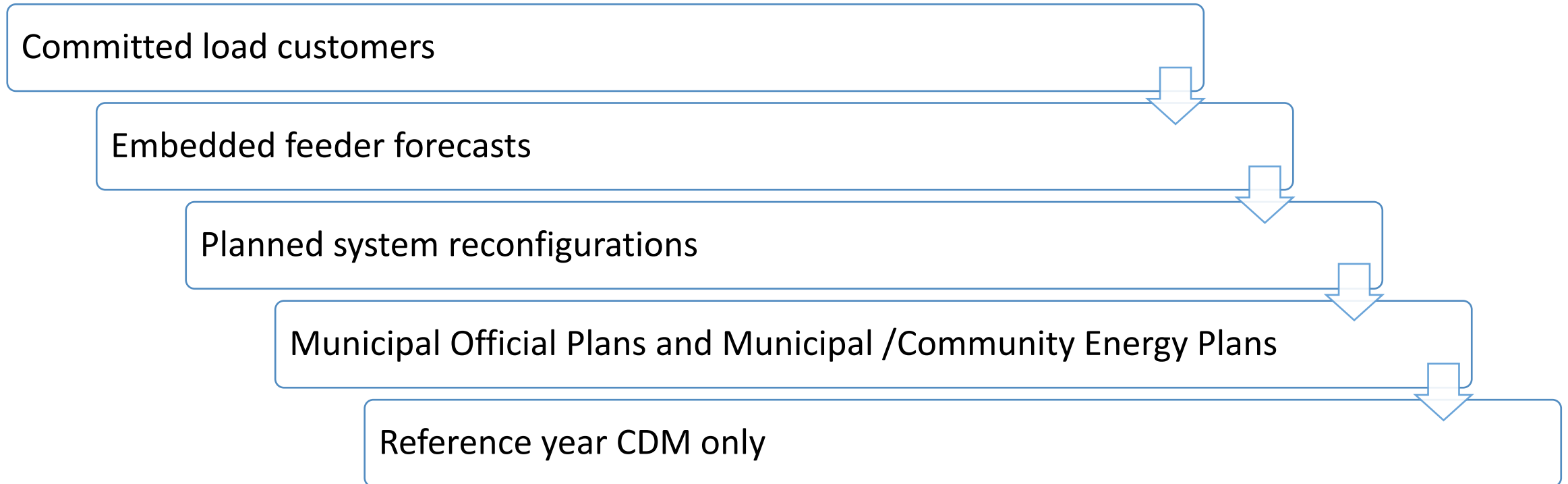
Starting Point

Starting Point is the historical peak demand for a non-anomalous representative reference year at a particular station upon which the forecast is built

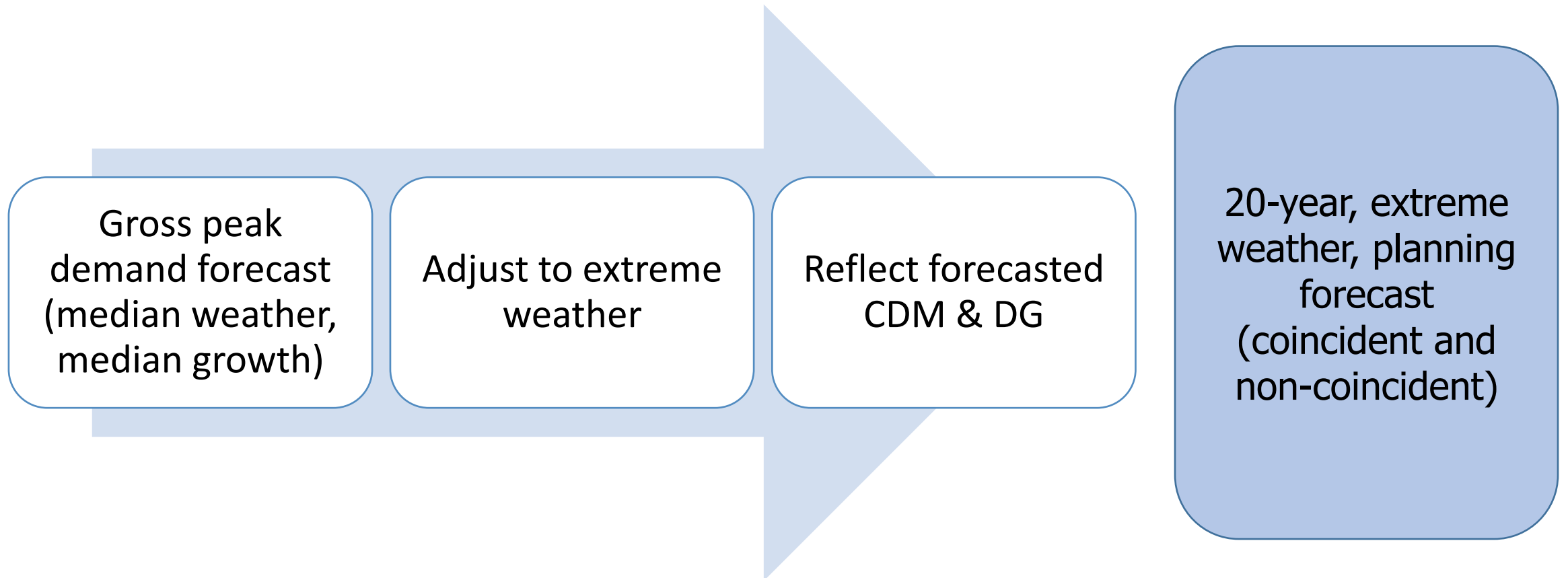


Gross Forecast

- LDCs provide a gross peak demand forecast by station (median weather, median growth) that includes:



Planning Forecast



Planning Forecast Sensitivities

- Sensitivities are recommended for both the NA and IRRP to test the flexibility of the needs screen / plan and identify signpost of change that should be monitored between planning cycles
- Results of sensitivities will not necessarily drive investments
- Demand drivers considered and approach to sensitivities should be determined by the technical working group
- It is recognized that the sophistication of the approach depends on the availability of information related to the demand drivers

Key Areas of Refinement in the Process

- Variations from the “baseline” approaches need to be documented in the planning documents
- More focus on documenting assumptions underpinning the forecasts in the planning documents
- Sensitivities are recommended (for both NA and IRRP)
- More focus on Municipal Energy Plans and Community Energy Plans

Questions?