

Energy Transformation Network of Ontario (ETNO)

Terms of Reference

2020/01/10

1. Introduction

The Energy Transformation Network of Ontario (ETNO) includes member organizations from Ontario's utility sector, non-utility solution providers, non-profit organizations, public agencies and universities working together to propose a vision for a smart grid in Ontario and examine the many components that comprise it.

In addition to those solution providers that are ETNO members, ETNO is also supported by the Corporate Partners Committee (CPC), which represents more than 50 private sector organizations active in the smart grid space – including, electric vehicle interests, energy retailers, energy management companies, systems integrators and equipment manufacturers.

The energy sector in Ontario is undergoing significant change. ETNO's work is driven by a recognition that Distributed Energy Resources (DERs), advanced distribution management platforms and new structural models for organizing the distribution sector are all challenging foundational notions of market boundaries, industry roles and responsibilities. Advanced transportation technology, environmental policy and other technological changes outside of the electricity sector are also having an increasing impact on the electricity system. To ensure that these innovations are integrated into existing electricity systems in a way that enhances consumer choice, reliability, affordability and cost-effectiveness, new approaches to policy-making, regulation and electricity markets will be needed.

ETNO will seek to provide tangible advice and recommendations to policy makers, market administrators and regulators, in order to capture the opportunities arising from the change described above. To help ensure this advice reflects the diversity of options within the electricity sector, ETNO will act as a platform for dialogue between key stakeholders, seeking consensus positions for delivery to decision makers.

2. Objective and Undertakings

ETNO's primary objective is to guide the transformation taking place in Ontario's energy sector and to seek to optimize outcomes for the benefit of all Ontarians by influencing tangible policy, market and regulatory enhancements with near and long term benefits. To accomplish this objective ETNO will:

- Act as a platform for dialogue amongst key stakeholders around grid integration;
- Provide specific policy, market & regulatory recommendations to enable the near-term integration of DERs in Ontario;

- Engage in capacity-building, and particularly, assisting the interaction of utilities with other service providers, required to enable a high-DER future;
- Provide advice to government, regulators, agencies, and industry in general to advance the effective implementation of a smart grid in Ontario – including policy inputs for how DERs should be promoted or accommodated, while avoiding market distortions;
- Maintain a collective understanding of relevant developments in other jurisdictions
- Identify barriers to investment and the means to address them;
- Promote and support economic development by Ontario industry organizations and corporations and the export of smart grid expertise and knowledge;
- Ensure that participation on ETNO appropriately reflects the diverse aspects of the Ontario energy demand/supply chain;
- On a periodic basis, report to industry on progress towards achieving ETNO’s objective and provide a brief update between reports;
- Propose roles, responsibilities, information flows within the energy system; and
- Conduct information gathering to assist the above activities.

3. Scope

ETNO will:

- Focus on Ontario, but recognize developments occurring elsewhere and any necessary or opportune linkages
- Focus on electricity, but recognize convergence with other forms of energy, information technology, transportation and environmental considerations
- Focus on optimizing the use of resources that are connected to the energy system for the benefit of all Ontarians
- Not be an advocacy group for any one particular technology solution or vendor product
- Foster healthy competition and innovation in the provision of smart grid technologies
- Recognize and respect the interests of organizations participating in the network

4. Structure and Membership

4.1 Chair

ETNO will be led by a Chair. The Chair will be selected by the Independent Electricity System Operator (IESO)'s CEO. The Chair shall preside over meetings,

set agendas for meetings, manage and provide leadership for ETNO, and carry out any other duties that fall within the scope of these Terms of Reference.

As a founding organization of ETNO and in recognition of the importance of the organization to the evolution of Ontario's electricity sector, the IESO will support the Chair in carrying out their role by providing staff support for the administration and function of ETNO. IESO will also host and maintain webpages for ETNO on the broader IESO website.

4.2 Vice-Chair

The selection of the Vice-Chair will be subject to a joint nomination by the ETNO Chair and the Chair of the Corporate Partners Committee. The selection of the nominee would then be subject to a majority decision of ETNO members. The Vice-Chair will serve for a term of two years, or as otherwise determined by ETNO members. The Vice Chair shall preside over meetings in the Chair's absence and carry out any other duties, as delegated by the Chair, that fall within the scope of these Terms of Reference.

4.3 Members

ETNO members will be comprised of industry leaders at the executive level (CEOs, direct reports to the CEO or equivalent) and will represent a broad industry view. Participation will be voluntary. ETNO members will establish a work plan for the group and contribute to the implementation of the plan (e.g. by providing input or staff time to any working groups that may be established to carry out the work).

ETNO members will also be responsible for conveying ETNO's recommendations and advice to Ontario's senior policy, regulatory and electricity market leaders through the ETNO forum.

ETNO members will include a balance of representatives from the following categories:

- Regulated utilities (e.g. energy distributors; energy transmitters; generators) (seven members);
- Non-utility solution providers (e.g. DER developers, energy service companies, technology providers, and etc.); (seven members); and
- Energy ecosystem participants (e.g. energy consumers; academic institutions; other public sector actors, non-profit associations or institutions) (five members).

ETNO may also include observer members from:

- Various branches of the Ontario government, including but not necessarily confined to the Ontario Ministry of Energy, Northern Development and Mines;
- Various branches of the Canadian Government, including but not necessarily confined to Natural Resources Canada; and
- The Ontario Energy Board.

Subject to the above composition requirements, the admittance or removal of any member to or from ETNO's membership is further contingent upon a majority decision of ETNO members. The admittance of ETNO members would also be subject to a nomination from an existing ETNO member.

ETNO may also invite various groups and organizations to attend ETNO meetings from time-to-time as observers, without necessarily offering outright membership to those parties.

4.4 Working Groups

One or more working groups may be established to facilitate the objectives of ETNO, to deal with specific topics and issues, and to carry out directions as set out by ETNO. Working Groups will carry out the technical and analytical work of ETNO in order to provide options for consideration to ETNO members in accordance with the strategic direction provided by ETNO members. Working groups may be established as standing bodies, or ad hoc groupings assigned from time-to-time to a specific task assigned by ETNO.

Generally, working groups established by ETNO will be drawn from ETNO's members or staff of ETNO member organizations. However, topics and issues will likely surface that will require input from subject matter experts and non-traditional industry players (such as the transportation industry). As such, working groups may include other organizations from outside of ETNO, as designated by the Chair or Vice-Chair of ETNO.

4.5 Corporate Partners Committee

ETNO is supported by a Corporate Partners Committee that acts in an advisory capacity for topic areas selected by mutual agreement with ETNO. The operations of the Corporate Partners Committee are governed by a separate Terms of Reference maintained by that Committee and approved by ETNO. ETNO will annually review the Corporate Partners Committee Terms of Reference.

4.6 Member Costs

Should ETNO need to incur costs beyond those associated with meeting facilitation, such costs shall be discussed and agreed to in advance and allocated among members as determined by ETNO.

5. Annual Work Plan

ETNO will create an annual Work Plan at the beginning of each year. The Work Plan will detail the topics for both 6-month work streams that will occur in a given year. While the Work Plan will be intended to establish the topics for both 6-month work streams, the topics may be changed during the course of the year subject to a majority decision of ETNO members.

6. Formulation of ETNO Recommendations

Over the past several years, ETNO has provided recommendations to policymakers on a variety of topics, through both public reports and direct input to various organizations. As a general rule, ETNO seeks to reach a consensus viewpoint on recommendations amongst its members and by weighing the advice of the Corporate Partners Committee. Even when consensus has been reached, ETNO has noted in its various reports where differences of opinion may arise or otherwise need to be considered when formulating policy.

Deliberating on policy options and reaching a consensus view is primary function of ETNO. However, ETNO members recognize that over the course of the group's deliberations, different viewpoints on various topics that may be incongruent with the views, positions, or mandate of the organizations that they are representing. Under no circumstances shall a member organization be forced to endorse an ETNO recommendation they do not agree with. In situations where a consensus viewpoint on a recommendation proposal is not possible, ETNO may choose such measures that may include:

- Noting the nature of the impasse without recommendation in the resulting report or recommendation;
- Refocusing the recommendation on the appropriate means by which the issue might ultimately be resolved by policymakers;
- Formulating a neutral position where the issue is raised and more than one potential policy option is presented; or
- Allow for one or more dissenting opinions to be reflected in the report or recommendation.

7. Meeting Locations and Schedule

ETNO will meet as required to meet its objectives. Generally, meetings will be held at a location designated by the Chair's organization or at the offices of the IESO.

ETNO'S member organizations may be requested to host in-person meetings.

ETNO members are expected to attend all meetings of ETNO. On occasion it may be necessary to delegate an alternate representative to attend in their stead. In such circumstances, alternate representatives shall be from ETNO's Working Group – or otherwise be a sufficiently senior representative of that member's organization as to meet the spirit of the membership composition described in section 4.

If an ETNO member fails to attend three consecutive meetings or three meetings within a calendar year, they shall seek to meet with the Chair to discuss their future participation in ETNO and/or the participation of their organization. The ETNO Chair and Vice-Chair will review the ongoing participation of any member organization that fails to comply with this requirement to decide whether or not their participation should continue.

8. Terms of Reference

These Terms of Reference may be amended from time to time by a decision of a majority of ETNO Members.