

Feedback Form

Gas Phase-Out Impact Assessment – May 27, 2021

Feedback Provided by:

Name: Click or tap here to enter text.

Title: Click or tap here to enter text.

Organization: The Society of United Professionals

Email:

Date: 06/16/2021

To promote transparency, feedback submitted will be posted on the Gas Phase-Out Impact Assessment webpage unless otherwise requested by the sender.

Please provide feedback by June 17, 2021 to engagement@ieso.ca. Please use subject:

Feedback - Gas Phase-Out Impact Assessment

Questions

Topic	Feedback
<p>Are there additional considerations the IESO has not identified in defining the scope of the assessment to examine the reliability, operability, timing, cost and wholesale market implications of reduced emissions on the electricity system?</p>	<p>The Society notes that the May 27, 2021 presentation by the IESO states that the final product will not include “Demand impacts from decarbonization of the economy”. The Society believes there is value in increasing the scope to consider an alternate demand forecast that reflects current trends toward a more rapid electrification of Ontario to decarbonize many aspects of our economy. The Society believes that the 2020 Annual Planning Outlook was conservative in its estimates on the impact of electrification. We believe we are approaching an inflection point where demand for electric vehicles will no longer be driven by government policy, but rather by consumer preference and auto manufacturers’ production choices. As such, the Society believes that there could be significant demand growth in Ontario by 2030 beyond the IESO projections. We also believe that any shift in demand as a result of electrification of the province’s transportation network will impact Ontario’s load pattern for on peak vs. off peak. Both of these changes will have implications on the size and type of supply mix which will be required to provide reliable, low cost, low CO2 electricity for Ontario. Any examination of the possibility and impact of removing gas generation from Ontario’s fleet will be inaccurate if demand growth is different than the 2020 forecast. The Society suggests providing results for each of the three scenarios using two different demand forecasts to demonstrate if there is significant sensitivity of the results to changing demand.</p>

General Comments/Feedback

The Society thanks the IESO for the opportunity to comment on the scope of the current engagement on the Gas-Phase-Out Impact Assessment.

Introduction

The Society of United Professionals (“Society”) is the union of choice for more than 8,700 Ontario engineers, scientists, supervisors, accountants and other professionals. Over 7,500 of our members work in Ontario’s electricity sector, including in generation, distribution and regulation and oversight.

The Society is a nonpartisan organization that has advocated for evidence-based energy policy since its founding in 1944.

Comments on the scope of the engagement

The IESO has requested feedback on the following question:

"Are there additional considerations the IESO has not identified in defining the scope of the assessment to examine the reliability, operability, timing, cost and wholesale market implications of reduced emissions on the electricity system?"

The Society notes that the May 27, 2021 presentation by the IESO states that the final product will not include "Demand impacts from decarbonization of the economy". The Society believes there is value in increasing the scope to consider an alternate demand forecast that reflects current trends toward a more rapid electrification of Ontario to decarbonize many aspects of our economy.

The Society believes that the 2020 Annual Planning Outlook was conservative in its estimates on the impact of electrification. We believe we are approaching an inflection point where demand for electric vehicles will no longer be driven by government policy, but rather by consumer preference and auto manufacturers' production choices. As such, the Society believes that there could be significant demand growth in Ontario by 2030 beyond the IESO projections.

We also believe that any shift in demand as a result of electrification of the province's transportation network will impact Ontario's load pattern for on peak vs. off peak.

Both of these changes will have implications on the size and type of supply mix which will be required to provide reliable, low cost, low CO2 electricity for Ontario.

Any examination of the possibility and impact of removing gas generation from Ontario's fleet will be inaccurate if demand growth is different than the 2020 forecast. The Society suggests providing results for each of the three scenarios using two different demand forecasts to demonstrate if there is significant sensitivity of the results to changing demand.

Additional Comments on the presentation

While not specifically comments on the scope of the assessment, the Society would ask for clarification on two of the points made on scope in the presentation.

1. The Society requests clarification on the statement that the assessment is not intended to consider emission impacts resulting from other jurisdictions. Does this mean policy changes in other jurisdictions? Or does this mean greenhouse gas emissions from other jurisdictions being affected by decisions made in Ontario, either positively or negatively? We request clarification on this statement so that we can properly understand the assessment.
2. The Society requests clarification on the phrase "reduce emissions". Does this mean to reduce emissions below the levels seen in the base line "an average of electricity sector emissions from 2016 to 2020 will be used to avoid single year fluctuations from external factors like weather"

The Society thanks the IESO for this opportunity to provide input and we look forward to participating in the engagement process.