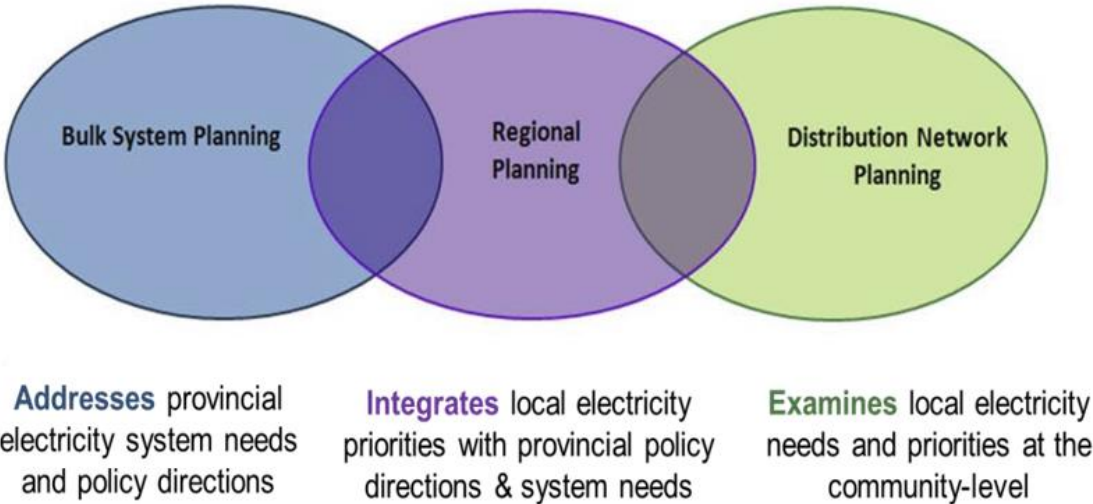


Regional Planning Review Advisory Group (RPAG)

Draft Terms of Reference

1. Introduction and Context

As shown in the Figure below, in Ontario, planning of the electricity system is typically conducted at three different levels: (1) bulk system planning (2) regional planning and (3) distribution network planning.



Bulk transmission system planning typically focuses on the adequacy and reliability of the 500kV and 230kV networks and addresses provincial electricity needs and broader policy direction, such as assessing the impact of refurbishment of nuclear facilities or renewable energy policies on the electricity system.

At the other end of the spectrum, LDCs carry out distribution network planning to address local electricity needs and priorities at the community level, such as building distribution infrastructure to connect a new subdivision or delivering energy efficiency programs.

Regional planning looks at each region's unique needs and considers conservation, generation, transmission and distribution, and innovative resources to meet these needs. Specifically, regional planning examines the capability of regional transmission systems (115kV or 230kV networks) to deliver electricity to the various communities and transmission supplied industrial customers in a region. It also serves as a forum for the IESO, local distribution companies, transmitters and interested stakeholders and communities to share information and coordinate local electricity priorities with provincial electricity needs and policy direction.

Regional planning has been conducted on an as needed basis in Ontario for many years. In 2012, as part of the "Renewed Regulatory Framework for Electricity: A Performance-based Approach" the Ontario Energy Board (OEB) convened the Planning Process Working Group ("PPWG") to develop a more structured, transparent, and systematic regional planning process. This group was composed of industry stakeholders including electricity agencies, utilities, and other stakeholders.

1.1. Ontario's Formalized Regional Planning Process

In May 2013, the PPWG released the Working Group Report to the OEB, setting out the new regional planning process. Twenty-one electricity planning regions in the province were identified in the Working Group Report and a phased schedule for completion of regional planning was outlined. The OEB endorsed the Working Group Report and formalized the process timelines through changes to the Transmission System Code and Distribution System Code in August 2013, as well as through changes to the OPA's licence in October 2013.

Following the merger of the IESO and the OPA on January 1, 2015, the regional planning responsibilities identified in the OPA's licence became responsibilities of the new IESO. The outcomes from the formalized regional planning process will help support the LDC and Transmitter in their rate and Leave to Construction application process.

The formalized Regional Planning Process has two distinct but interconnected components:

- The Regional Infrastructure Plan (RIP) identifies transmission and distribution infrastructure requirements in a specific area. This process is led by the lead transmitter.
- The Integrated Regional Resources Plan (IRRP), which is led by the IESO (former OPA), considers a range of integrated solutions, including non-wires and CDM to maintain reliability of supply to a local area.

By the end of 2016, the IESO, transmitter and local distribution companies successfully completed the first cycle of the regional planning process and evaluated all 21 planning regions in Ontario using the formalized approach discussed above. The OEB requires this process to be conducted at a minimum of every 5 years for each of the planning regions.

1.2. Regional Planning Process Advisory Group (RPPAG)

Recognizing the need to continuously monitor the process and to identify opportunities for improvements based on lessons learned, the OEB created a standing committee – Regional Planning Process Advisory Group (“RPPAG”) – in 2014 to continue the work of the PPWG. The RPPAG consists of representatives from the IESO, Hydro One, local utilities, local interests and other stakeholders (e.g., municipal representatives). The RPPAG is largely focused on enhancements to the RIP process (e.g., Wires only planning), as it is the area where the OEB has the legislative authority to make changes. In 2016, the OEB recognized the need to broaden the RPPAG’s mandate to some extent to better take the IRRP process into consideration. For example, to comment on the efficacy of the IRRP reports, as an IRRP report could also be submitted to the

OEB by an LDC or transmitter in support of a rate or leave-to-construct application. There is also a need to take into account the need for close coordination between the RIP and IRRP processes, i.e., non-wires options considered first, prior to wires infrastructure investments. However, the broadening of its mandate did not involve a detailed review of the IESO’s IRRP process (i.e. non-wires planning) and associated stakeholder engagement activities.¹

1.3. 2017 LTEP Regional Planning Review Directive

On July 1, 2016, the Electricity Act, 1998 was amended to include a new framework for energy planning in Ontario. This process includes the development of a technical report by the IESO on the adequacy and reliability of electricity resources with respect to anticipated electricity supply, capacity, storage, reliability, and demand. Using this technical information, the Ministry of Energy develops a Long-Term Energy Plan (“LTEP”), which details the policy direction for the energy sector. Concurrently with the release of the LTEP, the Minister of Energy may issue directives to the IESO and the OEB to develop plans with respect to the implementation of the LTEP (“Implementation Plans”).

¹ [OEB Response to RPPAG - Mandate](#)

The directive to the IESO was issued on October 26, 2017 and states that:

“With respect to the Government of Ontario’s objectives of modernizing the energy system and removing barriers to innovation, the IESO shall:

...3.3 Review and report on the regional planning process, taking into account lessons learned, and provide options and recommendations. The IESO may use existing processes and working groups in its review and consult stakeholders and experts, and, in addition to other details the IESO considers appropriate, shall:

- *identify barriers to the implementation of cost effective non-wires solutions such as conservation and demand management and distributed energy resources, and provide options to address any such barriers, including potential legislative or regulatory changes, as well as options to address local distribution capacity;*
- *propose approaches for improving the integration of regional planning with bulk system, distribution and community energy planning, and approaches to ensure alignment with market-based approaches;*
- *include consideration of improved planning for replacement of transmission assets reaching end of life; and*
- *propose approaches for streamlining the regional planning process.”*

In response to the directive, the IESO developed its Implementation Plan, which outlines the scope, key milestones and timelines to address these initiatives. According to the implementation plan, the LTEP Regional Planning Review will examine all aspects of the existing Regional Planning Process including Needs Assessment, Scoping Assessment, Regional Infrastructure Plan, Local Planning, Integrated Regional Resources Plan and Engagements. The review process will be initiated in 2018 and is expected to be completed by end of 2019.

2. Objectives and Scope

The IESO will establish the IESO Regional Planning Review Advisory Group (RPRAG) to specifically support the IESO’s work in the Regional Planning Process Review as part of the LTEP Implementation Plan over the next two years (2018-2019).

The IESO will ask RPRAG to carry out the following activities:

- Advise on the key regional planning process areas of focus for enhancement (e.g., what has worked well? What are some potential areas for improvement?)
- Advise on potential barriers to implementing non-wires solutions in regional planning
- Advise on opportunities for potential coordination between bulk system planning, community energy planning, regional planning, and market renewal

- Advise on the development of a coordinated, cost-effective, long-term approach to Replacing Transmission Assets at End of Life
- Provide feedback and advice on engagement approaches and materials, where appropriate

Recognizing that the input from the RPRAG could have an impact on the regional infrastructure planning enhancement activities to be undertaken by the OEB as part of their LTEP directive and by the RPPAG, the IESO will coordinate with OEB to ensure seamless integration between the various LTEP Initiatives and regional planning enhancement activities. The RPRAG will leverage the work that has already been done by the RPPAG and their expertise/experience.

3. Role and Composition of the RPRAG

3.1. Composition

The RPRAG will be comprised of at least 18 members with representation from the following categories:

- Transmitter(s)
- Local distribution companies
- Conventional resource developers and operators
- Non-wires service providers
- Natural gas distributor(s)
- Municipal representative(s)
- Indigenous Representative(s)
- Consumer group(s)
- Academia representatives and service provider(s)
- Industry/customer association(s)

Membership shall be limited to one individual per organization. Substitution / delegations will be permitted, with advance notification to the IESO, to enable effective contribution to the broad range of discussions planned for the RPRAG.

3.2. Roles & Responsibilities

The RPRAG will perform an advisory role and will not have decision making authority. It is a forum for members to share their perspective on regional planning, to discuss challenges and opportunities and to provide feedback/input into the LTEP Regional Planning Process Review on matters specifically outlined in Section 2 of this terms of reference.

Specifically, members are expected to:

- Commit time and resources to support the group such as attending scheduled meetings and reviewing information/materials and providing timely feedback/advice.
- Bring the views of the constituency or sector that the member represents and report any feedback back to their constituencies

3.3. Nomination and Appointment

Decision regarding membership for the advisory committee will be made by the IESO through an open call for nomination.

3.4. Qualifications

Due to the nature of the advice sought, qualifications of members are focused on having broad practical and technical experience as relevant to the needs of assessing regional planning activities and its process.

For consideration, as a member of the RPRAG, members must meet at least one of the following qualifications:

- Must represent a stakeholder group, (e.g., transmitter, distributor, municipalities, etc..) community and/or indigenous community's interests
- Must represent a regional or provincial focus of interests specifying which of the regional planning zone they represent
- Provide a broad representation of the sector or the category listed in Section 3.1.
- Demonstrated participation in or knowledge of regional planning activities and advisory groups such as RPPAG and Local Advisory Committees (LACs)
- Demonstrate relevance to regional planning activities of the individual's role within the organization they are affiliated
- Have memberships or affiliations in organizations where the individual's role as a representative can be translated into terms of value relevant in advancing work of the LTEP Regional Planning Review
- Have other qualifications including responsibility and/or participation in community engagement activities, technical certification, or qualifications as relevant to electricity system planning
- Ability to provide expertise in areas such as transmission and distribution enhancements, community energy planning and non-wires solutions developments

3.5. Appointment Period

Members will be appointed to the advisory group from June 2018 to Dec 2020 to specifically support the work that is being done for the LTEP Regional Planning Review.

3.6. Role of the OEB

OEB staff will participate as an active observer. From time to time, OEB staff will provide input to the RPRAG for its consideration, but will not be involved in making recommendations.

3.7. Remuneration

There is no remuneration for members for their participation.

4. Organization and Administration of RPRAG Meetings

4.1. Communication

Meeting materials, information and updates for the RPRAG will be shared with stakeholders and the broader through an IESO website. The website will include the RPRAG Terms of Reference, meeting agenda, formal presentations, written submission/responses and meeting minutes.

4.2. Meeting Administration

The RPRAG meetings will be chaired by the IESO Representative. The Chair may act as the facilitator for the meeting if needed. The Chair will be responsible for the role of time keeper.

The Chair will ensure all meeting support material, including a meeting agenda, is available to the RPRAG members in advance of meetings. The Chair will make best efforts to provide the agenda and meeting materials to members one week in advance of the meeting. The Chair will be supported by IESO staff in the development of the agenda and meeting materials. The meeting agenda and materials will be posted on the IESO website.

IESO staff will take meeting notes including actionable items and their resolution. Draft meeting notes, including accompanying written submissions, will be posted on the IESO website. The intent is to have the draft meeting notes available within two weeks following a meeting in order for members to provide feedback prior to the posting. Members should ensure their comments are properly captured in the meeting notes. IESO staff will finalize the meeting notes upon receipt of feedback and will endeavour to post the final meeting notes and related written submissions for participants prior to the next meeting.

RPRAG will adhere to the IESO engagement principles.

4.3. Frequency of Meetings

Regular RPRAG meetings will be planned for the period of Q3 2018 through Q4 2020, with anticipated meeting intervals of 4-6 weeks. Additional, ad-hoc teleconference discussions may be needed on an as needed basis.

4.4. In-Person Meetings & Conference Calls

RPRAG Meetings may take place in-person in downtown Toronto, or remotely via web/tele-conference enabling technologies. The invitation will be sent with reasonable notice so as to facilitate scheduling, indicating a proposed date and time, and allow for members to reply as to their availability.

4.5. RPRAG Sub-Committees

As required, the IESO may create “sub-committees” to consider and to investigate in detail a particular issue or subject related to Regional Planning Process Review. Sub-committees will report back to the RPRAG.

4.6. Written Submissions

Any participant may, from time-to-time, be requested to provide written submissions to support their position in order for all participants and the IESO to clearly understand the merits of the issue at hand and any solution being proposed. Any written submission will be provided within the timeframe specified and posted to the RPRAG web page.

APPENDIX A: PROPOSED ENGAGEMENT SCHEDULE

Timing	Activity	Audience(s)
May 3, 2018	Communicate Call for Nominations for RPRAG members	Public
June 13, 2018	Deadline for Applications	Public
June, 2018	Confirm successful RPRAG members	Applicants to RPRAG
July 2018- Dec 2019	<p>RPRAG meetings approximately every 4-6 weeks).</p> <p>July-Aug 2018: IESO to provide context for the LTEP Regional Planning Review & to seek input from the RPRAG on engagement approaches/materials where appropriate.</p> <p>Sept-Dec 2018: IESO to seek input from the RPRAG on key areas for enhancements, barriers to non-wires in regional planning, and proposed asset End of Life process</p> <p>Jan- Nov 2019: IESO to seek input from the RPRAG on draft recommendations</p>	Advisory Group
Q4 2018	IESO to host public/community engagement sessions	Public
Jan 2019	IESO to publish an interim report and seek feedback from RPRAG and broader public engagement	RPRAG, Public
Q2 2019	IESO to host public/community engagement sessions	Public
Dec 2019	IESO to publish final report	RPRAG, Public