

ADDENDUM TO THE YORK REGION INTEGRATED REGIONAL RESOURCE PLAN (IRRP) TERMS OF REFERENCE

August 2014

An integrated regional planning study for York Region, a sub-region of the Greater Toronto Area North region, commenced in 2011 to assess electricity supply and reliability over a twenty year period. The study is being conducted by a working group consisting of members from the Ontario Power Authority (OPA), PowerStream, Newmarket-Tay Power, Hydro One, and the Independent Electricity System Operator (IESO). The initial Terms of Reference for the study were agreed upon by the working group in 2011. These Terms of Reference detailed the objectives, scope, key assumptions, study team, activities, accountabilities, and deliverables for the planning study, and reflect the regional planning context of that time.

Since the initiation of this study, there have been a number of key regulatory and policy changes that impact how regional planning is to be conducted in Ontario. The Ontario Energy Board (OEB) has endorsed a more structured and formalized regional planning process, which sets out the responsibilities of the working group, the timelines, and the documentation requirements for planning in Ontario's 21 electricity regions. Additionally, the Premier of Ontario has endorsed recommendations regarding stakeholder and community engagement in regional planning and the siting of large electricity infrastructure.

Included in the new framework for regional planning is an integrated regional resource planning process. The York regional planning study is being transitioned to align with this process, as well as with the planning and siting recommendations. Specifically, the salient changes and areas of additional focus include:

- a 20-year study period encompassing the near term (up to 5 year), medium term (5-10 year), and long term (10-20 year);
- enhanced engagement activities;
- a more explicit timeframe for carrying out the planning and engagement activities; and
- the delivery of intermediate products (such as "handoff letters" as required).

Toward this goal of alignment, the working group is putting forward an addendum to the original Terms of Reference in the sections below. Specifically, this includes updated information on study activities, amendments to the current and ongoing objectives, scope, key assumptions, and the schedule for activities and deliverables reflective of current regulatory and policy direction. For reference, the original Terms of Reference can be found at: <http://powerauthority.on.ca/power-planning/regional-planning/gta-north/york>

1. Status of Study

Since the initiation of the study, a number of key activities have been undertaken. Based on load forecasts and system information and assumptions gathered in 2011, the working group has identified near, medium, and long-term needs for the area. The working group has also identified near-term projects to meet near and medium-term needs, and has had preliminary discussions of potential alternatives to meet medium and long-term needs.

The following near-term projects have been initiated as a part of this study:

- The Holland TS and the Parkway Belt projects; these projects were handed off to Hydro One in June 2013; and

- Vaughan #4 MTS on the Claireville-Minden line; this project is being developed by PowerStream.

2. Updates to the Study

In order to transition the York IRRP to the newly endorsed regional planning processes, the Working Group has agreed to make the following updates to the study:

- a) The OEB's regional planning process requires greater emphasis on developing a plan for the 10-20-year period. In order to account for uncertainty in this longer-term time horizon, the Working Group will use a scenario-based approach to long-term forecasting. The longer term demand scenarios will be developed based on economic drivers of electricity demand, such as growth in GDP and population, behavioural change in response to rising electricity price, as well as any relevant community and municipal plans. Additionally, the forecasts will be adjusted to reflect the new conservation targets and provincial load forecasts included in the government's 2013 Long Term Energy Plan.
- b) To facilitate a more informed dialogue with stakeholders and the local community, the Working Group will develop options to meet the community's long term electricity demand based on a combination of the following approaches:
 - **Community self sufficiency** – a community may address a local electricity need by implementing small scale and distributed resources, such as conservation and demand management, distributed generation, localized demand resources, smart grid and local storage;
 - **Centralized local resources** – a community may address a local electricity need by siting a centralized resource in the local area;
 - **Delivering provincial resources** – a community may address a local electricity need by bringing provincial resources to the local area via transmission and or distribution infrastructure.

3. Changes to Study Scope

In conducting the analysis for the study, additional insights and information have been made apparent. Primarily, it was determined that restoration needs identified on the Kleinburg tap would be better addressed in a separate study, with more opportunity to coordinate with other affected LDCs. Hydro One has recently completed a needs screen process for this area.

4. Defining the IRRP

The IRRP identifies and co-ordinates options to meet customer needs in York Region over the next twenty years. To address near- and medium-term needs (0-10 years), the IRRP will identify investments for immediate implementation, respecting the lead time for development. For the long term (10-20 years), the IRRP will identify options, but given forecast uncertainty and the potential for technological change, the plan will focus on maintaining flexibility for longer-term options and will not commit specific projects. Instead, the long-term plan will identify near-term actions to develop alternatives and engage with the community, to gather information and lay the groundwork for future options. These actions are

intended to be completed before the next IRRP cycle, so that their results can inform a decision should one be needed at that time.

5. Updated Activities and Tentative Schedule

	IRRP Activity	Deliverable	Lead Responsibility	Timeframe
1	Develop near term projects: a) Vaughan 4 MTS b) Holland c) Parkway	Hand-off and support letters (delivered in 2012/2013)	a) PowerStream b) and c) Hydro One	in progress
2	Load forecast update/ scenario development	Load forecast scenarios (10-20 years)	LDCs/OPA	completed
3	Discussions with Region/municipality planning staff on near-term plan		Working group and engagement sub-committee	Q3 2014
4	Prepare Draft IRRP report	Draft IRRP report	Working group	Q4 2014
5	Community/stakeholder engagement	Engagement feedback	LDCs/OPA	Q4 2014—Q1 2015
6	Prepare IRRP Report	IRRP report	Working Group	Q2 2015

	Implementation Activity	Deliverable	Lead Responsibility	Timeframe
1	Community/stakeholder engagement on long-term needs and alternatives	Local Advisory Committee; Engagement plan and materials; Engagement feedback	Engagement sub-committee	2015 onward
2	Implement actions to monitor growth and develop options for the future	Options developed and information gathered to support decision on long-term plan in next planning cycle	Working Group	2015 onward