

Memorandum

To: Stakeholder Advisory Committee

From: Jessica Savage, Director, Corporate & Indigenous Relations

Date: April 27, 2018

Subject: IESO Business Update – Stakeholder & Community Engagement

This memorandum provides an update on recent IESO engagement initiatives, including updates on regional and community engagement, First Nation and Métis Relations, the Long-Term Energy Plan (LTEP) Implementation initiatives, as well as an update on the IESO Technical Panel business.

Updates on active stakeholder engagement initiatives can be found in the monthly [Engagement Update](#) or on the [Active Engagements webpage](#).

Regional and Community Engagement Update

The IESO continues to focus on broadening and enhancing relationships with municipalities and the communities that they serve in 2018. Engagement with communities to discuss local electricity matters is ongoing and opportunities to build capacity in this sector will be leveraged through various initiatives including:

Regional planning engagement initiatives

- Engagement in the second cycle of regional planning will commence throughout 2018 on the development of an Integrated Regional Resource Plan (IRRP) anticipated or already underway in the following regions - York, Toronto, Windsor/Essex, Ottawa, Hamilton and potentially Kitchener/Waterloo/Cambridge/Guelph. In advance of engagement activities, the IESO will consider the feedback received from past members of local advisory committees for opportunities to enhance the engagement efforts in these regions. Last year's feedback indicated that more education to help prepare stakeholders is needed and that defined expectations for engagements are critical.

Exploring opportunities to align municipal energy planning with provincial planning

- The IESO has been participating in Energy Planning Alignment Workshops hosted through the Quality Urban Planning Systems of Tomorrow (QUEST) in partnership with Clean Air Council. These workshops are being held in York Region, Waterloo and

Ottawa and discuss ways to align energy planning within a community. This initiative is supported by the IESO's Education and Capacity Building Fund (ECB), with the goal of realizing an enhanced understanding of how community energy plans and regional planning can better align. Discussions will be ongoing in 2018.

Conferences and trade shows

- The IESO will continue to host information booths at conferences targeted at municipalities and the communities that they serve to provide information on regional planning and other initiatives being led by the IESO. Participation from the IESO in these conferences provides opportunities to foster and strengthen municipal and community relationships, offer information on the work that the IESO is doing, and for visitors to the booth to learn firsthand how the IESO can help to support initiatives at the local level. In Q1 2018, the IESO participated as an exhibitor and a speaker at the Rural Ontario Municipalities Association (ROMA) conference, as well as an exhibitor at the Economic Developers Council of Ontario. In May, participation is planned for four events:
 - Northwestern Ontario Municipal Association (NOMA) Annual Conference and AGM (Kenora) – IESO as a speaker and an exhibitor
 - Ontario Small Urban Municipalities (OSUM) Conference and Trade Show (Niagara Falls)
 - Federation of Northern Ontario Municipalities (FONOM) Annual Conference (Parry Sound)
 - Doors Open Toronto (Portlands Energy Centre, Toronto)

Regional Electricity Forums 2018/19

- Building on the success of the initial Regional Forums conducted in 2017, the IESO will provide more details in the coming weeks about future Forums for 2018/19.

First Nation and Métis Relations Update

Métis Update Meetings

In recent weeks, staff from the IESO and the Ministry met with the Métis Nation of Ontario, Red Sky Métis Independent Nation and Historic Saugeen to provide an update on the Long-Term Energy Plan and the LTEP initiatives that the IESO is now implementing. Each meeting was well received, with the IESO and the Ministry committing to building on the existing relationships with each group.

First Nation and Métis Relations Newsletter

First Nation and Métis Relations is preparing a newsletter slated for distribution to First Nation and Métis communities and organizations in late April or early May. This will be the fourth newsletter that First Nation and Métis Relations has produced for Ontario First Nation and Métis communities. The goal of the newsletter is to provide information on IESO programs, engagements and recent milestones of interest in the sector. The upcoming newsletter is anticipated to feature pieces on LTEP implementation, the evolution of the IESO support programs, the Indigenous Conservation Report, the conference report from the Indigenous

Community Energy Symposium that occurred in October 2017, and the recent announcements regarding the connection of 16 remote communities and the Gull Bay microgrid project.

First Nation and Métis Energy Symposia

Due to the success of the Indigenous Community Energy Symposium in October 2017, First Nation and Métis Relations will be organizing two additional symposia for First Nations and Métis in 2018. Like the 2017 Symposium, the 2018 versions will feature an array of speakers and opportunities for participants to share learnings and experiences with energy in their home communities.

Long-Term Energy Plan (LTEP) Implementation Update

Since the last SAC meeting, the IESO has received approval from the Minister of Energy on the IESO's LTEP Implementation Plan, [*Putting Ontario's Long-Term Energy Plan Into Action*](#). Implementation of the plan is well underway, including the completion of the first two deliverables for the plan – the First Nation and Métis Energy Support and Conservation Programs. All Q1 2018 deliverables have been met, and all projects are on-track as per the timeline of activities in the LTEP Implementation Plan.

Engagements have begun on several of the LTEP projects, as noted below. Engagement plans are currently under development for the longer-term projects with a focus on maximizing synergies such as joint engagements across some of the planning projects. Discussions are also underway with the Ontario Energy Board (OEB) to ensure coordination between the IESO and OEB implementation work on the Long-Term Energy Plan.

Below is a summary of the key activities and accomplishments across the LTEP projects for Q1 2018.

| LTEP Project | Key Activities/Accomplishments |
|--|---|
| First Nation and Métis Energy Support Programs | <ul style="list-style-type: none"> • LTEP deliverable met, on-time with the presentation of energy support options at a webinar on March 26 • Work continues on the launch of the programs • Web page: http://www.ieso.ca/en/sector-participants/engagement-initiatives/engagements/indigenous-energy-support-programs |
| First Nation and Métis Conservation Programs | <ul style="list-style-type: none"> • LTEP deliverable met, on time with posting of the Conservation Programming report on March 29 • Webinar scheduled for April 26 to discuss the report's recommendations and preliminary implementation details • Web page: http://www.ieso.ca/en/sector-participants/engagement-initiatives/engagements/indigenous-conservation-programming-report |

| LTEP Project | Key Activities/Accomplishments |
|-------------------------------------|---|
| Renewable DG Demonstration Projects | <ul style="list-style-type: none"> • Webinar held on March 29 to introduce the Renewable Distributed Generation Integration Fund and Virtual Net Metering as the first investigation topic • Feedback due April 12 • Web page: http://www.ieso.ca/en/sector-participants/engagement-initiatives/engagements/renewable-distributed-generation-integration-fund |
| Energy Storage | <ul style="list-style-type: none"> • Draft Terms of Reference for the Storage Advisory Group posted on April 5 • Requests for membership due April 18 • First meeting to take place in early May • Web page: http://www.ieso.ca/en/sector-participants/engagement-initiatives/engagements/energy-storage-advisory-group |
| Power-to-Gas Pilot Projects | <ul style="list-style-type: none"> • Draft Request for Expression of Interest (RFEI) posted on April 9 • Webinar held on April 12 to review the draft RFEI • Feedback due on May 4 • Web page: http://www.ieso.ca/en/sector-participants/engagement-initiatives/engagements/power-to-gas-request-for-expression-of-interest |
| Bulk System Planning Process | <ul style="list-style-type: none"> • Review of existing processes linked to bulk planning system initiated • Jurisdictional scan RFP released on April 9 |
| Regional Planning Process | <ul style="list-style-type: none"> • Information gathering underway to support the review of the existing regional planning process • Initiative underway to develop an approach to better consider non-wires alternatives in the regional planning process • Jurisdictional scan RFP released on April 9 |
| Transmission Assets End-of-Life | <ul style="list-style-type: none"> • Working Group established, including transmitter and LDC representatives; first meeting was held and the initiative's scope was agreed upon by all participants; information gathering has begun • Jurisdictional scan RFP released on April 9 |
| Transmission Procurement | <ul style="list-style-type: none"> • Review of procurement processes in other jurisdictions complete; jurisdictional scan RFP released on April 9 to provide additional information • Research undertaken to develop a straw man proposal for discussion with stakeholders including legislative and regulatory issues as well as identifying the types of facilities that could be eligible for a competitive process • RFI related to the development of benchmarks for the costs of transmission facilities and transmission design standards |

| LTEP Project | Key Activities/Accomplishments |
|----------------------|--|
| Customer Reliability | <ul style="list-style-type: none"> • Data collection and research underway to inform whether there is a need to revise IESO reliability criteria • Jurisdictional scan RFP released on April 9 |

Technical Panel

The Technical Panel (TP) proposes and review amendments to the Market Rules, and as requested, advised the IESO Board of Directors on specific technical issues relating to the operation of the IESO-administered market. Members of the TP are representative of stakeholders in Ontario’s electricity sector. A current list of membership can be found on the [Technical Panel Membership webpage](#).

The Technical Panel recently announced two significant changes to the TP membership. The first is with respect to the Panel’s chairperson with Mike Lyle replacing Chuck Farmer in that capacity and the second membership change is the appointment of Jessica Savage as the IESO Representative who has replaced Barbara Ellard. The IESO Board acknowledges and appreciates the efforts of both Chuck and Barbara for their leadership and navigation of the Technical Panel over the past few years.

At their April 17 meeting, the Panel discussed and determined that the following two proposed market rule amendments were ready to post for broader stakeholder comment and ready for the IESO Board’s consideration respectively:

- Regulated Settlement - Deletion of Rural and Remote/Debt Retirement Charge
- Station Service Obligation

The IESO will consider the comments received on the Regulated Settlement proposed amendments and will consult with the Panel at the May 22 meeting whether the amendments are ready for the IESO Board’s consideration. Additionally, the Capacity Exports Information Item from the March 6 meeting is scheduled for the May 22 meeting to review the proposed rule amendment and determine if the Panel feels it should be posted for broader stakeholder comment.

The April 17 meeting also included a presentation on the Demand Response enhancements as an Information Item.

For more information or to review the materials from the April 17 meeting, visit the Technical Panel [webpage](#).