Regional Electricity Planning East Lake Superior Engagement Plan

INTRODUCTION

This Engagement Plan outlines the background, objectives and proposed timelines to inform and seek input on the development of the 2021 East Lake Superior Integrated Regional Resource Plan (IRRP).

Examples of the input the IESO is seeking to inform the IRRP for the region can include:

- Population and growth rate forecasts and information on local economic development,
 projected growth and future plans, especially around areas of intensification to determine the electricity demand forecast and needs for the region
- Options to address local needs identified through the planning process over the near- (up to five years) to medium-term (up to 10 years)
- Opportunities to align community energy plans, community-based energy solutions, and other economic development plans, for implementation in the medium to long term (up to 20 years), with the IRRP

The IESO encourages all parties with an interest in participating in this regional planning initiative to contact to engagement@ieso.ca.

This engagement plan may be subject to review and update as the process evolves.

ABOUT REGIONAL ELECTRICITY PLANNING

Regional electricity system planning is about identifying and meeting local electricity needs to ensure the reliability of electricity supply in each of the 21 electricity regions across the province. Planning for each region involves the creation of a 20-year outlook, considering the region's unique needs and characteristics, conservation initiatives and opportunities, local generation, transmission and distribution, and innovative resources. Regional planning is, however, only one part of system planning, which includes bulk and distribution system planning that also has the goal of maintaining a reliable and cost-effective electricity supply.



Each of these regions goes through a formal planning process at least once every five years, though at different times. The process unfolds differently each time depending on the region's unique needs and concerns.

More information about the regional electricity planning process can be found in the Appendix.

REGIONAL ELECTRICITY PLANNING IN EAST LAKE SUPERIOR

The ELS region extends from the Township of Dubreuiville in the North to the town of Bruce Mines in the south and includes the City of Sault Ste Marie and the Township of Chapleau. The region is roughly bordered geographically by Highway 129 to the east, Highway 101 to the north, Lake Superior to the west and St. Mary's River and St. Joseph Channel to the south (see map).

The current regional planning cycle began with the Needs Assessment report published by Hydro One on June 14, 2019, which identified areas that require further review and assessment and may need to be coordinated with broader regional planning.



Following the Needs Assessment, the IESO engaged on and led the development of the Scoping Assessment Outcome Report that was published on October 4, 2019. The report determined that an integrated approach should be studied to address local identified needs. This study will result in an Integrated Regional Resource Plan (IRRP) for the East Lake Superior region for this planning cycle. An East Lake Superior Technical Working Group, led



by the IESO, including the transmitter and LDCs serving the region, will develop this IRRP taking into consideration input from communities and stakeholders.

Members of the Technical Working Group include:

- Algoma Power Inc.
- Chapleau PUC
- Hydro One Distribution
- Sault Ste Marie PUC
- Hydro One Networks
- Hydro One Networks Sault Ste

The IRRP will include recommendations to maintain reliability of supply to the region over the next 20 years. To develop the IRRP, the Technical Working Group will work to gather data, identify needs and issues, examine integrated options, recommend actions, and develop an implementation plan.

The goal of the IRRP is to illustrate the integration of forecast electricity demand growth, energy efficiency and demand management with transmission and distribution system capability, relevant community plans, other bulk system developments, and the potential of distributed energy resources (DERs). Both non-wires and wires solutions will be examined and communities and stakeholders will be engaged on the options.

The first cycle of regional planning was conducted in late 2014, which did not identify needs requiring an integrated approach or regional coordination over the next 10 years. Any identified needs required highly localized solutions, and projects were managed by the local transmitter.

2021 EAST LAKE SUPERIOR INTEGRATED REGIONAL RESOURCE PLAN

The Technical Working Group is responsible for gathering data and assessing the adequacy and security of the electricity supply to East Lake Superior, and, through this engagement, recommend an integrated set of actions to meet the needs of the region. Their work will focus on identifying and addressing the following priority areas:

1. Ability of the local transmission network to deliver a reliable supply of electricity to customers in the area:



- Third Line Transformer Station (TS) overload upon the loss of one autotransformer resulting in planning criteria to be exceeded by the second autotransformer
- No. 1 Algoma circuit overload resulting from the failure of other circuits supplying the region (No. 2 Algoma and No. 3 Algoma) or a breaker failure at Patrick St. TS
- 2. Ability of the electricity system to restore power to those affected by a major transmission outage within reasonable timeframes:
 - Restoration needs following the loss of step-down transformers at Andrew TS, Batchawana TS, Echo River TS or Goulais TS
- 3. Other considerations that may affect the needs and potential solutions to be examined in the IRRP including the impact of:
 - Distributed generation on reducing electricity demand, and enhance reliability of the local transmission system (e.g. approximately 60 MW of solar PV generation facilities in the region)
 - Expiration of over 120 MW of generation facility contracts between 2029-2031
 - Establishment of a ferrochrome production facility in Sault Ste. Marie
 - Growth of new or existing industrial customers

ENGAGEMENT GOAL, OBJECTIVES AND SCOPE

The objective of this engagement plan is to ensure that interested stakeholders and community members understand the scope of the IRRP and are in a position to provide input into the development of the document.

The IESO is seeking input to ensure the IRRP:

- Aligns with community perspectives on local needs
- Incorporates options to meet the growing electricity demand in the East Lake Superior region
- Ensures a reliable source of electricity in the region over the next 20 years.



Through the planned initiatives to engage stakeholders and community members, the IESO will seek input on:

- Population and growth rate forecasts
- Local economic development
- Plans and projects that may have an impact on local growth rates and electricity demand (e.g. regional transit expansion, electrification, large incremental loads connecting to the system, significant DER projects, etc.)
- Options for addressing local electricity needs, including non-wires alternatives (e.g., CDM and DERs) and local support and interest for developing those options in the near- (five year), medium- (10 year) and long-term (20 year)
- Information from municipal plans including the implementation of those projects that could impact electricity use, specifically from community energy plans, energy reporting/CDM plans, official plans and secondary plans

Topics out of scope for discussion include:

- Projects and plans already underway as part of the previous planning cycle
- Related bulk system transmission studies underway
- Policy-level decisions or direction
- Existing program rules

INTERESTED PARTIES

Input into the development of the IRRP is encouraged and welcomed from any community member or interested stakeholders, however, those that may be particularly interested include:

- Municipalities within the planning area (particularly planning, sustainability and economic development staff)
- Indigenous communities (i.e. Chapleau Cree First Nation, Chapleau Ojibwe, Garden River, Michipicoten, Brunswick House, Batchewana)
- Large industrial consumers
- Generators
- Consumer groups and associations (e.g. community/resident associations, Business Improvement Areas, homebuilders associations, etc.)



- Other public sector organizations (e.g. hospitals and school boards)
- Local Boards of Trade and/or Chambers of Commerce
- Academia and research organizations (e.g. colleges and universities)
- Environmental groups and associations
- Energy service providers

The IESO will also conduct targeted outreach to specific stakeholders and communities where specific local needs and issues need further investigation. The content and outcome of these discussions will be shared through the other activities that will be undertaken as part of this engagement initiative.

APPROACH AND METHODS FOR DEVELOPING THE IRRP

Any work done with the community and interested stakeholders will be conducted in accordance with the IESO's <u>Engagement Principles</u>.

This is a public engagement process. Materials will be posted on the dedicated webpage: http://www.ieso.ca/en/Sector-Participants/Engagement-Initiatives/Engagements/Regional-Electricity-Planning-East-Lake-Superior. In addition, any information/input supplied by interested parties will be posted (with consent).

Input will be collected from interested parties through a number of different channels, including face-to-face meetings, public webinars, information sessions, conference calls and/or written feedback. The IESO will consider all relevant input and illustrate how feedback was considered in the production of the final recommendations.

This engagement initiative will be supported by:

- Public engagement to ensure that all interested parties have an opportunity to provide input in the development of the East Lake Superior IRRP. Details will be posted on the engagement webpage
- Targeted outreach with specific stakeholders, where necessary. A summary of any discussions will be shared.



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PROPOSED ENGAGEMENT SCHEDULE FOR EAST LAKE SUPERIOR IRRP

Date	Event/Objective	Expected Actions
June 4, 2020	 Webinar #1: Provide update on planning activities underway Summary of preliminary regional demand forecast and needs and draft engagement plan 	 Seek input on draft engagement plan, electricity demand forecast and preliminary needs identified Post feedback and IESO response to feedback, including rationale
Late Q3/ early Q4 2020	 Webinar #2 Overview of options screening Overview of range of potential solutions to be examined Outline next steps 	 Seek input on options screening and range of potential solutions to be examined Post feedback and IESO response to feedback, including rationale
Q1 2021	 Webinar #3 Overview of IRRP and recommendations, including details on evaluation of alternatives Discuss considerations for communities and interested parties to consider in their medium- to long-term planning 	 Seek input on further discussions needed to initiate near-term projects Post feedback and IESO response to feedback, including rationale
Q1 2021	Finalize East Lake Superior IRRP	Post final reportClose engagementConduct survey on engagement process

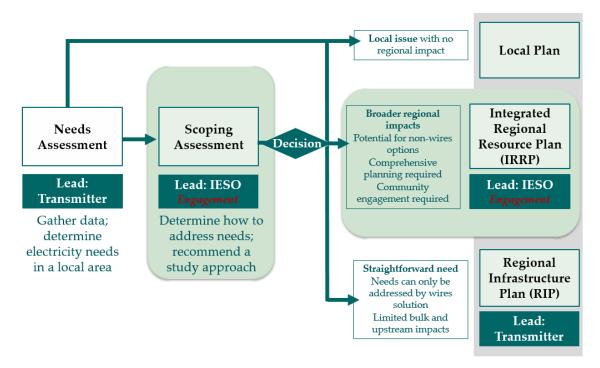


APPENDIX - REGIONAL PLANNING PROCESS

Regional planning is ongoing, with electricity reliability evaluated at least once every five years in each region. Community engagement is an critical part of the planning process and the IESO encourages all interested parties to join this discussion to:

- Learn more about the regional planning process and local electricity needs
- Provide input into shaping a community's electricity future by discussing options for meeting local needs, including applicable non-wires alternatives, and discussing the local community's support for development of these options
- Share perspectives for future growth in the area, and how to work together to shape the area's future electricity supply
- Determine opportunities for coordinating and aligning local planning activities and initiatives with the regional planning process

The following diagram illustrates the steps, parties and outcomes of the regional planning process.



For more information, visit the Regional Planning Process webpage at: http://www.ieso.ca/en/get-involved/regional-planning/about-regional-planning/how-the-process-works

