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Frank D'Andrea
Vice President, Reliability Standards and Chief Regulatory Officer

BY EMAIL

March 15, 2021

Independent Electricity System Operator
120 Adelaide St. W. #1600
Toronto, ON M5H 1T1

Re: Regional Planning Process Review webinar – February 22, 2021

Following the February 22, 2021 Regional Planning Process Review engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the engagement process going forward.

Hydro One recommends that the IESO continue engagement with the sector and key affected stakeholders throughout the implementation of the enhancement of the regional planning process. Please find Hydro One's detailed comments below.

Hydro One appreciates the opportunity to provide feedback and the IESO's consideration of its comments.

Sincerely,

A handwritten signature in cursive script that reads "Frank D'Andrea".

Frank D'Andrea

Feedback Form

Regional Planning Process Review webinar – February 22, 2021

Feedback Provided by:

Name: Frank D’Andrea

Title: Vice President, Reliability Standards and Chief Regulatory Officer

Organization: Hydro One

Email: [REDACTED]

Date: March 15, 2021

Updates on Regional Planning Process Enhancements

Topic	Feedback
How would stakeholders prefer to receive updates about these regional planning enhancements?	<p>Further active engagement is required on the implementation of the regional planning enhancements, beyond keeping stakeholders informed about IESO activities.</p> <p>Hydro One recommends that the IESO work closely with the most impacted stakeholders (i.e. electricity distributors and transmitters) in implementing the IESO-led enhancements to the regional planning process. For example, Hydro One is interested in engaging on: the process and stages of the regional planning process to ensure clarity and drive efficiency; and the streamlining and standardizing of load forecast development. Such engagement would help to ensure that the implementation of the enhancements achieves the desired outcomes.</p>

Topic	Feedback
	Hydro One will continue to participate actively in the OEB's Regional Planning Process Review Advisory Group (RPPRAG) to provide input on the OEB-led enhancements, including those related to the scope of the IRRP and RIP products, end-of-life asset replacement and cost allocation.

General Comments/Feedback

Hydro One had submitted feedback on April 14, 2020 on the Regional Planning Process Review Straw Man Design that indicated support for many of the IESO's recommended enhancements and provided advice on the implementation of the proposed enhancements. As the recommendations in the Final Report do not appear to have changed much from those in the 'Straw Man Design', Hydro One believes that much of the feedback provided in April 2020 continues to be relevant to the IESO's next steps. Hydro One is seeking clarity from the IESO on how the IESO will consider previous feedback provided by stakeholders in the implementation of enhancements and how this consideration will be incorporated with the additional engagement recommended above.

Hydro One continues to believe that the IESO and OEB should ensure implementation of the recommended enhancements to the Regional Planning Process:

- appropriately balance enhancing the process without making it overly complex and burdensome;
- continue to provide asset owners with the flexibility required to plan, manage and operate their assets; and
- empower asset owners to make the right decisions for the benefit of their customers.

There are opportunities to improve the Integrated Regional Resource Plan (IRRP) load forecast templates that provide guidance for LDCs and create a process for continuous improvements. Specifically, Hydro One suggests that the template could be updated by adding guiding principles and providing clarity on what information is required with regards to DERs, storage, etc. Hydro One suggests creation of a sub-committee primarily made up from LDCs that would annually review the load forecast templates and resulting forecasts to identify any incremental improvements. Finally, Hydro one notes that there is value in reviewing the load forecasts at each stage of the planning process to identify any material changes (e.g. demographic/economic changes) that could impact the outcomes of the planning study.

As noted above, Hydro One will continue to participate in the OEB's RPPRAG on the implementation of the OEB-led recommendations listed below. Hydro One agrees that these recommendations are appropriately led by the OEB and has provided some comments below:

- Scope of the IRRP and Regional Infrastructure Plan (RIP) products
 - o Hydro One notes that both processes have notable benefits and should be retained as they do not have any duplication of effort.

- End-of-Life (EOL) asset replacement
 - o Hydro One believes that Hydro One has already implemented a process to collect and provide EOL equipment information and assessment effectively over the last three years and it does not require any material changes.
 - Hydro One, along with the Regional Planning Study Team and the IESO, already undertook a review and implemented a process to collect and share information with respect to major high voltage equipment expected to reach its EOL within 10 years.
 - The EOL equipment information used by the Regional Planning Study Team helps identify whether the EOL asset is required in its current form or modifications are required, and if so, the underlying goal is always to “right size” the replacement asset.
 - The Regional Planning Study Teams have proven that they consistently meet the objectives of establishing a coordinated, cost-effective, long-term approach to replacing these assets.
 - Outside of the regional planning process, Hydro One also provides relevant updated information regarding EOL equipment for Bulk System Planning studies.
 - o In addition, Hydro One notes that the asset owners are the subject matter experts for their equipment and responsible for more than just determining when assets are approaching EOL. Asset owners are responsible for managing and operating in a manner that ensures safety and reliability at all times, customer and DER protection coordination, outage scheduling, etc. These responsibilities inform investment decisions and go beyond what is captured in a list of EOL assets.
 - o Hydro One is prepared to develop and draft “Regional Planning Guiding Principles for End-of-Life Equipment replacement” as part of the RPPAG review conducted by the OEB.

- Cost Allocation
 - o The Regional Planning process is not necessarily the best forum to discuss cost allocation or determine the distribution of costs, as this responsibility lies with the OEB; however, the cost allocation discussion should be informed by the planning needs and options.
 - o Hydro One acknowledges and agrees that all stakeholders should have a baseline understanding regarding cost allocation from the TSC perspective. There is also an opportunity to clarify the rules and simplify the process.