

Final Engagement Summary Report

Date: November 28, 2023

Development of an IESO Competitive Transmission Procurement Process

Engagement Initiated: September 2018

Engagement Description

Following amendments to the *Electricity Act, 1998* that came into force in 2016, the IESO was given the authority, under an approved implementation plan or directive, to enter into contracts for the development of transmission systems or any part of such systems. On October 26, 2017, the IESO was directed by the Minister of Energy to create an implementation plan outlining how it will develop a “competitive transmitter selection or transmission procurement process”. In January 2018, the IESO submitted its implementation plan, which was approved by the Minister of Energy on February 15, 2018.

The IESO launched this engagement to seek input into the development of a competitive transmitter selection or transmission procurement process, including identifying any potential amendments to legislation, regulation, policies or programs that would support implementation of the process.

Engagement Objective

The objective of this engagement was to seek input into the development of a competitive transmitter selection or transmission procurement process. The IESO’s goal was to inform a future IESO transmitter selection process.

To achieve this goal, the IESO engaged with a broad set of stakeholders through public and targeted engagements, and sought feedback from communities, including Indigenous Communities.

Engagement Approach and Actions Taken

This stakeholder engagement was a public engagement process and was conducted in accordance with the IESO’s approved [engagement principles](#).

Prior to launching the formal public engagement, the IESO initially engaged with other Independent System Operators (ISOs) with experience in competitive transmission through a jurisdictional scan. Following those efforts, in September 2018, the IESO posted a draft engagement plan and backgrounder document to the engagement page.

In November 2018, the IESO launched engagements to solicit feedback on the development of the competitive process at the IESO's Technical Planning Conference by hosting a discussion panel with other ISOs and Nextera. In November 2019, an information session was presented to Indigenous community representatives at the IESO's First Nations Symposium.

Following these public information sessions, IESO held one-on-one meetings with transmitters in late 2019 to review and seek feedback on transmission technical and design standards for competitively selected transmission facilities. The IESO worked with Infrastructure Ontario in early 2020 to carry out a market sounding to solicit specific input from a range of transmission industry stakeholders, including existing and prospective transmission developers and other stakeholders with specific technical, community, and financial expertise in transmission development.

Conclusion

The IESO elected to pause this work to focus on the competitive procurement of new generation and storage resources to meet more immediate system needs. Since this time, the IESO's analysis in the Pathways to Decarbonization (P2D) report regarding procurements and planning efforts, as well as the provisions set out in the province's Powering Ontario's Growth (POG) plan, are shaping how the IESO plans the system and addresses future transmission builds on a system that will be two to three times the size it is today. In meeting these growing needs, keeping electricity affordable is an important consideration in the future expansion of the transmission system and is key to enhancing Ontario's clean energy advantage, enabling industrial electrification and growth, and supporting electric vehicle adoption.

At the request of the Minister of Energy, the IESO will collaborate on pre-development work on a transmission selection framework in a new and future engagement. This work to ensure there is a fair and efficient process for selecting transmitters as we look to reinforce our transmission system as part of our work to decarbonize. As the sector continues to diversify with different market participants, we have also seen an interest from a variety of stakeholders in building transmission systems. One of IESO's key principles for the transmission selection framework will be to design a process that creates opportunities for Indigenous partners, stakeholders, and transmitters to compete to build transmission at the lowest possible cost and to unlock future economic growth and clean energy development across Ontario.

All materials will continue to be available on the IESO website under "[Completed Engagements](#)". Other engagement initiatives on related topics have commenced which might be of interest to those participants who participated in the engagement process back in 2018-19. For questions or further information please contact engagement@ieso.ca.