

Transmitter Selection Framework – June 19, 2024

Feedback Provided by:

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Following the June 19, 2024 Transmitter Selection Framework (TSF) focused engagement session, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by **July 5, 2024.** If you wish to provide confidential feedback, please submit as a separate document, marked “Confidential”. Otherwise, to promote transparency, feedback that is not marked “Confidential” will be posted on the engagement webpage.

Topic	Feedback
<p data-bbox="181 226 727 298">Feedback on Transmission Planning Engagement Roadmap:</p> <p data-bbox="181 331 727 508">Do you have feedback on the IESO’s transmission planning engagement roadmap, including opportunities to be informed or to participate in the development of transmission plans?</p> <p data-bbox="181 541 727 583">Slide Reference: 16-22</p>	<p data-bbox="727 226 1521 625">The current Bulk System Planning Process provides a good roadmap for planning and identifying opportunities to provide enhancements to meet the needs of customers and communities. Through ongoing engagement and partnerships established with Indigenous communities, we consistently receive feedback that increased early involvement and engagement with Indigenous communities, to ensure their perspectives and priorities are reflected within regional planning, are critical and this is something which Hydro One supports and encourages.</p> <p data-bbox="727 667 1521 856">We are also told during our engagements that capacity continues to be an issue, therefore, ensuring that Indigenous communities are provided with the resources to meaningfully sustain this type of participation is also critical.</p> <p data-bbox="727 898 1521 1255">While improvements to the process are always valuable and encouraged, changing the process purely to invoke competition may not provide optimal and timely system solutions. Competitive tension as outlined during the engagement session may also impact the ability of the electricity system to meet growth and socio-economic priorities, given the potential for longer lead times for planning, development and completion of critical low-carbon-enabling transmission infrastructure.</p> <p data-bbox="727 1297 1521 1528">Customers and communities are often looking for certainty and expedited efforts to connect to the electricity grid. Partnerships, innovative solutions to advancing projects more quickly, and supporting province-wide electrification objectives should be strongly considered in transmission planning and development.</p>

Topic	Feedback
<p>Sufficiency of Bi-Annual Updates:</p> <p>Are bi-annual updates on TSF-related transmission studies and projects sufficient to provide Indigenous communities and transmission developers with adequate lead time to mobilize resources and actively participate in the transmission planning process?</p>	<p>Hydro One believes that the current cadence of studies provides ample opportunity to participate in the transmission planning process.</p> <p>As noted above, as informed by our engagement with Indigenous communities and the feedback we are receiving, there is room for increased and sustained Indigenous participation in the planning process.</p>
<p>Effective Performance and Functional Requirements from Other Jurisdictions:</p> <p>From the perspective of developers, is there a level of specification regarding transmission performance and/or functional requirements that have worked well in other jurisdictions?</p> <p>Slide Reference: 27</p>	<p>No comment at this time.</p>
<p>Evaluating Technical Considerations within Transmission Proposals:</p> <p>The IESO is seeking developer input on other technical evaluation considerations used in other jurisdictions that should be considered within project evaluation for TSF.</p> <p>Slide Reference: 28</p>	<p>There needs to be clarity on what is considered a reasonable approach regarding technical requirements, in addition to clarifying the financial viability and qualifications of participants, so that only qualified entries can be accepted. Additionally, greater clarity on the timelines of the Transmitter Selection Framework would be beneficial. The criticality and dependency on the execution and long-term operations is fundamental for Ontarians and that needs to be included in the entry criteria early to set the right expectations.</p>

Improving Developer Participation:

How can the IESO better enable developers and transmitters to participate in the development of alternative solutions during the Bulk Study Planning Process? For example, what information (general or specific) do developers need to adequately bring a solution idea or proposal forward for the IESO's consideration in the development of a system plan?

During the June 19, 2024 engagement session the IESO thoroughly described the Bulk Study Planning Process and the deliverables of the Annual Planning Outlook (APO). On Slides 22 and 23 of the presentation, information was provided on how the TSF could communicate in multiple ways as to which projects might be eligible for competitive procurement.

However, the question posed here to the left raises a different question not fully covered in the presentation, namely, the development of alternative solutions during the planning process due to broader participation.

The Bulk Study Planning Process is currently run across Ontario in 21 different planning regions and considers a wide range of factors such as energy conservation, generation, transmission infrastructure and innovation. The current process allows for broad, coordinated stakeholder engagement. The recommendations for each region are derived from detailed and interactive planning amongst the stakeholders that currently participate in system management. Those stakeholders include, but are not limited to, the IESO, generators, transmitters, distributors and customers. They are likely in the best position to articulate solutions that meet the needs of their customers.

The presentation was unclear on how the determination of a Transmitter Selection Framework requires incremental layers of participation beyond what is already in place. Given the significant amount of work that goes into each regional plan, proliferation of more "alternative solutions" may not lead to efficient outcomes or a refined process. Moreover, participants anticipating in a subsequent competitive process may be inclined to withhold beneficial ideas rather than share them openly in a public process.

Hydro One encourages the IESO to outline more clearly how the inclusion of "alternative solutions" would lead to a better outcome for the system and customers, particularly with the backstop of the regulatory process administered by the Ontario Energy Board, to ensure the lowest average weight of capital and cost recovery prudence to benefit customers.

Topic	Feedback
<p>Indigenous Participation and Support Programs:</p> <p>For Indigenous participation in transmission planning, is the Indigenous Energy Support Program helpful in addressing capacity barriers to participating in IESO transmission planning processes? Is additional support needed?</p>	<p>Hydro One believes it is most appropriate for Indigenous communities to directly respond to this question. As noted above and reflective of what we are hearing from communities in our ongoing engagement and established partnerships, Hydro One recommends ongoing efforts to ensure that there be sufficient funding for meaningful and fulsome engagement and long-term participation by Indigenous communities.</p>

General Comments/Feedback

Thank you for the opportunity to provide feedback.

Long-Term Stability: Hydro One believes that it is important to prioritize the long-term energy stability of Ontario and support our electrification and economic growth priorities. There is a meaningful risk that increasing participation levels of external stakeholders could over-burden the current process and delay the implementation of critical electricity infrastructure.

TSF Eligibility Criteria: On slide 11 of the presentation, the IESO identified potential future TSF eligibility criteria. Hydro One respects that the evolution of the TSF may lead to broadening the eligibility of projects. That said, the potential inclusion of line expansions and how this may impact existing transmitters raises many questions in light of the lack of additional context.

For clarity, consistency and certainty within the industry, the IESO should consolidate around a single set of eligibility criteria and leave expansions to a future process.

As highlighted in the presentation by the OEB, customer connections are selected by the customer and the process is already inherently competitive. Without further context, Hydro One agrees with the OEB that the inclusion of customer connections for potential future TSF eligibility is confusing.

Glossary of Terms: Words like 'enhancement', 'expansion', and 'reinforcement', are often interchanged with each other and that is not helpful to the process. A clear glossary of terms would be helpful to ensure that all participants understand the proposal. For clarity, we respectfully submit that enhancements to current infrastructure (refurbishments) should not, at any time, be eligible for the TSF.