Transmitter Selection Framework FAQ v1

Frequently Asked Questions

1. What is a "Transmitter"

A transmitter is an organization or entity which owns or operates a *transmission system*. A *transmission system* refers to the infrastructure used for transmitting electricity in Ontario (i.e. moving bulk electricity from generation sites to where it is needed). Transmitters are required under the *Ontario Energy Board Act, 1998* (OEB Act) to hold a licence.

2. What is the Transmitter Selection Framework (TSF), and what is its intended purpose?

The TSF represents an evolving approach to identifying potential transmitters that will be responsible for developing future transmission projects. In response to the Minister of Energy's <u>request</u>, the IESO will design and seek feedback on a proposed TSF, and will report back to the Minister in summer 2024 on its design.

The TSF is intended to provide for a more transparent and predictable process for selecting transmitters to develop transmission projects in the future. The IESO will aim to design the TSF in a manner that seeks better outcomes for ratepayers through competition, while providing opportunities for Indigenous participation.

3. What is the process for selecting transmitters for new transmission projects in the interim while the TSF is being developed?

While the TSF is being developed, there are no changes proposed for transmission system planning by the IESO, or to how transmission projects recommended by the IESO are implemented. A transmitter may be selected by the Government through a Directive to the OEB, issued pursuant to section 28.6.1 of the OEB Act, and/or by way of approval granted by the OEB through a Leave-to-Construct proceeding. Some new transmission has been deemed to be needed as a priority project by the Government. These projects are typically designated to an existing licensed transmitter to develop. Approval from the OEB to build a priority project is still required.



The existing process is expected to continue until the IESO is directed to execute a competitive procurement under the TSF.

4. What is the impact of the TSF on lines currently under development?

The IESO's development of a TSF will not affect the development of previously selected/announced transmission projects. As a result, communities and other interested parties should engage directly with the transmitter associated with the project in question (e.g. for the purposes of regulatory approvals or consultation).

5. How will the proposed Focused Engagement Sessions work, and how will it complement the other engagement streams?

The IESO was previously considering facilitating Focused Working Group sessions beginning in early 2024 to enable interested stakeholders and communities to provide their input into the TSF development in a targeted and focused manner. Given limited initial stakeholder and community interest in participating within a Working Group, the IESO is proposing to proceed with a more flexible approach, with focused engagement sessions organized around specific TSF-design themes and topics.

The focused engagement sessions would be designed to provide flexibility and effective purposefulengagement around a variety of themes and topics, to complement the public engagements and targeted community outreach activities the IESO will also be undertaking.

The IESO envisions that participants within the focused engagement sessions would be comprised of developers, Indigenous leaders and community representatives, financiers, municipalities, and other industry stakeholders, and that meetings would be organized around specific TSF design themes (e.g. technical/commercial considerations, financing, Indigenous participation options, etc.). The IESO does not expect that members would be required to attend each session, but rather could elect to attend a given meeting based on the specific topic at hand and its relevancy to the member's constituency or organization.

The IESO anticipates sharing additional details about the focused engagement sessions, including discussion themes and timelines, in early Q1 2024. The objective is to create a platform that maximizes stakeholder engagement, whether through focused engagement sessions, one on one discussions, or public sessions, ensuring that diverse perspectives contribute meaningfully to the development of the TSF.

6. How will information shared within the Focused Engagement Sessions be communicated more broadly?

The IESO will seek to make all materials, including session recordings and meeting summaries, available to all interested parties via the TSF Engagement page shortly after each focused engagement session. In the coming weeks, details regarding the IESO's proposed approach to the focused engagement sessions will be provided on the IESO's Engagement webpage for the Transmitter Selection Framework

7. How will the participation of Indigenous communities be supported within the TSF development?

The IESO will execute on a targeted outreach and engagement strategy for Indigenous communities, to ensure their perspectives are reflected within the proposed TSF design. In addition, the IESO welcomes comments and feedback from First Nations and Indigenous communities at any time, which can be directed to Indigenousrelations@ieso.ca

8. How will municipalities be engaged to support the TSF development?

The IESO will continue conducting targeted engagement with municipalities to build awareness about this work and offer opportunities for local input. In response to previous feedback received, the IESO will ensure that municipalities are engaged early, and that information provided and input requested are streamlined. In addition, the IESO welcomes comments and feedback from municipalities at any time, which can be directed to engagement@ieso.ca

9. How are municipalities affected by the TSF development?

As potential hosts of new transmission facilities, the IESO is keenly interested in receiving municipal input on design considerations for the TSF that may have local impacts on land use, community engagement and project development.

10. How soon might the first competitive process under the TSF launch?

The IESO will report back to the Minister of Energy on its progress towards TSF development in Summer 2024. Following this, the Minister of Energy will determine whether to proceed with implementing a TSF as described within the report, or if additional design or implementation work should be considered. Once directed to implement the TSF, the IESO expects to recommence engagements to inform the specific approach for selecting transmitters for identified lines under the TSF.