Regional Electricity Planning Northwest Ontario

Engagement Plan

INTRODUCTION

This Engagement Plan outlines the background, objectives and proposed timelines to engage with communities and other interested parties in the development of the 2021 Northwest Ontario region Integrated Regional Resource Plan (IRRP).

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

- Information to inform the electricity forecast and needs of the region including details about economic development goals, projected growth and future plans particularly related to new industrial development or expansion of existing projects
- Local options that might address needs indentified within the planning period over the near term (up to five years) to medium term (up to 10 years)
- Opportunities to align future goals within community energy plans, community-based energy solutions, and other economic development plans for consideration in the medium to long term (up to 20 years)

All interested parties are invited and encouraged to participate in this engagement initiative. Interested parties may include, but are not limited to, local municipalities, Indigenous communities, businesses, stakeholders and members of the general public.

The IESO encourages all parties with an interest in participating in this regional planning initiative to contact **<u>engagement@ieso.ca</u>** to note their interest and ensure they receive communications on planning updates and engagement opportunities for the region.

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



ABOUT REGIONAL ELECTRICITY PLANNING

Regional electricity 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 plan, 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 transmission planning, which includes bulk and distribution system planning that also has the goal of maintaining a reliable and cost-effective electricity supply.

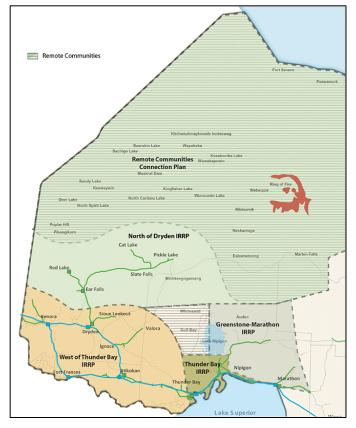
Each of these regions goes through a formal planning process at least once every five years, though at different times. The process unfolds differently each time depending on the region's unique needs and concerns.

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

REGIONAL ELECTRICITY PLANNING IN NORTHWEST ONTARIO

The Northwest region encompasses a vast geographic area and a diversity of economic and social factors unique within Ontario. Planning in this region possesses uncertainties and challenges not normally seen in other parts of the province. Demand in this region is largely driven by resource based industrial customers such as mines and forestry operations. Their development is highly dependent on factors such as commodity prices and access to financing.

In addition to the cities and towns, the Northwest has many rural and remote communities often served from long singlesupply transmission circuits. The municipalities within the Northwest region includes the Town of Marathon, Municipality of Greenstone, Township of Nipigon, Township of Manitowadge, Township of Schreiber, Township of Terrace Bay, Township of White River, City of Thunder Bay, Township of Red



Rock, Township of Nipigon, Municipality of Neebing, Municipality of Oliver Paipoonge, Municipality of Shuniah, Township of O'Connor, Township of Conmee, Township of Dorion, Township of Gillies, Township of Alberton, Town of Atikokan, Township of Chapple, Township of Dawson, Township of Emo, Town of Fort Frances, Township of Lake of the Woods, Township of La Vallee, Township of Morley, Town of Rainy River, City of Dryden, City of Kenora, Municipality of Machin, Municipality of Sioux Lookout, Township of Ignace, and Township of Sioux Narrows-Nestor Falls.

The Northwest Ontario region is home to about half of the First Nation communities in the province as shown in Table 3-1. A number of Métis communities are also located in the Northwest region. The following are affiliated with the Métis Nation of Ontario: Atikokan and Area Metis Council, Greenstone Métis Council, Kenora Metis Council, Superior North Shore Métis Council, Northwest Métis Council, Sunset Country Metis Council and Thunder Bay Métis Council. Red Sky Métis Independent Nation is another Métis community with its office located in Thunder Bay. Note that not all First Nation and Métis communities listed are grid connected.

The current regional planning cycle began with the <u>Needs Assessment report</u> published by Hydro one on July 17, 2020, 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 <u>Northwest</u> <u>Scoping Assessment Outcome Report</u> that was published on January 13, 2021. The report determined that an integrated approach should be studied to address local identified electricity needs. This study will result in an Integrated Regional Resource Plan (IRRP) for the entire Northwest region for this planning cycle. A Northwest Technical Working Group, led by the IESO, including the transmitter and local distribution companies serving the region, will develop this IRRP taking into consideration input from communities and stakeholders.

Members of the Techinical Working Group include:

- Atikokan Hydro Inc.
- Fort Frances Power Corporation
- Hydro One Networks Inc. (Hydro One Transmission)
- Hydro One Networks Inc. (Hydro One Distribution)
- Sioux Lookout Hydro Inc.
- Synergy North

The IRRP will include recommendations to maintain reliability of supply to the region over the next 20 years (2021-2041). To develop the IRRP, the Technical Working Group will work to gather data, identify needs and issues, examine options, recommended actions, and develop an implementation plan.

The goal of the IRRP is to illustrate the integration of all relevant planning information including: forecasted electricity demand growth, energy efficiency and demand management with transmission and distribution system capability, other bulk electric system needs and/or developments. Both non-wires and wire solutions will be examined and communities and stakeholders will be engaged on the options.

The previous Northwest planning cycle resulted in four separate IRRPs for the following sub-regions:

- Greenstone-Marathon (published June 2016)
- Thunder Bay (published December 2016)

- West of Thunder Bay (published July 2016)
- North of Dryden (published January 2015)

More details can be found on the Northwest Regional Planning webpage.

This second cycle of regional planning will focus on one single IRRP covering the entire region.

2021 NORTHWEST INTEGRATED REGIONAL RESOURCE PLAN (IRRP)

The Technical Working Group is responsible for gathering data and assessing the adequacy and security of the electricity supply to the Northwest region and, through this engagement, recommend an integrated set of actions to meet the needs of the region.

Their work is intended to focus on, but not limited to, the following priority areas¹ as outlined in the 2021 Northwest Scoping Assessment Outcome Report (Section 5.2) including:

- Thunder Bay Area Capacity Need
- Marathon Area Capacity Need
- Refresh North of Dryden Area System Capability
- Non-Wires Alternatives for Kenora MTS Capacity Need
- Ring of Fire Connection Scenario
- Load Restoration
- End of Life

ENGAGEMENT 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 also seeking input to ensure the IRRP:

- Considers community perspectives on local needs
- Evaluates various options to meet the growing electricity demand in the Northwest region
- Ensures a reliable source of electricity in the region over the next 20 years.

¹ Through the IRRP process additional needs may be identified or the ones identified may be revised.

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

- Local and regional economic development and, in particular, the forecasted needs within the mining sector
- 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., conservation and demand management (CDM) and DERs) and local support and interest for developing these options in the near (five years), medium (10 years) and long term (20 years)
- 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 activities
- Policy-level decisions or direction
- Existing program rules
- Local connection requirements of any individual projects unless there is an opportunity to align with broader regional needs

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:

- Municipal planning staff (e.g., planning, sustainability, climate change and economic development staff)
- Indigenous communities
- Large industrial customers existing or potential
- Generators
- Consumer groups and associations (e.g., consumer/resident associations, Business Improvement Areas, homebuilders associations, etc.)
- Other public sector associations (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 stakeholders and communities where specific local needs and issues need further investigation. The outcome of these discussions will be communicated through this engagement initiative.

APPROACH AND METHODS FOR DEVELOPING THE IRRP

Any engagement with the community and interested stakeholders will be conducted in accordance with the IESO's Engagement Principles.

This is a public engagement process. Materials will be posted on the dedicated <u>webpage</u>. In addition, any information/input supplied by interested parties will be posted (with consent).

Input will be collected from interested parties through a variety of channels, including virtual and face-to-face meetings (as appropriate), webinars, conference calls and/or written feedback. The IESO will consider all relevant input and illustrate how feedback was considered in the development of next steps including the final recommendations.

This engagement will be supported by:

- Public engagement to ensure that all interested parties have an opportunity to access and provide input in the development of the Northwest region IRRP. Details will be posted on the engagment webpage.
- Targeted outreach with specific stakeholders and communities, where identified necessary. A summary of discussions will be shared as part of the final report.

PROPOSED ENGAGEMENT SCHEDULE

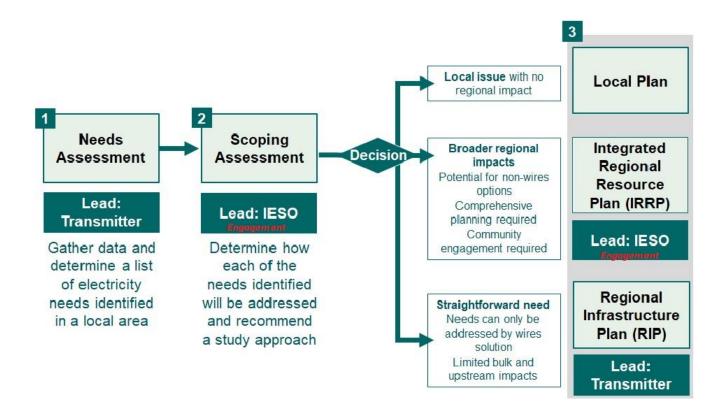
Date	Event/Objective	Expected Actions/Notes
May 20, 2021	 Webinar #1: Provide update on planning activities underway Summarize preliminary regional demand forecast, draft engagement plan 	 Seek input to inform electricity forecast including emerging industrial growth Seek input on draft engagement plan Post feedback and IESO response to feedback, including rationale
Q3 2021	 Webinar #2: Provide overview of electricity demand forecast and detailed engagement plan in response to feedback received 	 Seek input on preliminary needs Finalize demand forecast Seek input on the need for further sub-regional discussions to explore local solutions Post feedback and IESO response
Q3/Q4 2021	 Sub-regional discussions, as needed Gather sub-regional stakeholders and communities to share perspectives Inform potential, more local, solutions to meet electricity needs 	 Seek input on local priorities, needs and solutions Summarize input to inform next engagement phase
Q1 2022	 Webinar #3: Summary of input from subregional discussions Overview of range of potential options/solutions to be examined 	 Seek input on options and potential solutions to be examined Post feedback and IESO response to feedback, including rationale Seek input on further discussions needed
Q1/Q2 2022	 Investigate specific issues 1:1 discussions, as needed, to inform draft IRRP recommendations 	Summarize input to inform next engagement phase
Q2 2022	 Webinar #4: Overview of draft IRRP recommendations Discuss considerations for communities and interested parties to consider in the medium- to long-term planning 	 Seek input on proposed recommendations, as identified Post feedback and IESO response to feedback
2022	Finalize Northwest IRRP	 Post final report Close engagement Conduct 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 a 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:

https://www.ieso.ca/en/Get-Involved/Regional-Planning/About-Regional-Planning/How-the-Process-Works