

# Northwest Regional Electricity Planning Public webinar – April 25, 2022

## Response to Feedback

The IESO hosted a public webinar on April 25, 2022 to provide interested parties with an overview of needs in the Northwest region and seek early input to inform any options that may be considered to inform the next stages of the development of an Integrated Regional Resource Plan (IRRP). In addition, an update on the Waasigan Transmission Project was provided to those in attendance.

The meeting materials and [recorded webinar](#) are available on the [engagement webpage](#) along with the feedback received.

Feedback was received from the following parties and posted on the Northwest Regional Electricity Planning [engagement webpage](#):

- [Anemos Energy](#)
- [Canadian Union of Skilled Workers](#)
- [Common Voice Northwest](#)
- [Hydro One](#)
- [Northwest Métis Council](#)
- [Power Workers Union](#)
- [SCI Stantec](#)
- [Thunder Bay Chamber of Commerce](#)

This response document summarizes the themes that emerged from the feedback along with the IESO's response and how it was considered in this phase of regional planning. The themes resulting from feedback include:

1. Options or local opportunities that should be considered in the options analysis for the Northwest IRRP
2. Comments received about the Northwest Bulk Planning with respect to the Waasigan Transmission Project
3. Other comments

## Theme #1: Options or local opportunities that should be considered in the options analysis for the Northwest IRRP

### 1. Feedback provider: Anemos Energy Corporation

Two greenfield wind power generation project proposals in development (pre-construction) – one near Schreiber with possible connection on A5A or East-West Tie; and one within Neebing with possible connection on B6M or Q5B

**IESO response:** At this time, there are no regional reliability needs identified along the circuits above. Although there are no regional needs for the generation above, for more information about how generation projects can help meet broader provincial energy and capacity needs, please see the IESO's [Resource Acquisition and Contracts webpage](#).

### 2. Feedback provider: Northwest Métis Council

Losing harvest areas where projects or future projects will need to go. Hiring of Métis businesses and Métis citizens for projects.

**IESO response:** Thank you for your feedback. Please note that, generally speaking, the IESO does not determine project siting/routing. Siting/routing is typically determined by the project proponent (e.g. transmitters or generators) during the Environmental Assessment. Similarly, personnel and supply chains for projects are managed by the project proponents.

Indigenous communities are increasingly playing an active role in Ontario's energy sector in the areas of conservation, generation, and new transmission projects. The IESO's [Energy Support Programs](#) are available to promote broad equitable participation in Ontario's energy sector by supporting community capacity building, including energy planning and renewable energy project development, as well as the building of energy knowledge and awareness, and skills related to energy projects.

### 3. Feedback provider: Power Workers' Union

PWU remains concerned that the Atikokan Generating Station (AGS) continues to be excluded from the IESO's assumptions for the development of the NW IRRP. Given the anticipated regional demand growth over the next 5 years and limited options being considered to meet this need, the AGS should be a critical element for ensuring system reliability and maximizing the economic benefits to the region's low-carbon energy transition.

PWU recommended that the IESO should include the reliability contribution that the AGS can offer to the NW IRRP as it explores the Northeast Bulk System Plan for new transmission capacity

**IESO response:** When identifying reliability needs, the technical assessment typically assumes that existing generation facilities are no longer available after their current contract expires. This is a conservative assumption to ensure that all potential future needs are identified. If reliability

needs emerge as a result of certain generators not being available, re-procuring the generation facility in question may be considered as an option.

To address the needs of the forestry sector in northern Ontario and support a longer-term transition to alternative uses for waste biomass, the IESO is continuing to explore possible options for signing new contracts for Chapleau, Thunder Bay Resolute, Hornepayne, and Atikokan biomass plants.

4. Feedback provider: Power Workers' Union

The IESO should consider the demand growth implications of its high case in the 2021 Annual Planning Outlook (APO) and the outcomes of its Decarbonization Pathways Study. The IESO should not finalize its NW IRRP planning activities until the implications of the IESO's Decarbonization and Gas Moratorium studies are completed.

**IESO response:** The Northwest IRRP's demand forecast is higher than the 2021 Annual Planning Outlook's high demand forecast scenario for the Northwest zone. This higher regional planning forecast ensures that individual local subsystem needs (which can be non-coincident with broader bulk system needs) are identified and addressed.

The IRRP is part of a formalized regional planning process with specific timeline requirements for each planning product. As a result, the current Northwest IRRP is scheduled for publication in Jan 2023. However, planning is a continuous process and the next regional planning cycle will start at most five years from the start of the current cycle or sooner if required. The IESO and technical working group will continuously monitor new developments between planning cycles to trigger further planning if needed.

5. Feedback provider: SCI Stantec

Would be nice to analyze the impacts of large scale energy storage (ie. Steep Rock) on the system. In addition to reliability, how could it facilitate increased exports to both the MISO and Western Canada? Would be a great economic development opportunity for local generators as well as transmission companies

**IESO response:** Thank you for your feedback. The Northwest IRRP is focused on local reliability needs. Macroscopic power flows across the system, imports/exports, and large scale resources for the purpose of meeting broader provincial energy and capacity needs are not typically in scope for regional planning activities. For more information on broader bulk system trends and emerging needs, please see the IESO's [Annual Planning Outlook](#).

## Theme #2: Comments re Waasigan Transmission Line Project

During this regional planning engagement webinar, the IESO presented an update on the bulk electricity planning for the Waasigan Transmission Project. The IESO indicated that given the timing of the needs, the range of possible growth scenarios, and the lead time for implementing solutions, the IESO recommends a staged approach for construction.

- Hydro One should construct the Project to meet near-term system capacity needs with Phase 1 (new transmission from Thunder Bay to Atikokan) being placed in-service as close to the end of 2025 as possible.
  - The IESO will continue to monitor developments in the Region and provide an updated need date for Phase 2 (new transmission from Atikokan to Dryden).
6. Feedback providers: Canadian Union of Skilled Workers; Common Voice Northwest; Hydro One; Thunder Bay Chamber of Commerce

Comments received about the IESO's report on Waasigan Transmission Project indicated that the **phased approach to construction** would create:

- Investment uncertainty for industry;
- Limited ability for regional growth;
- Lack of stakeholder visibility to the "big picture";
- Increased and prolonged impacts and disturbance to public infrastructure/spaces;
- Increased risk of conflicting with future infrastructure projects;
- Increased risks to overall project and increased costs;
- Increased risks to continuity of training, employment and procurement;
- Increased risk of competition for resources from future projects in the region; and
- Consultation and construction fatigue

In addition, any delay in constructing phase 2 may place the entire project in jeopardy in the event that a new government is in power in 2026 and initially delays the construction while they 'study it' then decide on other priorities leaving in effect a stranded asset in place.

Feedback requested that the schedule be revised to ensure that Phase 2 is constructed in concert with Phase 1.

**IESO Response:** The IESO is committed to ensuring that the region has a reliable supply of electricity to enable forecasted growth. The IESO's recommendations reflect the characteristics of supply capacity needs which are different for Phase 1 and Phase 2. The two phases of the Waasigan Transmission Line Project reinforce two closely related but distinct interfaces of the existing transmission system. Based on the application of planning criteria to the existing system configuration, the interface being reinforced by Phase 2 has a higher transfer capability today than that of the interface being reinforced by Phase 1. As a result, the IESO forecasts a persistent need for Phase 1 starting in 2025 and a temporary need for Phase 2 in 2026 and 2027 but not thereafter. Therefore, it is prudent to proceed with construction for Phase 1 now while closely monitoring growth to determine when Phase 2 will be needed. Note that Phase 1 will provide improved transfer capabilities on its own ahead of Phase 2. This approach was made possible by the unique design of this project where development work was recommended in 2018 for both Phase 1 and 2 thus reducing lead time to construct the line and ensuring Phase 2 remains viable to meet emerging needs. This is a balanced approach to accommodate growth in a timely manner while managing ratepayer risks.

7. Feedback providers: Canadian Union of Skilled Workers; Common Voice Northwest; Hydro One  
Full benefits to **Indigenous partners and communities** can only be realized through building the whole line between Shuniah, Atikokan and Dryden. This would ensure that all training can be put directly to use without interruption.

Due to Indigenous communities' overlapping territories and the potential impacts that the entire Project may have on Section 35 Aboriginal Rights and Interests, communities' consultation, engagement and economic participation are on a project level rather than by phases. By not having clarity on a targeted in-service date for Phase 2, Indigenous communities face additional engagement requirements, struggle to plan for and retain the required resourcing to participate and may view their individual economic interest, benefits and/or accommodation at risk. In turn, this may put the in-service date for Phase 1 at risk and create additional risk ultimately for Phase 2.

**IESO Response:** The IESO is aware of the need for certainty and the impacts that Indigenous communities may experience due to the phased approach. The IESO will continue to inform communities in northwest Ontario about regional electricity planning initiatives and invite the communities to participate and provide feedback. The IESO's Energy Support Programs are available to assist Indigenous communities with building capacity to engage in the electricity sector. Details for the 2023 intake period will be updated on the [program web pages](#) once available.

8. Feedback provider: Common Voice Northwest; Hydro One  
Establishing a firm schedule now for Phase 2 will send a positive signal to the **mining proponents in the Dryden area** that power will be available when they are ready to commence production.

**IESO Response:** Phase 1 and 2 of the Waasigan Transmission Line Project reinforce existing bulk system infrastructure supplying the broader West of Thunder Bay area (including Dryden). Phase 1 reinforces the most constraining system interface and will improve supply capacity (including supply capacity at Dryden) ahead of Phase 2. The IESO recognizes that a firm and persistent need for Phase 2 could materialize quickly given the potential for additional growth in the region. The IESO appreciates input from Common Voice Northwest and others and will continue to update the mining demand forecast to reflect the latest available information.

9. Feedback provider: Hydro One  
Currently there are substantial limitations on planned outages to **support regular maintenance on existing transmitting lines** as well as our major station renewal projects to replace end of life assets. The new Waasigan line will allow greater flexibility to maintain and renew the existing system and help us avoid reliability issues caused by decreased maintenance.

**IESO Response:** The IESO recognizes the challenges with scheduling outages in the Northwest which limit how much concurrent maintenance/reinforcement work can occur. The IESO agrees that the new Waasigan lines will allow greater flexibility by providing additional supply paths parallel to existing infrastructure. The IESO will continue to collaborate with Hydro One

on sequencing construction activities (e.g. provisions for connecting Phase 2 at Mackenzie TS) to minimize outages and disruptions to the overall project.

10. Feedback provider: Hydro One

Given the investments in the region, government support for critical mining, the **electrification of mining as well as the rapidly changing EV environment**, we strongly believe delaying investments in enabling transmission infrastructure will result in hindering economic growth. Transmission assets are repaid over a period of 50-80 years. It is more prudent and beneficial to build slightly early, and have the asset ready to enable growth, than to build too late.

**IESO response:** Planning is a continuous and ongoing process. Electricity demand growth in this region is driven in large part by mining projects and there is a high degree of uncertainty in the demand forecast. The IESO is aware of many projects with potentially significant electrical demand at early stages of exploration and project development. These projects are currently captured under a high demand forecast scenario and the IESO will continue to closely monitor mining developments in the region. The IESO has committed to providing an update in Q2 2023 on the expected need date for Phase 2. In the meantime, the IESO is currently in the process of updating the mining demand forecast to reflect additional information received over the past year since the last forecast iteration and to better capture future growth driven by electrification trends and government policy.

### Theme #3: Other

11. Feedback provider: SCI Stantec

Would also be nice to get a high level overview of where the electrons come from, and how they move around in the region.

**IESO response:** Thank you for your feedback. The IRRP report will include a high-level overview of the Northwest transmission system and flow conditions studied.