

## **Schedule "B" to NOACC, NOMA, City of Thunder Bay Letter Submission April 20, 2012**

MR. CYR: Thank you. I am sorry to keep you.

The discussion this morning seems to have focussed on what I would understand as requirements planning, absolutely essential. There is no question about it. It needs to take place. Any project has to have requirements planning.

And the needs assessment related to that in the discussion so far is driven by growth, and that, too, is entirely understandable in certainly southern Ontario jurisdictions.

And the needs assessment or the user consultation that might take place is so apparent that it is unnecessary. Growth requires that the demand be met.

In several instances across the panel, you have mentioned needs, when needs arise and so on. I understand that you've got that covered when you are talking about growth.

I would like to know whether, across the panel, you see mechanisms by which an inquiry as to needs assessment of the consumer takes place, apart from growth.

In other words, is there a process that you see operating in the distribution code or wherever, that facilitates, requires that there be an inquiry as to need where it is not necessarily apparent, such as in growth?

MS. FRANK: Okay, I think the -- we talked a little bit about the longer term, that 20-year, and certainly Mike suggested that is one of the periods that they look to.

I think that is the time when we tend to look more broadly than the immediate growth in an area. We look at: What is the expectation as to what might happen?

It is definitely the hardest piece to do and the piece that likely has a fair amount more of social benefit. So certainly, in the north, where I know you are quite interested, you have to go beyond just -- let's go actually to the far north and the communities we serve, the remote communities.

Those communities have power today, but they are actually growing quite extensively. There is some of the largest population growth in some of those communities. And when we look at them, we need to say, Should we actually talk about making those connected communities, because what we're doing today, having

them all off grid and on diesel, is that really a 20-year solution? Is it?

Certainly we can't actually do something today to get them connected within the next two to three years. Those are big projects. Those are expensive projects.

And how much are they how much are they a government initiative, and how much are they part of the utility industry? Because there is that social benefit.

So I think the discussion can happen now, and I do know that in the OPA, Joe Tonneguzzo has done quite a bit of work looking at how we might do something in the north.

But it is a bigger -- it is a longer-term picture and it has all of the challenges with a 20-year plan, a lot of costs, a long time. Who is going to pay for it? It always comes back to, Who is going to pay for it and when are we going to pay for it?

MS. LLOYD: Thank you for that question. I think the place where -- one of the obvious places for that needs assessment to take place is in regional plans, and I think I agree that regional plans shouldn't be done just in response to a large growth load -- large growth in load.

I was interested in the discussion between OEB members and panel members on that exemption in 6.3.6 and how that could be or should be applied.

I would suggest that there needs to be some clear criteria. There needs to be some kind of a test as to: When is a plan a plan?

I would say a plan is a plan when it is an outcome of a planning process. So maybe the test needs to be around: What is that planning process? And I think from a public interest perspective, it has to have a couple of elements. It has to have opportunity for public engagement. It has to have an informed and meaningful review process. There needs to be transparency to the process, and I think there needs to be consultation, whether it is under the formal duty to consult or begins in a more formal, small 'c' I think OPA prefers.

But the duty to consult and accommodate certainly needs to be incorporated.

I think that that needs assessment also should apply, and maybe the first sub-regional or regional planning exercise we could look at is this issue of the remote communities, the non-grid communities. And we need to look there very -- you know, in a very positive way at needs and alternatives.

And I heard more yesterday than today, it seemed to me, some assumptions

that connecting to the grid is the obvious answer to the problem of diesel generation, and I don't think that that is an assumption that any of us should make.

We should be looking at how do we achieve a demand-supply balance at that very local or sub-regional level, and look very seriously for alternatives prior to ever considering not just the economic expense, but the environmental expense of a grid connection for those remote communities.