

IESO Letter of Comment

Chapleau Public Utilities Corporation

Consolidated Distribution System
Plan

Date: March 1, 2016

Introduction

On March 28, 2013, the Ontario Energy Board (“the OEB” or “Board”) issued its Filing Requirements for Electricity Transmission and Distribution Applications; Chapter 5 – Consolidated Distribution System Plan Filing Requirements (EB-2010-0377). Chapter 5 implements the Board’s policy direction on ‘an integrated approach to distribution network planning’, outlined in the Board’s October 18, 2012 Report of the Board - A Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach.

As outlined in the Chapter 5 filing requirements, the Board expects that the Ontario Power Authority¹ (“OPA”) comment letter will include:

- the applications it has received from renewable generators through the FIT program for connection in the distributor’s service area;
- whether the distributor has consulted with the OPA, or participated in planning meetings with the OPA;
- the potential need for co-ordination with other distributors and/or transmitters or others on implementing elements of the REG investments; and
- whether the REG investments proposed in the DS Plan are consistent with any Regional Infrastructure Plan.

Chapleau Public Utilities Corporation – Consolidated Distribution System Plan

On January 22, 2016, Chapleau Public Utilities Corporation (“CPUC”) provided its Consolidated Distributed System Plan (“Plan”) to the Independent Electricity System Operator (“IESO”) covering a 5-year forecast planning period from 2016-2020. The IESO has reviewed CPUC’s Plan and provides the following comments.

OPA FIT/microFIT Applications Received

The Plan indicates that CPUC has completed a small number of renewable energy generation (REG) connection impact assessments (CIAs), however due to upstream transmission system constraints on the Hydro One system, FIT applications have been rejected.² In reference to the IESO’s FIT and microFIT programs, page 21 of the Plan indicates that CPUC has not connected a REG project due to upstream capacity constraints.

CPUC’s plan indicates specifically that:

Both the 25 kV and 4.16 kV systems currently have upstream capacity constraints on Hydro One transmission side that are inhibiting renewable generation connections.
and,

¹ On January 1, 2015, the Ontario Power Authority (“OPA”) merged with the Independent Electricity System Operator (“IESO”) to create a new organization that will combine the OPA and IESO mandates. The new organization is called the Independent Electricity System Operator.

² CPUC Consolidated Distribution System Plan, page 17.

Although its distribution system has the capacity to connect renewable generation, CPUC does not anticipate any renewable generation connections over the forecast period, as Hydro One has no plan to remove the upstream constraints. (page 61)

As of January 31, 2016 the IESO has not offered any contracts FIT or microFIT contracts in CPUC's service area. This is consistent with the information provided in CPUC's application.

Consultation / Participation in Planning Meetings; Coordination with Distributors / Transmitters / Others; Consistency with Regional Plans

For regional planning purposes, Chapleau Public Utility Corporation is located in the East Lake Superior Region. In late 2014, CPUC participated along with the IESO, Great Lakes Power Transmission LP (lead transmitter), Hydro One Networks Inc. ("HONI") (Distribution and Transmission), PUC Distribution, and Algoma Power Inc., in a Needs Assessment for this Region. The Needs Assessment Report, published December 12, 2014, did not identify needs requiring Regional Planning. The report did identify localized issues but recommended that they do not require further regional coordination and "localized" wire only solutions are to be developed by GLPT and the impacted distributor or customer. None of the identified localized issues impact or require further action by CPUC.