



November 23, 2022

P.O. Box 756
Toronto, ON
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Attention:
Registrar, Ontario Energy Board
2300 Yonge Street, 27th Floor,
Toronto ON M4P 1E4

Re: **EB-2022-0261 - Electricity Transmission Leave to Construct Filing Requirements Update (DRAFT) – Invitation to Comment**

Thank you for this opportunity to comment on the OEB's proposed update to Chapter 4 of its *Filing Requirements for Electricity Transmission Applications* ("**Chapter 4 Update**")

The Association of Power Producers of Ontario (APPRO) is a non-profit organization representing Ontario's power producers and related businesses. Its numerous generator members produce the majority of Ontario's electricity. APPRO members build and operate power projects in Ontario, across Canada, and elsewhere in the world. APPRO is the preeminent voice for electrical generators in Ontario and a trusted, positive contributor to discussions about energy planning, project development and delivery.

APPRO is pleased to see that the Chapter 4 Update appears to address a number of issues raised by it in Hydro One's recent application for leave to reconductor electricity transmission lines in the cities of Toronto and Mississauga (EB-2021-0136). Specifically, APPRO raised concerns surrounding the IESO's evaluation of transmission alternatives when it prepared its needs assessment in support of the recommended approach to the Trafalgar TS X Richview 230 kV line upgrade.

In APPRO's view, such needs assessments relied upon by applicants in leave to construct (section 92) proceedings must entail a deeper analysis of potential alternatives than that which was filed in EB-2021-0136, in order to satisfy the requirement under the OEB's *Standard Transmission Leave to Construct Issues List* to demonstrate that the subject project is the preferred option.

This issue is largely acknowledged by the new proposed section 4.3.2.5 (Analysis of Alternatives) of the Chapter 4 Update. For example, the Chapter 4 Update explicitly requires leave to construct applicants to file "evidence on the alternatives to the proposed project" including "the alternative of doing nothing", "non-wires alternatives, including an opportunity for cost-effective generation, energy storage and/or CDM to defer or avoid the wires investment" and "other alternatives (including other wires alternatives)

that meet the same needs as the preferred wires option”. An applicant must also submit evidence of any “key variations of the proposed project” that are considered, which should include descriptions of “different voltage, conductor size, operation, and tower type”.

In APPrO’s view, these requirements will assist in ensuring that an appropriate scope of other supply alternatives are considered and deliberated upon in future needs assessments, and help interveners and other stakeholders better understand the “reasoning for why the proposed transmission project was selected [by the applicant] over other wires and non-wires alternatives”.

Further, requiring future leave to construct applicants to “compare the various alternatives and options in terms of cost [including level of cost estimate confidence], feasibility, timing, reliability, flexibility (in terms of staging, operability and/or other factors), risk and any other relevant criteria” will provide greater transparency on the depth of analysis and evaluation of alternatives that is conducted by the applicant, and/or the entity that is directing the applicant to develop the proposed, in a supporting needs assessment.

Notwithstanding, APPrO invites the OEB to consider the following requirements for inclusion in the Chapter 4 Update (which were also submitted in EB-2021-0136):

- i. comprehensive description of all assumptions and methodology used in the underlying resource adequacy study, including supply resource attribute requirements such as run-time duration, ramp rate, peaking capacity, and seasonal preference;
- ii. resource cost and performance input data comparison as part of any alternative solutions analysis;
- iii. electricity grid priority connection areas for alternative supply options and imports; and
- iv. potential compensation framework options for alternative supply resources offering reliability services.

In APPrO’s view, the above listed items will provide leave to construct applicants with greater clarity on the data points that stakeholders such as APPrO members require in order to evaluate whether proceeding intervention is required. Requiring an applicant, and/or the entity that is directing the applicant to develop the proposed project, to include these items ‘at the front end’ will result in procedural efficiency gains to the extent that related stakeholder concerns can be addressed prior to a section 92 hearing and/or the need for intervention altogether vitiated.

Moreover, APPrO submits that the need for the above listed evidence to be explicitly included in the Chapter 4 Update is even more necessary where an applicant’s ranking of the proposed project against alternatives and other possible options may now be directly impacted by the incorporation of “qualitative criteria”. In other words, it is vital that a comprehensive list of quantitative criteria be included in any assessment against less defined and potentially wide-ranging scope of relevant qualitative criteria. This is particularly the case as the sector embarks on a time of extraordinary investment, requiring even greater oversight to ensure that customer choice and ratepayer value is maintained.

We thank you again for the opportunity to provide these comments. We look forward to the issuance of the final Chapter 4 Update in due course.

Yours truly,

A handwritten signature in black ink, consisting of a large, loopy 'D' followed by a series of connected loops and a final horizontal stroke.

David Butters
President & CEO