



Ms. Nancy Marconi Registrar Ontario Energy Board P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

May 14, 2024

EB-2024-0126 Transmission Connections Review Pollution Probe Comments on TSC Issues for Review

Dear Ms. Marconi:

Pollution Probe received the notification for the above noted consultation and request for comments on the issues to be considered in review of the Transmission System Code's (TSC). We commend the OEB for initiating a review and engaging a broad stakeholder engagement. Delivering the changes required to achieve the intended long-term policy and system outcomes is not a paint-by-numbers exercise and requires a holistic assessment of how historical approaches need to be systematically modernized.

Similar to Distribution System Code (DSC) issue reviews by the OEB, there is an interrelationship between many of the OEB requirements and assessing individual elements in a silo limits the ability to achieve the desired outcomes (e.g. increased efficiency, enhance distributed generation and storage, enhance resilience and flexibility, reducing grid carbon intensity, etc.). The desired outcomes should be clearly identified and stated so that they can be applied across the range of activities related to planning, processes, procedures, and requirements. In the case of the DSC, the OEB has taken a multipronged approach to work through relevant issues, enhancements and related innovation. This has include consultations and targeted working groups to assess solutions and code recommendations. The DSC also enables distribution solutions that help to resolve transmission issues. A review of transmission related issues identified should be considered by the OEB and IESO so that changes to the TSC (plus related elements such as Regional Planning process) can be considered to proactively address those gaps.

The TSC is an important document, but it only provides value when it aligns effectively with other elements such as Regional Planning, Leave to Construct Requirements and other related guidance or requirements. Misalignment or a lack of harmony between these will hamper achieving the desired outcomes. Related issues have been assessed through initiatives such as the Regional Planning Process Advisory Group¹ where specific recommendations were identified for improving the Regional Planning process. It is recommended that those recommendations be fully implemented, including enhanced Regional Planning coordination with municipalities and the Load Forecast Guideline for Ontario². It is not useful to have effective recommendations that are unanimously endorse sit unimplemented. Current demand forecasts are done on a Gross basis (vs. Net demand) which excludes effective consideration of the modern opportunities to manage local demand on a distributed basis. This is contrary to Ontario

¹ Regional Planning Process Advisory Group (RPPAG) | Ontario Energy Board (oeb.ca)

² Regional Planning Process Advisory Group (RPPAG) - Load Forecast Guideline for Ontario (oeb.ca)





policy direction (which is focused on Net outcomes) and the underlying long-term purpose of the TSC review. As long as the Regional Planning process continues to favour status quo generation and transmission planning, the ongoing problems will persist and the desired outcomes will not be achieved.

It is important to consider the context of this review to ensure that improvements withstand the test of time and provide a high degree of value to energy consumers while meeting the needs of a growing Ontario in the context of the energy transition that continues to accelerate. Making short term or short-sighted adjustments without thinking through the full consequences can have longer term negative impacts and could result in poor system design, stranded assets and future costs much greater than short term benefits.

The OEB notes that the provincial government's Powering Ontario's Growth report states that electricity demand is expected to increase over the coming decades, driven by economic growth and increased electrification. The Electrification and Energy Transition Panel's Ontario's Clean Energy Opportunity report noted that a key factor in attracting investment and enabling economic growth is timely access to electricity. The panel emphasized the proactive build-out of transmission infrastructure and actively steering new investment to suitable sites that allow for timely and cost-effective connections. It is not just the build out of transmission infrastructure that is important, but the shift in planning to a distributed model vs. the old school approach that has been in place for a century. Including more specific requirements to consider DERs as a default option would help ensure that proper assessment of alternatives is considered. The OEB could also consider requiring an analysis of system benefits and impacts, including those related to DER enablement and alignment of transmission solutions with energy and emission planning in the jurisdictions impacted by proposed projects (e.g. municipalities).

Reporting is also an important element to consider (via TSC or other mechanisms, especially for projects approved under a Leave to Construct process). Many transmission solutions are put forward on the basis that they will provide certain system and societal benefits (e.g. DER enablement and alignment of transmission solutions with energy and emission planning). However, there is currently no methodology to report on whether those benefits actually occurred. Having a feedback loop to validate and catalogue actual outcomes would help ensure continuous improvement in the process and enable targeted updates as required in the future.

Respectfully submitted on behalf of Pollution Probe.

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