

May 21st, 2024

VIA Email and RESS

Registrar
Ontario Energy Board
27th Floor 2300 Yonge Street
Toronto, ON M4P 1E4

Independent Electricity System Operator

1600-120 Adelaide Street West
Toronto, ON M5H 1T1
t 416.967.7474
www.ieso.ca

Dear Registrar,

**Re: Independent Electricity System Operator
Transmission Connections Review
Ontario Energy Board File No.: EB-2024-0126**

The Independent Electricity System Operator (IESO) is writing to the Ontario Energy Board (OEB) on issues to consider in its review of the Transmission System Code's (TSC).

1. Cost allocation and recovery policies for new or modified load connections

The IESO agrees that the cost allocation for new or modified load connections should be reviewed as outlined in OEB's letter, Transmission Connections Review, dated April 24, 2024.

The Powering Ontario Growth (POG) report highlighted the importance of economic growth and increased electrification in driving the need for proactive transmission system development.

The IESO believes that reviewing the definition of "Network Facilities" and their purpose would enable proper allocation of costs. The review would involve examining the current definition, identifying gaps or ambiguities in its stated purpose, and promoting transparency and consistency in cost allocation.

2. Expansion of the term "connections" to include the interconnection of new competitively procured transmission

The IESO suggest that the OEB considers expanding the scope of "connections" to include connection procedures for new transmission facilities being developed by transmitters that have been selected by the IESO through a competitive transmitter selection process.

Despite an initial focus of the transmitter selection framework on “network” as opposed to “connection” facilities, competitively selected transmitters seeking to interconnect facilities to the grid will go through a similar process, and these facilities should receive the same priority treatment as generation and load connections.

There is an opportunity to clarify the responsibilities of existing transmitters with respect to facilitating interconnection of competitive transmission facilities within the TSC review. This may be covered by Section 6.8, “Obligations Between Neighbouring Ontario Transmitters” of the Code, but there may be instances where the “neighbouring transmitter” is a transmitter that has been selected through a competitive process, and as such, they may not yet own nor operate transmission facilities in Ontario.

3. Review of Section 5.1.2 of the TSC to include “equipment maintenance”

The IESO recommends that the OEB review Section 5.1.2 of the TSC to emphasize the importance of properly maintaining critical transmission infrastructure.

Section 5.1.2 states that:

“A transmitter shall operate and maintain its transmission facilities in compliance with this Code, its licence, its operating agreement with the IESO, the Market Rules, all connection agreements, good utility practice, the standards of all applicable reliability organizations and any applicable law”.

The IESO recommends that the OEB review this section and expand the scope of the TSC review to include a provision for equipment maintenance to ensure the reliability and operability of the integrated power system. It is prudent to ensure critical equipment is properly maintained to preserve its capabilities and enforce the implementation of a rigorous spare equipment strategy to address long lead times for obtaining such equipment.

We thank you for the opportunity to comment and look forward to discussing further regarding the OEB's review of the TSC.

Please contact me at devon.huber@ieso.ca or Deqa Egal at deqa.egal@ieso.ca if you have any questions.

Yours truly,



Devon Huber
Director, Regulatory Affairs and Market Rules
120 Adelaide St W #1600, Toronto, ON M5H 1T1

cc: Deqa Egal, Senior Advisor Regulatory Affairs