

Sent via email to Registrar@oeb.ca

January 20, 2025

Mr. Brian Hewson
Vice President, Consumer Protection & Industry Performance
Ontario Energy Board
27th Floor, 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Mr. Hewson,

Re: IESO Licence EI-2013-0066, Section 21.2.2 (b) – Request for Approval of Extension of Time to Complete the Toronto Integrated Regional Resource Plan

On April 5, 2024, the Independent Electricity System Operator ("IESO") notified the Ontario Energy Board ("OEB") that it required an additional six months to complete the Toronto Integrated Regional Resource Plan ("IRRP") as required by section 21.2.2 (b) of the IESO's licence. In its response of April 30, 2024, the OEB acknowledged the IESO's new expected publication date of March 20, 2025. The OEB's response also noted this publication date will result in the maximum of two years provided under section 21.2.2 (b) and that if the IESO believes additional time is needed, to provide the OEB with sufficient time to review a request for an extension beyond the maximum time.

Extension of Time to Complete the Toronto IRRP

As a result of certain developments (as further described below), the IESO has determined that additional time is needed for the Technical Working Group ("TWG") to complete the Toronto IRRP, beyond the maximum time provided for in section 21.2.2 (b) of the IESO's licence.

Section 70(1.1) of the *Ontario Energy Board Act, 1998* states that the "Board may, with or without a hearing, grant an approval, consent or make a determination that may be required for any of the matters provided for in a licensee's licence." The IESO accordingly requests that the OEB grant approval, without a hearing, of an extension of time to complete the Toronto IRRP, which will result in a revised expected publication date of October 31, 2025.

As indicated in the IESO's letter of April 5, 2024, the Toronto IRRP will evaluate options that would enable the retirement of the Portlands Energy Centre ("PEC"). There have since been further requests to study variations on the retirement of the PEC, including by phasing out gas-fired electricity generation at the PEC by 2035 (except in extreme, exceptional and emergency circumstances) and rapidly increasing local renewable energy generation and storage, and

maximizing cost-effective energy efficiency.¹ The main factors requiring additional time to complete the IRRP are as follows:

- The IESO is concurrently conducting the South and Central Bulk Planning Study ("Bulk Study"). Among the objectives of the Bulk Study is to determine transmission options required to enable decreased reliance on emitting resources, including PEC. The Bulk Study is expected to be released in Q3 2025. Aligning the publication of the Toronto IRRP with the Bulk Study will allow for coordinated engagement on options and final recommendations impacting both plans.
- City of Toronto staff, in consultation with Toronto Hydro and other interested parties, are conducting an electricity needs study of the Port Lands redevelopment (the "Port Lands Study"). Given the significance of the potential electricity requirements of this major urban development, the Port Lands Study will include a demand load model and advanced energy supply solutions assessment, with a particular focus on distributed energy resources. The City of Toronto has requested that their Port Lands Study, expected to be published in mid-February 2025, be considered in the Toronto IRRP. The City of Toronto has invited the IESO and the Toronto IRRP TWG to provide input.
- In recognition of the keen public interest coming out of the April 2024 public engagement, in renewable generation, energy storage, and energy efficiency, the IESO has initiated a detailed study of the local achievable potential of these resources within the City of Toronto (the "Toronto Local Achievable Potential Study"). This study will identify and quantify electricity energy savings potential, electricity demand savings potential and associated costs of savings attainable through energy efficiency and behind-the-meter distributed energy resources over a 20-year period, to 2045. This study is expected to be completed in May 2025, and the IESO will need time to consider the results in the evaluation of potential solution options for the Toronto IRRP.
- Toronto City Council's request to phase out PEC by 2035 will require large-scale wires and/or non-wires solutions. The additional time required for community engagement will enable the IESO to build awareness and education capacity about electricity planning and the proposed solution(s) through multiple engagement opportunities to help build a strong foundation for successful implementation of the plan.

Maintaining the March 20, 2025 publication date poses risks which could delay implementation of the plan. This publication date would necessitate launching an addendum study immediately after the plan is published to capture critical and updated information as noted above, as well to ensure alignment with the outcomes of the Southern-Central Bulk Study. This would create inefficiencies and could create challenges in garnering community support for the plan.

An extension of the Toronto IRRP publication date to October 31, 2025, allows for publication of a comprehensive and cohesive plan that captures timely and relevant planning information. The IESO believes this is necessary to support streamlined implementation of forthcoming plan recommendations and will be critical to building community support.

¹ Toronto City Council MM19.9, June 26, 2024, <https://secure.toronto.ca/council/agenda-item.do?item=2024.MM19.9>.

The OEB's approval of the IESO's request to extend the Toronto IRRP completion deadline to October 31, 2025, will:

- Allow the IESO and the Toronto IRRP TWG to review the findings of both the Port Lands Study and the Toronto Local Achievable Potential Study to inform the recommendations in the Toronto IRRP;
- More closely align the timeline for completion of the Toronto IRRP with that of the South and Central bulk planning study, which is expected to contain recommendations that are coordinated with those in the Toronto IRRP; and
- Allow the IESO to continue engaging meaningfully on the development of a robust set of potential alternatives to address Toronto's long-term electricity needs.

Please contact me at 416-969-6090 or Carrie.Aloussis@ieso.ca if you have any questions.

Sincerely,



Carrie Aloussis

Senior Manager, Regulatory Affairs

cc: Tracy Garner, Manager, Transmission Policy & Compliance (OEB)

Beverly Nollert, Director, Transmission Integration (IESO)