

Clause No. 4 in Report No. 5 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on November 21, 2013.

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ENHANCING PROVINCIAL ELECTRICITY PLANNING AND SITING PROCESSES

Committee of the Whole recommends adoption of the following recommendation contained in the report dated November 7, 2013 from the Executive Director, Corporate and Strategic Planning:

1. RECOMMENDATION

It is recommended that:

1. The Regional Clerk circulate this report to the Ministry of Energy, Ontario Power Authority, Independent Electricity System Operator, PowerStream, Newmarket-Tay Power, Hydro One Networks Inc., and the local municipalities.

2. PURPOSE

This report provides Council with information regarding Ontario Power Authority/Independent Electricity System Operator recommendations, submitted to the Ministry of Energy regarding the Provincial Electricity Planning and Siting processes.

3. BACKGROUND

Long-term Provincial energy planning is led by the Ministry of Energy

The Ministry of Energy leads provincial energy planning and establishes direction for Ontario's energy future through preparation of Long-Term Energy Plans (LTEP). The current LTEP is under review by the Ministry of Energy. The review is focused on the role of electricity, natural gas, conservation and clean energy in meeting Ontario's future energy needs.

The Ontario Power Authority is responsible for more detailed electricity planning

The Ontario Power Authority (OPA) is responsible for planning the electricity system and contracting new generation in accordance with the province's Long Term Energy Plan. To do this, the OPA prepares area-specific electricity plans that consider all supply options, including generation, transmission and distribution.

York Region falls within the GTA-North electricity planning area and the current Electricity Plan will expire in 2015

In Ontario, 21 electricity plan areas have been defined based on the location of major electricity infrastructure. York Region falls primarily within the GTA-North Plan Area (see *Attachment 1*).

The existing GTA-North Electricity Plan (*Northern York Region*) Electricity Supply Study) was prepared in 2005 and identified the need for additional energy generation in northern York Region. The plan expires in 2015. Currently, the OPA is preparing a new GTA-North Electricity Plan to address supply needs over the next 20 years. Pre-consultation with Long Range Planning staff on growth management and population forecasts has occurred. Staff expect additional opportunities to provide input on the development of this Plan as part of the OPA's commitment to ongoing stakeholder engagement.

In June and July, 2013, Ontario Power Authority and Independent Electricity System Operator consulted on improving the Electricity Planning and Siting processes

On May 6th, 2013 Ontario Minister of Energy (Bob Chiarelli) asked Ontario Power Authority (OPA) and Independent Electricity System Operator (IESO) to recommend a new integrated Electricity Planning Process to improve the way large energy projects are sited in Ontario. In response, OPA/IESO held consultation sessions throughout June and July, 2013. The consultation sessions focused on improving existing Electricity Planning and Siting Processes in the following areas:

- Establishing a new procedure for preparing area-specific electricity plans
- Ensuring transparent mechanisms for stakeholder and public engagement in the provincial electricity planning process
- Ensuring early municipal involvement in siting of large energy infrastructure

The Ministry of Energy and its agencies also undertook consultation on a number of other energy initiatives during the summer of 2013

Over the summer, the Ministry of Energy and its agencies also initiated separate consultations on several other provincial energy initiatives, including:

- Reviewing the Long Term Energy Plan to set a comprehensive direction for the Province's energy future
- Developing a new Conservation and Demand Management Framework to establish policy priorities for conservation
- Enhancing the municipal role in Renewable Energy Project Development by establishing a new competitive procurement process for large renewable energy projects

This report focuses on the OPA/IESO consultations on enhancing provincial Electricity Planning and Siting processes. Staff will continue monitoring progress and provide input on all provincial energy initiatives the Ministry of Energy and its agencies are undertaking.

Regional staff provided comments to the OPA/IESO on enhancing the Provincial Electricity Planning and Siting Processes

Regional staff participated in a number of webinars and a consultation workshop on provincial energy initiatives, including:

- Webinar on Provincial Electricity Planning and Siting held on June 19, 2013
- Webinar on Renewable Energy Projects held on June 26, 2013
- Workshop on Provincial Electricity Planning and Siting held on July 9, 2013

Regional staff provided comments to the OPA/IESO during the workshop held on July 9, 2013 which focused primarily on the need for early and ongoing stakeholder engagement and consideration of municipal priorities in the Provincial Electricity Planning and Siting processes.

4. ANALYSIS AND OPTIONS

York Region's Official Plan, 2010 outlines Council's position on the importance of energy planning in creating high-quality sustainable communities

York Region's Official Plan, 2010 (YROP-2010) outlines Council's commitment to demonstrating leadership in the area of energy planning, conservation and innovation. YROP-2010 identifies this commitment to planning for energy in our communities in a number of ways including, among others:

- Requiring the preparation of community energy plans in Regional Centres and New Communities Areas.
- Supporting progressively higher standards in energy efficiency, conservation and renewable energy systems as an element to achieving sustainable buildings.
- Employing energy efficiency strategies, renewable energy systems and alternative energy systems in York Region facilities and operations

On October 8, 2013, the Minister of Energy committed to implementing all the recommendations made by the OPA/IESO

On August 1, 2013, the OPA/IESO submitted recommendations to the Ministry of Energy for improving the Provincial Electricity Planning and Siting processes. On October 8, 2013, the Ministry of Energy announced their intention to implement all 18 recommendations made by the OPA/IESO. The OPA/IESO recently submitted an action plan to the Minister of Energy indicating that detailed implementation plans are currently being developed. A list of the 18 recommendations is provided in *Table 1*.

Table 1
Ontario Power Authority Recommendations on Enhancing Provincial Electricity Planning and Siting processes

Number	Recommendation
1.	Strengthen process for early and sustained engagement with local governments and the public
2.	Provide local governments and communities with greater voice and responsibility in planning and siting
3.	Support inter-ministerial coordination
4.	Foster ongoing relationship with First Nations and Métis and recognize the Duty to Consult
5.	Create electricity planning Advisory Committees
6.	Invite participation of local representatives in the regional electricity technical planning working group
7.	Develop stakeholder engagement strategies and plans with Advisory Committee input
8.	Integrate electricity needs into relevant municipal plans
9.	Integrate relevant municipal information into regional electricity plans
10.	Promote community energy planning
11.	Recognize broader Provincial and local interests in electricity system planning
12.	Facilitate a seamless transition from planning to siting
13.	Consider broader criteria in the generation procurement process such as local priorities
14.	Strengthen review processes
15.	Review mechanisms for planning and procurement

16. Increase awareness of electricity needs and how these needs can be met
 17. Increase transparency of, and access to, useable data and information
 18. Implementing the recommendations
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The following discussion identifies recommendations that are applicable to York Region and is organized around three common themes that emerged from stakeholder consultations including:

- Facilitating greater local municipal involvement in energy planning and siting processes
- Providing early and on-going public and stakeholder consultation in Energy Planning and Siting processes
- Improving the link between planning and siting of infrastructure

Local Governments could be given greater voice and responsibility in planning and siting energy infrastructure (Recommendations 2, 9 and 11)

Several recommendations identify the need to provide local governments and communities with a greater voice and responsibility in the Provincial Electricity Planning and Siting processes. The OPA/IESO is recommending that the Minister of Energy explore mechanisms that provide municipalities with flexibility to choose preferred energy solutions that address local priorities and needs. In order to achieve this flexibility, regional and local municipal priorities (such as official plan policy, land use plans and preferred energy approaches) must be considered and integrated early in the Provincial Electricity Planning and Siting processes.

Early and sustained municipal engagement in the Electricity Planning Process has benefits (Recommendations 1, 5 and 6)

The OPA/IESO has committed to strengthening the existing processes to ensure early and sustained engagement with stakeholders. One of the suggested mechanisms to facilitate municipal engagement in the planning process includes participation on advisory committees and technical working groups. Participation on these committees and groups would provide municipalities with the opportunity to advocate for and ensure consistency between Provincial, regional and municipal energy plans and initiatives. It would also provide municipalities the opportunity to guide energy infrastructure siting decisions from a municipal land use perspective.

Recommendations also recognize the need to reinforce the link between Provincial Electricity Planning and Siting processes (Recommendations 13, 14, 15 and 16)

The OPA/IESO has recognized the need to play a more active role in the siting and procurement process to reinforce the link between Provincial Electricity Planning and infrastructure siting processes. There is increased recognition that siting decisions need to give weight to local priorities like social, health and environmental considerations. Additionally, the OPA/IESO is recommending that the siting process needs to be improved by creating formal and clearly defined opportunities for municipal and public participation through this process. The link between planning and siting could be further strengthened by providing opportunities for education on navigating and participating in the Provincial Electricity Planning and Siting processes.

York Region and local municipalities may be requested to contribute political, senior management and/or staff resources to participate in the Provincial Energy Planning process (Recommendation 7)

The OPA/IESO has identified a number of opportunities for municipal engagement in the regional energy planning process. York Region and the local municipalities may be required to contribute resources to participate in this process. This could include political, senior management and/or staff resources to participate on an advisory committee, a technical planning work group and public outreach and engagement in the community. The extent of municipal engagement has not been fully defined and staff are unable to evaluate the resource or financial impacts associated with participation at this time.

In August 2013, Ministry of Energy launched a funding program to support community energy planning for small and mid-sized municipalities (Recommendation 10)

A Community Energy Plan is a comprehensive long-term plan to improve energy efficiency, reduce greenhouse gas emissions and foster local sustainable energy solutions in a community. In August 2013, Ministry of Energy launched the Municipal Energy Program to support municipalities in the preparation of Community Energy Plans. The Municipal Energy Plan Program is targeted toward low and medium-sized municipalities (with populations under 150,000 people) and offers funding for 50% of total project costs up to a maximum of \$90,000 towards the preparation of a Community Energy Plan. However, municipalities that have already undertaken Community Energy Plans are not eligible to participate in the program.

The Municipal Energy Plan Program supports implementation of the YROP-2010 policies requiring the preparation of community energy plans in support of the secondary plan process for Regional Centres and New Community Areas. It also supports

implementation of the YROP-2010 policy encouraging local municipalities to undertake municipal-wide community energy plans.

In terms of next steps, Regional staff will monitor developments in the Provincial Electricity Planning and Siting processes and identify elements of interest in York Region and the local municipalities

Regional staff will continue to monitor the progress of all energy initiatives being undertaken by the Ministry of Energy and its agencies. In particular, Regional staff will continue to monitor the development of new Electricity Planning and Siting processes and the preparation of a new GTA-North Energy Plan and report back to Council, as necessary.

Link to key Council-approved plans

Improving municipal engagement and participation in regional energy planning supports the “Improve Social and Health Supports” priority area within the *2011 to 2015 Strategic Plan* and the “Liveable Cities and Complete Communities” and “Living Sustainably” priority areas within *Vision 2051*.

5. FINANCIAL IMPLICATIONS

Regional staff participation in the Provincial Electricity Planning and Siting consultations was undertaken within the existing Long Range Planning Branch staff complement and 2013 budget allocation.

6. LOCAL MUNICIPAL IMPACT

The Township of King has recent experience with the OPA’s current processes for siting of large scale electricity infrastructure through the York Energy Centre natural gas-fired peaker plant project. Township of King planning staff actively participated in consultations on the Provincial Electricity Planning and Siting Processes. On September 9, 2013, a staff report was brought forward to Township of King Council highlighting the municipality’s experience with the current Electricity Planning and Siting Processes and making recommendations for improvement including:

- Early collaboration between all stakeholders should occur early in the process
- Applicable Provincial, regional and local land use planning policy documents should be incorporated into the electricity planning process

- The Ministry of Energy and Ontario Power Authority should play a greater role in supporting municipalities and the public throughout the electricity planning and siting process.

Anticipated changes to the Provincial Electricity and Infrastructure Siting process based on the OPA/IESO recommendations should give regional and local municipalities a stronger voice in determining preferred energy solutions such as alternative and renewable energy systems, local generation and district energy facilities. It would also give regional and local municipalities a stronger role in directing energy infrastructure locations based on local priorities and objectives within their own jurisdictional boundaries.

In August 2013, Ministry of Energy launched the Municipal Energy Program to support municipalities in the preparation of Community Energy Plans. Local Municipalities may wish to consider participating in the Community Energy Plan Program, as noted above.

7. CONCLUSION

On May 6th, 2013 Ontario Minister of Energy (Bob Chiarelli) asked OPA and IESO to recommend a new integrated regional energy planning process and to improve the way large energy projects are sited in Ontario. Regional staff provided comments to the OPA/IESO during the workshop held on July 9, 2013 focusing on the need for early and ongoing stakeholder engagement and consideration of municipal priorities in the Provincial Electricity Planning and Siting processes. On October 8, 2013, the Ministry of Energy announced that the Provincial Electricity Planning and Siting processes will be improved through implementation of the 18 recommendation made by the OPA and IESO.

In August 2013, Ministry of Energy launched the Municipal Energy Program to support municipalities in the preparation of Community Energy Plans. Under this program, eligible municipalities can receive funding to support preparation of community energy plans. Local Municipalities are encouraged to consider participating in this program if applicable.

The existing OPA Plan (*Northern York Region Electricity Supply Study*) expires in 2015. The OPA has initiated a GTA-North Electricity Planning process. Staff expect that regional and local municipal representatives will be consulted throughout this process.

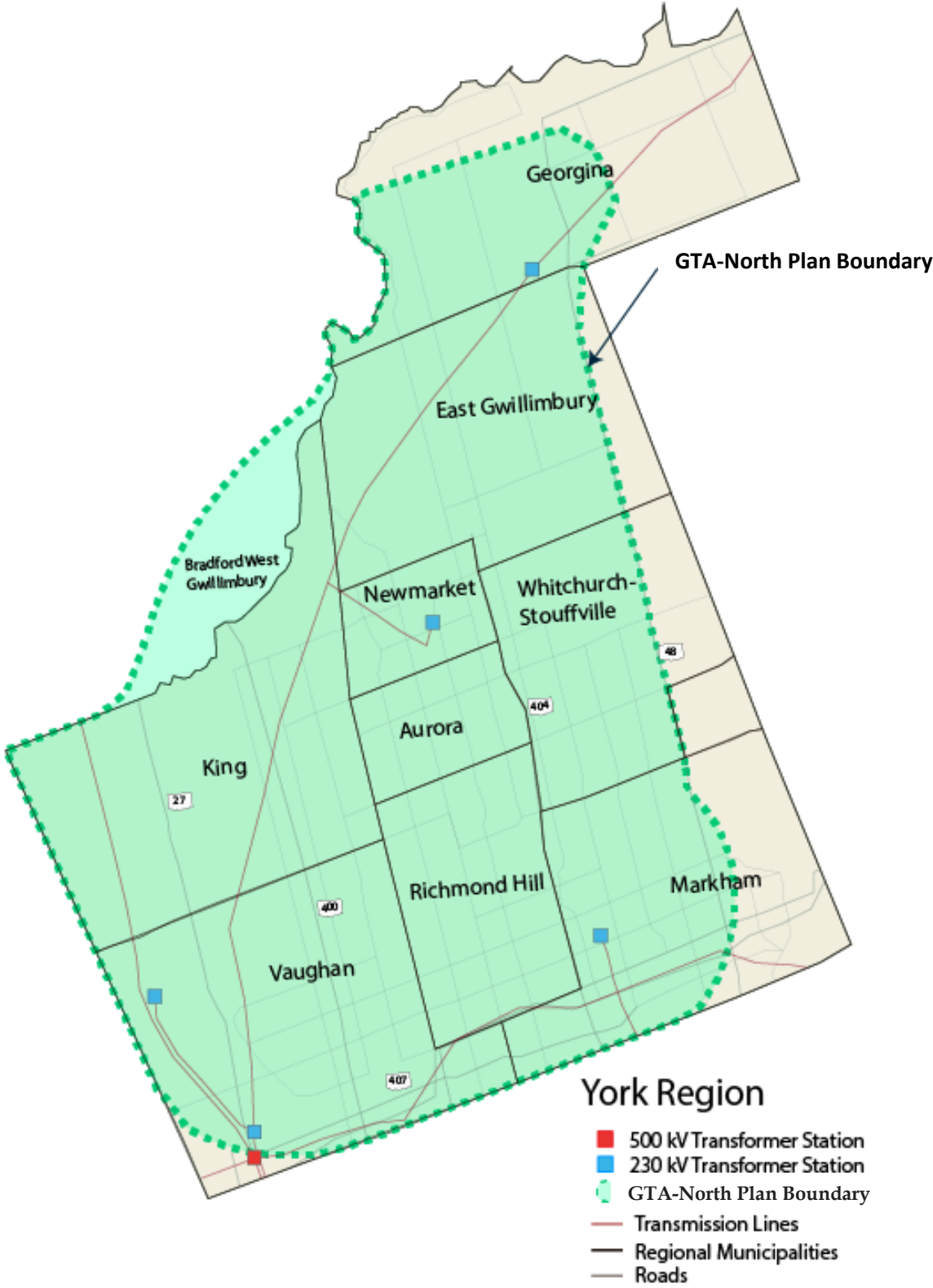
Regional staff will continue to monitor the development of new Provincial Electricity Planning and Siting processes and the preparation of the GTA-North Electricity Plan and report back to Council, as necessary.

For more information on this report, please contact Valerie Shuttleworth, Director Long Range Planning at 905 830-4444, Ext. 1525.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)

Provincial Electricity Planning Areas GTA-North Plan Area



Source: <http://powerauthority.on.ca/power-planning/regional-planning/gta-north/york>