



# Corporate Report

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**DATE:** October 22, 2013

**TO:** Chair and Members of Planning and Development Committee  
Meeting Date: November 11, 2013

**FROM:** Edward R. Sajecki  
Commissioner of Planning and Building

**SUBJECT:** **Provincial Initiatives on Electricity Planning**

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**RECOMMENDATION:** That the report titled "Provincial Initiatives on Electricity Planning" dated October 22, 2013 from the Commissioner of Planning and Building, be received for information.

**REPORT  
HIGHLIGHTS:**

- There are two ongoing initiatives – Review of Ontario's Long-Term Energy Plan and the Regional Electricity Planning and Siting;
- Joint recommendations of OPA and IESO on an enhanced regional energy planning process for how large energy infrastructure projects are sited were presented in a report to the Minister of Energy;
- There are three core recommendations: to strengthen the process for early and sustained engagement with local governments and the public; to provide local governments and communities with greater voice and responsibility in planning and siting; and to support inter-ministerial coordination;
- The OPA/IESO recommend further work to develop a detailed implementation strategy outlining legislative, regulatory, consultation and resource implications; and
- An updated Long-Term Energy Plan is to be released in fall 2013.

**BACKGROUND:**

On April 16, 2013, the Minister of Energy launched a review of Ontario's Long-Term Energy Plan (LTEP), with a view to releasing an updated plan in the fall. The LTEP provides information on, and sets targets for, all of the major parts of the province's electricity system. These parts include major generation types (hydro, nuclear, gas etc.), conservation, energy storage and transmission, smart grid, regional planning, and the natural gas and oil sectors. This is part of the Province's regular three-year update cycle.

The Province's LTEP workshop was hosted by The Ministry of Energy and the Ontario Power Authority (OPA) in Toronto on July 30, 2013. The workshop was one of many held across the Province and attended by representatives from the private sector, municipalities, non-governmental organizations, and other special interest groups to discuss the Province's high-level strategy on how Ontario's future energy needs will be met. City staff from the Environment Division of Community Services and Environmental Services from Transportation and Works attended and participated in the discussions.

A document titled "Making Choices: Reviewing Ontario's Long Term Energy Plan" laid out much of the information included in the session, as well as questions about the LTEP that the Ministry has posted on the Environmental Bill of Rights (EBR) for a response. City staff prepared comments in response to those questions. Those comments were circulated to members of City Council and to the Leadership Team, and were submitted to the Ministry of Energy on September 16, 2013.

On May 6, 2013, the Ontario Minister of Energy asked the Ontario Power Authority (OPA) and the Independent Electricity System Operator (IESO) to make recommendations for a new integrated regional energy planning process. The review was to focus on improving the way large energy projects, such as natural gas power plants, are sited in Ontario.

The stakeholder engagement – “Ontario Dialogue on Regional Planning and Siting Large Energy Infrastructure”, began in mid-June 2013 with a series of public sessions held between mid-June and mid-July. The session for the GTA (North & West) was held on June 27, 2013, and a session in Oakville was held on July 9, 2013. Participants were engaged in discussion with representatives of both the OPA and IESO. Verbal feedback and comments obtained at these sessions, responses to an on-line survey and comments received on the project website were summarized in the report to the Minister of Energy.

Subsequent to the sessions, staff from Policy Planning and the Environment Division met with representatives from both OPA and IESO. Mississauga staff emphasized the need for early consultation with municipalities, particularly the assurance that both the OPA and private generators be required to review local regulations for the siting of generation facilities.

It should be noted that the City of Mississauga is located within the GTA West electricity region (as defined by OPA) as shown on Appendix 1. This region includes the municipalities of Mississauga, Oakville, Brampton, Milton and Halton Hills.

**COMMENTS:****Regional Electricity Planning and Siting**

On August 1, 2013, the OPA and IESO submitted their report to the Minister of Energy, titled “Engaging Local Communities in Ontario’s Electricity Continuum – Enhancing Regional Electricity Planning and Siting”. This report detailed 18 recommendations based on consultations held over the summer. The Minister of Energy asked the OPA and IESO to consider the following:

- detail an approach to regional energy plans;
- feature transparent mechanisms for seeking input from municipalities, Aboriginal communities and other stakeholders in the development of regional energy plans;
- include processes for ensuring that municipalities are engaged in the siting of large energy infrastructure projects; and

- reflect any recommendations with respect to siting large energy infrastructure projects made by the Standing Committee on Justice Policy.

The report contains a series of recommendations based on four theme areas:

- bring Communities to the Table;
- link Local and Provincial Planning;
- reinforce the Planning/Siting Continuum; and
- enhance Electricity Awareness and Improve Access to Information

**The three core recommendations noted in the report are:**

- community outreach early and often;
- local voice/local responsibilities; and
- inter-ministerial coordination.

Below is a summary of the comments received under four theme areas. Appendix 2 is a flow chart outlining the current siting process and the proposed core and supporting recommendations from the report. The full set of 18 recommendations are detailed in Appendix 3.

**Theme 1: Bring Communities to the Table**

Communities want to be engaged early and often in the planning, procurement and siting process. Local communities want a formal, recognized seat at the regional electricity planning table to reflect local interests, as the local electricity distribution company does not always reflect the local community's voice. It was stated that there needs to be greater transparency in the process and a better understanding of the decision-making process and the key players involved. It was noted that the OPA should be communicating the electricity needs in a given region before any procurement or siting process gets underway.

Specific to this theme are recommendations 4, 5,6 and 7 (See Appendix 3).

### **Theme 2: Link Local and Provincial Planning**

The report notes that better integration with local planning processes is needed and leads to better alignment between electricity planning and municipal planning. This also allows all parties to take advantage of new and existing public engagement opportunities. Municipalities identified the need for capacity building and resources to better consider and reflect energy needs in local planning documents and for an increased focus on energy in both the Provincial Policy Statement (PPS) and the Provincial Growth Plan.

The report also states that planning and electricity generation procurement processes should reflect broad values and goals, both Provincial and local. If the preference in a local community results in a more expensive solution, it was felt that the community should bear the incremental costs.

Specific to this theme are recommendations 8,9,10 and 11 (See Appendix 3).

### **Theme 3: Reinforce the Planning/Siting Continuum**

It was noted that local municipalities often do not have the resources to be engaged in all stages of the regional electricity planning process. It was noted that the links between regional planning outcomes and the procurement and siting process need to be reinforced at the start of each procurement. Siting decisions need to take into consideration the community's values regarding social, health, environment and economic development. Participants expressed confusion about the links between provincial and regional electricity planning and local generation.

Participants stated that there must also be an opportunity to review the conclusions of the planning and siting processes. Increased accountability and working with existing bodies such as the Ontario Energy Board (OEB) were cited as being critical.

Specific to this theme are recommendations 12,13,14 and 15 (See Appendix 3).

#### **Theme 4: Enhance Electricity Awareness and Improve Access to Information**

Participants identified the need for a major educational effort about Ontario's electricity needs that would include providing a better understanding of the electricity planning and siting processes. This would afford municipalities, First Nations and Metis communities, stakeholders and the general public the opportunity to get involved early in the process and to more effectively participate in decision-making.

Specific to this theme are recommendations 16 and 17 (See Appendix 3).

#### **Mississauga's Interest from a Planning Perspective**

Beyond the three core recommendations, of most interest to Mississauga from a planning perspective, is recommendation #8 which contains five key points including:

- Modify the Provincial Policy Statement (PPS) to explicitly consider electricity needs when communities/developments are being planned;
- Explore Official Plan and Zoning By-law language to deal with electricity needs;
- Work with provincial staff to ensure the current and future landowners are aware of their proximity to existing and future electricity infrastructure;
- Explore developing siting criteria and minimum distance separation guidelines to sensitive land uses; and

- Work with the Ministry of Infrastructure to integrate electricity needs into Places to Grow, Greenbelt Plan and the Big Move as examples.

### **Implementing the Recommendations**

The final recommendation of the report is for the OPA and IESO to:

- Develop a detailed implementation strategy outlining legislative, regulatory, consultation and resource implications;
- Begin immediately to implement recommendations within mandates; and
- Hold more detailed discussions with implementers or those affected by the recommendations – ministries, agencies, associations and other stakeholders.

On October 8, 2013, the Minister of Energy announced that he would be proceeding with the implementation of the 18 recommendations in the OPA/IESO report.

Some of the recommendations will be implemented immediately. For example, the OPA is working with the OEB and MMAH to discuss linkages with the LTEP and information access through regional planning websites. Other recommendations are tied directly to the LTEP, such as public education and awareness among others. The Provincial government, through various Ministries will be implementing recommendations such as uploading electricity needs into relevant municipal planning and promoting community energy planning.

**FINANCIAL IMPACT:** Not applicable.

**CONCLUSION:** As noted in the October 8, 2013 news release, “The new rules will ensure large energy infrastructure is located in the right place from the start, improve municipal engagement and public consultation, and ensure greater predictability for the energy sector.”

Staff will continue to monitor the implementation of the 18 recommendations and meet with Provincial ministerial staff and other energy sector representatives as necessary to ensure that Mississauga's interests are taken into consideration.

**ATTACHMENTS:**

- Appendix 1: Planning Regions – Southern Ontario
- Appendix 2: Engaging Local Communities in Ontario's Electricity Planning Continuum
- Appendix 3: OPA/IESO – Planning and Siting Recommendations

*Original Signed By:*

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Edward R. Sajecki  
Commissioner of Planning and Building

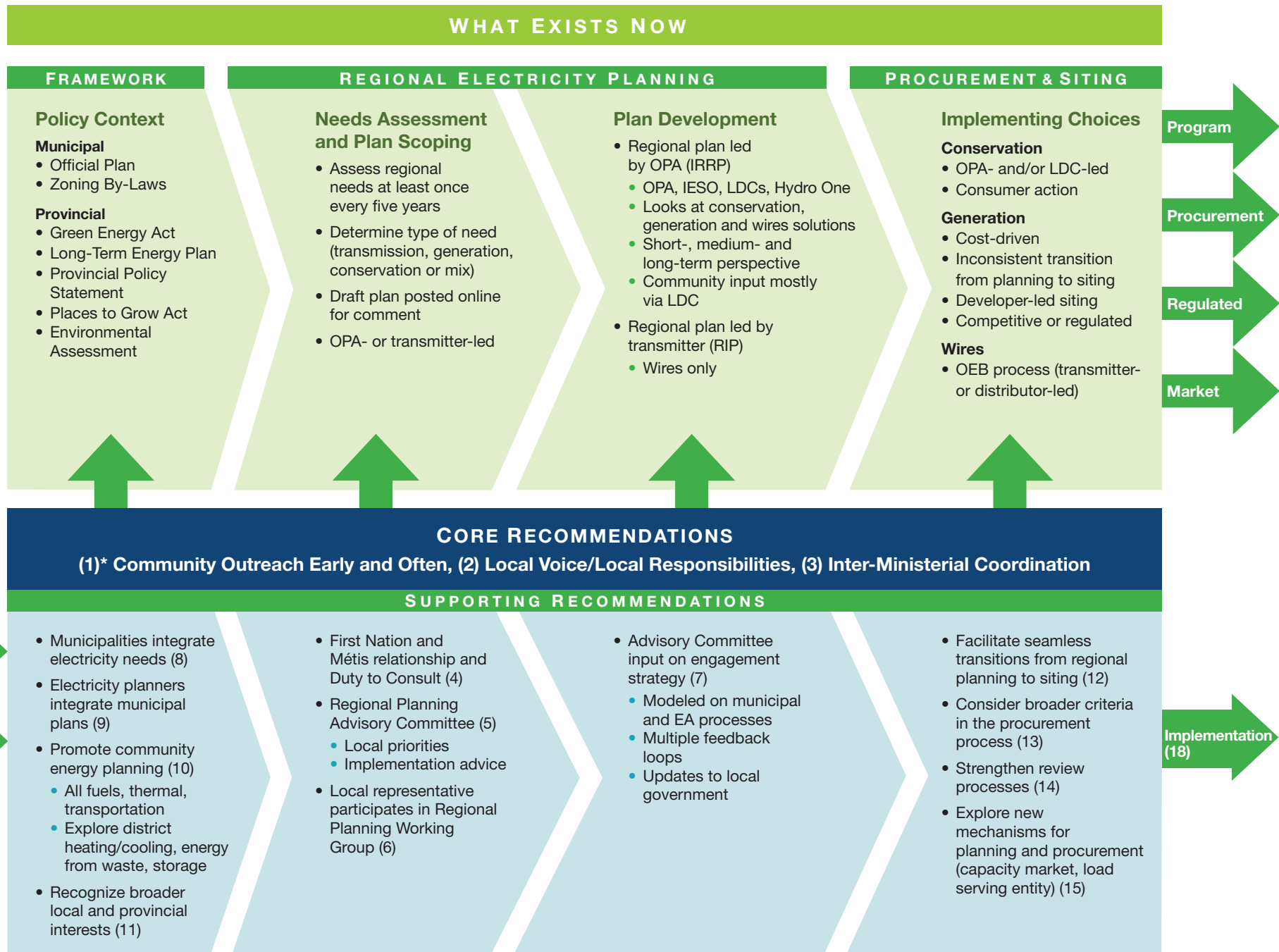
*Prepared By: Karen Crouse, Policy Planner*



# Planning Regions- Southern Ontario



# Engaging Local Communities in Ontario's Electricity Planning Continuum



\*Numbers correspond to report recommendations.

# OPA-IESO – Planning and Siting Recommendations

## CORE RECOMMENDATIONS

**(1)\* Community Outreach Early and Often, (2) Local Voice/Local Responsibilities, (3) Inter-Ministerial Coordination**

### Bringing Communities to the Table

**Municipal governments, First Nations and Métis communities and stakeholders want to be engaged early and often. Local communities would like a formal seat at the table.**

- (4) Foster ongoing relationships with First Nations and Métis and recognize the Duty to Consult**
- Explore capacity-building mechanisms, such as workshops, in addition to application-based funding
  - The Crown to provide guidance as to when Duty is triggered and initiate and monitor consultation
- (5) Create regional electricity planning Advisory Committees**
- Communities identify members and include elected officials, First Nations and Métis representatives, economic development officers, and other community/business representatives
  - Meet with Committee regularly to share information and seek input throughout planning process
  - Consult Committee regarding local priorities and costs and benefits of alternative solutions
  - Committee should meet between formal planning cycles
- (6) Invite participation of local representatives in regional electricity technical planning working group**
- Advisory Committee identifies a representative with relevant expertise (e.g., planning or economic development) to participate in technical planning
- (7) Develop stakeholder engagement strategies and plans with Advisory Committee input**
- Based on best practices and posted for comment
  - Phased approach with multiple feedback loops
  - Include reports to local governments and First Nations and Métis communities

### Linking Local and Provincial Planning

**Local governments identified need for capability building and resources to better consider energy needs in local plans. As municipalities plan to meet water, waste and growth needs they should likewise be required to plan for electricity needs.**

- (8) Integrate electricity needs into relevant municipal plan**
- Modify the Provincial Policy Statement (2005) to more explicitly consider electricity needs per proposed amendments in Appendix A
  - Explore language for municipalities to include in Official Plans and zoning by-laws
  - Work with Ministry of Municipal Affairs and Housing to explore methods of ensuring that current and potential landowners are aware of proximity to either existing, or potential, sites for electricity infrastructure
  - Explore developing siting criteria and minimum distance separation guidelines to sensitive land uses (e.g., Ministry of Environment's D2, D4 and D6 Guidelines) with Environment and other ministries
  - Work with Ministry of Infrastructure to integrate electricity needs into plans developed under Place to Grow Act, Greenbelt Plan and Big Move, for example
- (9) Integrate relevant municipal information into regional electricity plans**
- Regional electricity plans (Integrated Regional Resource Plans and Regional Infrastructure Plans) should include a description of how First Nation and Métis and municipal priorities, including community energy plans, were considered
- (10) Promote community energy planning**
- The Ministry of Energy and the OPA should enhance supports for community energy planning e.g., Municipal Energy Plan, Aboriginal Community Energy Plan funds and energy mapping
- (11) Recognize broader provincial and local interests in electricity system planning**
- The regional electricity planning process should factor in broader considerations such as helping meet social, environmental and economic development goals – beyond its current focus on technical and lowest-cost considerations. Including broader considerations raises cost-allocation questions that are ultimately for the province and OEB to determine.

### Reinforcing the Planning/Siting Continuum

**Many municipalities, First Nations and Métis communities and stakeholders don't have resources to engage in all stages of planning so links between planning outcomes and procurement/siting need to be reinforced at the outset of each procurement.**

- (12) Facilitate a seamless transition from planning to siting**
- Ensure affected communities are aware of procurement
  - Reinforce linkages between procurement and planning phases
- (13) Consider broader criteria in the generation procurement process, such as local priorities**
- Give more weight to addressing concerns of local community and to mitigating risk of opposition
  - Consult Advisory Committee regarding the local priorities to be reflected in procurement design
  - Criteria could reflect environmental assessment criteria
- (14) Strengthen review process – have OEB approve generic procurement processes**
- Consider having the OEB approve generic generation procurement processes which would include requirements to appropriate siting consultation
  - Parties not satisfied that procurement resulting from regional plan meets OEB-approved procurement process can request that OEB conduct an independent review
- (15) Review mechanisms for planning and procurement**
- Review current planning and procurement processes (which include an Integrated Power System Plan (IPSP)) in light of experience and recommendations to increase local voice and responsibility
  - Review options for planning and procurement which could include role of IPSP, outcomes-based supply mix directive, increased reliance on market-based mechanisms such as a capacity market, LDCs owning larger generation or contracting to meet service territory needs (load-serving entities) and linkages between provincial, regional, local electricity distribution company and municipal plans

### Enhancing Electricity Awareness and Improving Access to Information

**There is a strong desire to better understand electricity planning and siting processes so that municipalities, First Nations and Métis communities, stakeholders and the general public can become involved early on and effectively participate in decision-making.**

- (16) Increase awareness of electricity needs and how these needs can be met**
- Develop and implement an electricity awareness strategy to increase understanding about electricity needs, options for addressing needs and how to get involved in planning and siting
- (17) Increase transparency of, and access to, useable data and information**
- The OPA and IESO should publish timely information and data that provides for multiple users
  - Potential users of the data could include consumers, industry to develop energy-related products, municipalities for planning purposes, and academics for research
  - Establish coordinated and comprehensive web pages for each regional plan
  - Work with Infrastructure Ontario to identify public lands available for siting including co-locating with other public infrastructure, Crown lands and surplus provincial land

### (18) Implementing the recommendations

- Develop a detailed implementation strategy outlining legislative, regulatory, consultation and resource implications
- Begin immediately to implement recommendations within mandates
- Hold more detailed discussions with implementers or those affected by recommendations – ministries, agencies, associations and other stakeholders