

Meeting Notes

Integrated Resource Planning Technical Working Group (EB-2021-0246)

Working Group Meeting #1

Meeting Date: January 18, 2022 Time: 2:00 p.m. - 4:00 p.m.
Location: MS Teams

Attendees

IRPTWG Members	Role
Michael Parkes	OEB staff representative (Working Group chair)
Stephanie Cheng	OEB staff representative
Chris Ripley	Enbridge Gas representative
Amrit Kuner	Enbridge Gas representative
Amber Crawford, Association of Municipalities of Ontario	Non-utility member
John Dikeos, ICF Consulting Canada Inc.	Non-utility member
Tammy Kuiken, DNV	Non-utility member
Cameron Leitch, EnWave Energy Corporation	Non-utility member
Chris Neme, Energy Futures Group	Non-utility member
Dwayne Quinn, DR Quinn & Associates Ltd.	Non-utility member
Jay Shepherd, Shepherd Rubenstein Energy Professional Corporation	Non-utility member
Kenneth Poon, EPCOR Natural Gas LP	Observer
Steven Norrie, Independent Electricity System Operator	Observer

Additional Attendees	Role
Valerie Bennett	OEB staff

Purpose

These notes summarize the information discussed during the working group (WG) meeting on each of the key points presented in the published materials.

Meeting Agenda

1. Welcome – Member Introductions

- All attendees provided a brief introduction on their background, experience, and perspectives on integrated resource planning (IRP)

2. OEB Update on IRP Related Developments

Discussion Comments	Discussion Outcome	Action Items
OEB staff provided an update on several developments subsequent to the issuance of the IRP Framework with potential implications for IRP, including the Mandate Letter from the Minister of Energy to OEB Chair, activities of the Framework for Energy Innovation working group, and recent Enbridge Gas Leave to Construct applications.	OEB staff (and IRP WG members who also sit on other relevant working groups) will stay abreast of potentially relevant/overlapping activities and update the IRP WG as needed.	N/A

3. Review Draft Terms of Reference (ToR)

Discussion Comments	Discussion Outcome	Action Items
OEB staff led a discussion on the key points of the draft ToR, and solicited feedback from members, to be provided verbally during meeting and/or through written comments over the next week.	Members provided comments or suggestions on several aspects of the draft ToR: <ul style="list-style-type: none"> • Clarity that WG has a role in consideration of pilots, but that Enbridge, not the WG, is responsible for pilot project implementation • Correction noting that Enbridge Gas representatives (unlike non-utility members) are expected to act on behalf of organizational (Enbridge) interests. • Discussion as to whether the ToR should provide additional guidance on how to document outcomes if the WG cannot reach consensus (e.g. documenting number of members in favour/ against specific viewpoints, or positions of specific members) • Discussion as to how confidentiality provisions should be applied, including cases where there may be disagreement as to whether material should be considered confidential. Suggestions that existing OEB guidance on confidentiality can be used as a guide, and that goal should be to make most materials public, in spirit of openness 	Written comments should be submitted to OEB staff within 1 week from the date of the initial working group meeting (January 25, 2022). Members can CC all working group members in their submission. OEB staff will take all comments (verbal and written) into consideration, amend draft ToR as appropriate, and seek internal approval of a final ToR.

	<p>and transparency.</p> <ul style="list-style-type: none"> • Discussion of cost awards - whether default multiplier of 1.5x meeting time is sufficient to cover member time, and whether this is adequately addressed by provisions enabling additional time for specific tasks; whether cost awards process can be done more frequently (e.g. semi-annually versus annually). 	
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4. Enbridge Update on IRP Implementation

Enbridge provided a verbal update on various items that are currently in progress and the projected timeline of each deliverable. In completing these tasks, Enbridge is also seeking guidance and clarification from the Working Group on various items. See below for details:

Discussion Comments	Discussion Outcome	Action Items
<p>Annual Report</p> <ul style="list-style-type: none"> • Drafting of the annual IRP report has begun. A draft of annual report should be ready for member review in March 2022. • Will include best available information on demand-side IRPAs • May include study on interruptible rates (alternatively, this would be filed with rebasing application) 	N/A	Draft annual report to be provided to WG members by Enbridge
<p>Website</p> <p>Enbridge has created a website to provide information to customers on IRP activities.</p>	N/A	N/A
<p>Other Updates</p> <ul style="list-style-type: none"> • Deferral and Variance Account disposition application to be filed in late May 2022 (which will include annual IRP report) • Rebasing application to be filed November 2022. Will incorporate elements of IRP (e.g. development of Asset Management Plan including baseline facility assessment and screening of IRP Alternatives). 	N/A	N/A

<p>Pilot Projects</p> <p>Enbridge provided a brief update on IRP pilots. IRP Framework indicates that Enbridge is expected to deploy 2 IRP pilots by the end of 2022.</p> <p>Enbridge indicated a preliminary intention to focus on demand-side solutions for the pilots, such as hybrid heating and geotargeted demand-side management.</p> <p>Enbridge indicated that input from the WG on the budget to be allocated to pilots, and on the timing of pilot evaluation and execution would be valuable.</p> <p>Enbridge indicated that it has been exercising the discounted cash flow-plus (DCF+) evaluation methodology on its potential pilot projects, and sought input as to whether potential pilots that may fail the DCF+ test should still be considered if they would otherwise make a good pilot.</p> <p>Enbridge indicated that it will bring forward a list of candidates of system needs potentially suitable for IRP pilots at a future meeting.</p>	<p>Throughout Enbridge's update, members provided input on areas of focus, resources to consider, evaluation criteria, and what members are expecting from Enbridge's reported results on pilot considerations.</p> <p>WG members indicated that supply-side alternatives (potentially in combination with demand-side alternatives) should not be ruled out at this stage from consideration in pilots, that gas demand response was a potentially promising IRP pilot, and that Enbridge may wish to consider multiple IRP alternatives and evaluation approaches within the pilot(s).</p> <p>Members recommended setting reporting expectations for demand response technologies and other IRP alternatives, including impact analysis on peak hours/peak days</p> <p>WG members provided suggestions as to criteria to consider when assessing which system needs (and which potential IRP alternatives) might be suitable for pilot projects, including:</p> <ul style="list-style-type: none"> • Mix of customers (residential, commercial, industrial, etc.) • Areas requiring upgrade • Needs where load reduction is within reasonable target range and need is several years out (sufficient lead time to implement and evaluate IRP alternatives) • Potential for transferrable learnings • Proof of concept/ scalability <p>Further input from members on</p>	<p>Enbridge Gas to return with more detailed materials on pilots for WG consideration in upcoming working group meeting(s), including proposed timelines.</p> <p>Enbridge Gas and OEB staff to return with more detailed materials on DCF+ evaluation and an approach to development/refinement in upcoming working group meeting(s).</p>
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	<p>selection criteria is expected at future meetings.</p> <p>WG members indicated that while cost-effectiveness should be a consideration in selecting IRP alternatives for pilots, potential pilots should not be eliminated from consideration at this stage if they fail the DCF+ test (or stage 1 of the DCF+ test), given we are still at an early stage in finalizing the approach for this test, and the categories of costs and benefits. It was suggested that WG (or a subgroup) should play a key role in development/refinement of DCF+ for IRP, given extensive expertise on group.</p>	
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5. Priority activities/ Next steps

Discussion Comments	Discussion Outcome	Action Items
OEB staff noted that draft ToR indicated that initial priorities of WG should be consideration of pilots, DCF+ methodology, and review of annual IRP report, and listed other potential areas of work.	Working group expressed no concerns with near-term priorities, and noted consideration of risk and load forecasting might be two additional topics for longer-term consideration.	See earlier items on pilots and DCF+ test
WG briefly discussed next meeting date and next steps	N/A	<p>OEB staff to circulate summary of outcomes for meeting #1 and schedule times for future meetings.</p> <p>OEB staff (working with Enbridge Gas) to establish agenda for meeting #2.</p>

List of Action Items

Action Item	Assignment/ Owner	Due Date
Circulate summary of meeting outcomes	OEB staff	As soon as possible
Provide written comments on draft ToR	Working Group Members (except for OEB staff)	January 25, 2022

Finalize ToR	OEB staff	As soon as feasible following receipt of comments.
Provide draft annual IRP report for WG consideration	Enbridge Gas	Likely March 2022
Return with more detailed materials on pilots for WG consideration, including proposed timelines	Enbridge Gas	For future working group meeting(s)
Return with more detailed materials on DCF+ evaluation and an approach to development/refinement for WG consideration	Enbridge Gas and OEB staff	For future working group meeting(s)
Send out MS Teams Working Group Meeting Invites for the next 6 months	OEB staff	As soon as feasible
Establish agenda for meeting #2	OEB staff (with input from Enbridge Gas)	Prior to meeting #2