**Consultation Deadline: April 27, 2021**

**Region of Peel Submission**

**Ontario’s long-term energy planning framework planning process review**

**Introduction**

Ontario’s Ministry of Energy, Northern Development and Mines (ENDM) is seeking input on how to refocus the current long-term energy planning process to enable better use of resources and increase benefits to customers. Deadline for submitting comments is **April 27, 2021.**

The following comments are provided by Region of Peel staff, unless otherwise noted, to be considered as input to initial discussions on LTEP framework with potential for future positions of Regional Council on or related to LTEP to further inform/refine comments on any proposed legislation.

Answers to reference questions posed are included below.

**Questions and Answers**

1. **How can we promote transparency, accountability and effectiveness of energy planning and decision-making under a new planning framework?**

The future electricity system should aim to be fiscally sustainable, carbon neutral and resilient to the effects of climate change. ENDM should engage municipalities, Local Distribution Companies (LDC’s) and the general public so that they can offer input into plans prior to decisions being made. Likewise, other Provincial ministries and Federal government should participate in consultations to help ensure alignment of shared goals and avoid inconsistent policy.

The Province should account for the reputational and financial cost of carbon within the energy supply and distribution system and its impact on competitiveness. An effective electricity system can be measured by its ability to be affordable, accessible, efficient, sustainable, safe, resilient, and robust, while meeting increased demand from the electrification of transportation and building networks.

The government should ensure published reports are accessible and easy to read to support sound decision-making and increase accountability.

1. **What overarching goals and objectives should be recognized in a renewed planning framework?**

The planning framework should apply an evidence informed approach that can include, for example, a goal of achieving net zero emissions by 2050. It should also ensure the system is resilient to the effects of climate change hazards by assessing risks to infrastructure and developing, implementing, and continuously improving risk management plans that mitigate those risks.

An integrated planning framework should be adopted that considers all forms of energy, including, but not limited to, renewable and fossil natural gas, low carbon district energy, and green hydrogen. The framework should prioritize increasing the proportion of energy produced from renewable sources (like wind and solar), emphasize fuel switching (ex. electric heating, electric vehicles, green hydrogen production), battery storage and support low carbon decentralized / district energy systems at the municipal level. Additionally, the Conservation first approach should be re-examined for reinstatement, and with it energy conservation programs such as the Conservation and Demand Management (CDM) program and related Energy Auditor program. If the Government is planning on fostering the development of a green Hydrogen economy, adequate funding should be provided to support this burgeoning industry.

Further, a resilient energy system will require plans that increase energy supply from local district energy systems. Decoupling our energy systems from centralized systems will minimize the extent to which the entire system is disrupted from climate change events.

Government direction should be applied not only to decisions directly related to energy distribution and supply, but also to land use planning and growth management to ensure: density increases within the existing built out urban areas, and new developments are district energy ready and built to the highest possible energy efficiency standards in order to reduce the burden on the existing energy system and that facilitates a shift to net-zero carbon energy supply/sources with emphasis on renewable and district energy systems in new development.

1. **What respective roles should each of the Government, IESO, and the OEB hold in energy decision-making and long-term planning?**

The Region of Peel recommends the Province phase-out all fossil natural gas-fired generation as soon as possible. Accordingly, the province should develop a plan to accomplish this goal.

The Government should monitor and report the return on investment from renewable energy sources *(e.g. renewable natural gas via anaerobic digestion, solar, wind, etc.)* and energy storage technologies compared to conventional energy sources and make this information available to the ratepayers, utilities, and generators of the Province.

1. **What kinds of decisions should be made by technical planners at the IESO and the OEB as regulators?**

Technical planners at the IESO should be able to decide the process for generating low carbon energy outlook reports. They should be given the autonomy to publish and communicate these reports and receive feedback.

Technical Planners at the IESO should be factoring in future cost projections of electricity generation sources into their annual Long-Term Planning Outlook. The most current 2020 release shows no growth in non-hydro renewables until 2040. Using Community Energy Plans the IESO should work with municipalities and local distribution companies to:

* model the anticipated transition of thermal loads and transportation to electricity use.
* Geospatially understand the constraints and required upgrades to the electricity transmission and distribution infrastructure.
* Assess climate models to understand future conditions related to warming and increased extreme weather events,
* identify where infrastructure may be susceptible to failure

OEB should factor investments in resiliency into their asset management planning.

The IESO should enable local distribution companies to implement energy plans that allow the LDC to meet the objectives of the LTEP while providing the autonomy necessary to customize LDC plans to leverage opportunities for program efficiencies that may be unique to a particular region.

The OEB should continue to ensure that sustainable energy rates are managed and enable the IESO to implement the objectives of the LTEP.

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1. **What types of decisions should require government direction or approval?**

Government direction or approval should be applied in situations that implicate the IESO needing to change direction from the approved LTEP. Public consultation should be pursued where possible, however, in cases of emergency direction, efforts should be made to follow the principles and frameworks that guided the LTEP’s development.

1. **Are there gaps in the IESO and the OEB’s mandates and objectives that limit their ability to effectively lead long-term planning?**

Both IESO and OEB are not currently required to achieve reductions in GHG emissions. Expanding their mandate to plan the energy system in a way that achieves, for example, Net zero emissions by 2050 will allow IESO and OEB to generate reports, plans, and regulations that align with this goal.

IESO and OEB currently do not consider natural gas and electricity together when developing plans. Both mandates would benefit from being updated to have greater awareness of resource planning between the gas and electricity networks rather than done as separate activities. This should also account for future decentralized energy resources.

1. **Should certain planning processes or decisions by the IESO, the OEB, or the government receive additional scrutiny, for example through legislative oversight or review by an expert committee?**

As the energy sector moves through significant, complex and likely rapid transition in response to meeting GHG reduction and resiliency goals, there is benefit to accessing expertise that can help interpret trends in technology, signals in a more energy diverse market and reduce uncertainty or risks associated with decisions that may need to be made in the short-term but have longer-term implications. Similarly, greater scrutiny and oversight should be made to reviews and validate reports, plans and regulations that are aligned to the goals of achieving GHG reduction and resiliency goals.

Many long-term energy generation contracts will be expiring and considered for renewal over the next decade. The Government should prioritize low cost renewable energy solutions (like wind and solar) in decisions.

1. **How often and in what form should government provide policy guidance and direction to facilitate effective long-term energy planning?**

The government should report every 18 months (in advance of IESO 18-month outlook report) on progress implementing long range plans that achieve GHG reduction and resiliency goals.

Policy guidance should be provided that can enable greater consistency and transparency in reporting GHG emissions, support energy conservation goals, advance district energy planning, assess and manage climate related risk; and ensure adequate low carbon supply to meet increase demand from electrification of transportation and buildings.

1. **How do we ensure effective and meaningful Indigenous participation in energy sector decision-making?**

The Province should make concerted effort to consult indigenous communities and leaders throughout Ontario with regards to long-term energy plans.