

Agenda Item - Summary

Date of Meeting: August 30, 2017

Agenda Item: #XX – 2017 Long-Term Energy Plan Update

Nature of Issue: To provide an update on the 2017 Long-Term Energy Plan. This relates to the IESO's core business activity of long-term planning and strategic goal of being recognized as a trusted advisor, informed by engagement.

Executive Summary: The Ministry of Energy continues to develop the next Long-Term Energy Plan. The revised timeline sees a potential LTEP release date of mid- to late-September, with Cabinet approval near the end of August. The exact release date may be impacted by outstanding decisions items, such as ongoing trade discussions with Quebec.

The IESO continues to work closely with the Ministry on the LTEP electricity outlooks. To help inform the government's final decision on the outlooks, the IESO was recently asked for analysis on reducing electricity system emissions further. The IESO's analysis concluded that further reductions in emissions would be very difficult to achieve cost effectively and would require significant investments in new resources and associated infrastructure. lower emissions can be achieved only if significant investments in new resources are made. The scale and cost of deploying these new resources may pose some practical challenges.

The IESO has also begun work on the implementation plan, due to the Minister 90-days after the LTEP is released and the implementation directive is issued. Key considerations for the implementation plan include timing/sequencing of initiatives, scope of engagements and resource requirements.

Significant Issues:

With respect to the implementation plan, the following have been identified as potential risks:

1. Lack of clear responsibility for development and implementation of directive items; failure to coordinate individual items across business units may increase the risk of inefficient use of resources and the inability to meet timelines and may also lead to stakeholder fatigue.
2. Inadequate or ineffective government and stakeholder engagement throughout the development of the implementation plan may increase the risk of government and stakeholders reacting negatively to the plan
1. If the LTEP is delayed, this may impact IESO priorities, co-ordination of work and resourcing requirements identified in the IESO's business plan.

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#2. Government and stakeholder preference on timing and/or sequencing of Implementation Directive items may impact IESO's priorities, coordination of work and resourcing requirements identified in the IESO's business plan.

Decision Being Sought: None

Attachments: 2017 Long-Term Energy Plan Update PowerPoint presentation