



Meeting Date: May 3, 2023

Submitted by: Michael Di Lullo, CAO

Report No: CAO-14-2023

Subject: AMO Webinar on Energy Policy

Recommendation:

THAT Report CAO-14-2023 re: AMO Webinar on Energy Policy be received for information.

Purpose:

To update Council on a webinar hosted by the Association of Municipalities of Ontario (AMO) regarding the Energy Sector and the key players in this sector, including how Municipalities are impacted.

Background:

On April 17, 2023, AMO hosted a webinar with guest speakers about the energy sector with a focus on how each of the main stakeholders and the impact on the regional energy planning process.

AMO's role in energy planning is to create dialogue with the energy stakeholders and ensure better integration. As the landscape changes with more demand and increased pressure to shift towards a green energy paradigm, local governments need to be aware of the challenges and AMO is a vital resource to raise and bring forward this platform.

It is important for municipalities to learn more about energy planning and policy. As large consumers of energy for public facilities, energy prices have an impact on municipal budgets. With pressures to grow and build more homes and industry, energy policies also impact large industrial consumers and residential customers, both critical ratepayers in the community as well as sources for increased economic development activity – the recent Volkswagen Investment in St. Thomas is a prime example. As Municipal Governments adopt green strategies, we must have a voice in energy policy to ensure that these economic, environmental, and social concerns are adequately considered.

What is Regional Planning?

A multi-party planning process for solving electricity supply problems, this includes a variety of key stakeholders such as local distribution companies, transmitters, and the IESO.

It is a multi-stage process, that considers wires (transmission and distribution) and non-wires (demand and supply resource) solutions as part of integrated planning.

The aim is to optimize and increase the cost effectiveness of electricity system investments and is done in a collaborative effort both in terms of the process evolution and the planning outcomes. The formalized regional planning process has provided a forum for utilities and industry participants to work together to address electricity problems in an integrated and efficient manner.

Analysis:

There is a considerable amount of regional planning taking place and the webinar had representation from the following stakeholders:

Ontario Energy Board (OEB)

Some of the points highlighted from the OEB:

- Independent regulator of Ontario's electricity and natural gas sectors
- Make decisions and set rules to ensure that consumers are treated fairly and that the energy sector is reliable and sustainable
- Provide rate setting and licensing to energy service providers

Independent Electricity System Operator (IESO)

- Operate Ontario's province-wide electricity system on a 24/7 basis
- Plan for Ontario's future energy needs
- Work closely with communities to explore sustainable options

Hydro One

- Transmit electricity from nuclear, hydroelectric, natural gas, wind, and solar sources to local distribution companies and industrial customers across Ontario
- Is the transmitter for 20 of 21 regions in Ontario
- Takes into consideration municipal energy plans to prepare for future demand forecasting

Enbridge

- North America's largest natural gas storage, transmission and distribution company
- Distribution to over 3.9M customers, heating over 75% of Ontario homes
- Committed to a net-zero strategy titled [Pathways to Net Zero Emissions for Ontario](#)

The presentation, which is appended to this report, contains information from the above noted stakeholders that presented on the operation of each business unit and also touched upon the integration that is now taking place involving all of the stakeholders. The simultaneous focus to create a sustainable and reliable power system for Ontarian's now and into the future.

Financial Implications:

N/A

Strategic Plan:

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services

Energy planning is an important topic for municipalities who are key stakeholders because we have a role to play in dialoguing with the above noted stakeholders. Each of the stakeholders are aware of municipal and indigenous community needs and are planning accordingly. As we explore new green technologies, the energy suppliers are there to support and accommodate future needs and our energy and asset management plans will have an impact on shaping the energy future.

Attachments:

Appendix – Understanding the Intersection Between Energy Policy and Municipal Governments, April 2023