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The Ministry of Energy Proposes Accelerated Treatment for New Projects to Support Critical Transmission Infrastructure in Southwestern Ontario

By Hansen Wong

On January 20, 2022, the Environmental Registry of Ontario published a proposal by the Ministry of Energy to support critical transmission infrastructure in Southwestern Ontario. The proposal would prioritize several transmission line projects in Southwestern Ontario in order to meet the rapid pace of development in the region, with the goal of making Ontario more competitive in attracting and retaining investment, and expanding Ontario's low-carbon electricity system.

The ministry's proposal consists of three parts:

1. The ministry will declare three projects as priority projects under the *Ontario Energy Board Act, 1998*, effectively expediting the Ontario Energy Board's ("OEB's") review process so that the projects can be brought online earlier. With that designation, the OEB will be required to accept that the projects are needed, and would only review the impacts on consumers with respect to project costs, reliability and quality of service. The three projects are:
 - a) A 230-kilovolt transmission line from Chatham to Lakeshore;
 - b) A 230-kilovolt transmission line from Lambton (south of Sarnia) to Chatham; and
 - c) A 500-kilovolt transmission line from Longwood (west of London) to Lakeshore.
2. The ministry will direct the OEB to designate Hydro One as the transmitter of the priority projects to prevent delays to project development. The ministry reasons that designating the transmitter early on will prevent delays in the approvals process, and Hydro One should be designated because it is the local transmitter in the region and best positioned to promptly undertake development work for these projects.
3. The ministry will direct the OEB to amend Hydro One's transmission licence, requiring it to undertake early development work on future projects, including:
 - a) A second 500-kilovolt transmission line from Longwood to Lakeshore; and
 - b) A 230-kilovolt transmission line that would run from Windsor to Lakeshore.

The ministry's proposal was made in response to an expected increase in demand for electricity in Southwestern Ontario. The IESO announced in a previous press release announcing the new transmission line from Lambton to Chatham that it expects agricultural electricity demand in the Windsor-Essex and Chatham areas to grow from roughly 500 MW today to about 2,000 MW by 2035 -- equivalent to adding a city the size of Ottawa to the grid.

The Lambton/Chatham line is shown in the below map, which also details the Southwestern Ontario region where the infrastructure projects discussed above will be developed.

Figure 1: Map of transmission stations and circuits west of London and in the Windsor-Essex Region, showing the proposed transmission line connecting Lambton and Chatham (exact route not indicated on map).

The consultation period for this proposal runs from January 20 to March 7, 2022. Comments may be submitted online or by mail as set out in the notice.

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