ONTARIO POWER GENERATION

February 28, 2018

Stakeholder Engagement

Re: Enhanced Real-Time Unit Commitment

OPG appreciates the opportunity to offer comments following the January 31, 2018 Enhanced Real-time Unit Commitment (ERUC) stakeholder engagement meeting.

Design Element 5: Intertie Transactions

OPG supports the inclusion of real time transactions in the ERUC process to optimize system efficiency, reliability, security and social benefits. The application of penalties to schedules that fail to flow in RT for reasons other than ISO actions is appropriate.

Design Element 6: Must Offer Requirements

In the Single Schedule Market (SSM) January 30, 2018 materials, the IESO proposed that non-dispatchable loads could annually opt to become price responsive (and vice versa). OPG would appreciate further details on how this choice would affect the offer requirements of dispatchable loads. Would dispatchable loads be prohibited from changing to non-dispatchable through the use of hourly bids (or lack of) as is allowed in today's market?

Design Element 8: Market Participant Data

The 'lead time' to be included in operational data should be provided as hourly offered data to capture the most accurate information.

- In addition to 'lead time', the IESO should consider an operating parameter that would identify the duration required following reaching MLP, before normal (hot) ramp rates are available. This duration would be dependent on the unit state (cold, warm, hot). Alternatively, the IESO may consider re-defining the start-up time operating parameter as the time from start-up to MLP at hot ramp rates (not just MLP).

- The current market design only allows one operating reserve ramp rate for all hours. The IESO should consider having a market design that would allow for multiple operating reserve ramp rates, similar to that of energy ramp rates (hourly and max of 5 per hour) that would improve the DSO's optimized solution for energy and operating reserve.

Design Element 10: Offer Changes

Slide #94 and #95 restricts the changing of non-price offer parameters in Real Time. OPG believes this should be clarified to allow for offer revisions to reflect actual unit capabilities. Restricting offer revisions to reflect unit capabilities could result in security/reliability concerns. The reasons for any changes that represents a more restrictive equipment limitation would be subject to Market Surveillance validation.

Slide #93 states, "No offer price increases allowed for the hours that a resource is committed by ERUC". OPG would appreciate further clarification whether this applies only for the loading in the advisory report (based on the latest run or other)?

Additionally, if a resource is committed by ERUC via a mitigated price, does a revised offer price above the mitigated price but lower than the original offer price constitute a price increase?

General Comment:

OPG recognizes the IESO's scope for ERUC only includes "long start generation units that are eligible for the current RT-GCG program"[1]. The IESO is also looking for ways to better utilize energy storage. OPG believes much greater benefits from currently available energy storage (e.g. Pump storage) and those anticipated in the future can be realized through multi hour optimization with unit commitment. Short of any currently identified mechanisms that would achieve this, OPG recommends the IESO to reconsider expanding ERUC to include energy storage.

Regards,

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for
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[1] http://www.ieso.ca/-/media/files/ieso/document-library/engage/eruc/eruc-issues-log.pdf?la=en&hash=C40A96035EC7F22C65DA96E2FA02878F0B9CA3C5