

Stakeholder Engagement Plan SE-38

Load Following Standard



Revision July 23, 2007: Updated schedule in Section V.

Revision December 13, 2007: Updated schedule in Section V.

Revision January 15, 2008 – Updated schedule in Section V.

Revision March 3, 2008 – Stakeholder plan on hold. Updated schedule in Section V.

I. Introduction and Background

Load following is the aggregate response of dispatchable resources to the changes in demand and is an essential component to the reliable operation of the Ontario electricity market. In Ontario, the term dispatchable resources refer to all generators and loads that follow dispatch instructions from the IESO.

Ontario is entering a period in which substantial changes to the overall generation supply mix are expected to occur. Under the direction of the provincial government, the Ontario Power Authority (OPA) has initiated a plan to replace coal-fired generation and address growing demand with a portfolio of demand and supply side initiatives. The IESO is studying the potential impact of proposed changes to the supply mix on the load following capability of dispatchable resources in Ontario.

Background

Recent market events concerning negative priced hours have highlighted the need to examine the operability of the system during periods of low demand. The presence of negative prices is a clear indication that dispatchable resources in operation during these periods prefer to remain online; and are essentially restricted, or completely unable, to provide ramp-down services.

The IESO expects that operational issues that arise during low demand hours will intensify with the change in supply mix due to increasing self-scheduling and intermittent generation (e.g., wind power). Operational issues during low demand hours must be identified and addressed clearly in the planning for future resource mixes.

For more information, please refer to the discussion paper; Load Following - Impact of New Supply post on the SE-38 web page – April 3, 2007.

Next Steps

The next steps will be to determine how Ontario's existing supply mix satisfies the identified load following requirements; and to simulate how well potential supply mixes in the future will meet these requirements. This will likely include a detailed analysis of the amount of load following provided by generation technology type; and will address the potential impact of replacing coal-fired generation with other types of generation.

The IESO intends to refine the reference standards for hourly load following, presented in the attached paper, upon which future planning can be based. The use of annual peak values as a benchmark requirement for load following may be conservative, and may require modifications once supply mix proposals have been measured against these values. The IESO is seeking stakeholder input on the development of this standard.

II. Stakeholders

Reliability is of interest to all stakeholders, but a load following standard most directly impacts new generation as well as all dispatchable resources in Ontario. The Ontario Power Authority will have the most interest in this standard as the portfolio of demand and supply side initiatives in expanded.

III. Stakeholder Engagement Goal

The goal of this stakeholder plan is to provide stakeholders the opportunity to provide feedback to the IESO on the development of a load following standard.

IV. Stakeholder Engagement Approach and Methods

The stakeholder engagement approach will be feedback — with request for stakeholder review and written feedback. The implementation of this stakeholder engagement plan will be in accordance with the IESO’s approved stakeholder engagement principles. The stakeholder engagement method to be employed will be a web-based posting with a request for written comments via e-mail.

Web-based postings provide all interested stakeholders with an efficient low-cost method to be informed of the proposed changes with the opportunity to communicate their views via e-mail to the IESO (stakeholder.engagement@ieso.ca). All stakeholder input, including dissenting views, will be posted on the IESO website. Feedback will be provided on all stakeholder comments and how this input was considered, and the results of the consultation will be posted on the IESO website.

V. Decision Making Process

Stakeholder Engagement Schedule	
Activity	Target Date
1. Post stakeholder plan and load following discussion paper for comment.	Completed April 3, 2007
2. Deadline for stakeholder feedback on discussion paper.	Completed April 17, 2007
3. Post IESO response to stakeholder feedback on discussion paper.	On hold
4. Post draft Interim Market Document Change (IMDC) for comment.	On hold
5. Two week Market Participant comment period on draft Market Documentation.	On hold
6. Post final version of Market Documentation.	On hold