

## Notes from the July 12, 2006 Forecasts and Assessments Standing Committee Meeting

1:15 pm to 4:15 pm  
Clarkson System Control Centre, Room 216

### Attendees:

Name	Company
Dave Abbott (via teleconference)	Bruce Power
Fayyaz Akram	Hydro One
Peter Gruttke	Ontario Power Generation
Greg Hine	IESO
Khaqan Khan	IESO
Craig Lemon	Union Gas
Paul McMullen	Hydro One
Chun Hung Ngai	Toronto Hydro
Richard Rogacki	MOE
Jessica Savage	IESO
Andrew Trachsell	IESO

### Agenda Item 1: Review of previous meeting notes - April 12, 2006

- No comments were received.
- IESO staff commented on two outstanding issues from the previous meeting:
  - While the activation of operating reserve could potentially overstate the new hydroelectric contribution forecast, the impact is likely insignificant since historically, the actual OR activation is rarely coincident with the exact hour of weekday peaks.
  - The value of analyzing the impacts of extreme weather on gas-fired generation should be weighed against the additional effort required by market participants and IESO staff to support such an analysis. A generator representative indicated that such an analysis would require very specific data, ex. ambient temperature, lake water temperature, events leading up to the day in question, etc.
- The meeting notes will be posted as final on the FASC web-page.

### Agenda Item 2: 2006 Q2 18-Month Outlook

IESO staff presented an overview of the 2006 Q2 18-Month Outlook that was published on June 23, 2006. The following comments were made during the discussion that followed:

- IESO staff indicated that work is being done to include the impacts of transmission outages on Reserve Above Requirement. To the extent that the transmission outages are reflected in Integrated Outage Management System (IOMS), the IESO would consider those outages in its assessments. A Hydro One representative indicated that efforts are being made to address coordination issues associated with transmission outages.
- A member inquired why the demand forecast for 2007 is increasing when we've seen a decrease in demand in recent history. IESO staff indicated that the apparent discrepancy may be due to the fact that there is a lag between observed data and the data that is used in the models. Only data up to March 2006 was included for the 2006 Q2 18-Month Outlook.
- With respect to demand-side management (DSM) assumptions, IESO staff indicated that DSM was not considered in this Outlook given the relatively small impact of conservation and demand management programs for the period covered by this Outlook. Going forward, assumptions about DSM will need to be reflected in the demand forecast.
- It was suggested that the Outlook should contain a comment about the status of the Lennox Generating Station and its Reliability Must-Run contract.
- In response to a question about the locked-in capacity in the West zone if Lambton doesn't shut down, it was noted that the information could be found in the Connection Assessments and Approvals (CAA) reports on the IESO website.
- A request was made for interim updates to remain available on the IESO website even when the updates are superseded.
- A member asserted that a demand table showing the number of days that exceed 30° C (refer to Table 3.1 of 2005 Q3 18-Month Outlook published on September 27, 2005) was very useful and should be included in future Outlooks. IESO staff indicated that a similar table will be included in the future, when applicable.
- A request was made for the IESO to consider providing a service to deliver Ontario demand forecast updates to handheld wireless devices. IESO staff will communicate the request to IESO Customer Relations.
- In the past, 18-Month Outlooks have been published during the last week of the month in each of March, June, September, and December. To align with the Ontario Reliability Outlook, the IESO is proposing to publish 18-Month Outlooks around the first of the month, starting with the Q3 2006 18-Month Outlook. This may require some changes to the timing of market participant input submissions, as per the applicable Market Manual.

### **Agenda Item 3: June 2006 Ontario Reliability Outlook**

IESO staff presented an overview of the Ontario Reliability Outlook (ORO) that was published on June 9, 2006. The following comments were made during the discussion that followed:

- A member asked how the ORO compares to the 10-Year Outlook reports that used to be published. IESO staff indicated that the ORO is a high-level report intended for a broader audience.
- Several members indicated that the data underlying the ORO should be contained in the report. At a minimum, there should be a table showing how reserve margins are impacted by changes in the supply mix.
- It was suggested that a column titled "Load-Meeting Capability" should be added to the table that shows generation and demand response projects that are planned or underway in Ontario (refer to Table 1, page 8).

- In response to a question about what the OPA is going to show in their Integrated Power System Plan (IPSP), IESO staff indicated that the OPA and IESO are working together to ensure consistency in assumptions.
- A member expressed frustration with the lack of disclosure regarding new projects' in-service dates. IESO staff indicated that information on the progress of new projects can be found on the OPA's website at <http://www.powerauthority.on.ca/Page.asp?PageID=1226&SiteNodeID=123>.

#### **Agenda Item 4: Discussion of Terms of Reference**

- The FASC members were asked to review a revised draft of the terms of reference and provide comments by the end of July.
- A member suggested that the FASC should also provide advice on data collection and assessment methodology.

#### **Agenda Item 5: Other Items**

- At the request of a member, IESO staff presented information on how the performance of the three operational wind farms in Ontario compares to the 10 per cent wind capacity assumption that the IESO uses for reliability assessments. For the months of March - June, the average contribution at peak hours ranged from 14 – 37%. (The analysis was based on wind power output at the hour of the daily peak demand, excluding weekends and statutory holidays.)
- IESO staff indicated that the IESO will be establishing a Wind Issues working group in the Fall. Membership will be solicited through the Stakeholder Engagement process.