

Notes from the January 16, 2008 Forecasts and Assessments Standing Committee Meeting

1:15 pm to 4:00 pm
Clarkson System Control Centre, Room 216

Attendees:

Name	Company
Fayyaz Akram	Hydro One
Peter Gruttke	Ontario Power Generation
Greg Hine	IESO
Craig Lemon	Union Gas
Vithy Vithyananthan	IESO
Cristian Dragnea (part time)	IESO
Khaqan Khan (part time)	IESO
Branko Boras	Enersource Hydro Mississauga

Agenda Item 1: Review of previous meeting notes from the October 22, 2007 meeting

- No changes were received. The meeting notes will be posted as final on the FASC webpage.

Agenda Item 2: Review of outstanding action items

- The expected in-service date for the new load forecasting tool that will implement changes to the demand forecasting methodology was previously reported as December 12, 2007. This new tool change has not yet been implemented. This project has been delayed as a result of the unexpectedly large number of critical defects identified during initial testing. The project is now scheduled to be placed in service in the second quarter of 2008.
- IESO staff identified that the preliminary plans for publication of the 18-Month Outlook is to publish early March, early June, early Sep and early December. The preliminary plan is to publish an ORO in early March and early December. These plans are subject to change.
- IESO considered the extent to which bottled generation may be experienced in the Southwestern area of Ontario considering the additional generation in the Sarnia area, starting with the 2007Q4 18-Month Outlook. The Reserve Above Requirement values published in the 2007Q4 Outlook reflect the impact of this bottled capacity. IESO plans to publish weekly tables of bottled capacity for various zones of Ontario, including the

Southwestern area of Ontario.

- There is a continued need for a forecast of outages by fuel type, which was to be provided when IESO replaced the IOMS database with a new outage management database (previously known as FOMS)
- Regarding the extent to which the 18-Month Outlook forecasts should use median hydroelectric conditions, or some lower level of hydro contributions that could materialize, IESO has discussed this issue with hydro owner/operators. It is believed that median water conditions represent the most likely forecast for any time horizon beyond 3 months. Market participants are now compiling their forecasts for submission to IESO on February 1, for the forecast timeframe beginning April 1, 2008.
- FASC members recognize that IESO may use past historic performance of generators to help guide the most appropriate forecast of EFORs for generators. It is recognized that IESO need not only consider the forecast of EFOR provided by generators, but may also consider the past performance of generator units. This process was used for the 2007Q4 Outlook.
- FASC members identified a potential issue of having an excess of baseload generation in future. It will be helpful to identify the potential reliability impacts and impacts on generator outage planning to assess the importance of forecasting these situations. The present IESO tools do not forecast excess baseload generation. FASC members identified that it would be useful to have an estimated excess baseload generation for each week of the Outlook period, at the time of lowest demand.
- With respect to the possibility of IESO identifying milestones to indicate the progress of new generation projects, it is noted that OPA does prepare progress reports on electricity supply contracts semi-annually to provide an update on the OPA's electricity supply contracts, along with a collection of construction photographs. IESO is investigating the types of information that could be included in 18-Month Outlook and ORO reports. Possible milestones include connection assessment status, and the status of regulatory approvals. IESO is working with OPA to determine what information can be published within the confidentiality agreement between the IESO and OPA and avoiding inefficient overlaps between IESO and OPA.

Agenda Item 3: Ontario Reliability Outlook December 2007 Publication

IESO staff presented an overview of the latest published Ontario Reliability Outlook, published in December 2007. The following comments were made during the presentation.

FASC members would like to see the assumed shutdown schedule of nuclear and coal units and the assumed contributions of solar generation.

Agenda Item 4: Latest 18-Month Outlook Information 2007 Q4 18-Month Outlook

IESO staff presented an overview of the 2007 Q4 18-Month Outlook that was published in December 2007. The following comments were made during the presentation.

It is recognized that each Outlook is based on a snapshot of assumed status and in-service dates for generation projects, based on information made available from the OPA. FASC members would like to see the date that the snapshot of OPA projects was captured. It would be helpful to separately identify the RESOP projects that are assumed to be available in the Outlook, and clearly indicate whether they are treated as resources or as contributions that reduce demand.

FASC members asked for an explanation for the differences between the reduction in resources that the 18-Month Outlook identifies for future weeks and the Weekly Maximum Unavailable Capacity values that reflect actual unavailable capacity. The 18-Month Outlook identifies the planned outages and derates in a column titled "Reduction in Resources", but this quantity is not intended to reflect any reduction of MW that are expected due to forced outages. In contrast, the actual reductions will include the actual forced outages.

Agenda Item 5: Wind Power Integration in Ontario (SE-29)

IESO staff presented a status summary of the work in the Wind Power Integration in Ontario working group. It is expected that there may be additional information regarding the forecast capacity contribution from wind generation that could be used in future IESO Outlooks.

The issues with respect to embedded wind generation may be addressed by the stakeholder engagement consultation on Embedded Generation (SE-57). This is described on the IESO website at: http://www.ieso.ca/imoweb/consult/consult_se57.asp

Agenda Item 6: Next Meetings

Proposed meeting dates for 2008 are:

- April 16, 2008
- July 16, 2008
- October 15, 2008