

IESO Engagement

From: Ryan Forget
Sent: May 3, 2023 3:49 PM
To: IESO Engagement
Subject: RE: Capacity Auction Engagement Feedback - April 26 Session

Hi Daniela,

My feedback from the April 26 session is as follows:

The IESO should implement a cap to the PAF adjustment factor based on the previous capacity test to 75% (25% penalty). Unlike HDR resources who should always have some sort of performance due to aggregating multiple loads, generators could be in a scenario where something fails and can't perform the test. If they were 100% penalized, this would result in them not being able to bid in a subsequent auction. For some generation resources, this could be the only revenue they have and force them to shutdown or go out of business. For many HDR resources, this is often additional revenue but not their sole revenue therefore generators may be unfairly penalized if the failure causing the non-performance does not qualify as force majeure. Not all failures are preventable nor do they indicate an unreliable resource such as a gas turbine failure as an example.

Thanks,

Ryan