

# IESO Engagement Update – March 15, 2021

This engagement update provides a snapshot of all active IESO engagement activities. It also helps support a greater understanding of linkages between engagements, and a foundation for more comprehensive and integrated updates. For the most recent information, visit the individual engagement links or the [Active Engagements](#) webpage.



## New Engagements and Forward-Looking Schedule

The anticipated launch and timing for new engagements are presented below. This information will be shared in each update moving forward so that early input from stakeholders can help plan and prioritize IESO's engagements.

### Improving Awareness of System Operating Conditions

The IESO informs stakeholders of system operating conditions through advisory notices and operating states. This engagement will review what the IESO communicates to stakeholders through these channels with the goal being to improve awareness of system operating conditions. Please see the new entry in this engagement in the Operations table below.

*Launched:* March 4, 2021

### Enabling Resources

This initiative will produce an integrated plan that will outline the sequencing, timing and scope of activities to be undertaken by the IESO to enable existing resources to provide energy and capacity services that they cannot fully provide under current market architecture, taking into account the timing of system needs. The engagement plan is scheduled to be published towards the end of March. As part of this initiative, the IESO also intends to soon launch engagement activities related to hybrid integration design work, and a Distributed Energy Resources Roadmap.

*Anticipated Start of Engagement:* April 2021

## Industrial Energy Efficiency Program

As part of the 2021-2024 Conservation Demand Management Framework, the IESO plans to launch a new program for large industrial consumers. The IESO will seek input from stakeholders to inform program design and eligibility requirements.

*Anticipated Start of Engagement: Q2 2021*

## Forecasting and Planning

Engagements to support provincial and regional electricity planning over the next 20 years.

Active Engagement	Current Status	Next Steps
<p><b><u>Formalizing the Integrated Bulk System Planning Process</u></b></p> <p>The IESO is seeking feedback on the design of a formal, integrated bulk system planning process.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Capacity Auction</a></li><li>• <a href="#">Development of an IESO Competitive Transmission Procurement Process</a></li><li>• <a href="#">Market Renewal Program (MRP) Detailed Design</a></li><li>• <a href="#">Regional Planning Review Process</a></li><li>• <a href="#">Reliability Standards Review</a></li><li>• <a href="#">Resource Adequacy</a></li><li>• <a href="#">Transmission Assets End-of-Life</a></li><li>• <a href="#">Transmission Losses</a></li></ul>	<ul style="list-style-type: none"><li>• On Feb 22, the IESO held a webinar to present an overview of the high-level design of proposed changes to bulk system planning and seek stakeholder feedback on the process</li></ul>	<ul style="list-style-type: none"><li>• Feedback following the Feb 22 webinar is due by Mar 15</li></ul>
<p><b><u>Regional Planning Review Process</u></b></p> <p>The IESO is seeking feedback to consider lessons learned and findings from the previous regional planning cycle and other regional planning development initiatives.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Development of an IESO Competitive Transmission Procurement Process</a></li><li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li><li>• <a href="#">Transmission Assets End-of-Life</a></li></ul>	<ul style="list-style-type: none"><li>• On Feb 22, the IESO held a webinar to review some of the key recommendations in the Final Report for this engagement, how the IESO and the Ontario Energy Board (OEB) will lead implementation of them, answered questions from stakeholders and provided an indication of general next steps for the conclusion of this engagement</li></ul>	<ul style="list-style-type: none"><li>• IESO has requested feedback from stakeholders on how they would like to remain informed about the implementation of the recommendations within the Final Report after the engagement concludes</li><li>• Stakeholder feedback is due by Mar 15</li></ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Regional Planning – East Lake Superior</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Rouselle Gratela</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• A third and final webinar was held on Feb 11 to provide an overview of the Integrated Regional Resource Plan (IRRP) and recommendations, including details on the evaluation of alternatives</li> </ul>	<ul style="list-style-type: none"> <li>• Final IRRP scheduled to be posted with IESO responses to feedback on April 1</li> </ul>
<p><b><u>Regional Planning – KWCG</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Rouselle Gratela</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• In the final stages of drafting the Integrated Regional Resource Plan (IRRP) for this region</li> </ul>	<ul style="list-style-type: none"> <li>• A final public webinar will held on Mar 18 to seek input on the draft IRRP recommendations</li> </ul>
<p><b><u>Regional Planning – Northwest</u></b> Regional electricity planning will commence shortly in this region. <i>Engagement Lead: <b>Susan Harrison</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The Northwest Scoping Assessment Outcome Report was posted in Jan and outlines the needs and specific areas of the region that require more comprehensive regional planning through an IRRP</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement on the development of an Integrated Regional Resource Plan (IRRP) will commence in Q2 2021</li> </ul>
<p><b><u>Regional Planning – Ottawa Area Sub-Region</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Amanda Flude</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• An Integrated Regional Resource Plan (IRRP) was completed in Feb 2020 for this sub-region</li> <li>• The plan recommended additional studies to address the identified needs that extend beyond the 20-year IRRP outlook</li> <li>• This study is underway</li> </ul>	<ul style="list-style-type: none"> <li>• Communications and outreach will be targeted for early Q2 2021</li> <li>• Study completion is expected at the end of Q2 2021</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Regional Planning – Peel/Halton Region (GTA West)</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Amanda Flude</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• In the final stages of drafting the Integrated Regional Resource Plan (IRRP) for this region</li> </ul>	<ul style="list-style-type: none"> <li>• A final webinar is being held on Apr 13 to seek input on the draft IRRP recommendations</li> <li>• IRRP is anticipated to be posted by the end of Q2 2021</li> </ul>
<p><b><u>Regional Planning – Peterborough to Kingston</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Amanda Flude</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• Following the completion of the Scoping Assessment Outcome Report, outreach has been held with targeted communities and stakeholders to inform a draft engagement plan</li> </ul>	<ul style="list-style-type: none"> <li>• A public webinar is being held on Mar 25 to seek feedback on the draft engagement plan as well as input on the demand forecast for the region</li> </ul>
<p><b><u>Regional Planning – South Georgian Bay/Muskoka</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Amanda Flude</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The final Scoping Assessment Report was published on Nov 30 and recommends the development of Integrated Regional Resource Plans (IRRPs) for two sub-regions - Barrie/Innisfil and Parry Sound/Muskoka</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement on the two sub-region IRRPs will commence in Q3 2021</li> </ul>
<p><b><u>Regional Planning – Southern Huron-Perth (Greater Bruce Huron)</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: <b>Rouselle Gratela</b></i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• A second webinar is expected in Q2 2020 to provide an overview of the range of potential solutions to meet future electricity needs and seek input on the proposed recommendations for the Integrated Regional Resource Plan (IRRP)</li> </ul>	<ul style="list-style-type: none"> <li>• The final IRRP is working towards completion for Q2 2021</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b>Regional Planning – Toronto Addendum</b> Regional electricity planning <i>Engagement Lead: Susan Harrison</i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• The IESO, along with Toronto Hydro and Hydro One, has commenced work on an Integrated Regional Resource Plan (IRRP) Addendum for the Toronto region</li> <li>• This work will study the timing of the recommendation to reinstate the Richview x Manby corridor – taking into consideration energy efficiency and other changing electricity needs in the region</li> </ul>	<ul style="list-style-type: none"> <li>• Outreach will be planned with key stakeholders in the area</li> <li>• A communication will follow in Q2 2021 when details of the study are available</li> </ul>
<p><b><u>Regional Planning – Windsor-Essex</u></b> Regional electricity planning is underway in this region. <i>Engagement Lead: Rouselle Gratela</i> <i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• A webinar was held Nov 26 to provide an overview of a study in the Kingsville-Leamington area</li> <li>• The results of the study will form an Addendum to the Integrated Regional Resource Plan (IRRP) and will address electricity infrastructure needs that emerged in the area</li> <li>• The webinar also provided an overview of the West of London bulk system study and provided an opportunity for feedback on the potential solutions recommended on the bulk system in the area</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback following the Nov webinar has been posted on the engagement webpage along with the IESO’s response to this feedback</li> <li>• A second public webinar will be held in Q2 2021 to provide an overview of, and seek input on, draft recommendations in conjunction with the West of London bulk system study</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Reliability Standards Review</u></b></p> <p>The Ontario energy market is emerging from a sustained period of surplus conditions, and is beginning to see a capacity need take shape. With supply conditions tightening, the IESO sees an opportunity to review/ challenge the existing thinking and approach to adequacy assessments.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Capacity Auction</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Resource Adequacy</a></li> </ul>	<ul style="list-style-type: none"> <li>• Following the Dec 14 webinar, submissions were received from seven stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• This engagement is expected to close following the review and response to stakeholder feedback</li> <li>• A Final Engagement Summary Report will be posted to conclude this engagement</li> </ul>
<p><b><u>Transmission Assets End-of-Life</u></b></p> <p>The IESO is seeking feedback on a draft process for collecting information on asset end-of-life, or expected service life from transmission asset owners.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• On Feb 22, the IESO held a webinar to review some of the key recommendations in the Regional Planning Process Review Final Report, how the IESO and Ontario Energy Board (OEB) will lead implementation of those recommendations, answered questions from stakeholders and provided an indication of general next steps for the conclusions of the Regional Planning Process Review engagement</li> <li>• There is a set of recommendations in the Final Report related to the transmission assets end-of-life process that fulfill the objectives of this engagement</li> </ul>	<ul style="list-style-type: none"> <li>• As part of the next steps for the Regional Planning Process Review engagement, the IESO requested feedback from stakeholders on how they would like to remain informed about the implementation of the recommendations within the Final Report after the engagement concludes</li> <li>• Stakeholder feedback is due by Mar 15</li> <li>• This engagement will conclude with the Regional Planning Process Review engagement</li> </ul>

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**Active Engagement****Current Status****Next Steps**

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**Transmission Losses**

This engagement will review IESO and Hydro One's practices on how transmission losses are considered in planning and operation of the system, a comparison of these practices to those used in other jurisdictions, and seek stakeholder feedback on potential improvements to these practices.

*Engagement Lead:* **Dale Fitzgerald**

*Related Engagements:*

- [Formalizing the Integrated Bulk System Planning Process](#)

- The IESO has posted a document to the engagement webpage that summarizes stakeholder feedback received following the Sept 30 webinar and provides the IESO's response to feedback

- The IESO is currently developing draft transmission losses guideline document(s) that will be shared with stakeholders for review and feedback in advance of the next engagement webinar
  - The IESO expects to share these guideline documents by early Q2 2021, at which point, future engagement activities and timelines will be communicated to stakeholders
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# Resource Acquisition

Engagements to ensure we have the tools and processes to acquire the resources we need to maintain a reliable and efficient system.

Active Engagement	Current Status	Next Steps
<p><b><u>Capacity Auction</u></b></p> <p>The IESO is committed to working with stakeholders to explore and implement competitive mechanisms, such as auctions, to secure the products and services it requires to operate the grid.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Design for Energy Storage Participation</a></li> <li>• <a href="#">Energy Efficiency Auction Pilot</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">IESO York Region Non-Wires Alternatives Demonstration Project</a></li> <li>• <a href="#">Innovation and Sector Evolution White Papers</a></li> <li>• <a href="#">Market Renewal Program (MRP) Detailed Design</a></li> <li>• <a href="#">Reliability Standards Review</a></li> <li>• <a href="#">Resource Adequacy</a></li> </ul>	<ul style="list-style-type: none"> <li>• On Feb 23, the IESO presented an overview of results of the 2020 Capacity Auction and discussed administrative improvements that will be made to the Capacity Auction in 2021</li> <li>• Further engagement activities related to changes to the Capacity Auction will be done through the Resource Adequacy Engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder feedback on additional administrative improvements that could be made to the Capacity Auction based on past experience is due by Mar 16</li> <li>• The next Resource Adequacy engagement webinar will take place on Mar 22</li> <li>• During this webinar, the IESO will briefly review stakeholder feedback received following the Jan 26 webinar, discuss uncertainties in forecasting Resource Adequacy needs over the next several years, present an engagement schedule for upcoming meetings, and discuss the purpose and goals of the enhanced Capacity Auction</li> </ul>
<p><b><u>Design for Energy Storage Participation</u></b></p> <p>This engagement had the objective to develop the design for how storage will be able to participate and operate in IESO-Administered Markets (IAMs), in both an interim period, as well as on an enduring basis.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Capacity Auction</a></li> <li>• <a href="#">Distributed Energy Resources Survey</a></li> <li>• <a href="#">Innovation and Sector Evolution White Papers</a></li> <li>• <a href="#">Market Renewal Program (MRP) Detailed Design</a></li> <li>• <a href="#">Updates to Performance Requirements: Market Rule Appendices 4.2 and 4.3</a></li> </ul>	<ul style="list-style-type: none"> <li>• The amended Market Rules and Manuals came into effect Jan 18, 2021</li> </ul>	<ul style="list-style-type: none"> <li>• A Final Engagement Summary Report will be posted to conclude this engagement</li> </ul>



Active Engagement	Current Status	Next Steps
<p><b><u>Development of an IESO Competitive Transmission Procurement Process</u></b></p> <p>The IESO is seeking feedback to aid in the development of a competitive transmission procurement process.</p> <p><i>Engagement Lead:</i> <b>Dale Fitzgerald</b></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Regional Planning Review Process</a></li> </ul>	<ul style="list-style-type: none"> <li>• This engagement was put on hold and IESO is currently determining the next steps associated with this initiative</li> </ul>	
<p><b><u>Resource Adequacy</u></b></p> <p>The IESO is seeking feedback about what tools are needed, in addition to capacity auctions, to competitively achieve long-term resource adequacy.</p> <p><i>Engagement Lead:</i> <b>Dale Fitzgerald</b></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Capacity Auction</a></li> <li>• <a href="#">Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Reliability Standards Review</a></li> </ul>	<ul style="list-style-type: none"> <li>• Following the Jan 26 Resource Adequacy webinar, 14 stakeholder feedback submissions were received</li> <li>• A summary of stakeholder feedback and the IESO’s responses have been posted to the engagement webpage</li> </ul>	<ul style="list-style-type: none"> <li>• The next Resource Adequacy engagement webinar will take place on Mar 22</li> <li>• During this webinar, the IESO will briefly review stakeholder feedback received following the Jan 26 webinar, discuss uncertainties in forecasting Resource Adequacy needs over the next several years, present an engagement schedule for upcoming meetings, and discuss the purpose and goals of the enhanced Capacity Auction</li> </ul>

# Operations

Engagements to ensure that Ontario’s electricity resources are operating reliably within the IESO-administered market, while also undertaking continuous market improvements.

Active Engagement	Current Status	Next Steps
<p><b><u>Improving Accessibility of Operating Reserve</u></b></p> <p>The IESO is seeking feedback on an issue related to the Operating Reserve (OR), whereby the amount of OR scheduled is not fully accessible.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <p>N/A</p>	<ul style="list-style-type: none"> <li>A written update was posted in Aug 2020 to provide details on the ongoing internal work the IESO is undertaking on the two proposals discussed in this engagement – the settlement claw-back and Operating Reserve Activation (ORA) performance criteria proposal</li> </ul>	<ul style="list-style-type: none"> <li>The IESO will present draft market rule and manual amendments for the settlement claw-back proposal and an updated design for the Operating Reserve Activation (ORA) performance criteria proposal at a webinar expected to take place in Q2 2021</li> </ul>
<p><b><u>Improving Awareness of System Operating Conditions</u> *new</b></p> <p>The IESO informs stakeholders of system operating conditions through advisory notices and operating states. This engagement will review what the IESO communicates to stakeholders through these channels with the goal being to improve awareness of system operating conditions.</p> <p><i>Engagement Lead: Agatha Pyrka</i></p> <p><i>Related Engagements:</i></p> <p>N/A</p>	<ul style="list-style-type: none"> <li>This new engagement was launched on Mar 4 and the first meeting will be held on Mar 23</li> <li>The engagement plan and presentation for this meeting are posted on the engagement web page</li> </ul>	<ul style="list-style-type: none"> <li>Review feedback on the engagement plan</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Market Renewal Program (MRP) Detailed Design</u></b></p> <p>The Detailed Design of the Market Renewal Program has created the detailed documents for the renewed market, building upon the high-level design. The Market Renewal Program as a whole will improve the way electricity is priced and scheduled in order to meet Ontario’s energy needs reliably, transparently and efficiently.</p> <p><i>Engagement Lead: Karlyn Mibus</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Capacity Auction</a></li> <li>• <a href="#">Design for Energy Storage Participation Formalizing the Integrated Bulk System Planning Process</a></li> <li>• <a href="#">Market Renewal Program (MRP) Implementation</a></li> <li>• <a href="#">Transmission Rights Market Review</a></li> </ul>	<ul style="list-style-type: none"> <li>• Final versions of the detailed design have been posted, and the discussion with stakeholders will carry over into the implementation phase</li> <li>• A draft design update for Settlements Disagreements and Resettlements was published for stakeholder feedback and discussed at the Feb engagement days</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder feedback on the Settlements Disagreements and Resettlements design update is due on Mar 23</li> </ul>
<p><b><u>Market Renewal Program (MRP) Implementation</u></b></p> <p>The Implementation phase of the Market Renewal Program will begin by codifying the design into the Market Rules and Market Manuals, and then proceed onto creating tools, testing, training and readiness for bringing the renewed market to life.</p> <p><i>Engagement Lead: Karlyn Mibus</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Market Renewal Program (MRP) Detailed Design</a></li> </ul>	<ul style="list-style-type: none"> <li>• Technical Panel will vote to post the Market Entry and Prudential Security batch of market rules and manuals in March</li> <li>• The IESO is sharing a schedule for when all batches of market rules and manuals will be available for external stakeholder review at the March engagement days</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Panel engagement on the first batch of market rules and manuals will continue in April</li> <li>• The IESO is continuing the engagement to set Reference Levels through one-on-one consultations</li> <li>• The IESO will be discussing market participant training and testing at the April engagement days</li> </ul>

Active Engagement	Current Status	Next Steps
<p><b><u>Options to Address Uninsured Liability Risk</u></b></p> <p>The IESO is seeking feedback from stakeholders on options to address its uninsured liability risk. The IESO was unable to replace its errors and omissions insurance coverage and is proposing two options to address its uninsured risk.</p> <p><i>Engagement Lead: <b>Agatha Pyrka</b></i></p> <p><i>Related Engagements:</i></p> <p>N/A</p>	<ul style="list-style-type: none"> <li>• An update was provided at the Feb meeting along with a summary document of questions submitted by stakeholders</li> <li>• This item went before the Technical Panel on Feb 16 where members voted unanimously to post the market rule amendments for broader stakeholder comment</li> <li>• One stakeholder comment was submitted requesting the IESO to review the future availability of errors and omissions insurance</li> </ul>	<ul style="list-style-type: none"> <li>• The vote to recommend the proposed market rule amendments for consideration by the IESO Board will occur during the Mar 23 Technical Panel meeting</li> <li>• Engagement participants will receive a communication on the outcome of this Technical Panel vote as well as next steps</li> </ul>
<p><b><u>Transmission Rights Market Review</u></b></p> <p>The IESO is seeking feedback to determine what changes may be required to maximize the efficiency of the Transmission Rights (TR) market and to ensure that the TR market is aligned and compatible with the renewed energy market in the future.</p> <p><i>Engagement Lead: <b>Dale Fitzgerald</b></i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Market Development Advisory Group</a></li> <li>• <a href="#">Market Renewal Program (MRP) Detailed Design</a></li> </ul>	<ul style="list-style-type: none"> <li>• The IESO received four stakeholder submissions following the Dec 14 webinar</li> <li>• A document has been posted to summarize this feedback and provide a corresponding IESO response</li> </ul>	<ul style="list-style-type: none"> <li>• A webinar is scheduled for Mar 23 to present further information on the Transmission Rights Market Review Stage 3 opportunities and information regarding the conclusion of this engagement</li> </ul>
<p><b><u>Updates to IESO Monitoring Requirements: Phasor Data</u></b></p> <p>The IESO is seeking feedback on proposed updates to Appendices 4.15/4.16 to enable generators and transmitters to install phasor technology infrastructure and provide phasor data to the IESO.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Engagements:</i></p> <p>N/A</p>	<ul style="list-style-type: none"> <li>• IESO posted a response to stakeholder feedback from the Nov 19 webinar and shared a revised timeline for the engagement</li> </ul>	<ul style="list-style-type: none"> <li>• A webinar will be scheduled for Q3 2021 to present updates to the draft Market Rule amendments and associated Market Manual revision</li> <li>• The draft Market Rules will be presented to the Technical Panel in Q3/4 2021</li> </ul>

# Sector Evolution

Engagements that look to the future to see how innovation, new technologies and new collaborations can improve how we conduct our business.

Active Engagement	Current Status	Next Steps
<p><b><u>Distributed Energy Resources Survey</u></b></p> <p>The IESO is conducting a stakeholder engagement on behalf of the Ministry of Energy, Northern Development and Mines to better understand the role Distributed Energy Resources (DER) play in the Industrial Conservation Initiative (ICI) and the DER capacity available in Ontario.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Demand Response Working Group</a></li><li>• <a href="#">Design for Energy Storage Participation</a></li><li>• <a href="#">Energy Efficiency Auction Pilot</a></li><li>• <a href="#">Innovation and Sector Evolution White Papers</a></li></ul>	<ul style="list-style-type: none"><li>• A voluntary survey was held until Sept 28 with Industrial Conservation Initiative (ICI) participants, as well as energy services companies serving these customers</li><li>• Confidential follow-up discussions were also held with stakeholders in one-on-one and small group settings in early Oct</li><li>• The survey findings were provided to the Ministry in Q4 2020</li></ul>	<ul style="list-style-type: none"><li>• Further engagement steps to be determined</li></ul>
<p><b><u>Energy Efficiency Auction Pilot</u></b></p> <p>The IESO is seeking feedback from stakeholders on the design of a pilot auction for procuring energy efficiency.</p> <p><i>Engagement Lead: <b>Colin Campbell</b></i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"><li>• <a href="#">Capacity Auction</a></li><li>• <a href="#">Distributed Energy Resources Survey</a></li><li>• <a href="#">IESO York Region Non-Wires Alternatives Demonstration Project</a></li></ul>	<ul style="list-style-type: none"><li>• In Feb 2021, the IESO posted the Final Engagement Summary Report and issued a communication to stakeholders to conclude this engagement</li><li>• The report and other engagement materials can continue to be assessed through the Completed Engagements section of the IESO website</li></ul>	<ul style="list-style-type: none"><li>• This engagement has concluded</li></ul>

Active Engagement	Current Status	Next Steps
<p><b><u><a href="#">Energy Efficiency Opportunities for Grid-Connected First Nation Communities</a></u></b></p> <p>The IESO is seeking feedback from communities to help inform the design of future energy efficiency programs for First Nation communities in Ontario.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Indigenous Energy Support Programs Review</a></li> </ul>	<ul style="list-style-type: none"> <li>• A second engagement meeting occurred on Nov 20 where the IESO discussed the feedback received, and presented the draft program proposal</li> <li>• Two feedback submissions were received and have been posted to the engagement webpage, along with the IESO's response to this feedback</li> </ul>	<ul style="list-style-type: none"> <li>• The IESO will present the final program offering to communities, and explain how to apply and participate</li> <li>• The program is planned to launch in Summer 2021</li> </ul>
<p><b><u><a href="#">Indigenous Energy Support Programs Review</a></u></b></p> <p>The IESO is seeking input to review and improve the Energy Support Programs currently offered by the IESO for First Nation and Métis communities and organizations in Ontario.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Energy Efficiency Opportunities for Grid-Connected First Nation Communities</a></li> </ul>	<ul style="list-style-type: none"> <li>• In Feb 2021, the IESO posted the Final Engagement Summary Report and issued a communication to stakeholders to conclude this engagement</li> <li>• The report and other engagement materials can continue to be assessed through the Completed Engagements section of the IESO website</li> </ul>	<ul style="list-style-type: none"> <li>• This engagement has concluded</li> </ul>
<p><b><u><a href="#">Innovation and Sector Evolution White Papers</a></u></b></p> <p>The IESO intends to develop and release a series of white papers to support the creation of a shared, fact-based understanding of emerging opportunities and trends.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Capacity Auction</a></li> <li>• <a href="#">Design for Energy Storage Participation</a></li> <li>• <a href="#">Distributed Energy Resources Survey</a></li> <li>• <a href="#">IESO York Region Non-Wires Alternatives Demonstration Project</a></li> </ul>	<ul style="list-style-type: none"> <li>• The IESO published Part I of <i>Exploring Expanded DER Participation in the IESO-Administered Markets</i> white paper in Oct 2019</li> <li>• Part II of the <i>Exploring Expanded DER Participation in the IESO-Administered Markets</i> white paper was presented during the Nov Engagement Days for stakeholder feedback which was due by Dec 10</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder feedback is being reviewed and considered to help inform finalizing the conclusions and to help determine which of the options merit further consideration in future market design work, which should be considered for pilot opportunities, and which do not merit further consideration at this time</li> </ul>

## Active Engagement

## Current Status

## Next Steps

### [IESO York Region Non-Wires Alternatives Demonstration Project](#)

The IESO, with support from Natural Resources Canada, is undertaking a demonstration in York Region to explore market-based approaches to secure energy and capacity services from Distributed Energy Resources (DERs) for local needs.

*Engagement Lead: Colin Campbell*

*Related Engagements:*

- [Capacity Auction](#)
- [Energy Efficiency Auction Pilot](#)
- [Energy Storage Advisory Group \(ESAG\)](#)
- [Innovation and Sector Evolution White Papers](#)

- Following the July webinar where IESO and Alectra provided information on the demonstration logistics, eligibility, local capacity auction and local energy auction, stakeholders submitted feedback on the draft Demonstration Project Rules and timeline
  - On Sept 28, the IESO posted the final Demonstration Project Rules, and opened initial registration (initial registration deadline was Oct 28)
  - Final versions of the standard contracts for aggregators and direct participants were posted in Oct
  - The first local capacity auction took place Nov 18 – 19
  - Participant contracts were issued in early Dec 2020
- First commitment period starts May 1
  - Work is beginning to define Phase 2 of this engagement to determine changes in advance of the second local capacity auction

# Update on Advisory/Working Groups and Committees

Group	Current Status	Next Steps
<p><b><u>Demand Response Working Group (DRWG)</u></b></p> <p>This is a forum where a dialogue takes place between stakeholders involved in demand response in Ontario and the IESO on current participation and future market development.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Distributed Energy Resources Survey</a></li> </ul>	<ul style="list-style-type: none"> <li>• The final meeting of the Demand Response Working Group (DRWG) was held on Feb 12</li> <li>• One stakeholder feedback submission was received following this meeting and has been posted to the engagement page</li> </ul>	<ul style="list-style-type: none"> <li>• The prioritized list of DR market development initiatives, a response to final stakeholder feedback submissions, and other information regarding the conclusion of the DRWG will be included in a final communication sent to stakeholders and posted to the DRWG webpage by the end of March</li> </ul>
<p><b><u>Energy Storage Advisory Group (ESAG)</u></b></p> <p>The Energy Storage Advisory Group will perform an advisory role to support and assist the IESO in evolving policy, rules, processes and tools to better enable the integration of storage resources within the current structure of the IESO-administered market.</p> <p><i>Engagement Lead: Colin Campbell</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Innovation and Sector Evolution White Papers</a></li> <li>• <a href="#">IESO York Region Non-Wires Alternatives Demonstration Project</a></li> </ul>	<ul style="list-style-type: none"> <li>• Please see the “Design for Energy Storage Participation” engagement update for a review of the current activities with the advisory group</li> </ul>	<ul style="list-style-type: none"> <li>• A Final Engagement Summary Report will be posted to conclude the Design for Energy Storage engagement</li> </ul>



Group	Current Status	Next Steps
<p><b><u>Market Development Advisory Group (MDAG)</u></b></p> <p>The Market Development Advisory Group (MDAG) will support IESO efforts to evolve the Ontario electricity market, beyond the Market Renewal Program, to cost-effectively ensure reliability in the near and longer terms.</p> <p><i>Engagement Lead: Dale Fitzgerald</i></p> <p><i>Related Engagements:</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Transmission Rights Market Review</a></li> </ul>	<ul style="list-style-type: none"> <li>• Market rule amendments to implement the revised Transmission Rights Clearing Account disbursement methodology will come into effect for the May 2021 disbursement</li> <li>• For updates on the Transmission Rights Market Review, please see the dedicated entry above</li> </ul>	<ul style="list-style-type: none"> <li>• Further information on the role of MDAG will be communicated shortly</li> </ul>
<p><b><u>Stakeholder Advisory Committee (SAC)</u></b></p> <p>The Committee is a forum for its members to be informed of IESO activities and to provide timely policy advice and feedback both broadly on behalf of the electricity sector and their constituency, directly to the IESO Board and Executive with respect to the IESO's mandate.</p> <p><i>Engagement Lead: Jordan Penic</i></p>	<ul style="list-style-type: none"> <li>• SAC met on Feb 17 to discuss: <ul style="list-style-type: none"> <li>○ IESO's 2021 priorities</li> <li>○ Enabling Resource Participation</li> <li>○ Stakeholder Survey Results</li> </ul> </li> <li>• Meeting minutes have been posted</li> </ul>	<ul style="list-style-type: none"> <li>• The next public SAC meeting is scheduled for Aug 4</li> </ul>

Group	Current Status	Next Steps
<p><b><u>Technical Panel (TP)</u></b>            The Technical Panel’s mandate is to review amendments to the Market Rules for Ontario’s electricity market, and as requested, advise the IESO Board of Directors on specific technical issues relating to the operation of the IESO-administered market.  <i>Engagement Lead: <b>Agatha Pyrka</b></i>  <i>Related Engagements:</i>            N/A</p>	<ul style="list-style-type: none"> <li>• A market rule amendment proposal to enable the recovery of inappropriate Congestion Management Settlement Credits from Dispatchable Loads was adopted by the IESO Board of Directors at its Mar 10 meeting and is currently planned to take effect on Apr 6, 2021</li> <li>• On the Options to Address Uninsured Liability Risk item, members voted unanimously to post the market rule amendments for broader stakeholder comment</li> <li>• One stakeholder submitted a comment requesting the IESO to review the future availability of errors and omissions insurance</li> </ul>	<ul style="list-style-type: none"> <li>• At the Mar 23 meeting, TP members will vote to post the MRP Market Entry and Prudential Security Batch for broader stakeholder comment</li> <li>• Members will also vote to recommend to the IESO Board the item on Uninsured Liability Risk</li> <li>• The process for appointing three new TP members has almost been completed</li> <li>• The successful candidates will be notified shortly and a public announcement will be made</li> </ul>