Feedback Form

Capacity Auction Enhancements – August 20, 2026

Feedback Provided by:

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Following the August 20, 2026 Capacity Auction Enhancements webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed.

The referenced presentation and supporting materials can be found under the August 20, 2026, entry on the Capacity Auction Enhancements webpage.

To promote transparency, feedback submitted will be posted on the Capacity Auction Enhancements page unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark "Yes" below:

- ☐ **Yes – there is confidential information, do not post**
- ☒ **No – comfortable to publish to the IESO web page**

Please provide feedback by September 3, 2026, to engagement@ieso.ca. Please use subject: *Feedback: Capacity Auction Enhancements*.

Expanded One-Month Capacity Test Window

Topic	Feedback
Do you have any feedback regarding the proposal that all resource types will complete a capacity test within a one-month testing window at the start of each obligation period?	Rodan strongly supports this proposal. Viewed through program design intent versus operational reality, the test exists to verify delivery to cleared ICAP, but for an HDR aggregator that demonstration must be coordinated across an industrial contributor base whose production and maintenance schedules are set independently of the IESO calendar. A one-week window frequently collides with those schedules, forcing rescheduling and exception requests and risking that a single isolated operational event impairs a resource's demonstrated delivery and its standing for future auctions. A one-month window gives the flexibility to schedule each resource's test around its own operating reality rather than requesting exceptions or accepting a poor result.
Does this proposed enhancement offer greater flexibility to manage grid and resource unavailability (i.e., outages) and scheduling when attempting to complete the capacity test?	Yes, materially. It also reduces the volume of rescheduling/exception requests, which is administrative burden for both participants and the IESO.
What other details do stakeholders require to support this proposal?	Nothing at this time.

Expand Participation

Topic	Feedback
Do you have any feedback regarding the proposal to enable distribution-connected dispatchable generator/storage resources to participate in the Capacity Auction?	Rodan is supportive in principle. Broadening the eligible pool should improve competition and liquidity, and we agree that a dispatchable embedded resource that operates in the market in the same manner as a transmission-connected resource should not be excluded on connection point alone.

Improving Hourly Demand Response (HDR) Performance

Topic	Feedback
Do you have any feedback regarding the goals of the Improve HDR Performance enhancement as outlined on slide 28 of the presentation?	Rodan supports both goals, improving activation performance relative to obligation and encouraging more accurate bids and dispatch compliance, and welcomes the IESO's framing around modifying market signals so HDRs can better prepare and respond, rather than compliance and penalties alone. The IESO's own observation that HDRs perform when given time to prepare (slide 29) shows the binding constraint is preparation runway, not capability; better activation certainty and notification lead times will close the delivery gap faster than measures aimed only at the bid.
What are the main issues that prevent an HDR resource from delivering to their obligation during non-test activations?	Notice is short relative to industrial process timelines. Curtailment at most of our customers' facilities is not a switch — it involves shutting down or de-rating a production line, sequencing equipment, coordinating with staff and in some cases with upstream/downstream supply. For a known test date, customers plan production around it days/weeks in advance. For an activation with limited notice, curtailment must be delivered out of whatever operating state the facility happens to be in. Activation uncertainty and the cost of false preparation. Because standby does not always lead to activation, and because activations have clustered in some periods and been absent in others, customers cannot justify pre-emptively altering production every time a signal appears. Preparation has a real cost, so customers reasonably wait for certainty — which leaves too little time to prepare fully.

What are the main issues that prevent an HDR resource from submitting and updating accurate bids and delivering to dispatch schedules during non-test activations?	The revision window is too short to be useful. The practical window to revise a bid ahead of real time is shorter than the operational lead time needed to confirm what a customer can actually deliver. The result is that even a participant who wants to bid accurately frequently cannot. Aggregation adds confirmation time. For a resource made up of multiple sites, an accurate bid requires thorough predictive analytics for several independent facilities. That process does not fit inside a 1-2 hour window.
How could existing market signals (pre-dispatch prices, adequacy reports, etc.) and notifications (standby and activation notices) be modified to better prepare HDRs to respond to dispatch instructions?	Longer and more consistent notice. The single highest-value change would be more lead time ahead of activation, and consistency in how much lead time is provided. Preparation is the binding constraint, and notice is the lever that directly relieves it. Clearer signal content. Standby and activation notices that include the driver of the activation would help customers make better preparation decisions and would help us give them accurate guidance. We also understand these are topics the IESO has already explored and are not easily-adjusted.
Would a cap on the number of activations over a specific timeframe (monthly, seasonal, etc.) drive better performance and encourage more demand response participation?	Yes, we think a cap would help on both counts, and we support the IESO exploring it. On participation, a defined ceiling on activations converts an open-ended commitment into a bounded and quantifiable one. On performance, a cap allows customers to plan the curtailments they will be asked for, and reduces the fatigue effect of clustered activations

	described above. If a customer knows the number is bounded, each activation can be treated as a planned event rather than an ongoing operational risk. Two design points: the cap should be defined per season with clear treatment of consecutive-hour and same-day activations; and the IESO should be clear on what happens beyond the cap — our preference would be that activation beyond a cap remains possible for genuine emergency conditions, on a voluntary or separately-compensated basis, so that reliability is not compromised.
Do you have any other suggestions that could give HDR resources a greater ability to prepare and respond to an activation?	Address performance over sequences of activations, not only single events. Any performance measure should account for the cumulative effect of repeated activations on the same facility. This would incentivize contributors to over-perform in future events, balancing weaker historical performance. Sequence this work with the notification, market-signal, and activation-cap changes discussed above. We encourage the IESO to implement those preparation-focused enhancements first, then reassess HDR performance data before considering changes to performance measurement itself. As slide 29 indicates, HDRs perform well when they are prepared; the most efficient path to better performance is therefore to improve the conditions that allow resources to prepare.

Review of Resource-Specific UCAP Methodologies

Topic	Feedback

Do you have any feedback regarding the review of capacity qualification methodologies for dispatchable loads?	N/A
Do you have any feedback regarding the review of capacity qualification methodologies for generator-backed import (GBI) resources?	Rodan supports alignment of the GBI qualification methodology with the approach used for internal Ontario generation, provided the treatment is consistent and does not create an advantage for external capacity relative to internal resources.

2027 Prioritized Enhancements

Topic	Feedback
Do you have any other feedback regarding the prioritized enhancements for 2027 and/or engagement timelines presented today?	Rodan appreciates the IESO's continued engagement and broadly supports the prioritized 2027 enhancements. We are particularly supportive of expanding the capacity test window from one week to one month, this is the one Rodan would encourage the IESO to advance without delay. Rodan places equal priority on Improve HDR Performance, which is the enhancement of greatest consequence to HDR aggregators and their industrial contributor base; because it interacts so tightly with notification timelines, partial activations, performance measurement, and contributor retention, we ask that adequate time be allocated to its design and that it not be compressed late in the timeline.

General Comments/Feedback

Rodan Energy thanks the IESO for its continued engagement and welcomes the opportunity to comment as both a Capacity Market Participant and an HDR aggregator. Rodan is broadly supportive of the prioritized enhancements. We particularly support expanding the capacity test window from one week to one month, which delivers real, near-term flexibility to self-schedule around contributor outages and resource-specific constraints while reducing administrative burden. We also support enabling distribution-connected dispatchable generator and storage resources, on the basis that a resource operating like a transmission-connected resource should not be excluded on connection

point alone, provided eligibility turns on verifiable dispatchability and delivery held to the same standard as every other capacity resource.

Rodan's central interest is Improve HDR Performance. We encourage the IESO to view the delivery gap through program design intent versus operational reality: HDR was conceived as an emergency backstop, and the IESO's own evidence that HDRs perform when given time to prepare shows the binding constraint is preparation runway and signal certainty, not capability. The highest-value levers are improved notification lead times and pre-activation signals, an activation cap that restores predictability, and fair treatment of partial activations in both dispatch and measurement. These issues are interrelated and should be designed together. Rodan looks forward to continuing this work through the fall sessions.