

Feedback Form

Capacity Auction Enhancements – March 31, 2026

Feedback Provided by:

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Following the March 31, 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 March 31, 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 April 15, 2026, to engagement@ieso.ca. Please use subject: *Feedback: Capacity Auction Enhancements.*

Activation Payment Certainty

Topic	Feedback
Do you have any feedback regarding the updates that the IESO provided related to activation payment certainty for HDR resources?	Voltus appreciates the IESO’s clarification that HDR resources bidding at or above \$1,999/MWh will be compensated for activations triggered by manual Control Room instructions or when PD-3 prices reach or exceed \$1,999/MWh. This provides meaningful certainty and we support the IESO’s intention to maintain this precedent going forward. We note, however, that the absence of a Conservative Operating State or EEA-1 declaration at the time of activation continues to create uncertainty for contributors who look to those signals as indicators of genuine system stress. We recommend the IESO issue timely advisory communications whenever an activation is triggered by economic conditions, clearly stating the basis for the activation and confirming payment eligibility. This would reduce operational ambiguity without requiring changes to market rules.

Partial Activations

Topic	Feedback
Do you have any feedback regarding the updates that the IESO provided related to partial activations of HDR resources?	Voltus acknowledges the IESO’s internal review and the finding that partial activations represented approximately 3% of all resource activations in summer 2025, with 88% of those affecting virtual HDRs. Nonetheless, the operational impact on participants is disproportionate. Many of our contributors have all-or-nothing curtailment capabilities and cannot partially respond to dispatch instructions. When performance is

then measured against the full portfolio rather than the dispatched subset, aggregators are structurally penalized for curtailment that was never instructed or possible. We urge the IESO to: (1) align performance assessment to the actually dispatched subset during partial activations; (2) explore whether differentiated PQ pair guidance can be communicated to participants to reduce tie-break-driven partials in the near term; and (3) prioritize a longer-term solution within the three-year enhancement plan that reflects the all-or-nothing nature of many industrial contributors.

Frequent Activations

Topic	Feedback
Do you have any feedback regarding the updates that the IESO provided related to the frequent activation of HDR resources?	Volutus shares the concern expressed by multiple stakeholders that the frequency of HDR activations since May 2025 is not consistent with the original design intent of HDR as an emergency reliability resource. We support the IESO's review of whether the PD-3 scheduling window (HDR committed three hours out while other supply remains uncommitted until PD-2) is producing unintended activation frequency. We encourage the IESO to share preliminary findings with stakeholders, and to consider interim operational adjustments to reduce unnecessary activations while the longer-term review is completed.

2026-2028 Enhancements Roadmap

Topic	Feedback
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Do you have any feedback regarding the IESO’s engagement approach and high-level engagement timelines?

Voltus supports the IESO’s three-year engagement approach and welcomes the structured cadence of sessions tied to each auction cycle. The charted timeline is a useful starting point, and the commitment to use design memos to document final changes before market rules and manuals are updated is a meaningful step toward greater accountability and transparency. We noticed that the 2027 and 2028 enhancement descriptions remain high-level. While we understand scoping is ongoing, we encourage the IESO to share more granular timelines, including when engagement on each enhancement initiative will begin at the future sessions, so participants can plan internal resources accordingly.

Do you have any feedback regarding prioritized enhancements for the 2026 auction?

Voltus has reviewed the four prioritized 2026 enhancements presented on March 31 and offers the following comments on each:

- HDR Standby Notice Price Trigger Review: Voltus supports this assessment and notes it is long overdue. We request that the Q3 2026 assessment include a comparison of standby notice volumes pre- and post-MRP, as well as empirical data on what share of standby notices at various price levels have historically led to actual activations. This data should be shared with stakeholders alongside the assessment conclusions, before any decision on a revised trigger is finalized.

- Capacity Testing Processes: An update to the Online IESO interface for capacity test data submissions is a welcome operational improvement. However, Voltus notes that the 2026 scope addresses administrative mechanics only. The more substantive question of whether in-market activations should substitute for formal tests — raised by multiple stakeholders in January - does not appear in the 2026 plan. We ask the IESO to confirm whether this is being deferred to the 2027 Improve Performance initiative and, if so, to include it explicitly in that workstream’s scope.
- Contributor Management Tool Enhancements: Voltus supports streamlining the submission process and removing administrative bottlenecks, including the introduction of task time-outs and updated validation rules. These changes reduce friction for aggregators managing large contributor portfolios and are straightforward to implement without market rules changes.
- Settlement Enhancement (CT-1320 Formula): The correction to the Emergency Activation Payment formula edge case is a necessary fix. Voltus supports this change.

2026 Administrative Enhancements

Topic	Feedback
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Do you have any feedback or comments on the proposed administrative enhancements, including the capacity testing processes, contributor management tool improvements, and settlement enhancement?

Voltus supports the three administrative enhancements presented on March 31, with comments as follows:

- Capacity Testing - Online IESO Interface: Automating capacity test data submissions through an Online IESO interface will reduce manual burden for aggregators and is a straightforward improvement.
- We also support clarifying the treatment of in-period cleared UCAP adjustments where Delivered MW is less than 1 MW. The proposed revision to CT-1323 is a proportionate and fair outcome. Voltus asks that the IESO provide clear guidance in Market Manual on how this calculation will be applied in practice.
- Contributor Management Tool: Voltus strongly supports the streamlining of contributor management submission processes and the introduction of task time-outs. Administrative delays in the current process have operational consequences when aggregators need to make timely adjustments to contributor rosters ahead of obligation periods. The review and update of validation rules is also welcome, provided stakeholders are given an opportunity to flag any rules that are producing unintended rejections.
- Settlement Enhancement - CT-1320 Formula: Voltus supports the revision to the Emergency Activation Payment formula.

General Comments/Feedback

Voltus appreciates the IESO's continued engagement with the aggregator community and the responsiveness of the Capacity Auction team. While the preceding feedback reflects significant operational concerns, we recognize the complexity of managing a newly renewed market and are committed to constructive dialogue.

We strongly encourage the IESO to maintain parallel workstreams for near-term and longer-term enhancements. The risk of sequencing - focusing only on 2026 "quick wins" before addressing foundational design issues - is that systemic problems (dispatch modeling, partial activation measurement, ICI baseline erosion) become entrenched as an accepted norm rather than design deficiencies to be corrected.

Finally, Voltus recommends the IESO publish a consolidated list of all previously identified, unimplemented enhancement priorities from prior stakeholder engagements, so that stakeholders can verify these items are not lost as the program enters its three-year enhancement cycle.