Market Renewal Program Feedback Form

Market Renewal – Energy Project Implementation Market Power Mitigation – December 15, 2023

Feedback Provided by:

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To promote transparency, feedback submitted will be posted on the Implementation Engagement webpage unless otherwise requested by the sender.

The Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the Market Power Mitigation changes made to the Market Rules and Market Manuals that were presented in the December 15, 2023 webinar. The materials for the December 15, 2023 webinar where the IESO provided an overview of these changes have been posted to the <u>engagement web page</u>.

Please submit feedback to <u>engagement@ieso.ca</u> **by January 24, 2024**. If you wish to provide confidential feedback, please mark the document "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.



Market Rules, Chapter 7

What feedback do you have Chapter 7 of the draft Market Rules?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Rules, Chapter 11

What feedback do you have Chapter 11 of the draft Market Rules?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Manual 14.1

What feedback do you have on the draft Market Manual 14.1?

Section / Topic	Feedback
Click or tap here to enter text.	Click or tap here to enter text.

Market Manual 14.2

What feedback do you have on the draft Market Manual 14.2?

On Forebay Refill Opportunity Cost:

- As proposed, Market Participants will be unnecessarily required to manually submit data in the online IESO Portal.
- This new requirement is redundant and inefficient, as the same data would already have been submitted as part of the daily energy offer parameters to the DAM DSO. In addition, the FROC Adder's submission schedule requires Market Participants to devote staff time on a daily basis, including holidays and weekends when staffing is limited and costly, to meet the daily 930EPT submission obligation. Similarly, this obligation would take away valuable time already allocated to preparing accurate DA Energy, OR, and Ancillary Service offers for the IESO. Moreover, the manual submission requirement in the Online IESO Portal would create an administrative burden for both the IESO and Market Participants to enter and review data daily. In sum, this obligation would a) be redundant and inefficient, b) cannibalize staff time already devoted to meet other IESO requirements, c) increase staffing cost, and d) increase regulatory redtape and obligations for both parties without clear benefits.
- We recommend that the IESO establish IT solutions to automate the retrieval of data already submitted in preparation of the DAM DSO instead.

On Start/Stop:

- Hydro resources are unique and may not have the specific documentation that details the limitations of their equipment regarding the daily start/stop parameters. To clarify, Ontario's hydro resources are generally legacy facilities that do not possess such documentation due to asset age. In addition, hydro resources' long asset life often led to specific plant configurations and engineering solutions created in collaboration with the IESO's operational team. Market Participants therefore do not possess such supporting documentation from their original manufacturers. Finally, hydro resources are legally bound by their water management plans and other environmental and safety obligations—all of which affect the start/stop equivalent hours and other parameters sought by Market Manual 14.2. As such, the proposal is not practical nor is it realistic to meet.
- Instead, we recommend a simplified and general approach that respects the level of documentation that currently exists for hydro resources. Please refer to the solutions proposed by the Ontario Waterpower Association in this regard.

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Section / Topic	Feedback
	 On O&M Energy and OR: Similar to our comment above, the proposed documentation request regarding O&M Energy and OR costs is too specific and does not take hydro resources' particularities into account. Again, the requirement is not practical nor is it realistic. We recommend the IESO adopt a more simplified and general approach that respects hydro resources' existing accounting framework. Please refer to the solutions proposed by the Ontario Waterpower Association in this regard.

General Comments/Feedback