

IESO Market and Development Advisory Group (MDAG)

Quick Start Thermal Commitment Submission

PRESENTED TO: IESO MDAG Committee

August 29, 2019

Capital
Power



RESPONSIBLE ENERGY
FOR TOMORROW





Issue Description

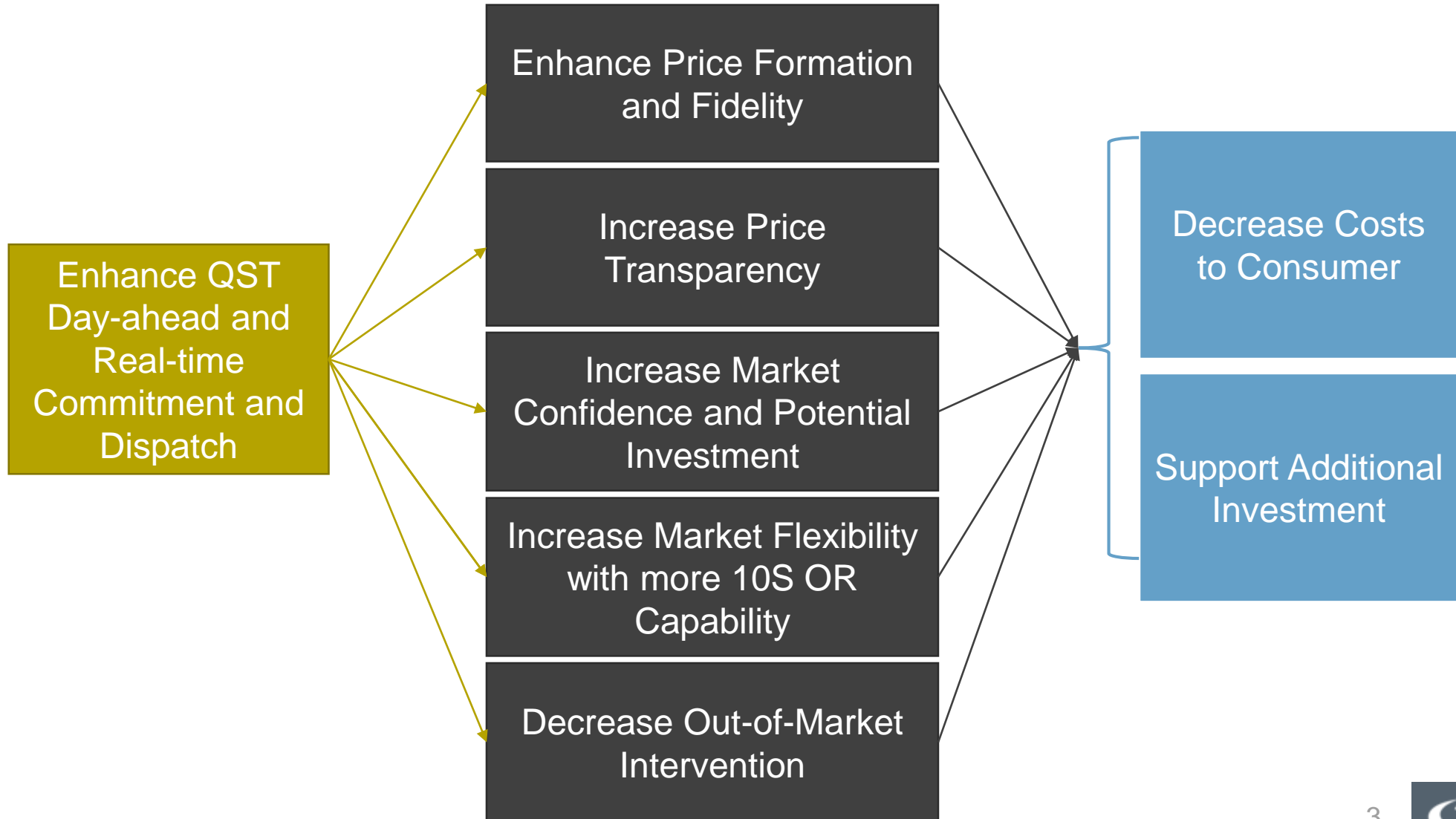
Quick Start Thermal (“QST”) Commitment

- QST facilities are specialized tools for IESO dispatch
 - Fast ramping and flexible
- QST offer single-part offers only and as a result amortize costs over this single period
- Single-part offers lead to less QST commitment and force the generation to be less competitive in real-time and day-ahead processes
- Sub-optimal unit commitment and dispatch negatively impacts the wholesale market through:
 - Reduced efficiency of unit commitment and as a result price formation
 - Potential for increased costs to the system
 - Future investment





Rationale



Capital Power Request

Capital Power submits that the IESO must balance reliability and market efficiency in its rulemaking and will maintain an ongoing need for out-of-market dispatch of QST generators. To achieve more efficient market outcomes three areas of reform relating to the current and future market requirements should be considered:

- Allow QST generators to receive binding commitments in the Day-Ahead Commitment Process (“DACP”), Real-Time Generator Cost Guarantee (RT-GCG), Day-Ahead Market (“DAM”), and Enhanced Real-Time Unit Commitment (“ERUC”)
- Allow QST generators to submit three-part offers.
- Allow QST generators to restate reserve offers to 10S when online.





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Thank You