

IESO Engagement

From: Charles Conrad
Sent: April 27, 2020 5:01 PM
To: IESO Engagement
Cc: John Mikkelsen; Charles Conrad
Subject: stakeholder feedback re Improving Accessibility of Operating Reserve

Hello – please find below our comments on Improving Accessibility of Operating Reserve:

TC Energy is generally supportive of the proposed detailed design of the proposed solution for improving accessibility of OR (IAOR). TC Energy's understanding is the IAOR stakeholder engagement was derived from two separate recommendations from the Market Surveillance Panel (MSP).

- In the MSP Market Monitoring report on the IESO-Administered Market (IAM) from May 2017, the MSP recommended (i.e., recommendation 3-1) "The IESO should take steps to ensure that dispatchable loads are only compensated for the amount of operating reserve they were capable of providing in real-time. More fundamentally, the IESO should explore options for ensuring unavailable OR is not scheduled in the first instance".

- In the MSP Market Monitoring report on the IAM from February 2018, the MSP recommended (i.e., recommendation 4-2A) "The Independent Electricity System Operator's Board of Directors should revise the materiality threshold value such that operating reserve payments are clawed back when a market participant fails to fully respond to its operating reserve activation." and (i.e., recommendation 4-2B) "When a market participant fails to fully respond to an operating reserve activation, the Independent Electricity System Operator should calculate the claw back based on the ratio of the energy not provided in response to the activation relative to the energy required by the activation."

TC Energy is interesting in confirming if the proposed changes address, in IESO's view, all of the MSP recommendations. If they do not, or if further changes are required, TC Energy is interested in understanding what additional changes or adjustments may be considered by the IESO to address all of recommendations. For example, are the proposed changes for IAOR the first stage of a more fulsome overhaul or are they expected to be the final in the IESO's response to the MSP?

Thank-you and best regards,
Charles Conrad

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