

Feedback Form

Resource Adequacy Engagement webinar – November 18, 2020

Feedback Provided by:

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Following the November 18, 2020 Resource Adequacy engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following items discussed during the webinar. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by December 9, 2020. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Feedback on Key Resource Adequacy Discussion Areas

Topic	Feedback
<p>Will the key discussion areas proposed cover the major areas that need to be discussed with stakeholders to develop and operationalize the framework? Are there any major areas missing?</p>	<p>At a high-level the four discussion areas (General Framework Details, Acquisitions Target Setting, Planning Considerations and Transition) provide a solid foundation to begin planning a path towards developing an effective Resource Adequacy framework.</p> <p>The OEA sees this stakeholder initiative as an opportunity to increase the transparency of how government and regulatory policy, as well as unsolicited proposals, are evaluated and integrated into the Resource Adequacy process. It is unclear where the evaluation process fits into the framework as laid out. The OEA would like to have the evaluation process formalized in the framework.</p>

Topic	Feedback
<p>Are there key discussion areas that should be prioritized or discussed before others?</p>	<p>It is difficult to prioritize the discussion areas due to their interdependencies. The decisions made within one discussion area will have an impact on one or more of the other areas. For example, the decision on how to proceed with the Transition of expiring contracts will impact the methodology and timing of the Acquisition Target Capacity process.</p> <p>The importance of this stakeholder initiative as it relates to investments by market participants in all the identified timeframes requires stakeholders and the IESO to push forward as quickly as possible with developing sustainable Resource Adequacy processes. In order to maintain capacity requirements, the IESO has identified the need to transition expiring contracts as well as procurement of incremental capacity later in the decade. Both initiatives have lead times that require solidified processes as soon as practical to limit the risk for market participants, consumers and the IESO.</p>

General Comments/Feedback

The OEA members appreciate the opportunity to participate and provide feedback on the Resource Adequacy Engagement. This initiative is of primary importance to not just our members but also to the efficient operation of the grid and wholesale market. The OEA is a strong proponent of competitive

markets and views this initiative as a positive step towards promoting competition within the Ontario energy landscape.

The four key discussion areas within the framework provide a solid base for Resource Adequacy discussions. There are many interdependencies within the identified discussion areas. The success of the initiative will be decided in how these dependencies are reflected in the detailed Resource Adequacy design.

Within the Resource Adequacy process development as well as the broader IESO stakeholder engagements, the OEA reiterates the need for increased transparency to provide stakeholders with confidence in the wholesale market. Recognizing government and regulatory policy will impact the Resource Adequacy process, the OEA would like to have a formalized method of integrating non-market procured resources into the process. With confidence in the process, market participant investment in building and maintaining assets will be done with reduced risk, resulting in lower costs for the consumer.

The OEA looks forward to working with the IESO and stakeholders over the next few months to develop a strong and efficient Resource Adequacy design framework.