

Feedback Form

Resource Adequacy webinar – January 26, 2021

Feedback Provided by:

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Following the January 26, 2021 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 February 17, 2021. *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 Requested

Topic	Feedback
<p>Does the proposed process to set acquisition targets and select competitive mechanisms align with stakeholder needs?</p>	<p>At this time, the goal of the Acquisition Process Objectives (to meet system needs in a transparent and cost-effective manner by maximizing competition) and how it will be achieved (information; outline of how translates into acquisition quantities and mechanisms; communication of needs and price outcome transparency) appear to demonstrate a positive process for the procurement of capacity in the IAM. This type of report and process is key to clearly understanding the needs of the electricity system in Ontario as well as the procurement tools that will be used to meet those needs. This report will only meet its goals if the IESO adheres to the transparency principle.</p>
<p>Is there any additional information that the IESO should consider including in the Annual Acquisition Report (AAR) to help participants make investment decisions?</p>	<p>The AAR should include the following additional information:</p> <ul style="list-style-type: none"> - Expiring contracts (plus zonal information) and whether or not those resources are considered 'essential' and therefore will be expected to be re-contracted (in advance of the use of the mid-long term procurement mechanisms.) - Zonal minimum and maximum acquisition restrictions
<p>What are the timing considerations from a stakeholder perspective with respect to the AAR?</p>	<p>The AAR should be published either with the APO or shortly thereafter. The AAR should recognize the planning/timing needs of resources that are expected to meet the medium and long-term 'competitive' procurements and the appropriate forward period.</p> <p>For resources participating in the Capacity Auction (short term), an outlook needs to be provided that includes the minimum capacity floor for the upcoming years to ensure planning can continue for those resources.</p>

Topic	Feedback
<p>Are there any concerns with the proposed Capacity Auction enhancements?</p>	<p>AEMA will participate in the discussions on the transition to UCAP and the clarification of virtual and physical participation. Both discussions are key for enabling the fair and equitable treatment of the demand response resource when it is competing to provide capacity to the IAM.</p> <p>AEMA supports the proposed requirement of a Minimum Capacity Floor. For resources, who have supported and participated in competitive mechanisms, where uncertainty has been the norm, a minimum capacity floor will offer stability and therefore an ability to provide a continuous cost-effective and flexible resource.</p>
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General Comments/Feedback

AEMA is a North American trade association whose members include distributed energy resources ("DER"), demand response ("DR"), and advanced energy management service and technology providers, as well as some of Ontario's largest consumer resources, who support advanced energy management solutions due to the electricity cost savings those solutions provide to their businesses. These comments represent the views of AEMA as an organization, not those of any individual company.