

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>	<ul style="list-style-type: none"> - The proposed process will communicate the IESO identified needs for capacity, energy, ancillary services and other needs but the details on how the requirement has been determined and allocated to the appropriate procurement timeframe requires further stakeholdering to ensure participant understanding and process transparency.
<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>	<ul style="list-style-type: none"> - The AAR should include the UCAP default summer and winter values for each resource type in the market and/or anticipated to participate in the identified acquisition mechanism. For example, the report should convey that a resource with a nameplate capacity of 100 MW of resource type X in zone Y has a summer/winter UCAP of Z. - The report should identify zonal minimum and maximum acquisition restrictions similar to those outlined in the current Capacity Auction process. - The AAR should identify contracts that are expiring within each timeframe of the report. - The details associated with transitioning certain contracted assets remains a concern. The report should identify resources with expiring contract that are required to meet regional or reliability needs and will be engaged to negotiate a contract extension.
<p>What are the timing considerations from a stakeholder perspective with respect to the AAR?</p>	<ul style="list-style-type: none"> - The proposal to publish the AAR either with or shortly after the APO is appropriate. The timing of the acquisition mechanism after publishing the AAR is a separate issue and needs to provide participants with sufficient time to plan and prepare their response. - Mid and long-term acquisition processes will require a longer period from AAR publishing to submission of proposals/bids than a Capacity Auction.

Topic	Feedback
Are there any concerns with the proposed Capacity Auction enhancements?	<ul style="list-style-type: none"> - The proposal to implement a floor capacity procurement within the Capacity Auction is appropriate and will provide stability to the process. The effectiveness of the minimum volume to be procured will be determined by the yet to be determined quantity.

General Comments/Feedback

The Ontario Energy Association appreciates the opportunity to provide feedback on this important stakeholder initiative.

The Ontario Energy Association (OEA) is the credible and trusted voice of the energy sector. We earn our reputation by being an integral and influential part of energy policy development and decision making in Ontario. We represent Ontario’s energy leaders that span the full diversity of the energy industry. OEA takes a grassroots approach to policy development by combining thorough evidence based research with executive interviews and member polling. This unique approach ensures our policies are not only grounded in rigorous research, but represent the views of the majority of our members. This sound policy foundation allows us to advocate directly with government decision makers to tackle issues of strategic importance to our members.

The Resource Adequacy high-level framework effectively sets the groundwork for continuing the conversation on how the province will maintain grid reliability while achieving government policy and creating a environment for industry investment. OEA members continue to be concerned about the lack of transparency around the evaluation criteria and integration of unsolicited proposals into the Resource Adequacy framework and look forward to the IESO’s proposal on this important issue. While the framework sets broad objectives for operationalizing the acquisition process, governance and decision-making transparency concerns remain and the OEA looks forward to working with the IESO to develop processes that will create confidence in the finished product