Feedback Form

Resource Adequacy – July 22, 2021

Feedback Provided by:

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Date: August 13, 2021

To promote transparency, feedback submitted will be posted on the Resource Adequacy Engagement webpage unless otherwise requested by the sender.

Following the July 22, 2021 Resource Adequacy webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following discussed items. 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 <u>engagement@ieso.ca</u> **by August 13, 2021**. If you wish to provide confidential feedback, please mark the document "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.



Qualified Capacity Proposals

Topic	Feedback
What questions or feedback do you have on the updated Qualified Capacity (QC) proposals?	No comments at this time.
What questions or feedback do you have on the proposed QC methodology for hourly demand response resources?	No comments at this time.

Resource-Backed Imports

Topic	Feedback
What questions or feedback do you have on the proposed resource-backed import framework?	

General Comments/Feedback

We will reserve detailed comments on the Annual Acquisition Report for when IESO is formally stakeholdering the report later in the year but will make a few general comments at this time.

We agree with IESO comments that the acquisition mechanisms outlined in the current AAR (capacity auction, medium-term RFP, and long-term RFP with a commitment period of 7-10 years) are not intended for large hydro and nuclear assets / projects. However, without a planning process designed to test different types of asset portfolios, large hydro and nuclear assets will not have an IESO-mediated venue to demonstrate their long-term system and ratepayer value, and to compete against other technologies. This information and process gap limits competition and leaves ad hoc processes resulting in ministerial directives as the only option for the two largest asset types in Ontario's generation mix, which we believe is an unfortunate outcome.

A long-term planning process with elements of the Long Term Energy Plan and/or with elements of an Integrated Resource Plan would allow the value propositions enabled by large hydro and nuclear assets to be judged in terms of overall benefits on an even playing field with other asset classes, all within the framework of an integrated plan. We believe an IESO-mediated planning and acquisition framework that can be inclusive of all technology types would be beneficial from the perspectives of consistency, transparency and optimized outcomes. We would also contend that a deliberate system planning approach is all the more important for managing system reliability given current trends towards increasing environmentally-based policy interventions from various levels of government. A planning approach of this nature could represent either the main mode of planning, or, perhaps more realistically, could represent a supplementary approach that could result in changes or additions to the modes of acquisition outlined in the AAR. TCE thanks the IESO for the opportunity to comment and for carrying out this stakeholder engagement.