

# Feedback Form

## Resource Adequacy – August 26, 2021

### Feedback Provided by:

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

Following the August 26, 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 [engagement@ieso.ca](mailto:engagement@ieso.ca) by September 17, 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.

## Capacity Auction – Review of Performance Obligations and Assessment Framework Recommendations

Topic	Feedback
What questions or feedback do you have on Proposed Change #1 – <b>Test to Capability for All Resources</b>	None
What questions or feedback do you have on Proposed Change #2 – <b>Changes to Thresholds</b>	Review of the threshold percentages should be done annually
What questions or feedback do you have on Proposed Change #3 – <b>Future De-Rates</b>	Evaluation for the purposes of a derate impacting future participation levels should be done at the disaggregated level for HDR resources. The asset within the aggregation that failed to meet the obligation should be de-rated not the entire aggregation. The concern here is the asset causing the de-rate may move from one aggregator to another aggregator while the original host maintains the derate of an asset no longer in their portfolio.
What questions or feedback do you have on Proposed Change #4 – <b>Common Notification</b>	None
What questions or feedback do you have on Proposed Change #5 – <b>Incenting Performance at the Right Time</b>	None
What questions or feedback do you have on Proposed Change #6 – <b>Availability Assessment True-Up</b>	The ability to recover availability charges through this mechanism is a positive change.
General comments and feedback	Click or tap here to enter text.

## Medium-Term RFP

Topic	Feedback
What questions or feedback do you have on the Medium-Term RFP proposed design consideration on <b>Contractual Considerations</b>	The move to capacity contract based on UCAP and Pay-as-Bid is a positive market enhancement that will provide opportunities for a more robust secondary energy market.
What questions or feedback do you have on the Medium-Term RFP proposed design consideration on <b>Resource Eligibility</b>	Appreciating this is the first in a series of mid and long-term acquisition mechanisms, not providing capability for all registered market assets to participate is a missed opportunity to demonstrate resource adequacy will truly be resource agnostic.
What questions or feedback do you have on the Medium-Term RFP proposed design consideration on <b>Proposal Evaluation</b>	None.
What questions or feedback do you have on the Medium-Term RFP proposed design consideration on <b>Contract Expiry and Bridging</b>	How will terminated contracts be integrated into the Resource Adequacy framework. The Mid-term RFP as outlined will procure up to 750 MW of qualified capacity. How is the 750 MW determined? Is it assumed only resources off contract prior to May 1, 2026 are vying for the 750 MW or has this amount forecasted a portion of resources with expiring contracts post May 1, 2026 will choose early termination? How will early terminated contracts be accounted for in the broader resource adequacy framework, will it be anticipated the newly uncontracted capacity will be added to the needs procured through the Capacity Auction or will the Mid-term RFP procure more than 750 MW?
What questions or feedback do you have on the Medium-Term RFP proposed <b>Timelines and Milestones</b>	None
What questions or feedback do you have on the Medium-Term RFP <b>UCAP approach</b> outlined in the presentation materials	None
What areas of the draft RFP and Contract do you want to see more details on in the September engagement session, ahead of the issuance of draft documents?	None

Topic	Feedback
Do you have a resource that is eligible, or may be eligible, to participate? If so, please provide feedback specific to your resource based on the proposed design considerations. Please indicate if you would like to meet with the IESO to discuss eligibility or any other aspects of the Medium-Term RFP.	OEA members have resources that will participate in the Mid-term RFP and will provide direct feedback on their resources.
General comments and feedback	The OEA would prefer the Mid-term RFP be expanded to include all existing assets that could meet the requirements. Having a process that is technology agnostic would provide market participants with validation the IESO is committed to providing access to all market products for all resources capable of meeting that market's defined characteristics.

## General Comments/Feedback

The Ontario Energy Association (OEA) views the development of a wholesome Resource Adequacy process as positive advancement of the Ontario electricity sector. The evolution of the Annual Acquisition Report (AAR) to clearly define how future needs will be allocated to each of three competitive procurement processes (Capacity Auction, Mid-term RFP and Long-term RFP) remains outstanding. For example the presentation identified the Mid-term RFP would procure up to 750 MW of Qualified Capacity, what was the process to assign this volume to the Mid-term RFP? What is the impact on future Capacity Auction volumes if the Mid-Term RFP procures less than 750 MW? Uprates and early terminated contracts aside can the IESO forecast the quantity of capacity that would qualify to participate? A separate issue, hopefully answered in the upcoming Long-term RFP stakeholder engagement, raised by our members is the proposed limited length of the term of the Long-term RFP. Having a 10-year maximum term may limit interest in this process and may drive proponents seeking to invest to go directly to the ministry to seek non-competitive mechanisms to advance their projects.