

# Memorandum

**To:** Technical Panel

**From:** Adam Cumming

**Date:** July 20, 2021

**Re:** MR-00466 – Capacity Auction December 2021

In preparation for the December 2021 Capacity Auction, the IESO is proposing to amend the market rules to add additional clarity and make minor clerical corrections to the sections of the market rules related to the Capacity Auction.

The IESO's Capacity Auction has replaced the former Demand Response Auction to enable competition between additional resource types. Capacity auctions help meet Ontario's reliability needs in a cost effective manner while allowing the IESO to adjust to changing system needs. Additional information on the Capacity Auction can be found on the IESO's Capacity Auction [webpage](#).

## Stakeholder Feedback

As part of the Resource Adequacy Engagement the IESO has held a series of stakeholder sessions to discuss the evolution of the Capacity Auction. Materials from these sessions including presentations and previous stakeholder feedback is available on the [Resource Adequacy Engagement webpage](#).

At the June 29, 2021 Technical Panel (TP) meeting, the TP voted to post the proposed market rule amendment for stakeholder review and comment for a period of two weeks, ending July 15, 2021. No stakeholder feedback was received during this time period.

Based on feedback received from technical panel members during the June 29<sup>th</sup> meeting. The IESO has amended the proposed definition of *capacity auction eligible import resource* in order to shorten the proposed definition while retaining the same intent.

**Panel Action and Next Steps**

The IESO recommends that the Technical Panel vote to recommend the proposed market rule amendment MR-00466 to the IESO Board of Directors with a proposed effective date of September 15, 2021. These amendments will be applicable for the December 2021 pre-auction and obligation periods.

**Accompanying Materials**

- Market Rule Amendment Proposal Form - MR-00466

Adam Cumming