

Minutes of the IESO Technical Panel Meeting

Meeting date: July 15, 2025
Meeting time: 9:00 a.m. – 9:47 a.m.
Meeting location: Virtual

Chair/Sponsor: Michael Lyle

Scribe: Jason Grbavac, IESO

Please report any suggested comments/edits by email to engagement@ieso.ca.

Invitees	Representing	Attendance Status Attended, Regrets
Jason Chee-Aloy	Renewable Generators	Attended
Rob Coulbeck	Importers/Exporters	Attended
Dave Forsyth	Market Participant Consumers	Attended
Jennifer Jayapalan	Energy Storage	Attended
Forrest Pengra	Residential Consumers	Attended
Robert Reinmuller	Transmitters	Regrets
Joe Saunders	Distributors	Attended
Vlad Urukov	Market Participant Generators	Attended
Michael Pohlod	Demand Response	Attended
Lukas Deeg	Generators	Attended
Matthew China	Energy Related Businesses and Service	Regrets
David Short	IESO	Attended
Michael Lyle	Chair	Attended
Secretariat		
Trisha Hickson	IESO	Regrets
Acting Secretariat: Jason Grbavac	IESO	Attended

IESO Presenters/Attendees

Presenters:

Laura Zubycck
Paula Lukan
Adam Cumming

Attendees:

Amy Eakins
Marko Cirovic
Sehrish Syed
James Hunter
Bryan Timm

Agenda Item 1: Introduction and Administration

Jason Grbavac, IESO, welcomed everyone joining the meeting.

The meeting agenda was approved on a motion by members.

The June 10, meeting minutes were approved on a motion by Forrest Pengra.

Introductory Remarks from the Chair:

Michael Lyle, Chair welcomed everyone and noted Joe Saunders will be leaving the Technical Panel. Mr. Saunders was thanked for his valuable contributions over the past 7 years and for staying on throughout the implementation of the Market Renewal Program. Mr. Lyle noted that recruitment will begin for both the distributor position and upcoming consumer-side vacancies. Updates will be provided as progress is made.

- Mr. Saunders expressed appreciation for the opportunity to serve on the panel, highlighting the strong expertise and dedication of committee members and the positive experience working with the team.

Agenda Item 2: Engagement Update

Mr. Grbavac provided an update on the prospective schedule which is posted on the Technical Panel webpage. Mr. Grbavac identified upcoming sessions as part of the IESO July Engagement Days and encouraged panel members and observers to attend. In addition, Mr. Grbavac provided an update on the market manual process related to the scope of the panel. After internal discussions and pre-meeting

consultations with some panel members, it was decided that more time is needed to prepare a more comprehensive update.

Agenda Item 3: Capacity Auction Enhancements

Adam Cumming, IESO provided an overview of the Capacity Auction Enhancements for Technical Panel education. The enhancements include amendments focused on more flexible transfers, increasing the buy-out charge, eliminating forfeiture rules, and changes to the capacity test requirements for system-backed capacity import resources.

Following last month's Technical Panel vote to post, the item was posted for stakeholder comment. No stakeholder feedback was received.

The presentation with complete details of the changes is posted on the [Technical Panel webpage](#).

- Michael Pohlod, Voltus noted, regarding the flagged changes to Section 4.13.2.2, that no substantive updates are visible.

Mr. Cumming clarified the change was the italicization of the defined term "*energy dispatch instructions*", which had not been previously formatted as a defined term.

On a motion by Forrest Pengra, members unanimously voted to recommend the proposed market rule amendments for approval.

Agenda Item 4: Capacity Auction Tie-Break methodology

Laura Zubyck, IESO presented an update on the Market Rule amendments related to enhancing the Capacity Auction tie-break methodology. The changes aim to improve fairness by more equitably allocating capacity among tied offers, addressing stakeholder concerns.

The initiative was initially de-prioritized in April of this year and removed from the 2025 enhancements due to shifting priorities. Then, in June, it was reinstated as a 2025 auction enhancement due to strong support from the HDR community. Engagement on this enhancement began in mid-2024, with key updates in September and November. The revised multi-step tie-break approach was introduced to promote competition, maintain market confidence and produce more equitable outcomes, with final board approval set for October 2025.

The presentation with complete details of the Tie-Break methodology is posted on the [Technical Panel webpage](#).

- Vlad Urukov, OPG asked for clarification on when flagging an offer as full or partial occurs in the auction process.

Ms. Zubyck clarified that flagging an offer is part of the existing process and is completed by the

participant during the two-day auction submission window, before the auction is cleared and any tie-breaks are assessed.

- Lukas Deeg, Capital Power inquired whether there is an equal share that has been allocated across each of the participants. Additionally, he asked whether there had been any consideration of a prorated allocation based on the initial submissions or offers made by each participant.

Ms. Zubyck stated that the initial design proposed in September aimed to allocate capacity proportionally based on offer amounts. However, stakeholders raised concerns that this could encourage inflated offers in order to clear the most capacity possible. As a result, the process was revised: Step 1 uses equal allocation, followed by Step 2, which distributes any remaining capacity proportionally, rounding down to one decimal place. Any leftover capacity then moves to Step 3, which allocates based on timestamp rank.

Ms. Zubyck presented a visual example of the process to enhance member understanding and clarity of the process. Ms. Zubyck noted in the tie-break process, if an obligation of less than one megawatt results, it cannot be awarded due to market rules. Ms. Zubyck went through the process to remove offers that result in obligations of less than 1 MW and addressed mechanisms in the tie-break methodology to ensure auction constraints are respected in the solution.

Stakeholder feedback supported the enhanced methodology, however a concern raised was the potential for aggregators to create multiple subsidiaries to gain more capacity. While the tie-break cannot prevent these circumstances, the broader issue will need to be addressed in future enhancements.

- Mr. Pohlod thanked the IESO for moving quickly on HDR concerns and looks forward to addressing the subsidiary issues together in the future.

Ms. Zubyck thanked Mr. Pohlod. Final questions on the presentation were open to discussion.

- Forrest Pengra, Seguin Township raised a concern regarding the current allocation approach, noting that the distribution may not appear equitable when comparing what each offer received. Mr. Pengra expressed uncertainty about whether the existing method is the most fair or effective solution and emphasized the importance of implementing stronger safeguards to ensure the system remains resistant to potential manipulation.

Ms. Zubyck responded that while proportional allocation was the original idea, concerns about manipulation led to a simpler equal-split method. Ms. Zubyck acknowledged the solution is not perfect but is an improvement to the current method. Future improvements will address broader issues like multiple entities and registration practices.

- Mr. Pohlod noted that proportional allocation based on offers can encourage strategic

overbidding, leading to inefficiencies. Therefore, the pro-rata method was favored to promote honest bidding by aligning offers with actual needs.

Agenda Item 5: Terms of Reference – Alignment with Market Rules

Paula Lukan, IESO presented an update on proposed amendments to the Technical Panel Terms of Reference (ToR). After concerns were raised by panel members about potential misalignment between the market rules and the ToR, the IESO reviewed the ToR and found areas in the rules, particularly Chapter 3, Section 4 that could benefit from clearer language. Updates will be prioritized based on future Market Rule amendment commitments.

- Mr. Urukov asked if the updates are purely clarifications with no rule changes and sought clarity on whether the IESO Board's 2017 approval of the ToR supersedes the market rules?

Mr. Lyle clarified that the IESO Board's approval of the ToR, including the deeming provision, means all proposed rule amendments that have gone through an IESO engagement process warrant Board consideration. However, it was acknowledged that this linkage between the rules and ToR could be made clearer.

Other Business

Mr. Urukov followed up on a prior IESO commitment to explore more transparent and structured ways to raise MRP-related issues, including the potential for a dedicated working group. Mr. Lyle confirmed that no update has been provided, but the IESO is still considering the best approach and will follow up with TP members when an update is available.

Adjournment

The meeting adjourned at 9:47 a.m.

The next regular TP meeting will be held on September 9, 2025.

Action Item Summary

Date	Action	Status	Comments
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No actions identified.