

Market Renewal Working Group

June 14, 2017

Minutes of Meeting

Date held: June 14, 2017	Time held: 9 am – 4 pm	Location held: Crowne Plaza Toronto Airport
Invited/Attended	Company Name	Attendance Status (A)ttended; (R)egrets;
Abdelnour, Francois	IVACO	A
Anderson, Colin	AMPCO	A
Agavriiloai, Ioan	IESO	A
Applebaum, David	NextEra	R
Belanger, Frederic	HQEM	A
Butters, Dave	APPRO	A
Chapman, Tom	IESO	R
Clipsham, Paul	CME	A
Coulbeck, Rob	Goreway	A
Cowx, Emay	Navigant/Decision Partners	A
Daruwala, Farhad	Navigant	A
Deweese, Don	MSP	A
Dottori, Paul	Tembec	A
Ellard, Barbara	IESO	A
Farmer, Chuck	IESO	A
Forsyth, David	Gerdau	R
Griffiths, Sarah	EnerNOC	A
Grunfeld, Benjamin	Navigant	A
King, Ryan	IESO	A
Kuntz, Margaret	TransCanada	A
Lasowski, Frank	Milton Hydro	R
Louw, Brennan	IESO	A
Ma, Alexander	Invenergy	R
Matsugu, Darren	IESO	A
Nusbaum, Stephen	IESO	A
Philips, Patricia	Energy Storage Canada	R
Rioux, Jason	NRSTOR	A
Samat, Sushil	Northland Power	A
Sapona, Ingrid	IESO	A
Sachs, Matthew	Peak Power	R
Sathe, Neetika	Alectra	A

Date held: June 14, 2017	Time held: 9 am – 4 pm	Location held: Crowne Plaza Toronto Airport
Invited/Attended	Company Name	Attendance Status (A)ttended; (R)egrets;
Subramaniam, Hari	Opus One Solutions	A
Tanner, Matt	Navigant	A
Tuck, Jennifer	NextEra	A (on the phone)
Warren, Robert	WeirFoulds	R
Wizniak, Lynn	OPG	A
Wu, Julien	Brookfield	A
Scribe: Ingrid Sapona (Ingrid.Sapona@ieso.ca) -- Please report any corrections, additions or deletions by e-mail to scribe.		

All meeting material is available on the IESO web site at:

<http://www.ieso.ca/en/sector-participants/market-renewal/market-renewal-working-group>

Decisions Reached/Action Items

The MRWG agreed on a number of action items for the coming year:

- 1) produce by this fall a MRWG-authored document that outlines, amongst other things, a high-level workplan for Market Renewal, progress made, and key messages from the working group;
- 2) develop a high-level design by spring/summer next year for one or both of the single schedule market (SSM) and incremental capacity auction (ICA); and
- 3) incorporate the Capacity Export and Enabling System Flexibility SEs into the Market Renewal Framework and continue to pursue solutions on a timely basis.

The IESO also committed to updating the MRWG Terms of Reference to reflect the group's expectations on participation.

Introduction and Roundtable for MRWG Comments

Ryan King welcomed participants and reviewed the day's agenda.

Barbara Ellard announced that Navigant has been retained as the strategic support consultants for Market Renewal with the primary focus of supporting the work of the MRWG.

Sessions 1 and 2: Market Renewal Strategy and Scope (in-camera discussion)

The MRWG had an in-camera discussion on some of the key strategic considerations facing Market Renewal.

Session 3: Stakeholder Process and MRWG Participation

Given the important role the MRWG plays, the IESO asked MRWG members for feedback on members' attendance.

Participants brainstormed about ways that participation can be encouraged, including:

- Members should notify the group in advance as to whether they will attend or send their regrets and ensuring that the minutes indicate attendance;
- Clarify that members are expected to regularly attend and participate; ultimately those who do not meet this expectation could be removed from the group;
- The idea of MRWG members sending an alternate when they are unavailable was explored; some group members supported this idea while others felt continuity was important to the success of the group;
- The idea of some form of compensation to cover costs of participation – as is provided for Technical Panel members – was raised but, on balance was not considered necessary by the group.

In light of member feedback, the IESO committed to revising the terms of reference to reflect attendee's expectations around participation.

The IESO also asked the working group for feedback on the stakeholdering process that's been put in place. In particular, the IESO sought feedback on what steps could be taken to reduce the risk of stakeholder fatigue and ensure a range of stakeholders can be engaged at the right level.

Working group suggestions included:

- Ensuring members have sufficient lead time regarding the meeting schedule – a request was made to provide meeting dates through the end of 2017;
- Providing at least a summary agenda for each meeting well in advance, so people can tell whether a given meeting will cover a topic they are especially interested in and therefore feel they must attend;
- Adding higher-level Market Renewal updates on to the end of Stakeholder Advisory Committee meetings since those are typically well attended;
- Producing quarterly written updates that providing higher-level status updates on Market Renewal; and
- Looking into whether other ISO's have sandbox environments where Ontario stakeholders could explore the types of market mechanisms we're discussing to get a deeper understanding of how they work in practice.

Session 4: Strategic Issues Workplan

Ben Grunfeld, Matt Tanner, and Farhad Daruwala of Navigant, as well as Emay Cowx, of Decision Partners, facilitated a discussion aimed at defining and prioritizing problem statements for the strategic issues agreed to by the MRWG at the previous MRWG meeting.

Participants were asked to rank their top issues among the following choices: Demand Response; Storage; Conservation/Energy Efficiency; Contracts; Gas-Electric; DER (distributed energy resources)/LDC (local distribution company) Integration; Flexibility/Operability; Governance; and Planning.

The group selected Governance; Flexibility/Operability; Contracts; and DER/LDC Integration for discussion with the understanding that the remaining topics would be discussed at a future meeting. The participants were broken into four groups and each group was assigned a specific issue. The groups were asked to then bring forth to the group as a whole their top three fundamental problem statements related to the topic they were assigned. The individual groups were also asked to advise on the timeframe within which they thought their sub-issues needed to be addressed (that is, before completing High Level Designs, before implementation, or post-implementation).

A summary of the problem statements for each issue is provided below.

DER/LDC Integration

- 1) How do we eliminate barriers to entry for DERs?
- 2) How do we cost effectively accommodate DERs moving forward?

Contracts

- 1) What process will be put in place to manage contract amendments?
- 2) What changes are needed to enable Market Renewal and how will we ensure that any changes are fair to both contract holders and other stakeholders?
- 3) What additional changes could be made to remove barriers to participation to open new revenue streams for contract holders and provide greater value to the system?

Members of the working group noted that the topics above applied equally to regulated assets and that the category should be expanded to “Contracted and Regulated Resources”.

Flexibility

- 1) How do we incorporate flexibility requirements into Market Renewal?
- 2) How do we define flexibility needs post ICA?
- 3) How do we accommodate the changing needs of our system going forward?
- 4) How do we optimize across existing and new ancillary service markets?

Governance

- 1) How do we manage “Big G” or government intervention and its potential to undermine the benefits of Market Renewal?
- 2) How do we build confidence around “little g” governance for Market Renewal (for example, decision making and dispute resolution processes)?

Wrap Up

Members asked that the scheduled late summer break be extended through the week after Labour Day and the IESO confirmed that they would not schedule any Market Renewal stakeholder sessions during that week.

Next Meeting: July 19, 2017.