

Agenda Item Summary

Date of Meeting:	August 28, 2019
Presenter:	Leonard Kula, Vice President, Planning, Acquisition & Operations David Short, Director, Transitional Capacity Auction Project Jessica Savage, Director, Corporate & Regulatory Affairs Reena Goyal, Senior Counsel – Senior Manager, Market Rules & Dispute Resolution, and Assistant CRCO James Hunter, Senior Legal Counsel
Agenda Item:	Market rule amendment proposals re: Transitional Capacity Auction
Purpose of item: ¹	Decision
Executive Summary: ²	The IESO is seeking a decision from the IESO Board on proposed market rule amendments regarding the implementation of the first phase of a transitional capacity auction (TCA) (MR-00439-R00-R05). The Technical Panel recommends to the IESO Board that these amendment proposals be adopted.

The Board is being asked to exercise one of the following options:

- Accept the majority vote and recommendation of the Technical Panel to approve adoption of the market rule amendments.
- Not accept the majority vote and recommendation of the Technical Panel; reject the market rule amendment proposals as submitted or with changes made by the Board in its consideration of the market rule amendment proposals.
- Refer the market rule amendment proposals back to the Technical Panel for further consideration and vote, or to any other person to which the Board deems appropriate.

¹ State the purpose of the agenda item: a) Education for a strategic issue, b) soliciting Feedback, or c) a Decision/Recommendation item.

² Provide concise summary of issue, identifying why the item is important to the Board, with distilled analysis, and Management's recommendation.

Significant Issues, Risks and Opportunities:³ During the stakeholder engagement and Technical Panel processes, the Association of Major Power Consumers of Ontario (AMPCO) and the Advanced Energy Management Alliance (AEMA) who represents demand response aggregators stated that while they support transitioning the Demand Response Auction to the TCA, there are ‘discriminatory issues’ that must first be resolved, instead of being reserved for subsequent phases of the TCA.

Materials⁴:

- Memorandum from the Technical Panel Chair
- IESO Summary Presentation
- IESO legal memo (privileged and confidential, so will not be publically available)
- Market Rule Amendment Proposals
 - R00 – Changes to Market Rule Definitions
 - R01 – Participant Authorization and Facility Registration
 - R02 – Auction Parameters and Publication
 - R03 – Energy Market Participation
 - R04 – Non-Performance Charges and Settlement
 - R05 – Removal of DR Pilots and CBDR Sections
- Draft Resolution
- Technical Panel member vote and rationale
- Stakeholder Feedback
 - Advanced Energy Management Alliance (AEMA)
 - Association of Major Power Consumers of Ontario (AMPCO)
 - Enel X
 - AEMA / AMPCO Joint submission
- Consumer Impact Assessment (this assessment is required to support the Ontario Energy Board market rule amendment review process)
- Technical Panel and Stakeholder Comments (this assessment is required to support the Ontario Energy Board market rule amendment review process)
- IESO email to Rodan and AMPCO, dated August 16, 2019

³ Provide concise description of significant issues, risks and opportunities.

⁴ Materials (memo, slides, and reports) are to be concise, providing brief analysis of salient points, risks/opportunities, and Management’s recommendations. If detailed report/ background information is necessary, it should be provided in an appendix with specific direction to key sections.

