



Summary of Stakeholder and Technical Panel Comments on Impact of Rule Amendment on Consumers re Prices, Reliability and Quality of Electricity Service

This form summarizes any stakeholder comments and comments received from any *Technical Panel* discussions with respect to the impact a *market rule amendment* on the interests of consumers with respect to prices and the *reliability* and quality of electricity service.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *Market Rules*.

PART 1 – MARKET RULE INFORMATION

Identification No.:	MR-00439-R00-R05
Title:	Transitional Capacity Auction

PART 2 – SUMMARY OF COMMENTS

Please indicate the forum at which the comments were made and the applicable *market participant* class, if any, of the person making the comment.

Technical Panel Comments

At the August 13, 2019 Technical Panel meeting, multiple Technical Panel members mentioned cost to ratepayers as part of their rationale accompanying their vote. Excerpts from those comments are below with the full remarks posted on the Technical Panel [webpage](#).

Consumer Representative: Implementing the capacity auction will provide greater competitiveness in the market and therefore benefits to consumers.

Generator Representative: Increased competition in the TCA will put downward pressure on the capacity auction clearing prices, which is of interest to ratepayers.

Stakeholder Comments

On May 22, 2019, the IESO posted the draft market rule amendment proposals for review and comment at the “Meeting Ontario’s Capacity Needs: 2020-2024” stakeholder engagement. Eight submissions from stakeholders were received, several with feedback specific to prices and the reliability and quality of electricity service. Those comments are summarized below. The full submissions as well as all feedback received is available on the engagement [webpage](#).

Is this market rule amendment proposal in the interest of consumers with respect to prices?

Advanced Energy Management Alliance (AEMA): Although the TCA will move the procurement of capacity resources to a more competitive model (via an Auction) and therefore a more cost effective price will be procured for capacity resources, further market rule amendments will need to be made to

PART 2 – SUMMARY OF COMMENTS

<p>ensure that equal revenue streams exist in all electricity markets including Energy and Ancillary Services.</p> <p>Enel X: Supports the comments submitted by AEMA.</p> <p>Northland Power: Yes, allowing more competition within the TCA will lower the price of the capacity product, which benefits consumers.</p> <p>Rodan: Yes</p> <p>Workbench Corp: No. Costs are increased by requiring TCA-participating generators to become dispatchable. It seems that a parallel product could be offered by self-schedulers with less investment, thereby enabling the same total capacity at an overall lower auction bid price.</p> <p><u>Is this market rule amendment proposal in the interest of consumers with respect to the reliability of electricity service?</u></p> <p>AEMA: Market rule amendments are moving the procurement of capacity supply resources in the right direction, through competitive auctions.</p> <p>Enel X: Supports the comments submitted by AEMA.</p> <p>Northland Power: Having diverse sources of capacity products may improve the reliability of electricity services and benefit consumers.</p> <p>Rodan: Based on the IESO’s Outlook for resource adequacy, this market rule will help satisfy future anticipated shortfalls.</p> <p>Workbench Corp: Yes</p> <p><u>Is this market rule amendment proposal in the interest of consumers with respect to the quality of electricity service?</u></p> <p>AEMA: Market rule amendments are moving the procurement of capacity supply resources in the right direction, through competitive auctions.</p> <p>Enel X: Supports the comments submitted by AEMA.</p> <p>Northland Power: Having diverse sources of capacity products may improve the reliability of electricity services and benefit consumers.</p> <p>Rodan: No.</p> <p>Workbench Corp: Yes</p>

Date Summaries Prepared: August 16, 2019